



Q3 FY 03/22

Financial Results Presentation

CROOZ, Inc.

TSE JASDAQ Standard; Code 2138

Key strategies for CROOZ

- 1 Make SHOPLIST a brand that represents fast fashion e-commerce
- 2 Invest in new businesses to create second and third core businesses after SHOPLIST^{*1}
- 3 Adopt two-pronged strategy for new businesses: (1) new launches within group, and (2) M&A^{*1}
- 4 100 managers x JPY10.0bn business^{*2}

*1 CROOZ Group's policies going forward. [Click here](#) for details.

*2 To be achieved through CROOZ' Vision for Continual Evolution. [Click here](#) for details.

Consolidated results summary

Key strategy	Make SHOPLIST a brand that represents fast fashion e-commerce			
Medium- to long-term targets	Annual sales JPY 100.0 bn	Annual unique purchasers 5 mn	Average annual spend per user JPY 20,000	Annual frequency of purchases per user 4 times
Q3 FY03/22	JPY 27.1 bn (FY03/21 result)	1.71 mn	JPY 14,753 *	2.5 times *

* Figures are updated at the end of each fiscal year. Figures are as of end-March 2021.

Consolidated results summary

(million yen)

	Q2 FY03/21	Q2 FY03/22	YoY
Transaction value	10,297	8,710	-15.4%
Operating profit	750	213	-71.6%
EBITDA	835	284	-66.0%

*Due to the adoption of the Accounting Standard for Revenue Recognition from Q1 FY03/22, sales for the E-commerce business, Online Advertising and Media business, and other businesses are reported on a net basis (sales [transaction value] less purchase costs; sales were previously reported in gross amounts). For comparison purposes, we are disclosing transaction values instead of sales from Q1 FY03/22 onward, so please keep that in mind when making YoY comparisons.

Earnings Summary by Segment

(million yen)

	Q3 2021		Q3 2022		YoY Change	
	Transaction value	Operating profit	Transaction value	Operating profit	Transaction value	Operating profit
E-commerce	8,368	474	6,930	251	-17.2%	-46.9%
Game	559	4	616	-158	10.2%	-
Online Advertising and Media	711	134	760	152	7%	13.6%
Investment	263	147	3	-34	-98.8%	-
Other	394	-9	399	1	1.1%	-

*CROOZ Group has set a policy of further strengthening its focus on e-commerce as an e-commerce solutions company. In line with this policy, the company has revised its reporting segments from Q1 FY03/22 to the following four: E-commerce, Game, Online Advertising and Media, and Investment.

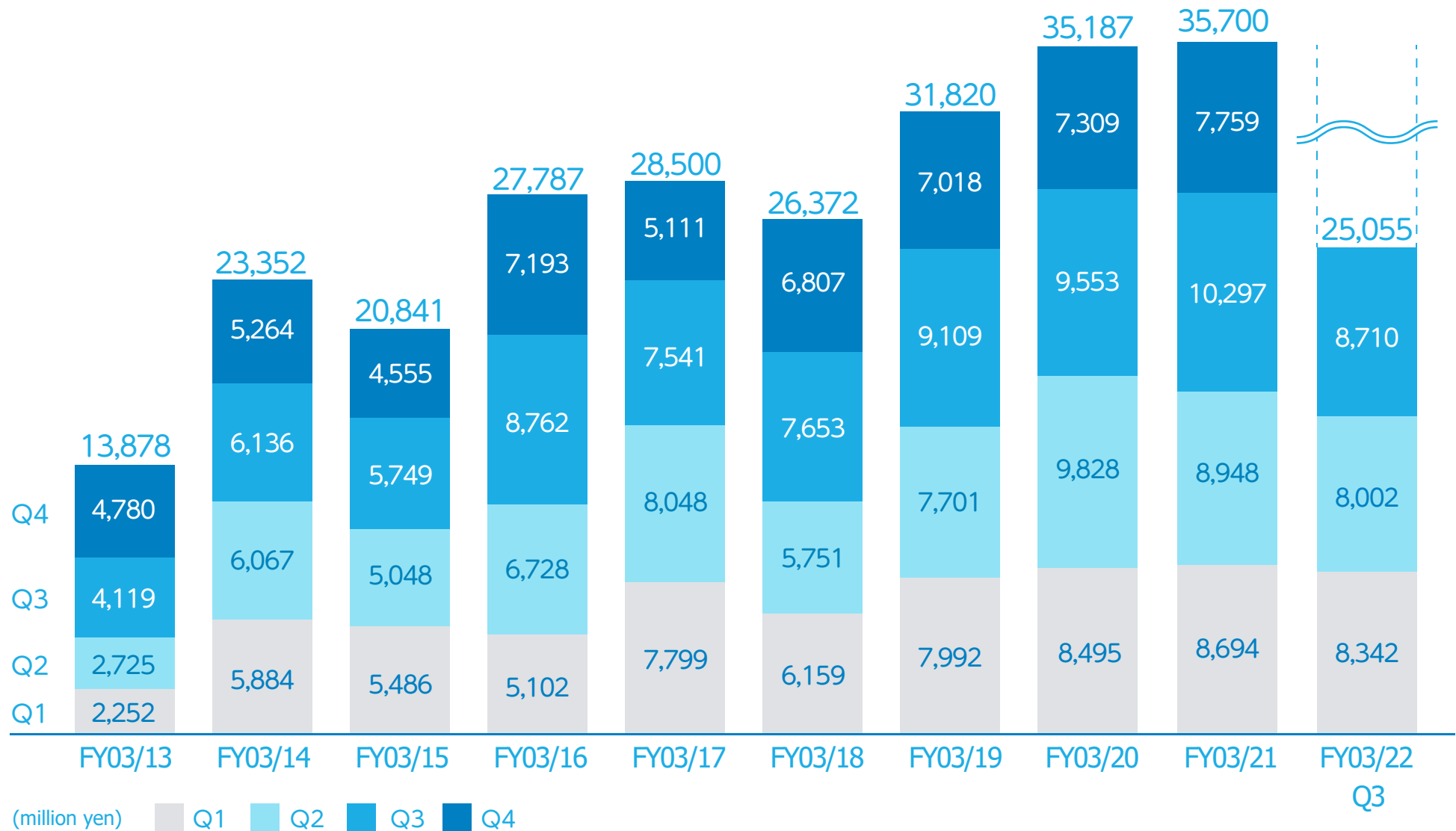
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Consolidated balance sheet summary

