

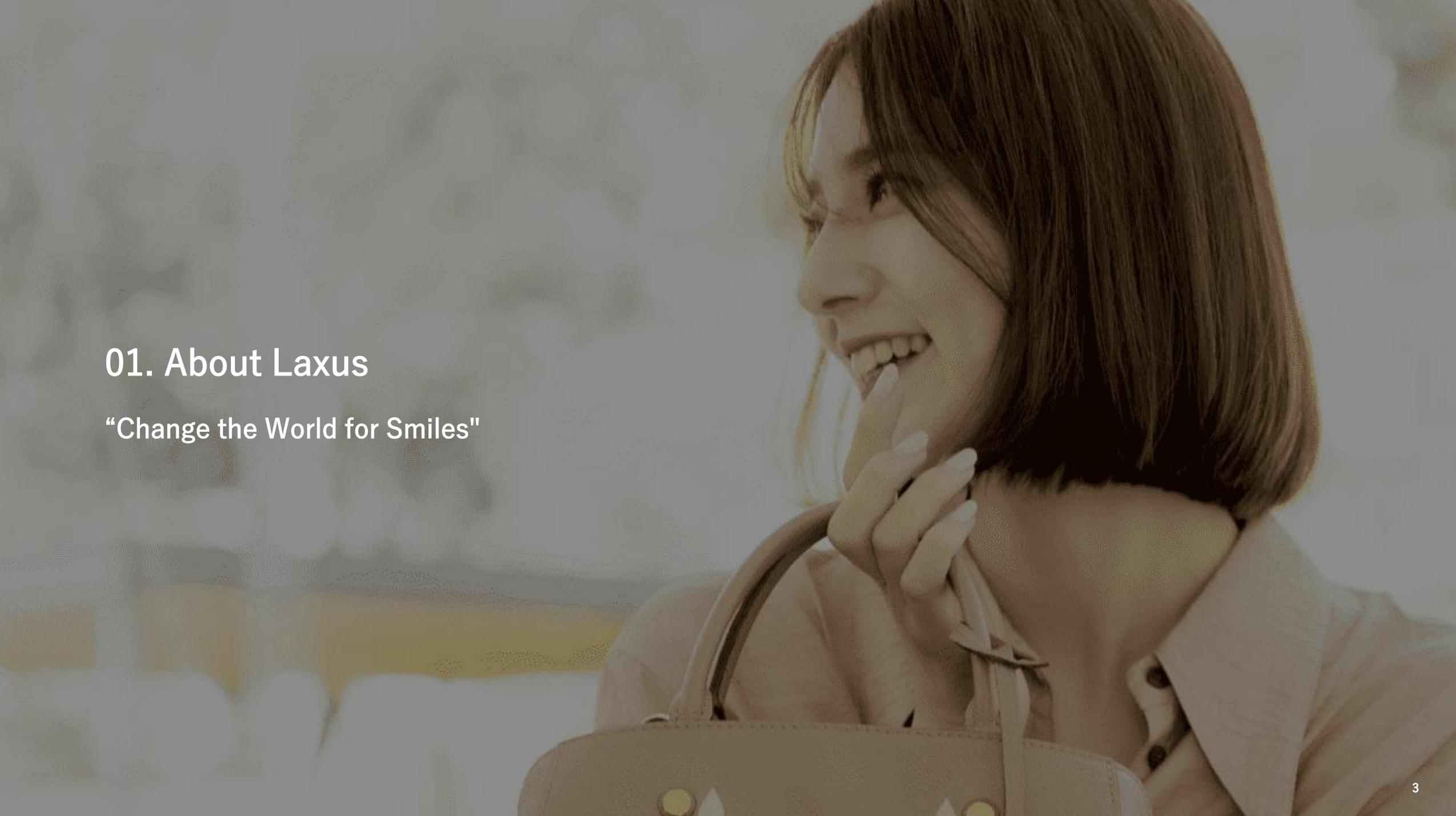


FY03/2025 (full-term)
Materials for Financial Results Briefing
May 13, 2025

Laxus

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A woman with shoulder-length brown hair is smiling and looking to the left. She is wearing a light-colored, possibly beige, button-down shirt. Her right hand is raised to her chin, with her fingers resting against her cheek. She is holding a light-colored handbag with a top handle and a decorative element on the front. The background is a soft-focus outdoor setting with a stone wall and some greenery.

01. About Laxus

“Change the World for Smiles”

Message

Laxus Technologies Inc. (the “Company”) was founded in 2006, and in 2015, started “Laxus” business, a subscription-based sharing service handling luxury bags. Having established its position as a forerunner in the industry, the Company could get listed on the TSE Growth Market in December 2024.

Our principal service features that customers can, with monthly fee of 10,000 JPY, use luxury bags, exchange them as many times as they want, and even purchase if they like it. There is no other comparable service in the world.

With respect to financial results of FY03/2025, Net sales and all kinds of profits achieved record-high. Factors include rise in average customer spending after price revision and increase in bags sold to users. In addition, enhancement of auto-charge function of “Laxus Cash” system and introduction of “Premium Exchange” service, both of which were implemented during FY03/2025, have contributed to improvement in user satisfaction.

In the next FY03/2026, upfront investment for growth (measures for increasing contracts) will be carried out. Mainly, we will put our efforts to increasing advertising expenses including those for new sales channels, introduction of shareholder return scheme in order for attracting investors, and expanding our ShaaS (Sharing as a Service) to provide our sharing service functions externally as an OEM scheme that would lead to new contracts.

Laxus at a Glance

Laxus possesses one of the largest luxury bag assets in Japan.
These bags are rented repeatedly, and sometimes sold.

Company Name : **Laxus Technologies Inc.**

Established : **2006** Listed : **December 2024** Listing market : **TSE Growth** Securities code : **288A**

HQ : **Hiroshima City, Hiroshima Pref.**

Business description : **Operating subscription-based sharing business handling luxury bags** (monthly fee of 9,800 JPY^{※1} (exc. tax) for unlimited exchange) **and sales**

Net sales : **2,560** mil. JPY, YoY +**16.9%** Operating profit : **590** mil. JPY, YoY +**29.8%**

Feature (point) : **Possessing one of the largest^{※2} luxury bag assets in Japan**

Growth strategy : **Aiming to maximize customers' LTV(Life Time Value), through value circulation of goods**

Laxus

※1 : In Okinawa, 4,000 JPY (exc. tax) is added ※2 : In comparison with domestic subscription services that include bags in their rental items (AnotherAddress, my Stock, MECHAKARI, ORB, BAGRENT), we recognize that our company's business scale and the number of bags we handle are significantly larger. Although SHAREL, EDIST.BAG and MISEL have ended their services and are therefore excluded from this comparison, it has been confirmed that even before these services were terminated, our company had a larger number of bags available.

Laxus at a Glance

“10 years reflection with figures” commemorating our 10th anniversary
Laxus has been favored by many customers and on February 23, 2025, marked its 10th anniversary

We are pleased to have more than
900 thousand times of shipment so far,
and surprisingly total value of
distribution exceeded 198 bln. JPY.

Total number of shipment of bags
(total number of rental)

931,697

Laxus has rented bags more than
900 thousand times so far.

Our customers enjoy wide variety of
bags, coordinating with seasons,
dress and events, or trying bags of
colors/shapes which they might
require courage to buy.



Experience value of bags
(unit rental price × total number of rental)

over **198 bln. JPY**

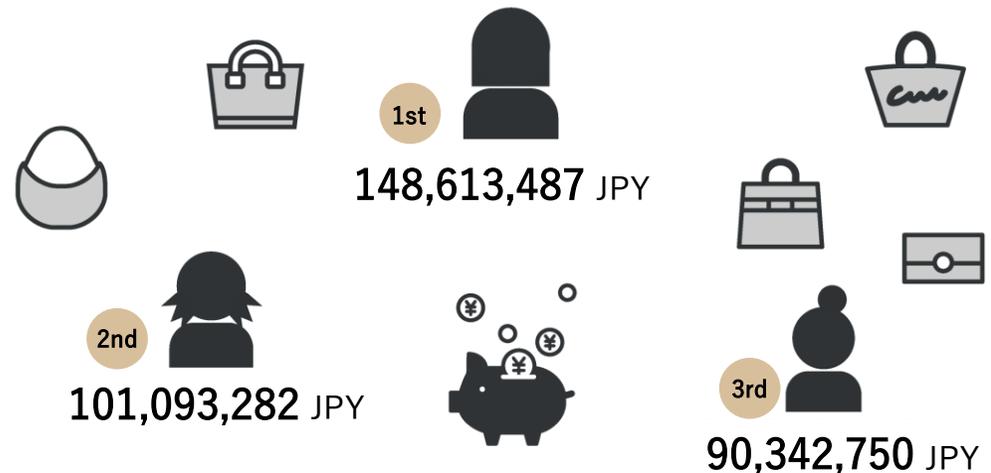
Experience value of bags which
Laxus has rented so far (total times
of rental × value of rented bags)
exceeded 198 bln. JPY.

We see our customers enjoy
sustainable fashion through sharing,
and additionally, receive a lot of
voices from them who can wisely
choose between using and sharing
such as “I make no mistake
because I can try through Laxus
first before purchasing”, “Recently I
have come to favor and buy bags of
brands which I was not interested
in previously”.

The one who has used our bags in the most economical way
used as many as 283, worth 150 mil. JPY.

The one who has used our bags most so far used as many as 283, worth
about 150 mil. JPY. This record continues to be updated today.
Average lifetime income* is calculated as about 165 mil. JPY, which is
only slightly higher than the value of those bags.

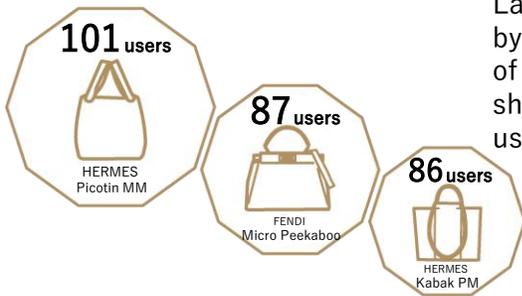
Source : MHLW, “2023 Basic Survey on Wage Structure – Results Overview”. Based on this, average lifetime
income of “165 mil. JPY” was computed assuming a person would work from 22 to 65 years old.



Laxus at a Glance

“10 years reflection with figures” commemorating our 10th anniversary
Laxus has been favored by many customers and on February 23, 2025, marked its 10th anniversary

No.1 bag has been shared by more than 100 users!
The most shared bag is HERMES Picotin MM



Laxus has bags which have been shared by more than 100 users. We think this kind of value provision can be realized through sharing which means the one who needs it use it when necessary.

Because Laxus has so many brands, users can enjoy them as much.

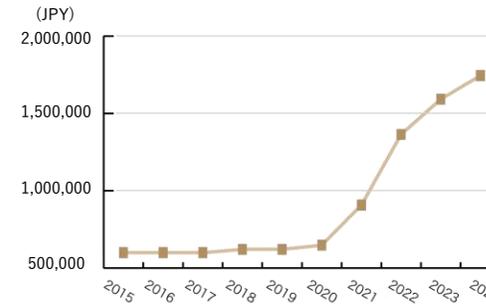


1st **58 brands**
 2nd **41 brands**
 3rd **36 brands**

The highest number of bag brands that one customer has used is 58.

Messages of joy from many users have been received, as they say "I could know a brand that I really love" since they encountered brands that they would not have met without any option other than "purchasing".

Prices of luxury bags have significantly shifted.
Our customers all enjoy brands wisely by using Laxus.



Source : retro.jp [Mar. 2024] "Overview of price rise of CHANEL" Timeless Classic Matelasse; Type : 25cm W chained shoulder bag; Material : lambskin

For 10 years since Laxus started its service, prices of luxury bags have significantly risen.

Taking the long-loved CHANEL Classic Matelasse (A01112) as an example, its regular price has risen to more than three times higher than in ten years ago.

If you like to try a bag through Laxus so that you can find one that really suits you, that's also a valuable option.

Why don't you enjoy Laxus with your friends?

Total number of new members introduced to Laxus from their friends

69,541

Our users kindly introduced their friends, as many as nearly 70 thousand.

Many customers have contributed to diffusing sustainable fashion!



This data is based on users information of Laxus for the period from 2015/2 to 2025/2.

What Laxus aims to be

Shift from owing to using; We aim to realize a world where the value of goods is circulated and their lifetime value is maximized

Since its establishment in 2006, Laxus was started with the desire to “We love really valuable goods and want to connect the thoughts of their makers.” and “We want to share our longing with everyone.” So, we have been expanding our business with our management philosophy, “Change the World for Smiles”.

Traditionally, the world of “valuable objects” such as luxury bags has centered on ownership.

Beyond this situation, we aim to realize “a world where the value of goods is circulated and their lifetime value is maximized” by expanding opportunities for users to draw forth potential value of goods (utilize goods to further unlock their value potential).

As a starting point, we have led the penetration of the sharing economy by launching the “Laxus” business, a subscription service specializing in luxury bags, in 2015. Furthermore, we have expanded our business by launching the “Rent-to-Own” service, a trial sale of luxury bags in 2020.

