

FY2024/12 Full Year

Financial Results

Zoff

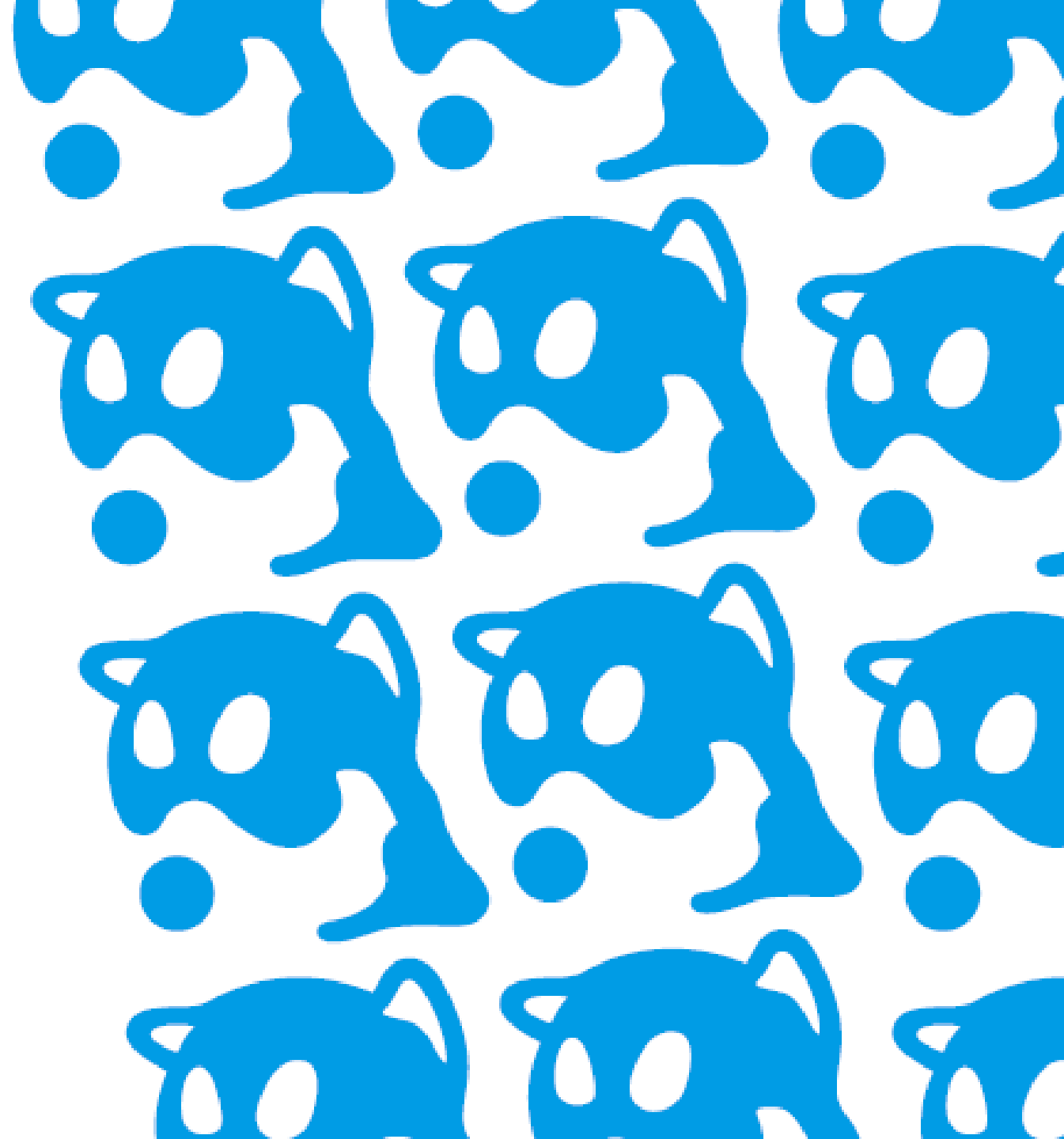
INTERMESTIC INC.

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In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

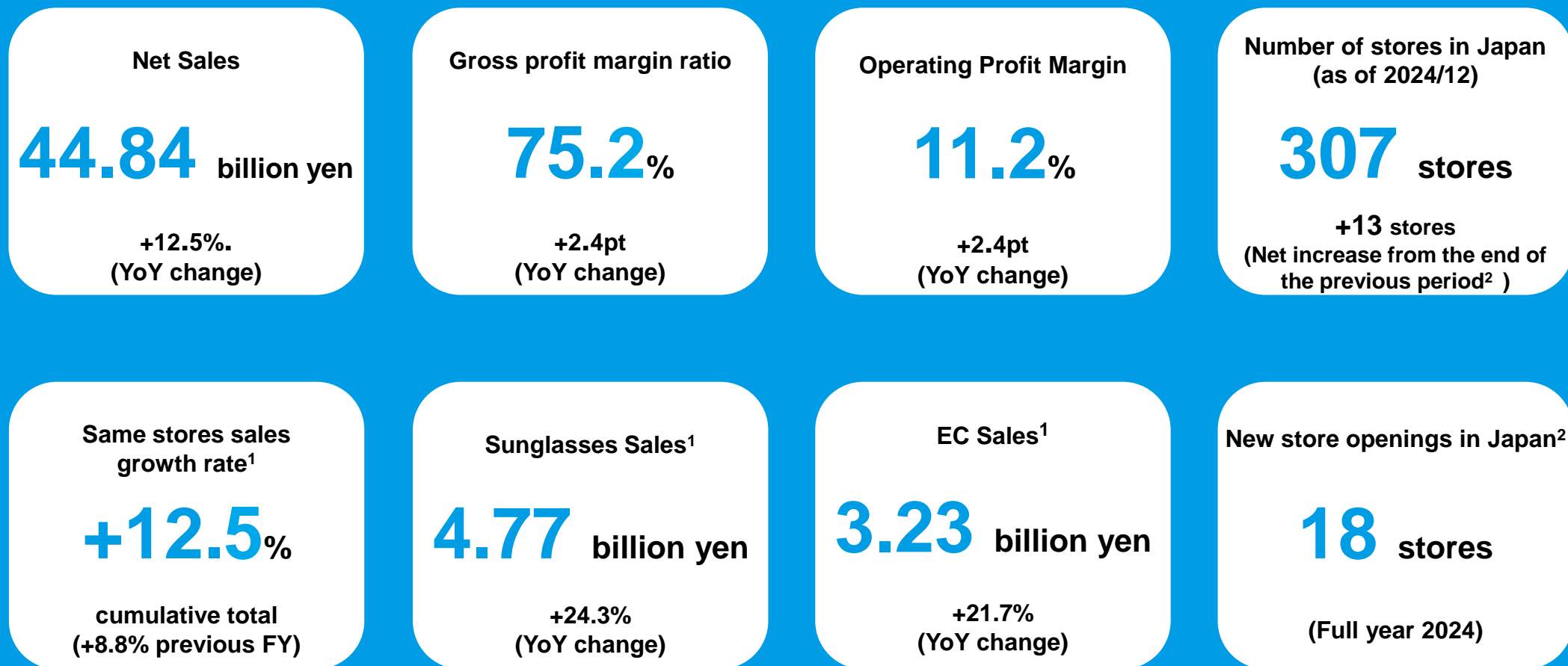
FY2024/12

Consolidated Financial Results



Consolidated Financial Results Summary for FY2024/12

Key Financial Indicators · KPIs (FY2024/12)



Note 1: Same stores sales growth rate, sunglasses sales, and e-commerce sales figures are based on managerial accounting.

Note 2: Net increase includes the number of stores closed, while the number of new stores opened does not include the number of stores closed.

Consolidated Financial Results for FY2024/12

- Net sales grew 12.5% YoY, driven by growth at same stores. Gross profit margin improved by 2.4pts due to sales restraint.

(million yen, %)	Fiscal Year 2023/12		FY2024/12 Forecast ²		FY2024/12				Comment
	Amount	Sales Ratio %	Amount	Sales Ratio %	Amount	Sales Ratio %	YoY %	Vs Forecast %	
Net sales	39,875	100.0	43,489	100.0	44,845	100.0	+12.5	+3.1	Exceeded both FY23 and forecast mainly due to increase in same stores sales (+12.5% y/y) by improving sales volume and unit price
Gross profit	28,997	72.7	32,413	74.5	33,707	75.2	+16.2	+4.0	Gross profit and gross profit margin exceeded both the previous year and the forecast due to special sale restraint, etc.
SG&A expenses	25,499	63.9	28,206	64.9	28,695	64.0	+12.5	+1.7	Despite higher labor costs due to accelerated investment in human resources, the SG&A-to-sales ratio remained at the same level as the previous year due to lower fixed costs as a result of strong sales growth.
Operating income	3,497	8.8	4,206	9.7	5,012	11.2	+43.3	+19.1	Increase in expenses was more than offset by increase in gross profit
Net income	2,562	6.4	2,720	6.3	3,515	7.8	+37.2	+29.2	
Dividend per share ³	83,700 yen		27.86 yen		40.20 yen		-	+12.34 yen	Dividend increase in line with higher-than-expected earnings

Note 1: Figures may not sum up to total due to truncated notation.

Note 2: Full-year forecasts disclosed in the "Notice of Financial Results of the Company in connection with its Listing on the Tokyo Stock Exchange Prime Market" on October 18, 2024.

Note 3: Figures for FY2023/12 are before stock split.

Sales Results by Segment

- Steady growth of +16.4% in domestic business
- Overseas, the withdrawal from mainland China to improve profitability and the conversion to franchise in Singapore caused sales to fall -58.5% and the top line itself to decline.

		FY23	FY24	YoY	Comment
Domestic Business		37,781	43,977	16.4%	Both stores and e-commerce performed well, achieving high growth compared to the previous fiscal year.
	Store	35,248	41,230	17.0%	Year-on-year revenue growth based on growth in same stores
	EC	2,659	3,235	21.7	Sales increased from the previous year based on sunglasses, collaborative products, etc.
Overseas Business		2,093	868	-58.5%	Top line decreased due to withdrawal from mainland China (Shanghai) to improve profitability and change of Singapore business to franchise structure

Note 1: Only sales to external customers are shown.

FY2024/12 Consolidated Results (SG&A)

- Despite an increase in the labor costs ratio due to accelerated investment in human resources, the SG&A-to-sales ratio remained at the same level as the previous year due to a decrease in fixed costs such as store rents.

(million yen, %)	FY 2023/12		FY2024/12 Forecast ²		FY2024/12				Comment
	Amount	Sales Ratio %	Amount	Sales Ratio %	Amount	Sales Ratio %	YoY %	Vs Forecast %	
SG&A expenses	25,499	63.9	28,206	64.9	28,695	64.0	+12.5	+1.7	
Labor costs	10,926	27.4	-	-	13,089	29.2	+19.8	-	Increase in ratio due to accelerated investment in human resources
Store rent	5,848	14.7	-	-	6,322	14.1	+8.1	-	Decrease in ratio due to sales increase
Advertising expenses	1,960	4.9	-	-	1,901	4.2	-3.0	-	Ratio decreased due to improved investment efficiency
Depreciation and amortization	816	2.0	-	-	815	1.8	-0.2	-	Decrease in ratio due to sales increase

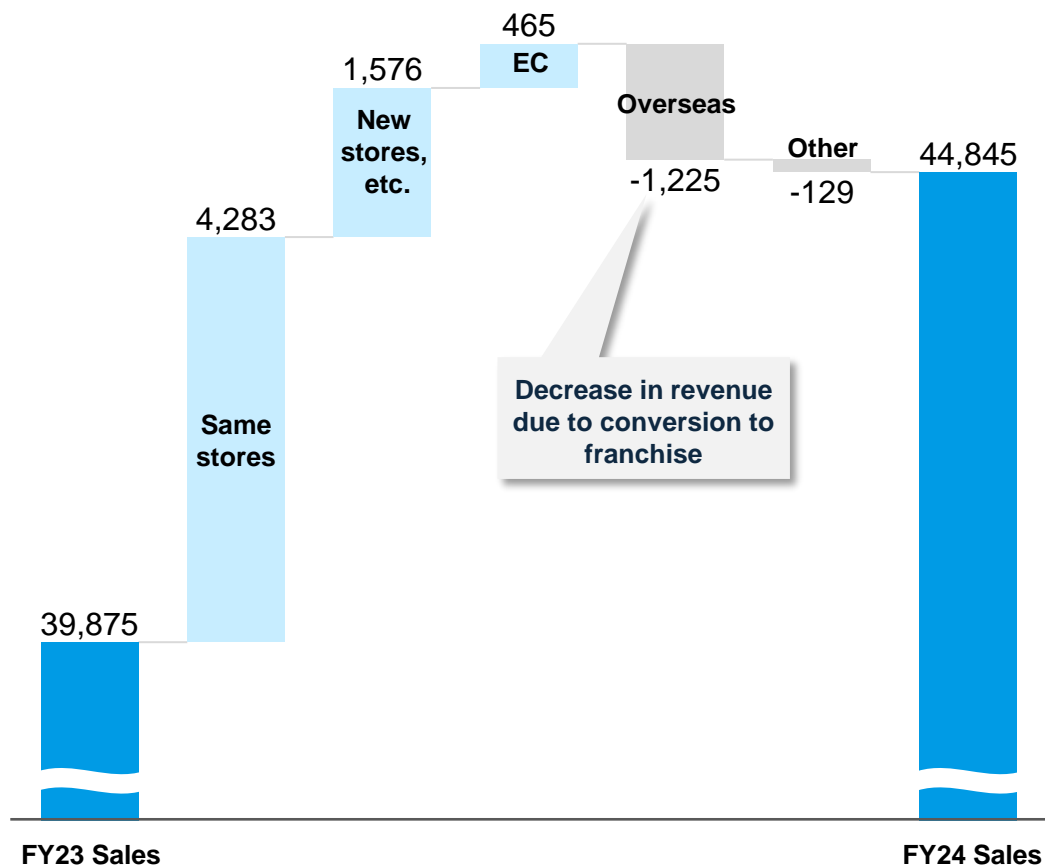
Note 1: Figures may not sum up to total due to truncated notation.

Breakdown of Difference from Previous Period

- Domestic same stores sales growth rate +12.5% for the full year, driving sales growth
- Profit increased due to higher gross profit despite higher expenses.

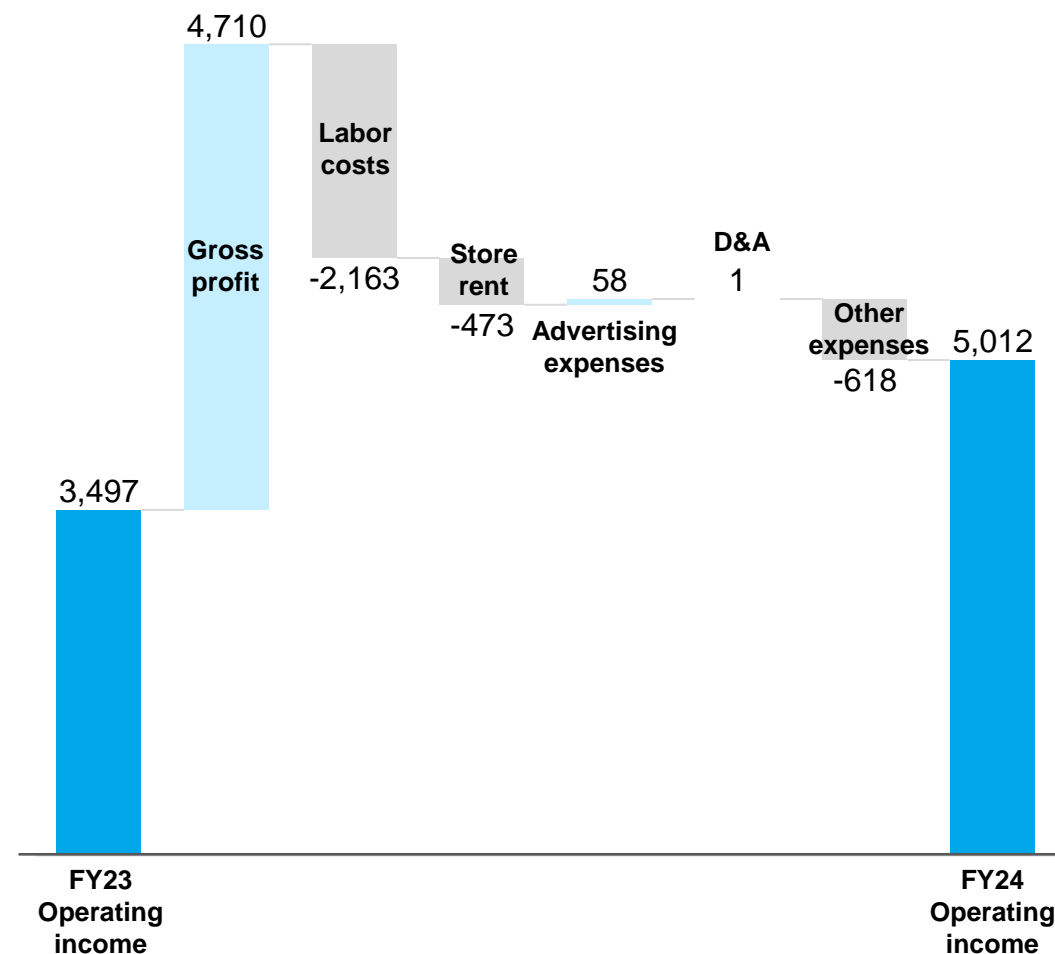
Net Sales¹

(Millions of yen)



Operating Profit¹

(Millions of yen)