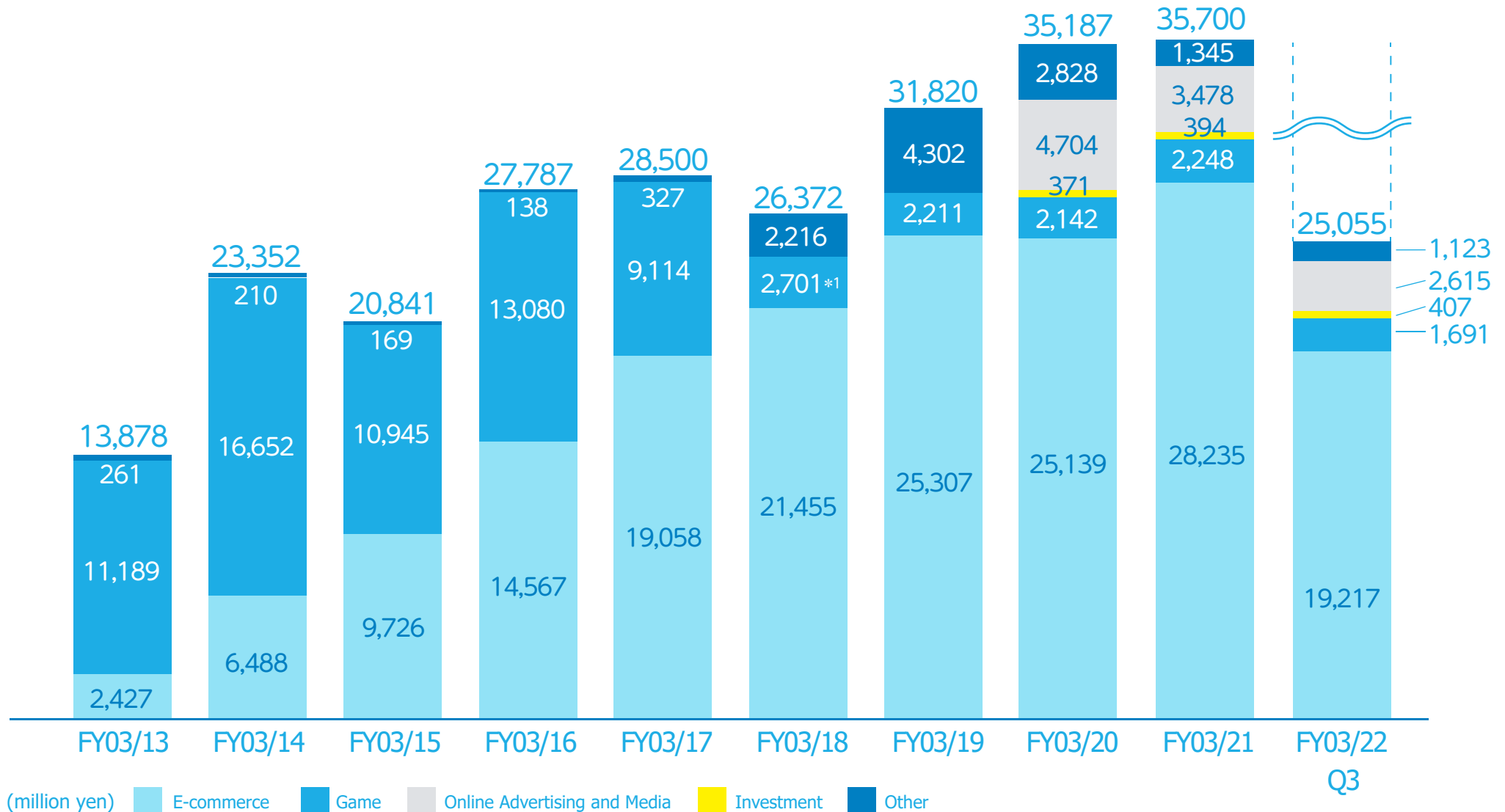
(million yen)

