

A photograph of a modern restaurant interior. In the foreground, there are round wooden tables with white chairs. In the background, there is a long counter with a red 'Trenders' logo on the wall above it. The space is bright and airy with large windows and indoor plants.

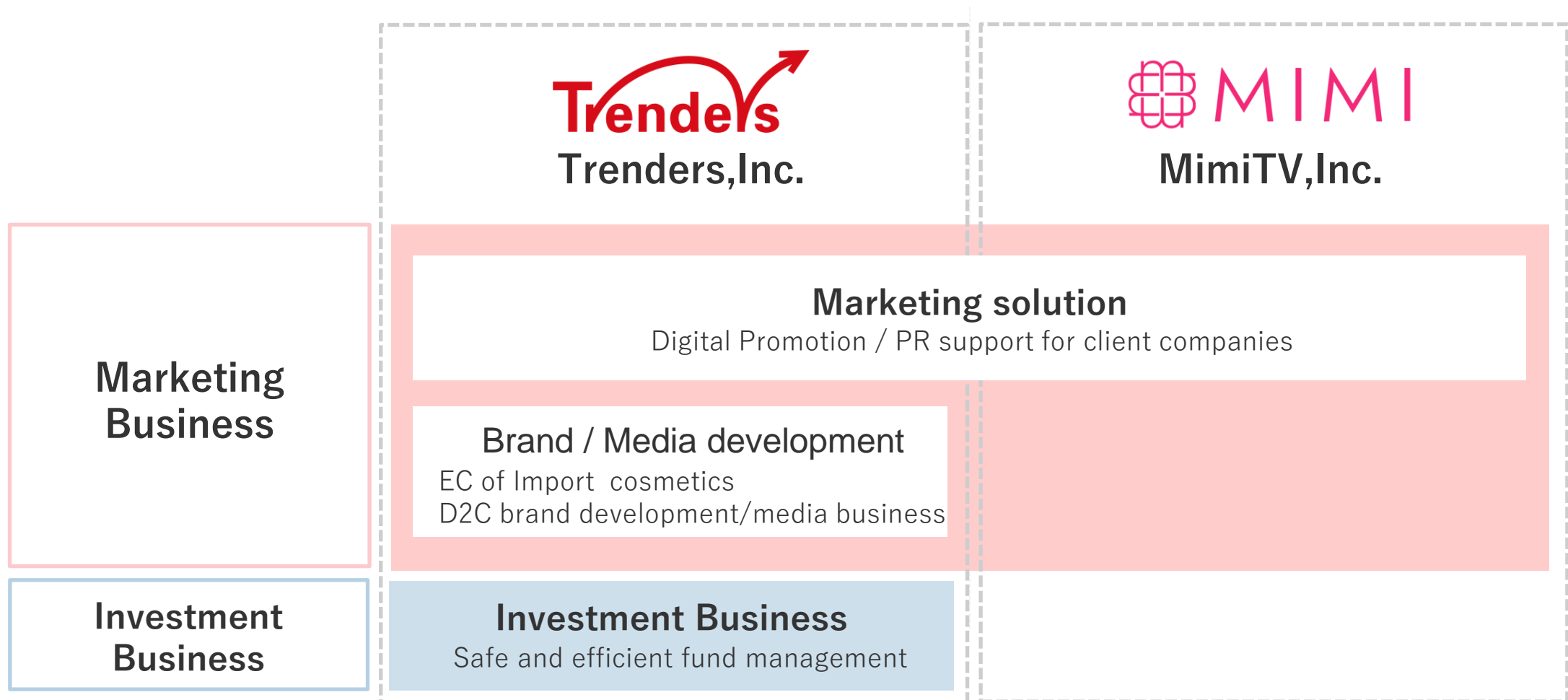
**Financial Report**  
**2020**  
**(fiscal year ended 3/31/2021)**

The logo for Trenders, featuring the word 'Trenders' in a bold, red, sans-serif font. A red curved arrow starts above the 'T' and points upwards and to the right, ending above the 's'.

**Trenders**

# Trenders Group Business Area

We run two businesses, "Marketing Business" and "Investment Business"



※The gift e-commerce business is excluded from the consolidation due to the transfer of all of the shares of BLT Co., Ltd. (subsidiary), which operates the gift e-commerce business, in March 2020.

**FY2020 (ended March 31 2021)**  
**Financial Results**

# Summary of Financial Results (Full year)

- Revenue excluding the sale of the stock and gift EC business increased by 18.6%. gross profit increased by 20.5%, and operating income doubled to the previous year.
- All the Revenue and income exceeded the forecasts.