We recognize that we are leading to establish “value circulation model of goods” in the market. We aim, as our basic growth strategy, to leverage our established models and assets, and to grow. And for the future, we aim to realize a society where valuable goods circulate, and to expand our business areas/domains.

Services Overview

From newest ones to popular ones, you can use dream bags of 60 brands unlimitedly!

Unlimited use of luxury bags for a fixed monthly fee



Reserve in just 20 seconds
Simple to use!



 Purchase if you like!

Rent-to-Own (try & purchase)

Services Overview

To use luxury bags,

Smart sharing is the most economical way!

- You can use dream bags of 60 brands unlimitedly!
- You can use different bags in different scenes optimally, have them delivered the next day at the earliest!
- HERMES, LV, CHANEL, etc., any brand for a fixed monthly fee!
- Without so many bags, your room is tidy!
- Free to/from shipment, and damage/soilure on return covered by insurance!

Brand variation



HERMES



LOUIS VUITTON



CHANEL



PRADA



GUCCI



CELINE



FENDI



Dior



LOEWE



Bottega Veneta



HERMES, LOUIS VUITTON, CHANEL, PRADA, GUCCI, CELINE, FENDI, Dior, LOEWE, Bottega Veneta, BALenciAGA, GUCCI, Saint Laurent, Maison Margiela, STELLA McCARTNEY, Chloe, GOYARD, JIMMY CHOO, VALENTINO, Christian Louboutin, FERRAGAMO, GIVENCHY, J&M DAVIDSON, ANYA HINDMARCH, Michael Kors, COACH, Miu Miu, Valextra, BURBERRY, MARNI, TOD'S, FURLA, Kate Spade, Tory Burch, Cartier, Dolce & Gabbana, BVLGARI, ANTEPRIMA, ZANELLATO, ETRO, BALLY, ISSEY MIYAKE, MANSUR GAVRIEL, MARC JACOBS, Alexander Wang, Vivienne Westwood, 3.1 Phillip Lim, JW Anderson, MULBERRY, Proenza Schouler, Ralph Lauren, MCM, VERSACE, TIFFANY & Co., EMILIO PUCCI, Samantha Thavasa, GLENROYAL, Samantha Vega, BERLUTI, CHROME HEARTS, JIL SANDER, THE ROW

Mission

Mission 1

To diffuse sharing

Shifting from owing to using, users can enjoy many different bags in different scenes. Laxus aims to diffuse and popularize the culture of sharing.



Mission 2

To raise lifetime (value) revenue

By leasing a luxury bag, repairing and leasing it again, selling it, and even spot-leasing it, there would be much more opportunities for revenue.

Laxus aims to increase lifetime revenue of goods from creation through to disposal.

Mission 3

To make the world wider from a financial viewpoint

Try & purchase (Laxus Finance) system has a big possibility.

Diffusion of sharing results in higher lifetime revenue from goods.

We think it is mediated by finance.

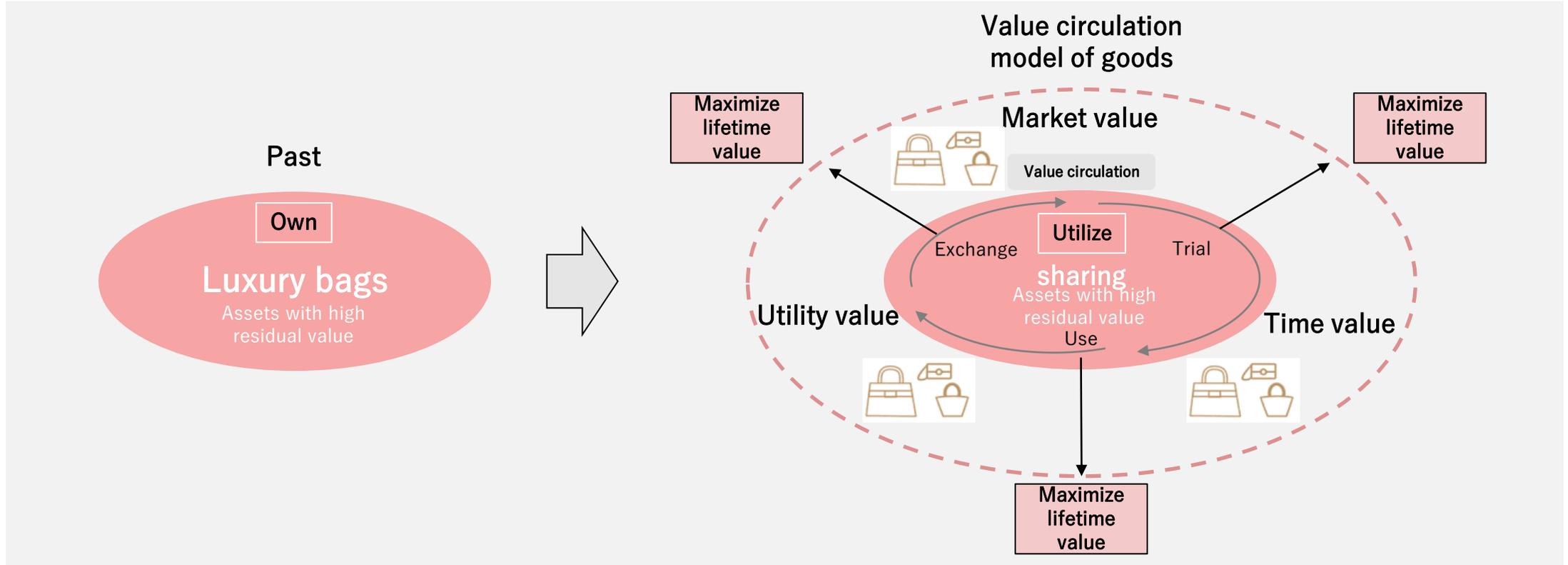
Laxus aims to reinforce financial elements as a kind of lubricant for greater sharing and lifetime revenue.

Our Vision

Sharing × Maximizing Lifetime Value

We have enabled expansion of users' opportunities by "utilizing (trial, use, exchange)" luxury bags which had been viewed as "owned", and established new culture of sharing luxury bags.

We think high value goods such as luxury bags are assets with high residual value, and hence circulating them leads to higher utility value, market value, and time value, which enable maximization of lifetime value. (Value circulation model of goods)

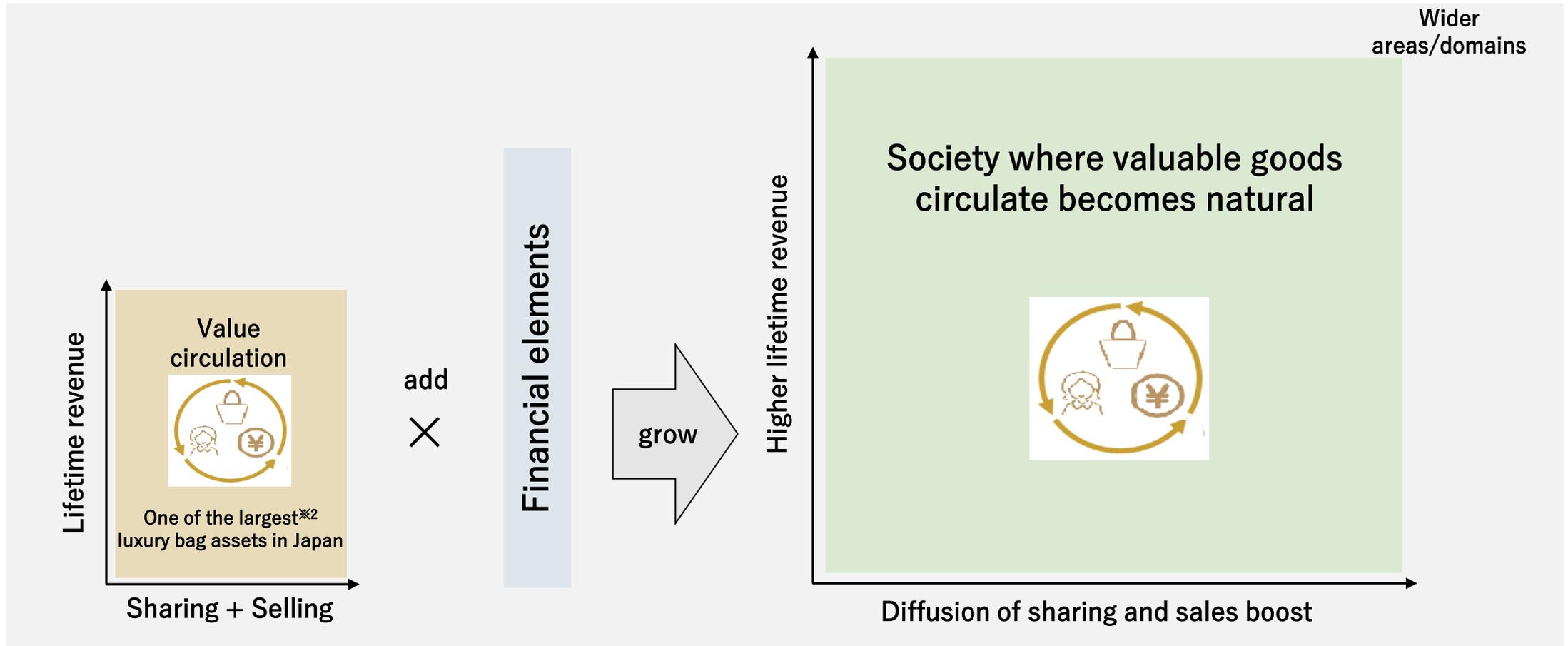


Note: Utility value: Value created by use / Market value: Value in secondary market / Time value: Value along with the circulation of Utility Value and Market Value (= financial value). These terms used in this document shall have the same meanings.

Growth Strategy

By leveraging value circulation model of goods,
we aim to realize a society where valuable goods circulate

We aim, as our basic growth strategy, to realize growth by leveraging our present “Value circulation model of goods” and assets.
And for the future, we aim to realize a society where valuable goods circulate, and to expand our business areas/domains.



Company Profile

Starting from our luxury bags sharing service "Laxus".
Aiming for high growth in the Value-Circular business that unlocks the potential value of goods.

Company Name Laxus Technologies Inc.

Established August 2006

Capital 1,667,727,380 JPY

Representative President and Representative Director: Keisuke Takahashi

Listing Market TSE Growth

Securities Code 288A

Date of Listing December 13, 2024

Closing Date March 31

Address Hitoshima HQ
14F Hiroshima Crystal Plaza, 8-18 Naka-machi, Naka-ku,
Hiroshima 730-0037, Japan

Tokyo Office
3F Naito Omotesando Building, 6-1-4 Jingumae, Shibuya-ku,
Tokyo 150-0001 Japan

Employees 88
(as of March 31, 2025,
total of Directors, Auditors, Full-time employees, Contract employees and Part-timers)

Affiliation Secretary of Sharing Economy Association, Japan
Regular member of the Association Against Counterfeit Product Distribution,
Japan (AACD)
Regular member of the Japan Direct Marketing Association (JADMA)

Corporate Philosophy Through our activities, we will realize
"Change the World for Smiles".

