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Highlights

[Actual Results: FY03/2026, 1Q*1]

Net sales : 560 mil. JPY (prev. 1Q: 640 mil. JPY) YoY 87.0%

Operating profit: 40 mil. JPY (prev. 1Q: 180 mil. JPY) YoY 24.6%

(factor) Difficulty in obtaining subscription contracts

(KPI)

of contracts : 17,048 (incl. Double Plans)

Avg. spending : 9,039 JPY (+0.5% from previous 1Q) (8,997 JPY in previous 1Q)

【TOPICS in 1Q】

- Measures through video ads and YouTubers (since June)
- New benefits by placing transit ads on taxis (since May), so areas of such ads would be expanded
 ⇒ Up-front ad expenses have already been put out, and the trend of net decrease in contracts reversed
 to net increase in July which had been previously a quiet season
- Several efforts for business tie-up including Shaas × 2 were facilitated, and four of them were announced today
- Throughout FY03/2026, regarding bag sales, better profitability per bag will be pursued rather than the number of units sold (Laxus Omotesando Shop opened)

Financial Results Overview of FY03/2026, 1Q

Lower revenues & earnings due to difficulties on obtaining subscription contracts

(mil. JPY)	FY03/2025 1Q ^{※1}	FY03/2026 1Q ^{※1}	+/- amount	YoY
Net sales	649	565	a –84	87.0%
Gross profit Gross profit margin	512 78.9%	420 74.3%	b -92	82.0%
SG&A expenses SG&A expenses margi	323 n 20.7%	373 23.0%	6 +50	115.6%
Operating profit Operating profit margi	189 n 29.1%	46 8.2%	d -142	24.6%
Net profit Net profit margin	169 26.1%	39 7.0%	e −129	23.5%

a	Net sales		Difficulty in obtaining subscription contracts as compared to the previous 1Q was a major factor
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- SG&A expenses Please see P6 for details
- Operating profit Lower sales and higher SG&A expenses were major factors
- Net profit Lower Operating profit and lower Income taxes deferred were major factors.

SG&A Expenses Summary (FY03/2026, 1Q)

Ad expenses increased by 27 mil. JPY mainly due to new efforts on transit ads, video ads and other measures

Sales commissions decreased by 3 mil. JPY mainly due to reviewing BtoB/toC bag sales channels

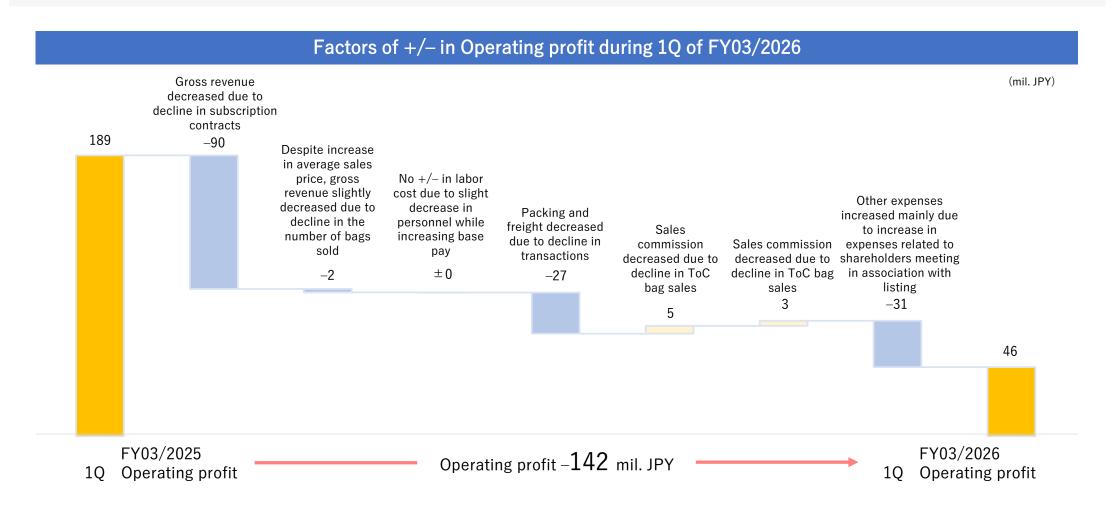
Other expenses increased by 31 mil. JPY mainly due to increase in expenses related to shareholders meeting in association with listing

