The background of the slide is a repeating pattern of various handbags in different colors and styles, including Chanel, Prada, and Louis Vuitton, arranged in a grid-like fashion.


# FY03/2026(First Half)

Materials for Financial Results Briefing  
November 13<sup>th</sup>,2025

# Lexus

## Outline

- 01. | Financial Results Overview (FY03/2026, 1H)
- 02. | Topics
- 03. | Initiatives for New Growth Strategies
- 04. | Performance Forecasts for FY03/2026



## 01. Financial Results Overview (FY03/2026, 1H)

# Highlights

## 【Actual Results: FY03/2026, half year※1】

Net Sales : **1090** mil. JPY (prev. 1H : 1280 mil. JPY) YoY **85.1** %

Operating Profit : **50** mil. JPY (prev. 1H : 330 mil. JPY) YoY **15.1** %

(factors) ・ Struggling subscription acquisition; ShaaS※2 launches shifted to 2H

・ Key leading indicators improved significantly: downloads at 134% YoY, email registrations at 152% YoY

In 2H, focus will be on converting acquired downloads and email registrants into new contracts

## 【KPI】

# of contracts : **16,889** (incl. Double Plans) ▲2,568 vs. previous FY-end 19,457

Avg. spending : **9,030** JPY (+76 JPY from previous 1H) (8,954 JPY in previous 1H)

## 【Topics in H1】

- Video ads: Improved creative quality; ongoing SNS-based testing; Kanto TV commercials aired 9/9-9/28
- Transit ads: Expanded taxi ad coverage; continued train strap ads
- ShaaS※2 partnership: Service with one partner began in Aug 2025; three additional launches expected by 3Q
- Sales channel expansion: EX site launch; Tokyo office store function seeing steady inbound-driven growth

## 【Growth Initiatives】

- Preparation for the Launch of the New Service Lax-mochi, a Smart Keep-Type Service

Financial Results Overview of 03/2026, 1H

Lower revenues & earnings due to difficulties in obtaining subscription contracts

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

- a Net Sales ..... Difficulty in obtaining subscription contracts as compared to the previous 1H was a major factor
- b Gross profit ..... Decreased sales from subscription contracts as compared to the previous 1H was a major factor
- c SG&A expenses ..... Please refer to the detailed page 6
- d Operating profit ..... Lower sales and higher SG&A expenses were major factors
- e Net Profit ..... Lower operating profit and an increase in deferred tax expense

※1 : Based on non-consolidated financial statements for both 1H FY03/2025 and 1H FY03/2026

## SG&amp;A Expenses Summary (FY03/2026,1H)

Ad expenses increased by 76 mil. JPY mainly due to new efforts on transit ads, video ads and other measures.

Sales commission decreased by 5 mil. JPY mainly due to reviewing BtoB/toC bag sales channels

Other expenses increased by 45 mil. JPY mainly due to higher listing-related costs, including trust bank fees

(mil. JPY)	FY03/2025 1H※1	FY03/2026 1H※1	+/- amount	YoY
Labor cost vs sales	219 17.1%	212 19.5%	▲7	96.7%
Advertising expenses vs sales	170 13.2%	246 22.5%	+76	144.8%
Packing and freight※2 vs sales	62 4.8%	49 4.5%	▲12	79.8%
Sales commission vs sales	54 4.3%	48 4.5%	▲5	89.2%
Others vs sales	143 11.2%	189 17.4%	+45	131.8%
Total SG&A expenses vs sales	651 50.7%	747 68.4%	+96	114.8%

Another factor is that price revision resulted in a 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.

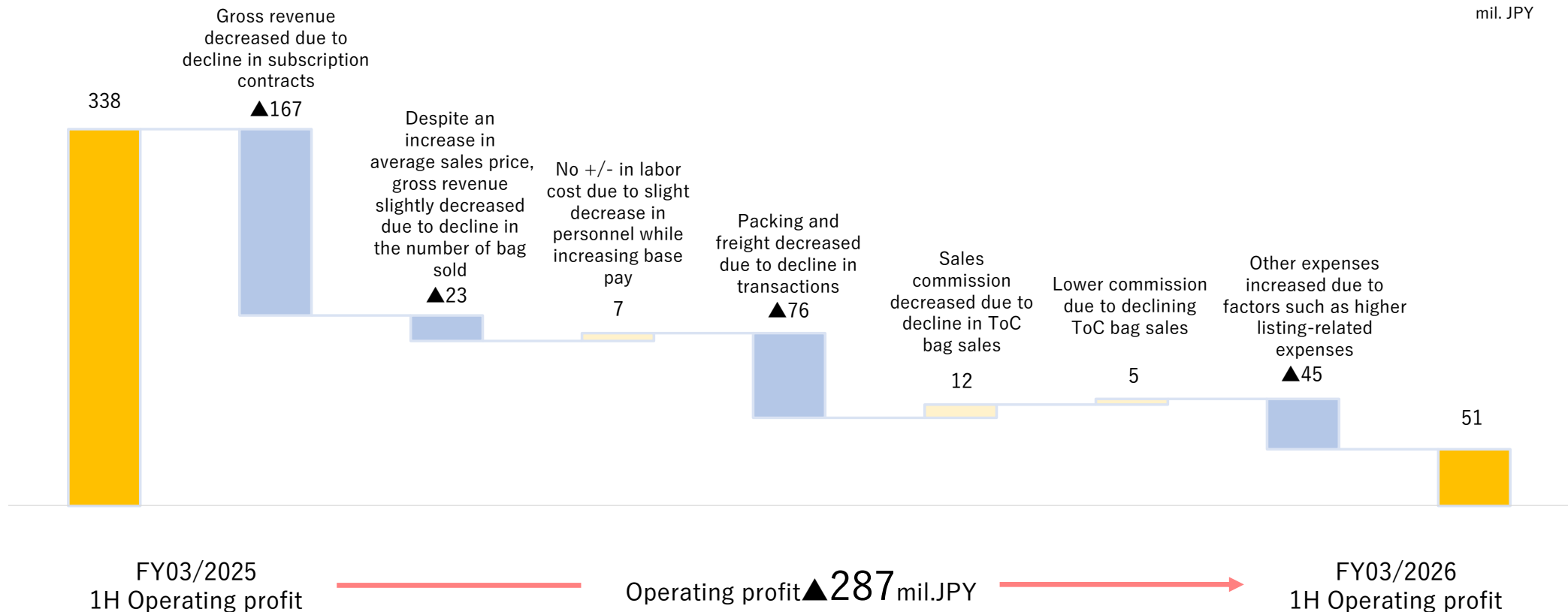
※1 : Based on non-consolidated financial statements for both 1H FY03/2025 and 1H FY03/2026 ※2 : Including packing expenses for sales

## Factors of +/- in Operating profit

Gross profit decreased by 190 mil. JPY due to a decrease in gross revenue from subscription contracts.  
In addition, operating profit decreased by 287 mil. JPY due to increase in ad expenses related to obtaining new contracts and increase in cost associated with listing, etc.

