



2023_4Q | Result

Snow Peak, Inc. [TSE: 7816]

Mission Statement

The Snow Peak Way

At Snow Peak, we treasure every individual's initiative.
By joining forces in absolute trust, we work to achieve global leadership, elevating the essential life values inspired by being with nature.

We are always evolving, always innovating, always creating new approaches.

Our philosophy is that we are all users, so we provide customers with rich experiences that inspire us all.

We are committed to having a positive impact on the planet.



INDEX

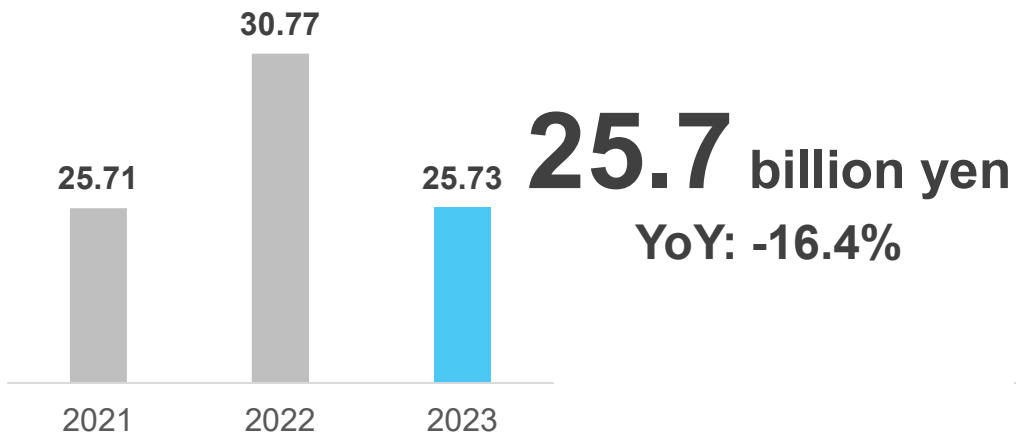
- 1 Summary of FY2023 Financial Results**
- 2 FY2024 Earnings Forecast**
- 3 Highlights**
- 4 Appendix**

Summary of FY2023 Financial Results

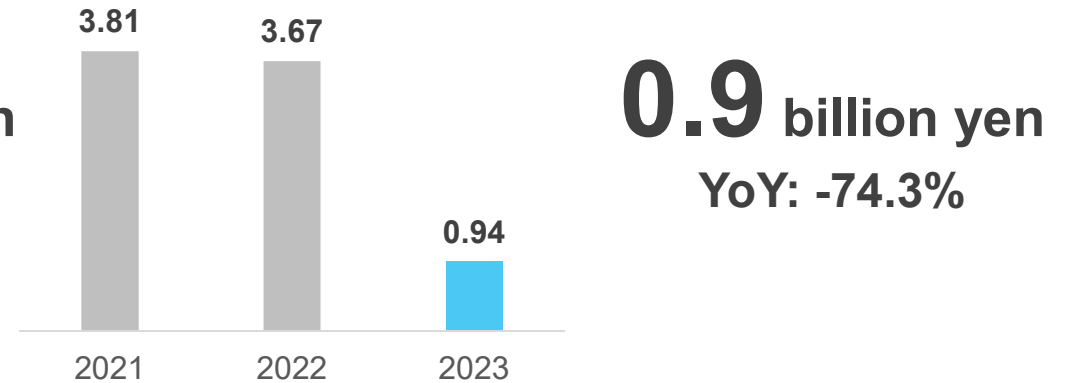


Financial Highlights | Highlights of FY2023 Results

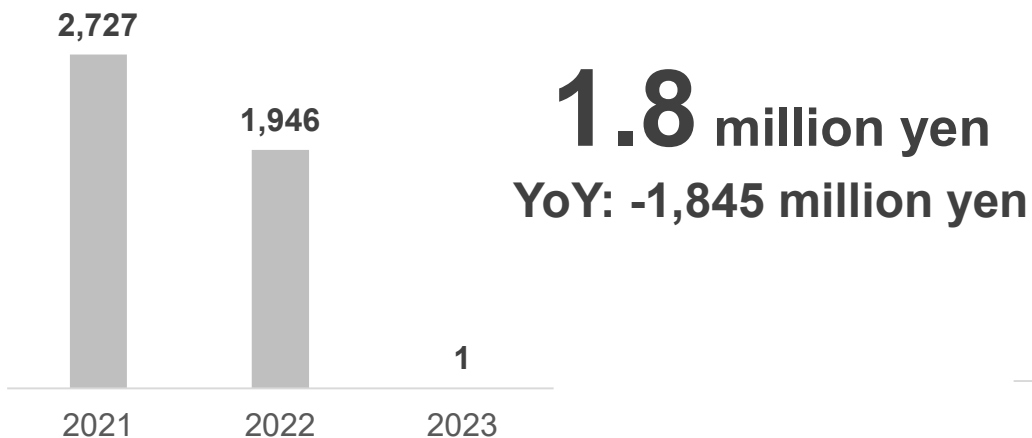
Net sales



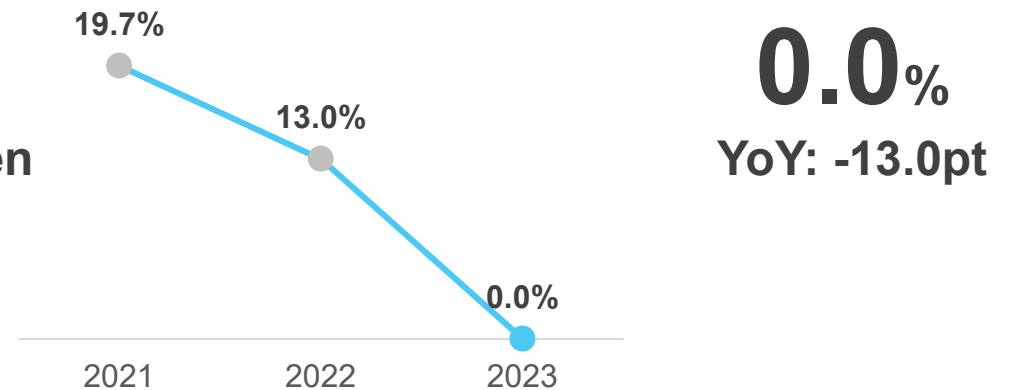
Operating profit



Profit*



ROE*

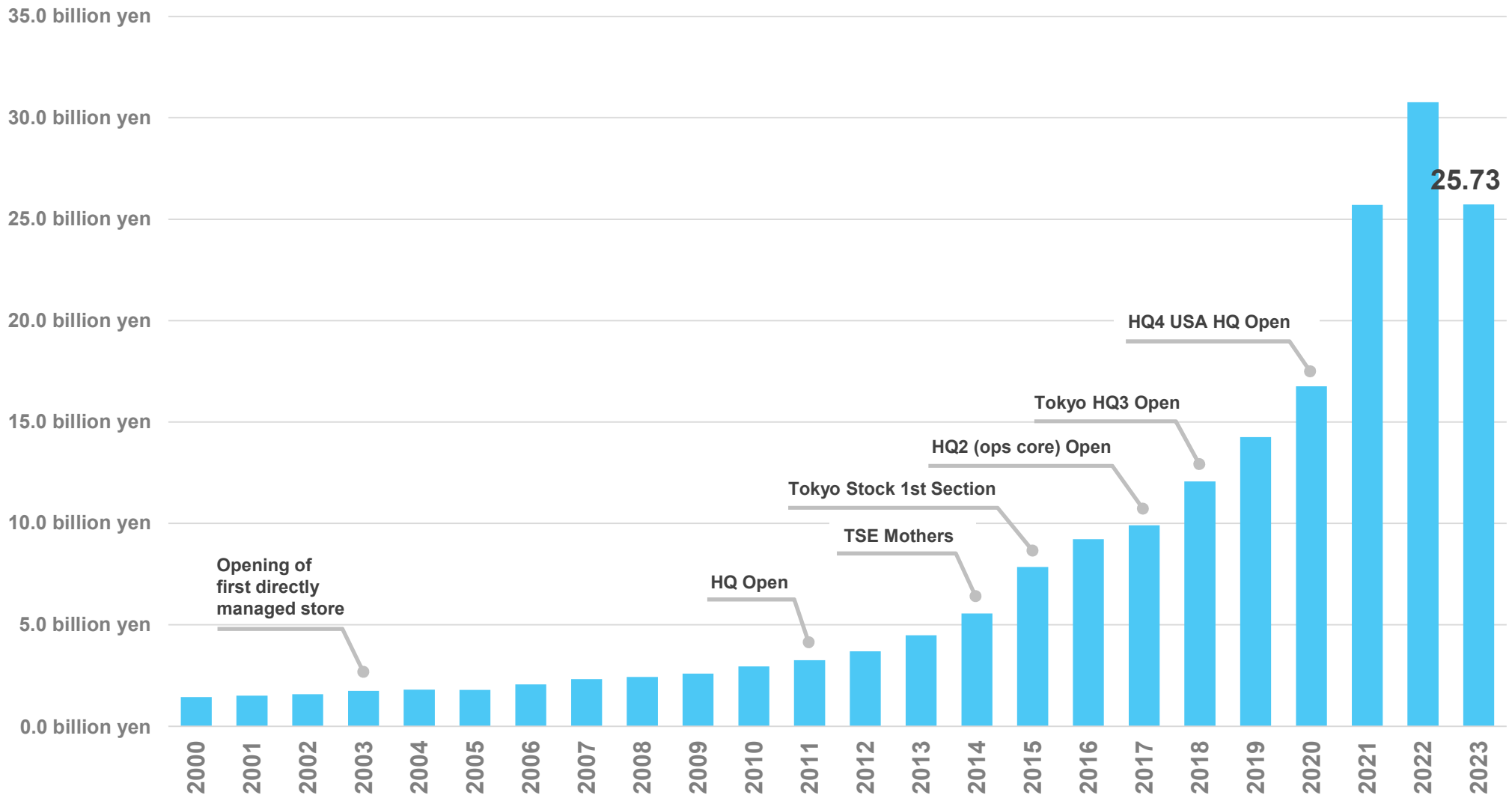


* Profit attributable to owners of parent

* Shareholders' equity as of the end of the fiscal year is used to calculate ROE (return on equity).