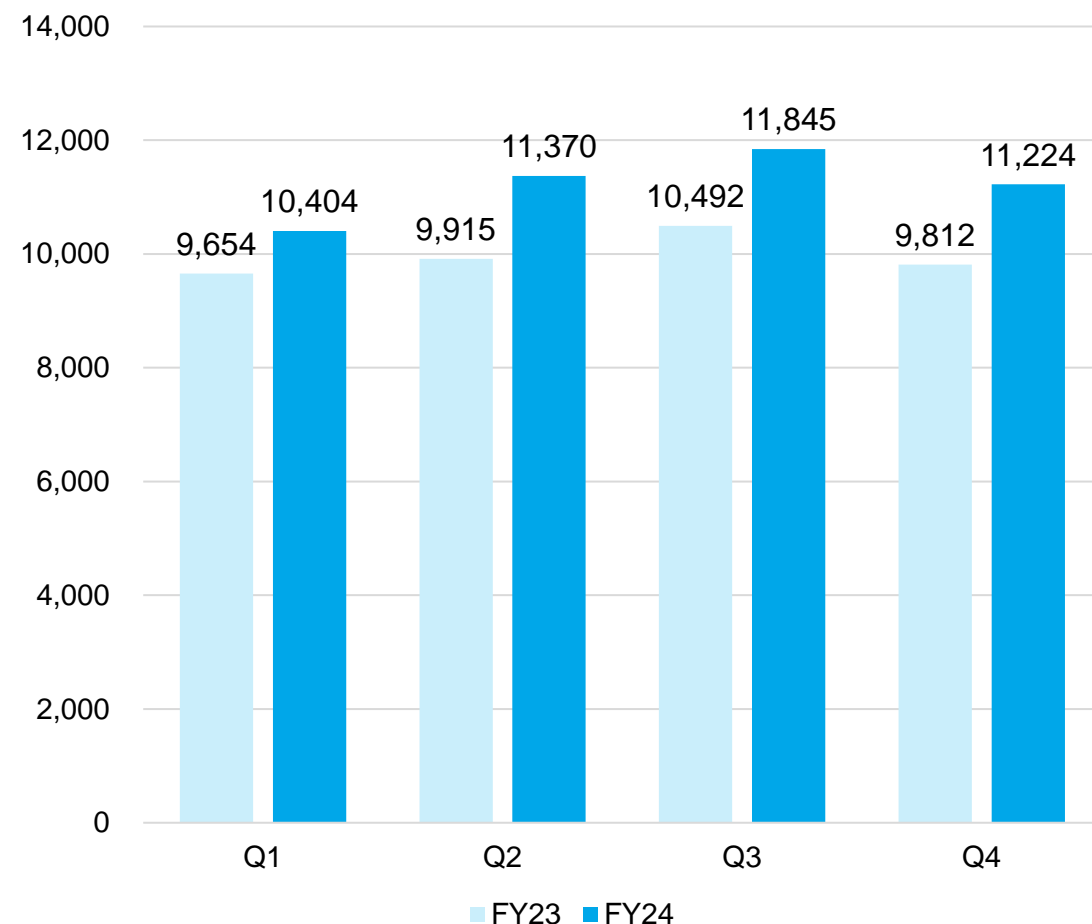
Note 1: Management accounting figures are used for some figures. Also, totals may not match due to truncation.

Quarterly Sales and Operating Income

- Sales exceeded the previous year in all quarters
- Operating income significantly exceeded the previous year in 2Q and 3Q due to an increase in gross profit and a decrease in advertising expenses, etc. In 4Q, as previously disclosed, advertising expenses and bonus payments resulted in a loss, but the full-year forecast was exceeded.

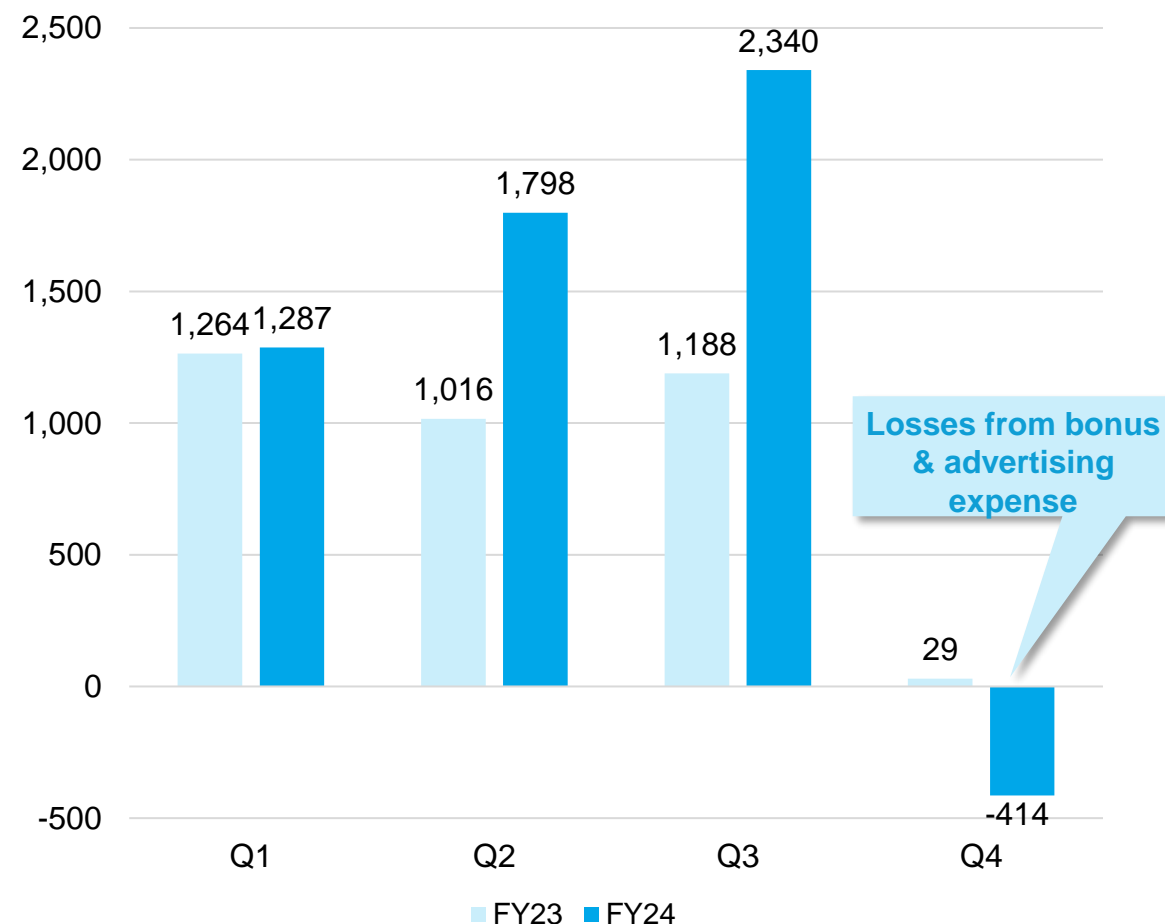
Net Sales¹

(Millions of yen)



Operating Profit Trends¹

(Millions of yen)

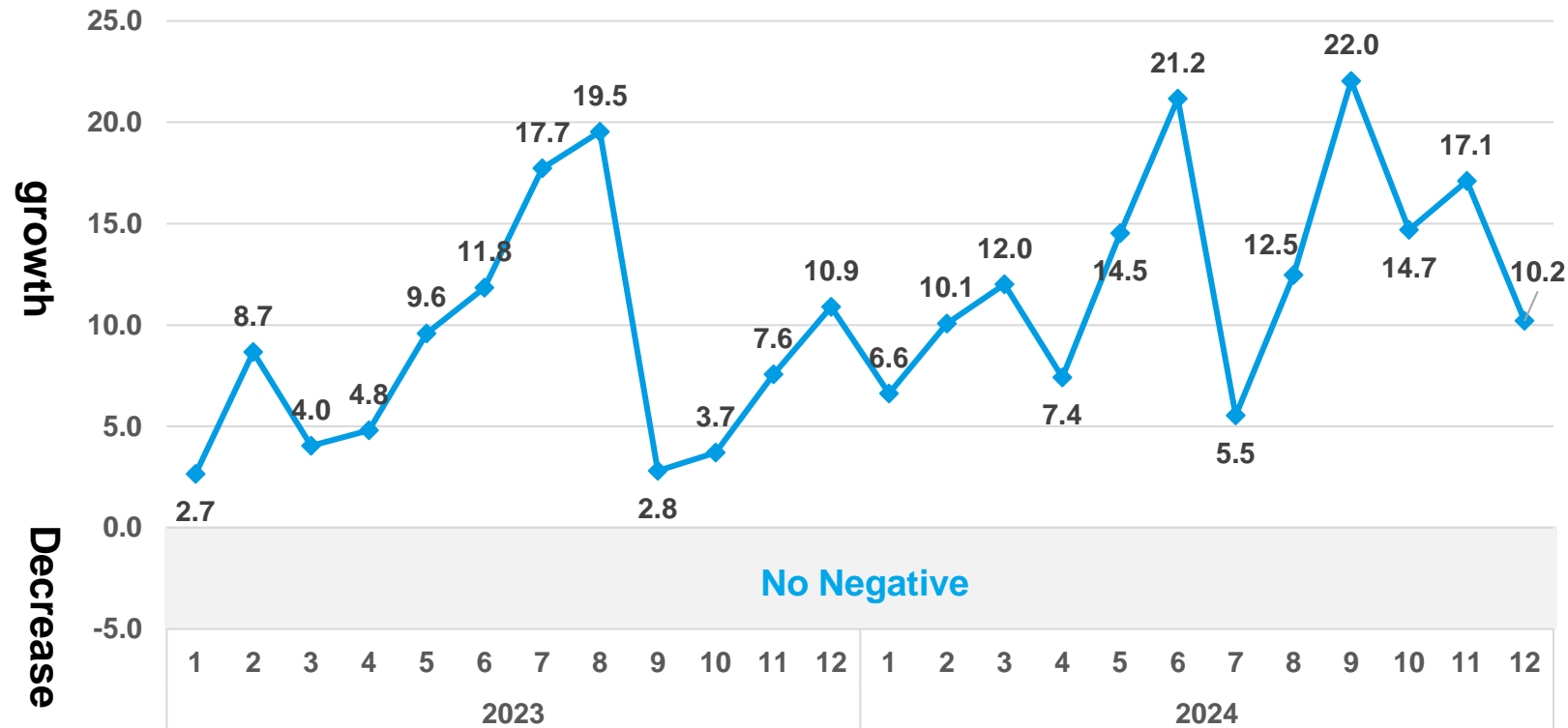


Note 1: Figures for FY23 are unaudited because the company has not yet been listed. Also, due to truncation, totals may not sum up.

Same stores sales growth rate

- Same stores sales growth rate for FY24 was strong at 12.5% for the full year
- Maintained steady growth without negative growth since FY23

Our monthly same stores sales growth rate (vs. previous year)¹



Same stores sales growth rate for each quarters

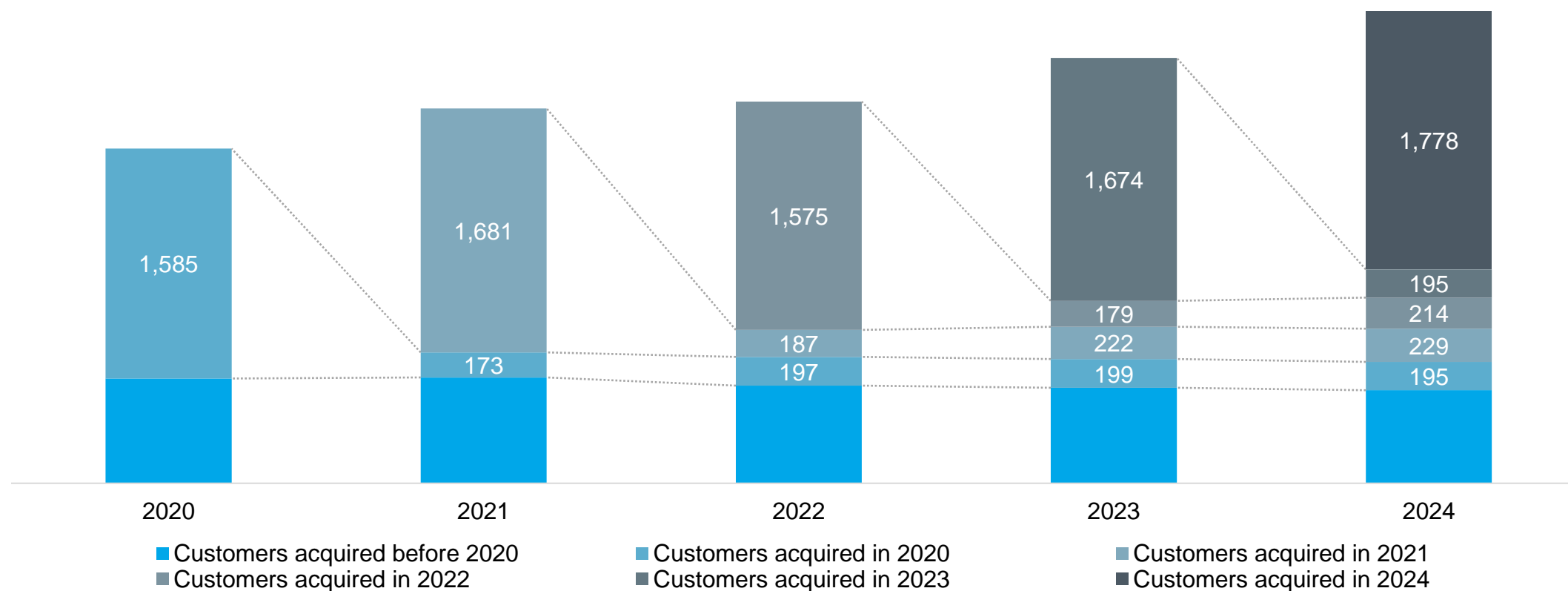
FY24 +12.5%.	Sunglass-related products and other products performed well throughout the year, and the sales level was high, up 12.5% from the previous fiscal year.
1Q +9.4%	9.4% yoy, due to new lifestyle demand in addition to pollen control products
2Q +14.6%.	Sunglass-related products and collaborative products performed well, up 14.6% yoy.
3Q +12.3%	Sunglass-related products and collaborative products performed well, up 12.3% yoy.
4Q +13.6%	Sunglasses-related products performed well, and new products such as "Galileo" and a new commercial featuring the Ishikawa siblings were successful, resulting in a 13.6% increase yoy.

Note 1: Same stores are defined as stores with no closures in the same month of the previous year and in the current month. Same stores sales growth rate is calculated by comparing the total sales of same stores for each month with the same month of the previous year.

Customer repeat rate

- Customer repeat rate has remained above 10%, underpinning growth in same stores.

Number of repeat customers (thousands) *Number of customers registered in CRM, not the total number of customers.



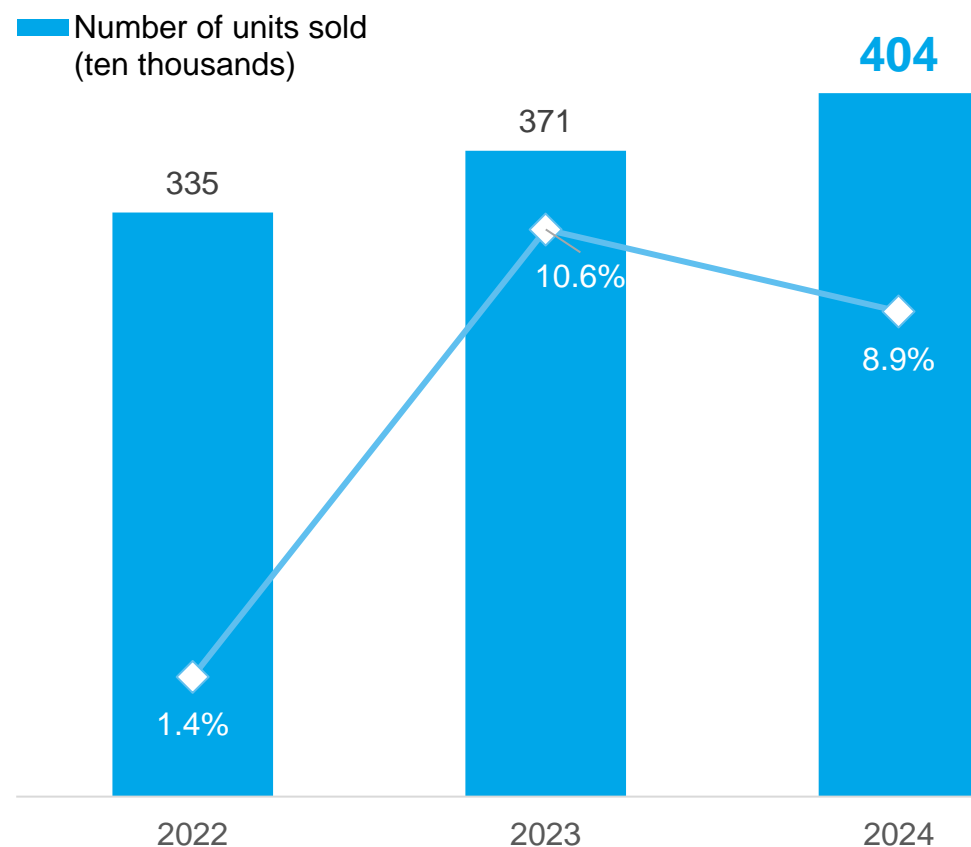
Note 1: The repeat customer ratio is calculated as the percentage of customers who purchased our products at least once in the following year for customers acquired in a given fiscal year. The number of repeat customers is determined by the customer management system installed by the Group and does not reflect the number of customers who have not registered with the system.