	Q4 FY03/21	Q3 FY03/22	YoY
Current assets	22,295	19,218	-13.8%
Cash and deposits	15,056	14,329	-4.8%
Non-current assets	4,628	8,246	78.2%
Goodwill	326	264	-19.0%
Total assets	27,072	27,598	1.9%
Current liabilities	6,054	7,191	18.8%
Non-current liabilities	11,273	10,368	-8.0%
Total liabilities	17,327	17,559	1.3%
Total net assets	9,744	10,039	3.0%

Trends of transaction value



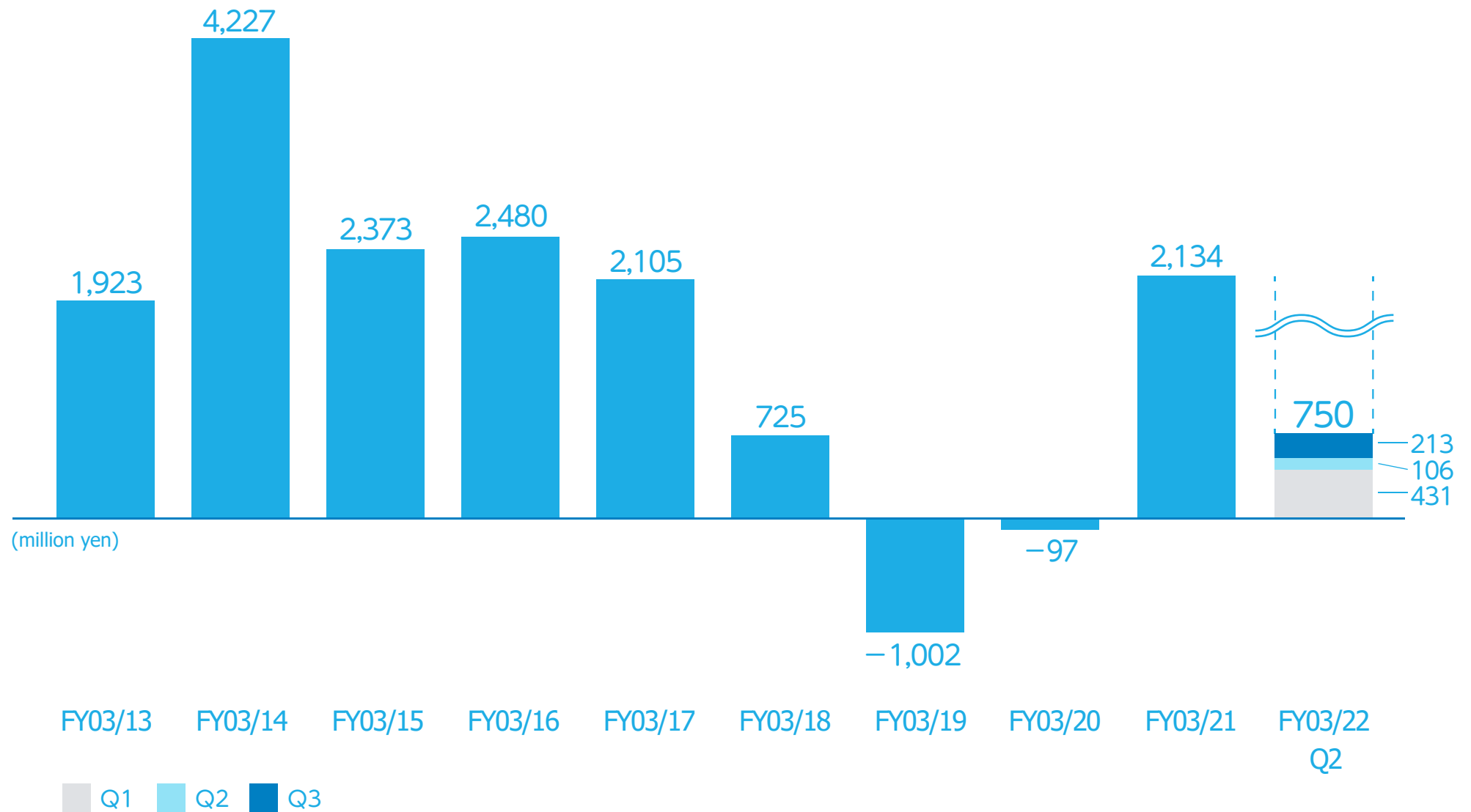
Trends of transaction value (by segment)



