



**TREASURE FACTORY**

**Treasure Factory Co., Ltd.**

# **Presentation Materials**

**Six Months Ended August 31, 2025**  
(March 2025 to August 2025)

**October 9, 2025**

# Summary of Financial Results

1

Net sales and operating profit for the first six months grew by more than +10% YOY

- Achieved net sales of **22.4 billion** yen (**114.5%** YOY) and operating profit of **1.9 billion** yen (**110.0%** YOY)
- **Both net sales and operating profit** for first six months exceeded **record-high** levels

2

Non-consolidated existing stores exceeded YOY sales for 48 consecutive months

- Growth rate of existing stores in the first six months exceeded plan, achieving **104.3%** YOY
- Non-consolidated existing stores exceeded YOY sales for **48 consecutive months** from September 2021 through August 2025

3

Non-consolidated existing stores achieved increase in number of sales and price per sale

- Number of sales came to **104.8%** YOY, and price per sale came to **99.6%** YOY
- Amidst unstable external conditions, various measures, including our 30th anniversary commemorative programs, proved successful

4

Successful progress in opening of new stores

- Opened **18** stores in the first six months towards the target of opening 30–35 stores in the fiscal year
- Confirmed that we will achieve the annual target number of new store openings as of end of Q2

Consolidated | Profit and Loss Statements (PL)



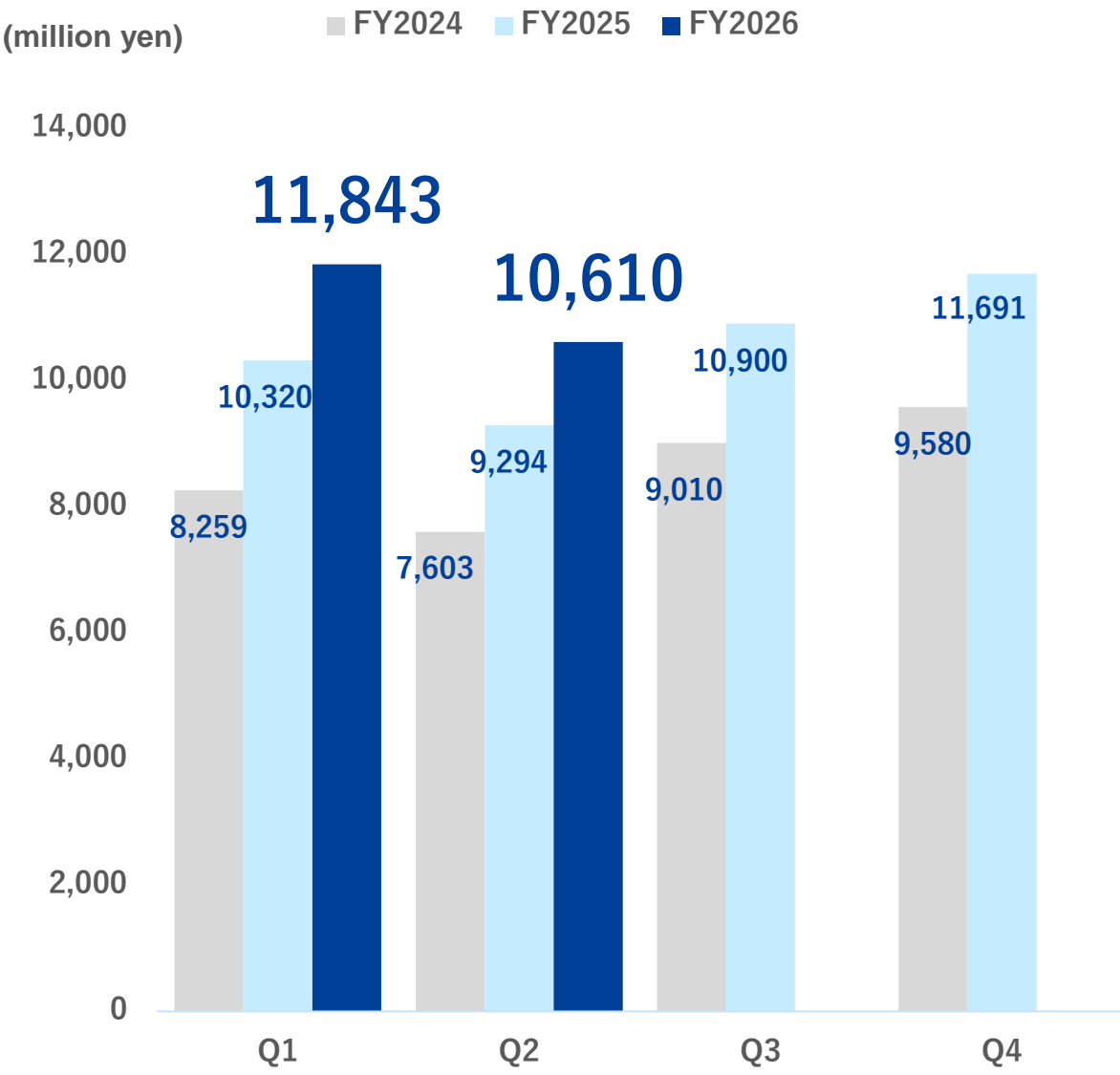
Both net sales and operating profit grew by more than +10% YOY, achieving increase in revenue and profit. We continue to expect similar growth in the second half.

(million yen)	FY2025 First six months results	FY2026 First six months results	Year on year		Performance forecasts		
			Change	Change (%)	First six months forecast	Progress	Main factors in YOY increase/decease and differences between performance forecast and actual results:
Net sales	19,614	22,453	+2,838	+14.5%	21,528	104.3%	Year on year: Growth rate of existing stores in the first six months was 104.3% : Benefited from 24 stores opened in previous FY + 18 stores in current FY
Gross profit	11,813	13,464	+1,650	+14.0%	-	-	
Gross profit ratio	60.2%	60.0%	-0.2pts	-	-	-	Due to increase in sales composition ratio of expensive items thanks to strong performance by Kindal -0.2pts
Selling, general, and administrative expenses	10,068	11,545	+1,476	+14.7%	-	-	
Operating profit	1,745	1,919	+173	+10.0%	1,830	104.9%	
Operating profit ratio	8.9%	8.5%	-0.4 pts	-	8.5%	-	
Ordinary profit	1,757	1,960	+202	+11.5%	1,839	106.6%	
Profit attributable to owners of parent	1,144	1,238	+93	+8.2%	1,195	103.6%	
Earnings per share	48.86 yen	52.84 yen	+3.98 yen	+8.1%	51.00 yen	104.2%	