(Unit: million yen)	FY2020 (ended 3/31/ 2021)	FY2019 (ended 3/31/ 2020)	YoY	Forecast FY2021	Comparison with the forecast
Revenue	3,333	3,079	+8.2%	3,100	+7.5%
Revenue excluding the sale of stock* and the gift e-commerce business	2,933	2,473	+18.6%	—	—
Gross income	1,451	1,292	+12.3%	—	—
Gross income excluding the sale of stock* and the gift e-commerce business	1,351	1,121	+20.5%	—	—
Operating income	457	227	+101.4%	440	+4.0%
Ordinary income	461	224	+105.9%	440	+4.9%
Net income attributable to owners of the parent	311	331	▲5.9%	300	+3.9%

※ the sale of stock : Sale of Operational investment securities in the investment business

# Segment Summary (Full year)

## Marketing Business

Influencer marketing, MimiTV, Operating Ad all continued to grow despite the severe business environment caused by the COVID-19.

Revenue : 2,865 million yen (+18.6%)

Operating income : 409 million yen (+38.5%)

## Investment Business

The sale of the stock brought Sales of 400 million yen and operating income of 100 million yen.

Revenue : 468million yen (+20.6%)

Operating income : 141million yen (+83.2%)

※Figures in parentheses are year-on-year comparisons

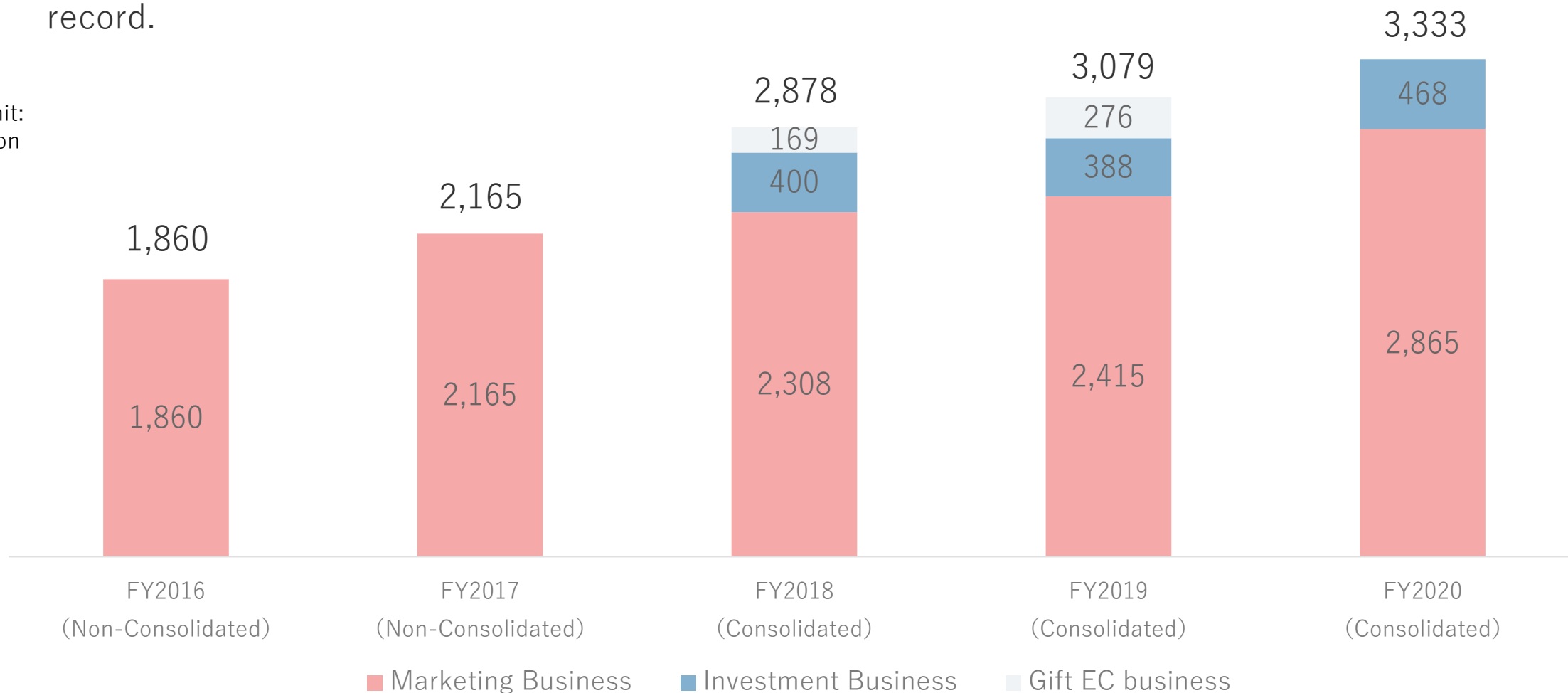
※Since the company-wide cost allocation was reviewed retroactively from the previous fiscal year, the rate of increase / decrease in operating income is calculated from the figures after the allocation review.