Note 2: Due to a revision of the calculation method this year, some figures are different from those disclosed in the "Prospectus for Notification of Disposal of Treasury Stock and Secondary Offering of Shares" in 2024.

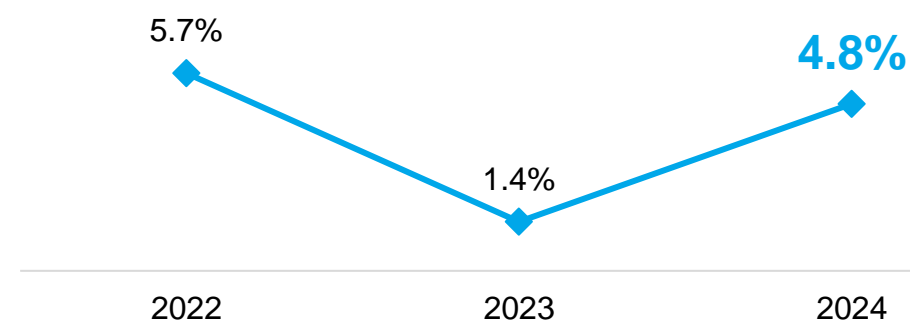
Unit Sales and Unit Price Trends

- Steady growth mainly in sunglasses sales, with an increase in unit sales
- Unit sales price increased, partly due to growth in paid lens purchase rate

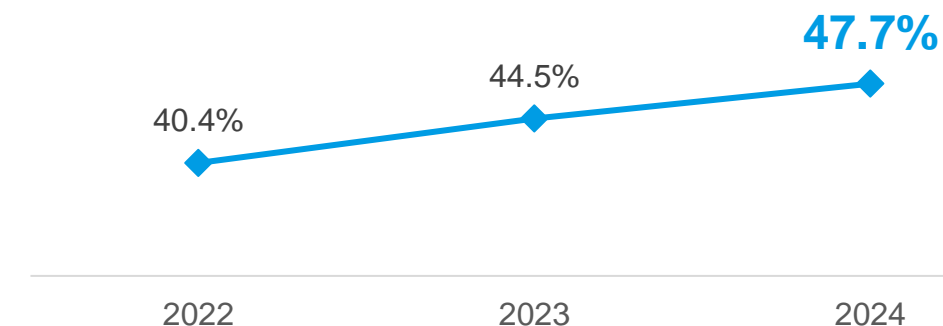
Number of units sold¹



Growth rate per unit sold²



Premium lens purchase rate³



Note 1: Unit sales are the total of frame products, sunglasses products, and packaged products.

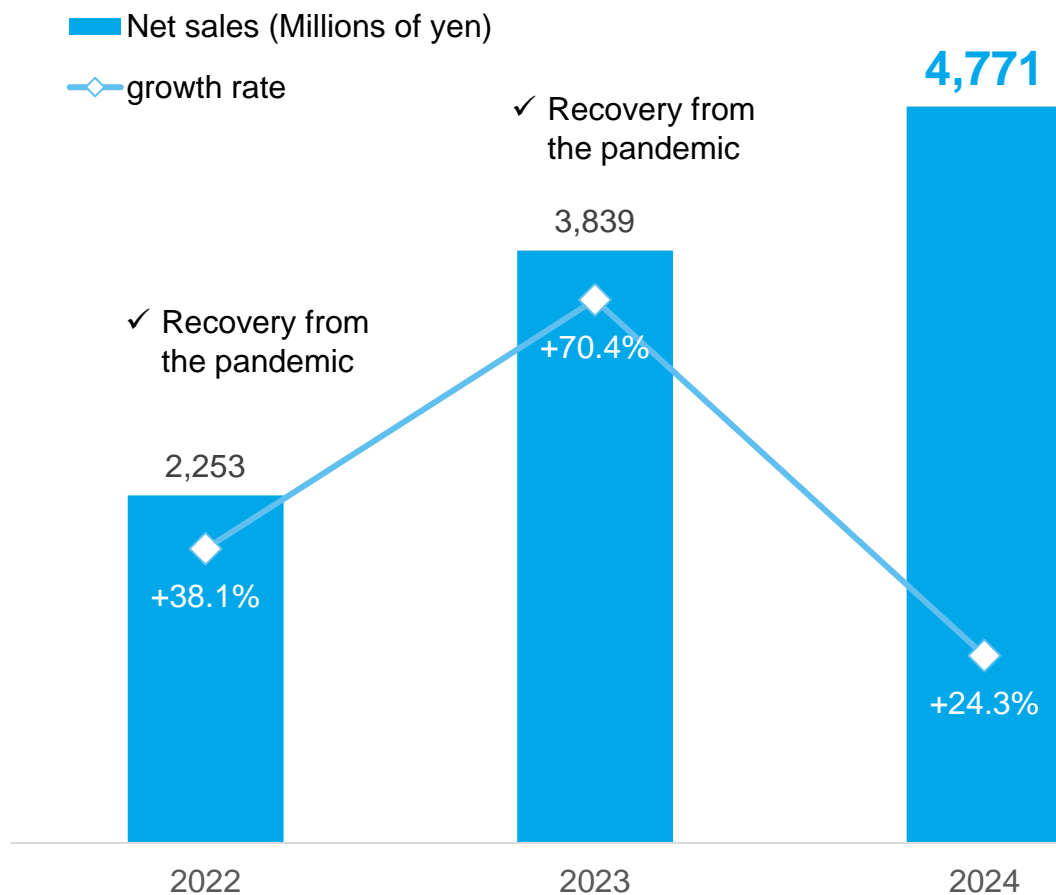
Note 2: Unit sales prices are calculated for the Company's main products such as frames and sunglasses (figures for management accounting purposes).

Note 3: The paid lens purchase rate is calculated based on in-store and EC data.

Sunglasses Sales

- Sunglass sales continue to grow at +24.3% y/y

Our sales transition of finished sunglasses (2022-2024)¹



Main Sunglasses Products



TREND SUNGLASSES
[ZA181G06-14E2](#)



TREND SUNGLASSES
[ZN241G17-13A1](#)



TREND SUNGLASSES
[ZY212G07-49E1](#)



Zoff | Sanrio Characters
My Melody Model
[ZO241G03-14E1](#)



100% UV Protection Clear
Sunglasses
[ZA201G03-48A1](#)



Zoff | UNITED ARROWS
SUNGLASSES
[ZO241G01-42A1](#)



NIGHT & DAY Select
Frame
[ZY242G08_14F1](#)



SPORTY SUNGLASSES
[ZO241G06-14F1](#)



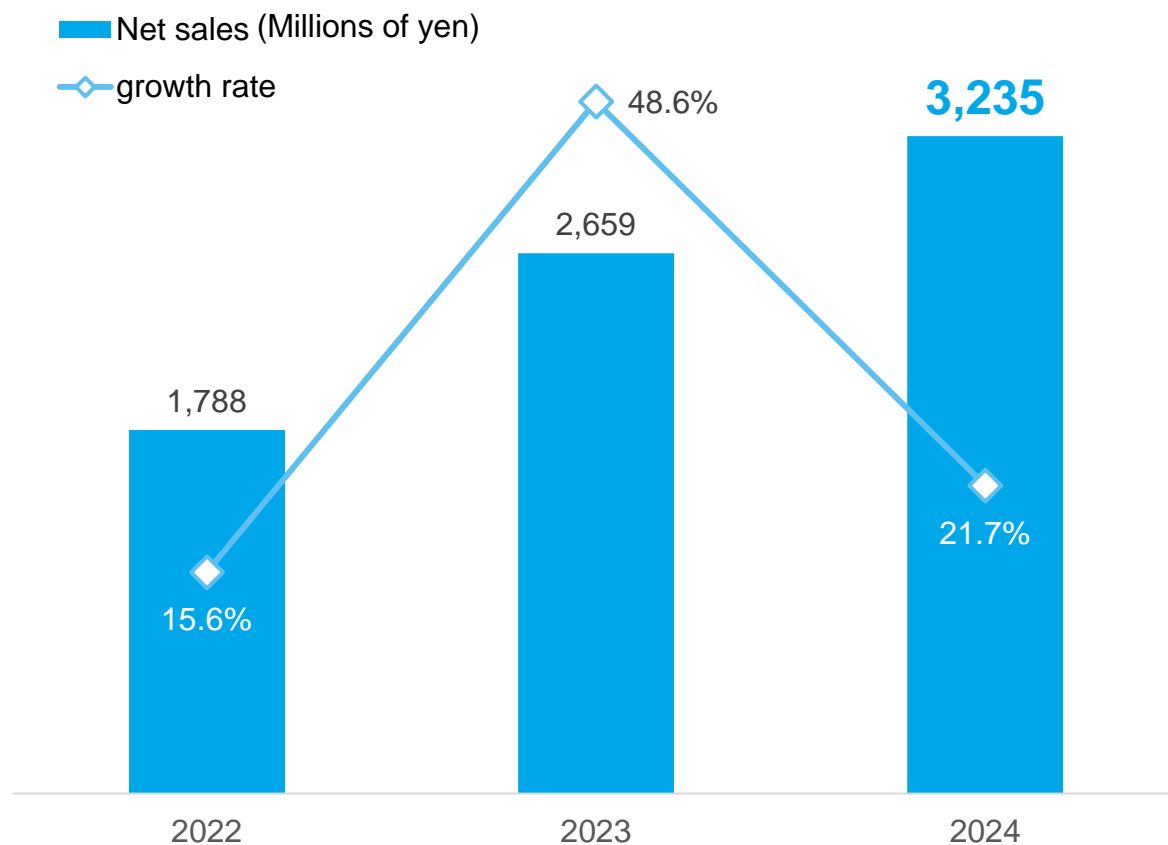
SPORTY SUNGLASSES
[ZA241G54-10F1](#)

Note 1: Sunglass sales are calculated based on managerial accounting figures.

EC Sales

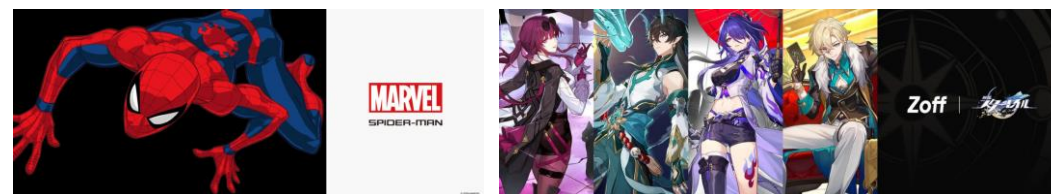
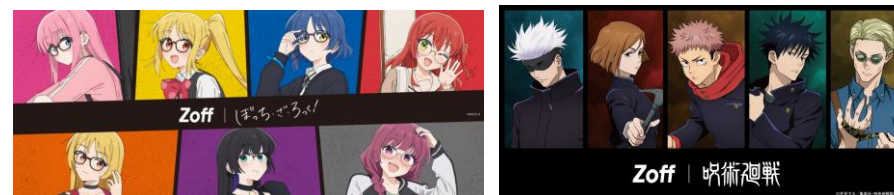
- EC sales remained steady based on sales of sunglasses and collaborative products

Our EC sales transition (2022-2024)¹



Sales expansion through e-commerce site

Collaboration products in 2024



Expansion to other companies' e-commerce malls based on the company's own website

Zoff
Eye Performance

ZOZOTOWN

Rakuten

amazon

Note 1: Our EC sales include not only sales from our own EC site but also sales from other companies' EC malls. We will not sell contact lenses until November 2024.

Store Openings / Closings

- In FY24, 18 stores were opened and 5 stores were closed, for a net increase of 13 stores, bringing the total number of stores to 307 at the end of the period.
- The Nishi-Ginza store, which offers a full lineup of sunglasses, has been featured in various media.

Store Openings and Closings

Openings	18 Stores	Zoff Keio Department Store Shinjuku Zoff Narupark Store Zoff Branch Kobe Zoff Chapeau Koiwa Zoff Cross Mukogaoka Store Zoff Joyful Honda Utsunomiya Store	Zoff CoCoLo Niigata Store Zoff AEON MALL Hinode Zoff Gardens Chihaya Higashi Store Zoff Shizuoka Parche Store Zoff Nishi-Ginza Store Zoff Yumeigaoka Soratos Store	Zoff Utsunomiya Interpark Village Store Zoff Hirakata Mall Store Zoff Kohnan Keiyo Funabashi Interchange Zoff AEON MALL Kagoshima Zoff AEON MALL Musashi Murayama Zoff Whity Umeda Store
Closings	5 Stores	Zoff Tonarie Utsunomiya Store Zoff Mitsui Outlet Park Kurashiki Zoff Shin-Tokorozawa Parco Store Zoff Ito-Yokado Koiwa Store Zoff Marinoa City Fukuoka Store		
Net	+13 stores	307 stores at the end of the period		

Nishi-Ginza Store



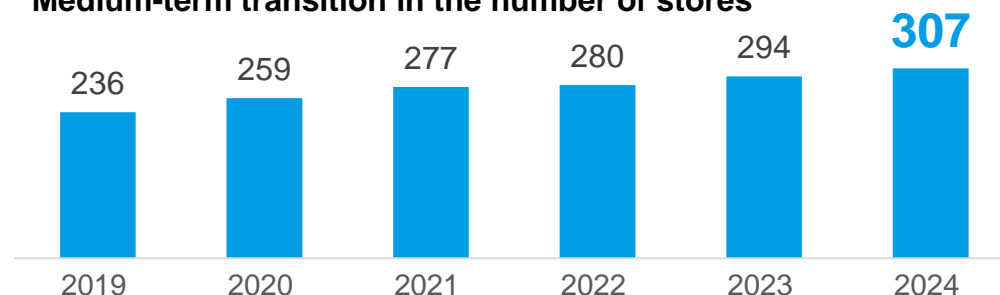
Nishi-Ginza Store



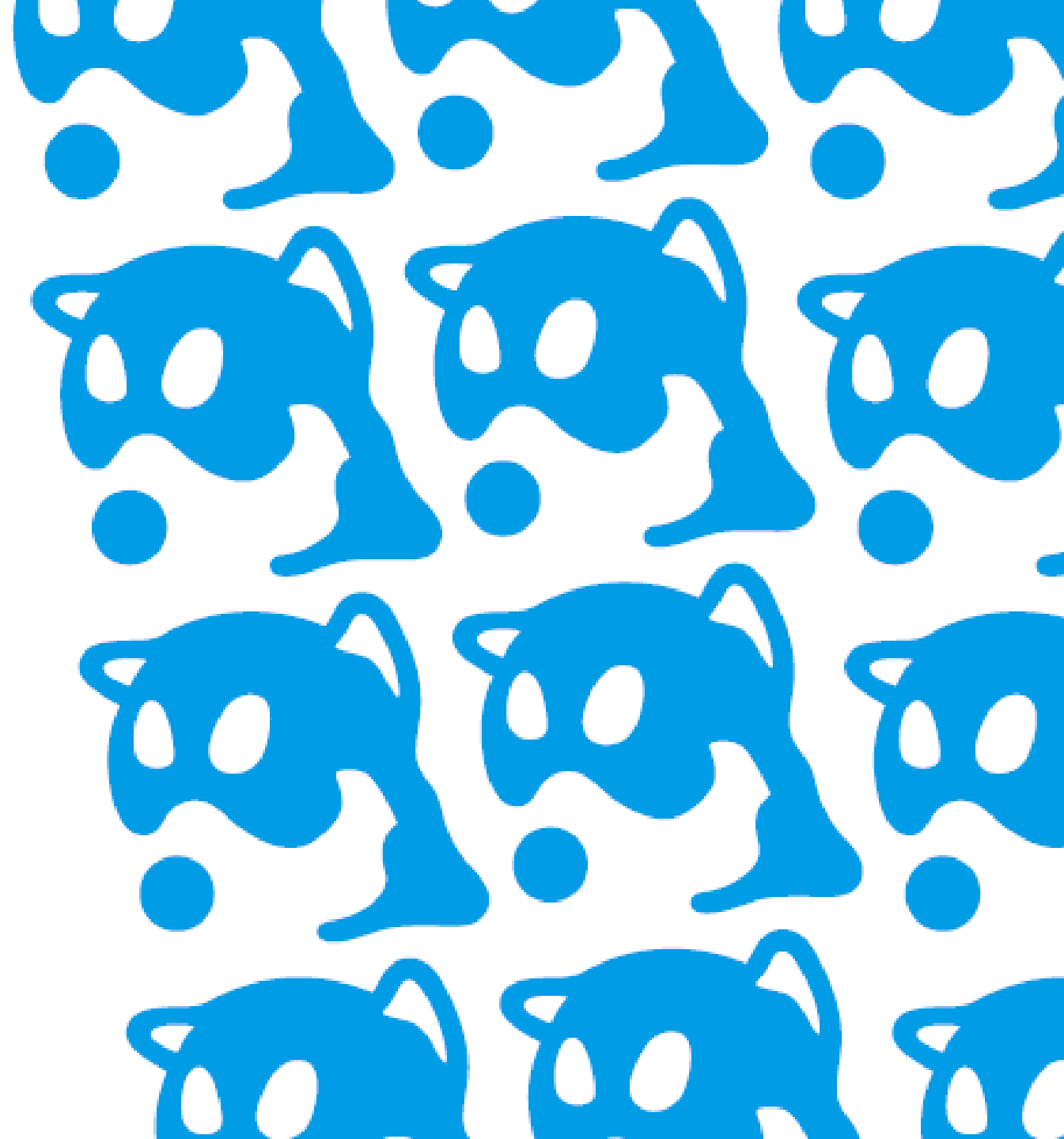
Whity Umeda Store



Medium-term transition in the number of stores



FY2025 Forecast



(Forecast) Summary of Forecasts (1/2)

- The FY25 forecast is 49,330 million yen in sales (+10.0% y/y) and 5,514 million yen in operating income (+10.0% y/y).

