

For the Fiscal Year Ended March 31, 2025

Full-year Financial Results

Vega corporation Co., Ltd.

Securities code: 3542





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1

Overview of Financial Results for the Fiscal Year Ended March 31, 2025



Net sales declined slightly to **15,935 million yen (YoY 99.2%)**, but operating profit **improved to 926 million yen (YoY 120.1%)**.

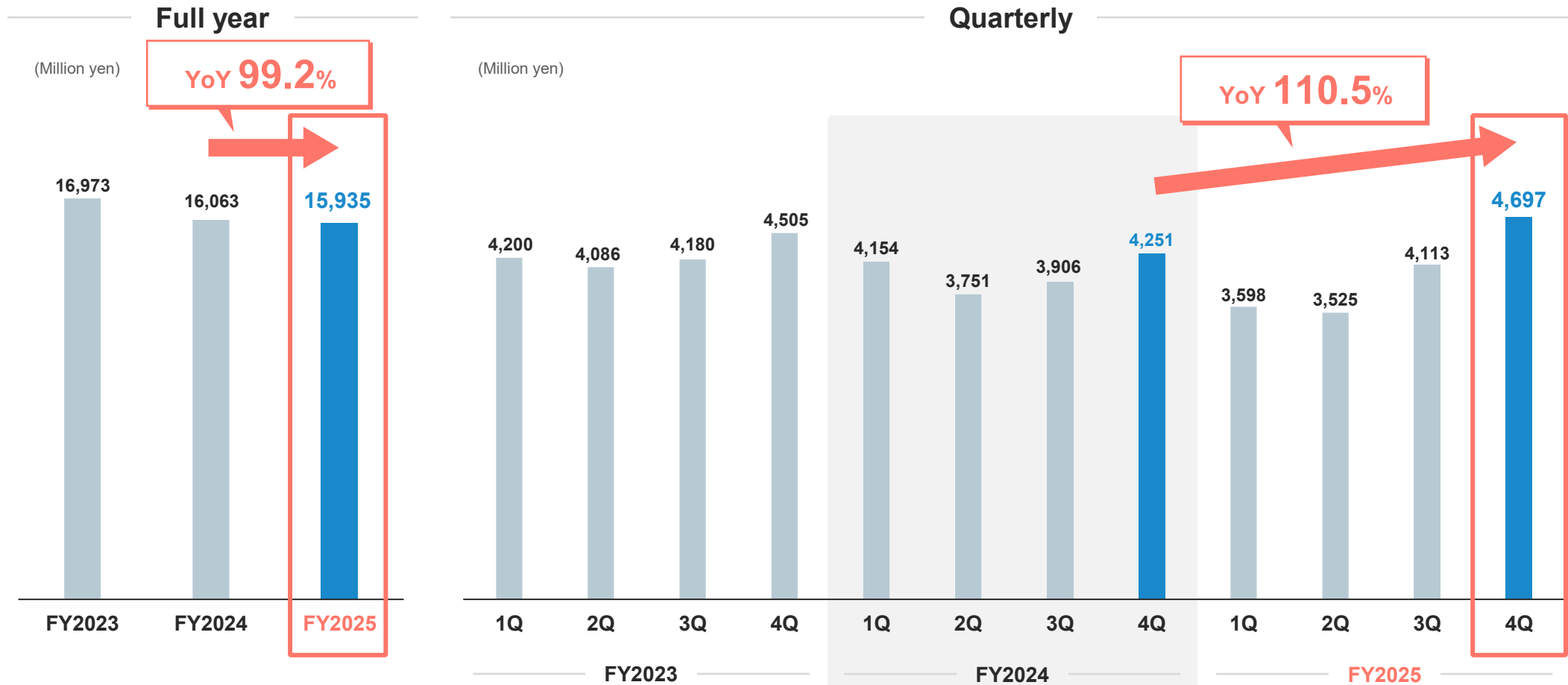
(Million yen)

	Results for the Fiscal Year Ended March 31, 2024	Results for the Fiscal Year Ended March 31, 2025	YoY	Full-Year Plan for the Fiscal Year Ended March 31, 2025	Progression Rate for Fiscal Year Ended March 31, 2025
Net sales	16,063	15,935	99.2%	16,000	99.6%
Gross profit	7,995	8,163	102.1%	—	—
Gross profit margin ratio	49.8%	51.2%	—	—	—
SG&A expenses	7,223	7,236	100.2%	—	—
SG&A expense ratio	45.0%	45.4%	—	—	—
Operating profit	771	926	120.1%	900	103.0%
Operating profit ratio	4.8%	5.8%	—	—	—
Ordinary profit	790	938	118.7%	900	104.2%
Profit	394	591	150.0%	540	109.6%

*Audit procedures pursuant to the Financial Instruments and Exchange Act are in progress as of the date of disclosure of this document.

