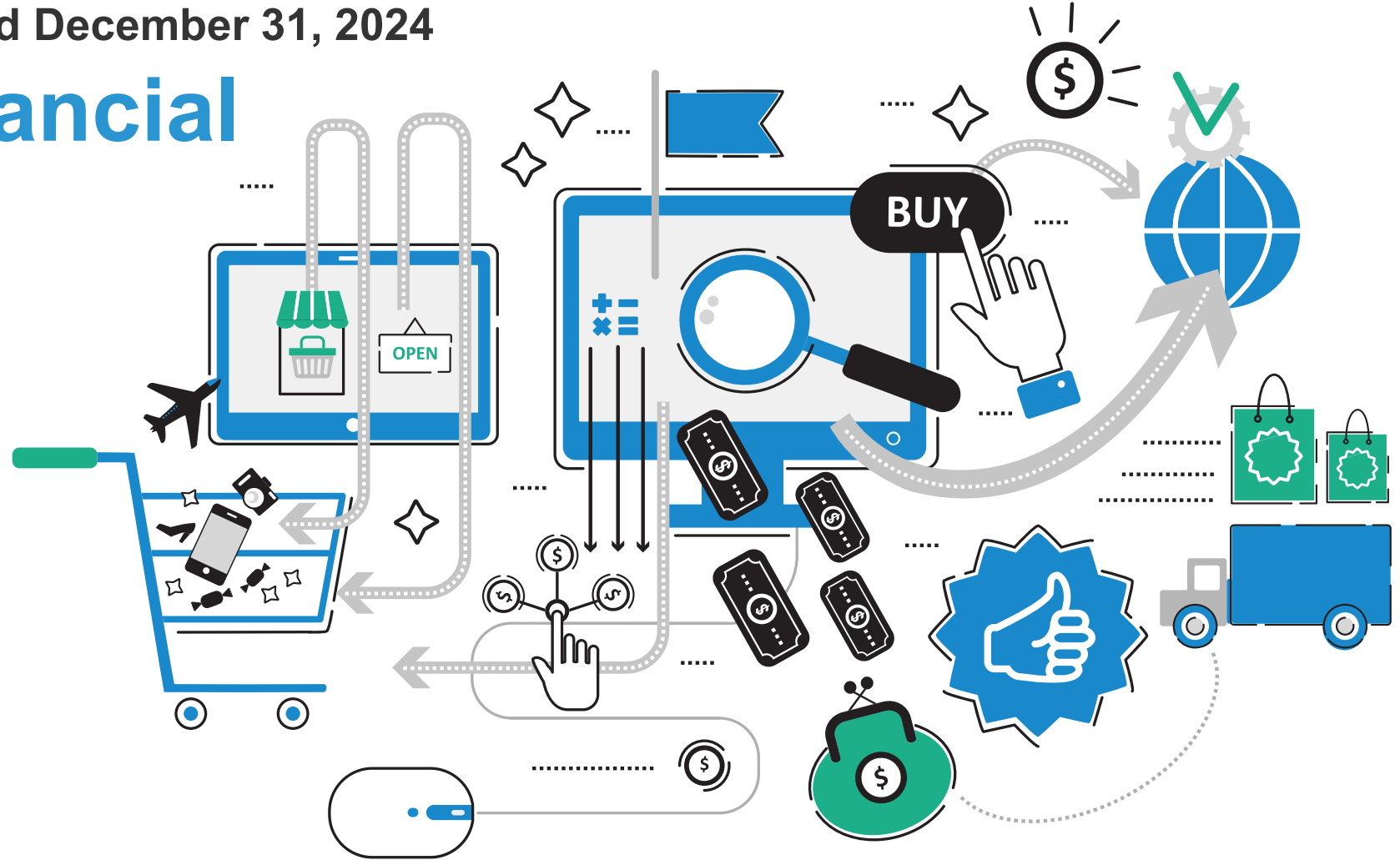


For the Nine Months Ended December 31, 2024

# Quarterly Financial Results

Vega corporation Co., Ltd.

Securities code: 3542





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# 1

## **Overview of Quarterly Financial Results for the Nine Months Ended December 31, 2024**



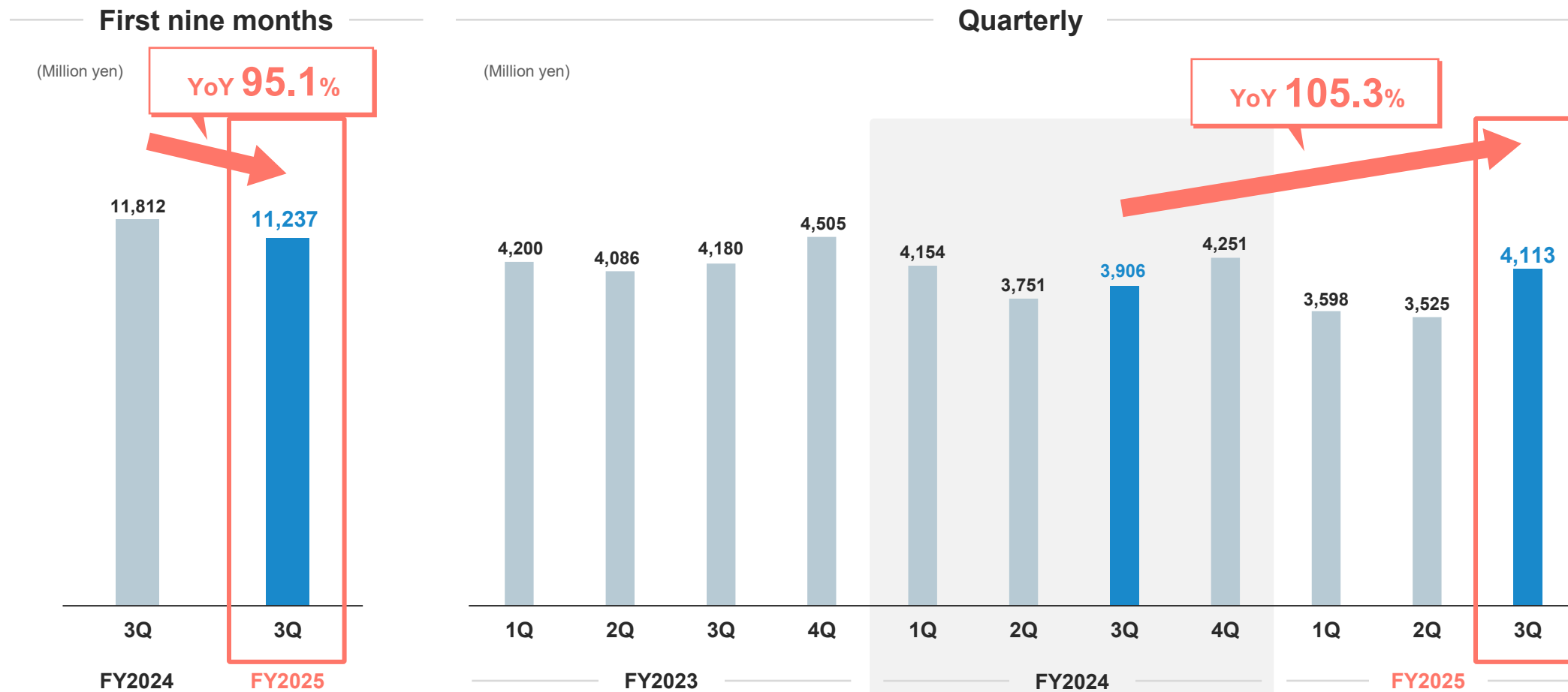
Net sales declined to **11,237 million yen (YoY 95.1%)**, but operating profit **improved to 507 million yen (YoY 167.8%)**.

(Million yen)

	Results for the Nine Months Ended December 31, 2023	Results for the Nine Months Ended December 31, 2024	YoY	Revised on January 31, 2025	
				Full-Year Plan for the Fiscal Year Ending March 31, 2025	Progression Rate for the Nine Months Ended December 31, 2024
Net sales	11,812	11,237	95.1%	16,000	70.2%
Gross profit	5,787	5,750	99.4%	-	-
Gross profit margin ratio	49.0%	51.2%	-	-	-
SG&A expenses	5,484	5,242	95.6%	-	-
SG&A expense ratio	46.4%	46.7%	-	-	-
Operating profit	302	507	167.8%	900	56.4%
Operating profit ratio	2.6%	4.5%	-	-	-
Ordinary profit	319	512	160.5%	900	56.9%
Profit	110	327	295.2%	540	60.7%

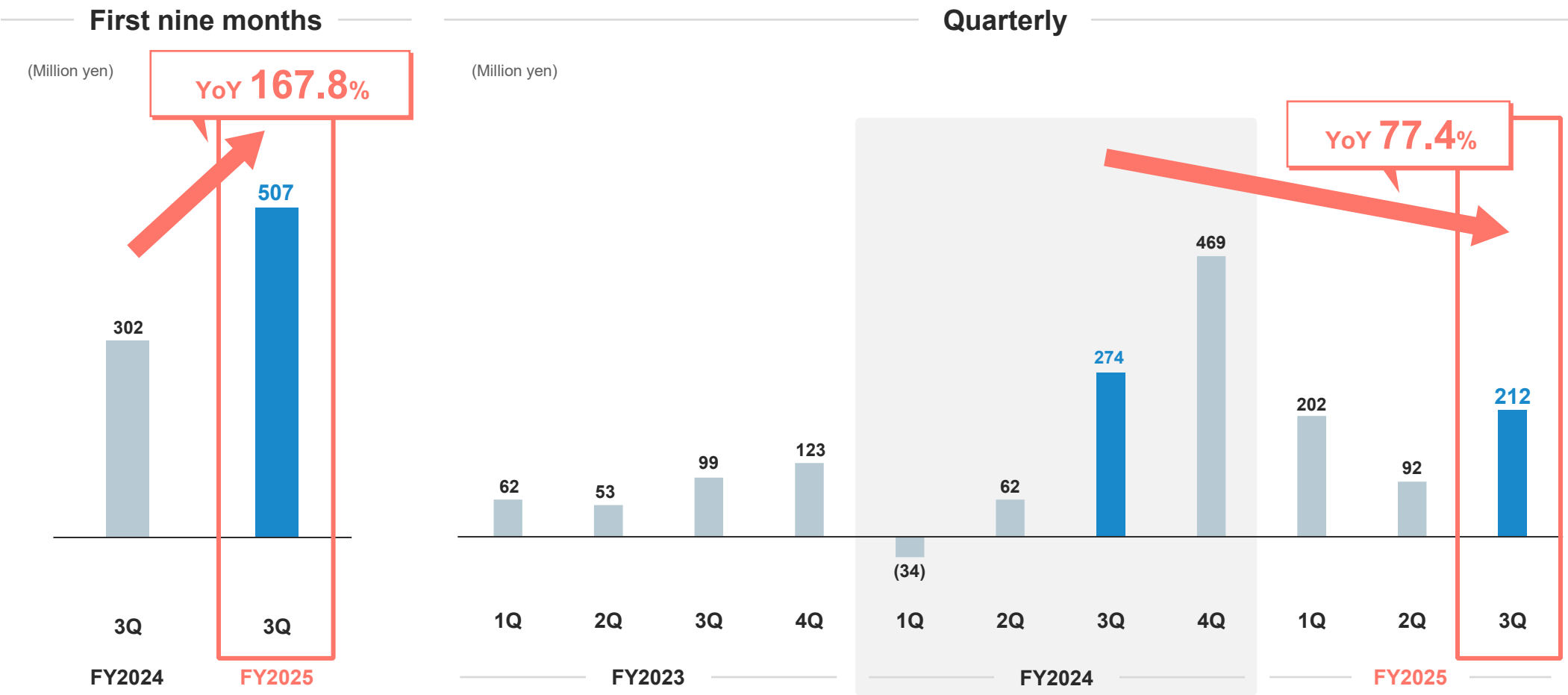


Net sales were **11,237 million yen (YoY 95.1%)** for the first nine months, and **4,113 million yen (YoY 105.3%)** for 3Q.