Financial Highlights | Trend in Net Sales

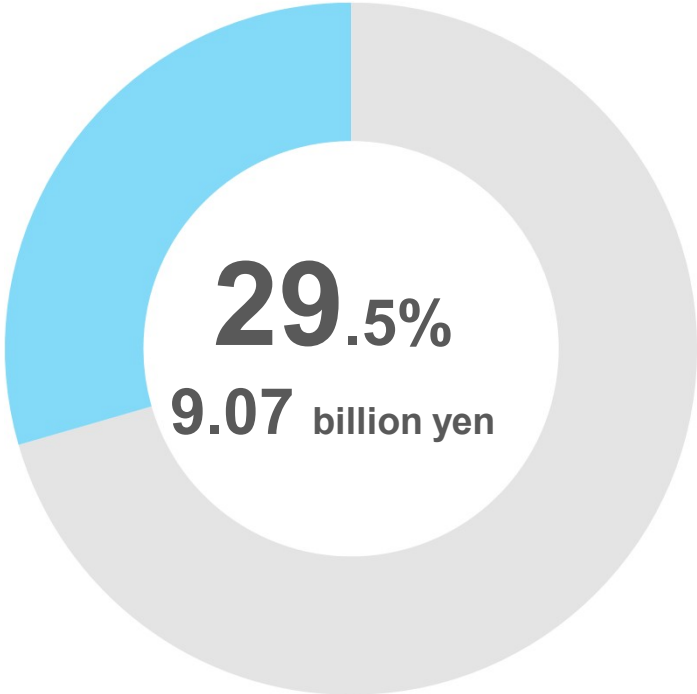
- Maintained growth trend for more than 20 years since FY2000
- People grew interested in outdoor activities in 2020 under the restrictions imposed on movement. With the end of the COVID pandemic, however, people's interest has been shifted to other leisure activities. Consequently, the demand for outdoor goods had peaked by FY2023.



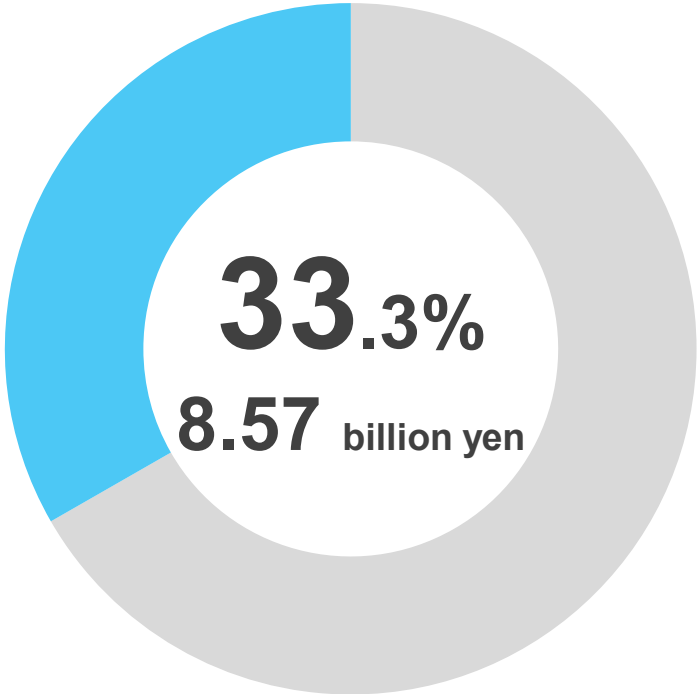
Financial Highlights | Expansion in Overseas Sales

- Net sales overseas decreased year on year, but the proportion of overseas sales to our overall sales rose to more than 30%.
- This is attributable to factors such as the strong showing in South Korea, the full-scale launch of the Chinese operations and greater recognition of Snow Peak in Europe and North America.

Overseas Sales in 2022



Overseas Sales in 2023



FY2023 Financial Results | Overview of Consolidated Financial Results (Comparisons with the Previous Year's Results)

- Net sales decreased 5,045 million yen year on year.
- The overall Snow Peak Group focused on cost control, but the impact of the drop in sales was significant and operating profit decreased 2,731 million yen year on year.

Unit: million yen	Full-year results				Reference 4Q (Three-month total)			
	FY2022	FY2023	YoY changes		FY2022	FY2023	YoY changes	
Net sales	30,773	25,728	-5,045	-16.4%	7,843	6,194	-1,649	-21.0%
Cost of sales	13,950	10,566	-3,383	-24.3%	3,772	2,226	-1,546	-41.0%
Gross profit	16,823	15,161	-1,662	-9.9%	4,070	3,967	-102	-2.5%
<i>Gross profit ratio</i>	<i>54.7%</i>	<i>58.9%</i>	-	<i>+4.3pt</i>	<i>51.9%</i>	<i>64.1%</i>	-	<i>+12.2pt</i>
SG&A expenses	13,148	14,218	+1,069	+8.1%	3,505	3,733	+227	+6.5%
Operating profit	3,674	943	-2,731	-74.3%	565	234	-330	-58.4%
<i>Operating profit ratio</i>	<i>11.9%</i>	<i>3.7%</i>	-	<i>-8.3pt</i>	<i>7.2%</i>	<i>3.8%</i>	-	<i>-3.4pt</i>
Profit before income taxes	2,823	790	-2,033	-72.0%	-298	-355	-57	-
Profit*	1,946	1	-1,944	-99.9%	-131	-663	-531	-
<i>Profit ratio</i>	<i>6.3%</i>	<i>0.0%</i>	-	<i>-6.3pt</i>	<i>-1.7%</i>	<i>-10.7%</i>	-	<i>-9.0pt</i>

* Profit attributable to owners of parent

FY2023 Financial Results | Overview of Consolidated Financial Results (Comparisons with Full-year Financial Forecasts)

- Net sales were 2,122 million yen less than the revised forecast (achievement rate of 92%).
- Operating profit was 148 million yen less than the revised forecast (achievement rate of 86%).
- Because of extraordinary loss (impairment loss), profit ended up in being 614 million yen below the revised forecast.

	Initial forecast Announced on February 13, 2023	Revised forecast Announced on August 10, 2023	FY2023 Results	Vs. revised forecast		(Reference) FY2022
Unit: million yen						
Net sales	36,000	27,850	25,728	-2,122	-7.6%	30,773
Cost of sales	15,120	11,739	10,566	-1,173	-10.0%	13,950
Gross profit	20,880	16,111	15,161	-950	-5.9%	16,823
<i>Gross profit ratio</i>	<i>58.0%</i>	<i>57.8%</i>	<i>58.9%</i>	-	<i>+1.1pt</i>	<i>54.7%</i>
SG&A expenses	15,880	15,019	14,218	-801	-5.3%	13,148
Operating profit	5,000	1,091	943	-148	-13.6%	3,674
<i>Operating profit ratio</i>	<i>13.9%</i>	<i>3.9%</i>	<i>3.7%</i>	-	<i>-0.2pt</i>	<i>11.9%</i>
Ordinary profit	4,930	1,375	1,192	-183	-13.3%	3,606
Profit*	2,849	615	1	-614	-99.8%	1,946

* Profit attributable to owners of parent

FY2023 Financial Results | Selling, General and Administrative Expenses (Comparisons with the Previous Year's Results)

- Selling, general and administrative expenses increased 1,069 million yen from the previous year.
- The across-the-board wage increases introduced in the beginning of the fiscal year led to an increase in personnel expenses and in the number of events held. SGA expenses also increased in relation to the 65th anniversary. Nonetheless, expenditure was kept to the minimal level required.

Unit: million yen	Full-year total				Reference 4Q (Three-month total)			
	FY2022	FY2023	YoY changes		FY2022	FY2023	YoY changes	
Personnel expenses	5,629	5,999	+369	+6.6%	1,416	1,497	+81	+5.8%
Rent expenses on land and buildings	942	1,055	+113	+12.1%	251	280	+28	+11.4%
Depreciation	1,022	1,092	+69	+6.8%	280	295	+14	+5.2%
Shipping and delivery expenses	952	861	-91	-9.6%	285	243	-42	-14.9%
Supplies and consumables expenses	626	748	+121	+19.4%	153	170	+17	+11.4%
Promotion expenses	436	612	+176	+40.4%	136	193	+57	+42.1%
Advertising expenses	560	572	+12	+2.3%	202	242	+40	+19.9%
Travel expenses Transportation expenses	250	261	+10	+4.1%	78	62	-15	-20.3%
SG&A expenses	13,148	14,218	+1,069	+8.1%	3,505	3,733	+227	+6.5%

FY2023 Financial Results | Overview of Consolidated Balance Sheet

- Inventories rose 3,923 million yen from the end of the previous fiscal year.
- The increase of inventories also added to working capital. As a result, interest-bearing liabilities increased 4,327 million yen from the end of the previous fiscal year.