(mil. JPY)	FY03/2025 1Q ^{※1}	FY03/2026 1Q ^{※1}	+/- amount	YoY
Labor cost vs sales	108 16.7%	108 19.3%	0	100.1%
Advertising expenses vs sales	81 12.6%	109 19.4%	+27	133.9%
Packing and freight ^{※2} vs sales	33 5.2%	28 5.1%	-5	84.3%
Sales commission vs sales	29 4.5%	26 4.6%	-3	88.4%
Others vs sales	69 10.7%	100 17.8%	+31	145.2%
Total SG&A expenses vs sales	323 49.7%	373 66.1%	+50	115.6%

[→] 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.

Factors of +/- in Operating profit

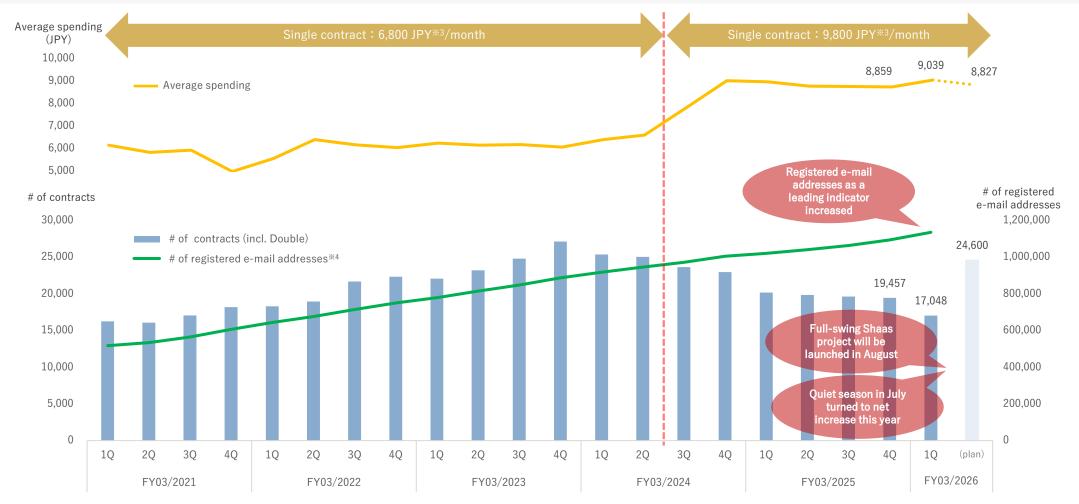
Gross profit decreased by 92 mil. JPY due to decrease in gross revenue from subscription contracts. In addition, Operating profit decreased by 142 mil. JPY due to increase in ad expenses related to obtaining new contracts and increase in cost associated with listing, etc.



Transition of Key Performance Indicators

Average spending per customer was 9,039 JPY in 1Q, i.e. increase by 0.5% YoY.

Number of contracts^{*1} had previously used to decrease during 1st half,
but reversed to net increase in July 2025, and a full-swing Shaas^{*2} project is going to be launched in August.



Approaches for Growth

Ad expenses have been increased (+34% YoY) including those for exploiting new sales channels, and measures which were actually successful have been expanded and modified toward the forthcoming 2Q

Expand sales channels for video ads



Expand sales channels for transit ads



- > TVer (Tokyo area): From end of April
- > ABEMA (Tokyo area): From May
- ⇒ Video ads faced quality issues, but modifications are underway toward 2Q
- For YouTubers: June July
- ⇒assessment underway

- Taxi ads: From May
- ⇒ Effects of higher conversion rates were confirmed in Tokyo, Osaka and Nagoya, such that they will be expanded in 2Q
- > Ad-strap (Osaka): From June
- ⇒assessment underway