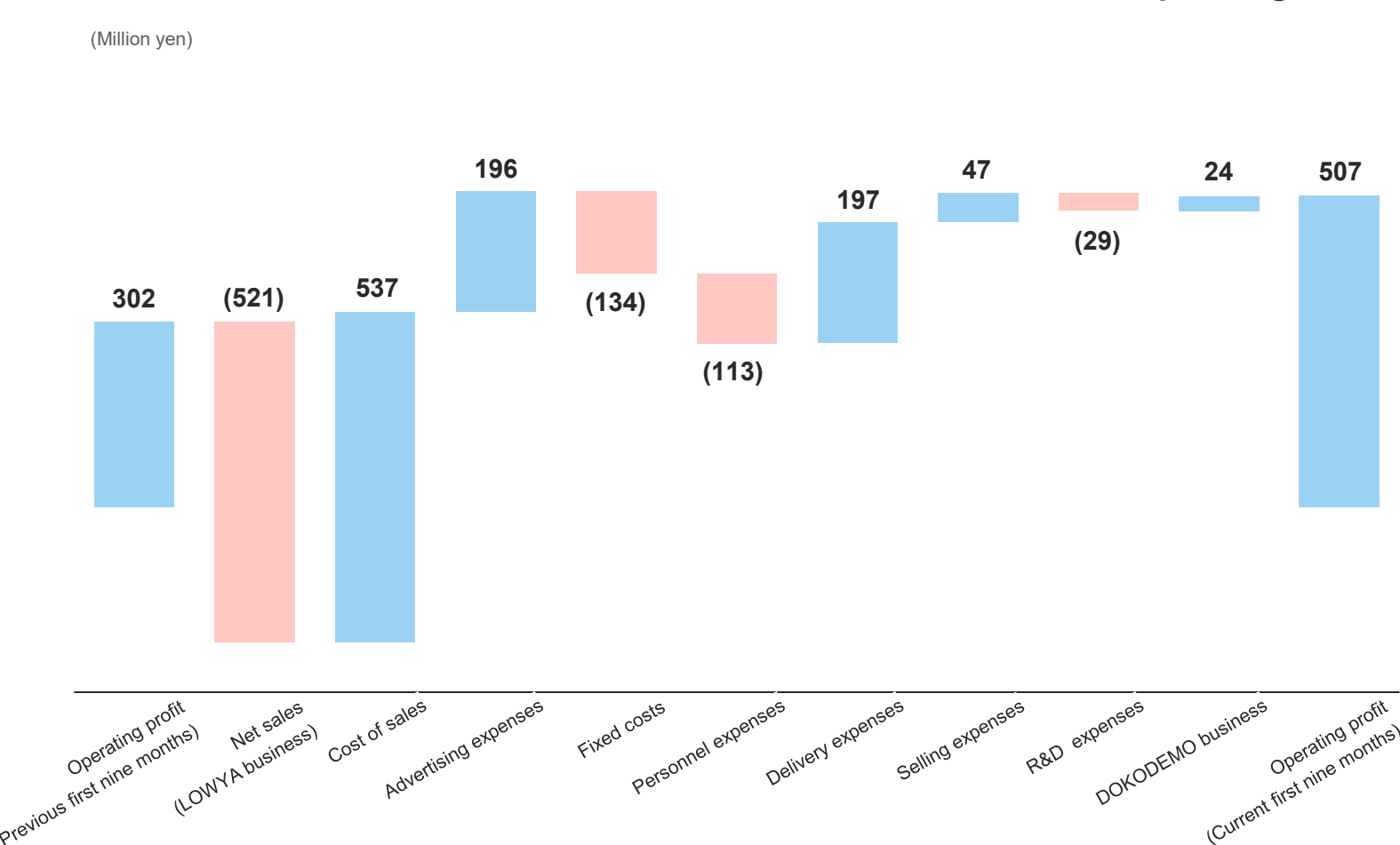
Operating profit was **507 million yen (YoY 167.8%)** for the first nine months, and **212 million yen (YoY 77.4%)** for 3Q.





Improved revenues compared with the previous first nine months.

Causes of Increase/Decrease in Operating Profit (YoY)



### Decrease in net sales

- Decrease due to reduction of promotion expenses and advertising expenses

### Decrease in cost of sales

- Decrease due to lower net sales
- Decrease due to improved cost of sales ratio resulting from price revisions

### Decrease in selling, general and administrative expenses

- Reduction of advertising expenses
- Decrease in delivery expenses due to lower net sales

\* Revenue related to the DOKODEMU business and to research and development expenses is excluded from net sales used as the basis for calculating SG&A expenses, and therefore this data does not match the SG&A expenses on the statement of income.



## Maintain a sound financial base.

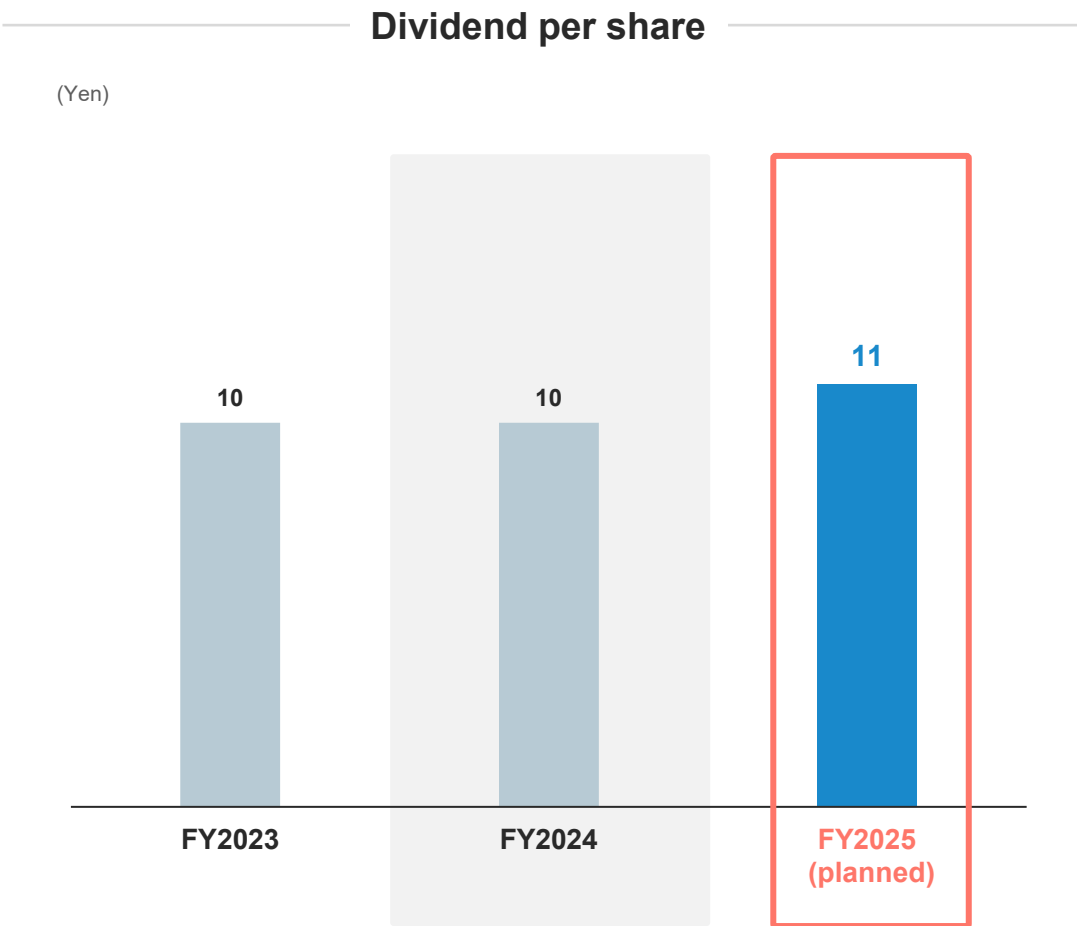
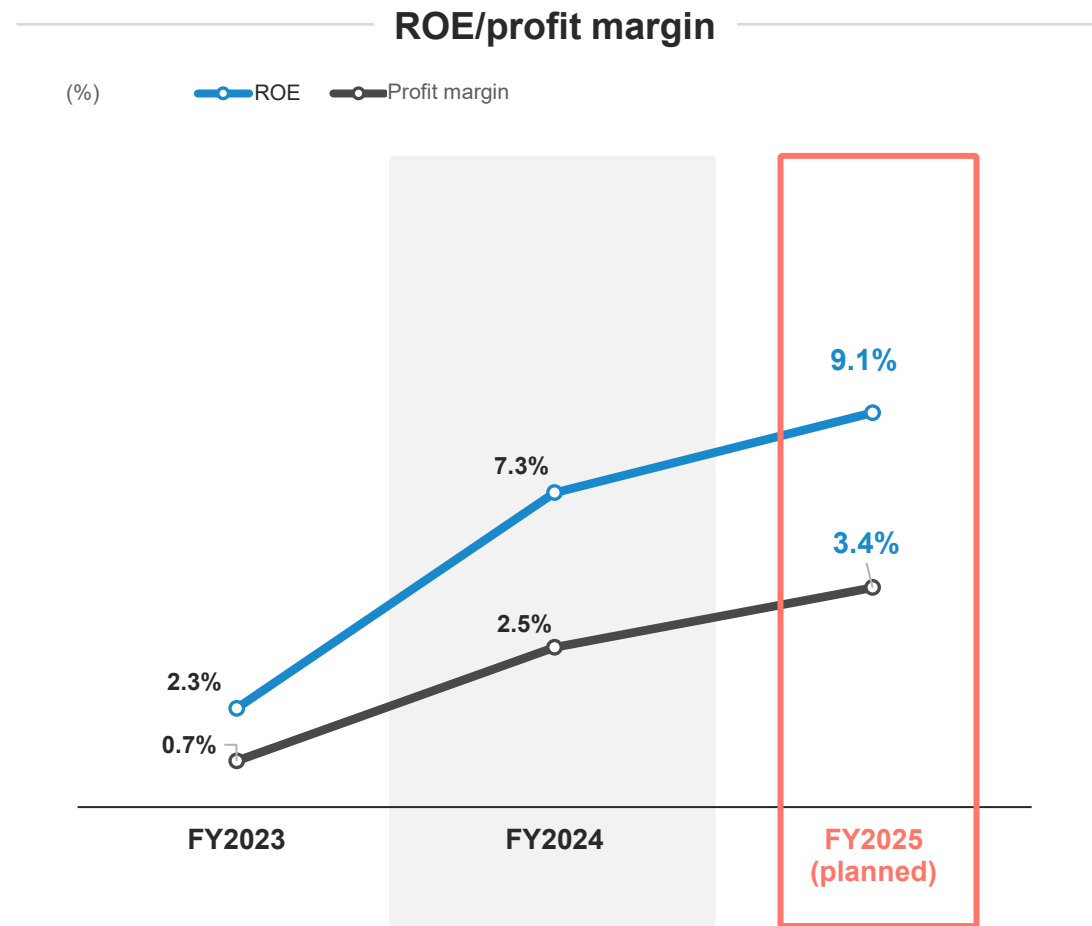
(Million yen)