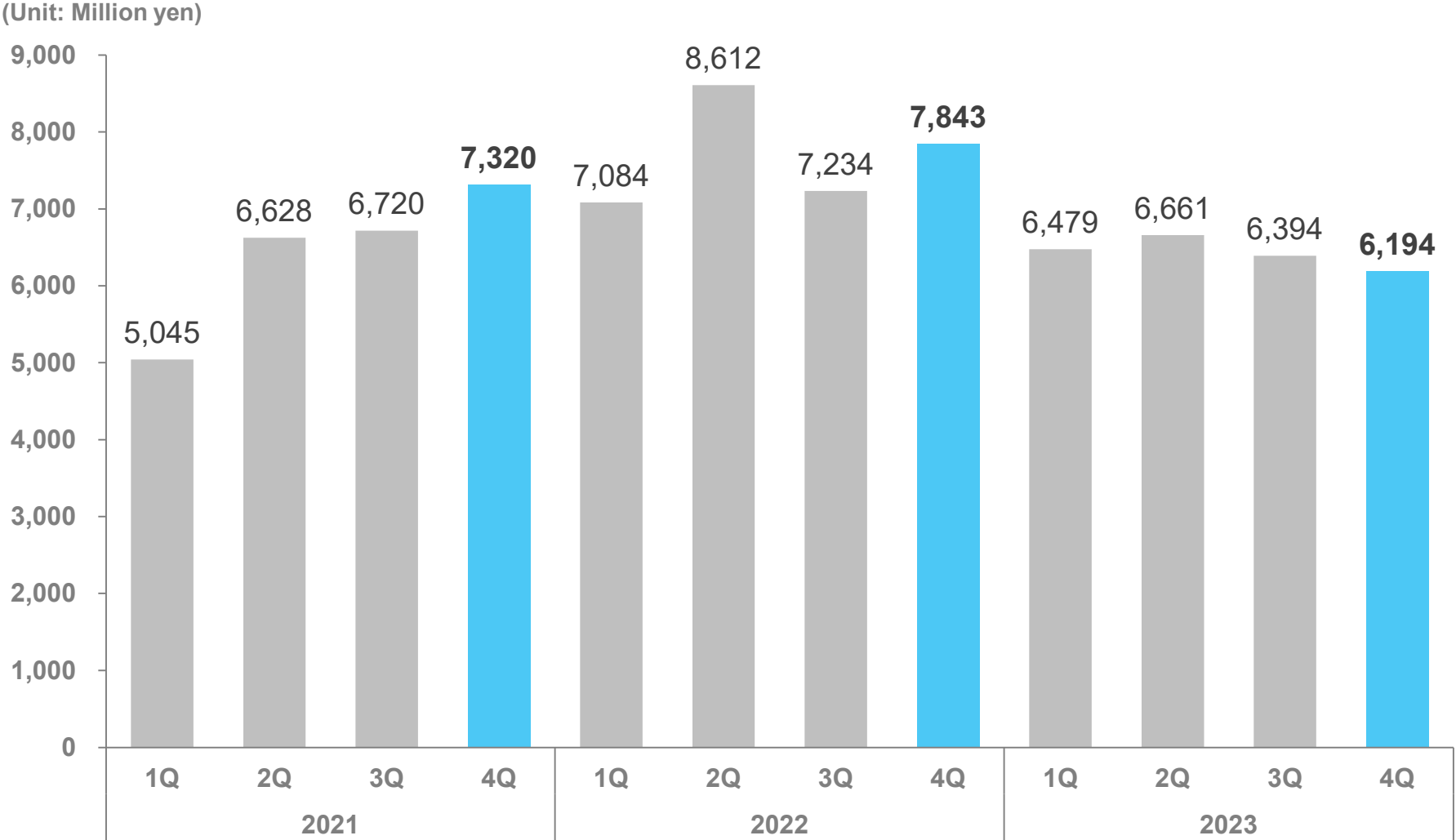
Unit: million yen	FY2023 4Q	Composition ratio	FY2023 3Q	Changes from the immediately previous quarter		FY2022 4Q	Changes from the end of the previous fiscal year	
Total assets	34,738	100.0%	36,567	-1,829	-5.0%	30,733	+4,004	+13.0%
Current assets	19,768	56.9%	20,706	-938	-4.5%	16,669	+3,098	+18.6%
Inventories	10,477	30.2%	11,101	-624	-5.6%	6,553	+3,923	+59.9%
Non-current assets	14,970	43.1%	15,861	-891	-5.6%	14,064	+905	+6.4%
Current liabilities	13,808	39.8%	14,093	-285	-2.0%	9,149	+4,659	+50.9%
Non-current liabilities	5,113	14.7%	5,483	-370	-6.7%	6,327	-1,214	-19.2%
Interest-bearing liabilities	13,501	38.9%	13,262	+3,296	+33.8%	9,174	+4,327	+47.2%
Net assets	15,816	45.5%	16,990	-1,174	-6.9%	15,257	+559	+3.7%
Equity ratio	44.6%		45.6%			48.8%		
D/E ratios	0.85x		0.78x			0.60x		
Net D/E ratios	0.47x		0.45x			0.25x		

FY2023 Financial Results | Overview of Consolidated Cash Flows

	FY2023 Results	FY2022 Results	Increases/Decreases	Key components of results for the fiscal year under review
Unit: million yen				
Cash flows from operating activities	-1,196	-1,461	+265	Profit before income taxes: Up 790 Increase in inventories: Down 3,736
Cash flows from investing activities	-2,370	-2,652	+282	Purchase of property, plant and equipment: Down 1,912
Cash flows from financing activities	3,673	5,424	-1,751	Net increase (decrease) in short-term borrowings: Up 5,143 Dividends paid: Down 453
Increases or decreases in cash and cash deposits	700	1,553	-853	
Balances of cash and cash deposits at the end of the period	6,068	5,368	+700	
Free cash flow	-3,566	-4,113	+547	

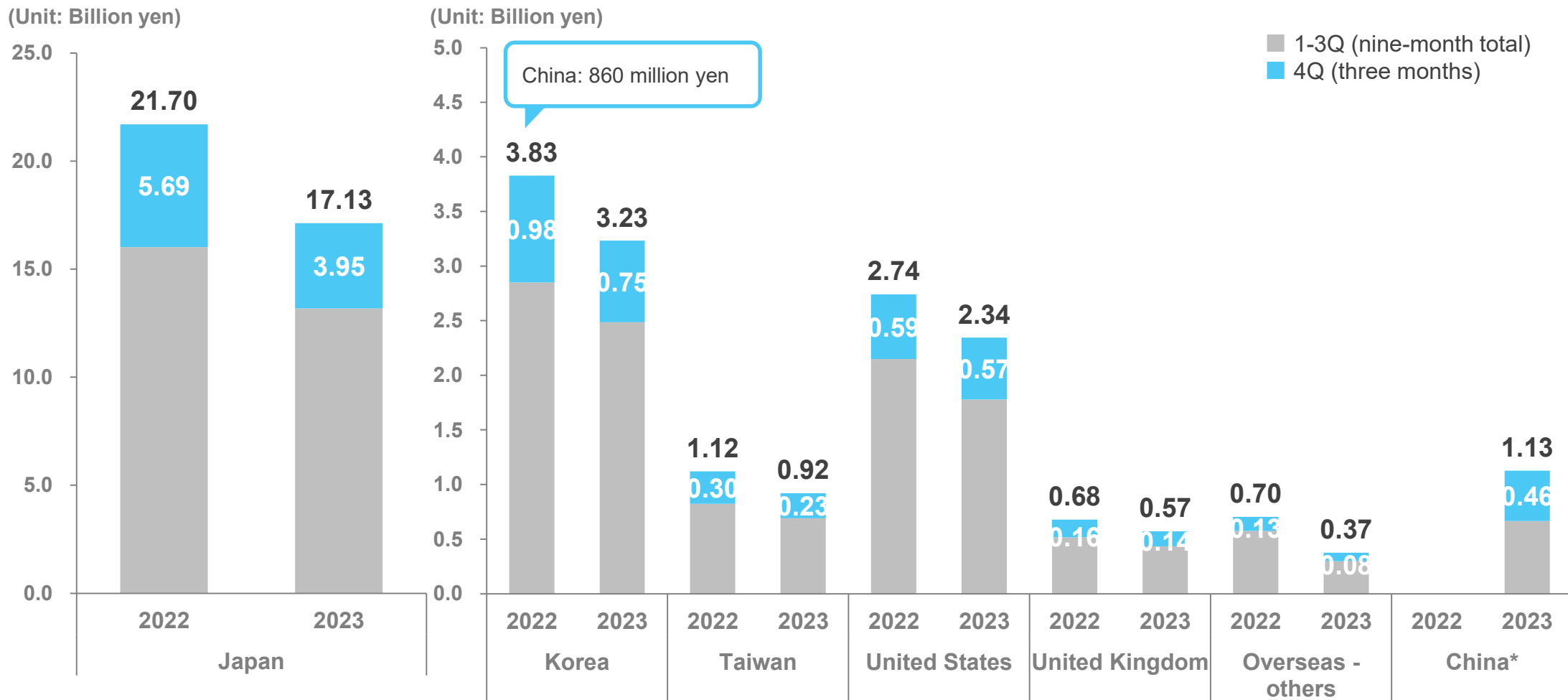
FY2023 Financial Results | Quarterly Trend in Consolidated Net Sales

- People grew interested in outdoor activities under movement restrictions. With the end of COVID pandemic, however, people’s interest has shifted to other leisure activities. Consequently, the rise in demand for outdoor goods has peaked and growth began to slow.



