

Medium-Term Management Plan (FY03/2027~FY03/2029)

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Syuppin Co., Ltd.



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1. Medium-Term Management Plan

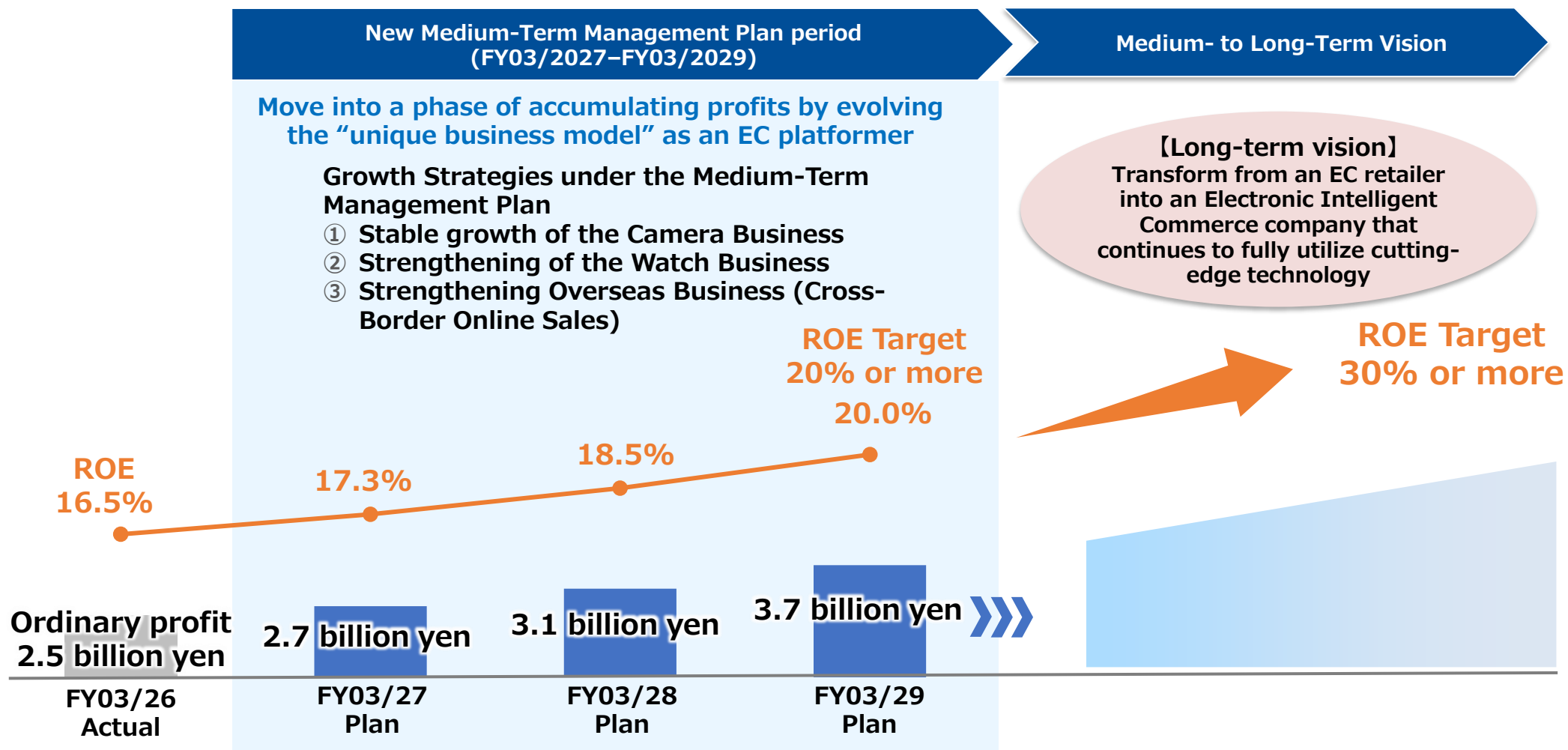
1.1 Management Policy and Quantitative Targets

1.2 Business Strategy

1.3 Capital and Financial Strategy

Positioning of the Long-Term Vision and the Medium-Term Management Plan

- As its long-term vision, the Company advocates its transformation into an “Electronic Intelligent Commerce company” that fully utilizes cutting-edge technology
- As the first step toward realizing its long-term vision, the Company has set FY03/2027 to FY03/2029 as the period of the new Medium-Term Management Plan
- To promptly reflect changes in the business environment, the Company will operate the plan using a rolling method under which the plan is updated each fiscal year

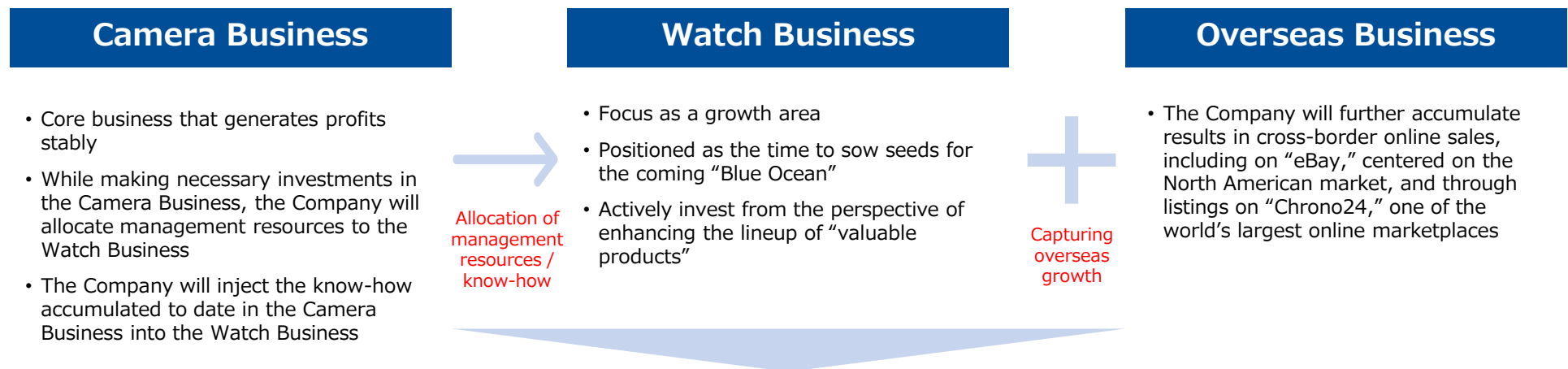


Management Policy under the Medium-Term Management Plan

- As an EC platformer, move into a phase of accumulating profits through evolution into a “unique business model”
- The Company will allocate management resources to the Watch Business, where higher growth is expected