	As of March 31, 2024	As of December 31, 2024		As of March 31, 2024	As of December 31, 2024
<b>Current assets</b>	<b>6,153</b>	<b>6,204</b>	<b>Current liabilities</b>	<b>1,586</b>	<b>1,542</b>
Cash and deposits	1,750	1,896	Debt obligations	-	-
Accounts receivable - trade	1,739	1,377	<b>Non-current liabilities</b>	<b>56</b>	<b>58</b>
Merchandise	2,110	2,296	<b>Total liabilities</b>	<b>1,643</b>	<b>1,600</b>
<b>Non-current assets</b>	<b>1,056</b>	<b>1,325</b>	<b>Shareholders' equity</b>	<b>5,486</b>	<b>5,742</b>
Property, plant and equipment, and intangible assets	518	688	<b>Total net assets</b>	<b>5,566</b>	<b>5,929</b>
<b>Total assets</b>	<b>7,209</b>	<b>7,530</b>	<b>Total liabilities and net assets</b>	<b>7,209</b>	<b>7,530</b>





The Company plans **ROE of 9.1%**, **profit margin of 3.4%** and to pay a dividend of **11 yen** per share for the fiscal year ending March 31, 2025. Its policy is to implement continuous dividend payments with a target **DOE of 2.0%** and the remainder is to be invested in growth.





Of **ESG**, the Company conducted **activities related to the environment and society**.

It will also continue making various studies, including considering measures to **reduce CO<sub>2</sub> emissions** and **strengthen governance**.

## — Donation of photographed goods —

November 2024

Donated furniture used for a photo shoot to welfare facilities in Fukuoka Prefecture.



## Release of sustainable products that can be used on a daily basis and for a long time

October 2024

Released a durable and compact eco-bag.



October 2024

Released a tough sponge that does not easily sag.





# 2

## Report on LOWYA Business



In 2Q of the previous fiscal year, the Company changed its policy to focus on profit and optimized promotion expenses and advertising expenses. As a result, net sales were **10,973 million yen (YoY 95.5%)**. **Membership of the flagship store and the number of engagement accounts** grew steadily.

Since October 2024, the Company has opened **three** new actual stores, making for **a total of eight** in operation.

## Net sales

**10,973** million yenYoY **95.5%**

## Number of actual stores

**8** storesChange from  
the previous  
fiscal year-end  
**+5 stores**Number of customers<sup>\*1</sup>**556** thousandYoY **90.3%**Average basket value<sup>\*1, 2</sup>**21,054** yenYoY **108.5%**Flagship store  
membership<sup>\*3</sup>**1,778** thousandYoY **115.1%**Number of app DLs<sup>\*3</sup>**1,680** thousandYoY **161.5%**Number of products<sup>\*3</sup>**1,844**YoY **43.8%**Number of engagement  
accounts<sup>\*3, 4</sup>**1,937** thousandYoY **155.2%**

\*1. Retroactively adjusted due to change in calculation method (addition of actual stores) in the second quarter

\*2. Calculated by dividing GMV of orders by the number of orders received

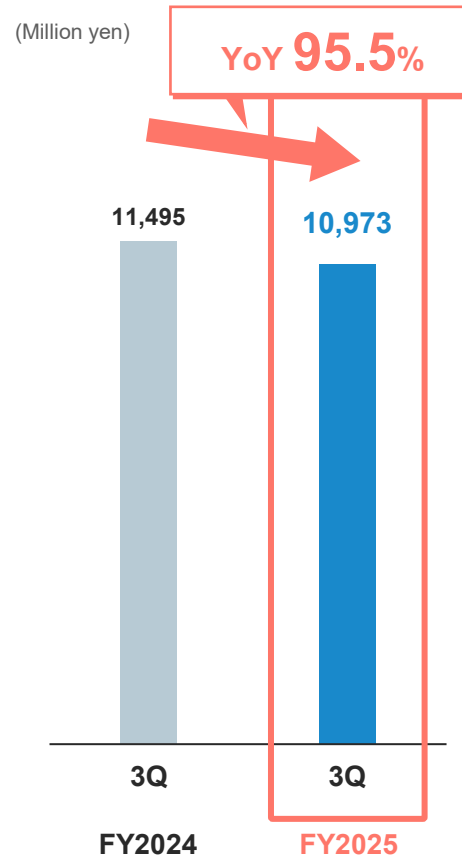
\*3. As of December 31, 2024

\*4. Total number of Instagram, TikTok, X, Lemon8, and Threads followers, YouTube subscribers, and THE 608 HOTEL accounts. Threads has been in operation since November 2024.

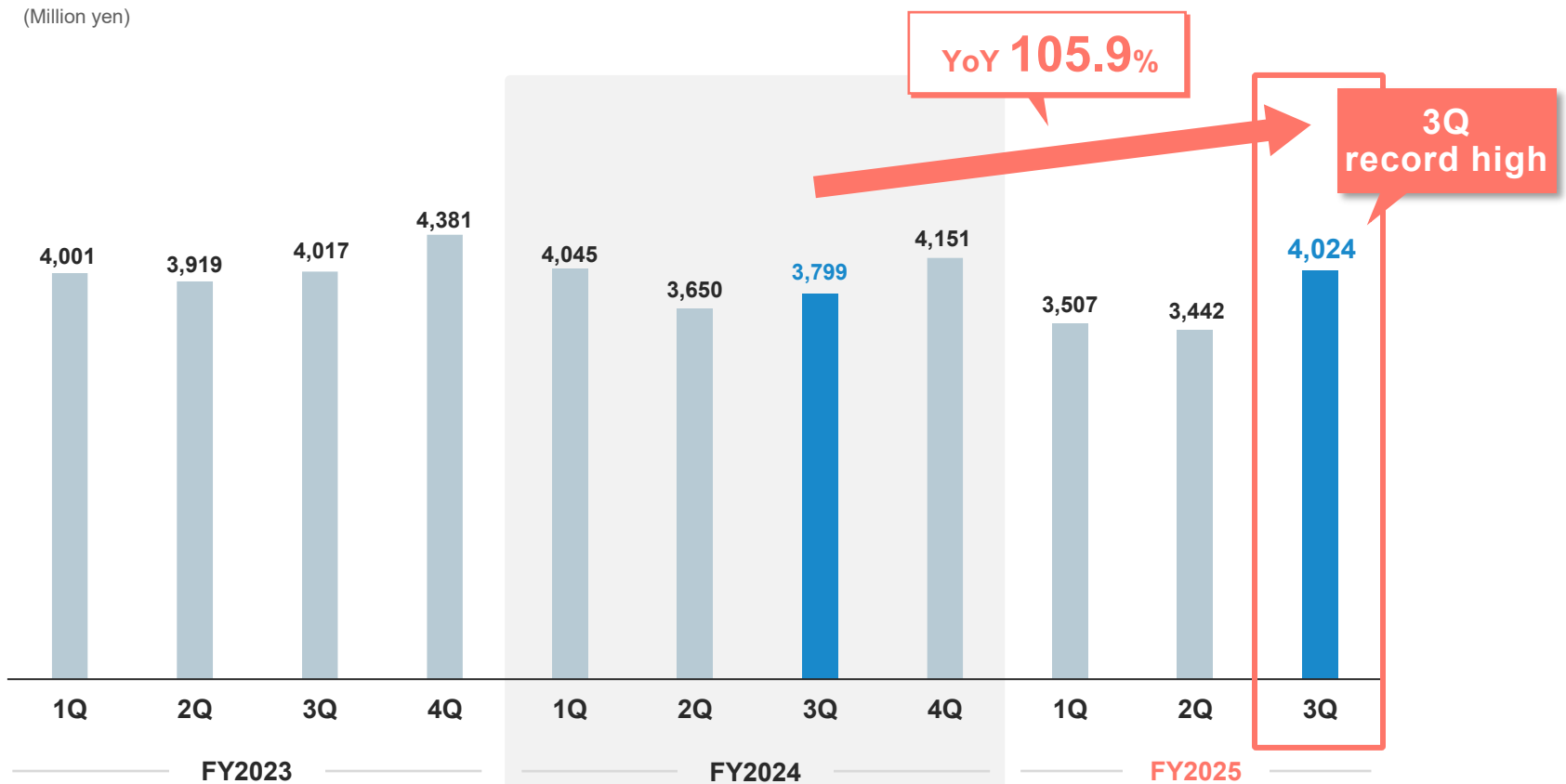


As a result of the Company's efforts to open actual stores and profit-oriented measures, net sales were **10,973 million yen (YoY 95.5%)** for the first nine months, and **4,024 million yen (YoY 105.9%)** for 3Q. **Record high in 3Q.**