FY2023 | Net Sales by Location

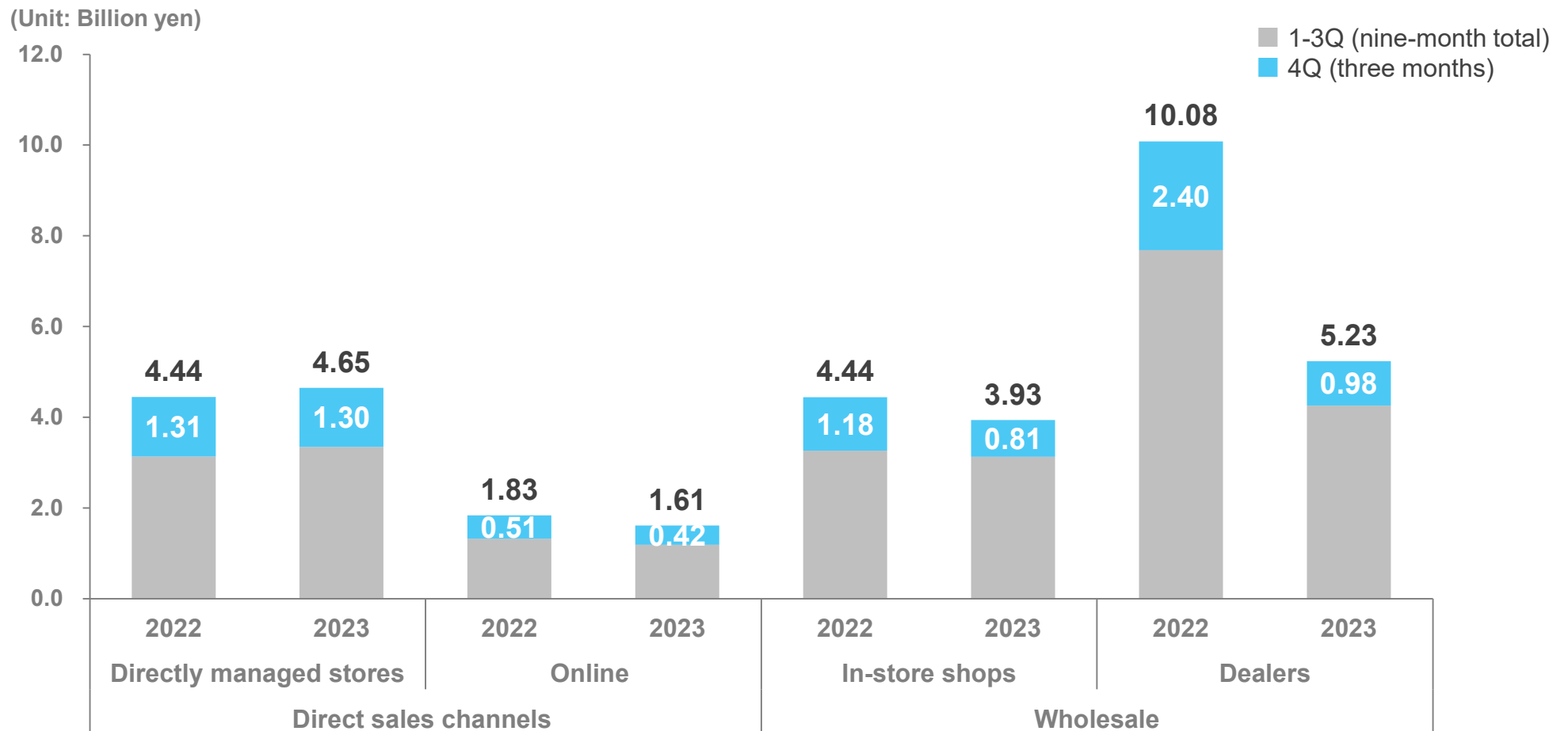
- Net sales decreased year on year in all of these locations.
- In China, net sales amounted to nearly 1.1 billion yen in the first year after full-scale launch.



* Sales in China in 2022 are included in South Korea, as it was before the establishment of the Chinese base.

FY2023 | Net Sales by Sales Category: Japan

- For direct sales channels, our in-house e-commerce struggled but our brick-and-mortar stores drew more visitors than they had done in the previous year thanks to the recovery in inbound demand and a strong showing in apparel among other factors. As a consequence, net sales at our directly managed stores slightly increased year on year.
- For the wholesale channel, wholesalers' inventories of our products are coming closer to an optimal level. However, sell-through decreased mainly in beginners goods.



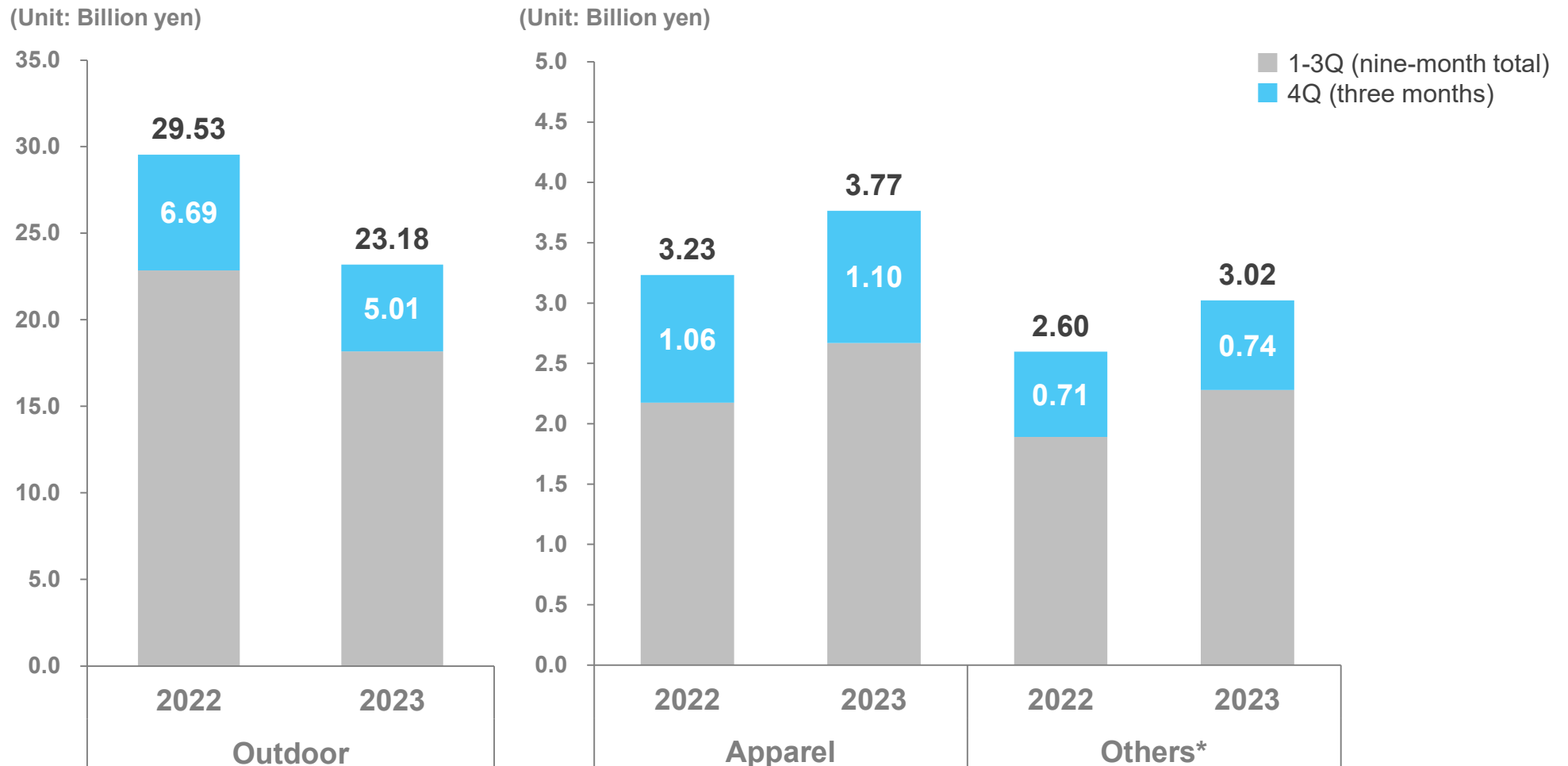
* Sales figures for Dealer Wholesale include the sales of EC Wholesale.