*1 In November 2016, CROOZ sold the bulk of its IT Businesses operations, retaining only a portion of the business.

*2 From Q1 FY03/22 the Group has changed its reporting segments to the following four: E-Commerce, Game, Online Advertising and Media, and Investment.

Operating profit trends



Ultralong objective for CROOZ

Ultralong objective	Expand market cap to JPY1tn by 20XX			
Medium- to long-term targets	SHOPLIST annual sales JPY100.0bn	Second and third businesses after SHOPLIST 10	Businesses with sales of JPY1.0bn or more 100	Representative directors 100
Q3 FY03/22	JPY27.1bn (FY03/21 result)	0	6*	22

* Includes businesses expected to generate sales of JPY1.0bn or more over the medium to long term.

Investment strategy concerning new businesses

To achieve our long-term goal of “market capitalization of 1 trillion yen ” as soon as possible, we will further strengthen our focus on the growth industry of e-commerce as an e-commerce solutions company, including by developing new businesses and carrying out M&A, centered on SHOPLIST.com by CROOZ.

The CROOZ GROUP comprises the pure holding company CROOZ, Inc., and the present 22 subsidiaries.

E-commerce field

CROOZ SHOPLIST, Inc.

Planning, development, and operation of fashion e-commerce platform SHOPLIST.com by CROOZ

CROOZ EC Partners, Inc.

Solutions business handling e-commerce website system development, contracted operation, fulfilment, etc.

Social games field

StudioZ, Inc.

Planning, development, and operation of smartphone games

Media/advertising field

CROOZ Media Partners, Inc.

Agency business mainly handling advertising and media

Rank King, Inc.

Planning, development, and operation of e-commerce media Rank king.

Investment/
financing field

Sevenwoods Investment, Inc.

Operation of fund of fund (FoF) business (specializing in private equity funds) and investment business focused on domestic and overseas startups

* As of December 30, 2021, CROOZ had also set up 8 other subsidiaries. These are not listed above because the impact and probability of success for these ventures are unclear at present. If there is any progress with related initiatives, we will provide reports through appropriate channels such as press releases and results briefing materials.

* Venture capital funds such as Sevenwoods Investment 1 Limited Partnership etc are excluded from numbers of subsidiaries above.

Glossary

	Meaning / definition
EBITDA	Operating profit that excludes M&A-related goodwill amortization and other non-recurring factors
Annual unique purchasers	The number of unique purchasers that have purchased products from SHOPLIST at least once in the most recent year * If a user purchases items on four separate occasions during the period, that user is still counted as one unique purchaser.
Vision for Continual Evolution	A framework to create the strongest company organization through an ecosystem of people, equipment, and money, and facilitate (1) the creation and growth of next-generation businesses, (2) the development and growth of next-generation managers, and (3) continued development at the pace of a venture company

Reference Earnings forecasts

The CROOZ Group operates in a business environment that is susceptible to major changes, and aggressively engages in new businesses and businesses distinguished by a high degree of novelty.

This makes it difficult to calculate appropriate and reasonable forecasts, and the Group has therefore not disclosed earnings forecasts since FY03/15.

The material herein contains medium- to long-term plans and forecasts made by CROOZ.

The information contained in these pages is not intended to guarantee the future business results of the company and bears certain risks and uncertainties.

As future business results can be affected by various factors and may change from the company outlook, we ask the reader to refrain from relying solely on the information presented herein.