## First nine months



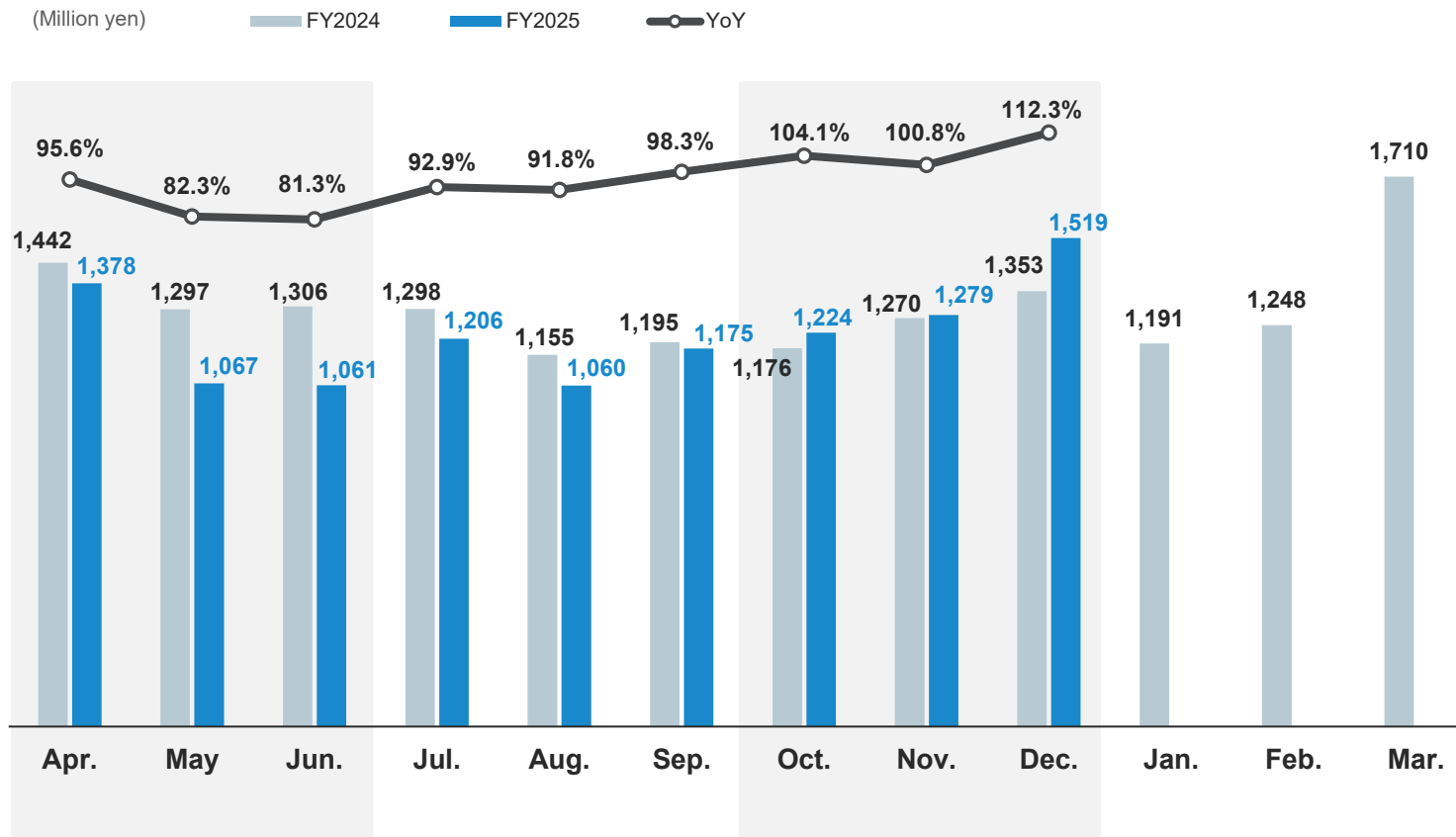
## Quarterly



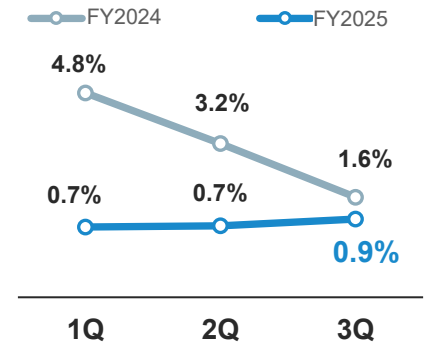


In 3Q, the YoY rate exceeded 100% in all months.  
It was particularly strong, up **112.3% YoY, in December.**

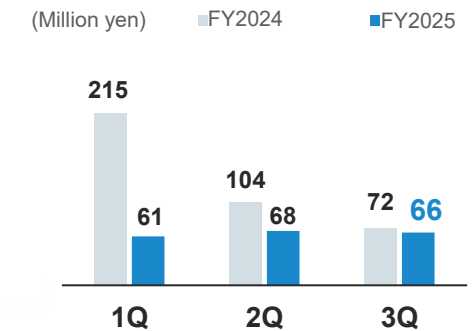
### Net sales (monthly)



### Promotion expense ratio



### Advertising expenses

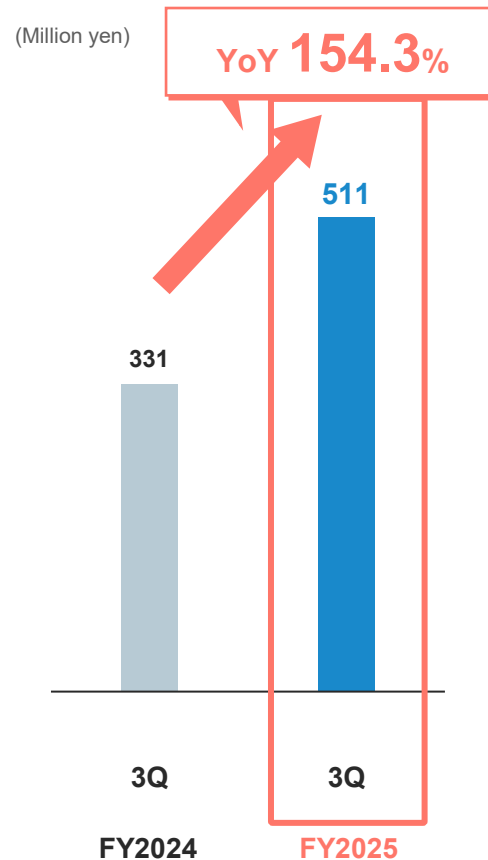




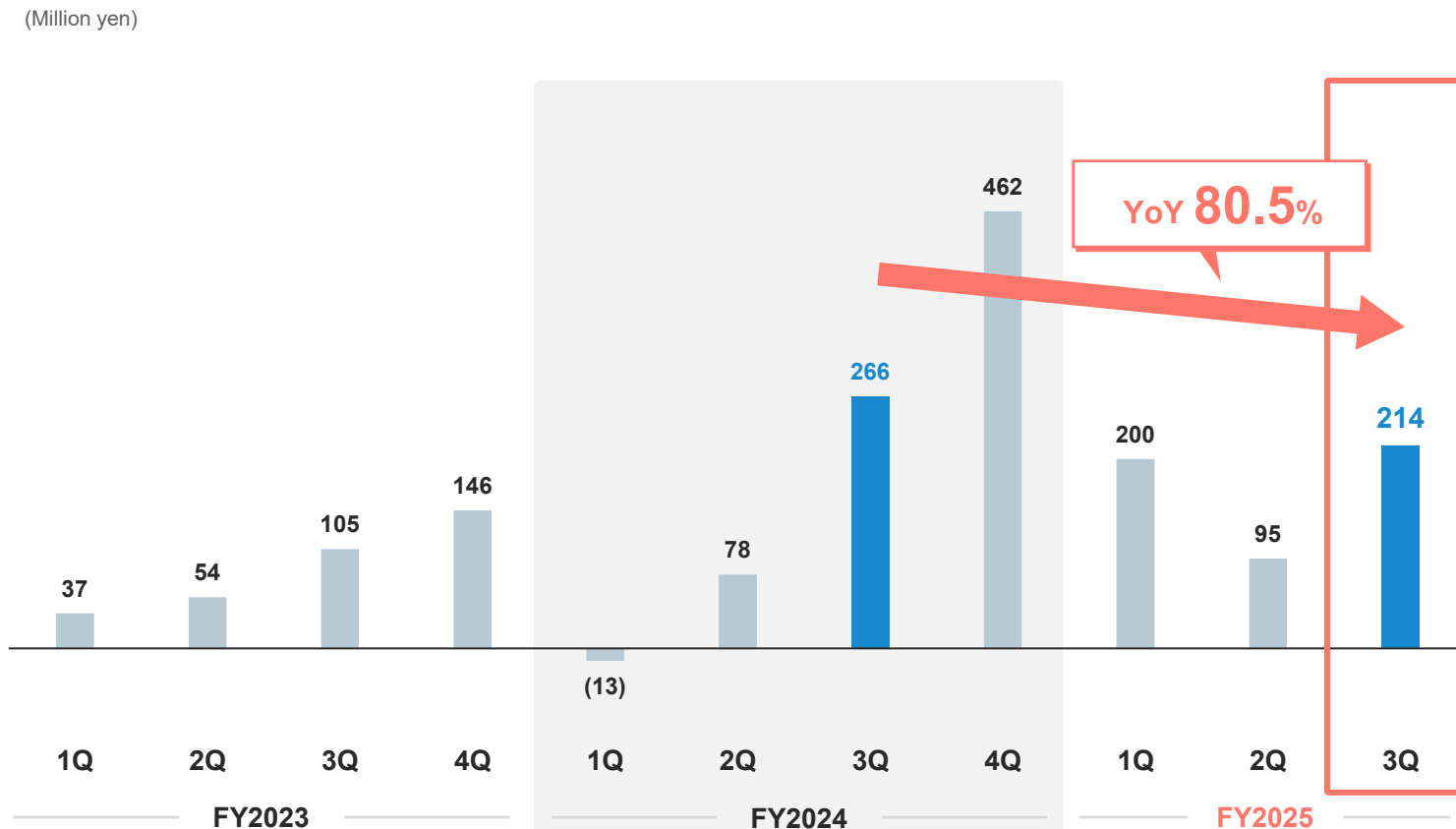
Operating profit was **511 million yen (YoY 154.3%)** for the first nine months.

In addition, opening actual stores, relocating the warehouse, and preparing to replace the core system resulted in 3Q operating profit of **214 million yen (YoY 80.5%)**.