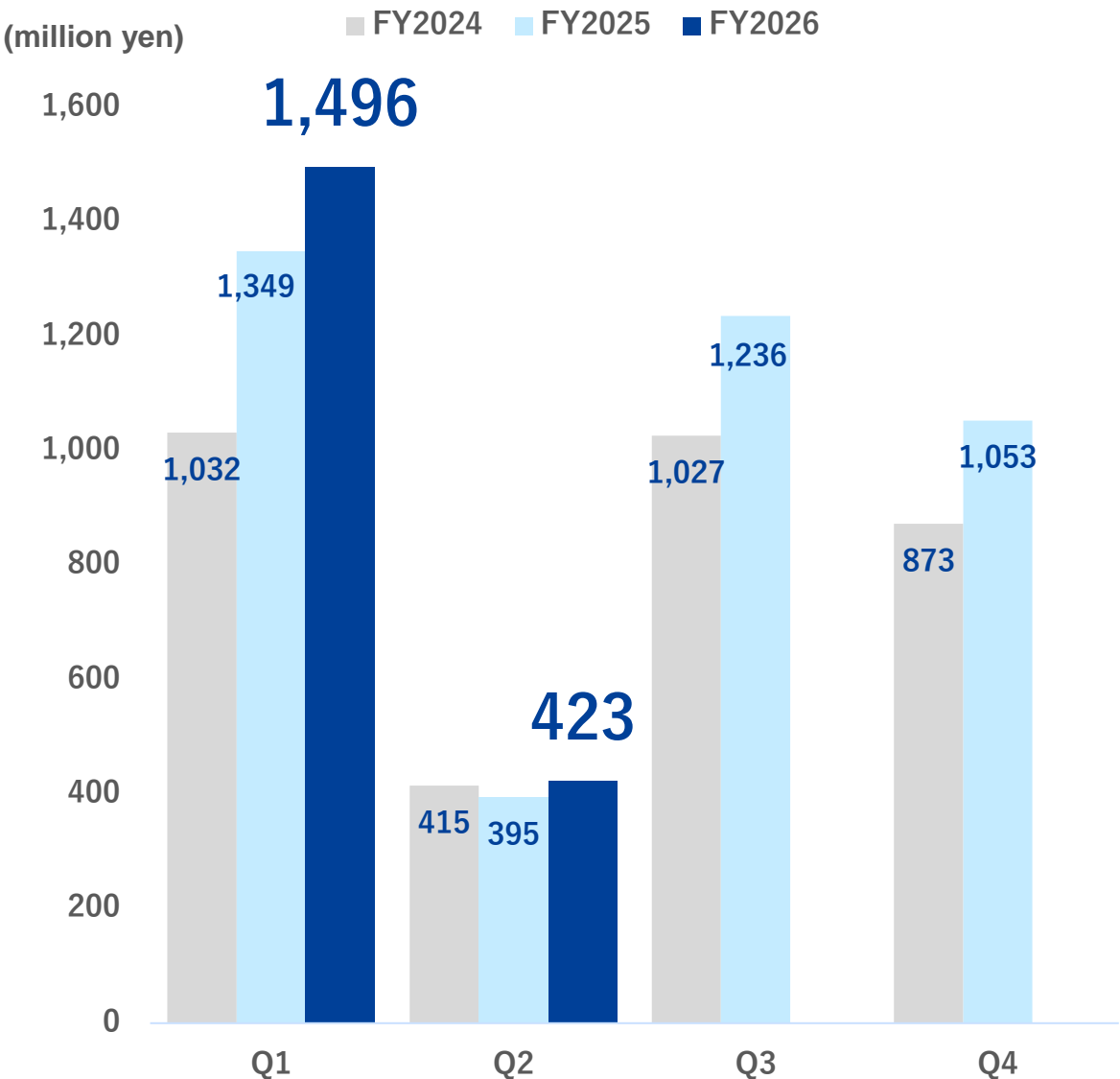
Consolidated | Quarterly Results



Net sales



Operating profit

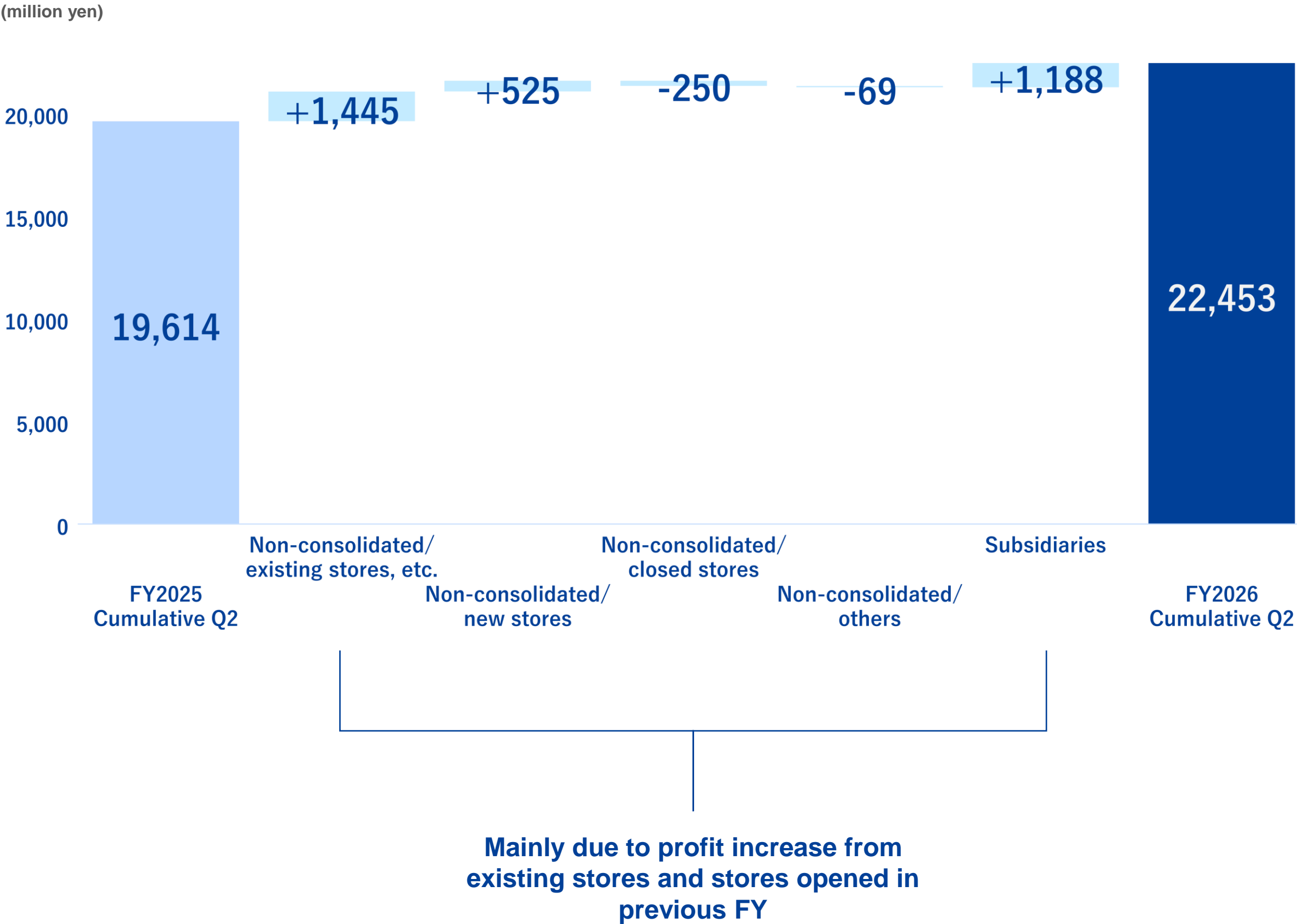


Achieved increase in revenue and profit in Q2 (June–August)

- While profit decreased in Q2 in the previous fiscal year as a result of advance investments for expansion and relocation of distribution center, etc., there were no temporary cost increases in the current term, resulting in increased profit.
- Operating profit ratio decreased as a result of decline in gross profit ratio due to changes in product mix and slight increase in SG&A due to slightly more new store openings in the first half.

	Quarterly results			First six months		
	FY2025 Q2	FY2026 Q2	Year on year	FY2025 first six months	FY2026 first six months	Year on year
Net sales	9,294	10,610	+14.2%	19,614	22,453	+14.5%
Operating profit	395	423	+6.9%	1,745	1,919	+10.0%