Growth Strategies under the Medium-Term Management Plan

- ① Stable growth of the Camera Business
- ② Strengthening of the Watch Business
- ③ Strengthening Overseas Business
(Cross-Border Online Sales)



The Company will record profits stably in the Camera Business while allocating management resources to the Watch Business

The Company will continue to actively engage in overseas business, where growth is significant, and focus on accumulating profits company-wide

Target Management Indicators (KPIs and Quantitative Plan)

- Through the steady execution of each growth strategy, the Company will increase both net sales and profit during the Medium-Term Management Plan period
- The Company's policy is to achieve ROE of 20% by not only increasing profit but also implementing proactive investments and shareholder returns

(Unit: 100 million yen)

	FY03/26 Actual	FY03/27 Plan	FY03/28 Plan	FY03/29 Plan
Net sale (EC sales)	519 (392)	551 (424)	590 (445)	633 (468)
Gross profit (Gross profit margin)	98 (18.8%)	105 (19.1%)	115 (19.5%)	127 (20.0%)
SGA expenses (SGA expenses ratio)	72 (13.9%)	78 (14.1%)	84 (14.2%)	89 (14.1%)
Operating profit (Operating profit margin)	25 (4.9%)	28 (5.0%)	32 (5.4%)	37 (5.9%)
Ordinary profit (Ordinary profit margin)	25 (4.8%)	27 (4.9%)	31 (5.3%)	37 (5.8%)
Net income (Net income margin)	17 (3.2%)	19 (3.4%)	21 (3.6%)	25 (4.0%)
ROE	16.5%	17.3%	18.5%	20.0%
Dividend payout ratio	59.8%	45.9%	45.5%	45.3%

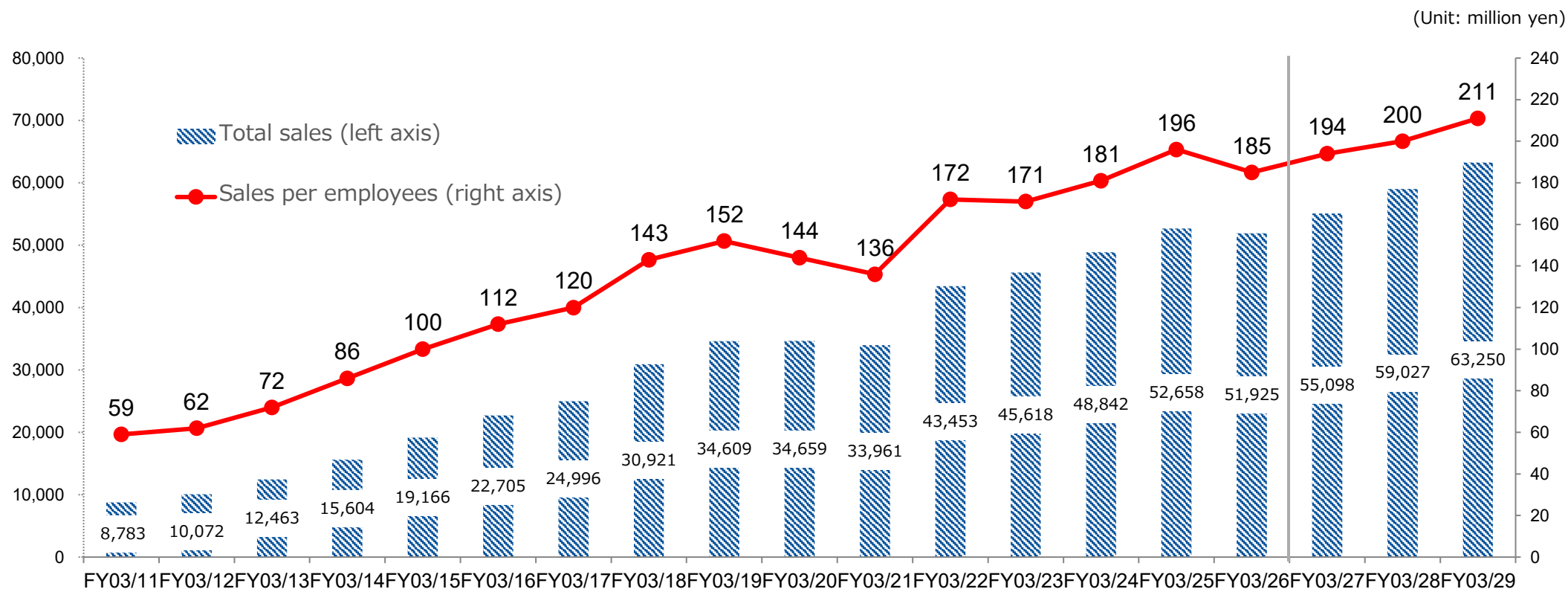
Target Management Indicators (KPIs and Quantitative Plan) by Segment

- Through the steady execution of each business strategy, the Company will increase net sales and online net sales in all businesses during the Medium-Term Management Plan period

(Unit: 100 million yen)