Business Description Operating "Laxus", luxury bags sharing service
Sales of luxury bags

Issued Shares 25,654,383 shares (as of March 31, 2025)

Shareholders 5,981(as of March 31, 2025)

Shareholder Composition (major shareholders)
World Co., Ltd. (41.57%)
Shoji Kodama (24.94%)

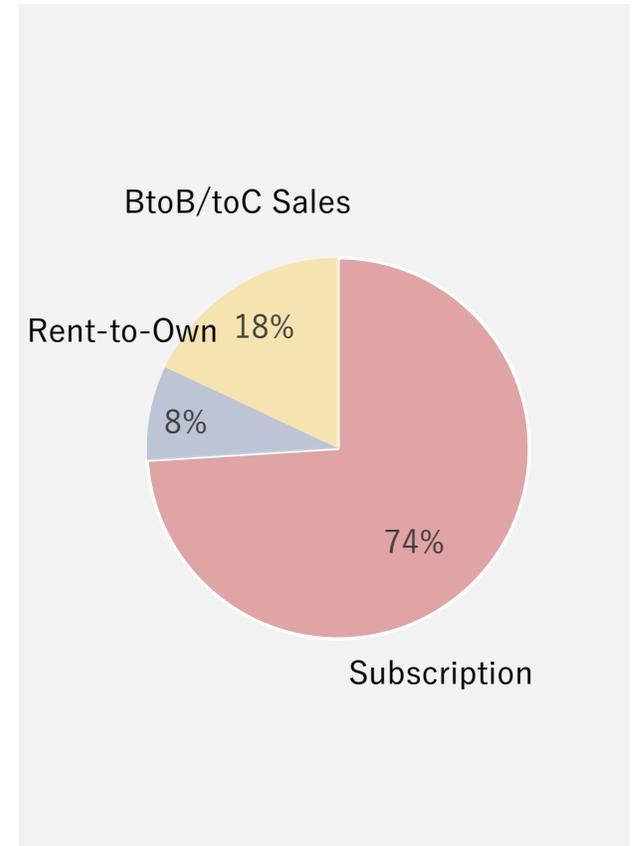
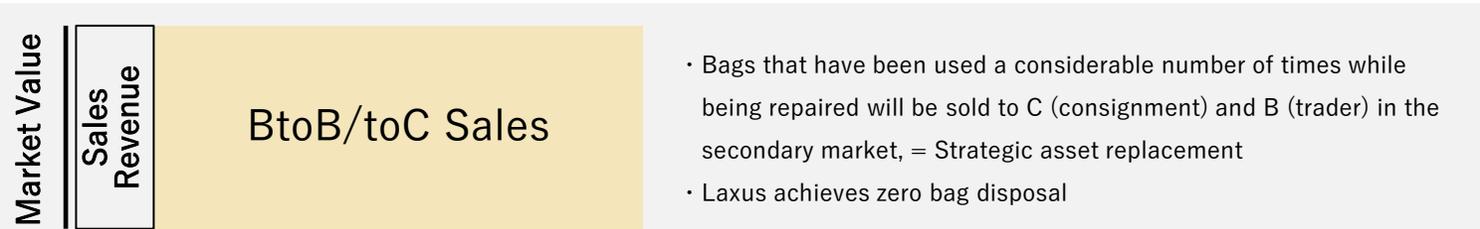
Laxus

Business Overview

Sharing + Selling luxury bags

Our revenue consists of use revenue (subscription + Rent-to-Own) and sales revenue
 In addition to the subscription sales, which has been our business foundation,
 we are achieving effective sales of one of the largest^{※1} luxury bag assets in Japan

Business Overview

Sales composition ratio^{※2}

※1 : In comparison with domestic subscription services that include bags in their rental items (AnotherADdress, my Stock, MECHAKARI, ORB, BAGRENT), we recognize that our company's business scale and the number of bags we handle are significantly larger. Although SHAREL, EDIST.BAG and MISEL have ended their services and are therefore excluded from this comparison, it has been confirmed that even before these services were terminated, our company had a larger number of bags available.

※2 : Actual results in FY03/2025 ※3 : “Endowment effect” refers to the psychological effect in behavioral economics of feeling high value in one's possessions and not wanting to let go of them



02. Sources of Competitiveness

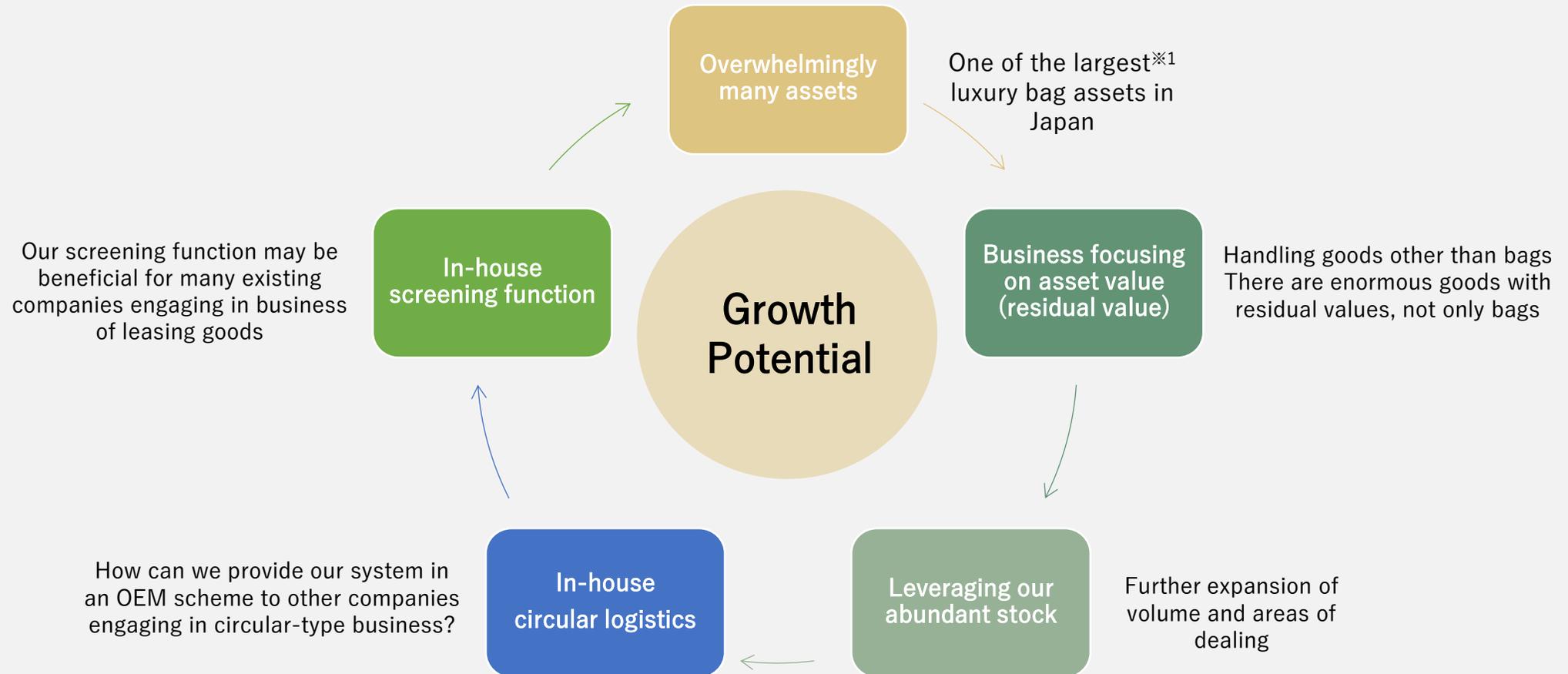
“One of the unique models in the world”



Feature/Strength/Potential

Overwhelmingly abundant stock of luxury bags we possess are assets with residual values, so we recognize that leveraging such a rich stock will realize our further growth

For the future, this has huge growth potential such as expansion to handling goods other than bags, uniquely-developed systems, and screening function



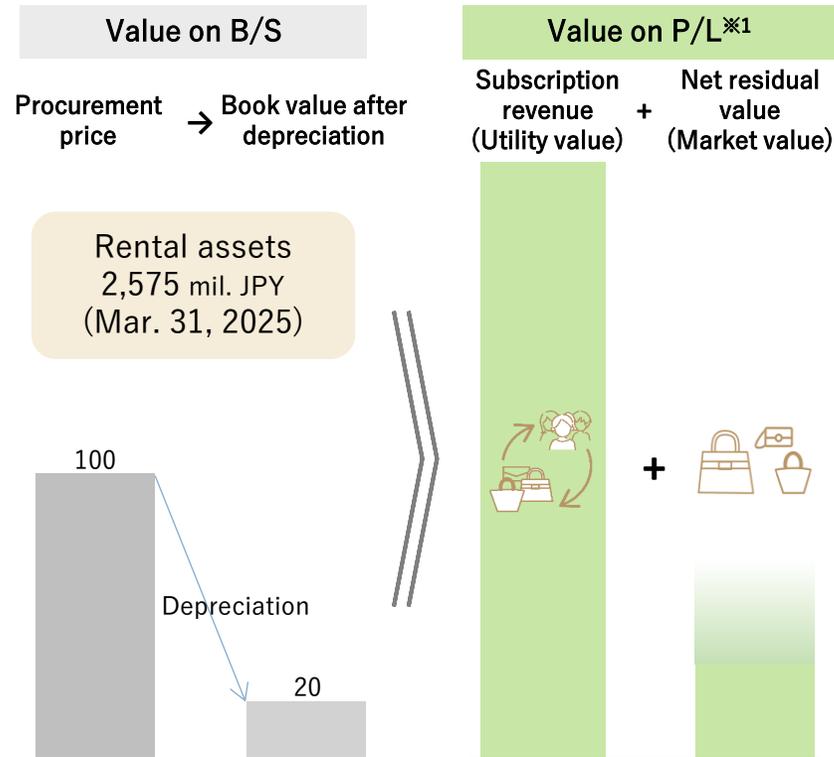
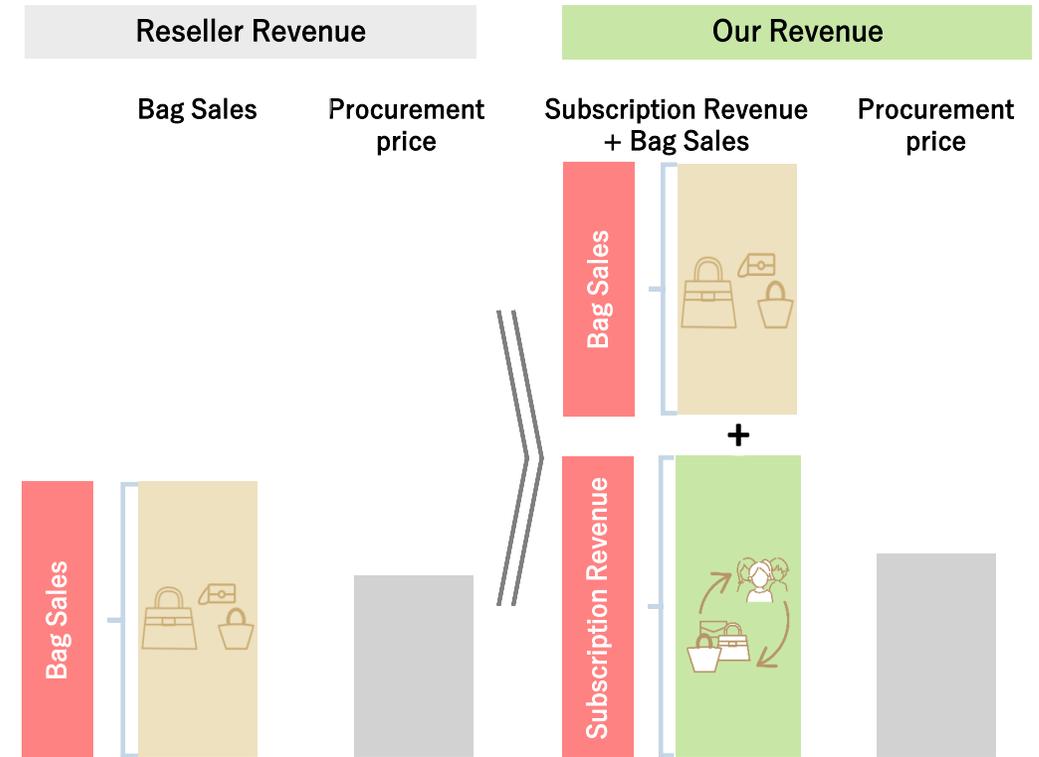
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Asset Value Maximization

Accumulate potential future revenues (Bag Sales, etc.) while earning from sharing business.

As a result, it is possible to maximize asset value, which is different from resellers.

Expected Value Attributed to Lexus' Asset

Revenue Comparison with Reseller^{※2}

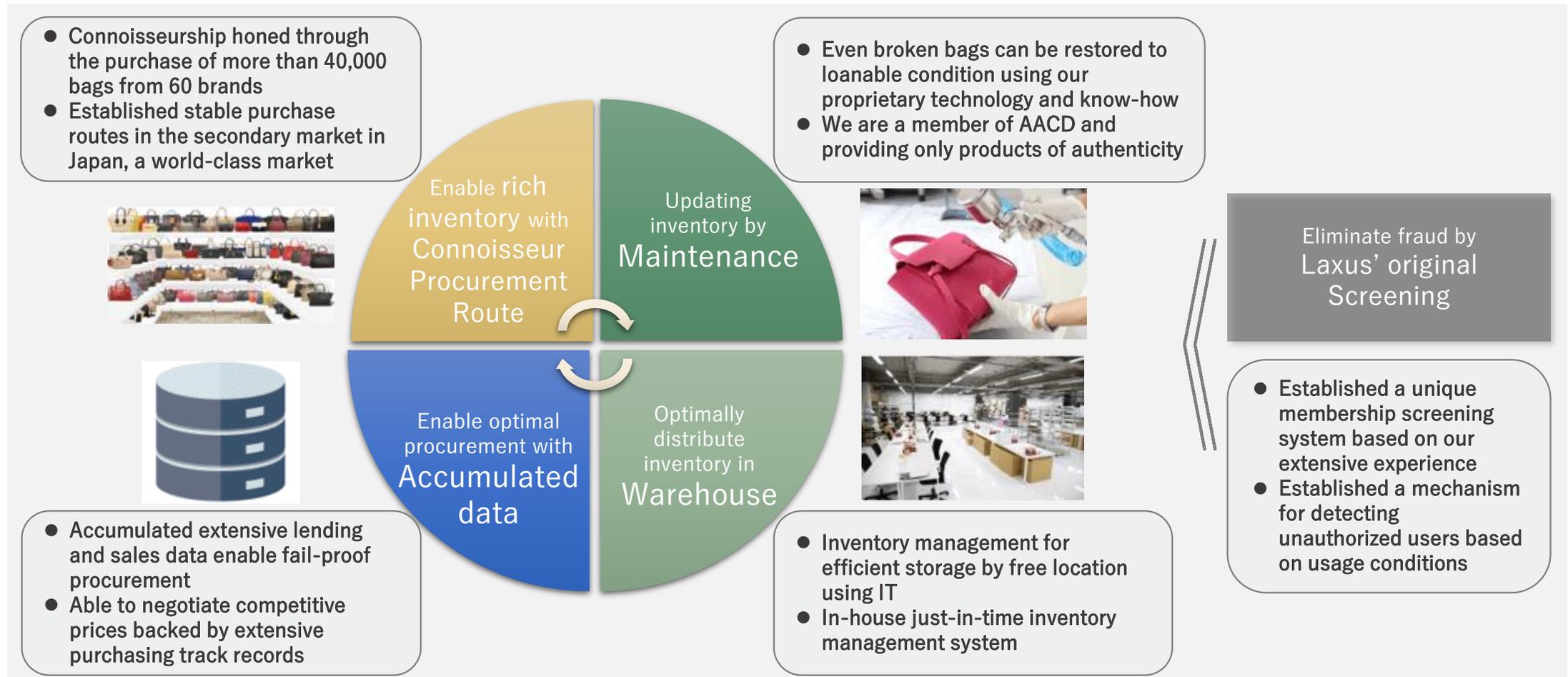
One of the largest^{※3} luxury bag assets in Japan = One source of our future profits

※1 : Image diagram including potential and uncertain. ※2 : Image diagram of profit structure comparison with resellers (secondhand goods dealers) based on the information available to us.