Operating profit ratio	4.3%	4.0%	-0.3pts	8.9%	8.5%	-0.4pts

Consolidated | Net Sales Fluctuation Analysis



Growth in net sales was driven by increase in revenue from existing stores and stores opened in previous FY

- Revenue increased **+2,633** million yen in the first six months (total of non-consolidated stores/subsidiaries)
- Kindal performed particularly well among subsidiaries

Duty-free sales also continued to increase

- Duty-free sales ratio was **10.3%** (+0.6 pts YOY) in the first six months

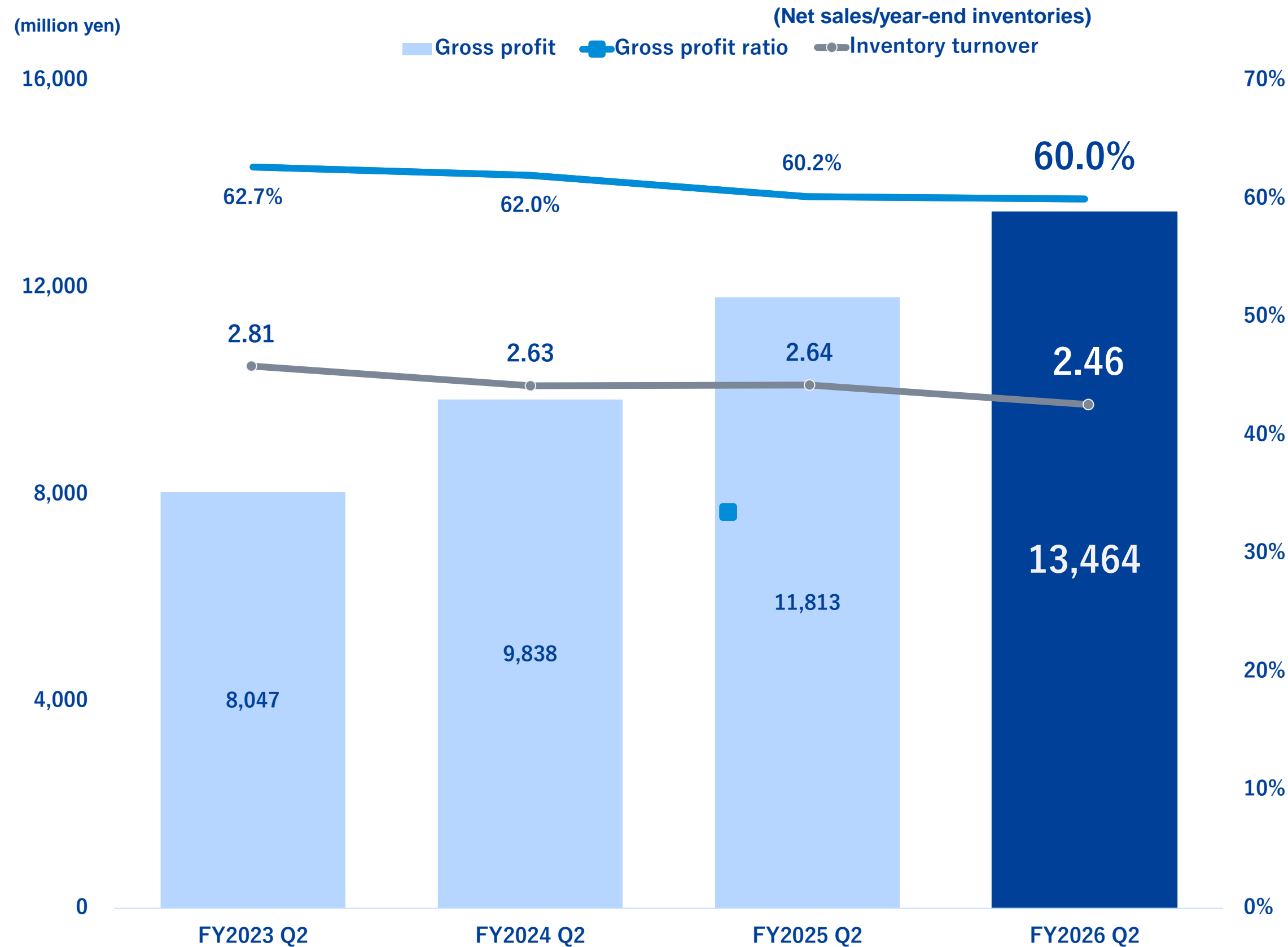
Strong performance of new stores absorbed the losses from closing of stores

- Closed 2 stores in FY2025 Q4 and 1 store in FY2026 Q1 due to redevelopment of property and other unavoidable reasons on the part of the landlords
- With the successful opening of new stores, we were able to absorb the shortfall in revenue due to closing of stores