# Revenue

■ Revenue : 3,333million yen (YoY + 8.2%)

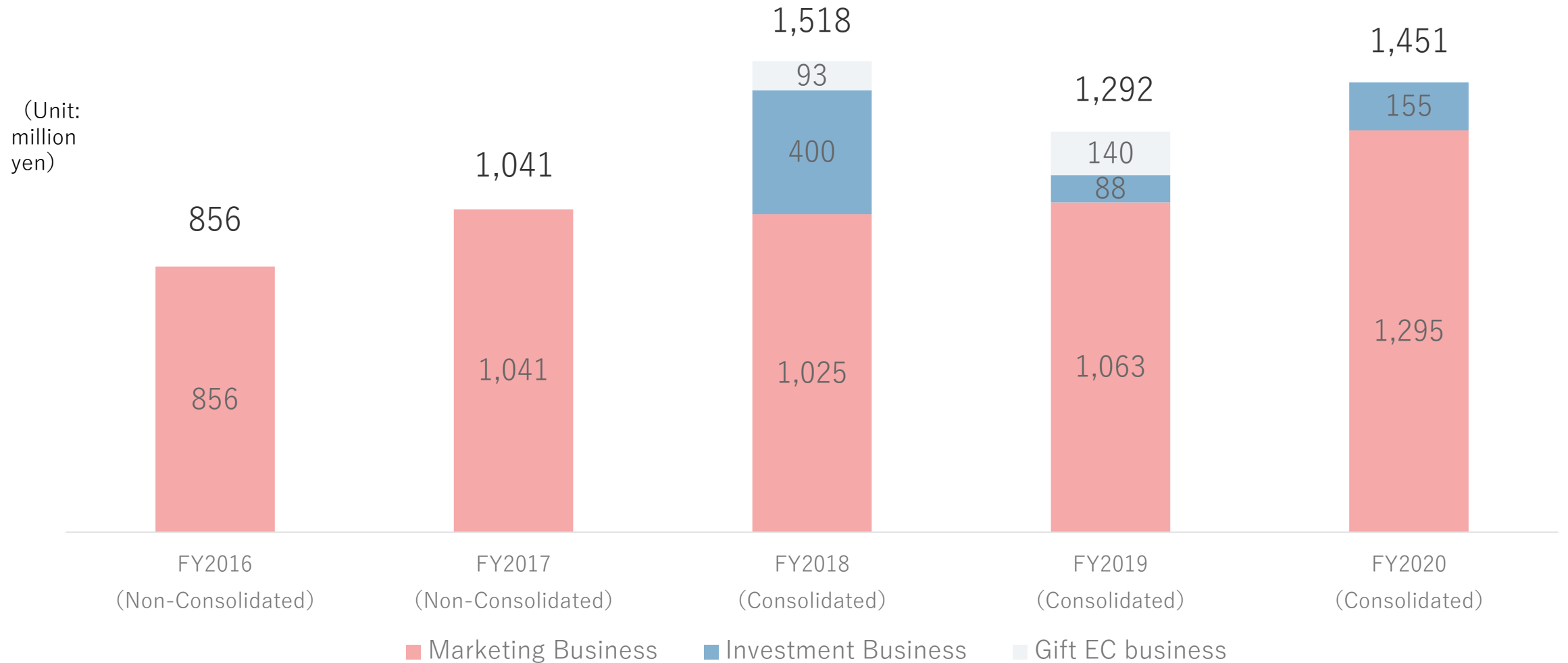
■ Despite the impact of the COVID-19 and a decrease in sales (276 million yen) due to the buyout of the gift e-commerce business, sales increased for the fifth consecutive year and achieved all-time record.

(Unit:  
million  
yen)