(million yen, %)	FY2024/12		FY2025/12 Forecast			Comment
	Amount	Sales Ratio %	Amount	Sales Ratio %	YoY %	
Net sales	44,845	100.0	49,330	100.0	10.0	Expect increase in sales due to higher unit sales
Gross profit	33,707	75.2	37,205	75.4	10.4	Expect an increase in gross profit margin due to an increase in the paid lens purchase rate
SG&A expenses	28,695	64.0	31,691	64.2	10.4	Details next page
Operating income	5,012	11.2	5,514	11.2	10.0	Expect to land at the same level of sales growth ratio
Net income attributable to owners of the parent	3,515	7.8	3,750	7.6	6.7	
Dividend per share (yen)	40.20 yen		42.90 yen		+2.70 yen	Expect same level of dividend payout ratio

Note 1: Figures may not sum up to total due to truncated notation.

(Forecast) Summary of Forecast (2/2)

- Although there will be increases and decreases in each expense item, the SG&A expense ratio is expected to be generally the same as in FY24.

(million yen, %)	FY2024/12		FY2025/12 Forecast			Comment
	Amount	Sales Ratio %	Amount	Sales Ratio %	YoY %	
SG&A expenses	28,695	64.0	31,692	64.2	10.4	
Labor costs	13,089	29.2	13,769	27.9	5.2	Decrease in sales ratio due to elimination of one-time expenses in FY24
Store rent	6,322	14.1	6,875	13.9	8.7	Decrease in sales ratio due to sales increase
Advertising expenses	1,901	4.2	2,278	4.6	19.8	increase in sales ratio due to aggressive investment in advertising
Depreciation and amortization	815	1.8	1,176	2.4	44.4	Increase in sales ratio due to increased store openings, etc.

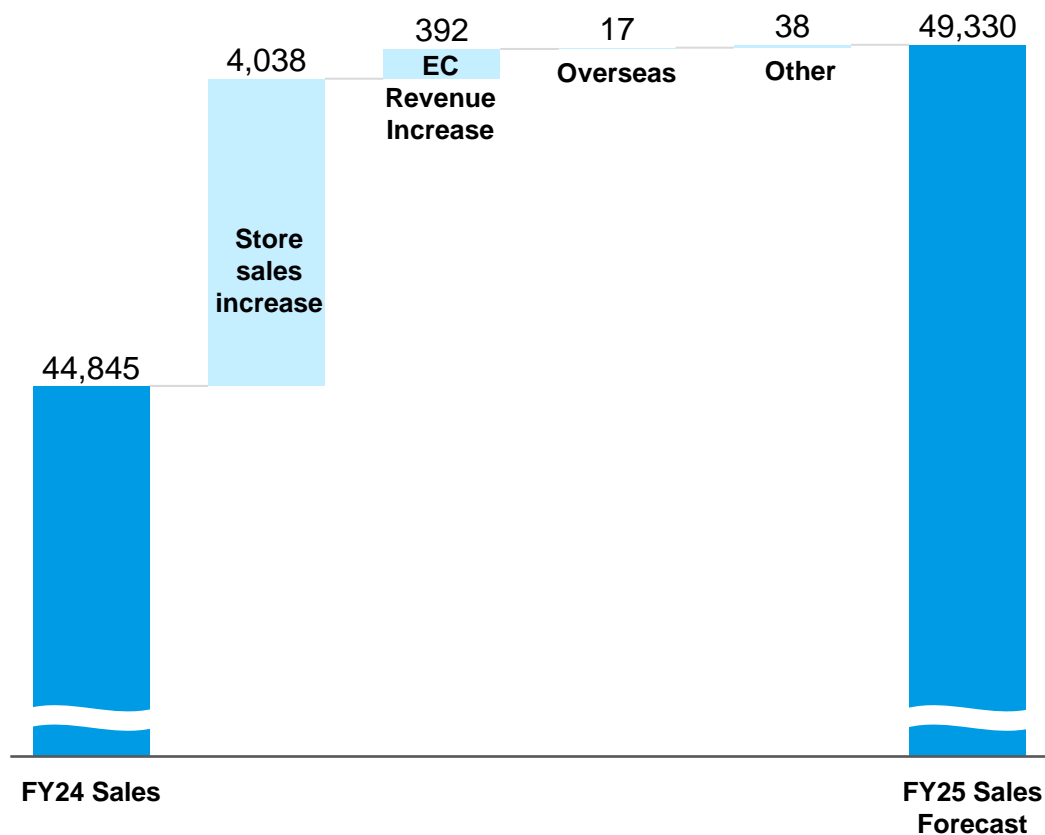
Note 1: Figures may not sum up to total due to truncated notation.

(Forecast) Breakdown of difference from FY24

- Net sales are expected to increase mainly due to higher store sales
- Profitwise, gross profit is expected to increase, but expenses are also expected to increase in each item.

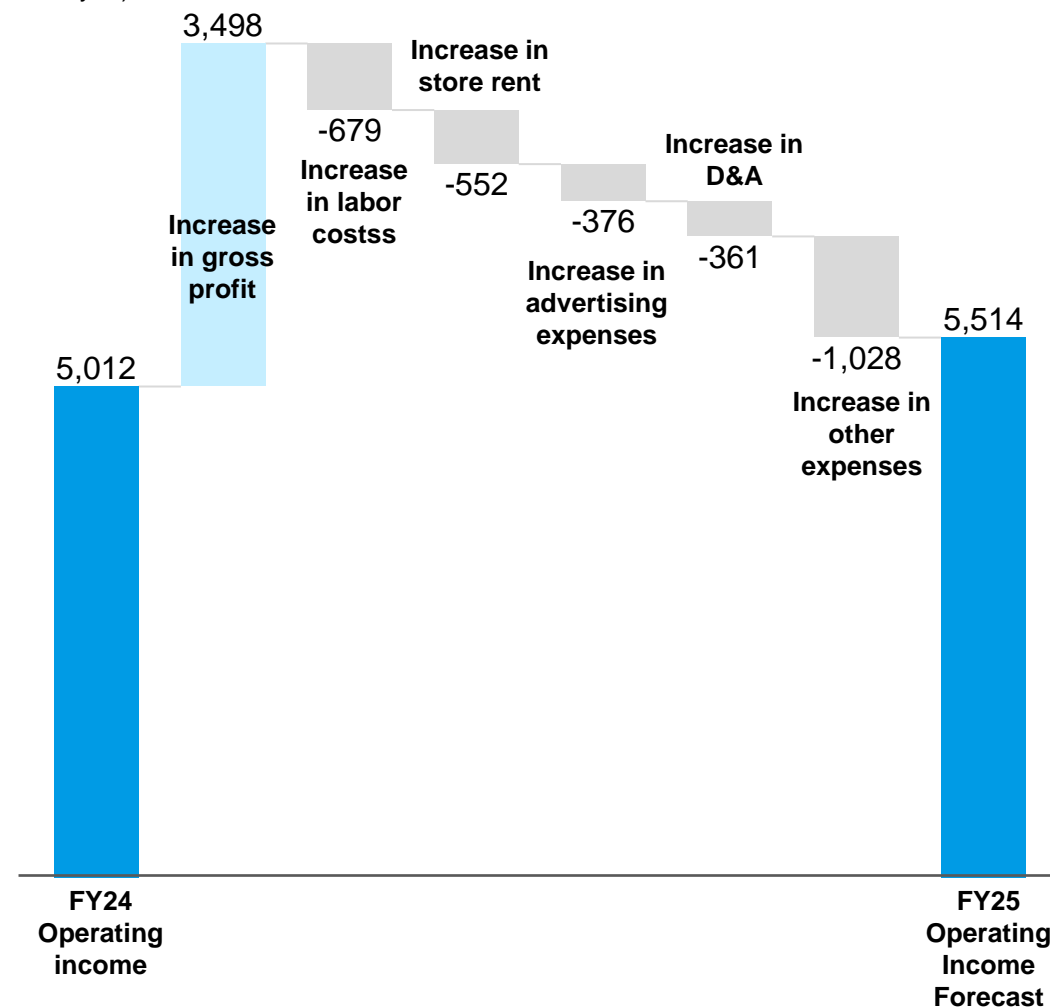
Net Sales¹

(Millions of yen)



Operating Profit Trends¹

(Millions of yen)

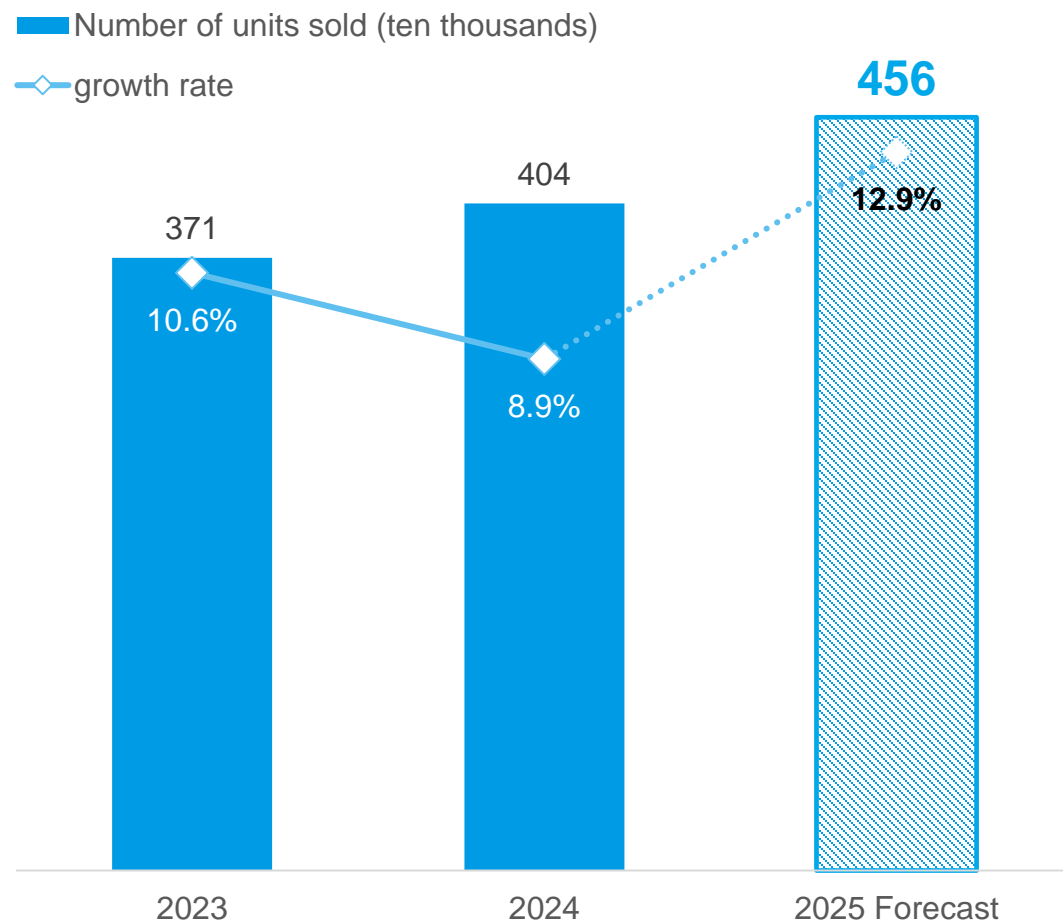


Note 1: Management accounting figures are used for some figures. Also, totals may not match due to truncation.

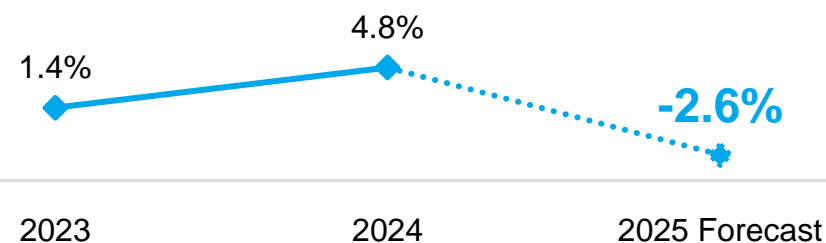
(Forecast) Unit sales, unit price, and number of stores

- Growth is expected to be centered on increased unit sales, with unit prices under control.
- Forecast a net increase of 20 stores, with 23 new store openings and 3 store closings, for a total of 327 stores at the end of the fiscal year.

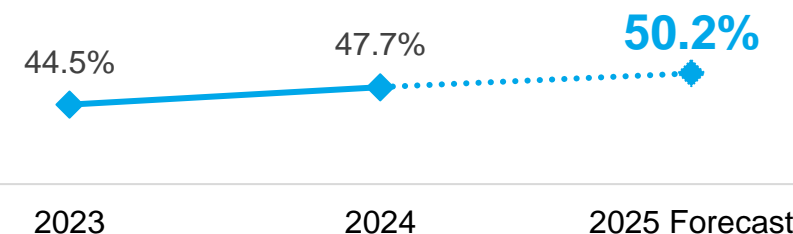
Number of units sold¹



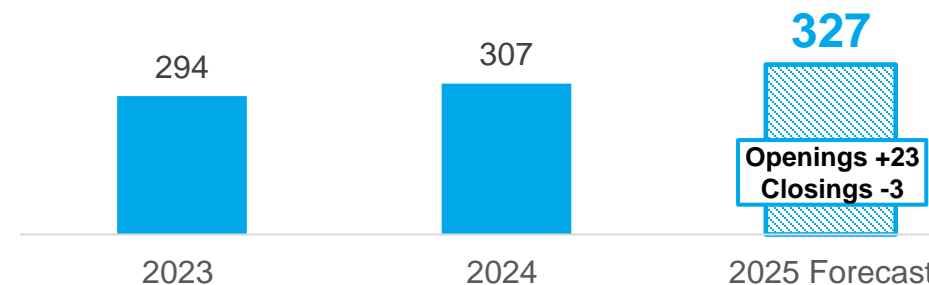
Changes in unit sales price²



Paid lens purchase rate³



Number of stores



Note 1: Unit sales are the total of frame products, sunglasses products, and packaged products.

Note 2: Unit sales prices are calculated for the Company's main products such as frames and sunglasses (figures for management accounting purposes).

Note 3: The paid lens purchase rate is calculated based on in-store and EC data.

(Forecast) Details of Forecast

- FY25 forecasts are sales of 49,330 million yen (+10.0% vs. FY24) and operating income of 5,514 million yen (+10.0% vs. FY24).

	FY2025/12 Forecast (Millions of yen)	Sales Ratio (%)	YoY Change from FY24 (%)
Net sales	49,330	100.0	10.0
Gross profit on sales	37,205	75.4	10.4
Sales, General, and Administrative expenses	31,691	64.2	10.4
labor costs	13,769	27.9	5.2
advertising expenses	2,278	4.6	19.8
Store rent	6,875	13.9	8.7
Depreciation and amortization	1,176	2.4	44.4
Operating income	5,514	11.2	10.0
Non-operating income	18	0.0	184.8
Non-operating expenses	37	0.1	-72.9
Ordinary income	5,495	11.1	12.6
Net income	3,750	7.6	6.7
Net income per share	122.58 yen		
Dividend per share / Payout ratio	42.90 yen / 35%		

Note 1: Figures may not sum up to total due to truncated notation.