		FY03/26 Actual	FY03/27 Plan	FY03/28 Plan	FY03/29 Plan
Net sales (EC)	Camera business	407 (344)	433 (372)	444 (381)	455 (392)
	Watch business	104 (42)	113 (48)	141 (60)	171 (72)
	Stationery business	4.8 (3.4)	5.7 (4.1)	6.0 (4.3)	6.3 (4.5)

Mid-term Sales and Personnel Plan



Number of employees / Sales per employees

Plan

(Unit : person, million yen)

	FY03/14	FY03/15	FY03/16	FY03/17	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26	FY03/27	FY03/28	FY03/29
No. of employees (including temporary and part-time work)	184	197	205	210	216	229	248	252	253	266	270	269	281	284	295	300
Sales per employees	86	100	112	120	143	152	144	136	172	171	181	196	185	194	200	211

*Sales per employees = Annual net sales / Average number of employees at beginning and end of fiscal year (including temporary and part-time work)

*New graduate recruitment started in FY03/2019

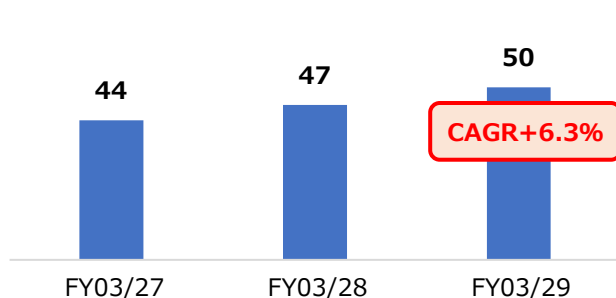
Plan by Business (Ordinary Profit and GMROI)

- In addition to the core Camera Business, the Company will make the Watch Business, which has high growth rates in both ordinary profit and GMROI, a driver of growth, aiming to steadily accumulate company-wide profits and achieve medium- to long-term profit growth

Ordinary profit

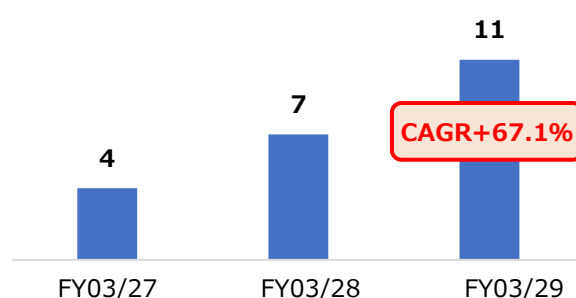
Camera business

(Unit: 100 million yen)



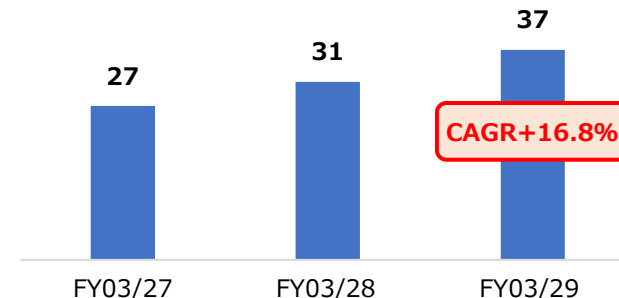
Watch Business

(Unit: 100 million yen)



Company-wide

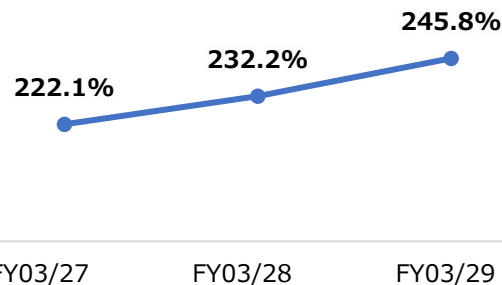
(Unit: 100 million yen)