※3 : In comparison with domestic subscription services that include bags in their rental items (AnotherAddress, my Stock, MECHAKARI, ORB, BAGRENT), we recognize that our company's business scale and the number of bags we handle are significantly larger. Although SHAREL, EDIST.BAG and MISEL have ended their services and are therefore excluded from this comparison, it has been confirmed that even before these services were terminated, our company had a larger number of bags available.

Maintaining and Replacement of Asset Value

We plan to maximize both CS^{※1} and revenue. We have realized optimal inventory replacement based on usage/market data, and maintenance & repair operations that maintain/improve asset value.



※1 : CS = Customer Satisfaction

User Community to Ensure Growth : User demographics

Our main users are in their 20s~50s and also high household incomes living in Greater Tokyo Area.

They enjoy fashion wisely and have a strong sense of belonging to the Lexus community

User demographics

Principal users^{※1}

20s~50s

Principal users' household income^{※2}6~10 mil.
JPYPlace of residence^{※4}Greater
Tokyo Area
over 40%

Target : Women 20s~50s

Users' employment rate

73%^{※5}

Rate of users with children

44%^{※6}

Relationships with users

Letters from our users^{※3}

Monthly average

30

Total

2,136

Letters from users of saying thanks
and impressions about our servicesDonation of paper cranes from our users^{※3}

Total

13,895



Paper cranes folded with prayers for peace

These are the aggregate results based on the survey in the LUXUS application.

※1 Period : October 2022 – February 2024; Respondents : 27,196

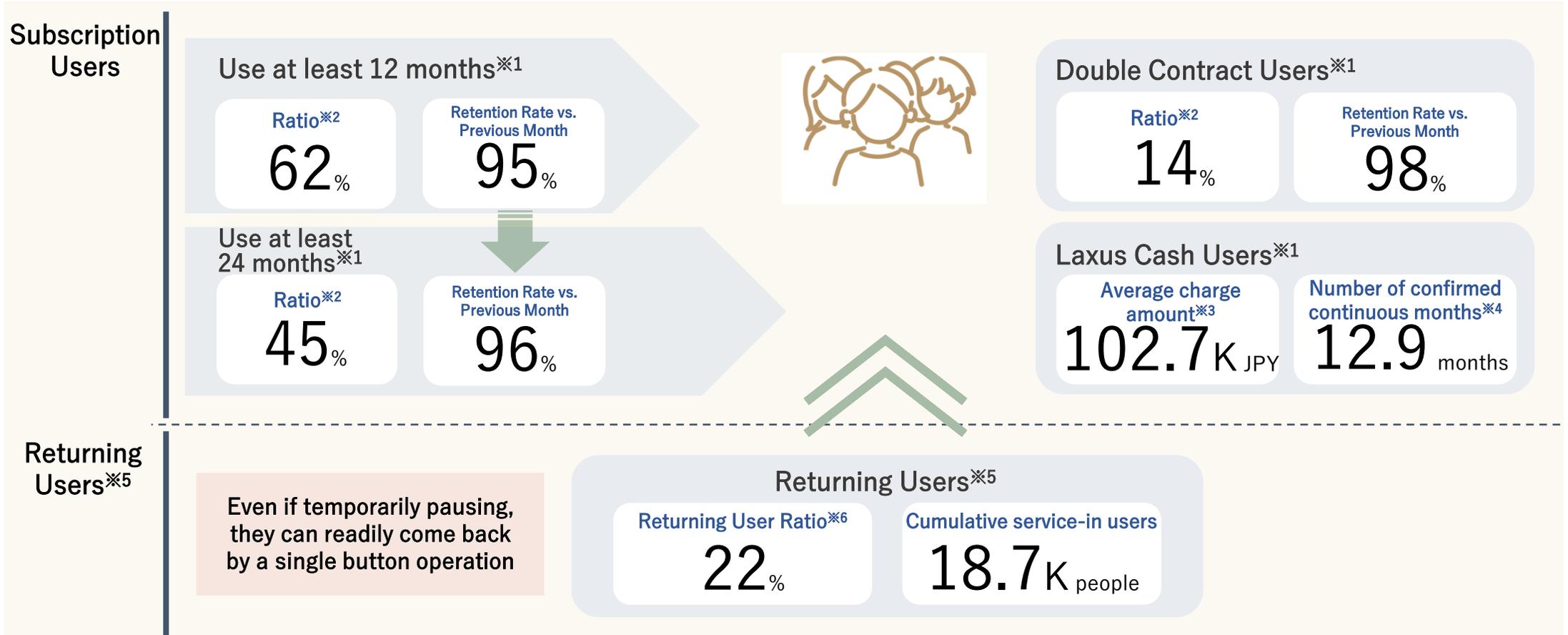
※2 (Lexus users) Period : February 2023 – April 2024; Respondents : 3,221 (National average) Data from Ministry of Health, Labor and Welfare in 2023 ※3 Period : April 2018 – March 2024

※4 Period : October 2022 - February 2024; Respondents : 10,538 / Japan population distribution : data from FY2023 Statistics Bureau, Ministry of Internal Affairs and Communications

※5 Period : February 2023 - February 2024; Respondents : 24,588 ※6 Period : February 2023 - February 2024; Respondents : 25,047

User Community to Ensure Growth : High continuity rate

Our services become integrated into the lifestyles of our users every time they continue to use them
 Accumulated user base contributes to increase “Double”, “Returning” and “Lexus Cash” users



※1 : As of March 31, 2025 ※2 : Ratio of all subscription users; As of March 31, 2025 ※3 : Average charge amount per person since November 2023, actual as of March 31, 2025

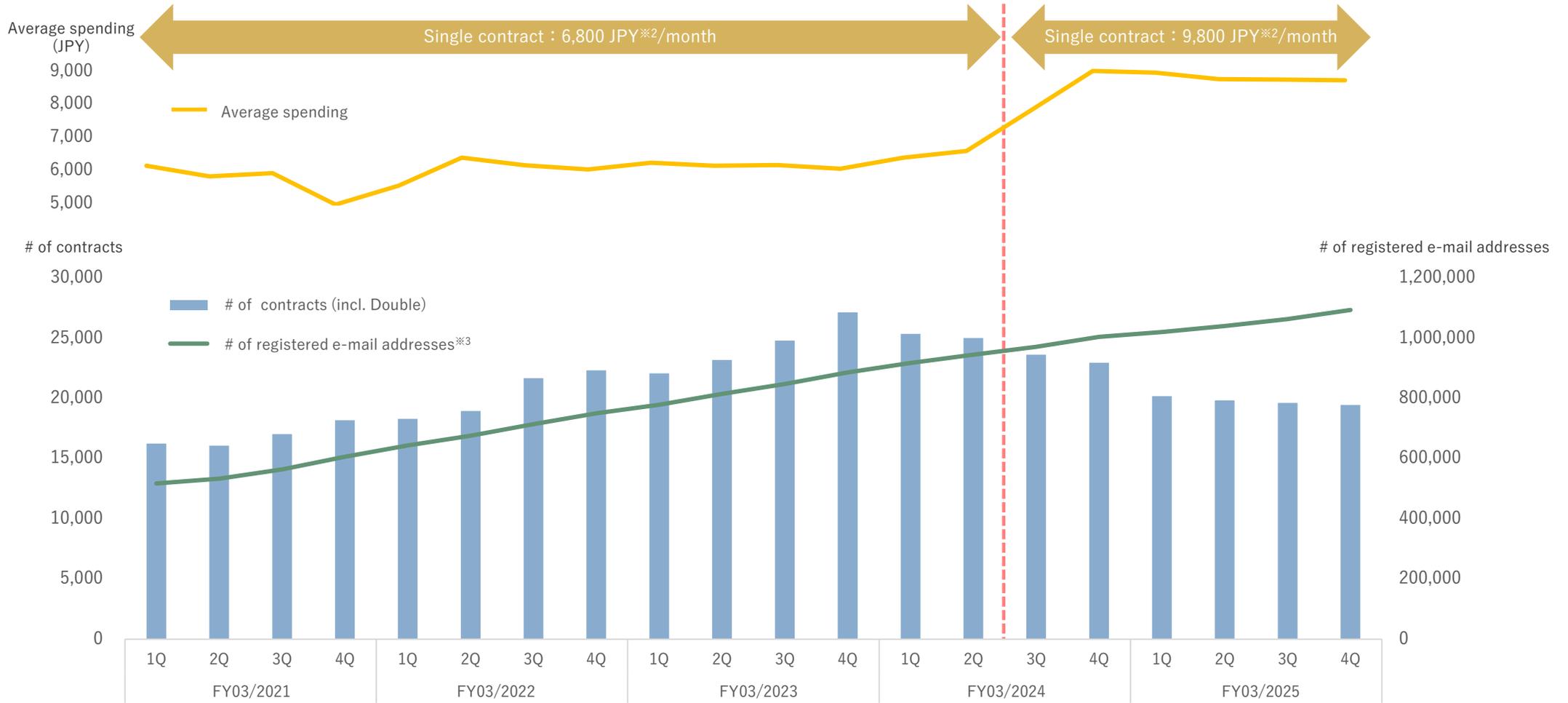
※4 : Number of confirmed continuous months = (Average charge amount + Points granted at the time of LC charge) / Monthly fee, actual as of March 31, 2025; As a rule, Lexus Cash is not refundable, however, if refund is made in an exceptional case such as a mistake at the time of charging, there is a possibility that our service (Lexus) may be cancelled in less than the number of confirmed continuous months calculated by the above formula

※5 : Returning users are users who have resumed use of the service after it was suspended; As of March 31, 2025

※6 : Returning User Ratio = Cumulative number of returning uses / number of users who have paused at least once after service-in; As of March 31, 2025

User Community to Ensure Growth : Number of Contracts

Average customer spending over FY03/2025 was 8,859 JPY, i.e. +23.6% YoY and number of contracts^{※1} was 19,457 as of March 31, 2025. Currently we spend more for advertising aiming at growth and promote activities for ShaaS.



※1 : Total number of Single contracts and Double contracts ※2 : exc. Tax ※3 : cumulative number

Realize High Profits through Rent-to-Own that Maximize Value

User can own "my best bag" while renting. We develop a system that allows them to own what they have at their fingertips, and achieve competitive sale prices by asset maintenance.

(As-is) Assume you are going to buy a luxury bag...

(As-is)

Luxury bags are anyhow expensive.
I want one, but don't purchase right away, then think, think and think, and eventually purchase because I want it anyway.



New experiences

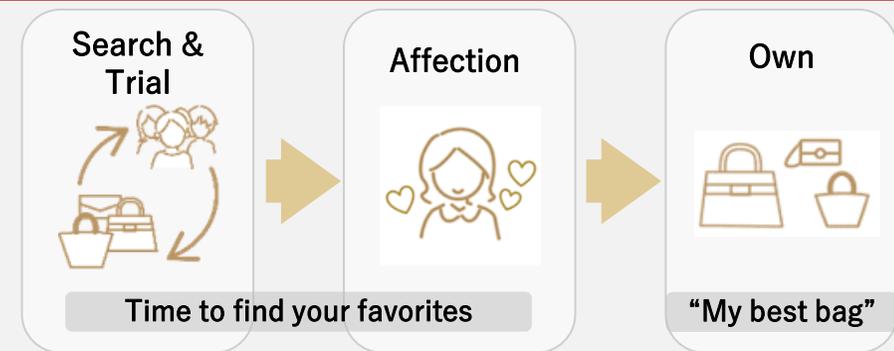
Rent-to-Own of Luxus

LUXUS

If you want a luxury bag, you may search via Luxus and use (try) it first. In the course of using, you would feel affection. It's a desire to have it of your own.
Purchase via our Rent-to-Own system

Points of high profit

- Bags we sell are otherwise expected to be still demanded for rental (revenue source), so they do not need to be sold cheap and can be sold at right prices.
- Many of those bags are very popular and can be sold at higher prices.