(Forecasts) Assumptions for the Forecasts

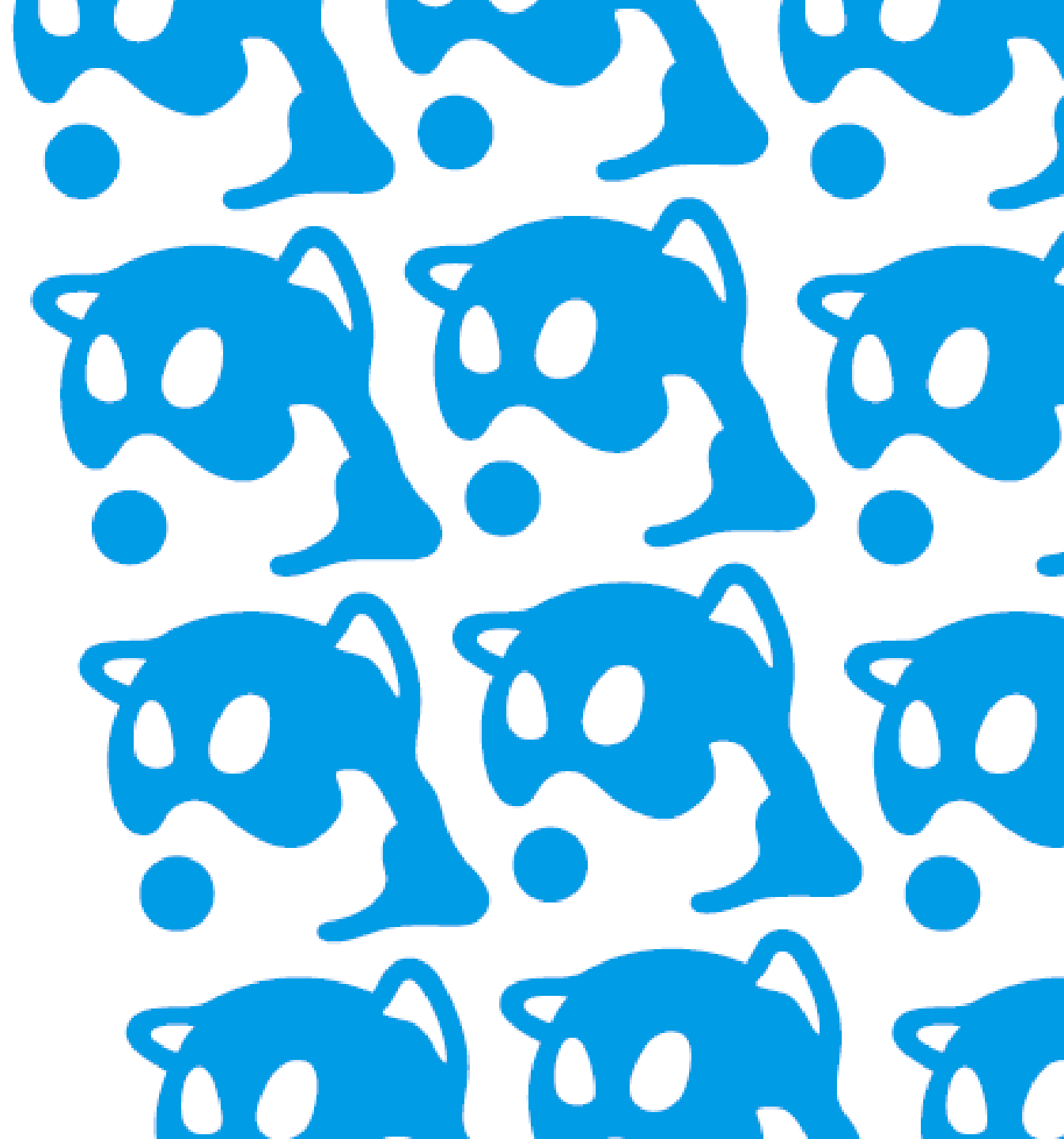
Forecast			
	FY24	FY25 (Forecast)	YoY (%)
Whole company	44,845	49,330	+10.0
Domestic	44,354	48,896	+10.0
Store	41,230	45,268	+9.8
EC	3,235	3,628	+12.1
Overseas	883	900	+2.0

All stores and same stores sales growth rate forecast			
(Domestic)	FY24	FY25 (Forecast)	
the whole store	+16.6	+9.7	
same stores	+12.5	+5.8	

Number of stores			
(Domestic)	FY24	FY25 (Forecast)	compared to previous period
Number of stalls	18	23	+5
Number of stores closed	5	3	-2
Number of stores at end of period	307	327	+20

Number of units sold, unit sales price, and paid lens purchase rate			
(Domestic)	FY24	FY25 (Forecast)	compared to previous period
Number of units sold (ten thousands)	404	456	+12.9%
Growth rate per unit sold (%)	4.8	-2.6	
Paid lens purchase rate (%)	47.7	50.2	+2.5pt

Growth Strategy



Creating an Era Where Glasses Take Center Stage

Traditionally, glasses have primarily served as tools for correcting people's vision.

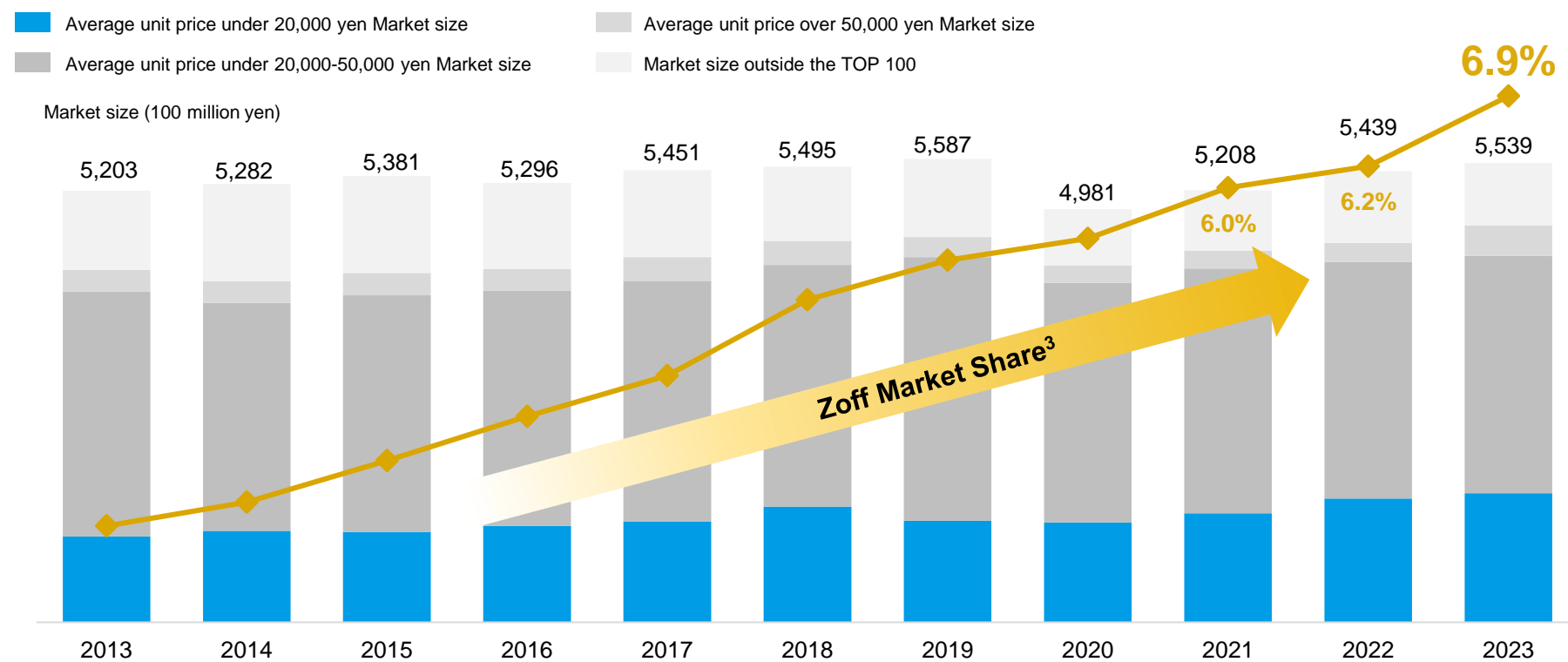
**Glasses, which are at the center of the face have many possibilities to enrich
the feelings and lives of people, not limited to seeing and attracting others.**

**The unchanging origin of our company since our founding is to
"create a society where we change glasses more freely, enjoyably, and casually everyday like a T-shirt."**

Industry Environment

- The domestic eyewear market shrank once in 2020 due to the coronavirus and other factors, but has recently recovered to a market size of over 500 billion yen.
- While the market for the average unit price of less than 20,000-50,000 yen is shrinking, the market for the average unit price of less than 20,000 yen, to which we belong, is growing faster than the overall market, with our share reaching 6.9% (2023).

Market Size Trends in the Domestic Eyewear Market^{1,2}



Long-term growth rate by price range^{1,2}

Revenue CAGR,
average unit price of
< JPY20,000

+4.1%
(2013-2023)



Market growth rate

+0.4%
(2013-2023)



Revenue CAGR,
average unit price between
JPY20,000 and < JPY50,000

-0.3%
(2013-2023)

Note 1: Based on Eyeglasses DB. The surveyed retailers in the Eyeglasses DB are eyeglass retailers in Japan. The domestic eyewear market as defined in this document includes the total sales of eyeglasses, eyeglass-related products, sunglasses, contact lens-related products, and others.

Note 2: The TOP 100 domestic companies in terms of sales are classified into three groups: those with average unit sales of less than 20,000 yen, those with average unit sales of between 20,000 yen and 50,000 yen, and those with average unit sales of more than 50,000 yen. For companies not included in the TOP 100 in terms of sales, the total sales are listed as "market size outside the TOP 100."

Note 3: The Company's domestic sales are calculated as domestic sales including stores, e-commerce, and others in Japan. The market share is calculated by dividing by the size of the domestic eyewear market as defined in Note 1. Note that the Company's domestic sales figures for FY12/2022 and FY12/2023 have been audited, while those for FY12/2021 are unaudited.

Three Pillars of Our Growth Strategy

- Our growth strategy is based on the following three foundations



**Strengthening
existing stores**

- **High same-store sales growth rate**
⇒ See "Consolidated Financial Results: Same-store Sales Growth Trend" for details.
- **Creation of a new sunglasses market**



**Proactive store
openings**

- **Vast room for store openings**



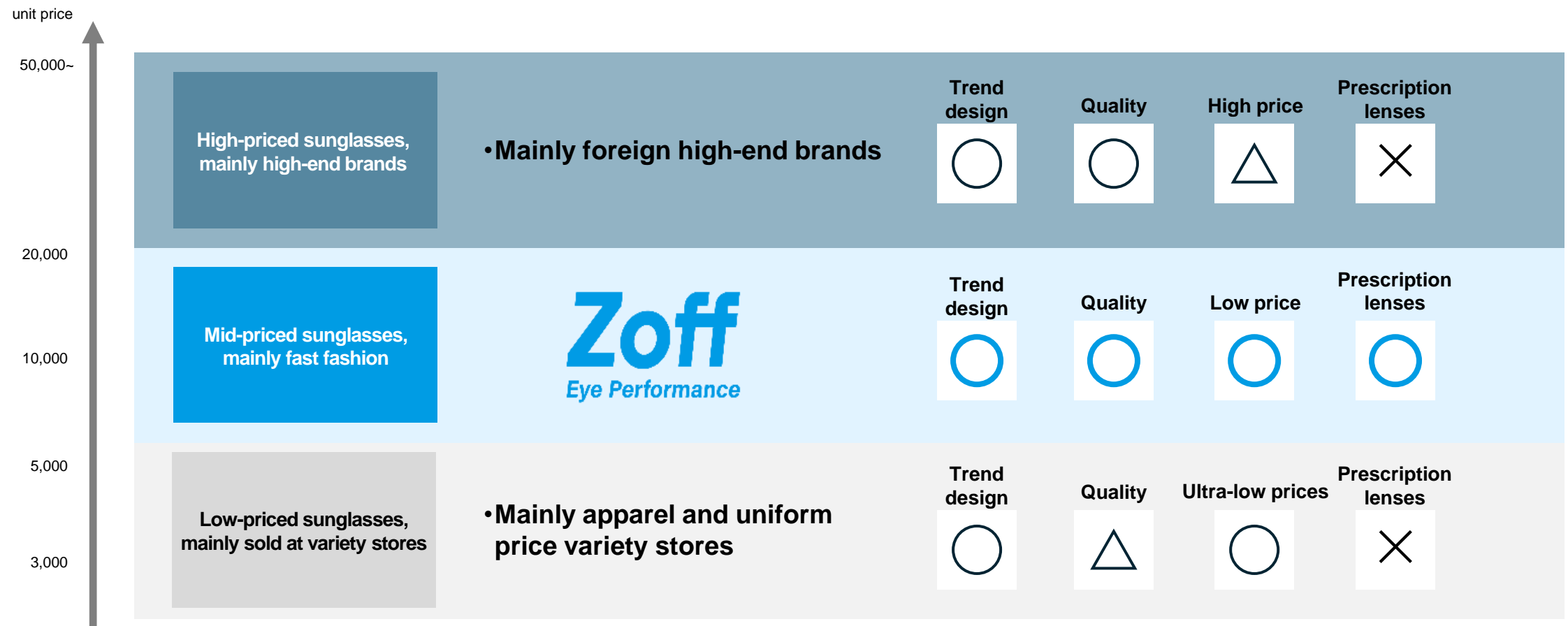
**Improvement of
profit margin**

- **Expand profitable EC sales**
⇒ See "Consolidated Financial Results: EC Sales" for details.

Creation of a New Sunglasses Market

- The domestic sunglasses market is currently polarized between high-priced and low-priced segments
- We aim to establish a new mid-priced sunglasses market between these segments as we did in the eyewear market in our first founding period
- Also, we aim to become the "top-of-mind" sunglasses brand

Our understanding of the domestic sunglasses market and the existence of white spaces¹

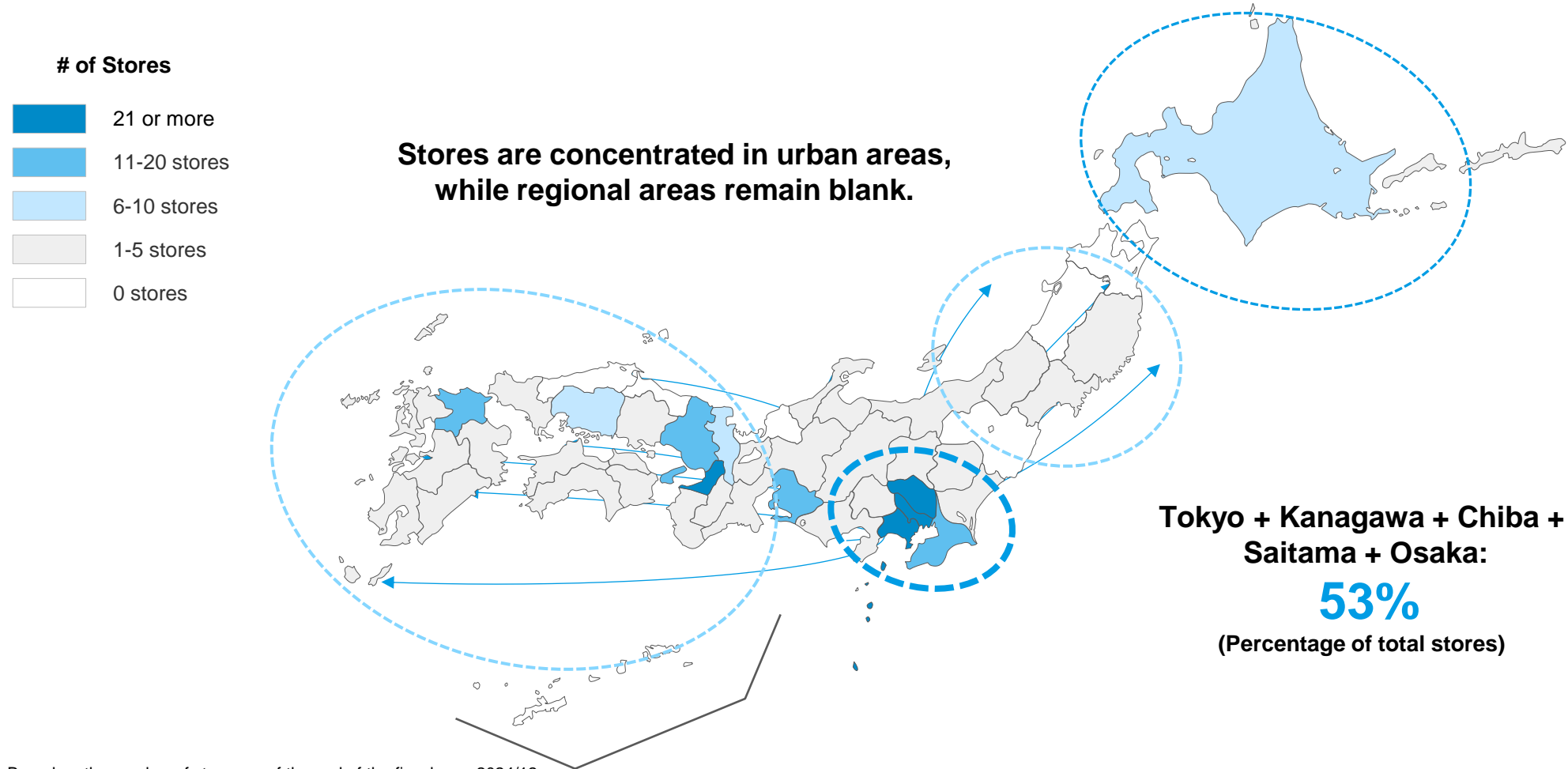


Note 1: The positioning map on this slide is an image based on our research and is not based on third-party data.

Vast Room for Store Openings

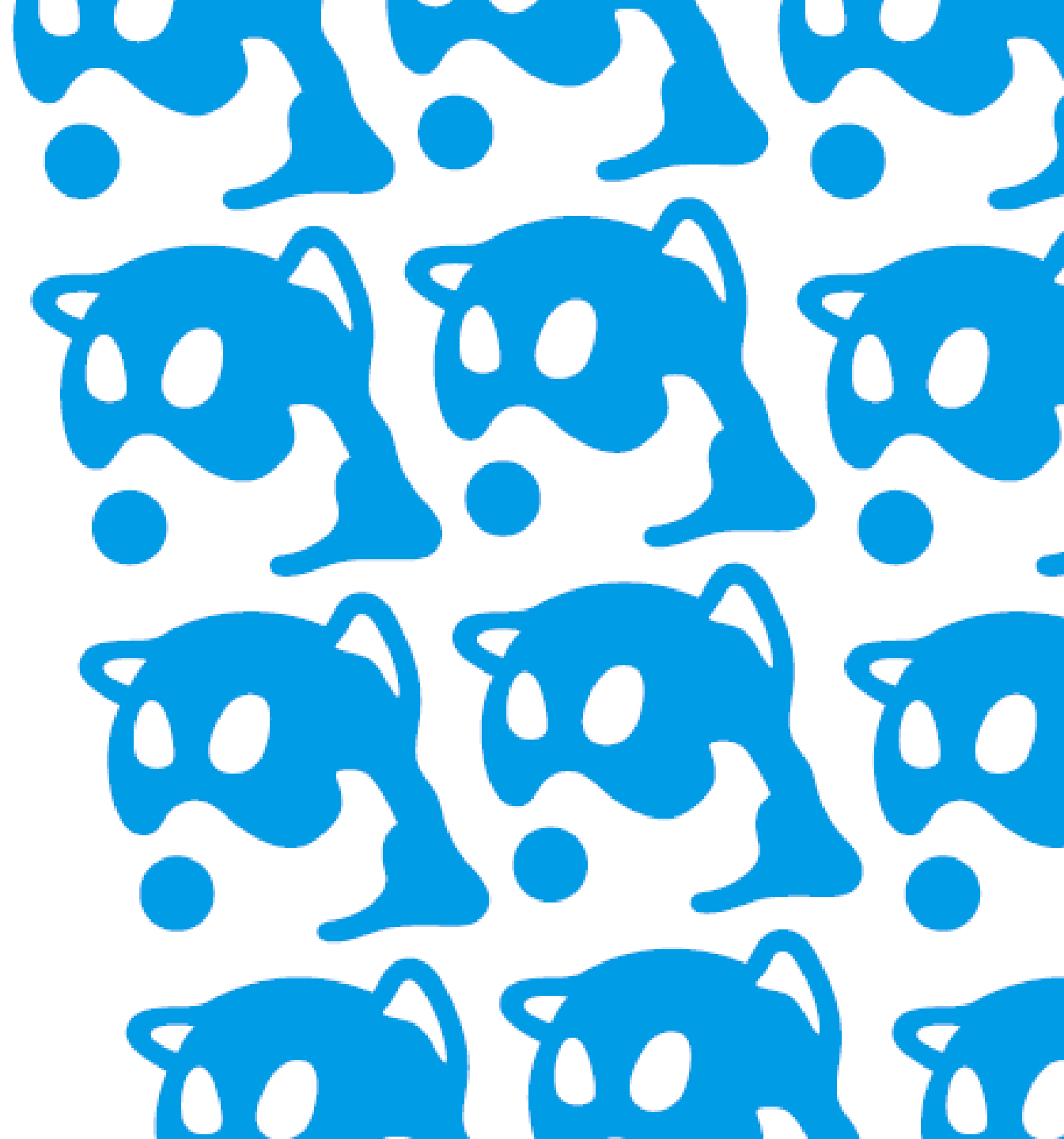
- Significant potential for new store openings remains in regional areas since store openings have been concentrated in central urban areas, particularly the Kanto region.
- We will aim for consistent growth in the number of domestic stores by seeking opportunities to open stores in shopping centers and station buildings

Illustration of number of stores per prefecture¹



Note 1: Based on the number of stores as of the end of the fiscal year 2024/12.