## Factors of +/- in Operating profit during 1H of FY03/2026※1

mil. JPY

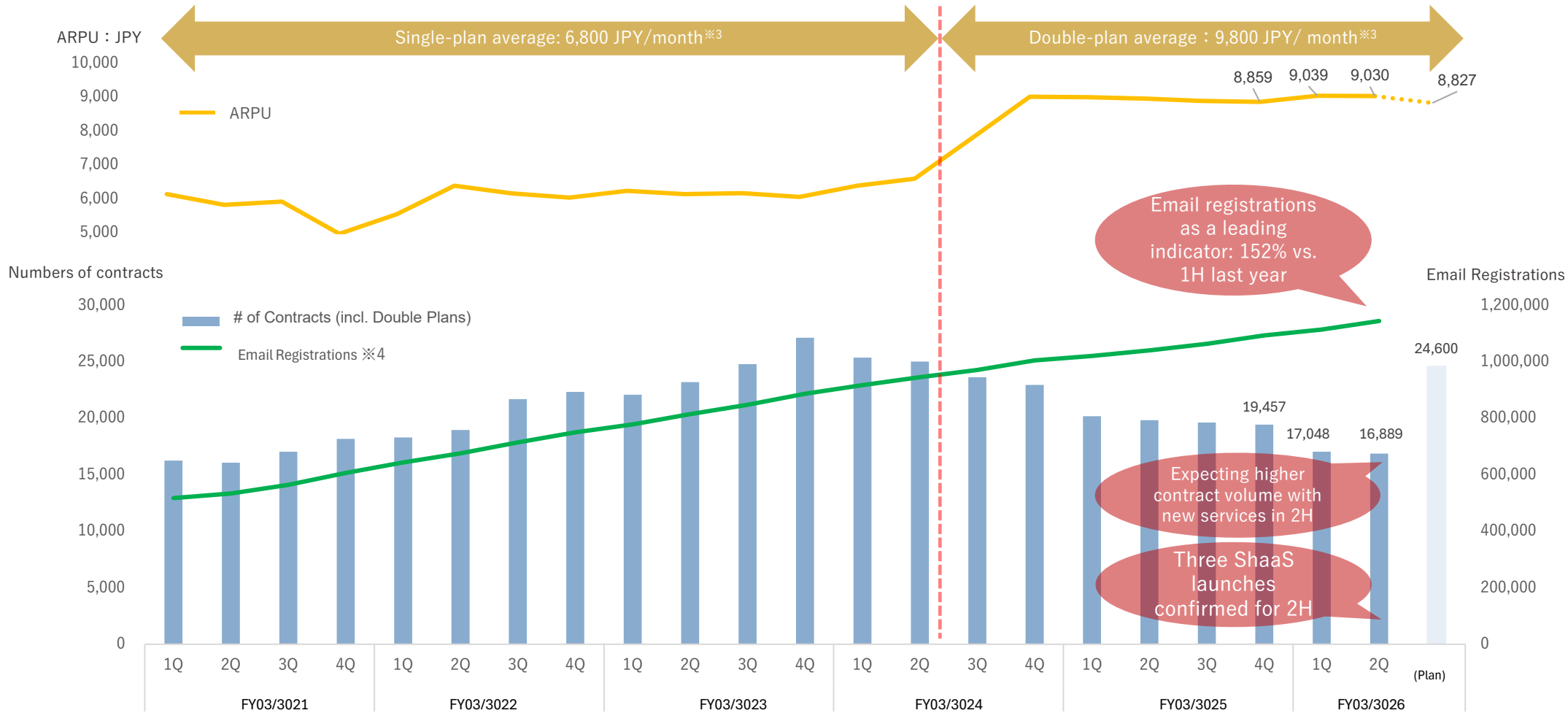


※1 : Based on non-consolidated financial statements for both 1H FY03/2025 and 1H FY03/2026



Trends in Key Management Indicators

Average revenue per customer(ARPU) rose to 9,030 JPY in 1H, up 0.8% YoY.  
Contract volume※<sup>1</sup> turned positive in October, driven by new acquisitions from email registrations  
Additionally, three ShaaS※<sup>2</sup> contracts are confirmed for 2H, targeting further



※<sup>1</sup> : Total of single-plan and double-plan contracts    ※<sup>2</sup> : Abbreviation for Sharing as a Service: OEM provision of our sharing service functions  
※<sup>3</sup> : Excluding tax    ※<sup>4</sup> : Email registration counts are cumulative