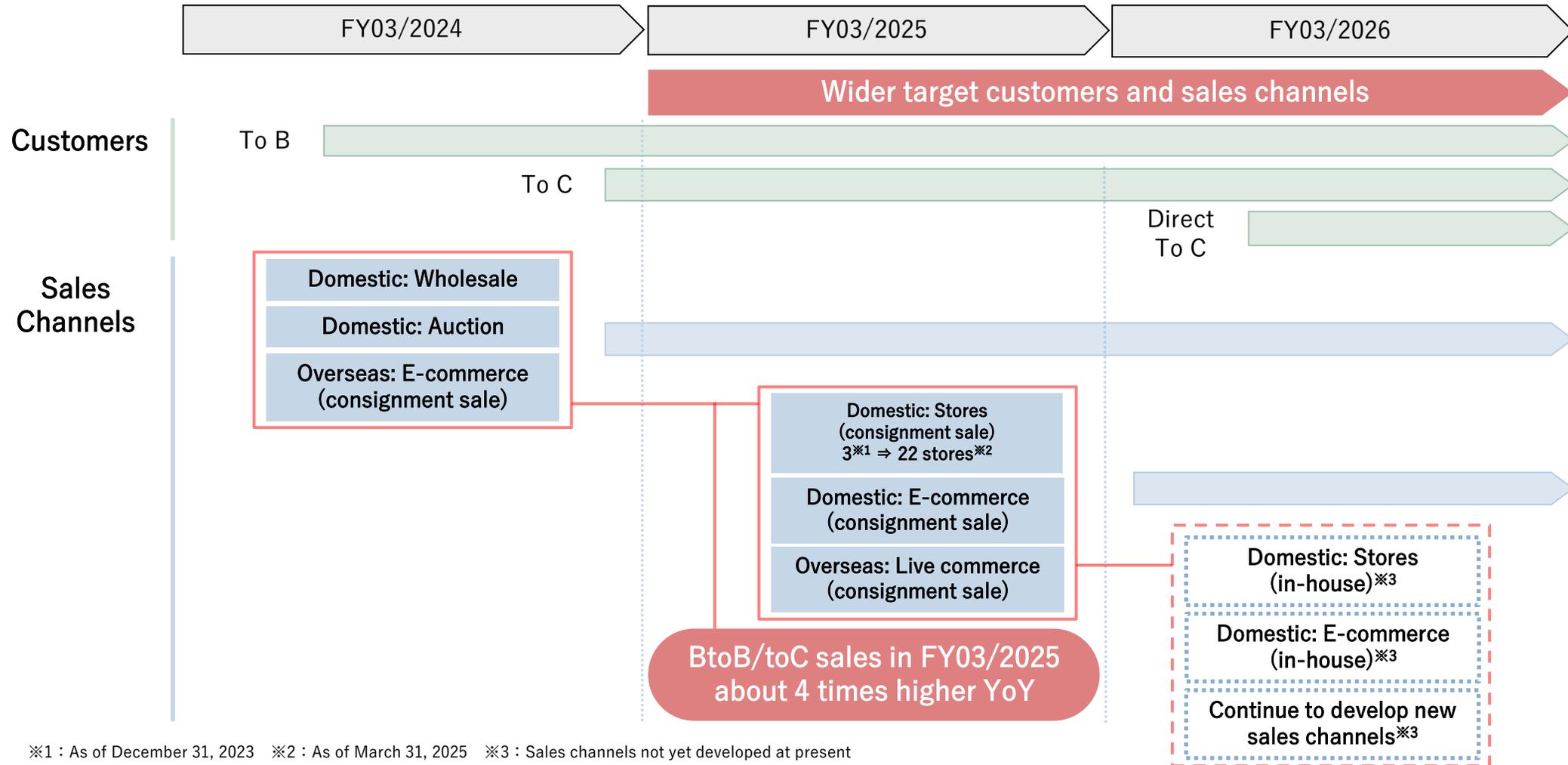


LUXUS
(Subscription)

Rent-to-Own
(try & purchase)

Growth in Luxury Bag Sales through Strategic Asset Replacement

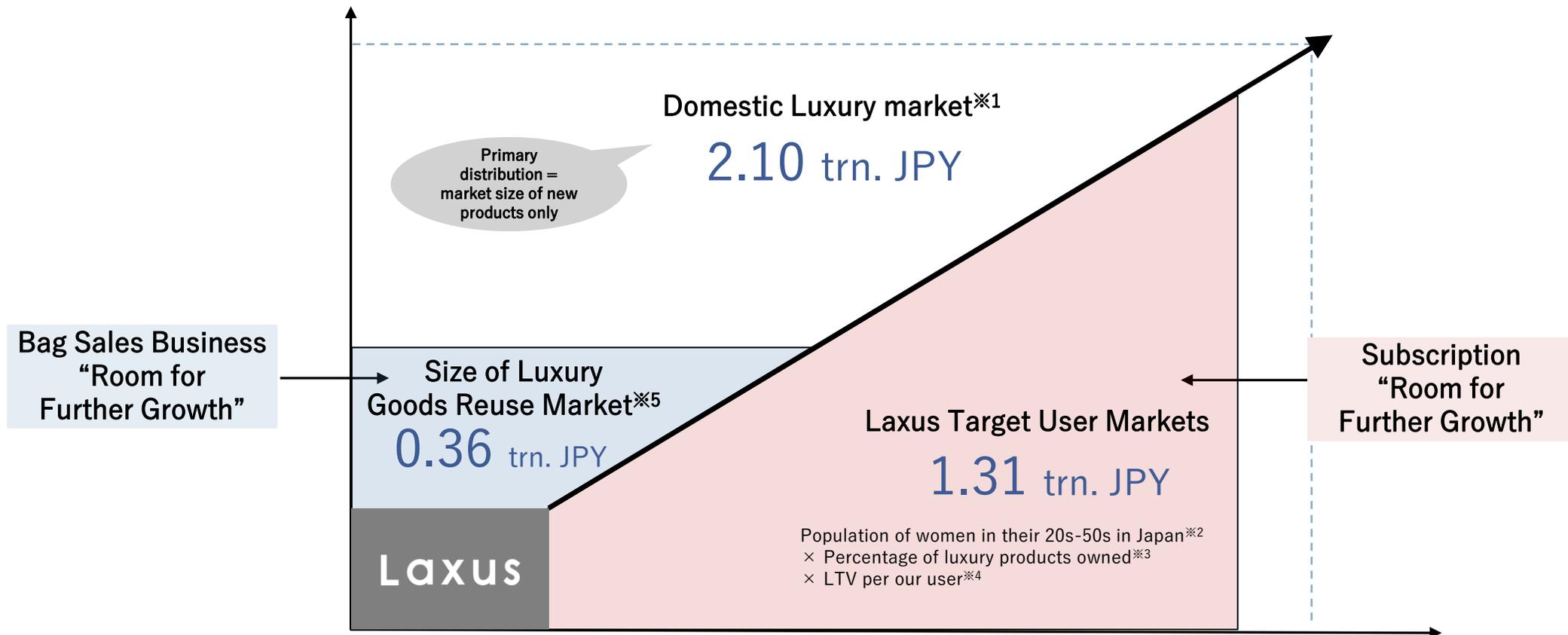
BtoB/toC bag sales through strategic asset replacement started at full-scale in FY03/2024, so we expand our target customers and sales channels, and achieved significant growth to about four times larger YoY in FY03/2025



※1 : As of December 31, 2023 ※2 : As of March 31, 2025 ※3 : Sales channels not yet developed at present

Vast Potential of Our User Acquisition

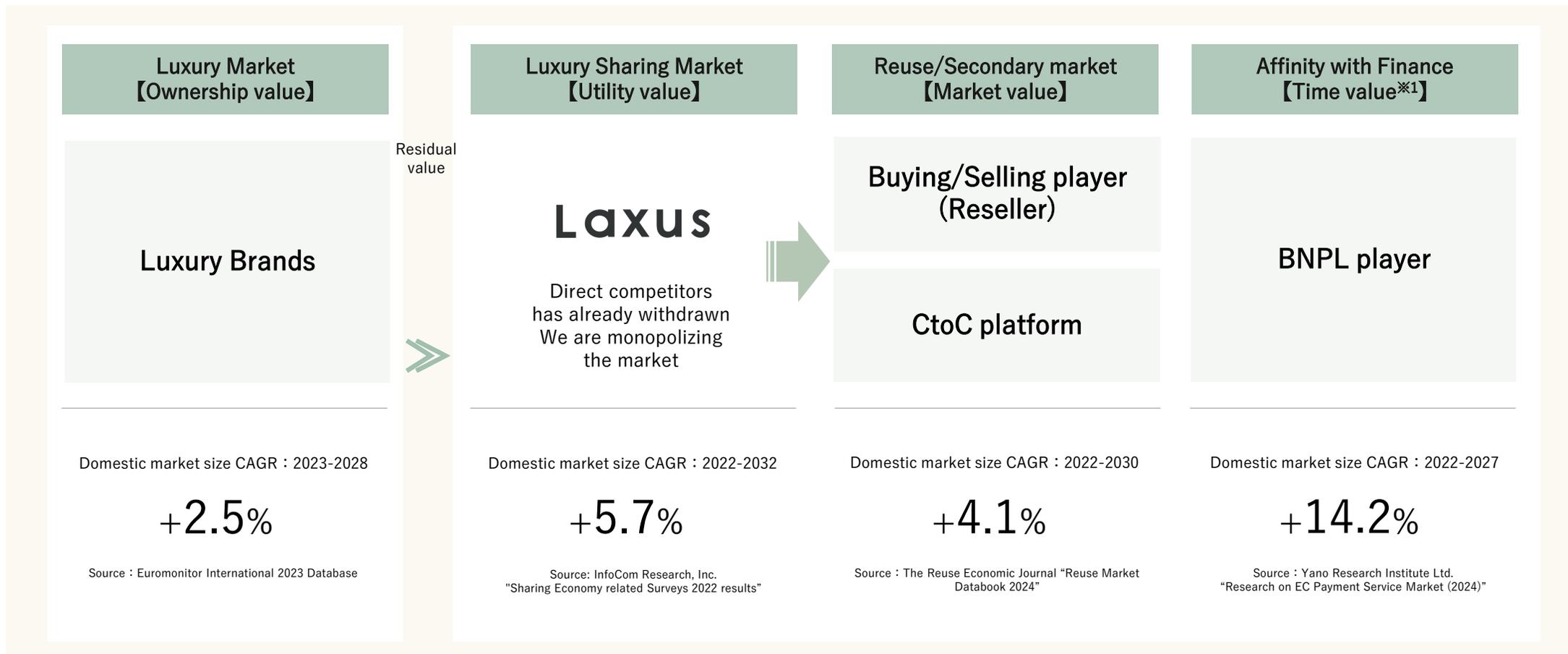
Our main users, women in their 20s to 50s who are interested in luxury bags, will continue to be a large customer base, and the growing reuse market will be our tailwind



※1 : Source : Euromonitor International 2023 Database, 2024 Forecast Total of leather bags, watches, and jewelry
 ※2 : Japan population distribution : Data from FY2023 Statistics Bureau, Ministry of Internal Affairs and Communications
 ※3 : Source : MyVoice Communications, Inc. "Questionnaire Survey on Luxury Brands" (2022) ※4 : Actual as of September 30, 2024
 ※5 : Source : The Reuse Economic Journal "Reuse Market Databook 2024"

Competitive Environment

In a broad sense, secondary market players and financial players are recognized as falling under the competitor category.