Topics



Collaboration Achievements

- During the period under review, 26 collaborations were carried out. We provide high quality products that realize the world view of the collaborators by focusing not only on frames but also on accessories.
- In addition to anime collaborations, fashion collaborations with influencer Kirimaru have been a hit.

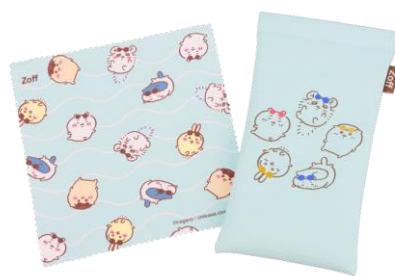
Major collaborations this season

Zoff × Kirimaru



Zoff | Kirimaru
[ZN241003-42A1](#)

Zoff × Chiikawa



Zoff | Chiikawa 2 Sunglasses
(Everyone model)
[ZC241G05-14E1](#)

Zoff × Sanrio



Zoff | Sanrio Characters
Cinnamoroll Model
[ZF241017-42A1](#)

Zoff × JuJutsu Kaisen



Zoff | Jujutsu Kaisen
Gojo Satoru Model
[ZF242023-56F1](#)

“EYE ga mugyutto” festival to be held at the end of the year

Marketing Initiatives ~FY25/1Q

- Misaki Emura, Japan's national fencing player, is appointed as Zoff's brand ambassador.



New Material Products | Galileo ~Q4~

- The all-rubber molded frame is soft and supple, and its special structure acts as a shock-absorbing cushioning material.
- The product specifications are patent pending.



The "Galileo" is made by molding all parts only with rubber, without using any metal. It is safe, soft, light, and comfortable to wear, and it addresses the negative aspects of conventional spectacles.

This product combines functionality with a creative form, a stylish and simple structure, resulting in a refined design.

The punching holes, separated by diagonal lines, function as shock-absorbing cushioning material. This special construction and the use of rubber of different hardness and the molding of all rubber except for the lenses are currently patent-pending.



Commencement of Contact Lens Sales ~Q4~

- On November 8, we announced that we will start selling Zoff 1-DAY clear contact lenses on our e-commerce site.
- Contact lenses are a subscription model, and we plan to contribute to higher EC sales in the future.



Eyeglass brand "Zoff" will start selling "Zoff 1-DAY" clear contact lenses on November 27, 2024 (Wed) at the official Zoff online store and will enter the contact lens market.

"Zoff 1-DAY" is Zoff's first original contact lens.

While the lenses have a high water content of 60%, they are non-ionic, so they are less likely to attract proteins and other contaminants,.

It blocks 96% of ultraviolet B wave and 78% of ultraviolet A wave.

The aspheric design with smooth edges provides a natural fit.

These high-performance clear contact lenses are designed with moisturizing ingredients (MPC) in both lens material and storage solution, ensuring a The aspheric design with smooth edges provides a natural fit.



30 contact lenses

For those who want to use glasses and contact lenses in balance.

*Subscription service (2 boxes of 60 contact lenses)
3,960 per order



5 contact lenses

For those primarily wear glasses and occasionally use contact lenses.

*5 contact lenses per box ¥660

New Products ~FY25/1Q~ (New Products)

- New products to be launched in January, including "Zoff NEW STANDARD II," a pair of glasses that uses AI to "scientifically determine a good fit," and "Zoff PROTECT 2WAY," which provides double protection against pollen and UV rays.

Zoff NEW STANDARD II

The "Zoff NEW STANDARD" series is a series of eyeglasses designed based on the "science of suitability." The average face of a male in his 30s is generated by an AI based on the facial images of approximately 2,000 people.

The updated "Zoff NEW STANDARD II" features new functions that not only make the design more familiar to the face, but also enhance the fit, making it more comfortable to wear and more pleasant to wear.



Zoff PROTECT 2WAY

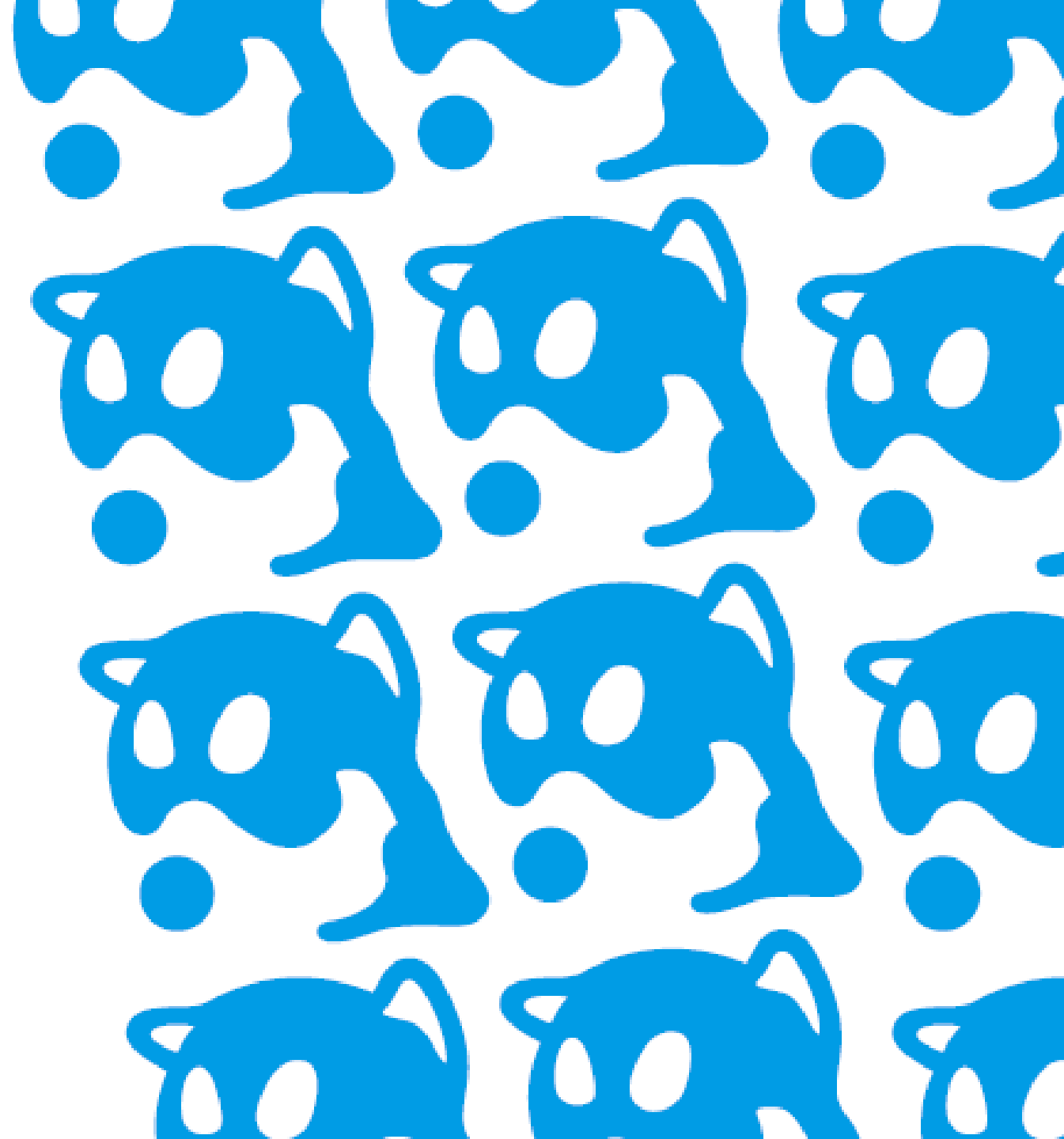
Zoff PROTECT 2WAY SUNGLASSES" not only block pollen to the eyes, but also block 99% of UV rays. In addition, with a detachable hood, they can also be used as sunglasses, making them ideal for all seasons.



Note 1: From the Zoff NEW STANDARD series, "eyeglasses that scientifically designed to look good on you," comes the second "eyeglasses that look good on everyone" with new features that focus on ease of wear! Zoff NEW STANDARD II" - No more confusion when choosing a pair of glasses.

Note 2: Pollen season has arrived! Widespread increase in amount of airborne pollen, up to 8 times higher than the previous year! Zoff's first anti-pollen sunglasses "Zoff PROTECT 2WAY SUNGLASSES" - up to 8 times more than the previous year!

Fact Book



Year-on-year comparison of sales and number of stores

month	All Stores (%)	Same Stores(%)	Openings	Closings	Number of stores
Jan.	10.3	6.6	0	2	292
Feb.	13.8	10.1	2	1	293
Mar.	15.9	12.0	2	1	294
Apr.	10.8	7.4	5	0	299
May	18.7	14.5	0	0	299
Jun.	25.1	21.2	1	0	300
July	9.2	5.5	3	0	303
Aug.	17.3	12.5	0	1	302
Sep.	27.6	22.0	3	0	305
Oct.	17.7	14.3	0	0	305
Nov.	21.4	17.1	2	0	307
Dec.	14.2	10.2	0	0	307
1Q	13.2	9.4	4	4	294
2Q	18.5	14.6	6	0	300
3Q	16.9	12.3	6	1	305
4Q	17.5	13.6	2	0	307
1H	15.9	12.1	10	4	300
2H	17.2	12.9	8	1	307
Full Year	16.6	12.5	18	5	307

Note 1: The above figures are based on preliminary figures for management accounting purposes and may differ from actual results.

Note 2: Same stores are those with no closures in the same month of the previous year and in the current month.

Note 3: In addition to the above, there are adjustments for e-commerce sales, wholesale sales, and revenue recognition standards, etc., so the figures do not correspond to the increase/decrease in sales on the income statement.

KPIs

	2022	2023	2024
Growth rate per unit sold	5.7%	1.4%	4.8%
Paid lens purchase rate	40.4%	44.5%	47.7%
Number of units sold (ten thousands)	335	371	404
Net sales of sunglasses (Millions of yen)	2,253	3,839	4,771
EC sales (Millions of yen)	1,788	2,659	3,235

Quarterly PL Trends

Millions of yen	Fiscal Year 2023/12				Fiscal Year 2024/12			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales	9,654	9,915	10,492	9,812	10,404	11,370	11,845	11,224
Gross profit	7,024	7,255	7,553	7,163	7,535	8,651	8,949	8,571
sales ratio	72.8%	73.2%	72.0%	73.0%	72.4%	76.1%	75.6%	76.4%
SG&A expenses	5,760	6,239	6,365	7,133	6,247	6,853	6,608	8,985
sales ratio	59.7%	62.9%	60.7%	72.7%	60.0%	60.3%	55.8%	80.0%
labor costs	2,514	2,552	2,706	3,153	2,783	2,925	2,878	4,501
sales ratio	26.0%	25.7%	25.8%	32.1%	26.8%	25.7%	24.3%	40.1%
Store rent	1,419	1,475	1,521	1,432	1,472	1,600	1,660	1,589
sales ratio	14.7%	14.9%	14.5%	14.6%	14.2%	14.1%	14.0%	14.2%
advertising expenses	259	583	432	684	272	530	256	842
sales ratio	2.7%	5.9%	4.1%	7.0%	2.6%	4.7%	2.2%	7.5%
D&A	180	209	201	225	173	191	204	246
sales ratio	1.9%	2.1%	1.9%	2.3%	1.7%	1.7%	1.7%	2.2%
Operating income	1,264	1,016	1,188	29	1,287	1,798	2,340	-414
sales ratio	13.1%	10.2%	11.3%	0.3%	12.4%	15.8	19.8	-3.7%
Ordinary income	1,299	911	1,186	29	1,183	1,760	2,425	-491
sales ratio	13.5%	9.2%	11.3%	0.3%	11.4%	15.5%	20.5%	-4.4%
Income before taxes	1,287	913	1,177	-43	1,179	1,775	2,460	-604
sales ratio	13.3%	9.2%	11.2%	-0.4%	11.3%	15.6%	20.8	-5.4%
Net income	857	604	797	302	791	1,225	1,715	-216
sales ratio	8.9%	6.1%	7.6%	3.1%	7.6%	10.8	14.5%	-1.9%

PL

(million yen, %)	Fiscal Year 2023/12		FY2024/12 Forecast ²		FY2024/12				Comment
	Amount	Sales Ratio %	Amount	Sales Ratio %	Amount	Sales Ratio %	YoY %	Vs Forecast %	
Net sales	39,875	100.0	43,489	100.0	44,845	100.0	+12.5	+3.1	Exceeded both FY23 and forecast mainly due to increase in same stores sales (+12.5% y/y) by improving sales volume and unit price
Gross profit	28,997	72.7	32,413	74.5	33,707	75.2	+16.2	+4.0	Gross profit and gross profit margin exceeded both the previous year and the forecast due to sale restraint, etc.
SG&A expenses	25,499	63.9	28,206	64.9	28,695	64.0	+12.5	+1.7	Despite an increase in labor costs due to accelerated investment in human resources, the SG&A-to-sales ratio remained at the same level as the previous year due to a decrease in the fixed cost ratio resulting from strong sales.
labor costs	10,926	27.4	-	-	13,089	29.2	+19.8	-	labor costs ratio increased due to accelerated investment in human resources
Store rent	5,848	14.7	-	-	6,322	14.1	+8.1	-	Decrease in ratio due to sales increase
advertising expenses	1,960	4.9	-	-	1,901	4.2	-3.0	-	Ratio decreased due to improved investment efficiency
D&A	816	2.0	-	-	815	1.8	-0.2	-	Decrease in ratio due to sales increase
Operating income	3,497	8.8	4,206	9.7	5,012	11.2	+43.3	+19.1	
Ordinary income	3,427	8.6	4,036	9.3	4,878	10.9	+42.3	+20.8	
Income before taxes	3,333	8.4	3,923	9.0	4,811	10.7	+44.3	+22.6	
Net income	2,562	6.4	2,720	6.3	3,515	7.8	+37.2	+29.2	