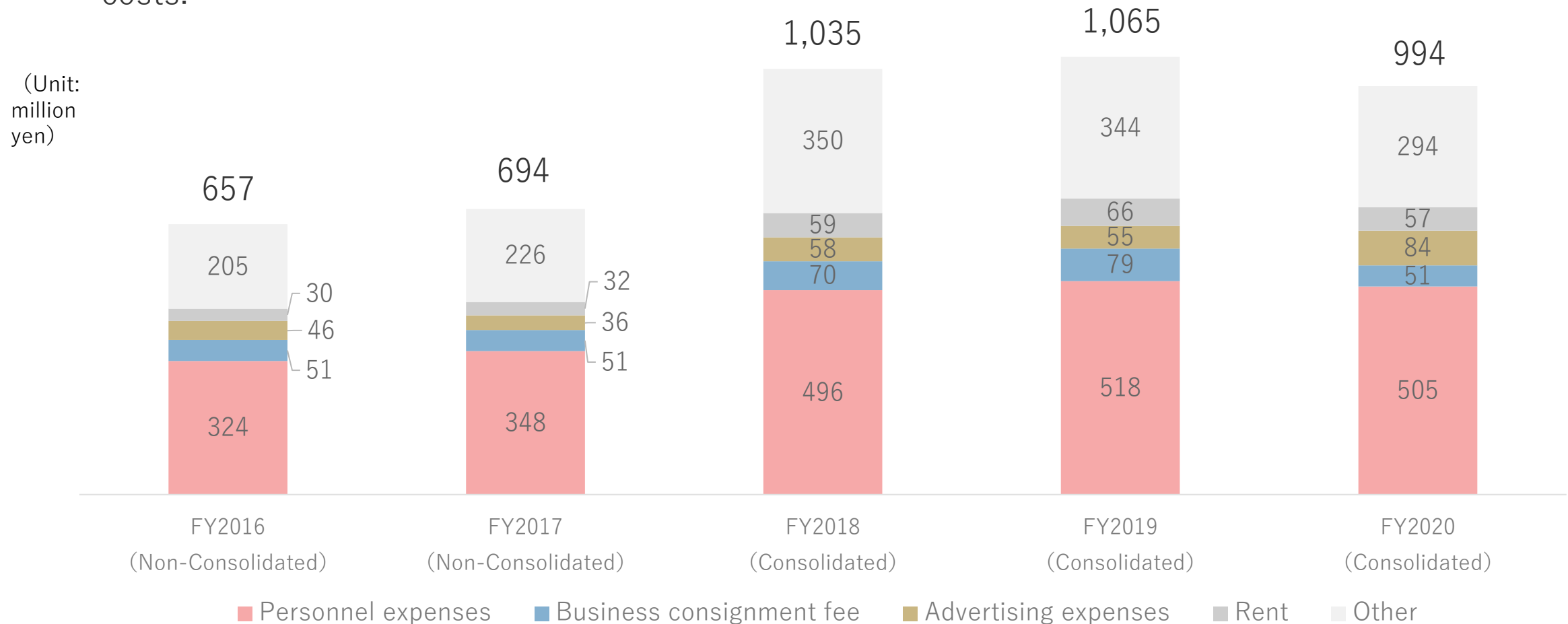
# Gross Income

- Gross income : 1,451 million yen (YoY + 12.3%)
- Gross income in marketing business increased by 24.3% due to influencer marketing and growth of MimiTV.



# SG&A Expenses

- Selling, general and administrative expenses : 994 million yen (YoY▲6.7%)
- Despite aggressive upfront investment (182 million yen) and temporary costs associated with office floor reduction (29 million yen), total SG&A expenses decreased due to revisions to fixed costs.

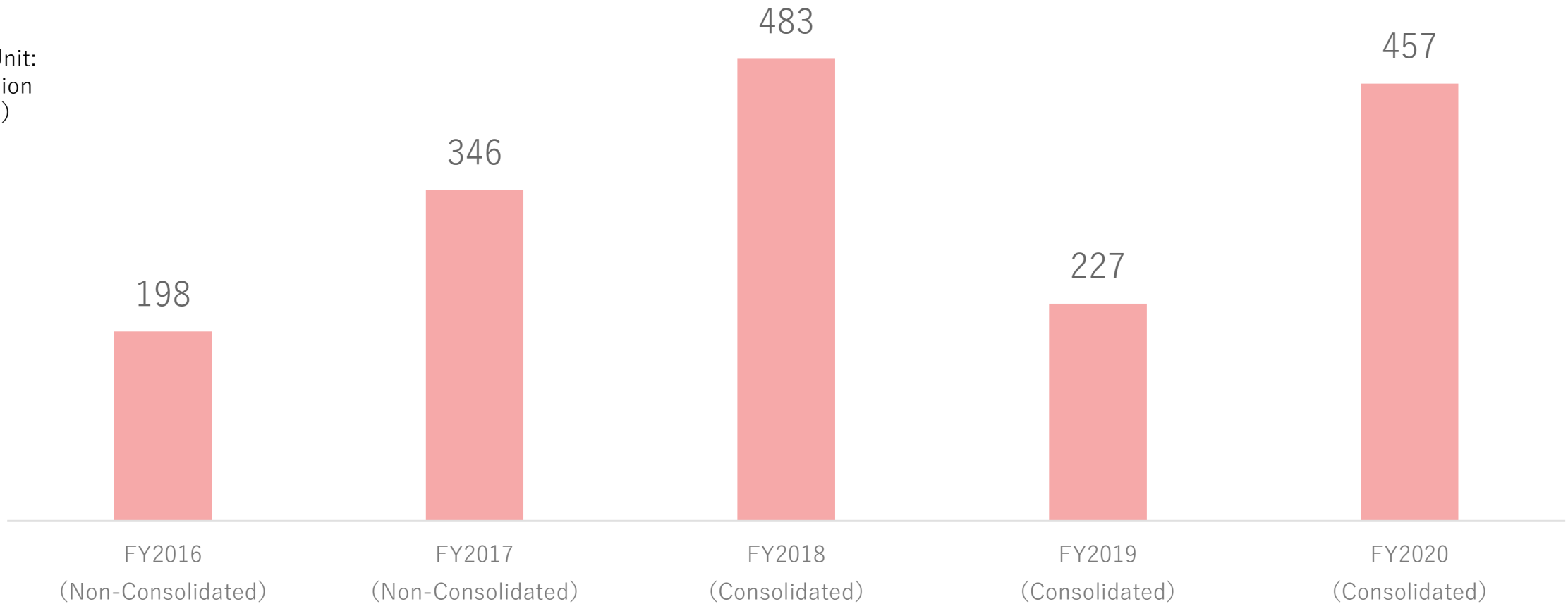




# Operating Income

- Operating income : 457 million yen (YoY + 101.4%)
- Despite increase of upfront investment, operating income increased due to growth of gross income (159 million yen), and reduction of SG&A expenses (70 million yen).