Supplementary comments

- Non-consolidated/existing stores, etc. represents the total of existing stores and stores opened in the previous fiscal year

# Consolidated | Net Gross Profit, Gross Profit Ratio, and Inventory Turnover for the Past 4 Years



## Amount of net gross profit increased as a result of sales growth

- While gross profit ratio continues to fluctuate with the change in product mix, amount of gross profit has increased as expected

## Gross profit ratio remained largely flat

- Dropped by -0.2 pts due to changes in product mix resulting from successful performance of Kindal

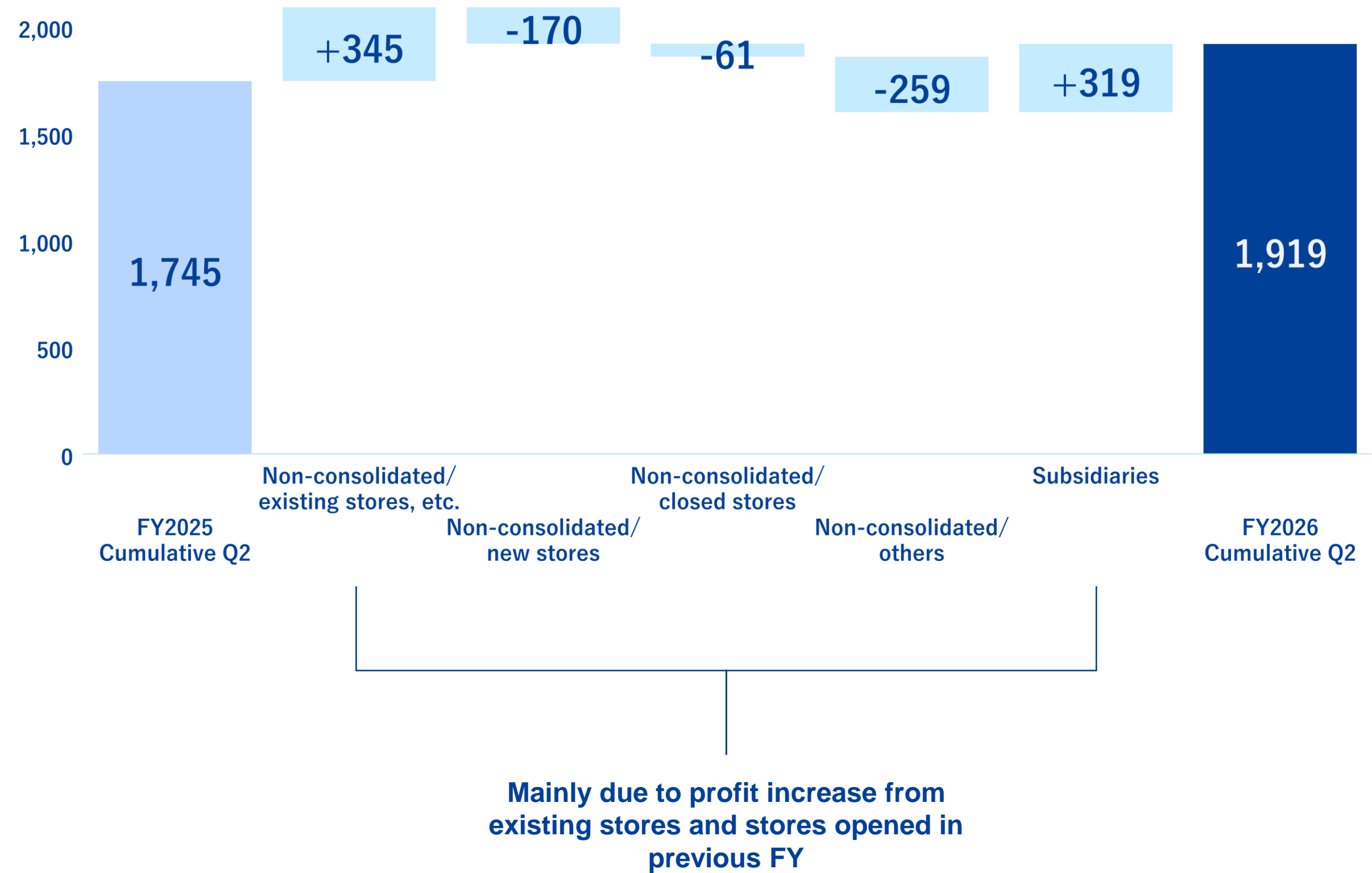
## Factors causing drop in inventory turnover

- Increase in inventory as a result of the 30th anniversary commemorative campaign and other initiatives
- Increase in inventory as a result of last-minute use of coupons in relation to the changes in point card certificate system
- Both factors are temporary only for the current quarter

# Consolidated | Operating Profit Fluctuation Analysis



(million yen)



## Continuing profit growth from existing stores and stores opened in the previous fiscal year

- Profit increased **+664** million yen in the first six months (total of non-consolidated stores/subsidiaries)
- Operating profit ratio decreased as a result of decline in gross profit ratio due to changes in product mix and slight increase in SG&A due to slightly more new store openings in the first half
- FY2025 Q2 operating profit of the 3 closed stores    -61M yen