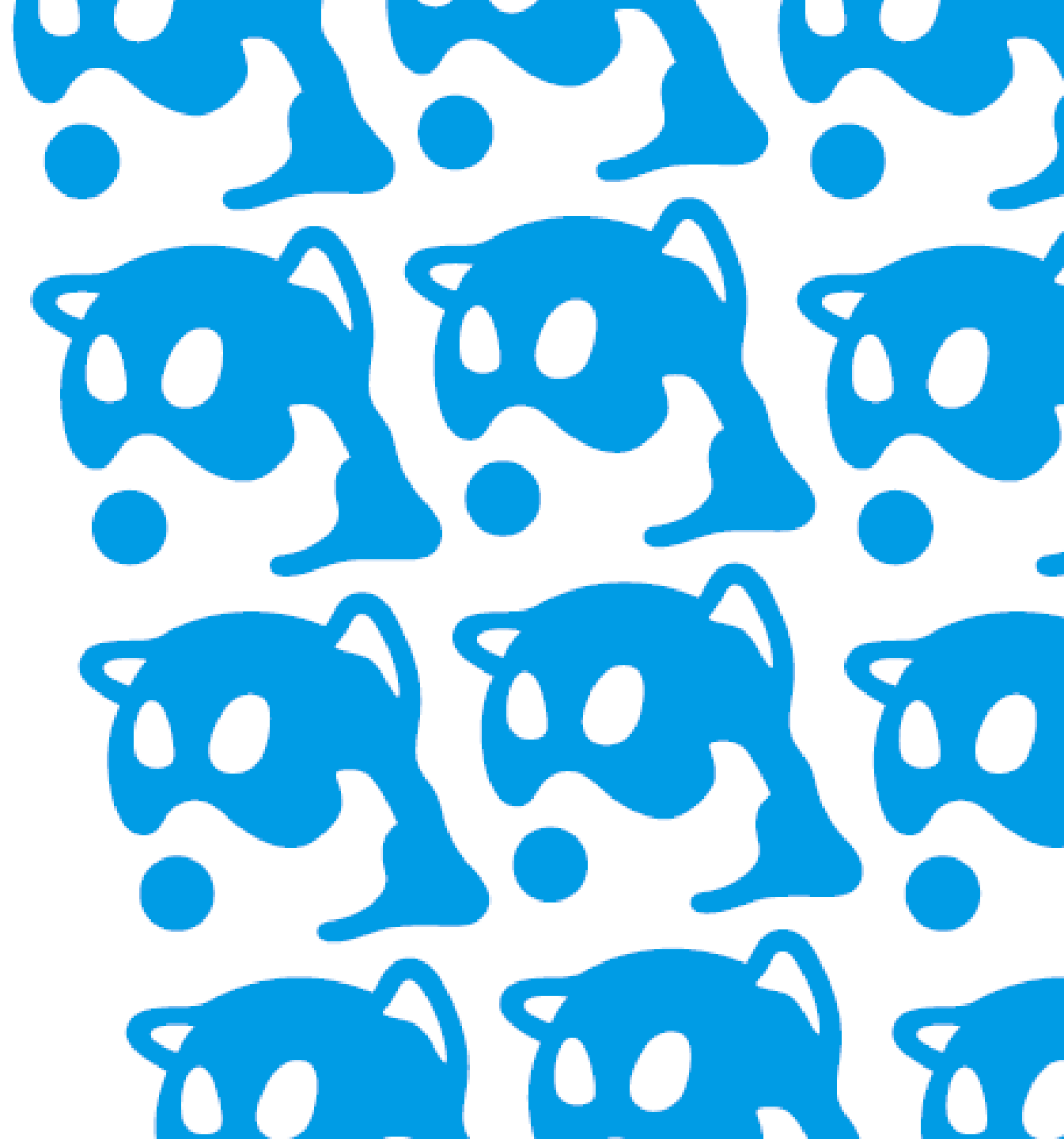
BS

(Unit: million yen, %)	FY 2023/12		FY 2024/12		compared to previous period	Comment
	Amount	%	Amount	%		
Current assets	14,366	71.6	27,948	80.2	13,582	
cash and cash equivalent	6,268	31.2	20,045	57.5	13,777	Cash increased due to fundraising for listing
accounts receivable	737	3.7	1,047	3.0	309	
goods	4,358	21.7	3,799	10.9	-559	Decrease in merchandise due to inventory efficiency
key money	2,621	13.1	2,587	7.4	-33	
Fixed assets	5,703	28.4	6,893	19.8	1,189	
PP&E	2,042	10.2	2,726	7.8	683	Increase in fixed assets due to store openings/renovations
Intangible fixed assets	571	2.8	702	2.0	131	
Total assets	20,070	100.0	34,842	100.0	14,772	
Current liabilities	9,700	48.3	11,374	32.6	1,674	
accounts payable	1,395	7.0	888	2.5	-507	
Short-term debt	2,900	14.4	2,900	8.3	0	
Current portion of long-term debt	331	1.7	-	-	-331	
Fixed liabilities	3,995	19.9	409	1.2	-3,586	Repayment of long-term debt using funds raised through listing
Long-term debt	3,643	18.2	-	-	-3,643	
Total liabilities	13,696	68.2	11,783	33.8	-1,912	
Total net assets	6,374	31.8	23,058	66.2	16,684	Net assets increased due to fundraising for listing
Total liabilities and net assets	20,070	100.0	34,842	100.0	14,772	

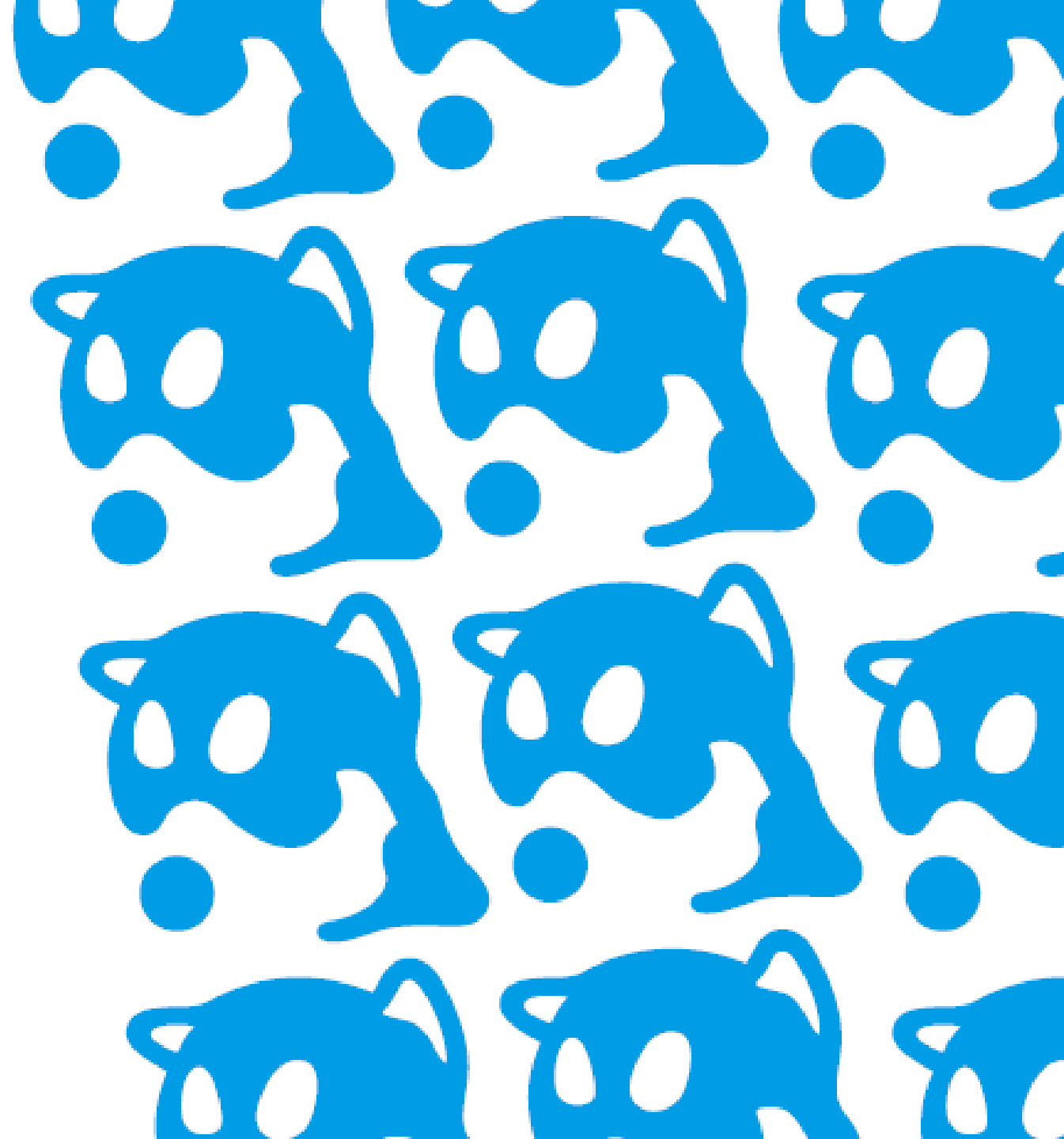
CF Statement

Millions of yen	FY 2023/12	FY 2024/12	compared to previous period	Comment
Cash Flow from Operating Activities	2,104	6,359	4,255	
Income before income taxes and minority interests	3,333	4,811	1,477	
Depreciation and amortization	817	815	(1)	Increase in operating CF due to increase in profit from sales increase and decrease in merchandise due to more efficient inventory
Increase (Decrease) in trade receivables	(132)	(305)	(173)	
Increase/decrease in inventories	(310)	516	826	
Increase (Decrease) in notes and accounts payable-trade	99	(506)	(606)	
Cash Flow from Investing Activities	(1,012)	(1,671)	(658)	
Payments for purchase of property, plant and equipment	(678)	(1,264)	(585)	Increase in CF from investments in store openings, renovations, and store facilities
Payments for acquisition of intangible assets	(218)	(212)	6	
Cash Flow from Financing Activities	(585)	9,057	9,643	
Proceeds from sale of treasury stock	-	14,065	-	Sale of treasury stock in IPO
Repayment of long-term debt	-	(3,975)	-	Repayment of loans based on funds raised
Dividends paid	(311)	(896)	(584)	

Appendix



Company Profile



Growth Roadmap

- The founder, who came from the apparel industry, started the business in 2001, and since then, the scale of sales has steadily expanded, mainly in central Tokyo.
- Focused on sublimating eyeglasses as a fashion item by disseminating various key visuals



2011 Key Visual



2015 Key Visual



2016 Key Visual



2018 Key Visuals



2021 Key Visual



2023 Key Visual



2024 Key Visual

Zoff SMART

2011 Launch of Zoff SMART

KidZania

Opened KidZania in 2012

Disney Collection created by **Zoff**

2013 Disney collaboration begins

18 視力が変わりやすい成長期を応援!
才までの **1年間無料**
レンズ保証

U-15 service started in 2015
*Changed to U-18 in 2022

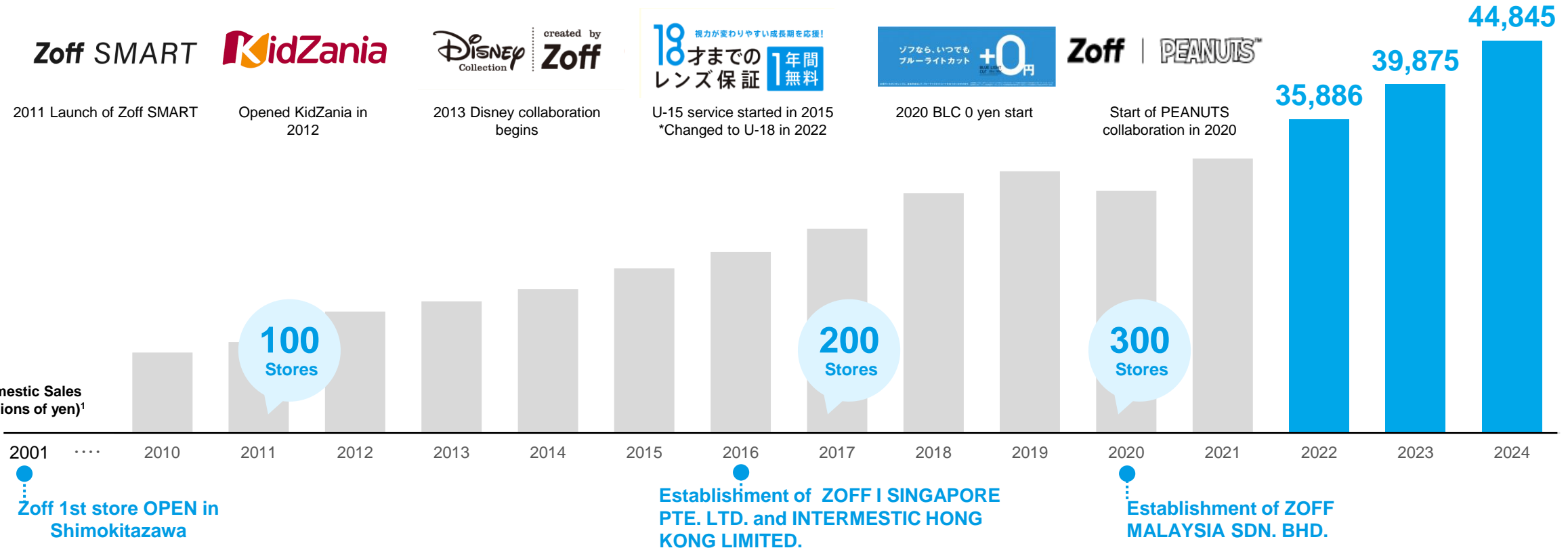
ゾフなら、いつでもブルーライトカット **+0円**

2020 BLC 0 yen start

Zoff | PEANUTS™

Start of PEANUTS collaboration in 2020

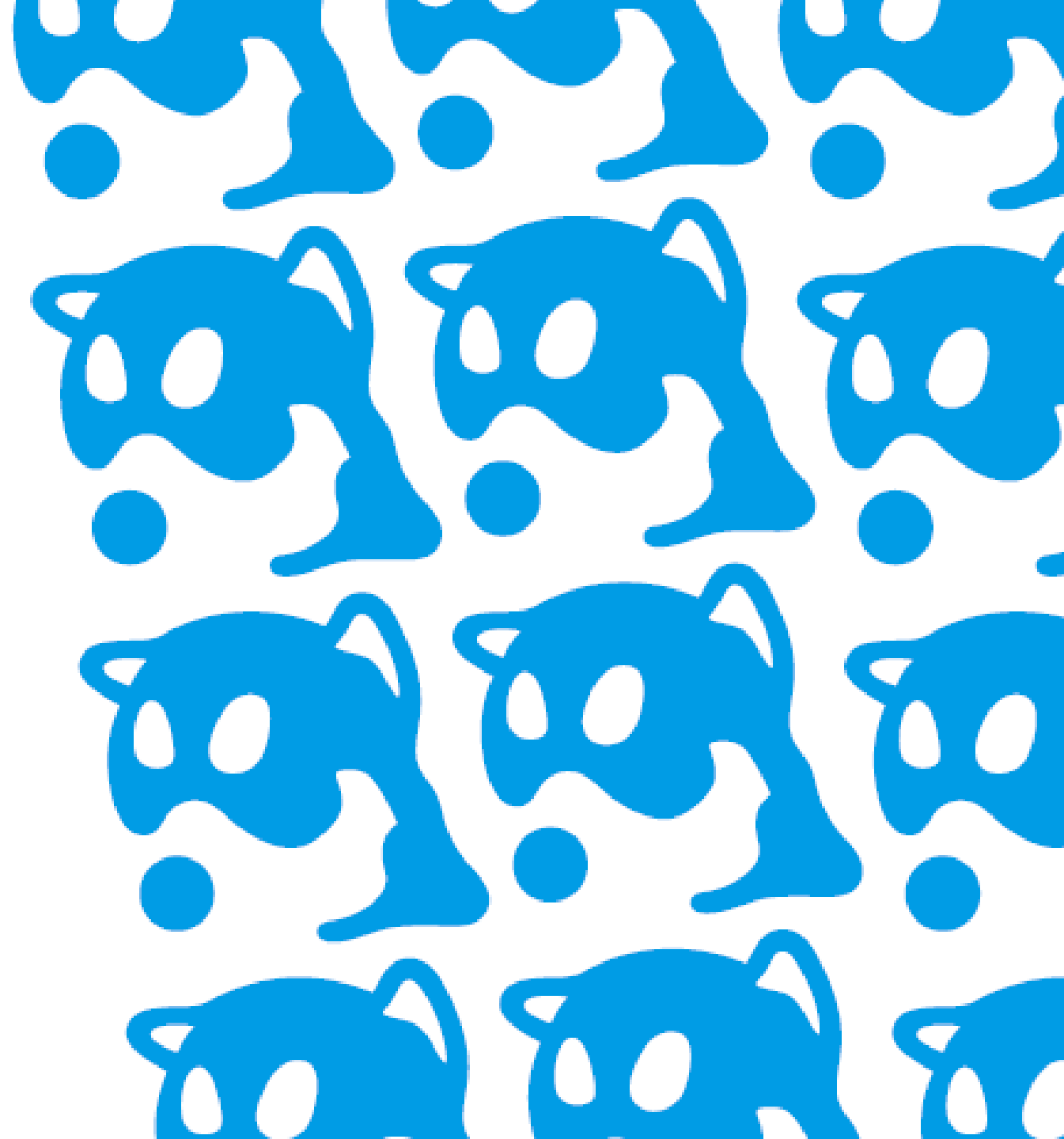
Domestic Sales
(Millions of yen)¹



Note 1: Until 2021, sales figures refer to consolidated domestic sales and do not include overseas sales; from 2022, figures are consolidated figures for the entire company, including overseas sales.