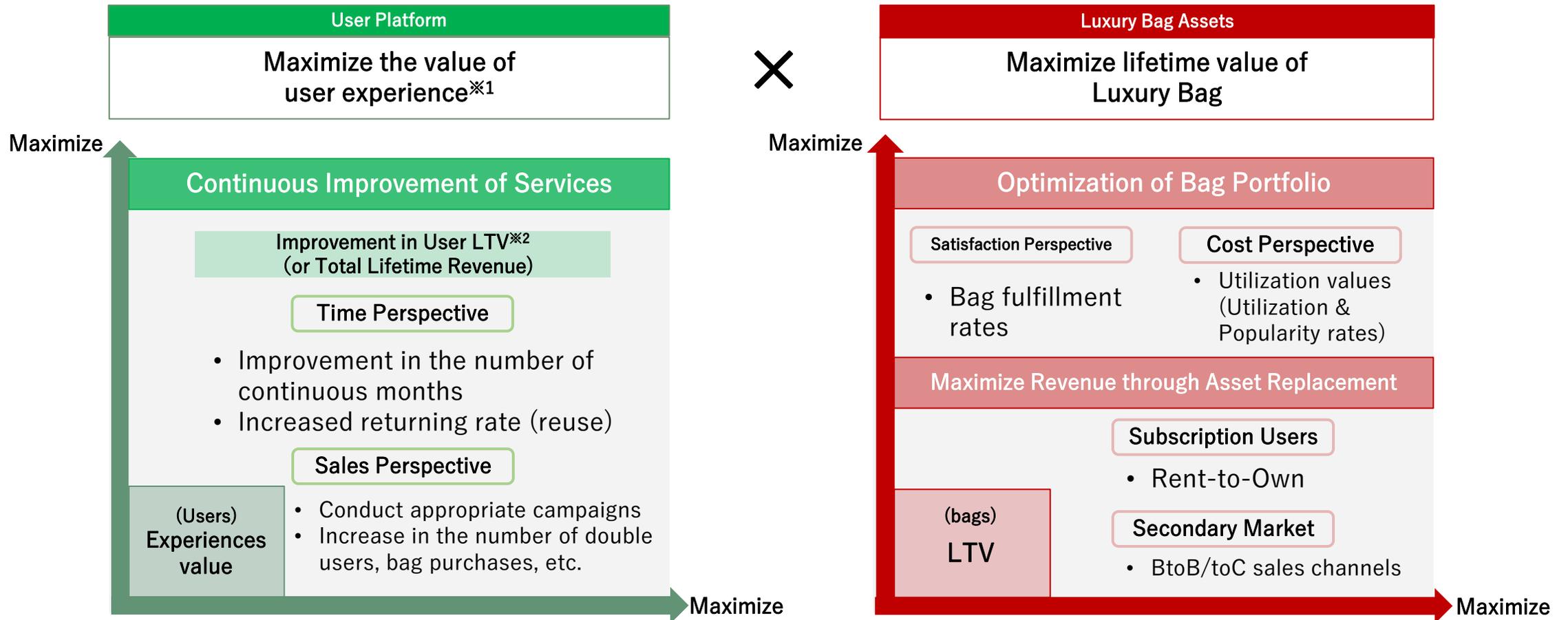


※1 : Focusing on the deferred payment aspect of the Rent-to-Own Business

Growth Driver

We have established our sustainable business foundation through the subscription community

We aim to realize further growth not only by “renting” bags but also “rotating” them



※1 : The value that users perceive for the service (leads to loyalty and satisfaction) ※2 : Abbr. for Life Time Value, i.e. total revenue per user over lifetime; LTV = ARPU × Average customer lifetime (monthly basis)



**03. FY03/2025 (full-term)
Financial Results**

Executive Summary

Higher revenue & profit were achieved in FY03/2025.

Net sales and all kinds of profits achieved record-high. Factors include rise in average customer spending after price revision and increase in bags sold to users. In addition, enhancement of auto-charge function of “Lexus Cash” system and introduction of “Premium Exchange” service, both of which were implemented during FY03/2025, have contributed to improvement in user satisfaction.

In the next FY03/2026, investment for growth (measures for increasing contracts) will be carried out.

By means of not only rental but also “Rent-to-Own” business that is going strong and sales expansion in our BtoB/toC sales channels such as consignment sales through Used Select Shop that deals poorly-utilized/unpopular bags excluded from rental service, we seek to increase both unit selling price and overall sales. In addition, investment for growth (measures for increasing contracts) will be carried out. Mainly, we will put our efforts to increasing advertising expenses including those for new sales channels, introduction of shareholder return scheme in order for attracting investomers, and expanding our ShaaS (Sharing as a Service) to provide our sharing service functions externally as an OEM scheme that would lead to new contracts. could be

Highlights

FY03/2025 : Both Net sales & profits were record-high^{※1}

Net sales	: 2,560 mil. JPY (2,190 mil. JPY in FY2024)	YoY + 16.9%
EBITDA ^{※2}	: 930 mil. JPY (760 mil. JPY in FY2024)	YoY + 22.5%
Operating profit	: 590 mil. JPY (450 mil. JPY in FY2024)	YoY + 29.8%

KPI

# of contracts	: 19,457 (incl. Double Plans, as of March 31, 2025)
Avg. spending	: 8,859 JPY (avg. over FY03/2025) YoY + 23.6% (7,169 JPY in FY2024)
Retention rate	: 95% (at least 12 months), 96% (at least 24 months)
Returning users	: Returning user ratio is 22%

Shareholder benefit scheme started

Description	: Discount benefit worth 12,000 JPY which can be used for monthly fee of our sharing service “Luxus”
Eligibility / Reference date	: Shareholders who possess 100 or more shares on March 31 and September 30 (twice a year)
Discount benefit	: Monthly discount benefit of 2,000 JPY × 6 months (12,000 JPY in total); Shareholders who are eligible on the biannual reference dates (March 31 and September 30) can enjoy discounts up to 24,000 JPY annually
Benefit yield ^{※3}	: 120%

※1 : Non-consolidated figures for both FY03/2024 and FY03/2025 ※2 : EBITDA = Operating profit + Depreciation

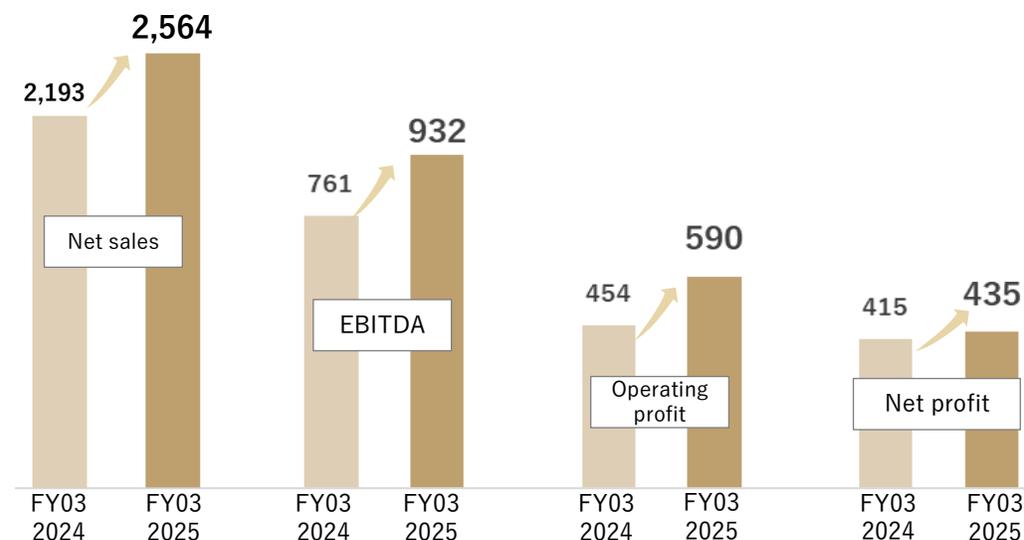
※3 : Benefit yield is calculated as : 200 JPY (Stock price on March 31, 2025) × 100 shares = 20,000 JPY (investment); And then 24,

Financial Results Overview of FY03/2025

Higher revenue & profit were achieved Net sales and all kinds of profits renewed record-high

(mil. JPY)	FY03/2024※1	FY03/2025※1	+/- amount	+/- %
Net sales	2,193	2,564	370	+16.9%
EBITDA※2	761	932	171	+22.5%
EBITDA margin	34.7%	36.4%		
Operating profit	454	590	135	+29.8%
Operating profit margin	20.7%	23.0%		
Net profit	415	435	19	+4.8%
Net profit margin	19.0%	17.0%		

- Improvement in average spending due to subscription price revision and increase in bags sold after bag assets replacement
- Increase in average customer spending
Avg. spending : 8,859 JPY (avg. over FY03/25) +23.6%
7,169 JPY (avg. over FY03/24)
- Enhancement of auto-charge function of “Lexus Cash” system and expansion of “Premium Exchange” service contributed to improvement in user satisfaction
- # of contracts : 19,457 (incl. Double Plans, as of March 31, 2025)
- Retention Rate : 95%(at least 12 months), 96% (at least 24 months)
- Returning users : Returning user ratio is 22%



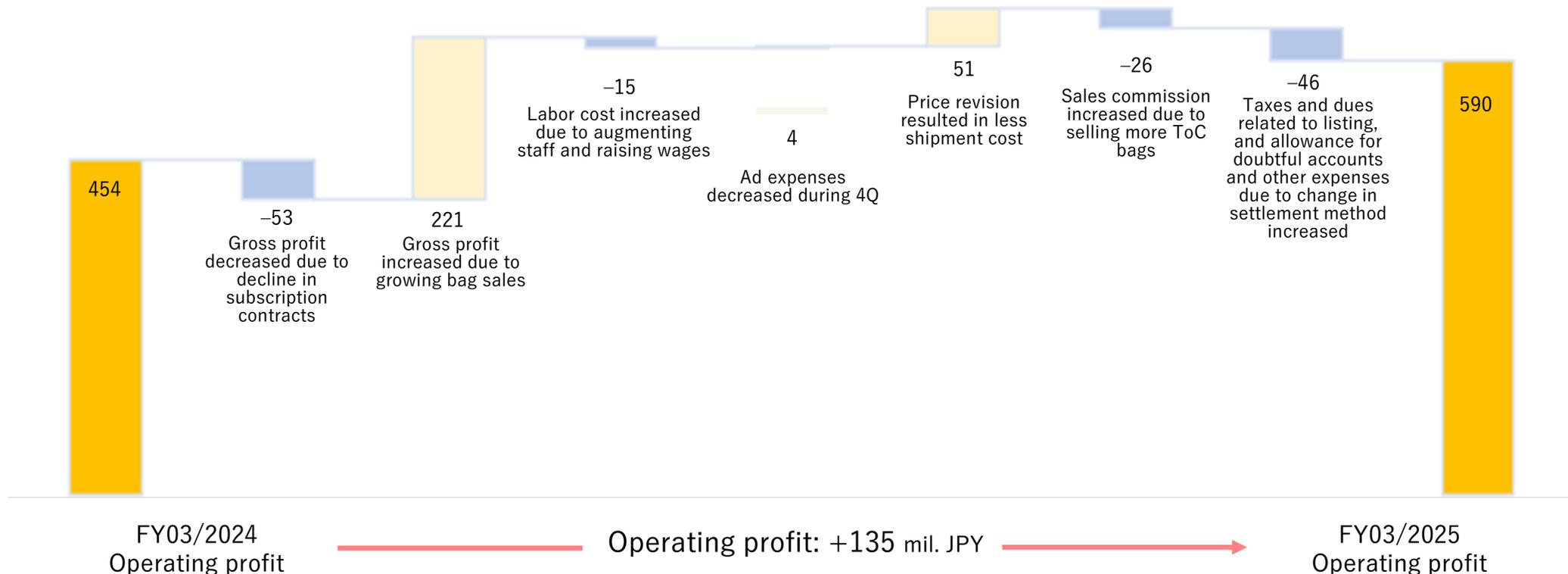
NOTE : Due to rounding down, total figure may be different. ※1 : Non-consolidated figures for both FY03/2024 and FY03/2025 ※2 : EBITDA = Operating profit + Depreciation

Factors of +/- in Operating profit

Gross profit increased by 167 mil. JPY (YoY +9.4%) due to growing bag sales, which offset increased costs for labor, expanding sales channels, and for listing; Operating profit also increased by 135 mil. JPY (YoY +29.8%)

FY03/2025 : Factors of +/- in Operating profit

(mil. JPY)