## Major breakdown of “non-consolidated/others”

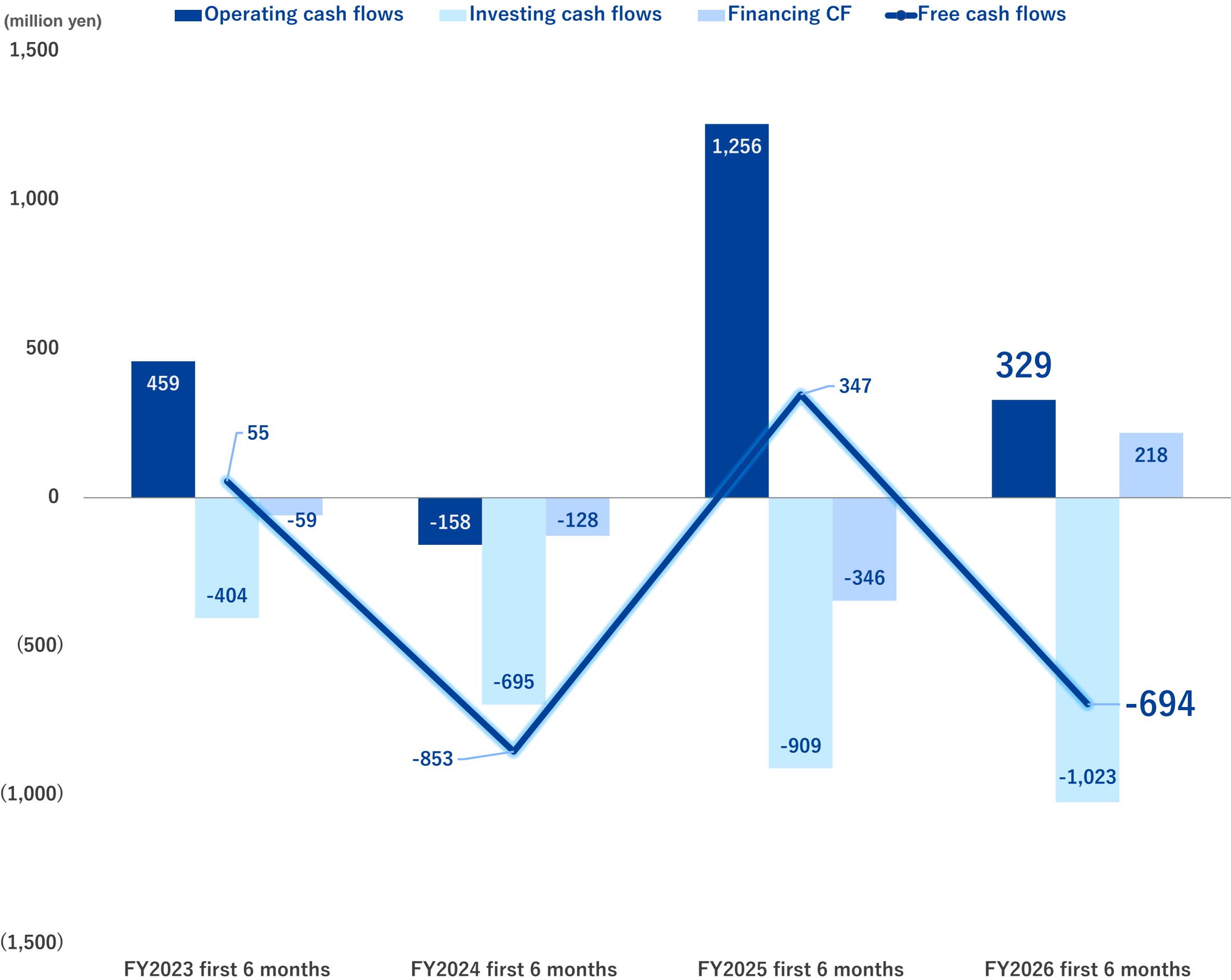
- Increase in staffing for purchase channels other than in-store purchases: **-78M yen**  
(Increase in fixed costs associated with business expansion)
- Up-front costs for opening of new stores in FY2026 Q3: **-20M yen**  
(Increase in fixed costs associated with business expansion)
- Increase in advertising expenses for EC and strengthening purchases: **-17M yen**  
(Increase in variable costs associated with increase in sales and purchases)

## Supplementary comments

- Non-consolidated/existing stores, etc. represents the total of existing stores and stores opened in the previous fiscal year



# Consolidated | Cash Flows for the Past 4 Years



## Operating cash flows decreased due to temporary increase in inventory

- In the previous fiscal year, we enforced a group-wide theme of improving inventory turnover, which resulted in significant increase in operating cash flows
- In the current fiscal year, operating cash flows decreased YoY due to temporary increase in inventory
- In the second half, we will sell the inventory to generate operating cash flows

## Factors causing decrease in free cash flows

- Decrease in operating cash flows (as stated above)
- Increase in capital investments in line with the successful opening of new stores

## Supplementary comments

- Free cash flows: The total of operating cash flows and investment cash flows



# Changes in KPIs—Summary



Non-consolidated	<b>YOY sales, existing stores</b> Trends in demand and indicators of business growth potential	First six months: <b>104.3%</b> While results did not reach target (YOY 102%) in June & July, sales significantly exceeded target in August, continuing steady performance	YOY: 107.9% (-3.6 pts)
Non-consolidated	<b>Gross profit ratio, existing stores</b> Indicator of business profitability	First six months: <b>64.9%</b> *Page 9 shows consolidated figures, while these figures are non-consolidated On non-consolidated basis, low-priced items sold well, slowing down the drop in gross profit margin caused by changes in product mix	YOY: 65.1% (-0.2 pts)
Consolidated	<b>E-commerce ratio</b> Indicator of optimization of sale opportunities	First six months: <b>14.4%</b> E-commerce sales are growing along with growth of in-store sales	YOY: 13.7% (+0.7 pts)
Consolidated	<b>YOY Purchases</b> Leading indicator of capacity for sales & store opening	First six months: <b>121.8%</b> In-store purchases increased +20.8% YOY, home-delivery purchases increased +3.2% YOY, and home-visit purchases increased +17.9% YOY (all non-consolidated) In-store sales increased significantly as a result of the 30th anniversary commemorative campaign and other initiatives and last-minute use of coupons in relation to the changes in point card certificate system. We are working on securing seasonal merchandise for Q3 and beyond.	YOY: 119.3% (+2.5 pts)
Consolidated	<b>Number of new stores in the current FY</b> Leading indicator of increase in revenue and profit	First six months: <b>18</b> stores Progressing successfully against the annual target of opening 30–35 stores Plan to open triple-category hybrid stores as well as stores in each business categories in Q3 and beyond	YOY: 11 stores (+7 stores)

# FY2026 Performance Forecasts



For FY2026, net sales of 46.2 billion yen (+9.6% YOY) and ordinary profit of 4.4 billion yen (+8.8% YOY) are planned