Improve rate of conversion to contract

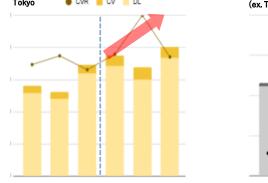


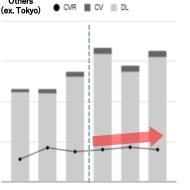
- Measures to improve rate of conversion to contract
- · LP changes: From April
- · Comparison ads: From May
- Questionnaire-type LP: From July (planned)
- ⇒ In June, number of downloads increased by about 50% YoY and registered e-mail addresses doubled

Approaches for increasing contracts: Taxi ads

Certain effects on CVR could be confirmed in Tokyo, Osaka and Nagoya, so target area expansion and higher video quality will be pushed forward to be realized in September

Tokyo Others DL CV CVR Before & After 115.0% 143.4% 2.2% 123.1% 128.6% 0.2% Tokyo Others (ex. Tokyo) Others CV CVR DL CV CVR DL





• CV growth rate was 14.6%P higher than other areas

- CVR growth rate was +2.2%, that was 2.0%P higher than other areas, providing certain effects
 Meanwhile, other measures are also taken in parallel, so they should be
 - Meanwhile, other measures are also taken in parallel, so they should be examined again in other areas

In Nagoya & Osaka: Comparison of growth rates over 3 weeks



- Similar to Tokyo, CV and CVR growth rates were 2.4%P and 0.3%P higher than other areas respectively
 * In week 3, substantial DL growth thanks to increased quotas on Meta contributed, whereas there were less
 effects on CV in week 1 & 2
 - * In preparation for September, target areas are expanded, video quality is improved, and sequence of broadcasting is brought forward

Approaches for increasing contracts: Improving CVR (Conversion Rate)

Personalized display of bags and advanced search function are being promoted, which help users find their favorite bags more easily, so that CVR would improve

Personalized TOP page

Enhanced page visit with Al-generated search tags

Checking newly-arrived bags with flicking feature

■ Questionnaire after registration













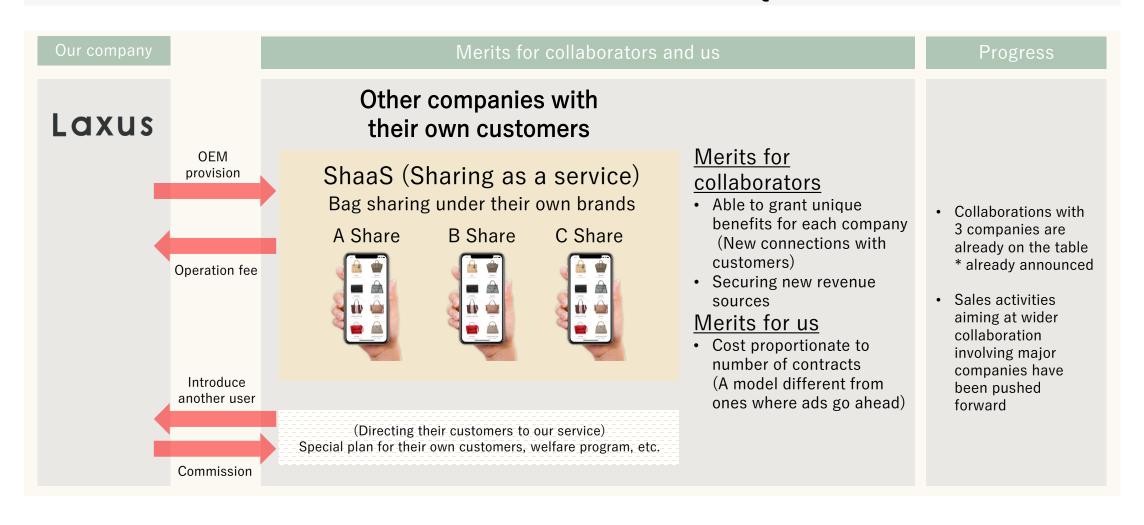
Questionnaire after a user's' initial use helps us capture her favorite fashion and then personalize bags displayed on the TOP page for her

Tags used on screens for displaying bag details and for searching (e.g. wedding, summer coordination) are generated by AI to enhance search range and bag viewing

Function for browsing bags easily with flicking action is enhanced, so that users have more chances to encounter favorite bags

