

Syuppin and SIGMAXYZ Group Form Capital and Business Alliance Jointly Promoting Industry Transformation through Revalue x Technology

Syuppin Co., Ltd. (Head Office: Shinjuku-ku, Tokyo; CEO and Representative Director: Naohiko Ono; TSE Prime: Securities Code 3179; hereinafter referred to as "Syuppin") and SIGMAXYZ Group today signed a capital and business alliance agreement.

Syuppin has been developing its revalue business (determining the value of "goods" and buying and selling them), which is the main axis of its e-commerce business, based on the philosophy of "contributing to society by creating a market where valuable new and used goods can be traded safely and securely via the Internet". In recent years, the company has been using technology to automate and optimize its business operations, by the introduction of AIMD, which uses AI to enhance the competitiveness of camera purchases and improve product turnover, resulting in both customer convenience and robust security as well as improved profitability.

Even in the Japanese market, where EC is becoming more and more widespread, transactions of high-value-added and high-price products are still dominated by transactions in physical store networks, where purchase and sales prices are determined based on experience and intuition. Syuppin believes that there is an urgent need to create an EC market where companies can simultaneously increase profitability and customer convenience and conduct transactions safely and securely by making full use of technology in this untapped business domain of EC.

In this business environment, Syuppin has entered into a capital and business alliance agreement with the SIGMAXYZ Group to secure human and financial assets to accelerate business growth in the untapped area of EC in order to realize its mid-term management plan. The capital alliance will be conducted through the disposal of treasury stock, and the shares will be underwritten by SIGMAXYZ Investment Inc (Head Office: Minato-ku). The treasury stock disposal is scheduled to be underwritten on April 15, 2024, and the number of shares of Syuppin's common stock to be newly acquired by such underwriter (the ratio to the total of shares outstanding after disposal of treasury stock) is expected to be 457 thousand shares (1.97%), for a total underwriting price of 499 million yen (JPY).

SIGMAXYZ Inc. (Head Office: Minato-ku, Tokyo; hereinafter referred to as "SIGMAXYZ") will provide business support to Syuppin, including secondment of its consulting professionals. Through the secondment, SIGMAXYZ will support the planning of individual strategies to achieve the company's mid-term management plan and human assets development in system planning and development. Also, SIGMAXYZ will provide consulting services such as revamping core and e-commerce systems, upgrading operations through the use of digital technology, enhancing algorithms with AI and applying AI to the marketing domain. SIGMAXYZ has been providing consulting services to the company since 2013, and has experience in supporting the implementation of core systems and the development and implementation of AIMD in the camera business. In this scheme as well, SIGMAXYZ will accompany Syuppin, as

a Sherpa, to strengthen the foundation for sustainable growth and to realize its transformation into a technology company.

Syuppin and SIGMAXYZ Group will work together to create a new business model and e-commerce platform through synergy between revalue and technology, consulting and investment. Furthermore, Syuppin and SIGMAXYZ Group continue to collaborate, to improve profitability and customer convenience, to grow business through the development of new services, and to drive industry-wide transformation through the use of digital and AI.

End

About Syuppin Co., Ltd.

(Head office: Shinjuku-ku, Tokyo; CEO and Representative Director: Naohiko Ono; TSE Prime: Securities Code 3179)

Syuppin Co., Ltd. contributes to society by creating a market where valuable new and used goods can be traded safely and securely via the Internet. The company operates five e-commerce sites (Map Camera, a camera specialty store; GMT, a watch specialty store; BRILLER, a women's brand salon; KINGDOM NOTE, a writing instrument specialty store; and CROWN GEARS, a road bike specialty store) and physical stores for each EC domain, where customers can compare a wide range of new and used products on the Internet and purchase them safely and securely. The company develops unique services such as "One Price Purchase," which is a flat-rate purchase with no reduction in price and requires no troublesome price negotiations, and "Arrival notification email," which notifies customers of the arrival of products they want, and "Wish List," which notifies them of product prices and product information updates when they register for the service. Those "One to One Marketing" measures provide information and proposals tailored to the preferences of individual customers.

Official website: <https://www.syuppin.co.jp/en/>

About SIGMAXYZ Group

(Listed Company: SIGMAXYZ Holdings Inc.; Head office: Minato-ku, Tokyo; Representative Director and President: Hiroshi Ota; TSE Prime: Securities Code 6088)

With a synergy between "consulting services" and "investment", SIGMAXYZ Group creates value in a wide range of industries and companies and creates new markets that solve social issues. In consulting business, we define the key three transformations that companies must address in the digital economy as; "Digital Transformation" to transform the core business model and achieve significant performance improvements through a productivity revolution, "Service Transformation" to build a business model that will serve as a new growth engine in growth markets, and "Management Transformation" to build a management platform. We have professionals with diverse skills are working to solve corporate issues, create new value, and co-create new businesses and industries through collaboration among companies. In the investment business, the focus is on the "regenerative & wellbeing" area, such as city development, food, and wellness. Through the linkage with our consulting business, we support the growth and enhancement of our investee companies' corporate value.

Official website: <https://www.sigmaxyz.com/en/>

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