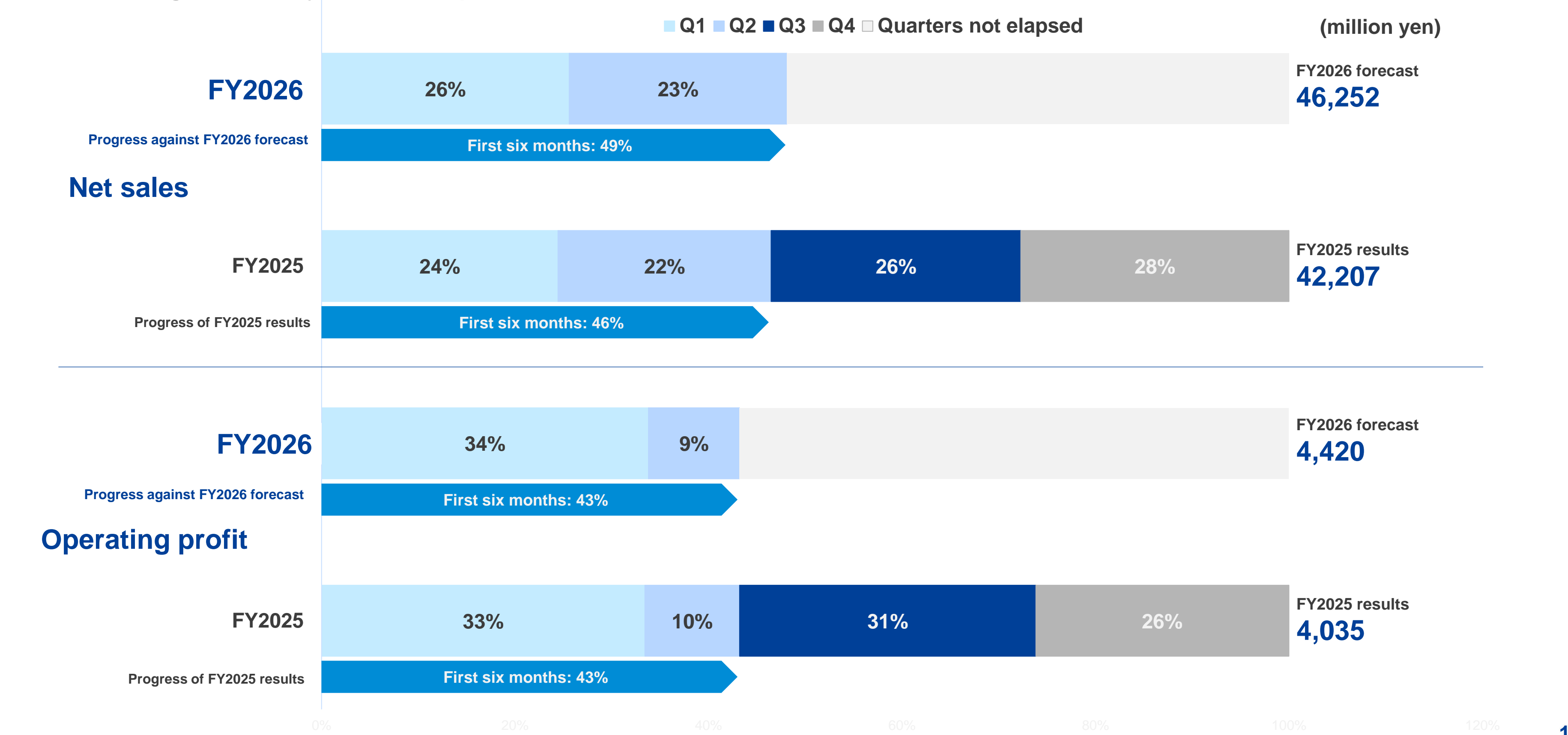
\*Unchanged from the disclosure on April 9, 2025

(million yen)	Full-year forecast			Assumptions & supplementary information
	FY2025 results	FY2026 forecast	Increase/decrease	
Net sales	42,207	46,252	+9.6%	Assuming the uncertain outlook of external conditions, sales growth of non-consolidated existing stores has been set at 102% YOY
Operating profit	4,035	4,420	+9.5%	Gross profit ratio (consolidated) has been set at 59.9% SG&A ratio (consolidated) has been set at 50.4%
Operating profit ratio	9.6%	9.6%	-	
Ordinary profit	4,082	4,441	+8.8%	
Ordinary profit ratio	9.7%	9.6%	-0.1pts	
Profit attributable to owners of parent	2,709	3,008	+11.0%	
Net profit margin	6.4%	6.5%	-	
Earnings per share	115.63 yen	128.37 yen	+11.0%	
Dividend per share	36.00 yen	39.00 yen	+8.3%	
Dividend payout ratio	31.1%	30.4%	-	

# Progress Against Full-year Targets



Both net sales and operating profit are progressing at rates similar to the previous fiscal year (Progress rates for FY2025 are against full-year results)