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

Domain	Strategies/Measures	Progress in 1H
Company-wide	• During 1H, prioritize investment(including for growth) and various approaches; and during 2H, pursue maximization of revenue according to increase in contracts, which would lead to growth for the next FY	
Subscrip-tion	<p>(Present/New contracts)</p> <p><b><u>Obtain new contracts</u></b></p> <ul style="list-style-type: none"><li>• Expanding beyond traditional 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</li><li>• Increase individual funnels leading to contracts, and improve rate of conversion to contract</li><li>• Introduce shareholder benefit scheme for the purpose of increasing investors<sup>※1</sup></li><li>• <b><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></b></li><li>• Upgrade bags recommendation engine for expected returning users aiming at increasing returning users</li></ul>	<p>(Present/New contracts)</p> <p><b><u>Obtaining new contracts</u></b> remained challenging</p> <ul style="list-style-type: none"><li>• July and September were flat; August was impacted by seasonality</li><li>• Leading indicators improved: downloads 134% YoY, email registrations 152% YoY</li></ul>
	<p><b><u>Improve user satisfaction</u></b></p> <ul style="list-style-type: none"><li>• Follow the measures taken in FY2024 for improving services</li><li>• Upgrade bags recommendation engine</li><li>• As a measure for retaining users who are likely to churn, aim to improve their retention rate focusing primarily on users with less than 12 months membership, by appealing to a point system while taking LTV into account</li></ul>	<p><b>I . Marketing Initiatives for New Contracts</b></p> <p>-Revised creatives based on TVer results; improved video quality by narrowing SNS ads to two</p> <p>-Taxi ads: improved new conversions in new deployed areas ⇒ Expanded areas for two weeks in Sep; CV increased in newly targeted regions</p> <p>-Sep: Kanto-only TV commercials boosted downloads; CV growth expected to follow</p> <p>-Sep: nursery inserts, salon tie-ups and tower apartment ads targeting key segments</p>
	<p><b><u>Increase average customer spending</u></b></p> <ul style="list-style-type: none"><li>• Continue campaign discount for new contracts in a restrained manner</li><li>• In view of increasing contracts, consider raising average customer spending</li></ul> <p>①Introduction of Triple Plan</p> <p>②Offering higher-priced bags, and other measures</p>	<p><b>II . New ShaaS (Launch delayed from May → after August)</b></p> <p>- ShaaS : BAGSHARE by WORLD launched on 8/20; several more to start in Q3</p> <p>- Mutual Referral : AnotherADdress, Brandear started in Oct; one more set for Nov.</p> <p><b>III . Conversion Rate Measures</b></p> <p>Aug: Updated Top page, enhanced “Favorite” flick, and promoted free exchanges</p> <p>Sep: Updated ranking page, simplified recommendations, and added selection feature</p> <p><b>IV . Bag Procurement</b></p> <p>- Improved quality via trend/season –aligned sourcing</p> <p>- Lowered sourcing costs by expanding procurement routes</p> <p><b>VI. Exploring Services to Drive new Contract Acquisition</b></p> <p>- Preparing to launch new smart-keep service “Lax-mochi”</p>

※1 : A coined word combining “investor” and “customer”, meaning those who invest in companies providing products and services they use

## Progress of Strategies/ Measures 2/2

### (FY03/2026, 1H)

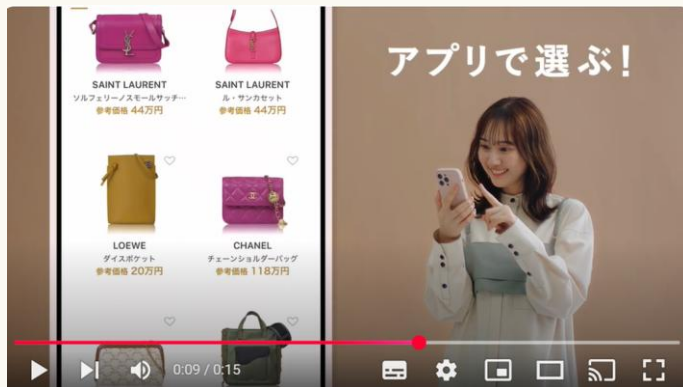
Domain	Strategies/Measures	Progress in 1H
Bag Sales	<b>Overall : Put efforts into raising unit selling price</b> <ul style="list-style-type: none"> <li>In addition to increasing Rent-to-Own users in relation to increased contracts, expand channels for toC sales</li> </ul>	<b>Overall : Put efforts into raising unit selling price</b> <ul style="list-style-type: none"> <li>Controlled sales volume in line with profit plans</li> <li>Sales volume: Prioritizing higher unit prices; volume expected to decline YoY</li> </ul>
	<b><u>Rent-to-Own</u></b> <ul style="list-style-type: none"> <li>Set simple payment options in purchasing so that CVR can be improved</li> <li>As a measure for raising average spending, consider pricing which includes interest component</li> </ul>	<b><u>Rent-to-Own</u></b> <ul style="list-style-type: none"> <li>Simplified payment options; unit price raised to include interest-equivalent fees</li> <li>Expanded number of eligible bags</li> <li>Approx. 125% of market price ( vs. used-bag price benchmarks)</li> </ul>
	<b><u>BtoB/toC Sales</u></b> <b>Reduce bags which are sold off, in order to raise average spending</b> <ol style="list-style-type: none"> <li>Expand RAGTAG partnering and Live commerce network (following strategies in the previous FYs)</li> <li>Start operation of Tokyo Office as a shop (touchpoint with customers)</li> <li>Expand EC channels (domestic/overseas) by establishing Photography/Measurement/Copywriting(SASAGE※1) functions</li> </ol>	<b><u>BtoB/toC Sales</u></b> <b>Reduce bags which are sold off, in order to raise average spending</b> <ol style="list-style-type: none"> <li>RAGTAG volume increased; TRR reduced due to tariff issues</li> <li>Expanded Tokyo office store functions to strengthen customer touchpoints</li> </ol> -Enhanced sales operations and adjusted hours to boost store sales and inbound demand <ol style="list-style-type: none"> <li>Opened on Buyma to expand EC channels from Aug.</li> </ol>
Operation	<b><u>HR, etc.</u></b> <b>Secure resources in accordance with increase in contracts</b> <ol style="list-style-type: none"> <li>Secure financial resources covering labor/recruitment costs in relation to increase in contracts</li> <li>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)</li> <li>Implement measures for reducing soilage rate so that our inventory accessible to users can be properly secured</li> </ol>	<b><u>HR, etc.</u></b> <b>Secure resources in accordance with increase in contracts</b> <ol style="list-style-type: none"> <li>Secured hiring budget to support contract growth</li> <li>Reorganized Tokyo operations to strengthen sourcing; hiring continues in parallel</li> <li>Added videos on protecting bags from sunscreen</li> </ol>
	<b><u>Settlement/Collection</u></b> <b>Continue measures for improving bill collection rate (stricter membership screening)</b> <ol style="list-style-type: none"> <li>Proceed with newly joining credit information bureaus</li> <li>Enhance bill collection methods (e.g. convenience store payment)</li> </ol>	<b><u>Settlement/Collection</u></b> <b>Continue measures for improving bill collection rate (stricter membership screening)</b> <ol style="list-style-type: none"> <li>Promoting enrollment with a credit bureau</li> </ol>

※1 : “SA” refers to Satsuei (photo-shooting), another “SA” refers to Saisun (measurement), and “GE” refers to Genoku (copywriting), all of which are required for selling goods on EC websites

## Initiatives for New Customer Acquisition

Email registrations (a leading KPI) improved significantly to 152% YoY.  
In 2H, we will focus on converting these registered users into new acquisitions