GMROI

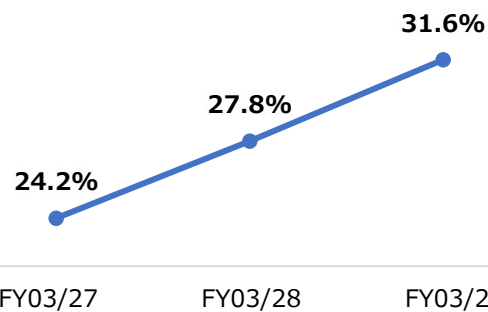
Camera business

CAGR+5.2%



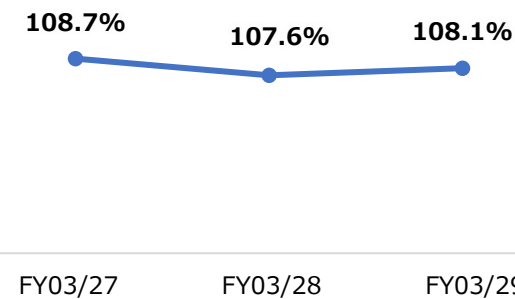
Watch Business

CAGR+14.2%



Company-wide

CAGR-0.3%



(Note) GMROI: gross profit ÷ average inventory during the period

1.1 Management Policy and Quantitative Targets

1.2 Business Strategy

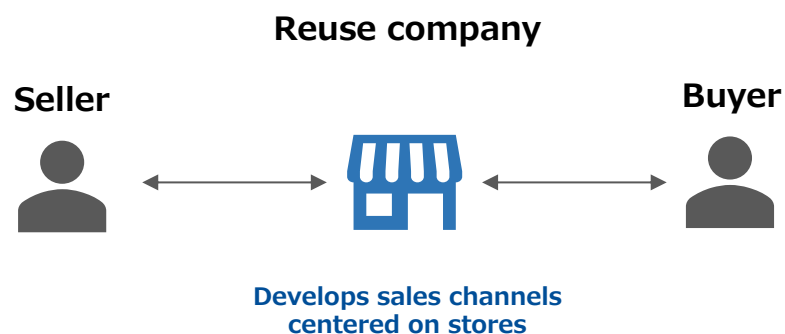
1.3 Capital and Financial Strategy

***The Board of Directors continues to discuss management conscious of capital cost.**

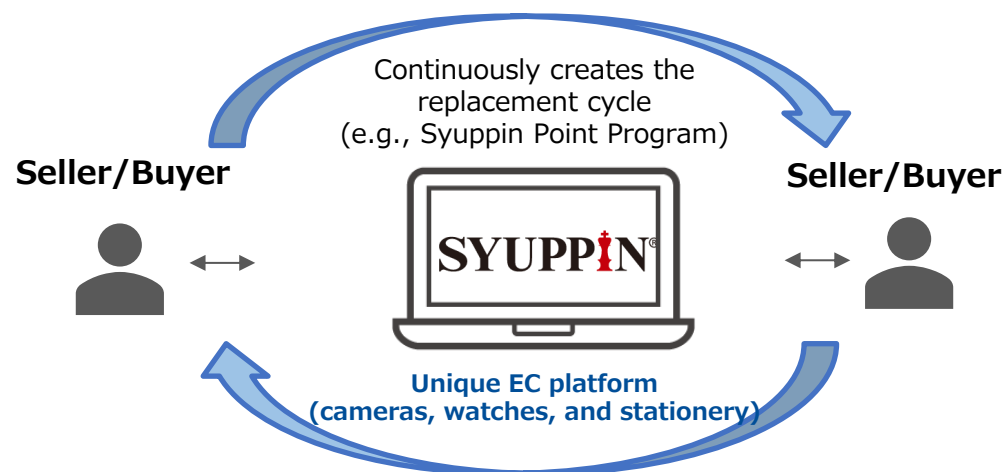
The Company's Unique Business Model

- The Company has built a unique marketplace where new products and pre-owned luxury products can be bought and sold, creating a new EC market
(Develops a business model that differs from store-based reuse companies)
- Leveraging know-how from the Camera Business, which is its core area, the Company has expanded its fields into the Watch Business and Stationery Business

Store-based sales model



The Company's unique model as an EC platformer



Operations centered **on in-person purchases at stores**

Inventory stagnation and other costs arise

because management based on store inventories is required

A style in which customers visit stores because the sales format uses physical stores

Restrictions arise on store-opening areas and the commercial area because the sales format depends on physical stores.

Purchases /
Procurement

AI "AIMD" conducts highly accurate and automated purchase appraisals, realizing purchases at **appropriate prices through operations**

Inventory
management

Through a sales format centered on the EC platform, the Company **keeps the cost of holding products (inventory) at a low level**

Marketing

A style in which the Company directly visits customers' smartphones and other devices through **One to One marketing**

Sales

A sales strategy centered on **the EC platform without multi-store expansion**

The Company's Competitive Advantages

- The Company creates a new EC market while leveraging the know-how of the Camera Business to expand its business fields
- Furthermore, through efficient operations utilizing digital technology, the Company captures domestic and overseas demand and realizes sustainable growth

Creation of a unique marketplace where new products and pre-owned luxury products can be bought and sold

- The Company has built a marketplace for new products and pre-owned luxury products, creating a new EC market
- Leveraging the know-how of the Camera Business, which is its core business, the Company has expanded its fields of development into the Watch Business and Stationery Business
- Through an EC-centered sales strategy, the Company has only one physical store without multi-store expansion, realizing efficient business operations

Develops highly efficient and high-value-added operations utilizing digital technology

- Highly accurate and automated purchase and sales price setting using AI "AIMD"
- Through One to One marketing, which directly visits customers' devices, the Company expands touchpoints with customers and business opportunities
- Through a business structure centered on the EC platform, the Company develops high-value-added operations that realize low cost, high efficiency, and high purchase prices

Capturing overseas demand through cross-border online sales

- Through collaboration including Hall of Fame status on "eBay," centered on the North American market, and listings on "Chrono24," one of the world's largest online marketplaces, the Company is able to sell stably to countries around the world, centered on high ratings of 100% Positive Feedback in both markets

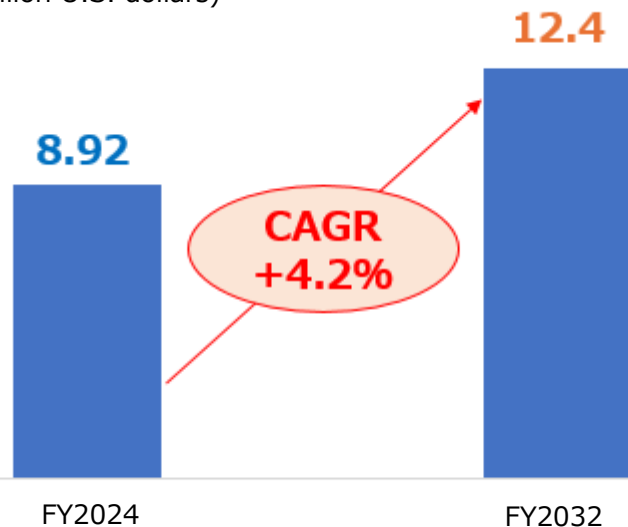
Growth Strategy (1): Growth Strategy for the Camera Business

A growth strategy that leverages MapCamera's unique branding power to acquire market share in new markets

Market forecast: Overview of the global digital Camera market (New products)

Market expansion is being driven by continuous technological innovation, rising consumer demand for high-quality imaging, the strong presence of major camera manufacturers, and the growing popularity of social media and content creation, increasing the need for advanced digital cameras.

