

November 14, 2024

To All Concerned Parties

Company Name : BuySell Technologies Co., Ltd.
Representative : Kosuke Tokushige,
President, representative director & CEO
Securities code : 7685
Inquiries : Koji Ono, CFO
Telephone : +81-03-3359-0830

Monthly Information for October 2024

We are pleased to announce the monthly results of our " Home visit purchase business " "Group store purchase business " and "other purchase business " for October.

Please refer to the end of this report for the assumptions used for KPI disclosure in each business segment. The next monthly report for November 2024 is scheduled to be released on November 13, 2024.

■Monthly Summary

< Home visit purchase business >

Supplementary Explanation of Monthly KPIs

- The reason for disclosing "purchase volume" as a major KPI within the monthly Information is to disclose monthly business progress based on purchase results. Because our purchased merchandise is less susceptible to market fluctuations and has a stable gross margin, we believe that the disclosure of "Purchases" will help us determine a certain degree of monthly business progress momentum.
- On the other hand, "purchase volume" is part of the components of net sales and gross profit, and the final results will fluctuate depending on other KPIs (such as gross profit per visit and toC sales ratio) and inventory sales strategies.
- As Other supplementary information includes the monthly progress of "number of visits" and "number of stores" disclosed by business segment.
- For details, please refer to the "Supplementary Explanation on KPI for Monthly Data" attached at the end of this document.

October Monthly Progress

- In October, both existing and new assessors contributed to an increase in purchase volume due to the effect of sales enablement and an increase in the number of revisits to improve the unit price, resulting in a record high gross profit per visit for October, which was a solid 864 million yen, 121% of the same month a year earlier. The gross profit per visit in November is expected to be even higher than in October.
- The number of visits in October was 92% of that in the same month of the previous year, as we had planned for October and November to be lower than the prior year based on our policy of controlling the volatility in the number of visits throughout the year. Still, the downward impact on earnings was limited due to the effect of the improvement in gross profit per visit, as mentioned above. The revisit rate for October was about 10.2%.

<Group store purchase business and other purchase business>

- In the group store purchasing business, the purchase amount was 2,055 million yen, up 120% from the same month last year, mainly due to higher-than-expected unit prices resulting from measures to strengthen the acquisition of repeat customers. Excluding the impact of the new consolidation, organic purchase volume was also steady, at 118% of the previous year's level.
- The total number of group stores exceeded the full-year plan, mainly due to new store openings and a strong increase in the number of Four Nine franchise stores.
- Since Musubi's purchase volume is reflected one month late, the purchase volume of the group store purchasing business and other purchasing business in September was retroactively adjusted, increasing from 103% to 127% year-on-year.

< Home visit purchase business >

■Amount of purchases (Million yen)

FY2024	Jan	Feb	Mar	Apr	May	Jun	1H
A of purchases	592	570	675	787	876	753	4,254
YoY	129%	123%	129%	143%	149%	124%	133%

	Jul	Aug	Sep	Oct	Nov	Dec	Full Year
A of purchases	733	612	690	864			
YoY	132%	121%	107%	121%			

■Number of visits

FY2024	Jan	Feb	Mar	Apr	May	Jun	1H
N of visits	19,837	19,174	23,733	24,527	25,968	23,766	137,015
YoY	106%	106%	114%	125%	119%	107%	113%

	Jul	Aug	Sep	Oct	Nov	Dec	Full Year
N of visits	23,570	19,275	23,714	26,372			
YoY	112%	101%	100%	92%			

(Full-year Number of visit plan: 284,800/YoY 109%, 80.7% progress in this fiscal year)

<Group store purchase business and other purchase business>

■Amount of purchases (Million yen)

FY2024	Jan	Feb	Mar	Apr ^{*1}	May	Jun	1H
A of purchases	1,386	1,494	1,775	2,177	2,733	2,251	11,817
YoY	183%	208%	183%	227%	221%	204%	206%

	Jul	Aug	Sep ^{*2}	Oct ^{*3}	Nov	Dec	Full Year
A of purchases	2,180	1,783	1,650	2,055			
YoY	201%	166%	103%	120%			

*1 The purchase amount of Musubi Company was added from April 2024.

*2 Since Musubi's purchase volume is reflected one month late, the July figures are retroactively adjusted from the monthly figures released on October 16. Before the revision, the September purchase volume was 1,650 million yen (103% y/y).

*3 Purchases in August and year-on-year comparison do not include Musubi Corp.

■Number of Stores

Company name	End of the previous period (A) (Dec. 2023)	Sep. 2024 (B)	Oct. 2024 (C)	increase or decrease		Remark: Opening and Closing of Stores etc,
				(C)-(A)	(C)-(B)	
BuySell Technologies	23	32	32	+9	-	
TIMELESS	26	33	34	+8	+1	MARUI-IMAI, Hakodate
Four-Nine (direct management)	19	19	20	+1	+1	
Four-Nine (franchises)	200	228	233	+33	+5	7 stores opened, and 2 stores closed
NISSO	5	5	5	-	-	
MUSUBI	-	60	61	+61	-	SETO-NISHI, Aichi
Group total	273	377	385	+112	+8	

End.

(note)

- The above results are preliminary and may be revised at a later date.
Figures in this document are unaudited.
- P/L consolidation of Four-nine from October 2022, Nisso from January 2024, and Musubi from April 2024.
- Number of visit: Several visits to customers' homes by our field salespersons.
- Amount of purchases: Total amount of items purchased from customers (before elimination of intercompany transactions).

(Assumptions for KPI disclosure in each business)

● **Home visit purchase business**

Disclose "Number of visits," and "Amount of purchases" as monthly KPIs.

The number of visits and the purchase amount are defined as key indicators of monthly progress in our main business, the home visit purchase business (on a non-consolidated basis). We define "number of visits," and "purchase amount" as KPIs to be disclosed as important indicators of monthly progress in our main business (non-consolidated), home visit purchase business.

*Based on the policy of expanding profitability, the Company has adopted a policy of disclosing "purchase amount" instead of "sales" as a monthly performance indicator for the "home visit purchase business", to strategically determine and execute the selection of sales channels and timing of sales according to inventory conditions and other factors.

Such purchases are recorded as net sales when sold after a certain period.

● **Group store purchase business and other purchase business.**

Disclose "Amount of purchases" and "Number of Stores" as monthly KPIs.

In addition to the Group's overall store purchase business (consolidated), this segment consists of home delivery purchasing, auction purchasing, and supplier purchasing. The "number of stores" and "amount of purchases" are defined as disclosed KPIs as important indicators of monthly progress in this business.

(Reference) Supplementary Explanation of KPI in Monthly Information

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Average inventory turnover: approx. 60 days (BuySell stand-alone)