## Expansion of video ad channels



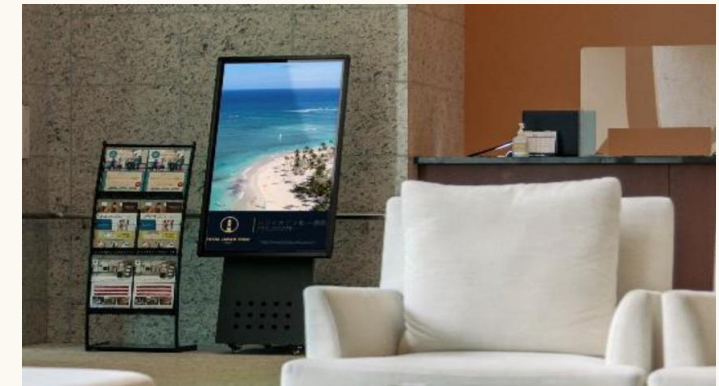
- Based on SNS performance testing, high-performing videos were selected  
⇒ Used for taxi ads and TV commercials
- Kanto TV CM launched in September  
⇒ Increased downloads; expected to support new acquisitions from October onward

## Expansion of transit advertising



- Taxi ads expanded in September  
Coverage extended from Tokyo, Osaka, Nagoya to Kanagawa and Fukuoka  
⇒ Growth in both downloads and new users  
Strongest impact in Kanagawa, Fukuoka and Osaka. Considering further execution toward 2H peak
- Train strap ads(Osaka): continuing

## Targeted user outreach

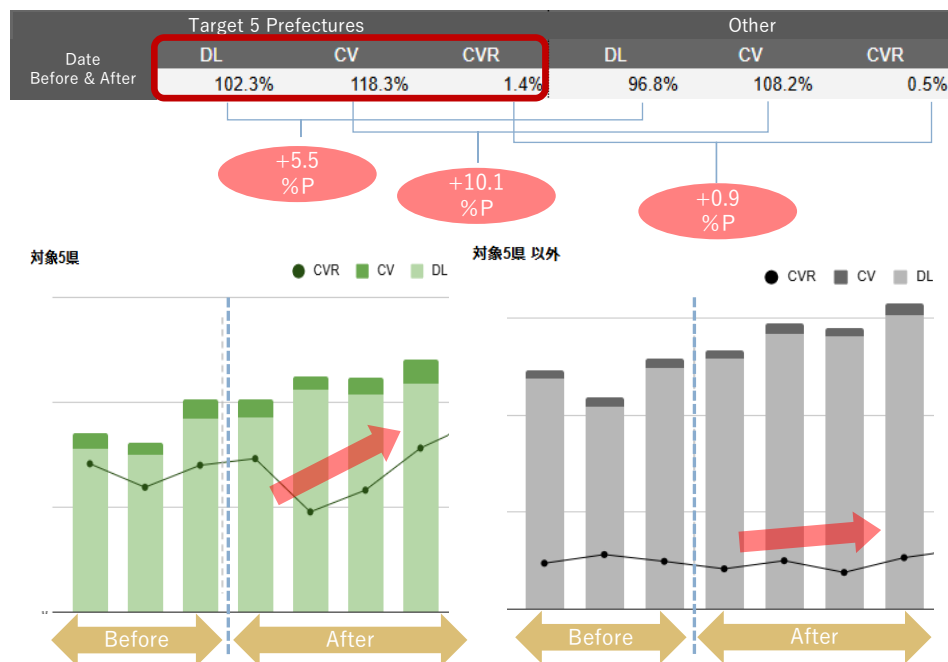


- Tower apartment ads launched in Sep.  
Ads placed in entrances/elevators of Tokyo high-rise apartments  
⇒ Considering Bay-area emails and tower-apartment events
- Nursery inserts: deployed in Sep.
- Hair Salon ads: launched in Sep.
- Magazine tie-ups under review

## Initiatives for New Customer Acquisition: Taxi &amp; TV Commercials

Taxi ads performed well in deployed areas, so we will review area and timing for 2H.  
TV commercials served mainly as awareness ads and did not drive direct acquisitions;  
future execution is on hold

## Taxi Ads – Pre/Post Performance Comparison



Downloads and new conversions increased significantly vs. non-target areas

As an effective way to reach target users, we will continue evaluating area and timing for 2H

## TV Commercials – Pre/Post Performance Comparison



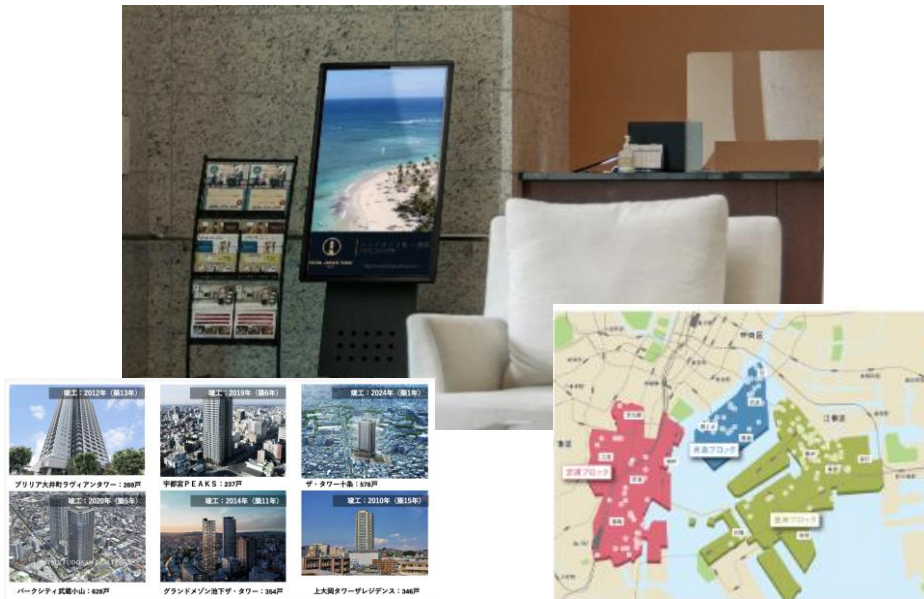
Although downloads increased, new conversions did not outperform non-exposed areas

TV commercials served mainly as broad awareness ads and did not produce direct acquisition effects