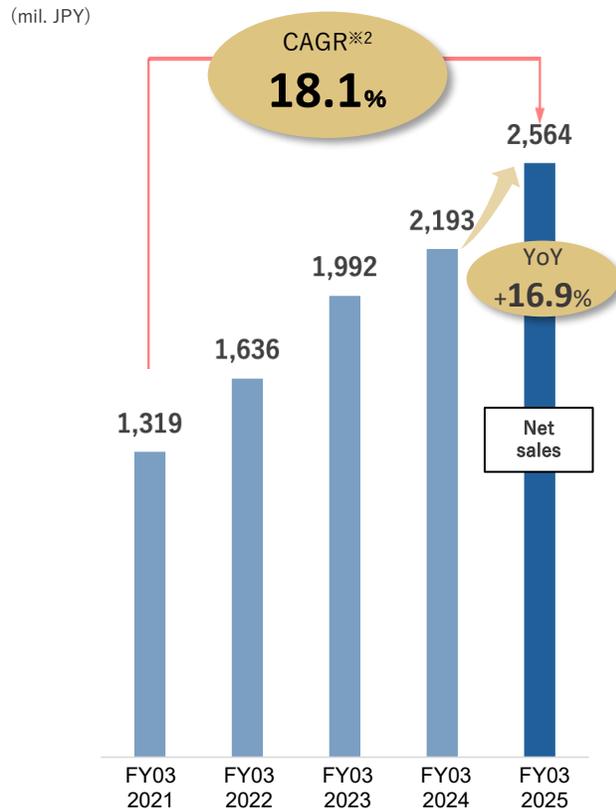


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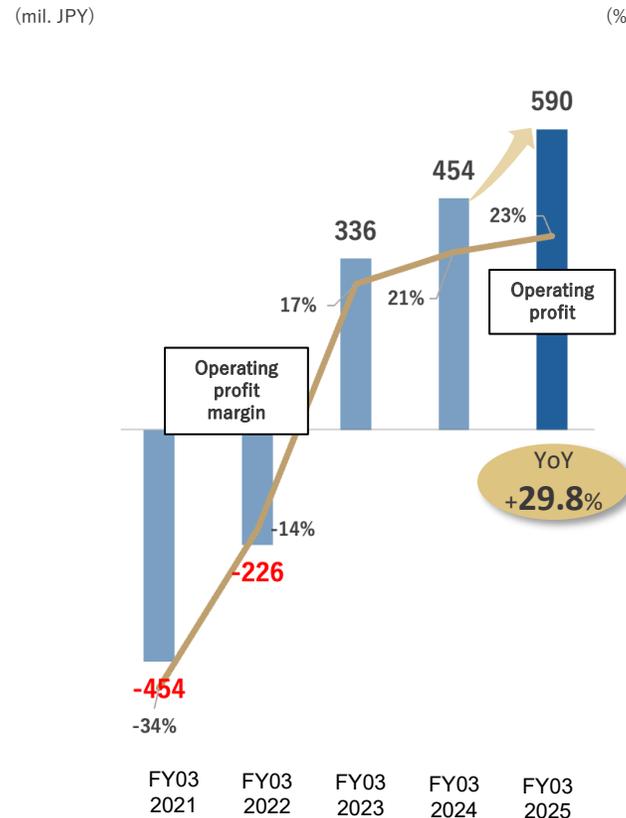
Trend in Financial Results

Net sales has grown stably with CAGR 18.1%;
 Operating profit turned to positive in FY03/2023 and its margin rose to 23%;
 Net profit has constantly maintained positive and surplus width increased in FY03/2025

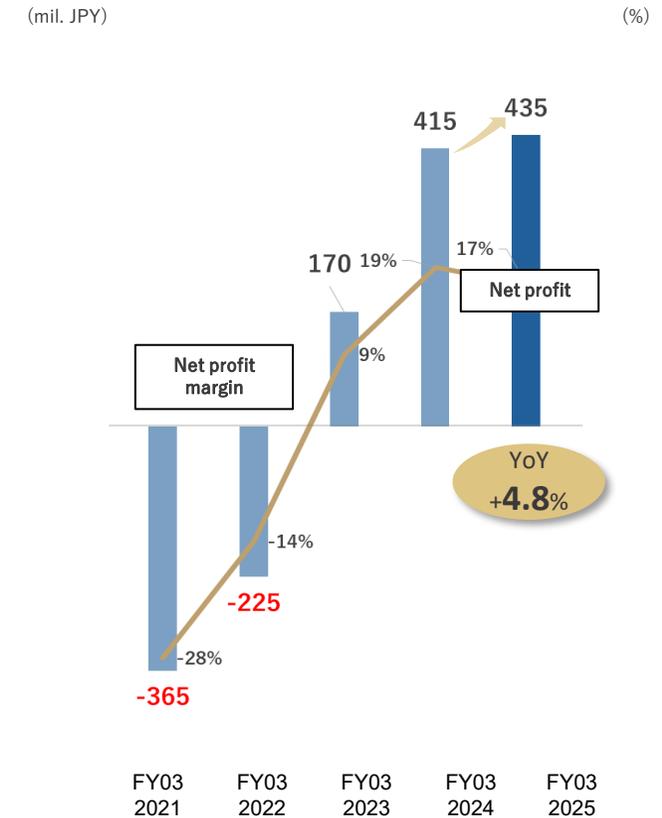
Trend in Net sales^{※1}



Trend in Operating profit^{※1}



Trend in Net profit^{※1}



※1 : Non-consolidated figures from FY03/2021 to FY03/2025

※2 : CAGR (Compound Annual Growth Rate) is for the period from FY03/2021 to FY03/2025

Strategies/Measures & Progress 1/2 (FY03/2025)

Domain	Strategies/Measures	Progress
Company-wide	<ul style="list-style-type: none"> • Ensure IPO is realized in Dec. 2024 	<ul style="list-style-type: none"> • Got listed on TSE Growth Market in Dec. 2024 as planned and successfully raised funds for growth
Sub- scription	<p>(Present/New contracts)</p> <p>Obtain new customers/contracts Expand existing digital marketing ads and new sales channels such as audio ads</p> <ul style="list-style-type: none"> • Carry out entrance campaigns such as those featuring getting listed 	<p>(late 3Q~) Target number of contracts could not be reached, and obtaining new contracts was a major challenge → Prive revision led to lower efficiency in existing ads (CPA)</p> <p>(4Q) Ad efficiency was emphasized (in the context of higher motivation of users to join Luxus, i.e. demand from new graduates/entrants) → Ad expenses decreased by 26% YoY → Target number of contracts could not be reached Except existing digital marketing, exploitation of new sales channels and other measures instead of audio ads have been promoted</p> <ul style="list-style-type: none"> • Campaigns featuring getting listed for obtaining new contracts have had a hard time (4Q~) Campaign discounts for new contracts were held down • Feb. 2025 : Announced start of call for new partners of Sharing as a Service (ShaaS), and decided to commence sales negotiation with those partners • Mar. 2025 : Decided to introduce shareholder benefit scheme → (Purpose) Widening recognition and understanding of our services and obtaining investors
	<p>Improve user satisfaction</p> <ul style="list-style-type: none"> • Seek to improve bag/service quality and to increase Luxus Cash 	<p>Measures for service improvement had effects on higher user satisfaction</p> <ul style="list-style-type: none"> • Expanded scope of users eligible for “Premium Exchange” reflecting voices from users who wished to avoid having period without any bag at hand → Highly appreciated by about 80% of users • Introduced “Reset Exchange” system which allow free exchange once in a month, reflecting voices from users with experiences of receiving bags somehow different from their expectations after exchange • Implemented strategic assets replacement in order for increasing bags with high popularity/demand among users → The reason for service suspension that "the bag I want to use is on rental", decreased by about 20% • Added auto-charge function to “Lexus Cash” (prepaid system) → As compared to the 1st half, average charge increased by about 20% (to 103,000 JPY) and confirmed retention period increased by 1.1 months (to 12.9 months)
	<p>Increase average customer spending</p> <ul style="list-style-type: none"> • Increase contracts by maintaining current Double Plan fee 	<ul style="list-style-type: none"> • Average customer spending over FY03/2025 was 8,859 JPY, i.e. increase by 23.6% YoY

Strategies/Measures & Progress 2/2 (FY03/2025)

Domain	Strategies/Measures	Progress
Bag sales	<p>Overall : Wider assets rotation</p> <ul style="list-style-type: none"> Expand BtoB/toC sales of bags which are unpopular, poorly utilized, and not in good condition as to be used for rental 	<ul style="list-style-type: none"> Rotation and expansion of assets has smoothly proceeded Company-wide revenue from bag sales substantially increased to about 2.7 times higher YoY
		<p>Sales from Rent-to-Own system smoothly increased to about 1.5 times higher YoY</p>
	<p>BtoBtoC sales</p> <p>Start full-swing assets rotation at BtoBtoC sales partners that has been tried experimentally since FY2024</p> <ul style="list-style-type: none"> Expand consignment to RAGTAG shops, Live commerce, and TheRealReal (US) * Select optimum sales channels 	<p>Enormously increased to about 4 times larger YoY</p> <ul style="list-style-type: none"> As envisaged in initial strategies, sales especially through partnering with RAGTAG shops (consignment) substantially increased thanks to demand from inbound tourists Sales to users in the US through Live commerce (consignment) expanded in the second half following development of new sales channels (Preparation for the next FY) Relocated Tokyo Office in order for starting store functions as a touch point with customers Made preparation for Photo-shooting/Measurement/Manuscript functions aiming at toC sales and EC expansion
Operation	<p>HR, etc.</p> <p>Implement wage raise</p> <ul style="list-style-type: none"> New personnel system entered to its second term, so development of core staff is important and their skills should be judged through such as challenge appointment (HR development) 	<ul style="list-style-type: none"> Implemented wage raise in the context of effects of new plan (price revision) Implemented salary upgrade in accordance with the new personnel system and additionally, promoted selection of future core staff
	<p>Settlement/Collection</p> <ul style="list-style-type: none"> Shift to new settlement methods in view of stable bill collection in the future 	<ul style="list-style-type: none"> Introduced subscription shield system in order for stricter security of membership screening

P/L Summary (FY03/2025)

Net sales increased by 370 mil. JPY (+16.9% YoY) driven by the strong performance of the subscription service and bag sales boosted by inbound tourist demand and year-end demand; Despite accounting for the listing expenses, net profit also increased

(mil. JPY)	FY03/2024 ^{※1}	FY03/2025 ^{※1}	+/- amount	+/-%
Net sales	2,193	2,564	370	+16.9%
Gross profit ^{※2}	1,778	1,946	167	+ 9.4%
Gross profit margin	81.1%	75.9%		
SG&A expenses	1,323	1,355	32	+ 2.4%
SG&A expenses rate	60.3%	52.9%		
EBITDA ^{※3}	761	932	171	+22.5%
EBITDA margin	34.7%	36.4%		
Operating profit	454	590	135	+29.8%
Operating profit margin	20.7%	23.0%		
Net profit	415	435	19	+ 4.8%
Net profit margin	19.0%	17.0%		

NOTE : Due to rounding down, total figure may be different. ※1 : Non-consolidated figures for both FY03/2024 and FY03/2025 ※2 : It means Gross profit (net) ※3 : EBITDA = Operating profit + Depreciation

SG&A Expenses Summary (FY03/2025)

Ad expenses decreased by 3 mil. JPY, as a result of prioritizing advertising efficiency particularly in 4Q. Ratio of ad expenses to net sales dropped by 2.6% YoY. Sales commissions increased by 25 mil. JPY, driven by the expansion of BtoB/C bag sales. Ratio of sales commissions to net sales rose by 0.4% YoY. Other expenses increased by 45 mil. JPY due to taxes and dues associated with increase in capital stock following the listing. Ratio of other expenses to net sales remained at the same level as the previous year.

(mil. JPY)	FY03/2024*1	FY03/2025*1	+/- amount	+/-%
Labor cost vs sales	423 19.3%	438 17.1%	15	+3.6%
Advertising expenses vs sales	371 16.9%	367 14.3%	-3	-1.0%
Packing and freight*2 vs sales	176 8.1%	126 4.9%	-50	-28.8%
Sales commission vs sales	87 4.0%	113 4.4%	25	+29.8%
Others vs sales	264 12.1%	310 12.1%	45	+17.3%
Total SG&A expenses vs sales	1,323 60.3%	1,355 52.9%	32	+2.4%

Another factor is that price revision resulted in decrease in the number of transactions, but on the other hand, number of favorite bags per users increased, leading to higher user satisfaction and a longer bag holding period. Consequently, retention rate also rose.

NOTE : Due to rounding down, total figure may be different. *1 : Non-consolidated figures for both FY03/2024 and FY03/2025 *2 : Including packing expenses for sales

B/S Summary (FY03/2025)

Through issuance of new shares at the time of listing, 1,691 mil. JPY was raised.
As a result, equity ratio substantially increased.

(mil. JPY)	March 31, 2024	March 31, 2025	+/- amount	Remarks
Current assets	1,049	1,896	846	Mainly increase in Cash and deposits by 1,081 mil. JPY
Cash and deposits	440	1,522	1,081	
Non-current assets	2,605	2,772	166	Mainly increase in Rental assets by 122 mil. JPY
Rental assets	2,453	2,575	122	
Total assets	3,655	4,668	1,013	Increase due to above-mentioned factors
Total liabilities	2,813	1,699	-1,113	Short-term borrowings from subsidiaries and associates decreased by 2,262 mil. JPY Long-term borrowings increased by 866 mil. JPY
Long-term borrowings	55	922	866	
Net assets	842	2,969	2,127	Mainly Capital stock and Legal capital surplus increased by 845 mil. JPY respectively due to issuance of new shares in relation to getting listed
ROA^{※1}	12.4%	12.6%	0.2%	Issuance of new shares in relation to getting listed led to substantial rise in equity ratio
Equity ratio	23.0%	63.6%	40.6%	

NOTE : Due to rounding down, total figure may be different. ※1 : ROA = Operating profit / Total assets

C/F Summary (FY03/2025)

Balance of cash and cash equivalents at end of period increased by 1,081 mil. JPY as compared to the end of the previous FY.