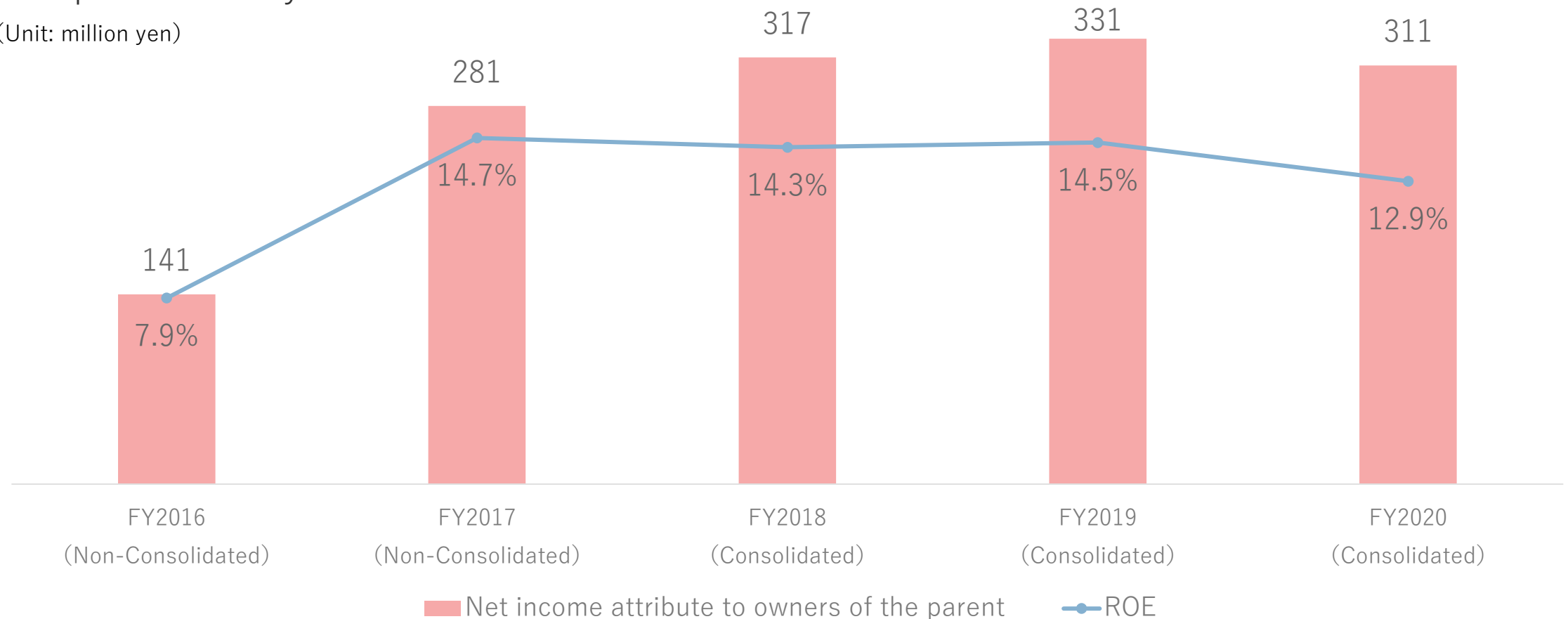
(Unit:  
million  
yen)



# Net Income & ROE

- Net income attributable to owners of the parent : 311 million yen (YoY▲5.9%)
- Net income decreased Y on Y due to the effect of the temporary capital gain on sale of shares of a subsidiary company (226 million yen) in the previous fiscal year 2020.
- Aiming to increase ROE over the medium to long term with an awareness of capital cost and capital efficiency.

(Unit: million yen)



# Balance sheet

- Cash and deposits cover annual fixed costs, and the equity ratio is 65%, which is sound financial status.

(Unit: million yen)	End of March 2021	End of March 2020	YoY
Current assets	3,580	3,172	112.8%
Cash and deposits	1,408	972	144.8%
Operational investment securities	1,515	1,577	96.0%
Fixed assets	195	261	74.8%
Total assets	3,776	3,434	109.9%
Current Liabilities	1,269	1,040	121.9%
Fixed Liabilities	19	29	66.8%
Net assets	2,487	2,364	105.2%

# Status and Policy of Investment Business

- Aim to raise the medium to long term corporate value by aggressive investment in developing new business. Secure Investment business generates cash to cover its costs.
- Invest in short term (about 6 months) corporate bonds only so as to reduce risks and to prepare for sudden needs of cash for investment on the new business or M&A.