## Initiatives for New Customer Acquisition: Signage &amp; Inserts

Targeted measures are effective, especially in tower apartments where many users live.  
We are also considering area-specific emails and in-building events in the Bayside area

## Digital Signage Ads in Tokyo Tower Apartments



App downloads in the targeted area increased by approx. 10%  
New conversions from the same area are also trending upward  
⇒ Considering area-limited emails and on-site events in tower apartments

## Nursery Inserts

## Nursery Notice Insert Sample



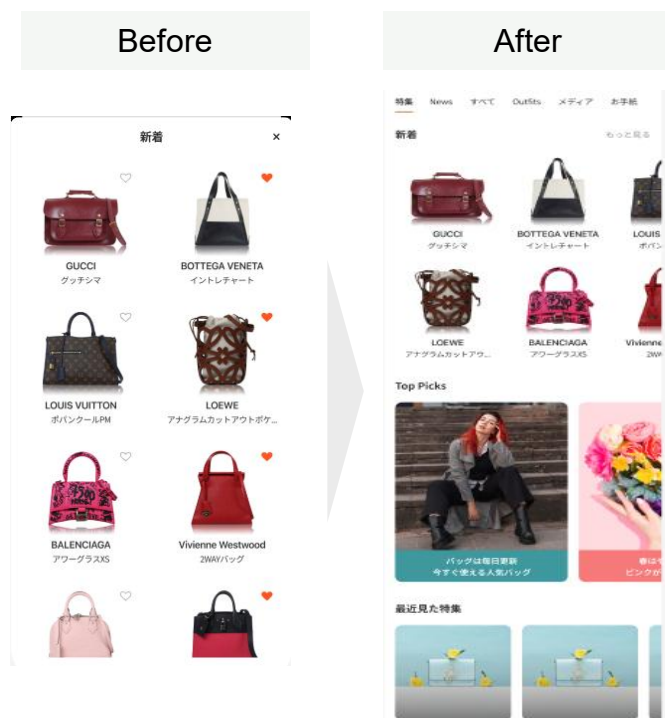
Although organic search volume increased to some extent,  
it didn't lead to new acquisitions via referral codes



## Conversion Rate Improvement

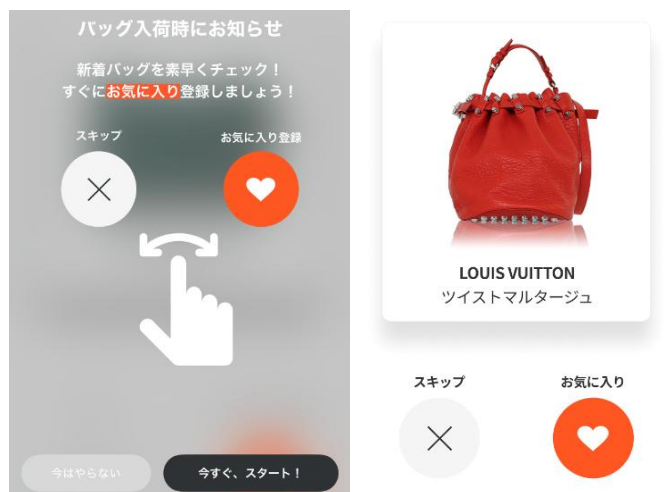
Using the email-registered users acquired in 1H, we are improving the app with repeated A/B testing to drive new conversions from the user's perspective

## TOP Page Improvements



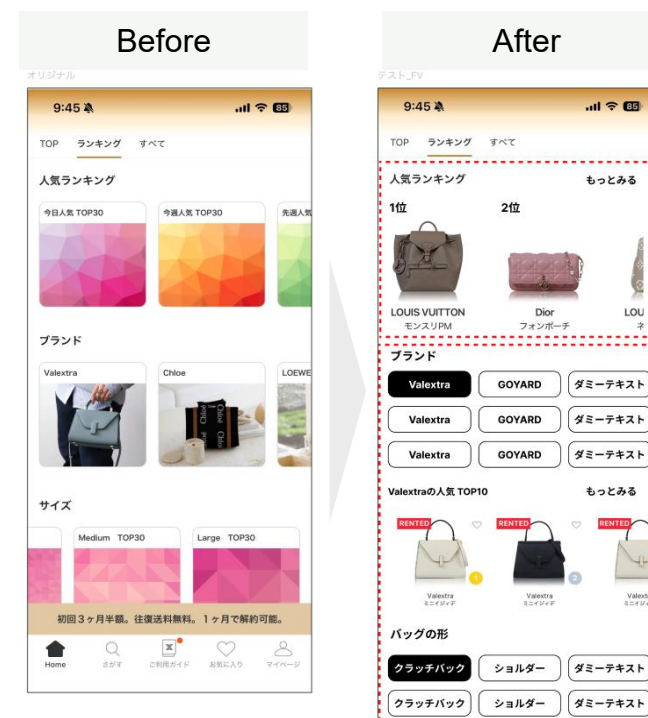
A/B testing significantly improved the new conversion rate from the TOP page

## Enhanced Flick Function



The update increased the number of Favorites and Favorites per user, contributing to higher conversion rates

## Ranking Page UI Updates



UI improvements made the high-traffic ranking page easier to use, boosting views and new conversions

## Improving Conversion Rates & Reducing Procurement Costs

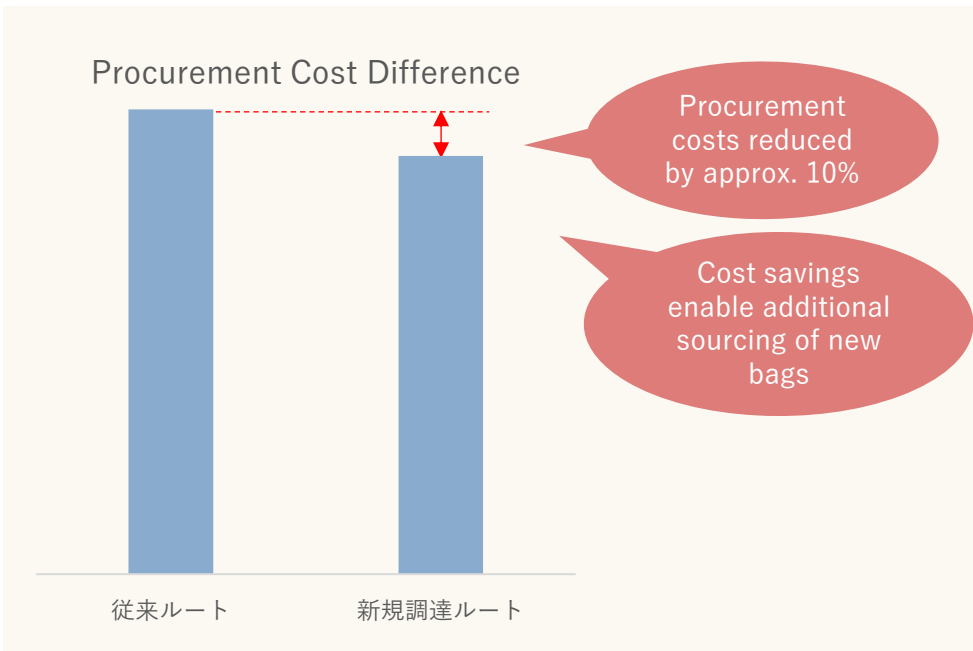
We are improving bag quality by sourcing new items with trend and seasonal relevance, while reducing procurement costs through expanded procurement routes