### First nine months



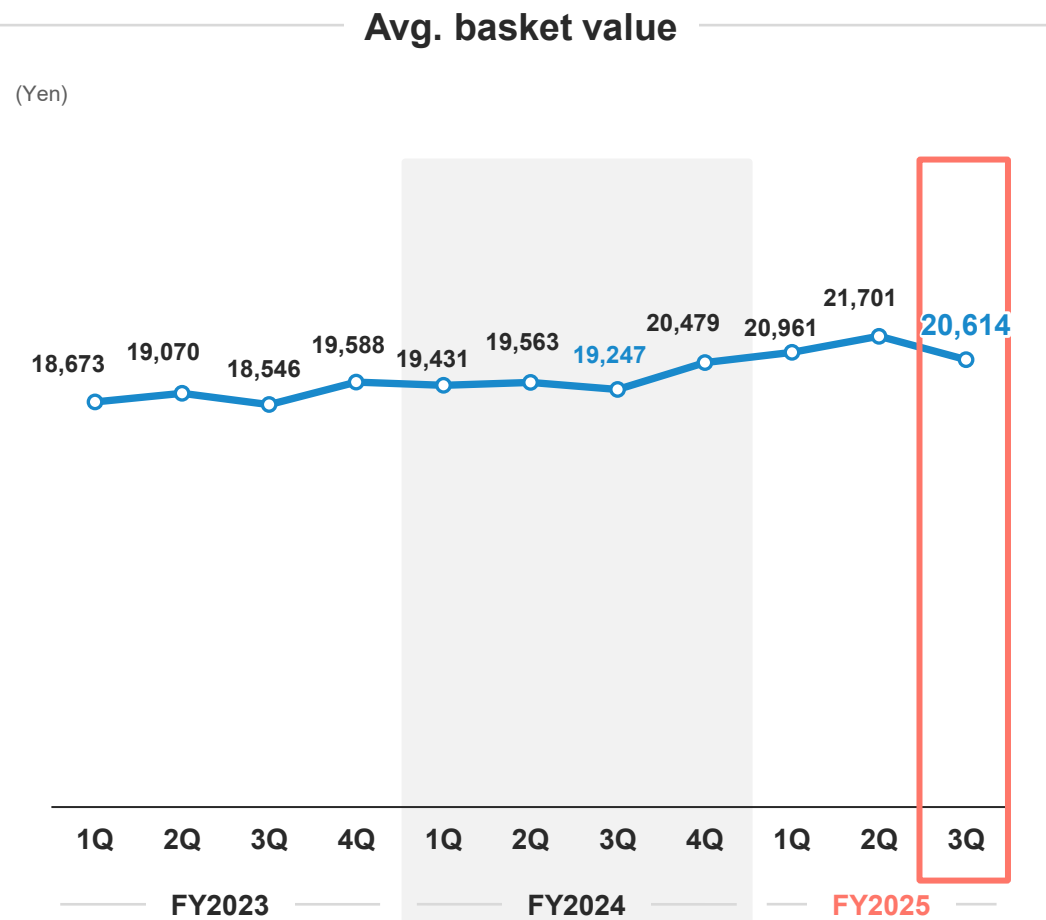
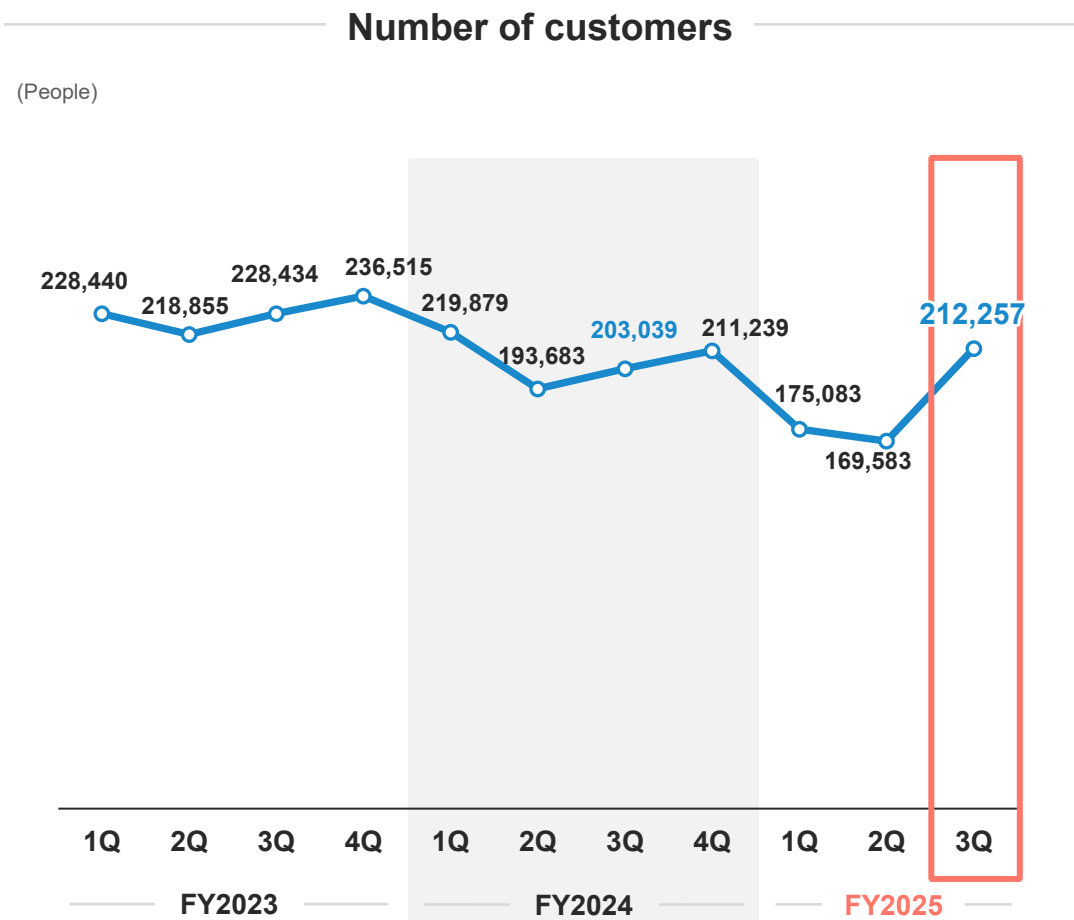
### Quarterly





The number of customers increased from the same quarter of the previous year due to an increase in the number of actual stores.

In addition, average basket value remained stable.



\*1. Average basket value is calculated by dividing GMV of orders from e-commerce and actual stores by the number of orders received.

\*2. The figures have been retroactively adjusted due to a change in the calculation method for the number of customers and average basket value in the second quarter (addition of actual stores).

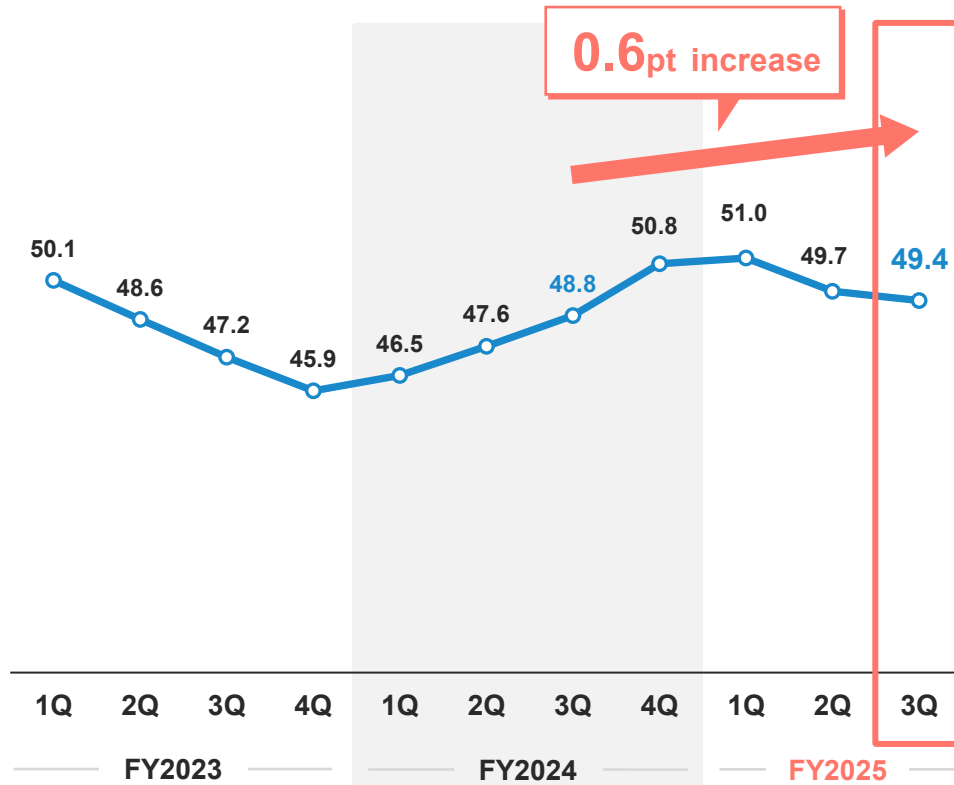




Despite the impact of exchange rate fluctuations, gross profit margin ratio was 49.4% (up 0.6 pt YoY) due to the reduction of promotion expenses and the effect of price pass-throughs.

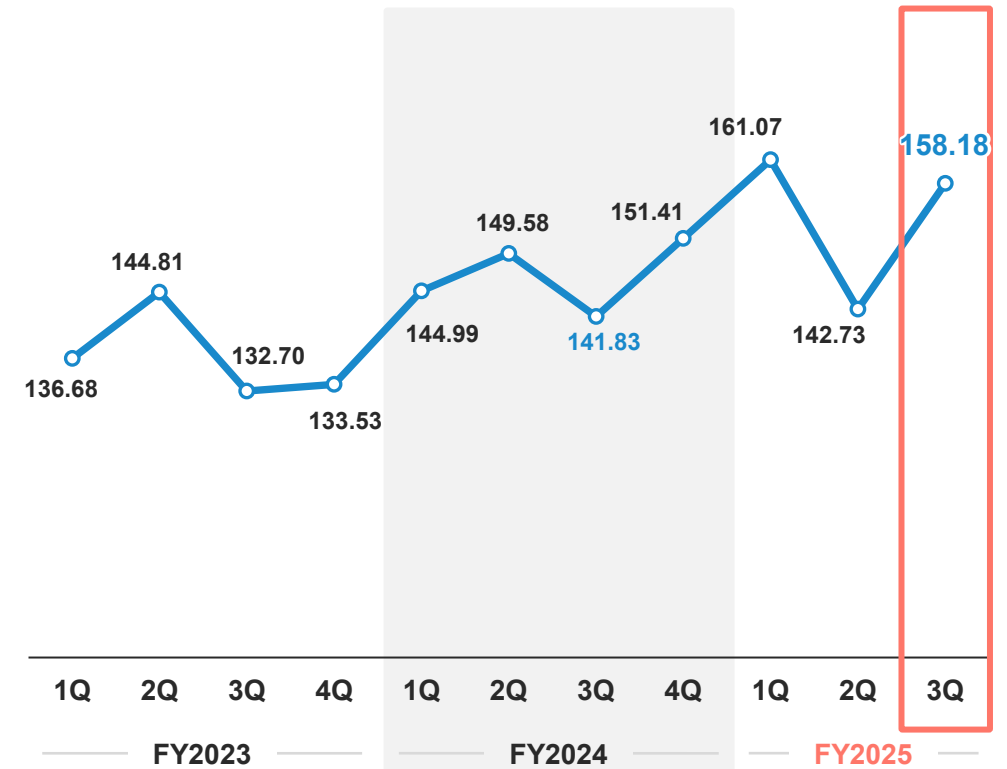
Gross profit margin ratio

(%)