(Unit: billion U.S. dollars)



(Source) Date Bridge Market Research, "Global Digital Camera Market Size, Share, Trend Analysis Report"
<https://www.databridgemarketresearch.com/jp/reports/global-digital-camera-market>

Growth strategies and execution measures

- **Revitalization of the Syuppin Point Program**
 - Retention of both new and existing customers
 - Advantage at the time of purchasing new products
 - Initiatives that leverage the stability of the financial base

➡ **Establishment of the Syuppin economic zone**
- **One to One Marketing**
- **Customer services utilizing AI and technology**
 - Renewal of the EC site after completion of the core system replacement
 - Plans to launch new customer services

➡ **Further improvement in the activeness ratio**
- **Promoting a new worldview**
 - "Camera is Fashion" Acquiring new customers from the apparel market
 - Special in-person event "TOP NOTCH" (Launched in March 2025)

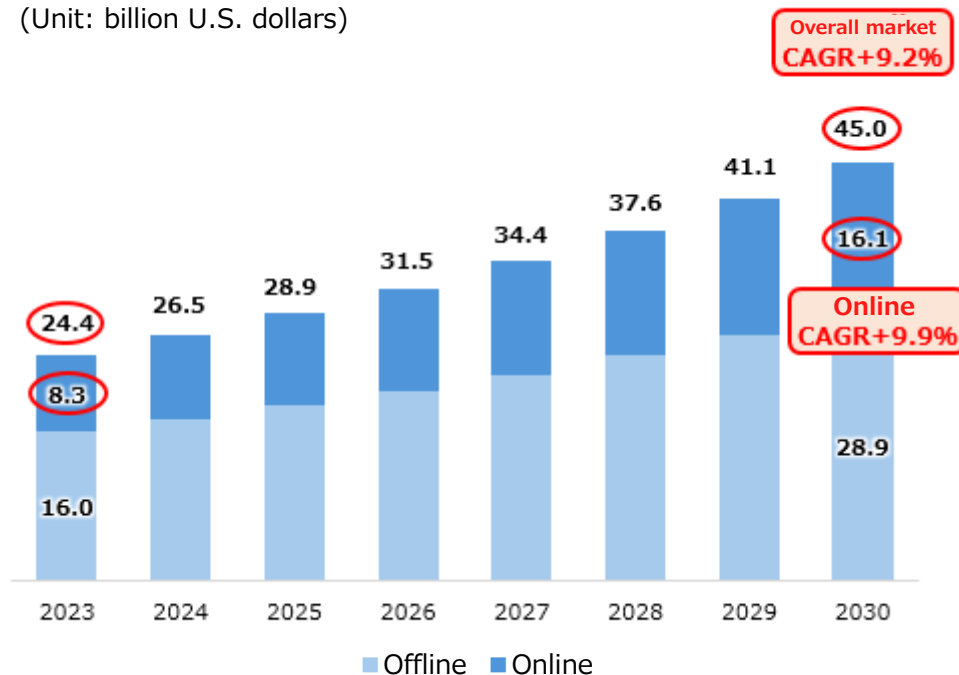
➡ **Acquisition of new customers**

Growth Strategy (2): Growth Strategy for the Watch Business

Market forecast: Global pre-owned luxury Watch market size by sales channel

The global pre-owned luxury watch market is expected to grow at an average annual rate of 9.2% through 2030, expanding to a scale of 45.0 billion U.S. dollars. Of this, the market size of the online channel is expected to grow at an average annual rate of 9.9% and expand to 16.1 billion U.S. dollars.

(Unit: billion U.S. dollars)



(Source) Created based on GRAND VIEW RESEARCH, "Pre-Owned Luxury Watches Market (2024–2030)"

Growth strategy for becoming the No. 1 luxury mechanical watch brand in online sales

【The Future as envisioned by Syuppin】

- ① Expansion of the pre-owned luxury watch market
- ② Trading of pre-owned luxury watches will become common in the EC market
- ③ The affluent market will expand, and demand will also increase

Blue Ocean

【Preparation for the Coming Era】

- ① Utilize the successful experience in the Camera Business
...Create abundant content such as articles and videos
- ② The company aims to differentiate itself by **expanding its product lineup**, focusing on high-priced, rare, and highly valuable items
- ③ Develop SR and CRM initiatives for affluent customers

Growth Strategy (2): Growth Strategy for the Watch Business

- Through the progress of online sales, expansion of the luxury watch market, and increase in the proportion of affluent consumers, the pre-owned watch market will become a “Blue Ocean”
- The Watch Business, where the Company can leverage the know-how and business foundation cultivated in the Camera Business, is an attractive area for the Company
- The present is the time to sow seeds for the coming “Blue Ocean”

Forecast online net sales of pre-owned luxury watches

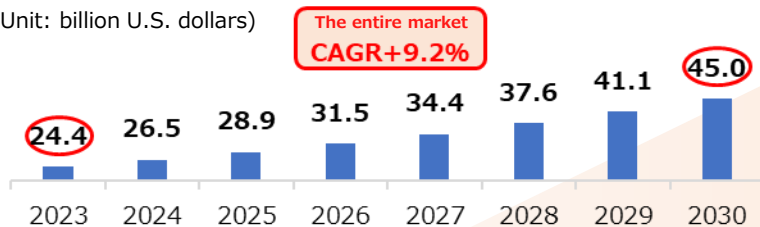
(Unit: billion U.S. dollars)



(Source) Created based on GRAND VIEW RESEARCH, “Pre-Owned Luxury Watches Market (2024–2030)”

Forecast net sales of pre-owned luxury watches (overall)

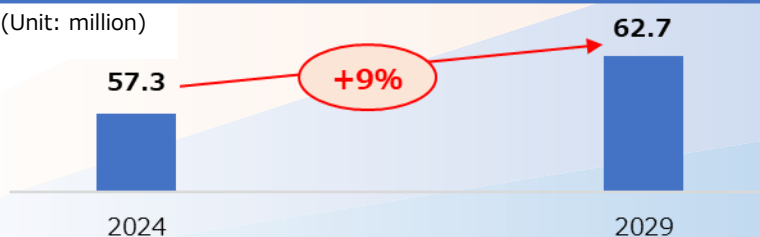
(Unit: billion U.S. dollars)