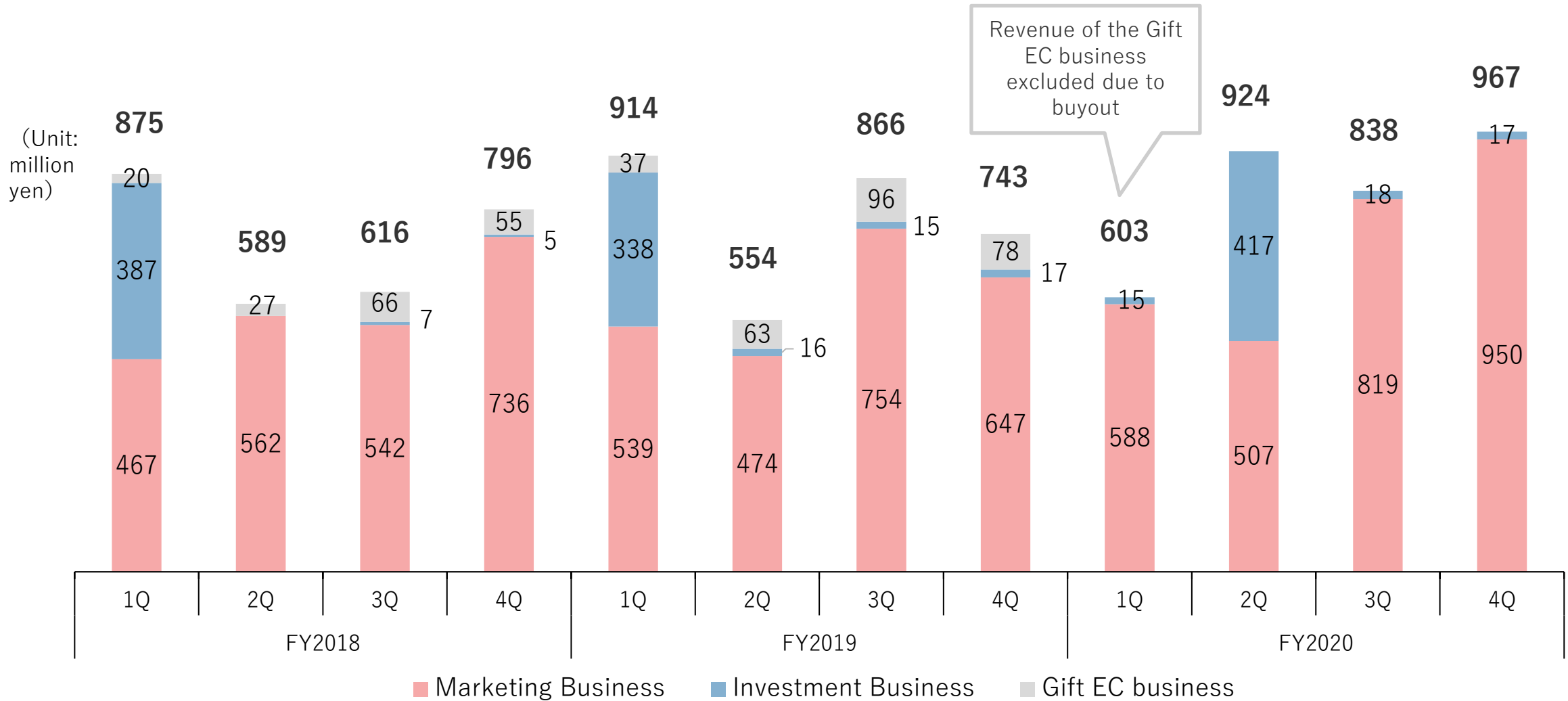
(Unit: million yen))

Operational investment securities	1,515	
(Breakdown)		(Details)
Corporate bonds	1,200	Corporate bonds redeemable about 6 months , interest rate 6.0% per annum
Investment Limited Partnership Equity	250	Aiming for a return by increasing the equity and value of the investment limited partnership
stock	65	Investing in 3 startups