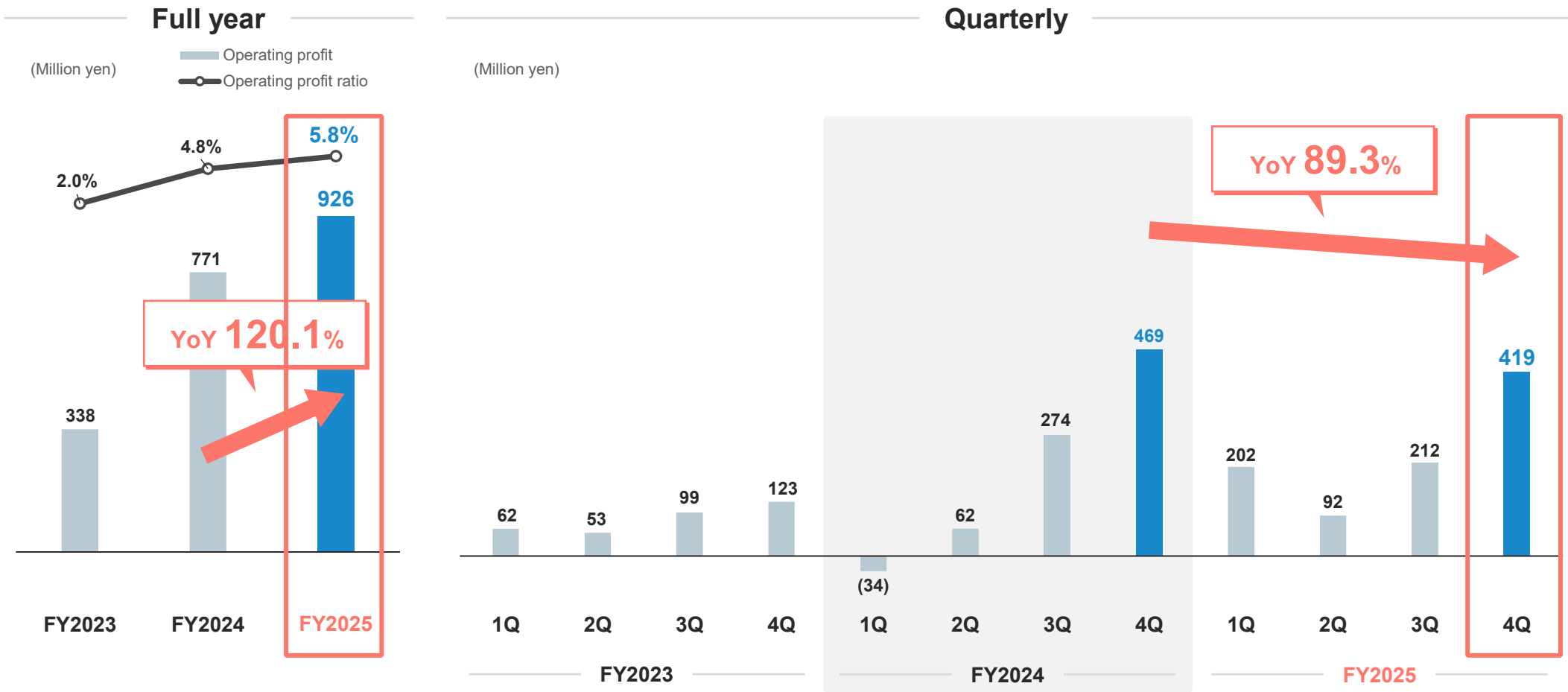


Net sales were **15,935 million yen (YoY 99.2%)** for the full year, and **4,697 million yen (YoY 110.5%)** for 4Q.





