

October 22, 2024

To All Concerned Parties

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Latest Frequently Asked Questions and Answers

Thank you for your continued interest in our company. In the interest of fair disclosure, we would like to inform you of the following questions and answers we received particularly frequently from investors concerning our monthly disclosure on October 16, 2024.

Q. There has been a recent widespread robbery in the Kanto region (Tokyo, Kanagawa, Chiba, Saitama), and media coverage of the incident has increased.

Last year, a widespread robbery occurred, severely affecting the company's performance due to a decline in customer demand, which led to a downward revision of the company's financial results.

Has there been any impact on your business due to the media coverage of this incident?

Also, the recently announced September monthly home visit numbers were flat year-on-year for the same month, but are they affected by the widespread robberies?

First, the recently announced September monthly home visit numbers were not affected by the most recent widespread robbery. The incidents have occurred in Tokyo and three prefectures since August 2024, and our analysis indicates that the impact on our home visit purchase business has begun to appear, especially after October, when media coverage of the incidents increased.

As for the impact of this incident on our business currently, we have seen some movement, including a weakening in the number of inquiries, as an increasing number of customers feel uneasy about having an outside person in their homes. The number of visits decreased significantly in conjunction with the decline in the number of inquiries during last year's widespread robberies, and the limited effect of the additional investment in advertising expenses resulted in a downward revision of earnings, especially in terms of profits. On the other hand, the number of home visits did not decrease in tandem with the number of inquiries, and its impact is limited at this point, as the number of repeat customers has been steadily

around 10% since this year. In addition, the Company emphasizes efficient management of its advertising expenditures, strategically identifying periods of high and low returns on investment and flexibly managing these expenditures. Unlike last year, we have improved profitability and increased the probability of achieving our profit plan through these measures.

As for the impact on the current fiscal year ending December 31, 2024, as already disclosed in the monthly report of October 16, 2024, we expect the third quarter results to be in line with our internal assumptions. Even after considering the impact of this matter, the impact on the number of visits has been suppressed as mentioned above, and the unit price per visit is also growing steadily, and the growth of the Group's store purchasing business, including new M&A, will contribute to stabilizing the business portfolio and improving the profitability of the entire Group. Therefore, we do not expect any impact on our full-year forecasts for the fiscal year ending December 31, 2024, at this time.

End.