### Improving Bag Quality



➤ Expanded sourcing of high-value and new bag types  
⇒ Average days from release to rental shortened to 88% YoY

### Reducing Procurement Cost



➤ Expanded procurement routes reduce costs  
⇒ Same item procurement cost reduced by approx. 10%

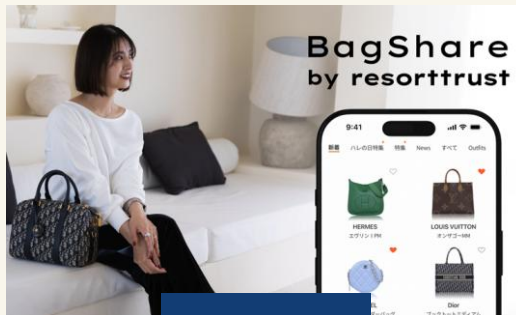


## 02. Topics

## ShaaS Initiatives for Growth

Bagshare by resorttrust launched on 10/27 (Mon), with several additional ShaaS launches planned from December onward. Mutual customer referrals began in October with AnotherADdress and Brandear

## Resorttrust



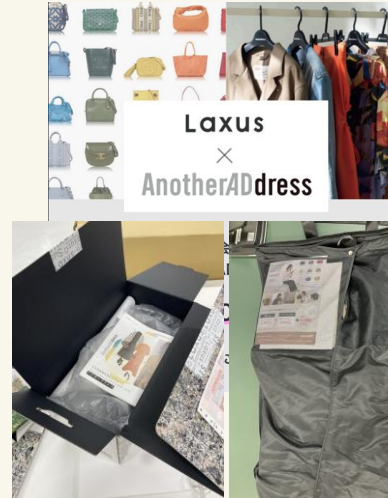
BagShare  
by resorttrust

【ShaaS】  
BagShare by resorttrust  
launched 10/27 (Mon)

## P.G.C.D. Japan



【ShaaS】  
SACSAC by P.G.C.D.  
Scheduled to launch on  
12/2 (Tue)

AnotherADdress  
(Daimaru Matsuzakaya)

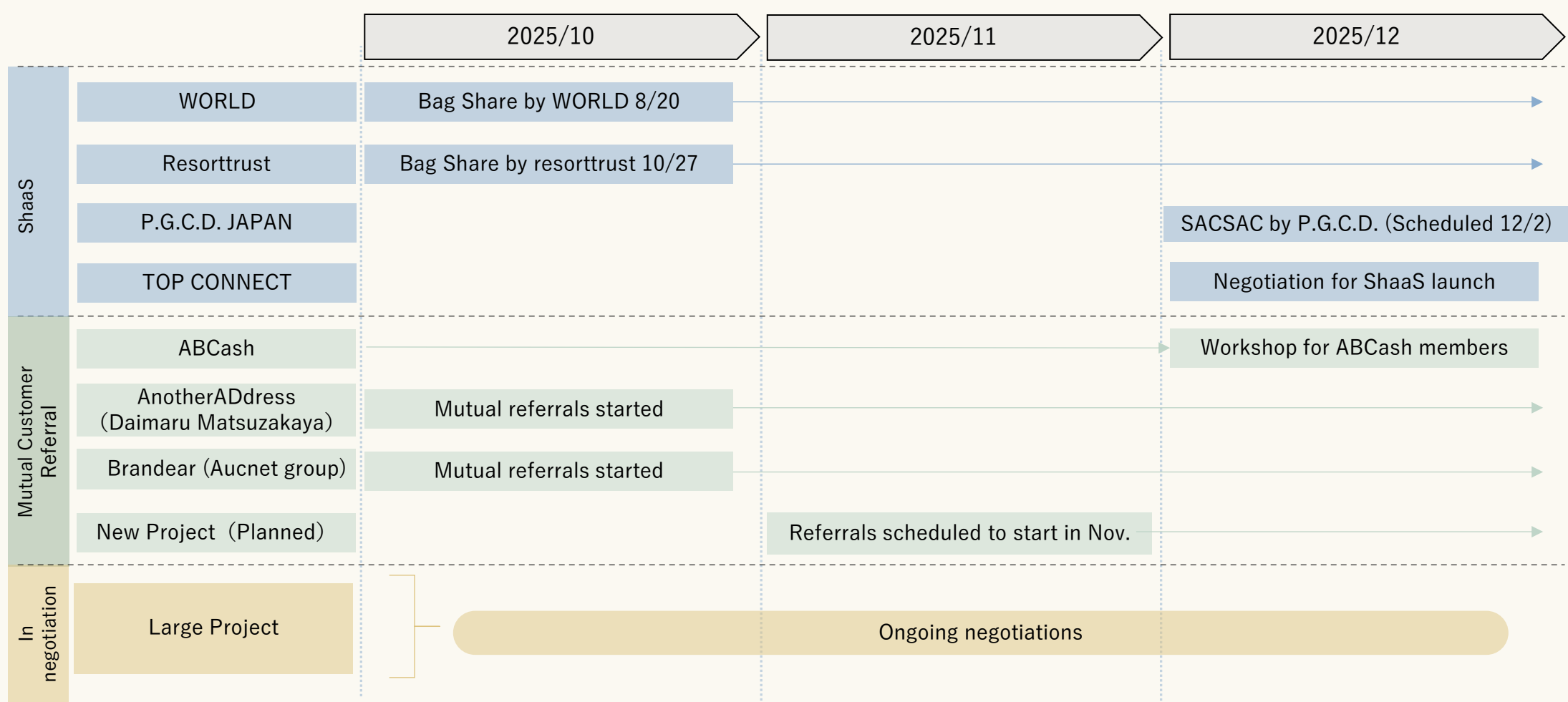
【Mutual Customer Referral】  
• Shared styling content in packages  
• Referral routes via EC site and app  
• POP-UP events and LINE distribution