Exchange rate

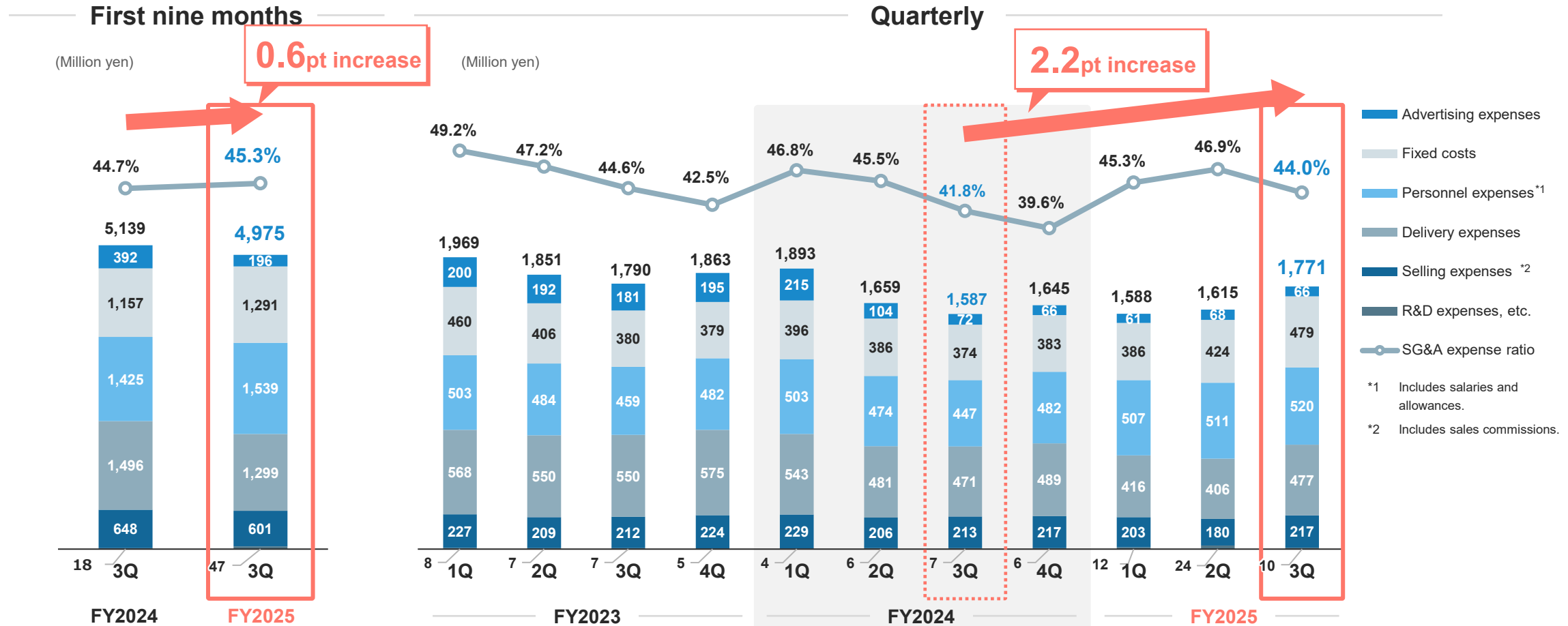
(Yen/USD)



\* The exchange rate is the rate at the end of the quarter.



SG&A expense ratio was **45.3%** (up 0.6 pt YoY) for the first nine months, and **44.0%** (up 2.2 pt YoY) for 3Q from the effect of cost increase due to opening actual stores, relocating the warehouse, and preparing to replace the core system.



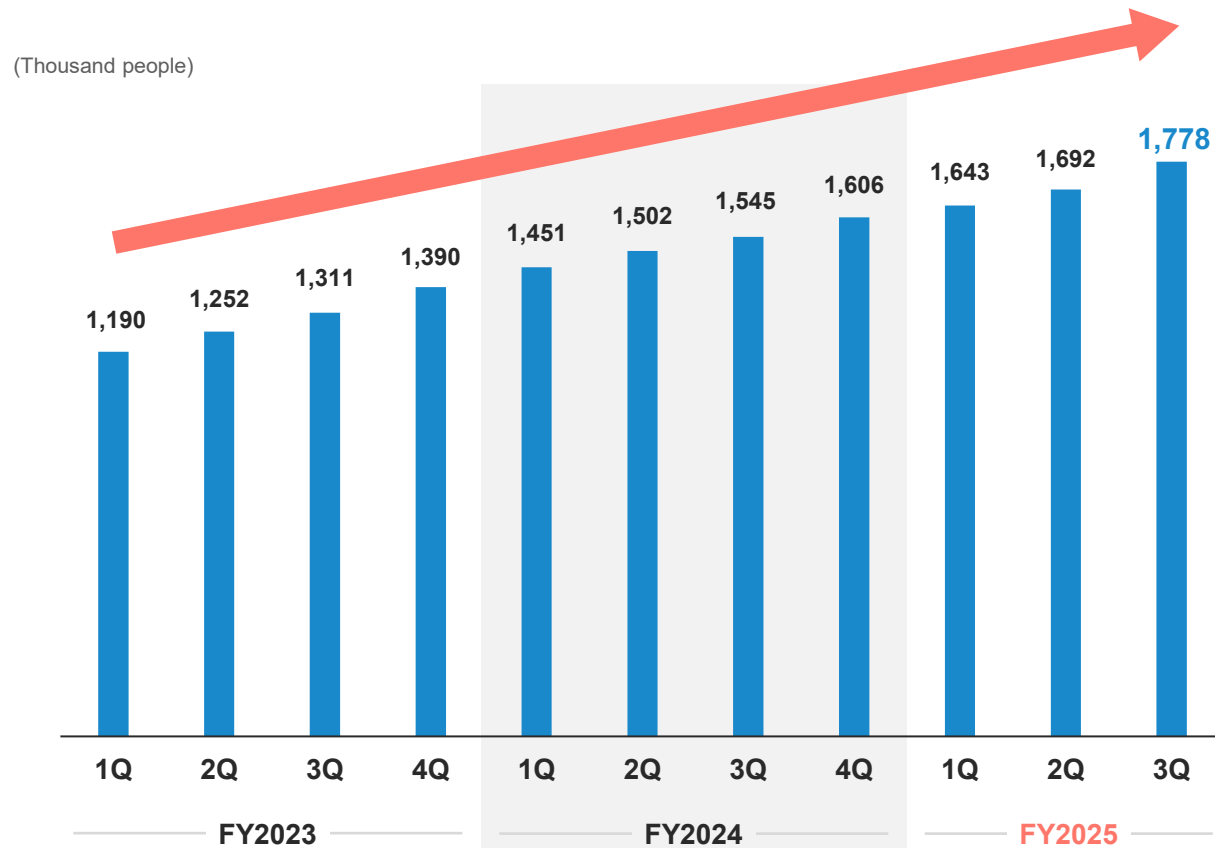
\* Revenue related to the DOKODEMO business and to research and development expenses is excluded from net sales used as the basis for calculating the SG&A expense ratio, and therefore this data does not match the SG&A expense ratio on the statement of income.

\* Promotion expenses, which were included in selling expenses, are included in advertising expenses from the fiscal year ending March 31, 2024. As such, the figures for the fiscal year ended March 31, 2023, have been retrospectively adjusted.

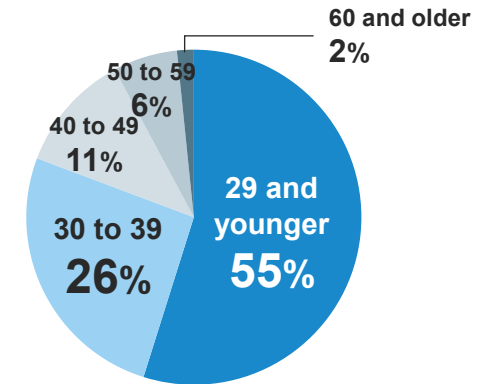


Membership of the flagship store is steadily increasing, with strong support from people in their 20s and 30s.

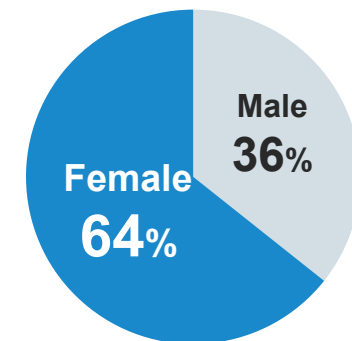
Trend in membership of flagship store



Age distribution



Ratio of male vs. female



\* Membership is all members registered at the flagship store.

\* Age distribution and ratio of male vs. female are data of members who answered they had made purchases at the flagship store in the past 12 months from the most recent quarter.



Release products with a focus on **our own private brand products** that are design- and trend-conscious and **pursue affordable prices** with cost competitiveness.

### Furniture



**Round dining table set**  
from 109,970 yen (tax included)



**Sofa set with side table**  
from 129,000 yen (tax included)



**Wood-grain kitchen board**  
from 109,990 yen (tax included)

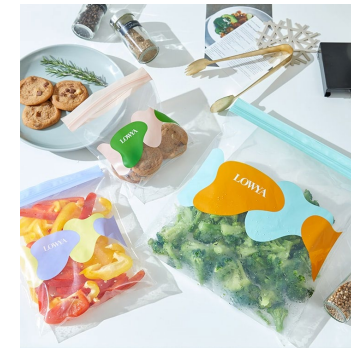


**Foldable dresser wagon**  
15,990 yen (tax included)

### Other



**Rotatable ceiling light**  
19,990 yen (tax included)



**Double zipper freezer bags [S/M/L]**  
from 290 yen (tax included)

\*All sales prices listed here are current as of January 2025, and therefore may differ from current selling prices.



The internally developed official app and operation of social media function as the key to attracting customers. **1.68 million smartphone app** downloads, and more than **1.13 million Instagram** followers. They are steadily increasing.