# Dividends forecast



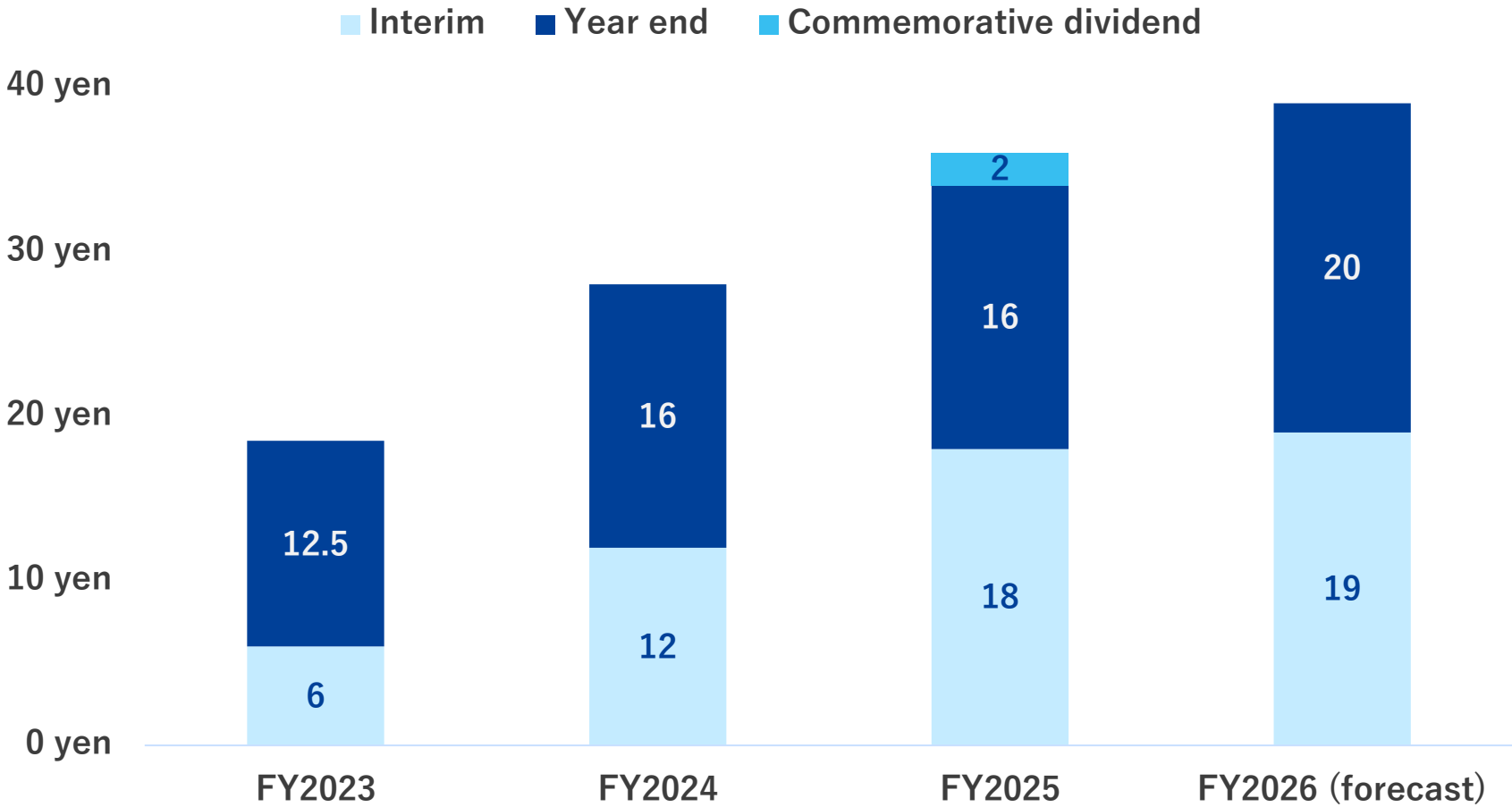
## Dividends forecast

(per share)

	FY2025	FY2026	YOY
Interim	(Results) 18 yen	19 yen	+ 1 yen
Year end	16 yen	20 yen	+ 4 yen
30th anniversary commemorative dividend	2 yen	—	—
Annual total	36 yen	39 yen	+ 3 yen
Dividend payout ratio	31.1 %	30.4 %	- 0.7 pts

## Dividends for the past 4 years

(after stock split & adjustments)



## The Company plans to increase dividends by 3 yen for FY2026

- The Company paid out a 30th anniversary commemorative dividend in FY2025
- The planned increase of 3 yen is in addition to the amount of dividends including the commemorative dividend (Increase of 5 yen excluding the commemorative dividend)
- Dividends forecast will be reviewed and revised as appropriate based on future performance trends

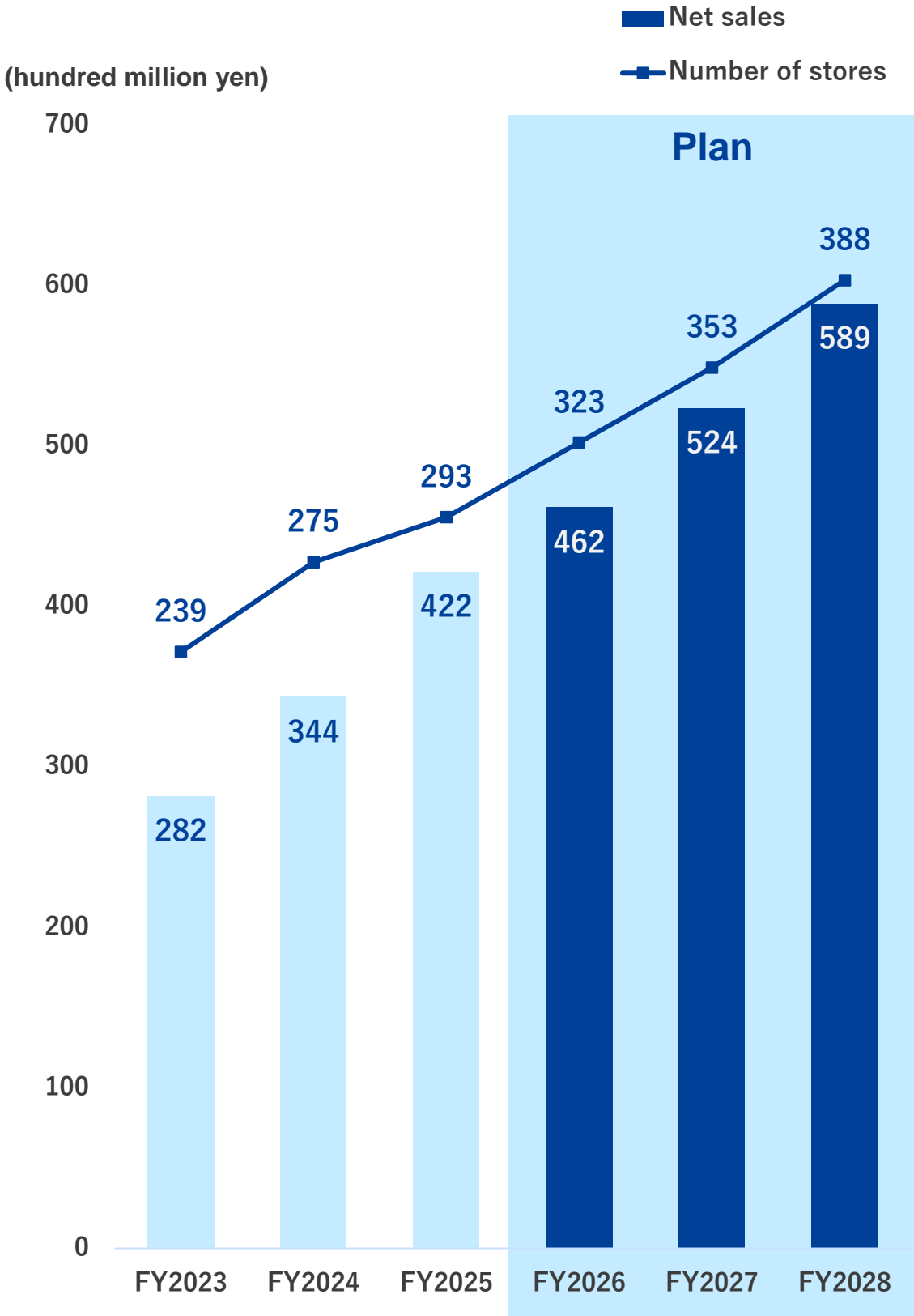
## Supplementary comments (Basic policy on allocation of profit)

- Continuously pay out dividends in line with earnings by taking into consideration the balance between shareholder returns and the need to strengthen the financial foundation by bolstering internal reserves
- Immediate target payout ratio shall be 30% or greater