* Figures were calculated by deducting sales to overseas and wholesale sales to subsidiaries from the non-consolidated sales of Snow Peak.

* The net sales of each sales category is the figure before the posting of Snow Peak points based on the Accounting Standard for Revenue Recognition and the impact of sales for product warranties.

FY2023 | Net Sales by Business

- Sales in the Outdoor Business fell 21% year on year.
- Net sales in the Apparel Business rose 16% year on year, reflecting a continued increase in demand associated with going out as well as inbound demand.

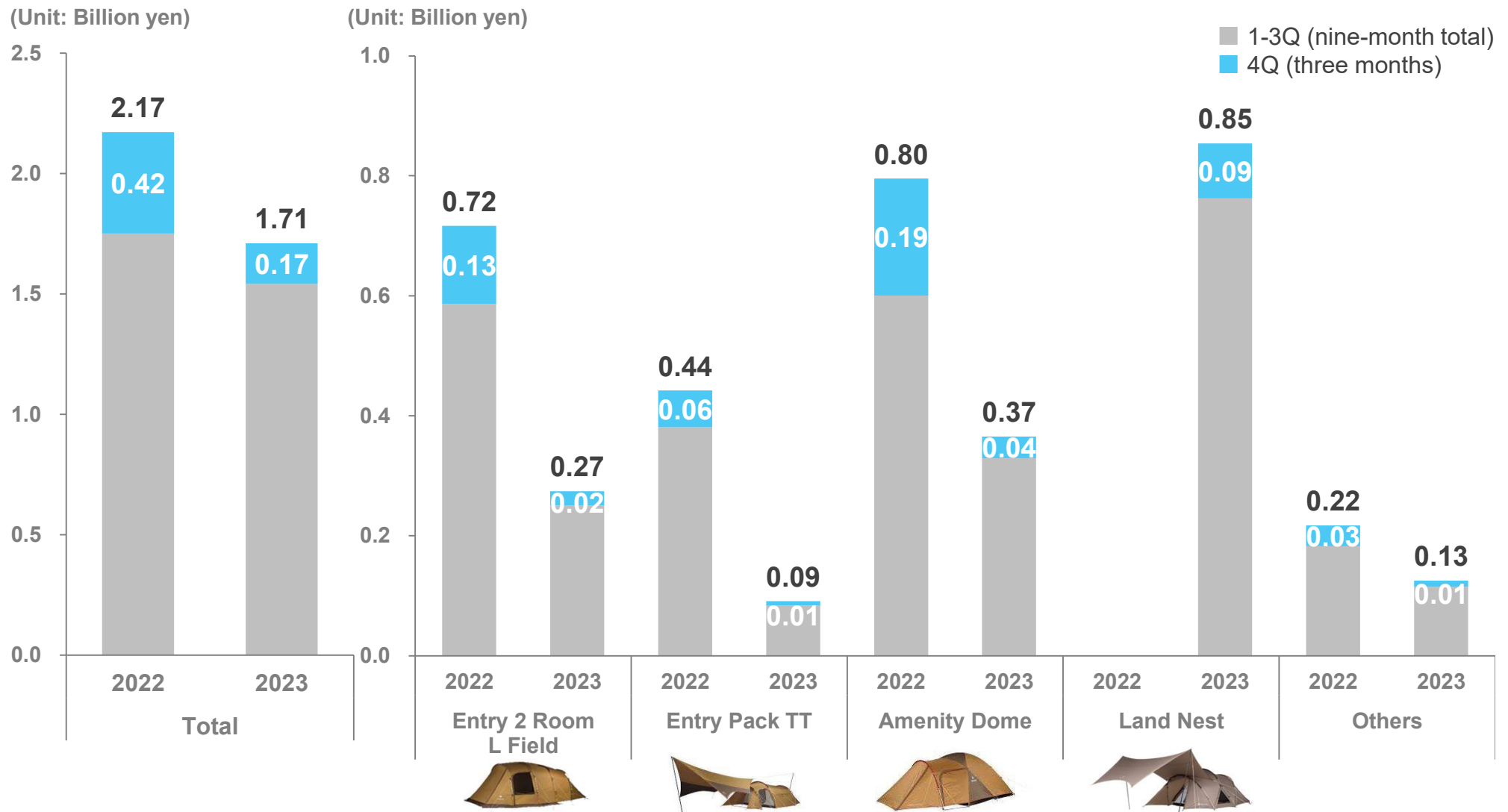


*Others refers to the total sales of Camping field, Snow Peak Eat, Urban outdoor, Regional revitalization consulting, and Business solutions.

As the figures shown include sales to the Snow Peak Group, the total figures do not match the consolidated sales figures. The 2022 results may not match the previously disclosed information.

FY2023 | Net Sales of Beginners Goods

- As the demand for outdoor goods is past its peak, total net sales of beginners goods dropped 21% year on year.
- Point-of-purchase selling prices of some products have been revised since mid-December to boost our competitiveness in prices.



* The figures include sales from set sales. Because of a review of applicable beginners products, some changes were made to the FY2022 results. This may cause some differences from the past disclosure.

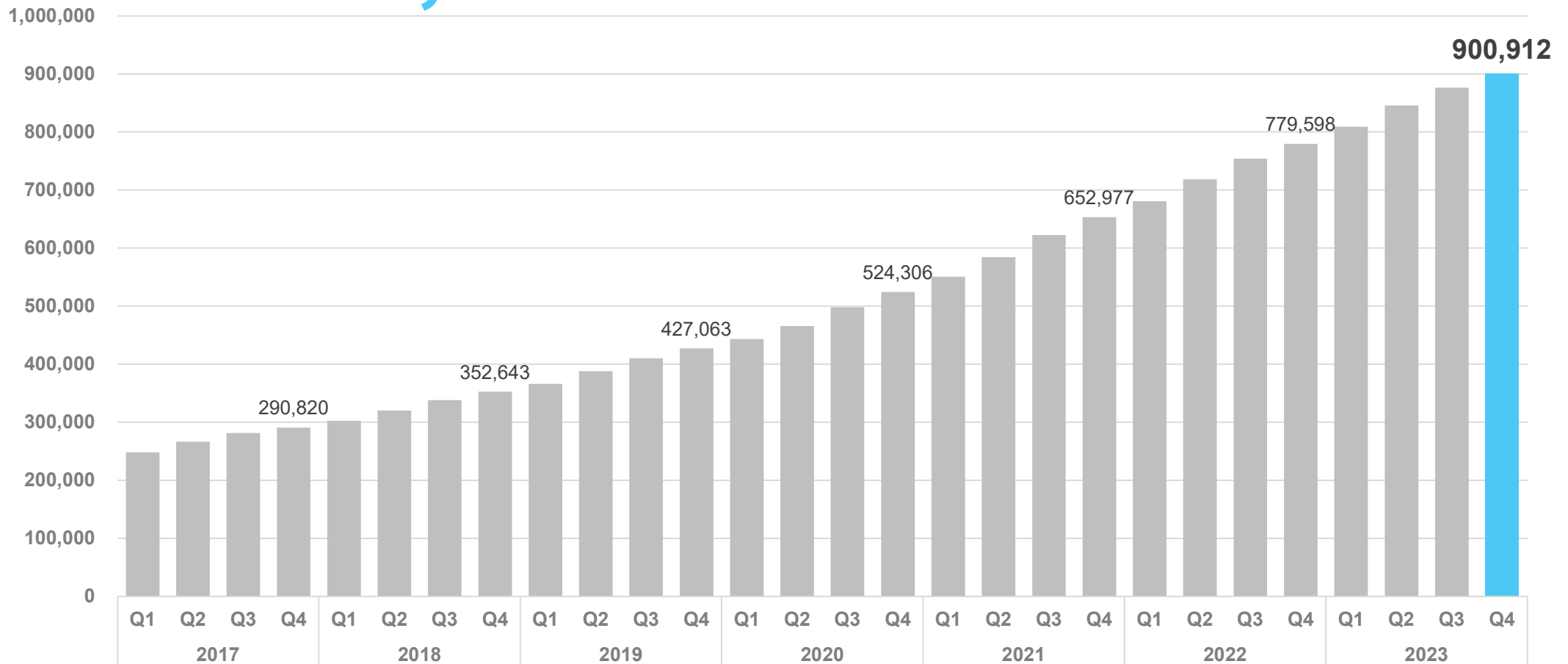
Number of Point Program Memberships (Japan)

- The number of members of our Point Program is rising steadily and has exceeded 900 thousand.