Brandear  
(Aucnet Group)

【Mutual Customer Referral】  
• Referral routes via EC site and app  
• POP-UP events and newsletter distribution

ShaaS Initiatives for Growth

ShaaS launches pushed into 2H are scheduled to roll out mainly in Q3, while negotiations for large projects continue





## Initiatives for Growth: Bag Sales

The store functions at our Tokyo office are steadily driving sales through inbound demand  
We are enhancing exterior signage, strengthening inbound sales, and improving SNS activities

## Exterior Signage/Entrance Display



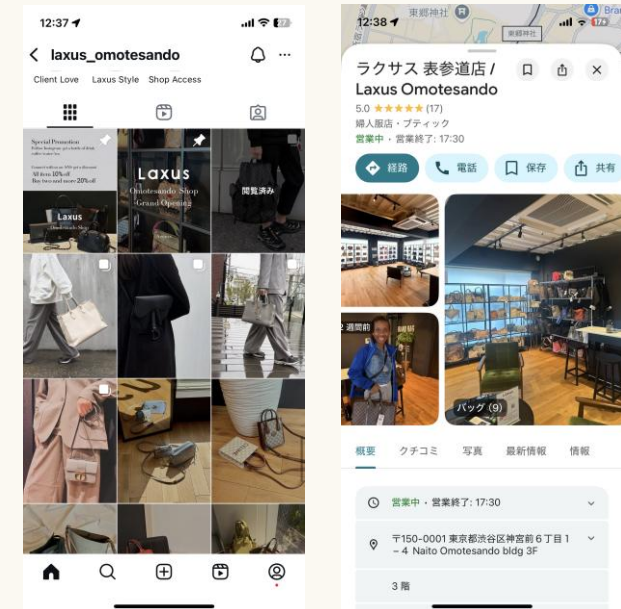
- Store visits increased 1.5 times after adding signage
- Additional entrance signage planned

Strengthening the Sales structure  
(Inbound Support)

- Building English-capable staff and strengthening hiring
- Plan to extend business hours and operating days
- Leaflets to be placed at RAGTAG and distributed in front of the shop



## Strengthen SNS (Inbound Support)



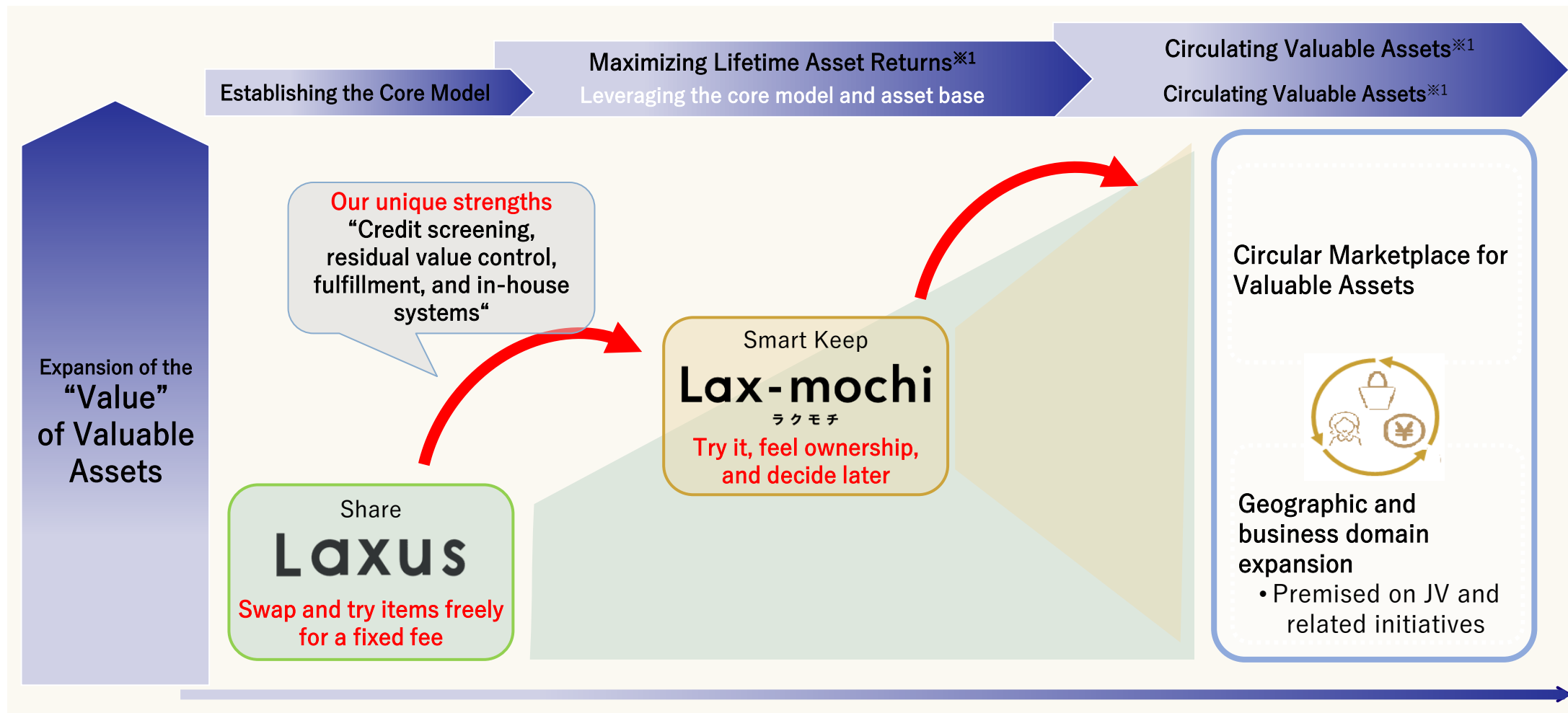
- Instagram : Started posting model styling and popular bag content
- Google : Increased 5.0 ratings