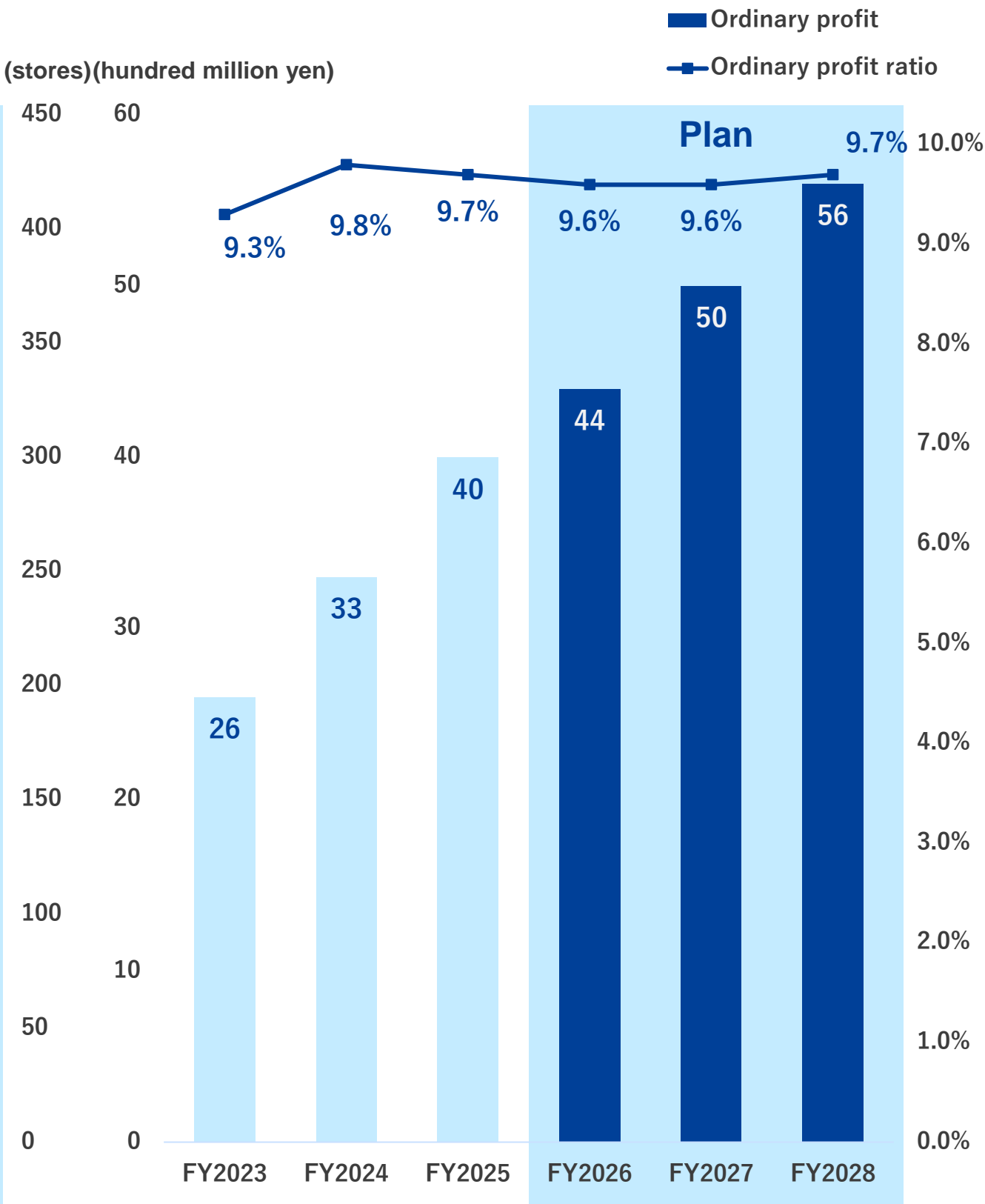
# Summary of Medium-term Profit and Loss Projections



Net sales, number of stores



Ordinary profit, ordinary profit ratio



## Revamped Medium-Term Management Plan

- The Medium-Term Management Plan is a rolling forecast updated in April every year
- Will continue to review and revise as necessary based on performance

Sales increased by more than 20% YOY for three consecutive fiscal years

- Ordinary profit ratio approaching 10%

## Final fiscal year of the Plan (FY2028)

- Forecast net sales of **58.9 billion** yen and ordinary profit of **5.6 billion** yen.

# Management Policies to Achieve the Medium-Term Management Plan

1

## Development of reuse business

Open 30 to 40 new stores per year on a consolidated basis, mainly in the Kanto, Kansai, Tokai, and Kyushu regions, to expand the Group's reuse network. These stores will serve as purchase and sales locations for both physical and online sales.

2

## Investment in new businesses

Continue to invest in peripheral reuse business and other synergistic and complementary businesses in addition to our core reuse business to expand our growth platform.

3

## Growth in overseas markets

For the Thailand and Taiwan businesses, continue to build the business structure and improve earnings while opening new stores.

On August 13, 2025, we announced the plan to expand into the U.S.

\*Also preparing for expansion into the fourth region

4

## Growth through M&A

Conduct aggressive M&A of synergistic and complementary businesses to accelerate growth.

On October 9, 2025, we announced the execution of M&A (Acquisition of "Empty Dressy" business).

5

## Growth through investments in digital transformation

Leverage the Group-wide system development capabilities to streamline operation and make innovations using IT and AI, and create new business opportunities to increase revenue.



# Medium-term Profit and Loss Projections, Expected Dividends (FY2026–FY2028)

	FY2025	FY2026	FY2027	FY2028	CAGR (annual growth rate)
Stores to be opened per year	26 stores	30-35 stores	30-35 stores	35-40 stores	-
Net sales	¥42.2 billion	¥46.2 billion	¥52.4 billion	¥58.9 billion	11.76%
Ordinary profit	¥4.08 billion	¥4.44 billion	¥5.05 billion	¥5.69 billion	11.73%
Ordinary profit ratio	9.7%	9.6%	9.6%	9.7%	-
Profit attributable to owners of parent	¥2.70 billion	¥3.00 billion	¥3.42 billion	¥3.85 billion	12.56%
Earnings per share	115.6 yen	128.3 yen	146.1 yen	164.6 yen	12.50%
Dividend per share	36.0 yen	39.0 yen	44.0 yen	50.0 yen	-
Dividend payout ratio	31.1%	30.4%	30.1%	30.4%	-

\*Unchanged from the disclosure on April 9, 2025

## Final fiscal year of the Plan (FY2028)

- Forecast net sales of **58.9 billion** yen and ordinary profit of **5.6 billion** yen.

## Dividend payout ratio

- Target dividend payout ratio will be **30%** or higher

## Notes

- As there are many uncertain elements, increase in profit and expenses for M&A, including intermediary fees, are not included in the Plan.
- The Plan may be impacted in the event the Company fails to secure the number of new store properties as originally assumed.
- The Plan may be significantly impacted in the event of unexpected situations, such as the spread of COVID-19.
- The Medium-Term Management Plan may be revised as necessary.
- Earnings per share are subject to changes depending on progress in exercise of share acquisition rights and purchase of treasury shares going forward.
- Expected dividends may change due to status of business results, etc.