**FY2020 4Q**  
**Financial Results**

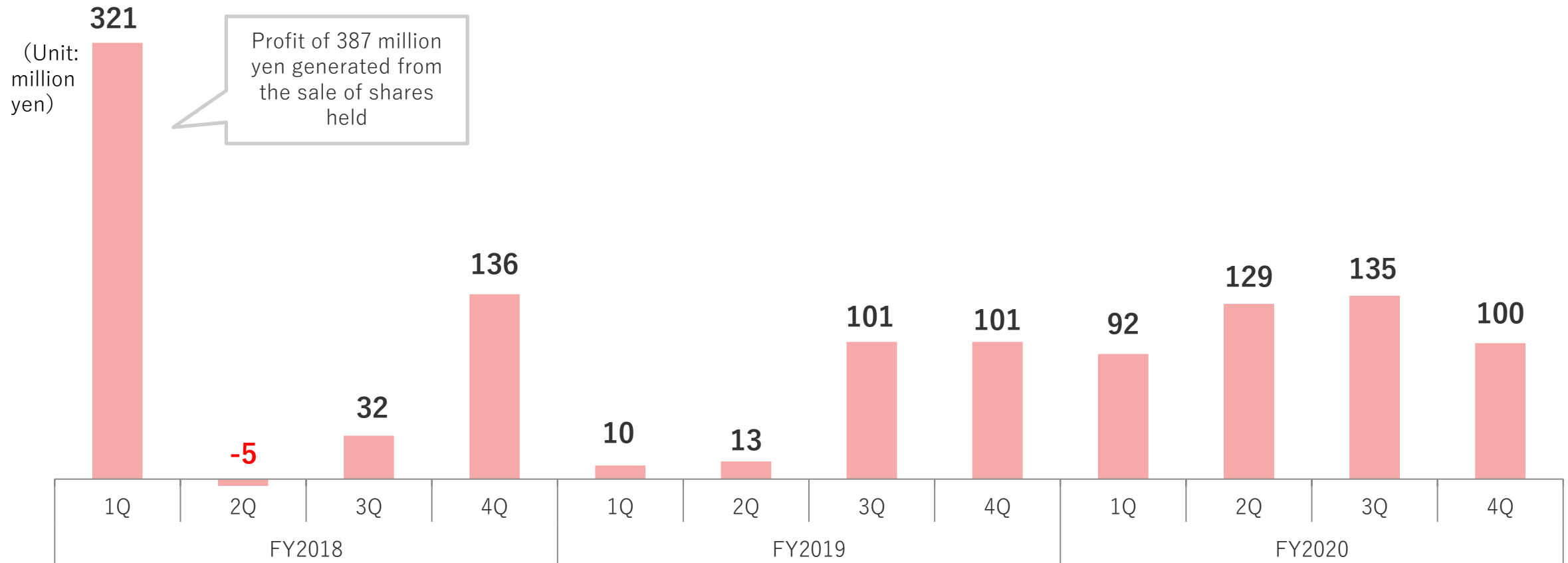
# Revenue (quarterly)

- Fourth quarter (January-March) Revenue : 967 million yen (YoY + 30.0%)
- Marketing business increased by 46.8% year-on-year due to growth of MimiTV and Operating Ad.



# Operating Income (quarterly)

- Fourth quarter (January-March) Operating Income : 100 million yen (YoY▲0.9%)
- Operating income fell below the previous quarter due to factors such as valuation loss on operational investment securities and delay of some big projects for clients caused by the spread of COVID-19.



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# Forecast FY2021

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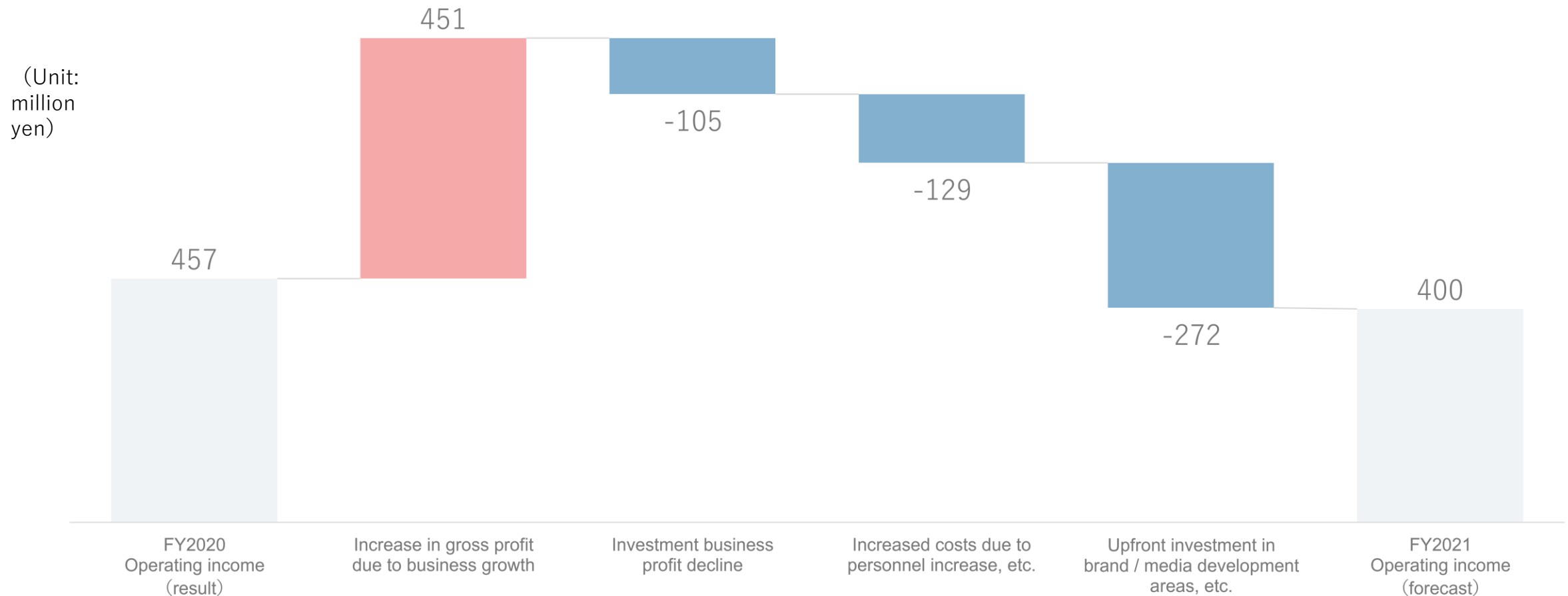
# FY2021 Forecast