Number of Snow Peak Point Program Memberships

900,000

as of the end of December 2023



Number of Stores

	Sales form	Store format	Salesperson	Number of stores*
Direct sales	Directly managed stores	 Real store 40-150 tsubo	 Our staff	Japan: 34 Overseas: 11
	Online Snow Peak (Proprietary e-commerce)	 Online	 Our staff	—
Wholesale	Online wholesalers	 Online	 Supplier staff	Amazon.com Other
	In-store	 Real store 30-tsubo floor space	 Our staff	Japan: 77 Overseas: 0
	Shop in shop	 Real store 15-tsubo floor space	 Supplier staff trained by Snow Peak	Japan: 232 Overseas: 49
	Entry store	 Real store 3-tsubo floor space	 Supplier staff trained by Snow Peak	Japan: 246 Overseas: 5

* As of December 31, 2023 (excluding franchises and MC)

Status of Overseas Expansion

		Deployed product category	Business base	Store	EC	Membership system
Asia	Japan	- Outdoor products - Apparel products - Urban outdoor products	○	○	○	○
	South Korea	- Outdoor products - Apparel products - Urban outdoor products	○	○	○	○
	Taiwan	- Outdoor products - Apparel products	○	○	○	○
	China	- Outdoor products - Apparel products	○	○	○	(Preparing)
Europe and the US	United States	- Outdoor products - Apparel products	○	○	○	○
	United Kingdom	- Outdoor products - Apparel products	○	○	○	(Preparing)

* As of December 31, 2023

Reference | Net Sales by Location YoY

2023													
	(%)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Japan		101.5	70.7	90.1	63.3	82.5	73.5	93.0	92.0	77.4	79.7	72.5	60.6
USA		86.9	72.7	92.0	88.2	63.0	73.9	94.7	106.6	79.2	86.9	100.3	105.6
China and South Korea		114.3	115.9	129.4	131.7	99.9	116.5	93.0	95.5	105.5	95.3	114.2	216.3
Taiwan		99.1	104.8	97.7	151.3	66.2	61.5	99.9	66.3	46.0	71.5	61.4	112.8
UK (including EU)		27.0	75.4	98.4	71.8	85.9	88.7	118.9	76.5	105.8	162.3	74.2	43.3
Other Overseas		48.3	94.4	44.5	68.1	53.1	46.1	94.2	29.9	49.6	47.7	74.7	58.7
Consolidated totals		99.2	76.6	93.8	75.3	81.7	78.1	93.8	89.3	80.2	82.6	80.8	77.0
2022													
	(%)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Japan		155.5	131.8	114.2	125.9	135.3	105.7	91.7	89.7	98.1	94.4	94.8	129.0
USA		229.6	179.9	130.2	148.1	195.4	217.3	110.6	159.6	164.8	132.7	112.2	85.1
China and South Korea		206.9	210.0	172.6	146.7	142.1	177.8	203.6	180.9	130.4	141.0	140.0	129.6
Taiwan		125.6	182.0	167.8	108.8	156.7	155.3	153.3	138.3	170.5	116.1	104.6	169.8
UK (including EU)		233.0	216.9	137.5	167.6	139.6	123.1	124.4	144.2	158.4	71.1	98.5	122.9
Other Overseas		143.2	202.5	126.0	133.2	134.0	139.0	42.6	569.1	149.5	85.2	49.4	37.6
Consolidated totals		163.1	144.0	122.6	129.8	141.9	121.3	101.9	110.1	110.5	101.5	100.2	122.4

FY2024 Earnings Forecast



FY2024 | Earnings Forecast

- Net sales of 30.6 billion yen (up 18% year on year) and operating profit of 2.1 billion yen (up 98% year on year) are planned.
- Attract new customer groups by increasing store openings in our overseas locations mainly including the United States and China and continuously strengthening outdoor product development.
- For the wholesale channel, we expect increased sell-in and the expansion of domestic and overseas wholesalers in association with improvements in the existing wholesalers' inventory status.

Unit: million yen	FY2023 Results	FY2024 Forecast	YoY	
			Increase/Decrease	Change (%)
Net sales	25,728	30,600	+4,872	+18.9%
SG&A expenses	14,218	15,731	+1,513	+10.6%
Operating profit	1,091	2,170	+1,227	+130.1%
<i>Operating profit ratio</i>	4.2%	7.1%	-	+3.4pt
Ordinary profit	1,339	2,170	+978	+82.0%
Profit*	104	1,130	+1,129	-

* Profit attributable to owners of parent

Current exchange rate: 1USD=145.00 JPY, 1GBP=180.00 JPY, 1KRW=0.11 JPY, 1TWD=4.50 JPY, 1CNY=19.70 JPY

Medium-Term Management Plan

In consideration of changes in our business environment, a revision to our earnings forecast for the second consecutive year and trends in immediate earnings, we are reviewing the Medium-Term Management Plan (2023 – 2025) announced in February 2023 with a view to also reviewing the strategy and numerical targets. Once we reach a decision, we will disclose it.

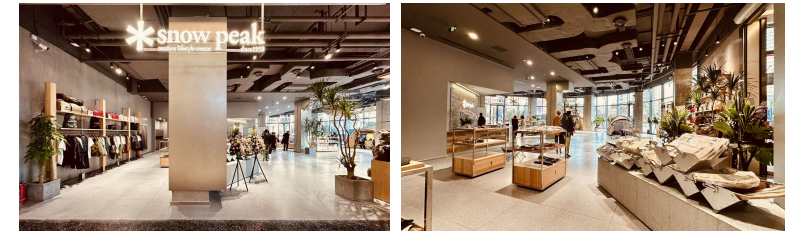
Highlights



China | Status of Expansion of Stores

- Store openings are increasing all over mainland China, primarily in the major cities. Four more stores are scheduled to open.
- We are focusing on expanding the brand's recognition by, for example, opening pop-up stores.

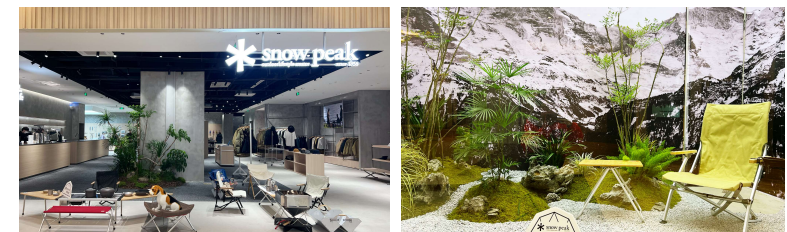
- MC flagship stores as of the end of January*1 2 shops
- Shop-in-shop as of end January*2: 15 shops
- Scheduled to open 4 shops



Snow Peak UniPark MAX (Shanghai)



Snow Peak MixC Wenzhou Binjiang (Zhejiang)



Snow Peak Ningbo Hankyu (Zhejiang)

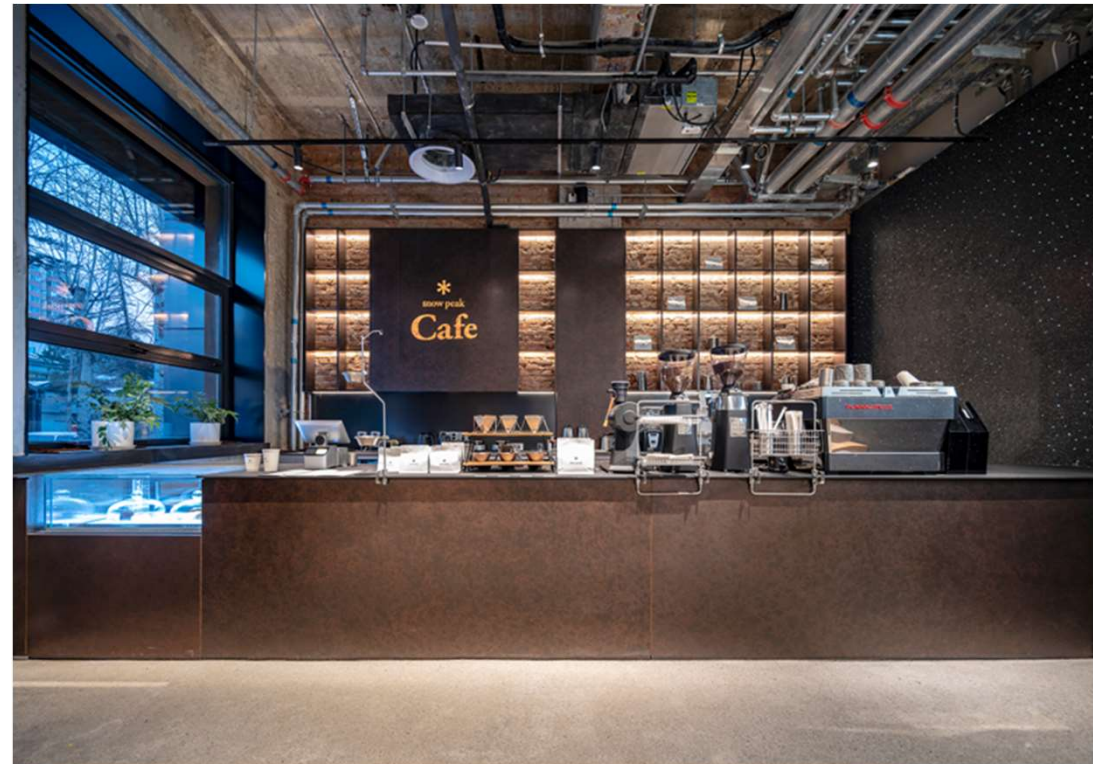
*1 The management contract (MC) system involves the property owner's outsourcing store operation.

*2 Shop-in-shops in China are Snow Peak mono-brand stores that sell Snow Peak products only.

China | Snow Peak Zhong Guan Cun Flagship Store

- Snow Peak Zhong Guan Cun Flagship Store, China's first Snow Peak flagship store run in the management contract system*, opened in Beijing on December 22, 2023.
- Zhong Guan Cun, Haidian, Beijing is referred to as China's Silicon Valley and is home to many IT-related companies' offices and laboratories and many prestigious universities.
- The store provides after-sales service inside and undertakes simple repairs. No other store did it in China before that.