(Source) Created based on GRAND VIEW RESEARCH, “Pre-Owned Luxury Watches Market (2024–2030)”

Trend of the affluent population (holders of 1 million U.S. dollars or more)

(Unit: million)



(Source) Created based on UBS, “Global Wealth Report 2025”

Progress of online sales



Expansion of the pre-owned luxury watch market



Increase in the proportion of affluent consumers

GMT



BRILLER

Blue Ocean

Growth Strategy (2): Growth Strategy for the Watch Business

The Watch Business is a growth area where the Company can make the maximum use of the know-how it has cultivated to date in the “EC platform” and “One to One marketing,” and the Company will continue to actively allocate management resources while also taking into account its current financial condition

Affinity and synergies between the Watch Business and the Camera Business

- Similarity of the products themselves
⇒Both are small, high-value-added products, with high sales efficiency (watches > cameras), and low stock costs
- Similarity of operations
⇒Know-how, including systems-related know-how, can be shared from product procurement to product storage and sales
- Affinity with the existing customer base
⇒Affinity among affluent consumers is high, and improvement in LTV (customer lifetime value) is expected
- EC × expertise
⇒The Company can utilize its strengths in authenticity assessment, product knowledge, and data utilization (purchase price setting)
- Global expansion
⇒Brands are common worldwide, and there is significant room to expand cross-border online sales

Business expansion premised on financial soundness

- The Company’s policy is to make proactive investments to enhance the lineup centered on high-priced and rare products, based on operating cash flow and financial conditions
- For products that remain in inventory for a long time, sales or disposals are carried out after being revised to appropriate prices (market prices) in accordance with internal rules, and accounting treatment is handled correctly under the guidance of the auditing firm

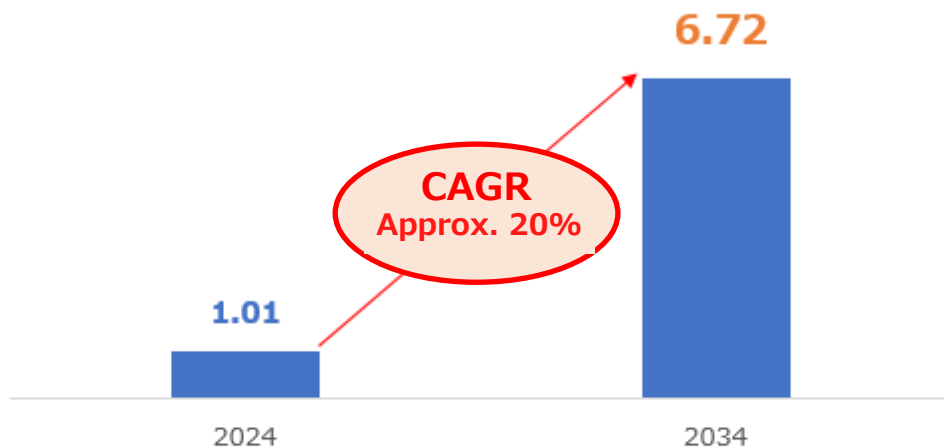
Growth Strategy (3): Strengthening Overseas Business (Cross-Border Online Sales)

The main KPI for cross-border online sales is set as “**buyer feedback.**” The Company aims to expand sales by maintaining high quality

Market forecast: Global cross-border online sales market size

The global cross-border online sales market is projected to grow at an average annual rate of approximately 20% through 2034 and reach **6.72 trillion U.S. dollars in 2034**

(Unit: trillion U.S. dollars)



(Source) Created based on the Ministry of Economy, Trade and Industry's "FY2024 Market Survey Report on Electronic Commerce"

Growth strategy

- **Camera Business “eBay”**
 - (Last 12 months) Feedback: **Positive FB 100%**
 - Sales record: Approximately 125,000 items



Achieved 100% while increasing sales volume

- **Watch Business “eBay” / “Chrono24”**
 - (Last 12 months) Feedback: **Positive FB 100%**
★4.9/★5
 - Sales record: 2,190 items / 934 items