(mil. JPY)	FY03/2025 (full-term)	Remarks
Cash flow from operating activities	557	Mainly due to Net profit before income taxes of 526 mil. JPY, Depreciation of rental assets of 333 mil. JPY, and Purchase of rental assets of 684 mil. JPY
Cash flow from investing activities	16	Mainly due to increase/decrease in Leasehold and guarantee deposits in relation to relocating Tokyo Office
Cash flow from financing activities	507	Mainly due to Repayments of short-term borrowings from subsidiaries and associates of 2,262 mil. JPY, Long-term borrowings of 1,200 mil. JPY, and raising 1,678 mil. JPY by issuance of shares
Cash and cash equivalents at end of period	1,522	Increase by 1,081 mil. JPY as compared to the end of the previous FY
Free cash flow (Operating C/F + Investing C/F)	546	Purchase of rental assets was carried out within the range of Net profit and Depreciation

NOTE : Due to rounding down, total figure may be different.

04. Performance Forecasts for FY03/2026

“Change the World for Smiles”



Performance Forecasts (FY03/2026)

**For FY03/2026, we will put emphasis on sales growth,
and while making growth investments (upfront investment) utilizing listing funds,
put our efforts to increasing contracts that should be sources of growth of our company**

➤ Principal approaches for growth

- 1) Increase ad expenses (YoY +45%) including new sales channels, increase individual funnels leading to contracts, and raise conversion rate
- 2) Introduce shareholder benefit scheme in order for obtaining investomers
- 3) Expand ShaaS (Sharing as a Service) to provide our own sharing service to other companies as an OEM scheme, which would lead to new contracts

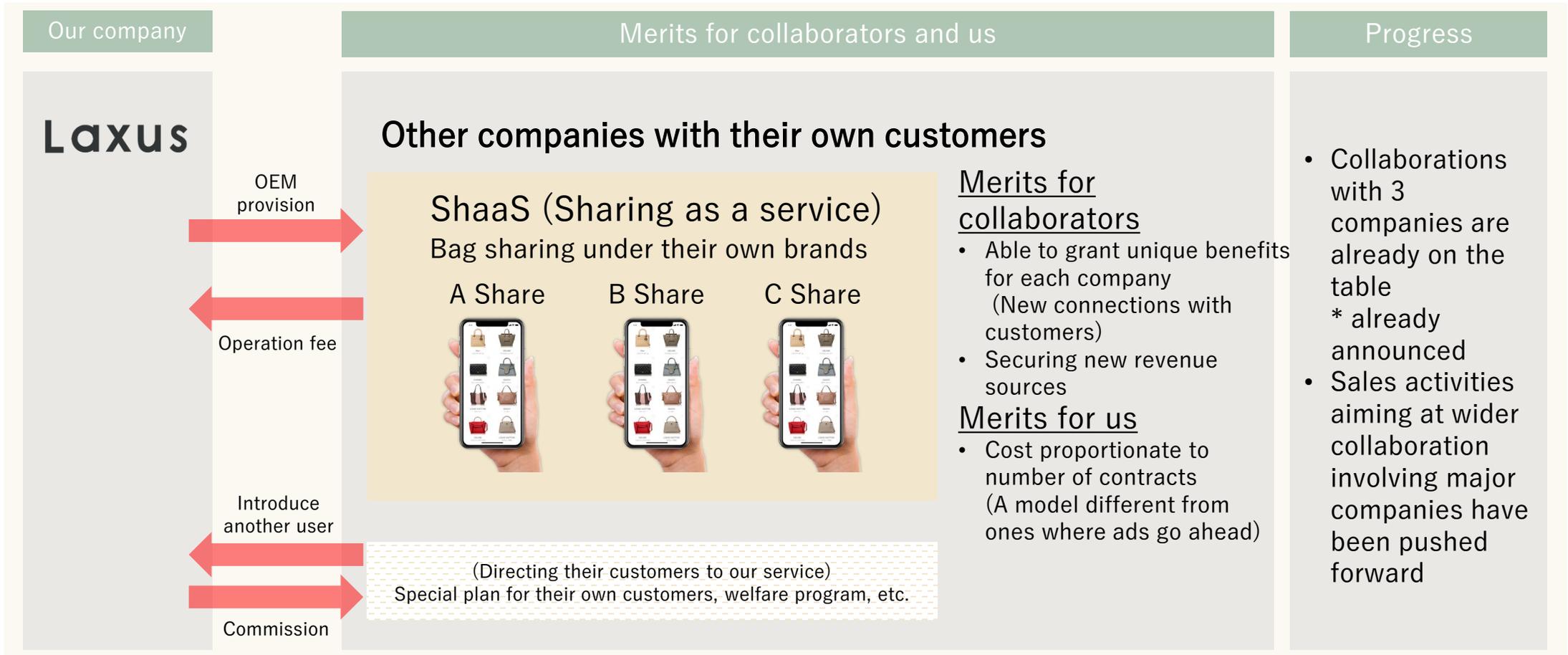
(mil. JPY)	FY03/2025*1	FY03/2026*1	+/- amount	+/- %
Net sales	2,564	3,077	513	+20.0%
Operating profit	590	448	-141	-24.0%
Ordinary profit	569	442	-127	-22.3%
Net profit	435	335	-100	-23.1%

【Important notes】

- Net sales may differ from the forecast depending on the situation of business expansion during growth phase of ShaaS. Such a development will be disclosed as appropriate.
- Since we have worked on shift to new settlement methods in view of stable bill collection in the future, there would possibly to be some temporary influences on collection rate. Meanwhile, we put our efforts to enhancement of collection methods and reducing risks in rental of expensive bags by securing insurance.

Approaches for Growth

Expand ShaaS (Sharing as a Service) to provide our own sharing service to other companies as an OEM scheme, which would lead to new contracts



Approaches for Growth

Increase ad expenses (YoY +45%) including new sales channels, increase individual funnels leading to contracts, and raise conversion rate

Expand sales channels for video ads



- TVer : From end of April
 - * Starting from Tokyo area
- ABEMA : From May (planned)
 - * Starting from Tokyo area
- For YouTubers : From June (planned)
 - ⇒ Try at small scale to establish successful examples and then try other sales channels

Expand sales channels for transit ads



- Taxi ads : From May (planned)
 - * Starting from Tokyo area
- Ad-strap : From June (planned)
 - * Starting from Kansai area
 - ⇒ Try at small scale to establish successful examples and then try other sales channels

Improve rate of conversion to contract



- Measures to improve rate of conversion to contract
 - Change LP : From April
 - Comparison ads : From May
 - Questionnaire-type LP : From July (planned)
 - ⇒ Assess effects as appropriate by such as AB testing, adjust, and add other measures

Approaches for Growth

Shop function of Tokyo Office starts as one of our Direct toC bag sales channels
“Lexus Jingumae Shop” will open this June along Omotesando × Cat Street

Exterior view of Lexus Jingumae Shop



Points of Lexus Jingumae Shop

- Located along Cat Street, near entrance from Omotesando Avenue and highly visible
- Around Omotesando there are many flagship shops of luxury brands, so this area has high affinity with luxury bags
- Huge number of tourists visit this area, so demand from them can be taken in
- In addition to toC sales, the future implementation of a buyback function (fromC) is also being considered
- RAGTAG Harajuku Shop run by our group company is near, allowing for cooperative store management

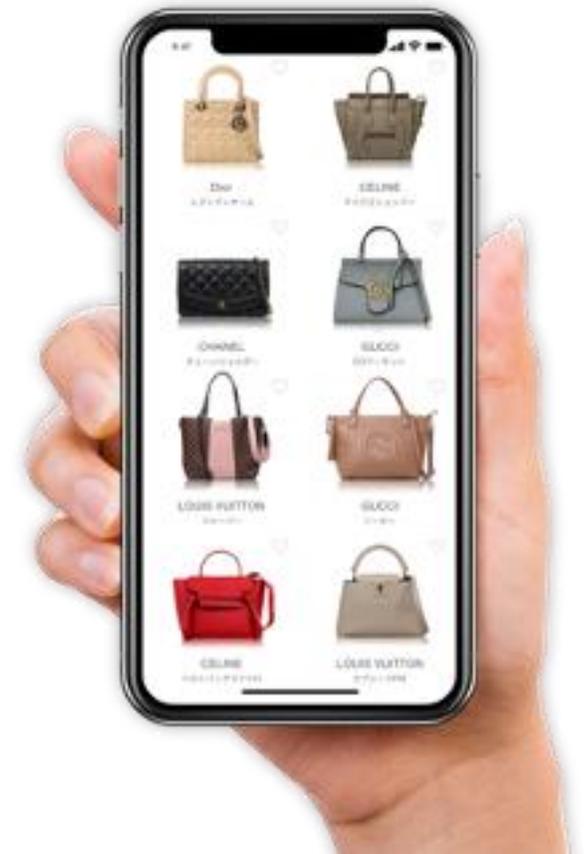
Strategies/Measures 1/2 (FY03/2026)

Domain	Strategies/Measures
Company-wide	<ul style="list-style-type: none"> • During H1, prioritize investment (including for growth) and various approaches; And during H2, pursue maximization of revenue according to increase in contracts, which would lead to growth for the next FY
Subscription	<p>(Present/New contracts) <u>Obtain new contracts</u></p> <ul style="list-style-type: none"> • Beyond existing digital marketing ads, taking publication through new media such as video into consideration, increase ad expenses by about 45% YoY and pursue increase in new contracts • Increase individual funnels leading to contracts, and improve rate of conversion to contract • Introduce shareholder benefit scheme in order for increasing investomers • <u>Expand ShaaS (Sharing as a Service) to provide our own sharing service to other companies as an OEM scheme, which would lead to new contracts</u> • Upgrade bags recommendation engine for expected returning users aiming at increasing returning users
	<p><u>Improve user satisfaction</u></p> <ul style="list-style-type: none"> • Follow the measures taken in FY2024 for improving services • Upgrade bags recommendation engine • As a measure for retaining users who are likely to churn, aim to improve their retention rate focusing primary on users with less than 12 months membership, by appealing to a point system while taking LTV into account
	<p><u>Increase average customer spending</u></p> <ul style="list-style-type: none"> • Continue campaign discount for new contracts in a restrained manner • In view of increasing contracts, consider raising average customer spending <ol style="list-style-type: none"> ① Introduction of Triple Plan ② Offering higher-priced bags, and other measures

Strategies/Measures 2/2 (FY03/2026)

Domain	Strategies/Measures
Bag sales	<p><u>Overall : Put efforts to raising unit selling price</u></p> <ul style="list-style-type: none"> • In addition to increasing Rent-to-Own users in relation to increased contracts, expand channels for toC sales
	<p><u>Rent-to-Own</u></p> <ul style="list-style-type: none"> • Set simpler payment options in purchasing in order for improving CVR • As a measure for raising average spending, consider pricing which includes interest component
	<p><u>BtoB/toC Sales</u></p> <p>Reduce bags which are sold off, in order for raising average spending</p> <ol style="list-style-type: none"> ① Expand RAGTAG partnering and Live commerce network (following strategies in the previous FYs) ② Start operation of Tokyo Office as a shop (touchpoint with customers) ③ Expand EC channels (domestic/overseas) by establishing Photo-shooting/Measurement/Manuscript functions
Operation	<p><u>HR, etc.</u></p> <p>Secure resources in accordance with increase in contracts</p> <ol style="list-style-type: none"> ① Secure financial resources covering labor/recruitment costs in relation to increase in contracts ② Secure and enhance staff/structure for procurement of required amount of bags in accordance with increase in contracts (consider expansion of procurement division from Hiroshima to Tokyo) ③ Implement measures for reducing soilure rate so that our inventory accessible to users can be properly secured
	<p><u>Settlement/Collection</u></p> <p>Continue measures for improving bill collection rate (stricter membership screening)</p> <ol style="list-style-type: none"> ① Proceed with newly joining credit information centers ② Enhance bill collection methods (e.g. convenience store payment)

05. About Shareholder Return



Shareholder benefit scheme in order for obtaining investomers has been introduced

Objectives of introducing shareholder benefit scheme

We have, in order for not only expressing its gratitude for constant support by shareholders, but also heightening attractiveness of its shares for investment and inviting more people to possess its shares for mid-to-long period, as well as pursuing wider recognition and understanding of its services, introduced shareholder benefit scheme this time.

Reference date of determining eligible shareholders

(On March 31 and September 30 every year) Shareholders who are listed or recorded on the Company's current shareholders list and possess one or more share unit (100 shares).

When to start the shareholder benefit scheme

March 31, 2025 is the first reference date.

Description

Biannually, eligible shareholders are given discount benefit worth 12,000 JPY which can be used for monthly fee of "Luxus", our subscription-type service for sharing luxury bags.

- Discount benefit

Monthly discount benefit of 2,000 JPY × 6 months (12,000 JPY in total)

* Shareholders who are eligible on the biannual reference dates (March 31 and September 30) can enjoy discounts up to 24,000 JPY annually

Schedule

Shareholders listed or recorded on our shareholders list on March 31 every year will receive relevant information in early July of the same year

Shareholders listed or recorded on our shareholders list on September 30 every year will receive relevant information in early December of the same year

Notes on handling of this document

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Our customers' prayers for peace
were turned into a total of 13,895
origami cranes.



Lexus

Change the World for Smiles