Approaches for increasing contracts: ShaaS

With respect to tie-up with companies which retain good-standing customers, MOUs with three companies have been executed during 1Q and services are scheduled to start in 2Q



Progress of Strategies/Measures 1/2 (FY03/2026)

Domain	Strategies/Measures	Progress in 1Q		
Company-wide	• 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			
Subscrip- tion	 (Present/New contracts) Obtain new contracts 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 for the purpose of increasing investomers ^{※1} 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 Upgrade bags recommendation engine for expected returning users aiming at increasing returning users 	(Present/New contracts) Obtain new contracts Difficulty in obtaining subscription contracts Recovered in July (net increase from end of June) which previously had shown net decrease I. Allocate ad expenses to new sales channels Measures through video ads and YouTubers (postponed from May to June) Taxi ads: Target areas showed increase in new contracts (higher CVR) (promoted) Target area expansion; higher video quality; changing broadcasting sequence (considered) Video ads via new media; ads via nursery schools and at skyscraper condominiums		
	 Improve user satisfaction 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 	II. New ShaaS - Four were released (Aug. 8): WORLD / AnotherADdress (Daimaru-Matsuzakaya / AUCNET (Brandear) / TOP CONNECT - On August 20, BAGSHARE by WORLD will be launched - Wider alliances		
	Increase average customer spending Continue campaign discount for new contracts in a restrained manner In view of increasing contracts, consider raising average customer spending Introduction of Triple Plan Offering higher-priced bags, and other measures	III. Shareholder benefit scheme Started in July IV. Measures for improving CVR (Effects of advertising in June) - Downloaded apps were about 150% YoY - Registered e-mail addresses were about 200% YoY (promoted) Personalized display of bags based on answers to questionnaire for new entrant · Higher bags quality (new procurement) · Measures taken for improvement in collaboration with other companies		

Strategies/Measures 2/2 (FY03/2026)

Domain	Strategies/Measures	Progress in 1Q
Bag sales	Overall: Put efforts into raising unit selling price In addition to increasing Rent-to-Own users in relation to increased contracts, expand channels for toC sales	Overall: Put efforts into raising unit selling price In order to achieve planned profit,number of sold bags is being controlledl Number of sold bags is 101% YoY
	 Rent-to-Own Set simpler payment options in purchasing so that CVR can be improved As a measure for raising average spending, consider pricing which includes interest component 	 Rent-to-Own Payment options for purchasing are simplified; and average price is pushed up including the amount equivalent to interest Compared with market price (second-hand brand bags): 125%
	BtoB/toC Sales Reduce bags which are sold off, in order to raise average spending 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 Photoshooting/Measurement/Manuscript functions	BtoB/toC Sales: Reduce bags which are sold off, in order to raise average spending ① Expanded RAGTAG partnering and Live commerce network (continuing the same strategies as in the previous FYs): 219% YoY ② Started operation of Tokyo Office as a shop (touchpoint with customers) - On June 20, Laxus Omotesando Shop opened ③ Established so-called "SaSaGe" functions ^{※1} – in preparation for expanding EC sales channels (domestic/overseas)
Opera- tion	HR, etc. Secure resources in accordance with increase in contracts 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	HR, etc. Secure resources in accordance with increase in contracts ① Secured recruitment cost in preparation for handling more contracts ② Secured and augmented procurement staff as planned; and internally re-organized in order to strengthen procurement capabilities in Tokyo ③ Distributed videos showing how to prevent sunburn of bags especially in summer and how to handle bags, via channels for attracting new contracts
	Settlement/Collection Continue measures for improving bill collection rate (stricter membership screening) ① Proceed with newly joining credit information centers ② Enhance bill collection methods (e.g. convenience store payment)	Settlement/Collection Continue measures for improving bill collection rate (stricter membership screening) ① Currently proceeding with newly joining credit information centers ② Adopted convenience store payment as an additional settlement method



Approach for growth: Subscription

Toward the forthcoming 2Q, along with expanding and modifying successful measures, new approaches for our target population will be pushed forward

Expand sales channels for video ads



Expand sales channels for transit ads



Appeal to target population



- Video ads quality has been improved since 1Q, and we examine which ones are successful through SNS marketing ⇒implemented in Aug.
- Narrowing down to videos with positive responses, ads via new media will be considered
 - ⇒to be implemented in Sep.