©李晓光



* The management contract (MC) system involves the property owner's outsourcing store operation.

U.S. | Snow Peak Long Beach Campfield

- Snow Peak Long Beach Campfield, the first U.S. camping field directly managed by Snow Peak, is planned to be partly opened in March 2024.
- Located on a vast site of more than 30,000 tsubo, the Snow Peak directly managed store has a camp field and outdoor gear, with apparel and other products available. A mobile house JYUBAKO is annexed to the store. Preparations for a hot bath facility are underway, inspired by Japanese onsen.
- The camp field serves as a place for experiencing the attractiveness of camping proposed by Snow Peak and represents our pursuit of the creation of a luxurious camping culture, something that is still unfamiliar in the United States.

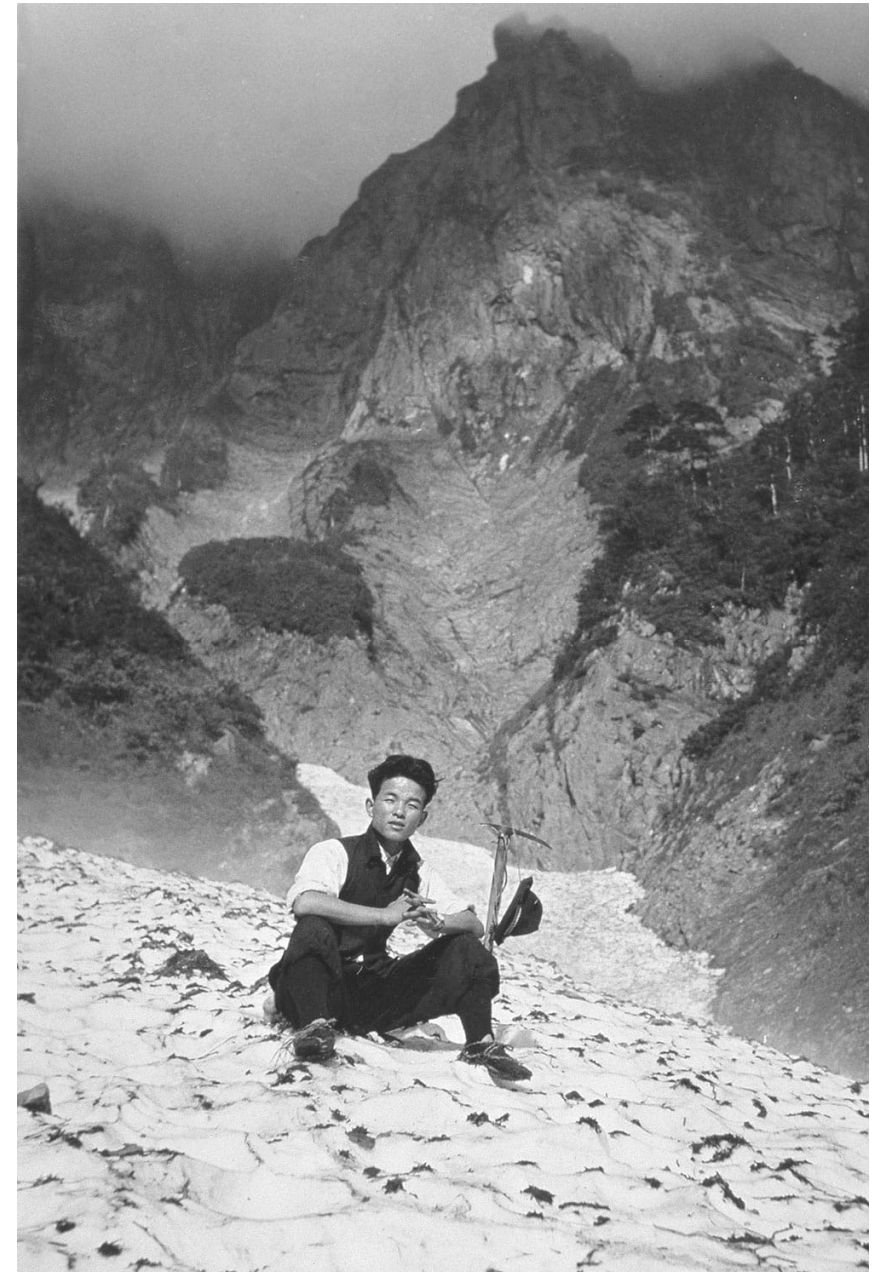


Appendix



About Snow Peak | Company Profile

Company name	Snow Peak, Inc.
Head office location	456, Nakanohara, Sanjo-shi, Niigata
Established	July 1958
Share capital	2,779.31 million yen
Location	Snow Peak Operation Core HQ2 (Mitsuke-shi, Niigata) Snow Peak Tokyo HQ3 (Shibuya-ku, Tokyo) Snow Peak USA Headquarters (Global HQ4) (USA)
Business	Development, manufacture and sale of outdoor products Development, manufacture and sale of apparel products Urban outdoor business Camping office business Regional revitalization business Glamping business
Stock listing	Tokyo Stock Exchange Prime Market (Securities Code: 7816)



About Snow Peak



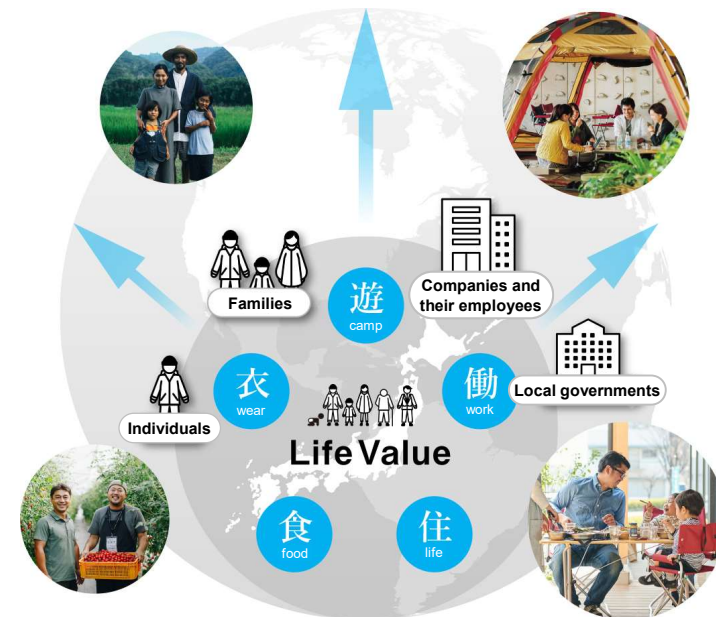
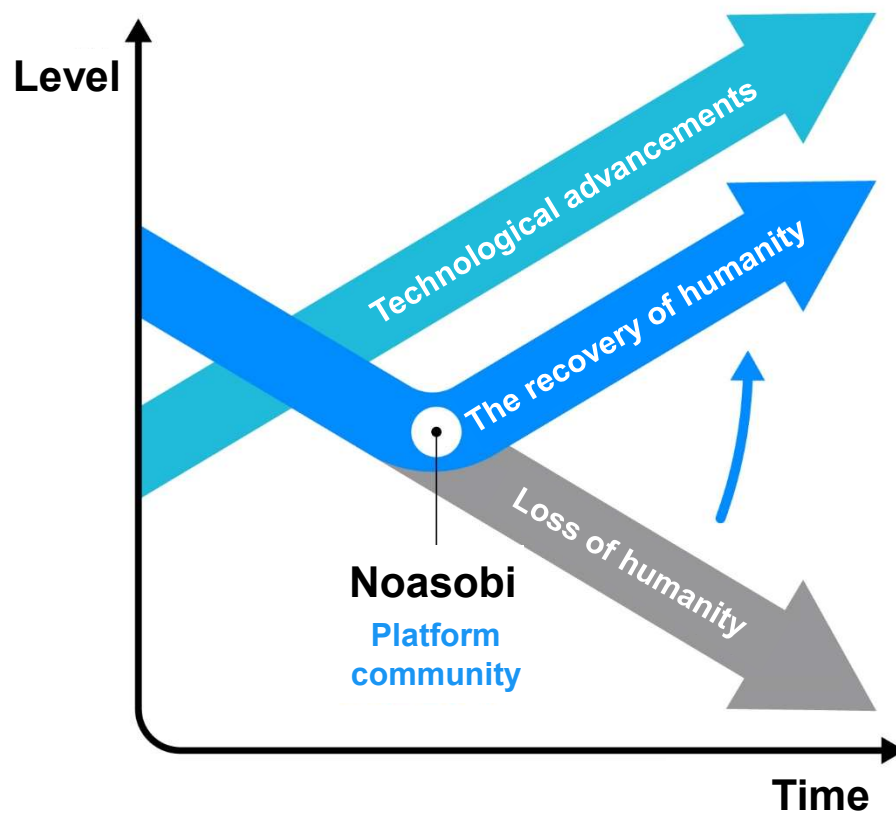
Outdoor brand originating in Tsubame-Sanjo, Niigata

Drawing on the expertise of Tsubame-Sanjo's metal craft history, Snow Peak has been a driver of Japan's outdoor industry, launching functional, beautiful, robust outdoor products one after another onto the market