Aiming to further increase sales volume while **maintaining high ratings**

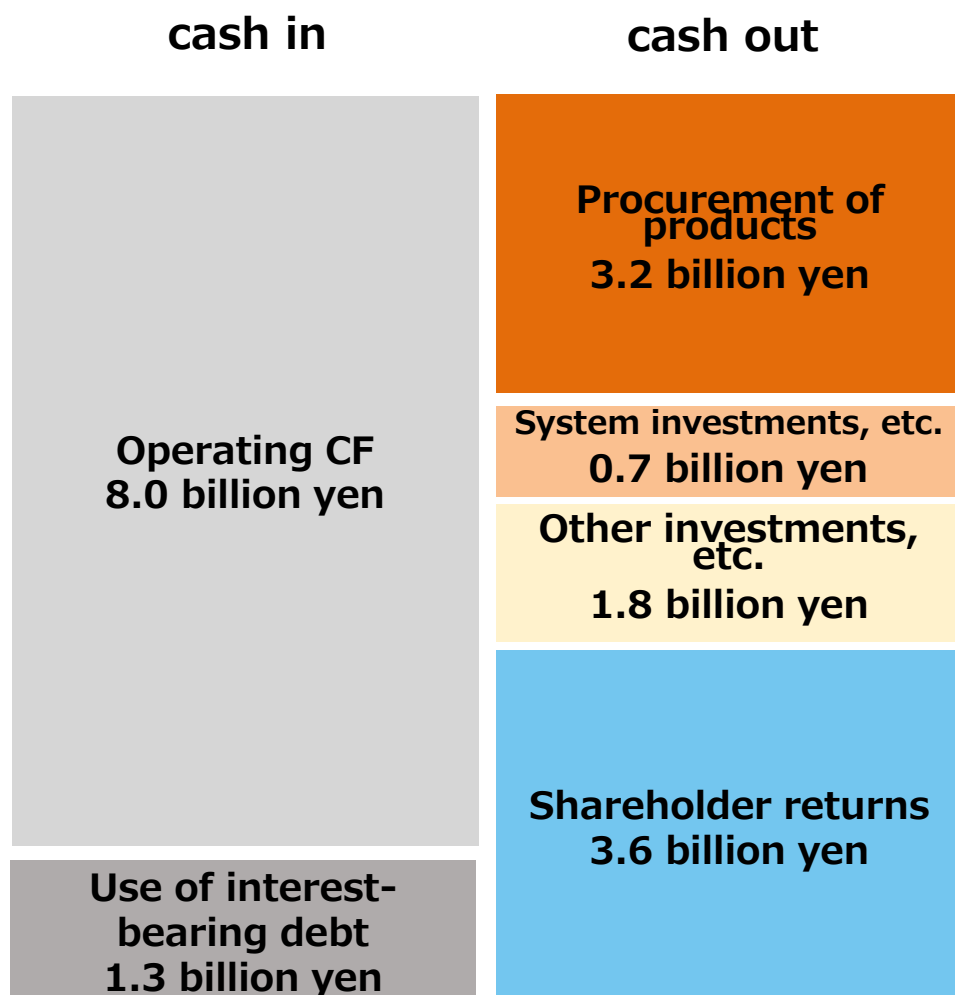
1.1 Management Policy and Quantitative Targets

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1.3 Capital and Financial Strategy

Capital Allocation (Three-Year Cumulative Total under the Medium-Term Management Plan)

- Giving top priority to shareholder returns, the Company will continuously implement stable dividends in line with profit growth based on a dividend payout ratio standard of 40–50%
- The Company's policy is to prioritize strengthening procurement for the purpose of enhancing the product lineup and aim for sustainable profit growth



Cash allocation policy

Procurement of products

- Strengthening product procurement for the purpose of enhancing the product lineup in the Watch Business: 3.2 billion yen

System investments, etc.

- System investments, etc. associated with strengthening (replacing) the EC platform: 0.7 billion yen

Other investments, etc.

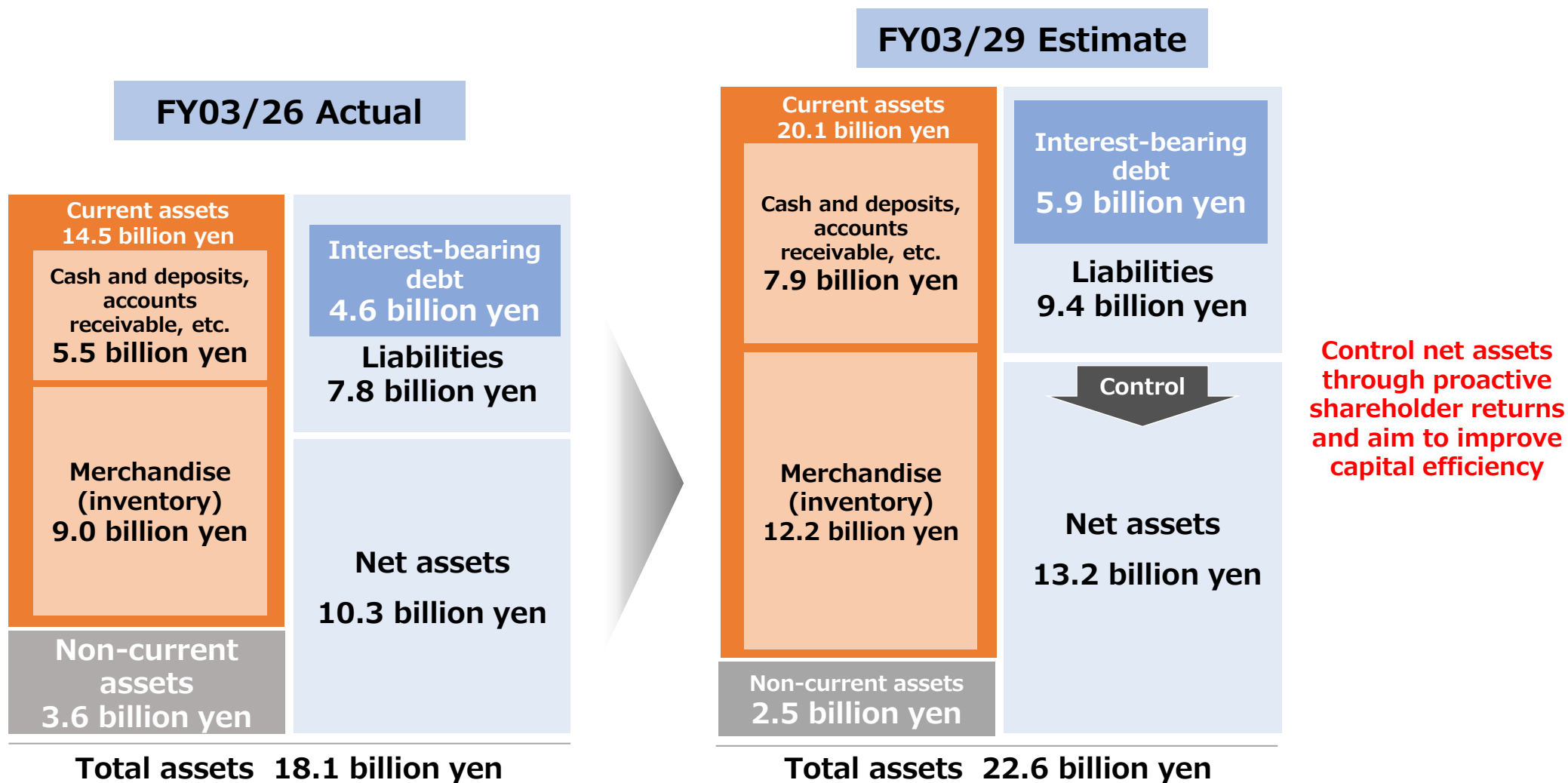
- Human resource investments for business growth and expansion, strategic investments such as M&A, and securing liquidity for the purpose of optimizing the level of cash and deposits: 1.8 billion yen