- Revenue increased by 29.5% YoY, excluding the impact of the sale of stocks in the Investment Business, with sales of 3,800 million yen (+ 14.0% YoY) due to growth in the marketing business.
- FY2021 is considered to be an investment period aimed at achieving the medium-term management targets, and profits at each stage are expected to decline as business investment is aggressively pursued.

(Unit: million yen)	FY2021 (forecast)	FY2020 (result)	YoY
Revenue	3,800	3,333	+ 14.0%
Operating income	400	457	▲12.6%
Ordinary income	400	461	▲13.3%
Net income attributable to owners of the parent	270	311	▲13.4%

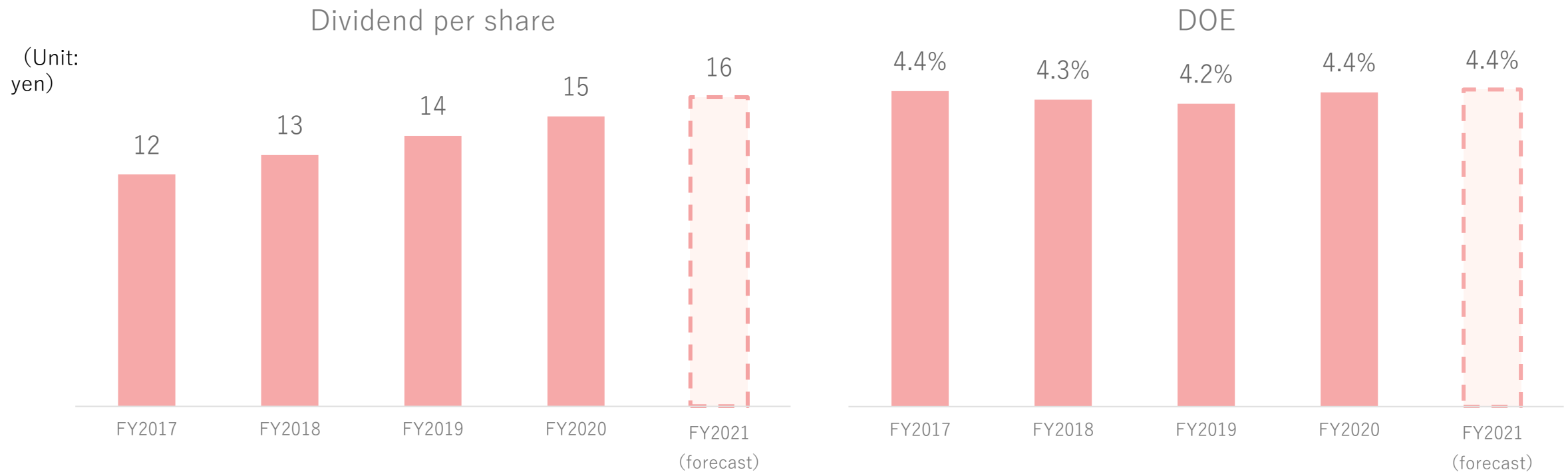
# FY2021 Forecast Increase / decrease in operating income

■ While actively implementing marketing activities and development such as increasing awareness and acquiring users in new businesses such as brand development areas, the margin of decline in profits will be kept to a minimum due to the increase in gross profit accompanying business growth.



# Policy of return to the shareholders

- Dividend per share for the fiscal year ended March 31 2021 was 15 yen (up 1 yen from the previous fiscal year), rising continuously for last 5 years.
- Top priority is to increase profit and corporate value through business investment. On the other hand, we attempt to "continuous increase in dividend per share" and "DOE4% , in order to bring stable returns to the shareholders even if there is a temporary fluctuation in business performance.
- Dividend per share for the fiscal year ending March 31 2022 is planned to be 16 yen (up 1 yen).



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In addition, the information and outlooks contained in this material are based on the information available at the time the material was made.

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