About Snow Peak | Social Mission

Restore our sense of humanity through elevating the essential life values inspired by being with nature

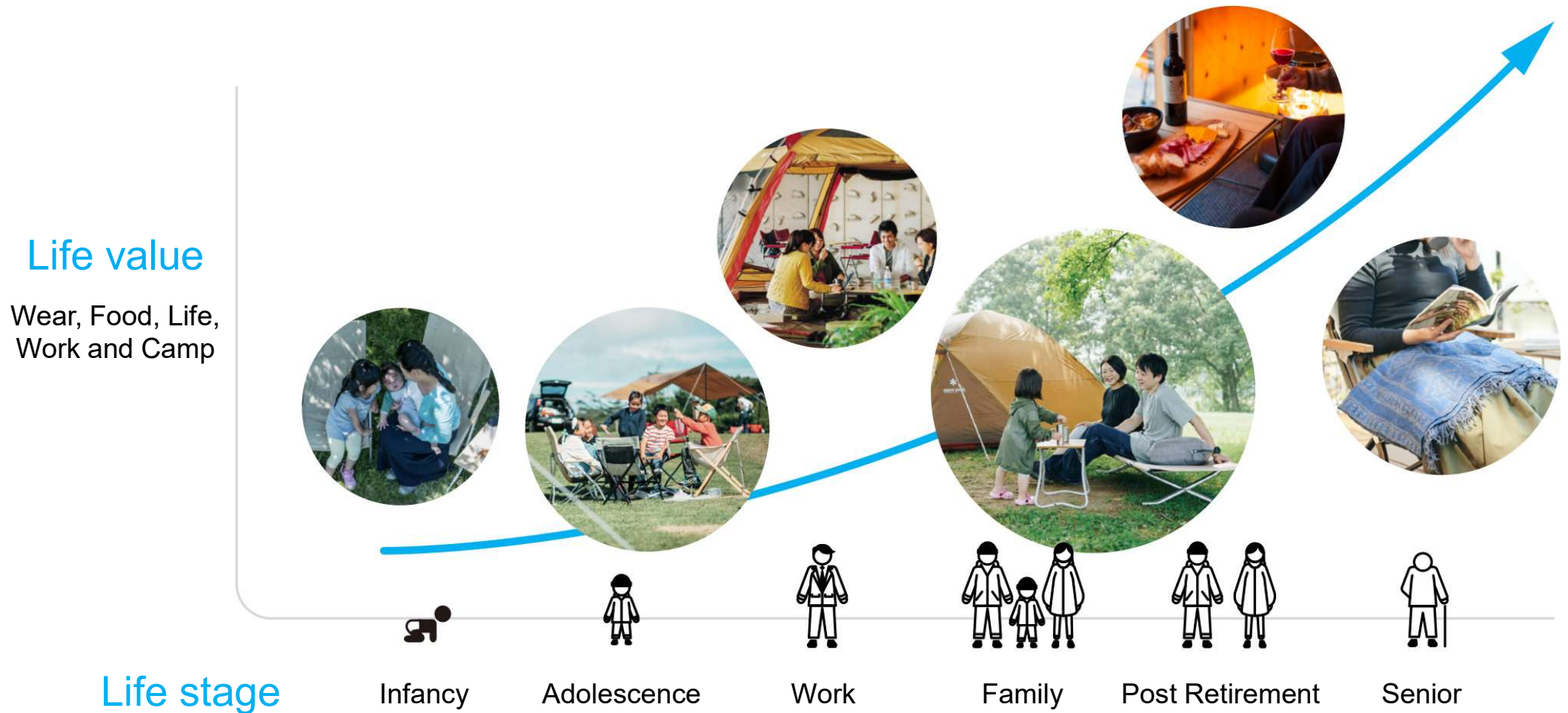
Extend the power of camping
(= the power to restore humanity and build connections) to the rest of life



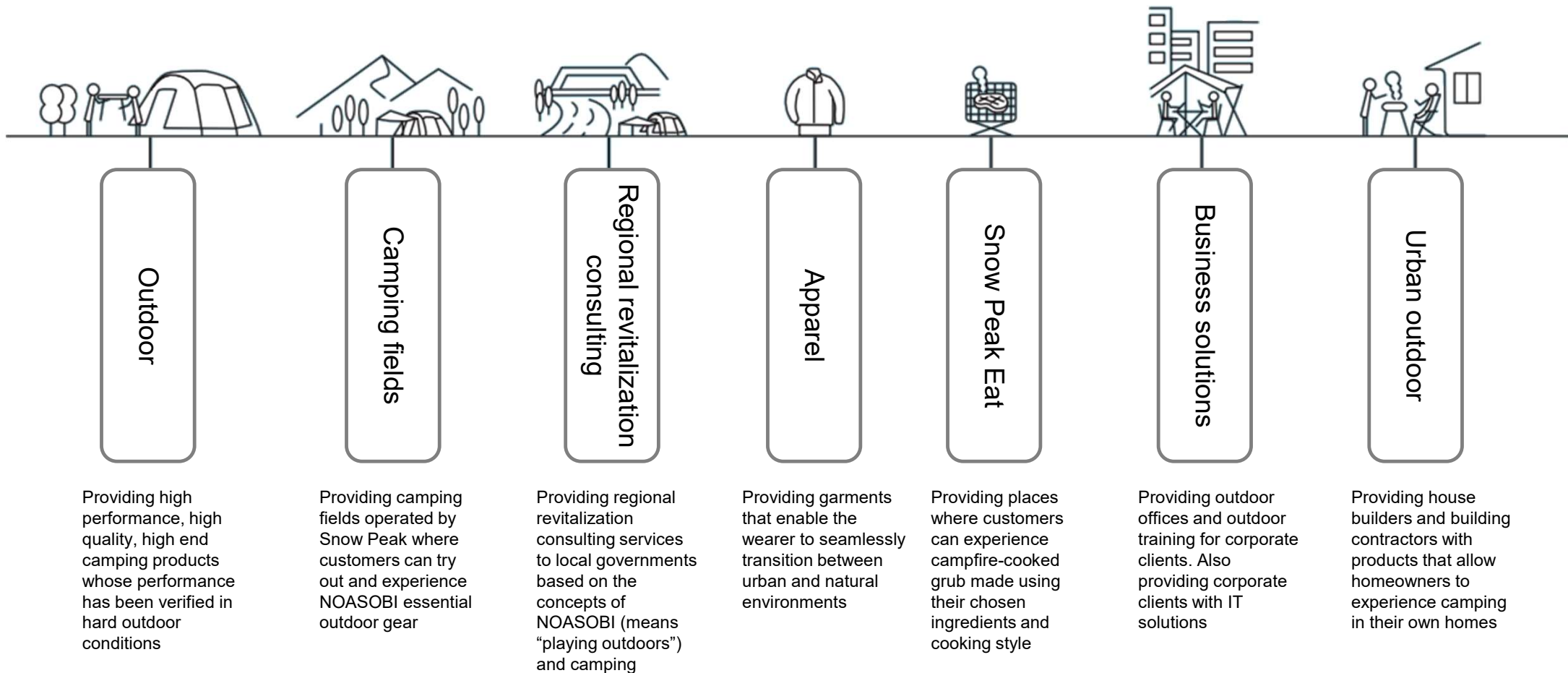
About Snow Peak | Life Values Provided by Snow Peak

We believe in the **power of camping**.

We will provide essential life values inspired by being with nature in **all life stages** through “Wear, Food, Life, Work and Camp.”



About Snow Peak | Business Domains



Wear, Food, Life, Work and Camp

Life Value brand with Noasobi at its core

About Snow Peak | Campgrounds Operated by Snow Peak

Camp grounds are a place of gathering where we can showcase the value of Noasobi in the field



Snow Peak MINOH CF

Snow Peak Headquarters CF

Snow Peak Land Station Hakuba

Snow Peak Aburayama Fukuoka CF (Franchises)

Snow Peak OKUHITA CF

Snow Peak TOKACHI POROSHIRI CF

Snow Peak RIKUZENTAKATA CF

Snow Peak Shirakawa Kogen CF

PARKFIELD Snow Peak TOYOTA-KURAGAIKE

Snow Peak TOSASHIMIZU CF

Snow Peak Kawano Eki Ochi

Snow Peak OCHI NIYODOGAWA CF

Notes on this document

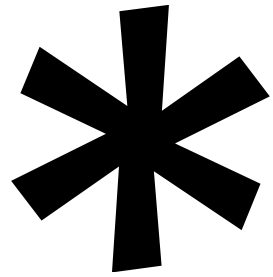
In addition to Snow Peak, Inc.'s business and industry trends, this document also includes future prospects based on current plans, estimates, prospects or expectations.

These forward-looking statements are subject to various risks and uncertainties.

Known or unknown risks, uncertainties, and other factors may cause results that differ from those contained in the forward-looking statements.

Snow Peak, Inc. cannot promise that its statements and forecasts are correct, and the results can be very different from the forward-looking statements.

The forward-looking statements in this document were made by Snow Peak, Inc. based on information available as of the date of the most recent financial results announcement that disclosed this document. Any forward-looking statements in this document will not be updated or altered to reflect future events or circumstances.



snow peak
outdoor lifestyle creator since 1958