Shareholder returns

- Continuously implement stable dividends in line with profit growth based on a dividend payout ratio standard of 40–50%
- Also consider implementing flexible share buybacks

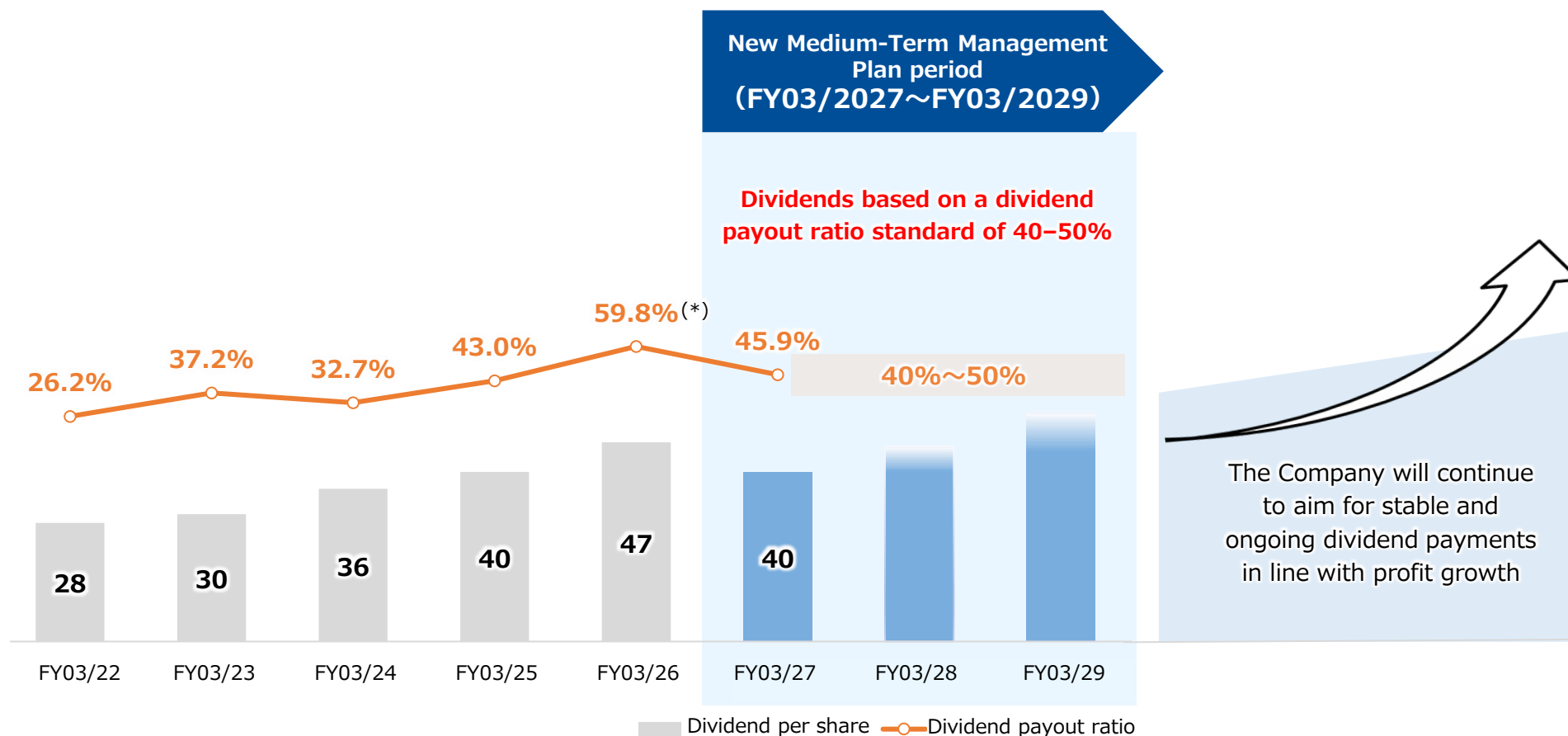
Target BS Image

- Although merchandise is expected to increase due to strengthened product procurement, operations will be conducted based on financial discipline
- During the Medium-Term Management Plan period, the Company will continue to ensure financial stability centered on an overwhelmingly high liquidity ratio
- The Company will continue to aim for further improvement in capital efficiency by controlling net assets through proactive shareholder returns



Shareholder Return Policy

- The Company's basic policy is to maintain stable and ongoing dividend payments in line with profit growth based on a dividend payout ratio standard of 40–50%
- The Company will continue to implement shareholder returns with a focus on capital efficiency, considering the balance with earnings trends, investment plans, and other factors, as well as financial soundness



*Although the dividend payout ratio for the current fiscal year is 59% due in part to the impact of the downward revision, the Company considers the causes of the downward revision to be short-term and improvable, and therefore has decided to maintain the dividend amount unchanged.

Disclaimer on earnings forecasts

- The materials and information provided in this presentation include so-called “forward-looking statements.” These statements are based on current expectations, forecasts, and assumptions that involve risks, and contain uncertainties that may cause results to differ materially from these statements.
- These risks and uncertainties include general industry and market conditions, as well as general domestic and international economic conditions such as interest rates and currency exchange fluctuations.
- Even if new information, future events, or other developments occur in the future, the Company assumes no obligation to update or revise the “forward-looking statements” included in this presentation.