Sizes of engagement channels that deliver a unique brand image to a wide range of users (as of December 31, 2024)



Smartphone app

**1,680,000**

downloads (cumulative)



Instagram

**1,130,000**

followers



TikTok

**340,000**

followers



YouTube

**170,000**

channel subscribers

LOWYA official app



LOWYA official social media accounts

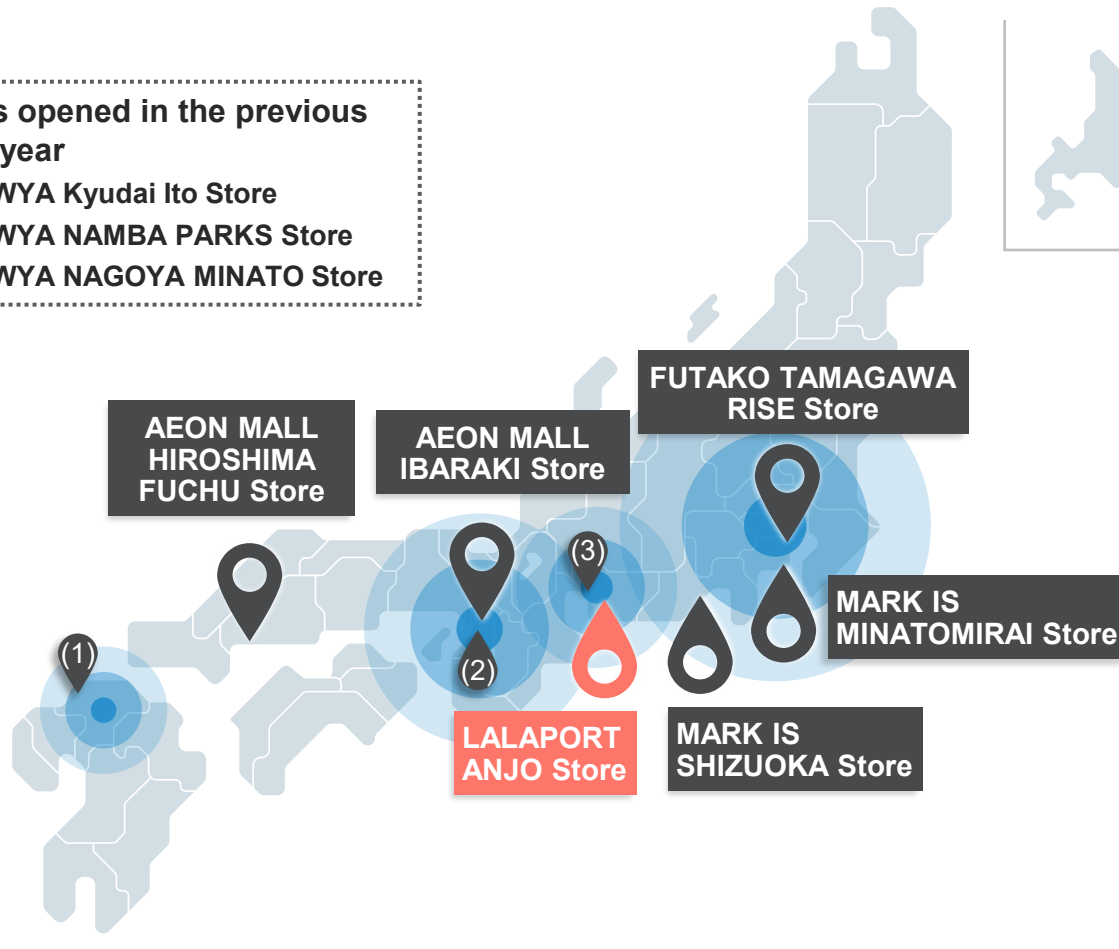




The Company has already opened a total of eight stores, with the opening of stores in **Hiroshima** in October 2024, and **Osaka (Ibaraki)** and **Shizuoka** in November 2024. It also plans to open a store in **Aichi (Anjo)** in April 2025.

**Stores opened in the previous fiscal year**

- (1) LOWYA Kyudai Ito Store
- (2) LOWYA NAMBA PARKS Store
- (3) LOWYA NAGOYA MINATO Store



Already opened

<b>Store name</b>	: LOWYA MARK IS MINATOMIRAI Store
<b>Opening date</b>	: August 10, 2024
<b>Store location</b>	: MARK IS Minatomirai (Nishi Ward, Yokohama City, Kanagawa Prefecture)
<b>Store name</b>	: LOWYA FUTAKO TAMAGAWA RISE Store
<b>Opening date</b>	: September 14, 2024
<b>Store location</b>	: Futako Tamagawa Rise Shopping Center Town front (Setagaya Ward, Tokyo)
<b>Store name</b>	: LOWYA AEON MALL HIROSHIMA FUCHU Store
<b>Opening date</b>	: October 5, 2024
<b>Store location</b>	: AEON MALL Hiroshima Fuchu (Aki District, Hiroshima Prefecture)
<b>Store name</b>	: LOWYA AEON MALL IBARAKI Store
<b>Opening date</b>	: November 2, 2024
<b>Store location</b>	: AEON MALL Ibaraki (Ibaraki City, Osaka Prefecture)
<b>Store name</b>	: LOWYA MARK IS SHIZUOKA Store
<b>Opening date</b>	: November 30, 2024
<b>Store location</b>	: MARK IS Shizuoka (Shizuoka City, Shizuoka Prefecture)

Scheduled to open

<b>Store name</b>	: LOWYA LALAPORT ANJO Store (tentative name)
<b>Opening date</b>	: April 2025 (scheduled)
<b>Store location</b>	: Mitsui Shopping Park LaLaport ANJO (Anjo City, Aichi Prefecture)





The Company opened one store in October 2024 and two stores in November 2024.

During the fiscal year under review, the Company opened five stores out of a target of four to six store openings.

**Actual store No. 6**  
**(LOWYAEON MALL HIROSHIMA FUCHU Store)**

**October 2024**

Opened at AEON MALL Hiroshima Fuchu,  
Aki District, Hiroshima Prefecture.



**Actual store No. 7**  
**(LOWYA AEON MALL IBARAKI Store)**

**November 2024**

Opened at AEON MALL Ibaraki,  
Ibaraki City, Osaka Prefecture.



**Actual store No. 8**  
**(LOWYA MARK IS SHIZUOKA Store)**

**November 2024**

Opened at MARK IS Shizuoka,  
Shizuoka City, Shizuoka Prefecture.





The Company launched **Oku ROOM®**, an in-house developed 3D furniture placement simulation app, in November 2024.

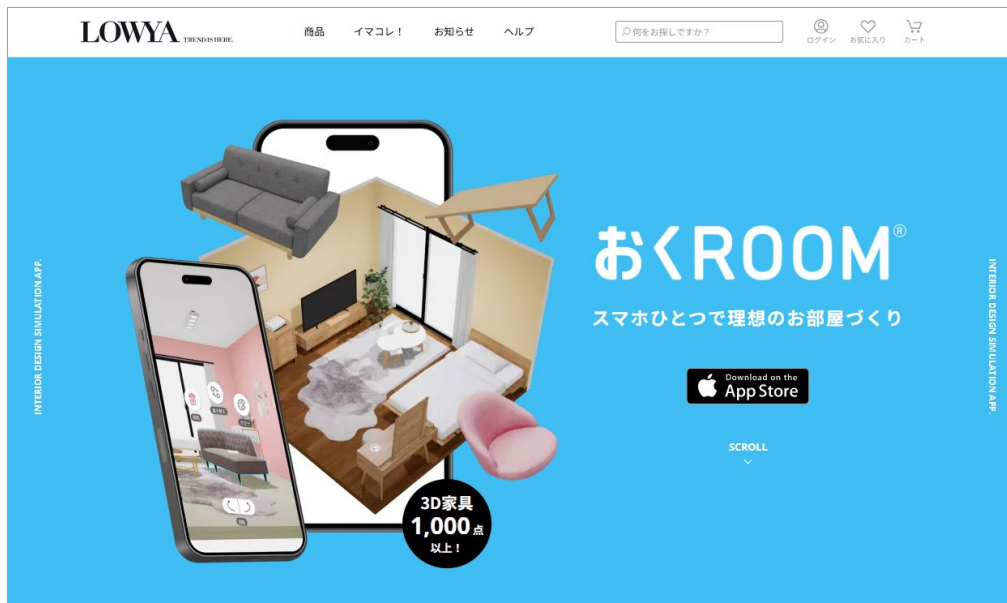
Total downloads exceeded **80,000** by December 2024.

## Create your ideal room with a smartphone. A 3D furniture placement simulation app

Patent pending

No interior design knowledge? No problem! Just enter your room size and budget to automatically generate unlimited rooms tailored to your style!

Experience the room coordination prepared by professionals in 3D environments!



### Point

- Free of charge
- Easy operation
- AI automatic coordination generation function is available
- You can refer to coordination prepared by professionals
- You can purchase all furniture through the official LOWYA app





# 3

## Report on DOKODEMO Business



The Company **optimized promotion expenses** and **advertising expenses** as part of efforts to improve profits. It resulted in GMV of **1,688 million yen (YoY 81.4%)** and net sales of **263 million yen (YoY 83.4%)**.