### 03. Initiatives for New Growth Strategies

## Expansion of the “Value” of the Valuable Assets

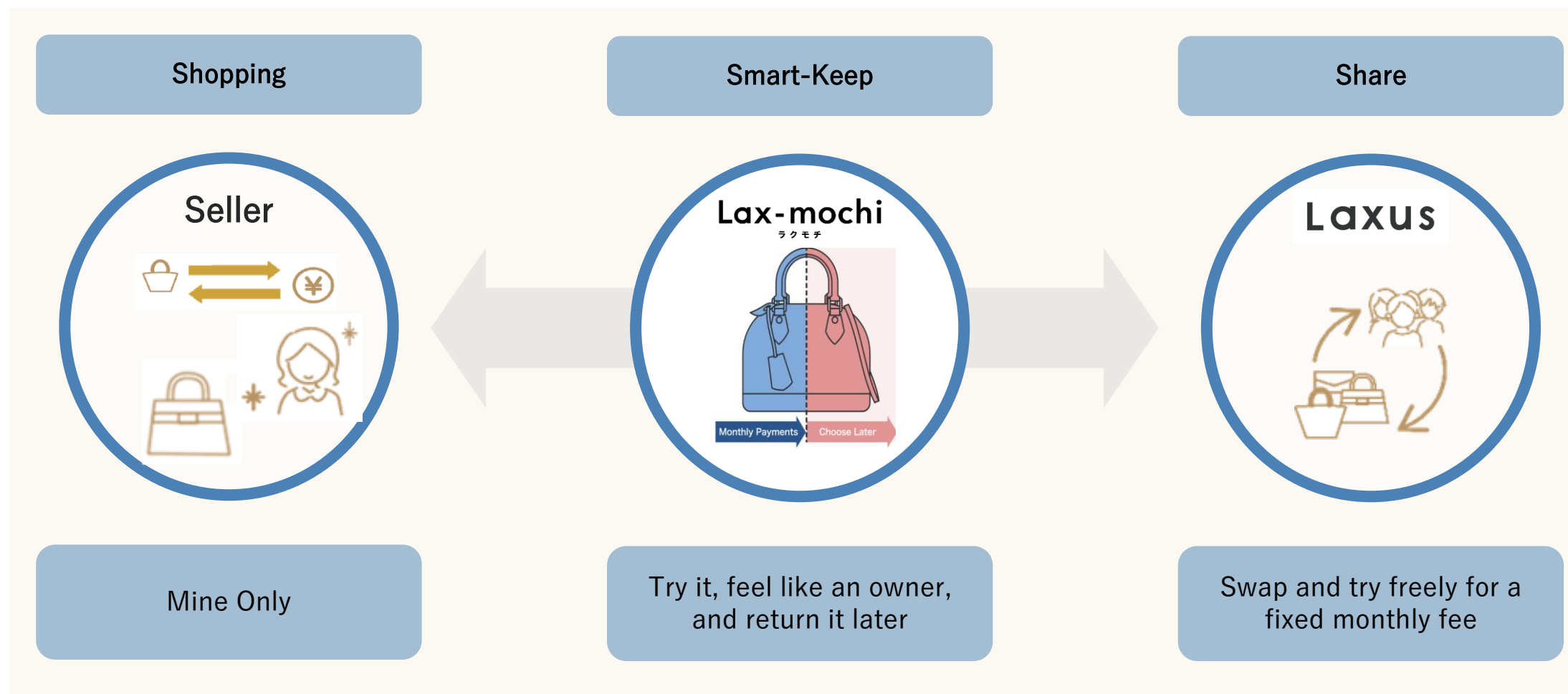
Aiming to further expand the value of high-value assets,  
We are launching the “smart-keep service” “Lax-mochi,” made possible by Lexus



※1 : Future growth outlook

## Smart Keep-Type Service “Lax-mochi”

Lax-mochi allows users to try items, pay monthly,  
And have a sense of ownership while retaining the option to return later





## Smart Keep-Type Service “Lax-mochi”

For example, a 240,000 JPY designer bag can be tried, paid for from 6,000 JPY per month, and returned later, offering a new user experience



# Lax-mochi

ラクモチ

## Service Flow

## STEP1

Try it at home  
for 3 days



Try your dream bag  
at home  
If it doesn't suit you, return  
it within 3 days

## STEP2

Choose your monthly  
payment plan



Choose and sign  
a 12- or 24-month plan  
that fits your lifestyle

## STEP3

Choose at the end of  
the term



Freely choose to buy,  
return, or exchange  
at the end of 12 or 24  
months

Example: When choosing a 1-year plan for a JPY 240,000 bag



Note: “Lax-mochi” will launch as a new monthly subscription service, using a lease-style contract model

## 04. Performance Forecasts for FY03/2026



# Policies for the Second Half

## ➤ **Leverage email-registered users from 1H to drive new conversions**

- Advertising spend will shift toward efficiency, with a focus on improving conversion rates
- Implement point-based incentives to encourage conversions among email-registered users
- Expand procurement channels to secure more high-demand bags that users want to borrow

## ➤ **Expansion of ShaaS, previously shifted to the second half**

ShaaS launches that were pushed to 2H are planned for several releases in Q3, along with corporate partnerships that enable mutual customer referrals to drive contract growth. At the same time, efforts will continue toward securing large-scale enterprise contracts

## ➤ **Launch of the smart-keep service Lax-mochi**

Develop a new service leveraging Lexus's strengths—its bag inventory, trial-sales track record, and credit screening— and aim to increase contract volume in the second half

## Performance Forecasts (FY03/2026)

**This fiscal year, we will focus on revenue growth while making strategic upfront investments, with emphasis on increasing the number of contracts—the core driver of our growth**

➤ Key Initiatives for Growth

- 1) Increased ad and promotional spending, including new channels (+45% YoY), along with expanding each stage of the acquisition funnel and improving conversion rates
- 2) Introduction of shareholder incentives to acquire “Investomers” ※1
- 3) Expansion of ShaaS by providing our sharing-service functions as OEM solutions to external partners to drive new contracts

(mil. JPY)	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】**

- Revenue may fluctuate depending on ShaaS expansion. We will disclose progress as needed.
- Switching to payment methods aimed at stable future collections may temporarily affect collection rates.
- We are also reducing risks for high-value bag rentals by expanding collection methods and adding insurance coverage.

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



# Lexus

**Change the World for Smiles**