- Taxi ads are planned to be expanded in Sep.
 - ⇒In addition to Tokyo/Osaka/Nagoya, Kanagawa & Fukuoka will be targets
- ⇒ Video quality has been improved
- Ad-straps on trains in Osaka are continued

- Signage ads at skyscraper condominiums are under consideration
 - ⇒ Ads at entrances/elevators in skyscraper condominiums in Tokyo
- Ads accompanying notices from nursery schools are under consideration
 - ⇒Appealing to young mothers who are expected to have more chances to take a look than usual flyers

Approaches for Growth: ShaaS

New business tie-ups with 4 companies including Shaas^{※1}, where efforts are put into increasing contracts

WORLD Group (Fashion-Co-Lab)

The 1st ShaaS app eventually started! "BAGSHARE by WORLD" jointly developed by WORLD Group x Laxus starts on Aug. 20 (Wed.)



This collaboration with Fashion-Co-Lab Co., Ltd. is the 1st service provided via ShaaS app. With this tie-up as a prototype, we expand ShaaS business on a full scale by rolling out our sharing service functions further to other companies and trades.

"BAGSHARE by WORLD" provides new experiences that balance fashionableness and convenience, to users who want to feel brand bags more intimate and enjoy them on their own ways.

AnotherADdress (Daimaru-Matsuzakaya)

"AnotherADdress" by Laxus x
Daimaru-Matsuzakaya
MOU for business tie-up envisaging
at the future of sustainable fashion



"AnotherADdress" is a new way of subscription service that emphasizes essential values and accountability to our society/environment in the domain of fashion, and offers sustainable lifestyles.

This is an approach that goes one step forward from conventional user experiences where they rent dresses and bags "separately", and seeks to redefine the very ways of enjoying fashion.

AUCNET (Brandear)

MOU for business tie-up between Laxus and AUCNET aiming at realizing better environment instead of valuable goods



MOU with TOP CONNECT Corp. for ShaaS tie-up

TOP CONNECT



A platform for sharing brand bags called "ShaaS" provided by Laxus is deployed on OEM basis, so that an additional option of "sharing" with users of Brandear (an AUCNET Group company) could be offered. Also, Brandear is introduced to Laxus users as a service that buys out brand items that are no longer in use. Moreover, in order to enhance bags lineup of Laxus, one of the largest procurement network in this

industry that AUCNET has can be utilized.

TOP CONNECT's robust business network and Laxus' ShaaS model are integrated. Through this tie-up, TOP CONNECT's network evolves to a venue to build up deeper human relationship and trust relationship by not only information exchange and business matching but also by "sharing" real goods and their values. For example, at venues of wide variety of events organized by TOP CONNECT, services for sharing brand bags create opportunities of new interactions among participants.

Approaches for Growth: Bag Sales

Shop function of Tokyo Office started as one of our Direct to C bag sales channels "Laxus Omotesando Shop" opened along Omotesando × Cat Street on June 20 (Fri.)

Exterior & Interior







IR-related news release



For inbound tourists being our main customers, ①Campaigns information is displayed outward,
②Notification flyers are placed at group stores such as RAGTAG, ③Genuineness and sense of security are appealed inside such as AACD membership,
④The shop is listed on Google Maps, ⑤An Instagram page has been launched, and ⑥Lineup and price range are widened

03. Performance Forecasts for FY03/2026



Performance Forecasts (FY03/2026)

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

- Principal approaches for growth
- Increase ad expenses (YoY +45%) including those for exploiting new sales channels, increase individual funnels leading to contracts, and raise conversion rate
- 2) Introduce shareholder benefit scheme in order to obtain investomers *1
- 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. yen)	FY03/2025 ^{*2}	FY03/2026 ^{%2}	+/– 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 from sales in the future, there would possibly to be some temporary influences on collection rate. Meanwhile, we put our efforts into enhancement of collection methods and reducing risks in rental of expensive bags by securing insurance.

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Our customers' prayers for peace were turned into a total of 23,895 origami cranes.



Laxus

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