**Membership** and **the number of app DLs** remained **steady**.

## GMV\*1

**1,688** million yenYoY **81.4%**

## Net sales

**263** million yenYoY **83.4%**

## Membership\*2

**1,146** thousandYoY **107.8%**

## Number of app DLs\*2

**1,653** thousandYoY **107.4%**

## Avg. basket value

**12,210** yenYoY **93.5%**

## Number of brands\*2

**1,289**YoY **101.9%**

## Number of products\*2

**46,954**YoY **102.3%**

## Deliveries\*2, 3

**122** countriesYoY **101.7%**

\*1. Gross Merchandise Value

\*2. As of December 31, 2024

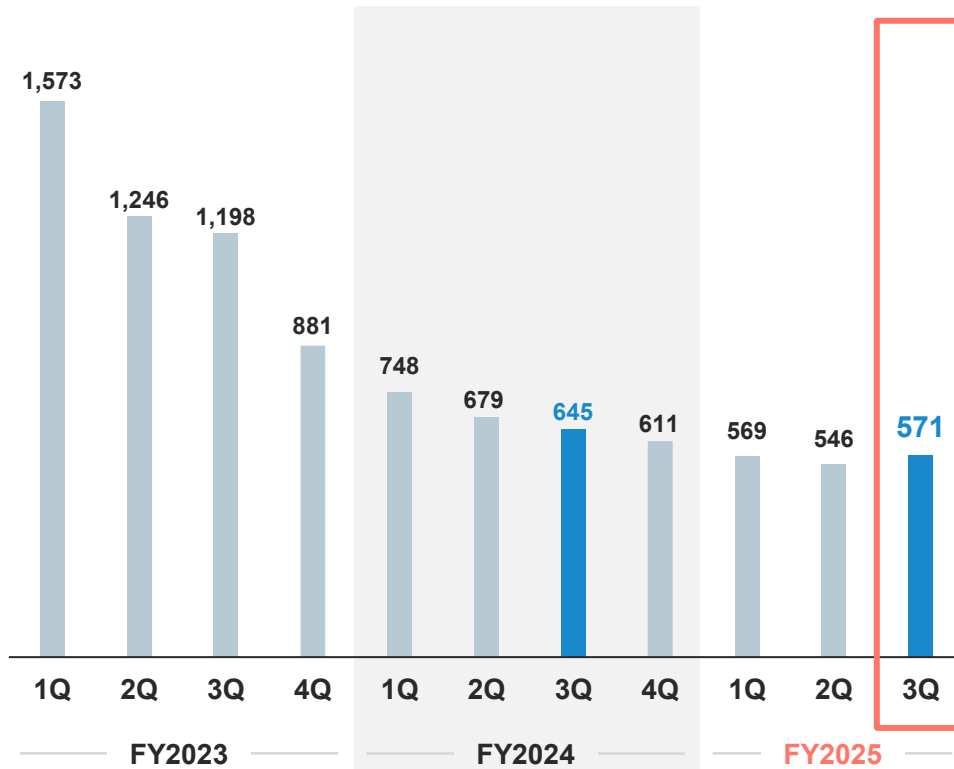
\*3. Number of countries and regions to which deliveries were made (cumulative)



The Company reviewed measures to attract customers and **optimized promotion expenses and advertising expenses** in an effort to improve profitability. As a result, GMV was **571 million yen**, and the business balance was a **loss of 2 million yen**.

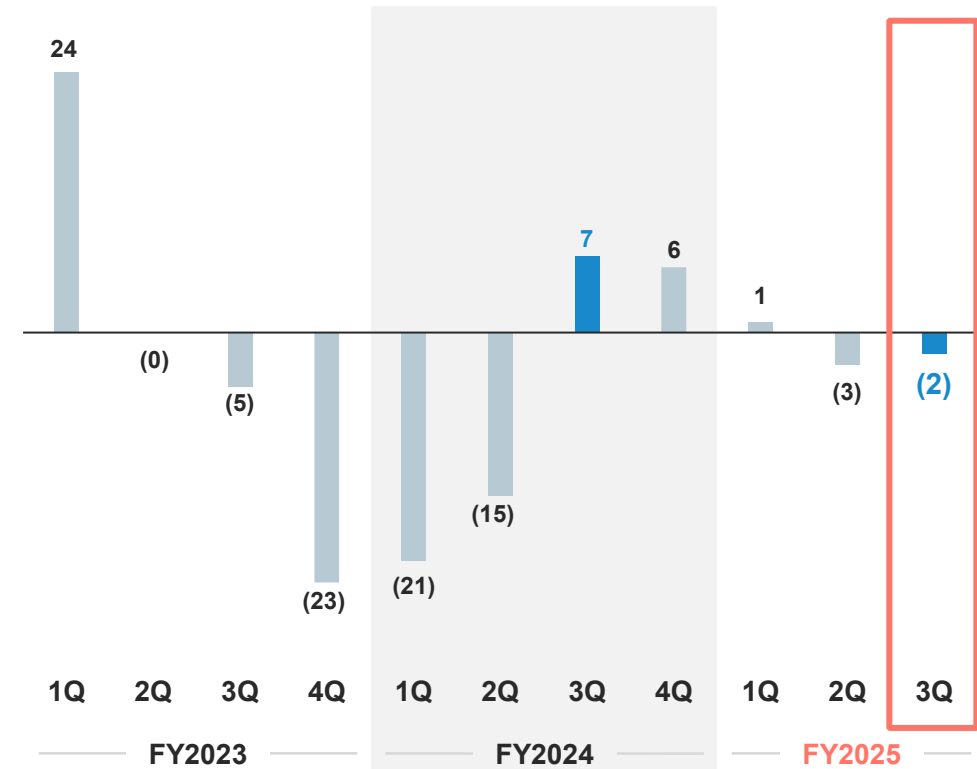
### GMV

(Million yen)



### Net Business Income

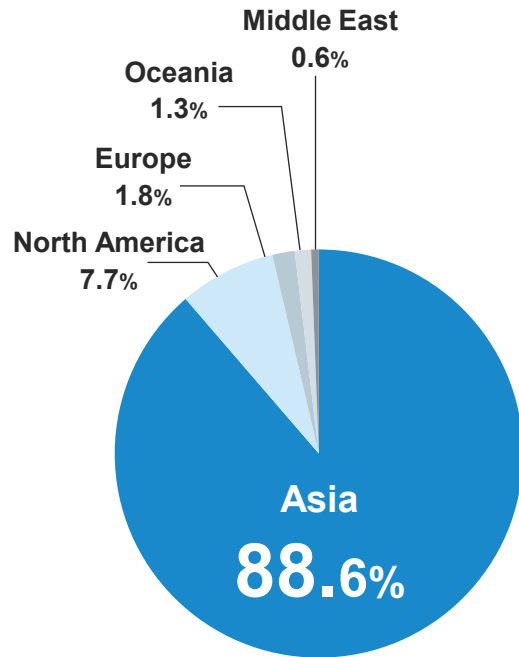
(Million yen)



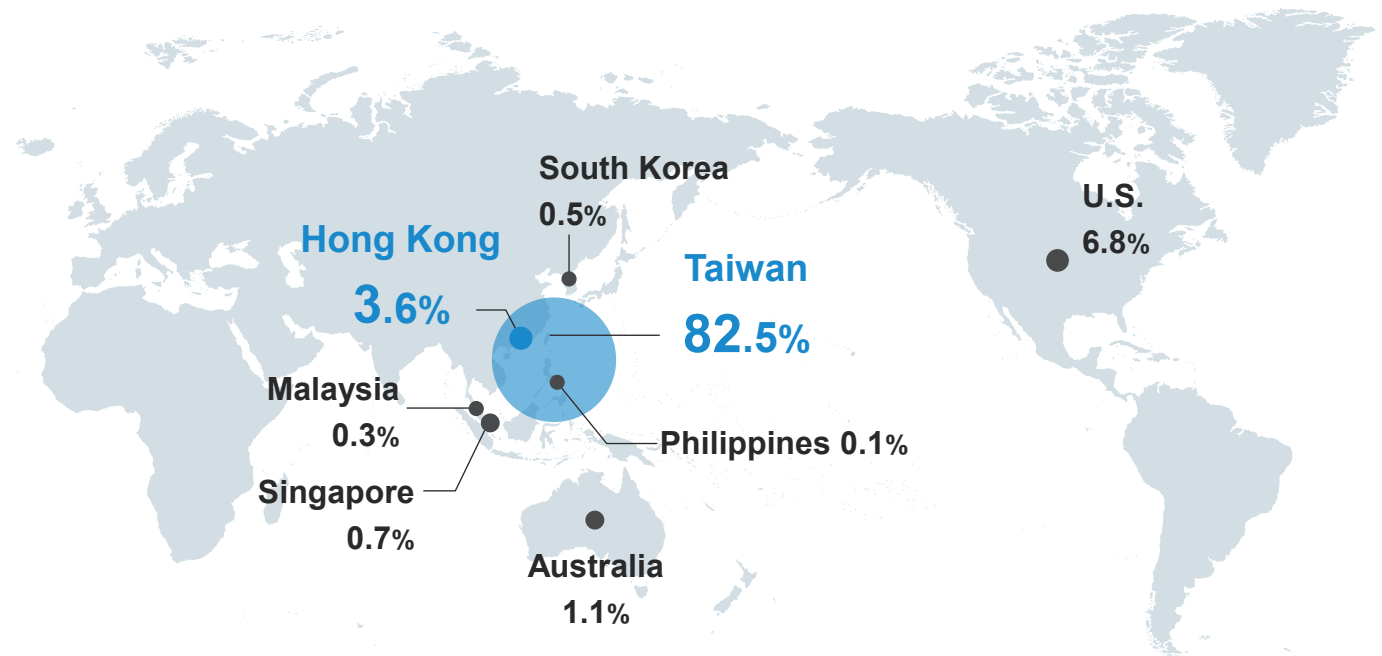


Deliveries to Asia, **mainly Taiwan**, account for **about 90% of GMV**.

By region



By country





# 4

## **Financial Results Forecast for the Fiscal Year Ending March 31, 2025**

# Financial Results Forecast for the Fiscal Year Ending March 31, 2025



Revised forecasts of financial results based on the progress of business performance in the first nine months of the fiscal year.

Nets sales are expected to fall short of the initial plan. Profits are to be down accordingly.

	Fiscal year ended March 31, 2024 Results	Fiscal year ending March 31, 2025 Initial plan	Fiscal year ending March 31, 2025 Revised plan	vs. Initial plan	
				Increased or decreased amount	Ratio of increase or decrease
Net sales (million yen)	16,063	17,000	16,000	(1,000)	94.1%
Operating profit (million yen)	771	1,200	900	(300)	75.0%
Ordinary profit (million yen)	790	1,200	900	(300)	75.0%
Profit (million yen)	394	720	540	(180)	75.0%
Basic earnings per share (yen)	37.82	69.66	52.17	-	-



# 5

## Shareholder Benefits



The following shareholder benefits are offered to shareholders (holding one unit (100 shares) or more) as of March 31, 2025.

To provide many shareholders an opportunity to experience the Company’s products, the Company will present a **discount coupon worth 5,000 yen** that can be used at **LOWYA flagship store** and **directly managed actual stores**.

Fiscal year ended March 31, 2024 (base date: March 31, 2024)

Number of shares held	Details of benefits	
100 shares or more	Everyone	LOWYA 20% discount coupon
	Selection	(1) QUO card worth 1,000 yen
		(2) Donation worth 1,000 yen (Public Interest Incorporated Foundation OISCA “Children’s Forest” Program)



Fiscal year ending March 31, 2025 (base date: March 31, 2025)

Number of shares held	Details of benefits	
100 shares or more	Everyone	LOWYA worth 5,000 yen discount coupon



# IR Inquiries

<https://www.vega-c.com/contact/ir/>

Views and forecasts in this document were prepared based on the judgment of the Company at the time of preparation.

These statements are based on current expectations, forecasts, and assumptions that are subject to risks, and contain uncertainties that could cause actual outcomes to differ materially from these statements.

These risks and uncertainties include general economic conditions in Japan and overseas, namely general industry and market conditions.

The Company shall not bear any future obligation to update or revise the information contained in this document, even in the event of new information, future events, etc.