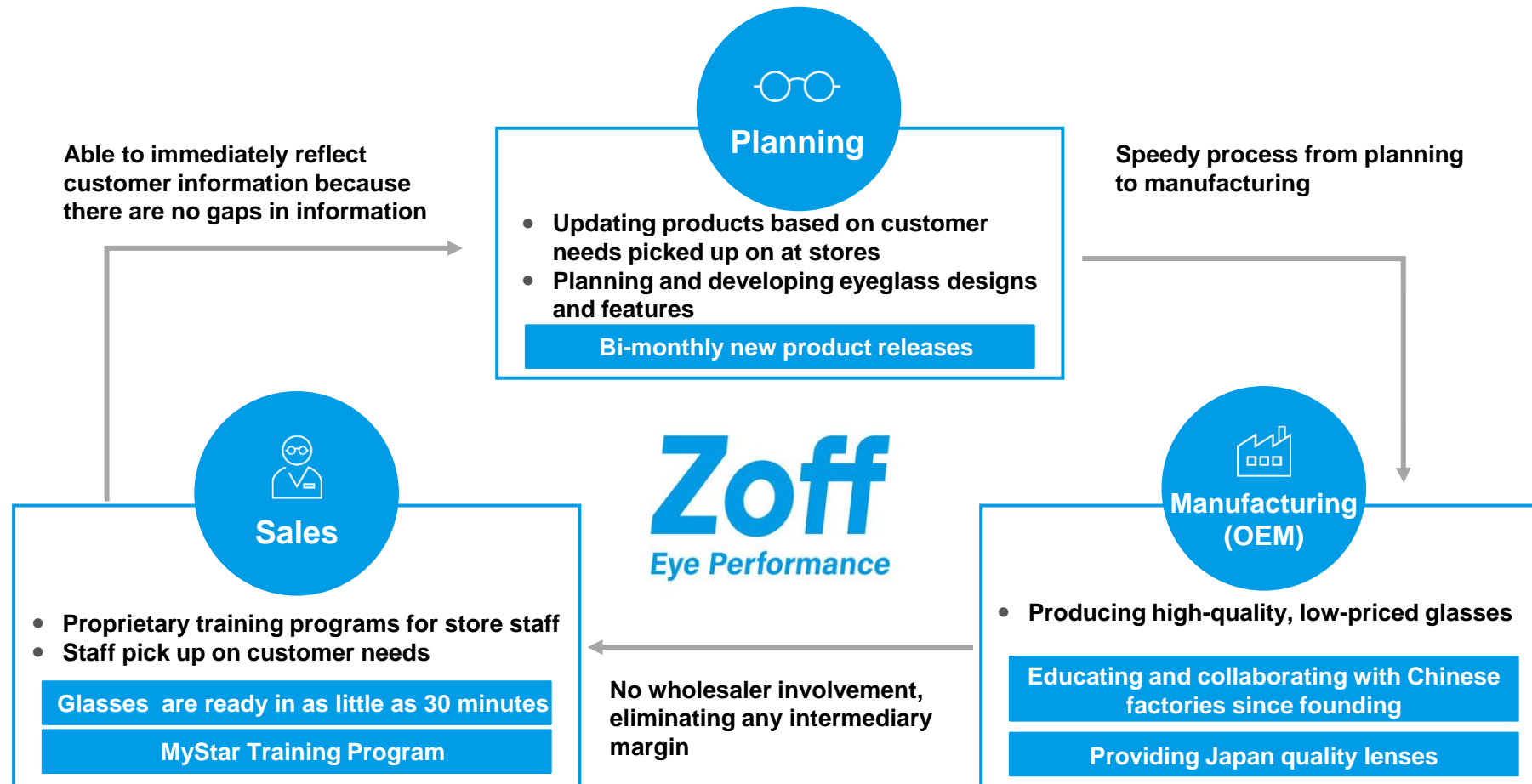
Note 2: Number of stores includes overseas stores.

business model



Zoff's unique SPA model

- Our company was the first in the eyewear industry to adopt the SPA (manufacturing and retailing) business model, which integrates planning, manufacturing, marketing, and sales
- In addition to the typical SPA model, we provide unique services, realizing high-value-added businesses



Our Strengths

- Our company's strengths lie in manufacturing, customer service, and marketing, based on the principles of the Three Realities

Manufacturing	Customer Service	Marketing
Planning development that changes needs to wants	Absolute attentiveness to customers	Marketing involving society at large
Flagship product Zoff SMART > 8.7 m units total ¹ Collaborating with apparel brands and animations > 150 total	Strong customer service skills to achieve sales strategies Selection rate for role-playing competitions ² 66% High rate of repeat orders connected to customer service skills Rate of repeat orders from new customers in the following year > 10%	Casting for mass audience Volleyball Player Ishikawa Siblings Marketing targeting youth, including utilization of staff influencer system Unprompted recall rate ⁴ No.1 in Tokyo
Our values that realize our strength		
“3 Realities”		
Since the company's founding, our values have focused on our <u>real stores</u> , our <u>real products</u> , and our <u>real situations</u> Management also makes store visits to grasp what customers want, ahead of the competition		

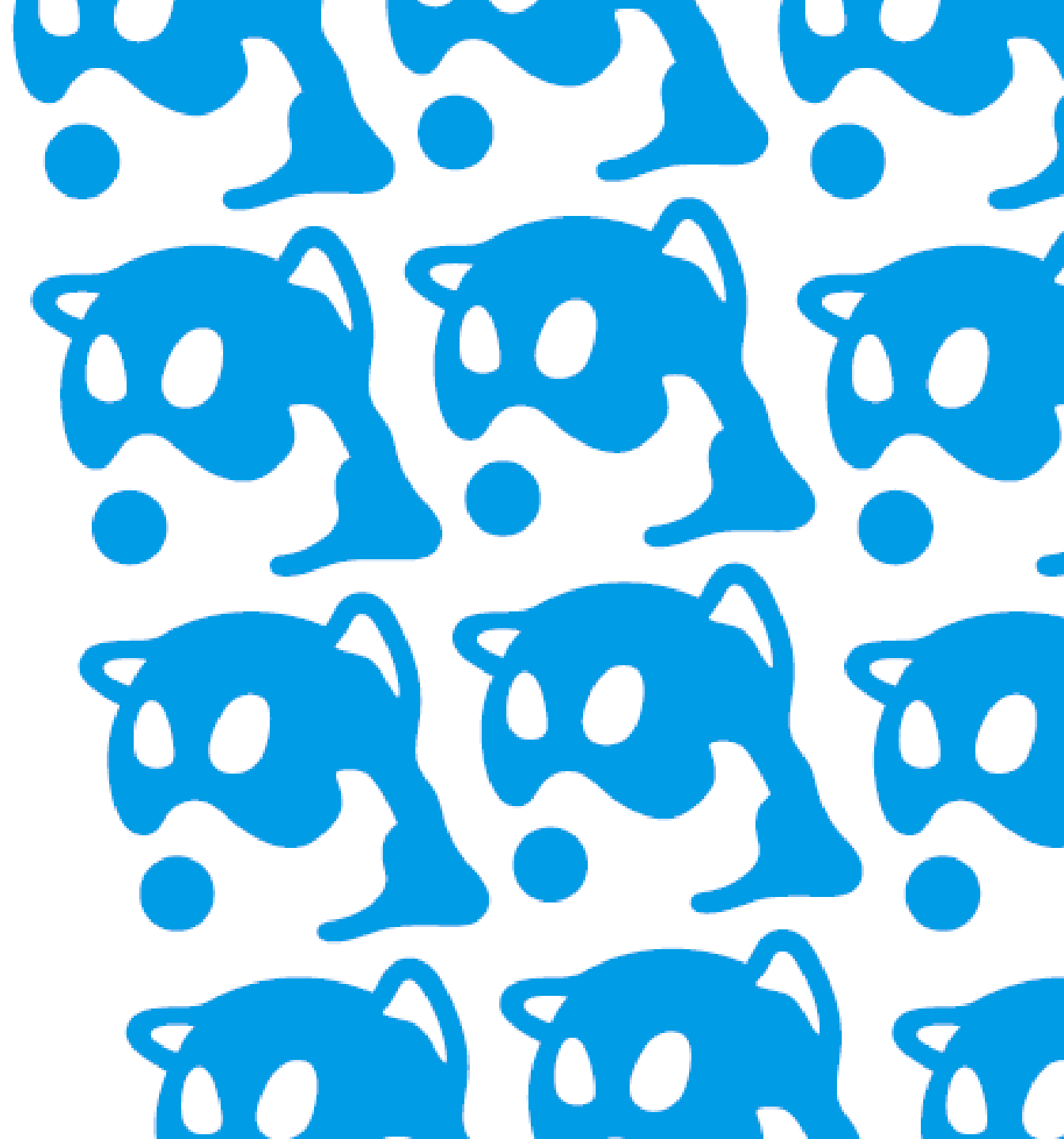
Note 1: Total number of units sold in Japan and overseas since launch (as of August 31, 2024)

Note 2: Percentage of winners who received some kind of award at customer service role-playing competitions held in the occupied SCs who were selected to represent the SCs (percentage throughout the year in 2023).

Note 3: The repeat customer ratio is calculated as the percentage of customers who purchased our products at least once in the following year for customers acquired in a given fiscal year.

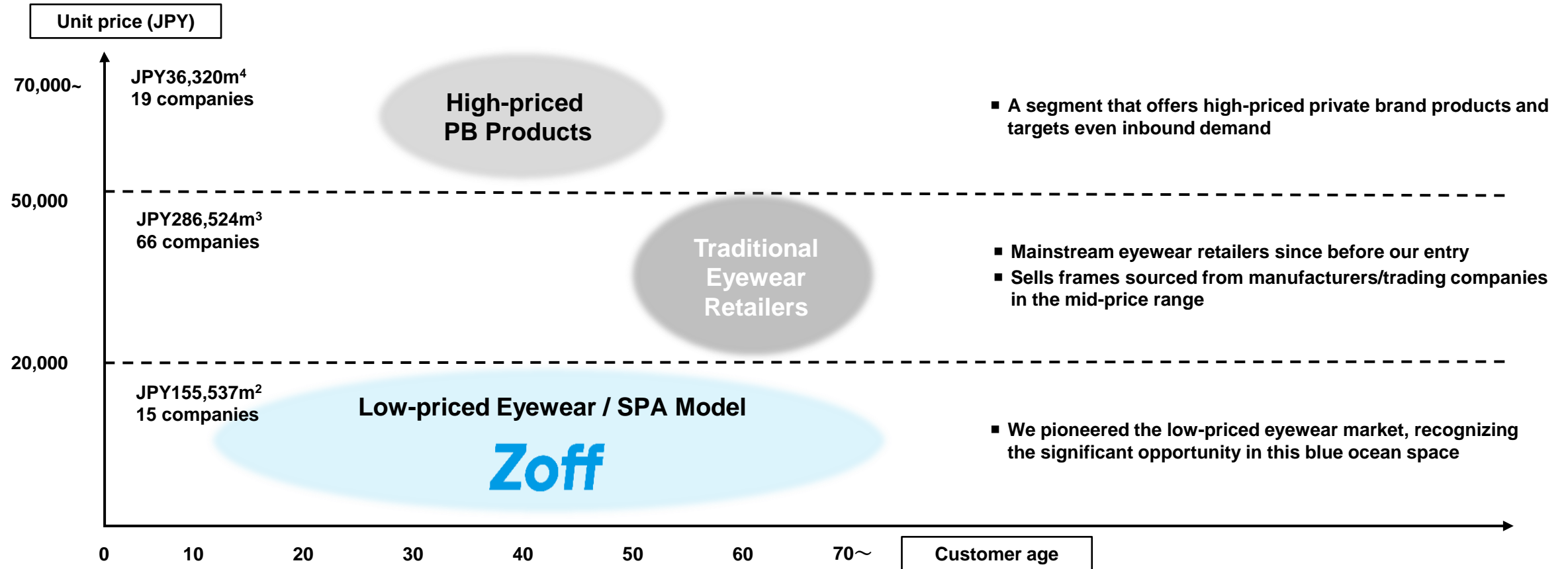
Note 4: Based on our research (outsourced to an outside vendor). Pure recall refers to recalling a specific product or brand without any hints. The percentage of respondents who responded to the question, "Please select up to five stores (company names) that come to mind when you hear the name of a store or retailer of 'eyeglasses/sunglasses' in the order of the five stores that come to mind. The percentage of brands that responded to this question was calculated.

Market Environment



Positioning map ¹

- We were the first company in the domestic eyeglass retail industry to introduce the SPA model, and we pioneered the low-priced eyeglass market for all generations.



Note 1: The positioning map on this slide is an image based on our research and is not based on third-party data.

Note 2: Based on the Eyeglasses DB (2024), the total sales and the number of companies in 2023 of the TOP 100 companies in the domestic eyewear market with average sales of less than 20,000 yen per unit.

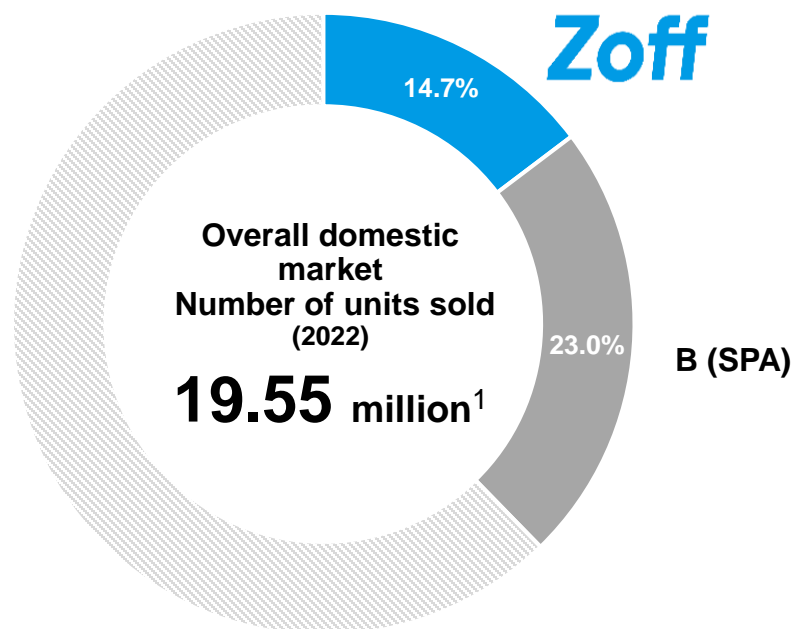
Note 3: Based on the Eyeglasses DB (2024), the total sales and number of companies in 2023 of the TOP 100 companies in the domestic eyewear market with average unit price of 20,000 yen or more to 50,000 yen or less.

Note 4: Based on the Eyeglasses DB (2024), the total sales and number of companies in 2023 of the TOP 100 companies in the domestic eyewear market with average unit price of 50,000 yen or more.

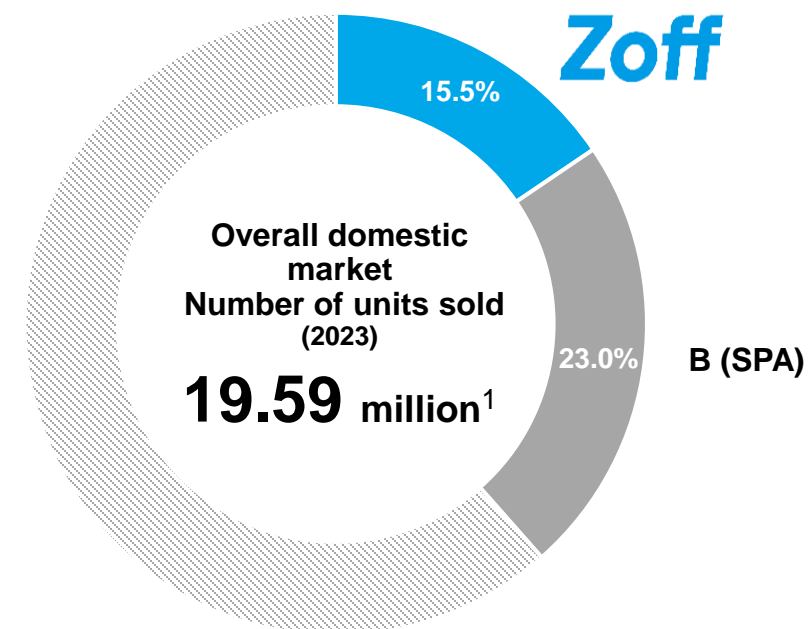
Domestic eyewear market (unit base)

- The Company's share of unit sales of frames, excluding sunglasses and packaged goods, is increasing from 2022 to 2023.

SPA company share in terms of number of units (2022)¹



SPA company share in terms of number of units (2023)¹



Note 1: The number of units sold for the overall market is calculated based on (market size of a set of eyeglasses/average unit price of a set of eyeglasses) based on the Eyeglasses DB (2023). The number of units sold by the Company and Company B is based on the number of frames sold by each company, excluding sunglasses and packaged products, and market share is calculated based on the number of frames sold by each company.

Shareholder special benefit

As a shareholder benefit, we will invite shareholders to our exhibitions.

Summary

- Eligible Shareholders

Shareholders holding 100 or more shares of the Company's stock as recorded in the shareholders' register as of December 31, 2024 are eligible.

*If the number of applicants exceeds 100, a lottery will be held in advance.

- Exhibition Details

Exhibition name	TOKYO SHOWCASE 2025 SS "EYE LOVE SUNGLASSES
Date and Time	Saturday, April 12, 2025 12:00 - 17:00
Location	6F Oak Omotesando, 3-6-1 Kita-Aoyama, Minato-ku, Tokyo (our headquarters)
Contents	Exhibit and experience new products, set up photo spots, distribute souvenirs*. (*)Please select one pair of sunglasses and we will mail it to you at a later date.
How to apply	Please apply via the link below. Please enter the shareholder number that appears on the Notice of Convocation of the General Meeting of Shareholders (scheduled to be sent out on March 12). <URL> https://forms.gle/JRHZfocbk9w4tLNm9 <Date> March 27, 2025

***If you are unsure of your shareholder number, please contact Mitsubishi UFJ Trust and Banking Corporation, our shareholder registry administrator.**

Mitsubishi UFJ Trust and Banking Corporation

Telephone Center, Transfer Agent Department

0120-232-711 (Tokyo)

0120-094-777 (Osaka)

Hours: Weekdays 9:00-17:00 except Saturdays, Sundays, and national holidays, etc.

Notes

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Forward-looking statements are based on management's assumptions and beliefs in light of the information available to it at the time this report was prepared. Therefore, these forward-looking statements are subject to various risks and uncertainties. Therefore, these forward-looking statements are subject to various risks and uncertainties that could cause actual future business operations and results to differ materially from those expressed or implied by the forward-looking statements. Therefore, you are cautioned not to place undue reliance on forward-looking statements.

We assume no obligation to change, update, or revise any forward-looking statements in light of new information, future events, or other findings. Information relating to or prepared by companies or parties other than the Company is based on publicly available information and other information. Information relating to or prepared by companies or parties other than the Company is based on publicly available information and other information. The Company has not independently verified the accuracy or adequacy of such information and makes no warranty of any kind with respect to such information. The Company has not independently verified the accuracy or adequacy of such information and makes no warranty of any kind with respect to such information.