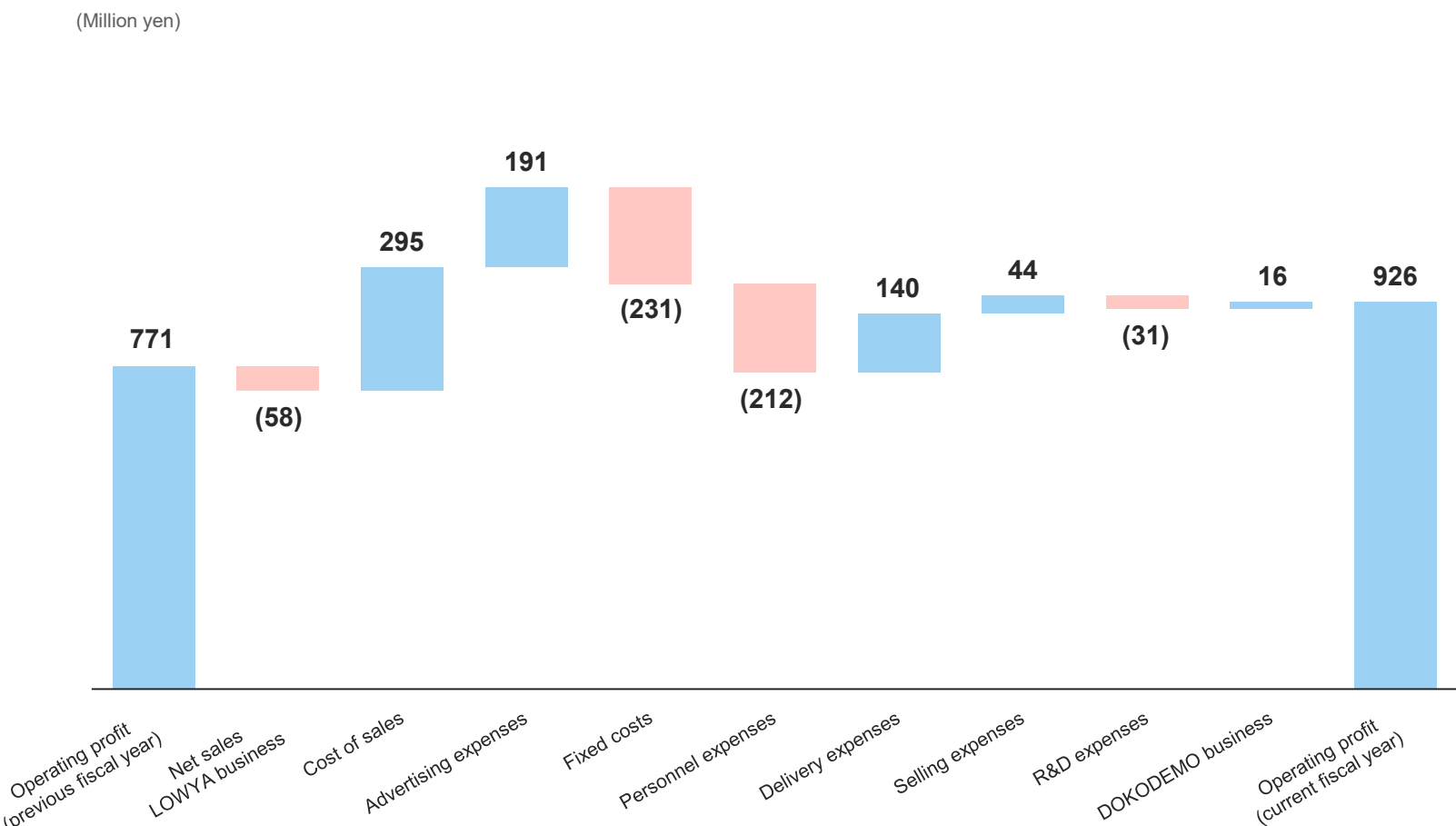
Operating profit was **926 million yen (YoY 120.1%)** for the full year, and **419 million yen (YoY 89.3%)** for 4Q.





Improved revenues compared with the previous year.

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

Increase in selling, general and administrative expenses

- Increase in expenses for core system replacement
- Increase in expenses associated with opening actual stores

* Revenue related to the DOKODEMO 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)

	Previous Fiscal Year (as of March 31, 2024)	Current Fiscal Year (as of March 31, 2025)		Previous Fiscal Year (as of March 31, 2024)	Current Fiscal Year (as of March 31, 2025)
Current assets	6,153	6,611	Current liabilities	1,586	2,000
Cash and deposits	1,750	1,835	Debt obligations	—	—
Accounts receivable - trade	1,739	2,016	Non-current liabilities	56	114
Merchandise	2,110	2,312	Total liabilities	1,643	2,114
Non-current assets	1,056	1,462	Shareholders' equity	5,486	5,945
Property, plant and equipment, and intangible assets	518	694	Total net assets	5,566	5,958
Total assets	7,209	8,073	Total liabilities and net assets	7,209	8,073

* Audit procedures pursuant to the Financial Instruments and Exchange Act are in progress as of the date of disclosure of this document.



Investing cash flow decreased due to capital expenditures for the opening of actual stores. However, operating cash flow increased due to improved profits. As a result, cash and cash equivalents at the end of the period were at **1,922 million yen (+83 million yen YoY)**.

(Million yen)

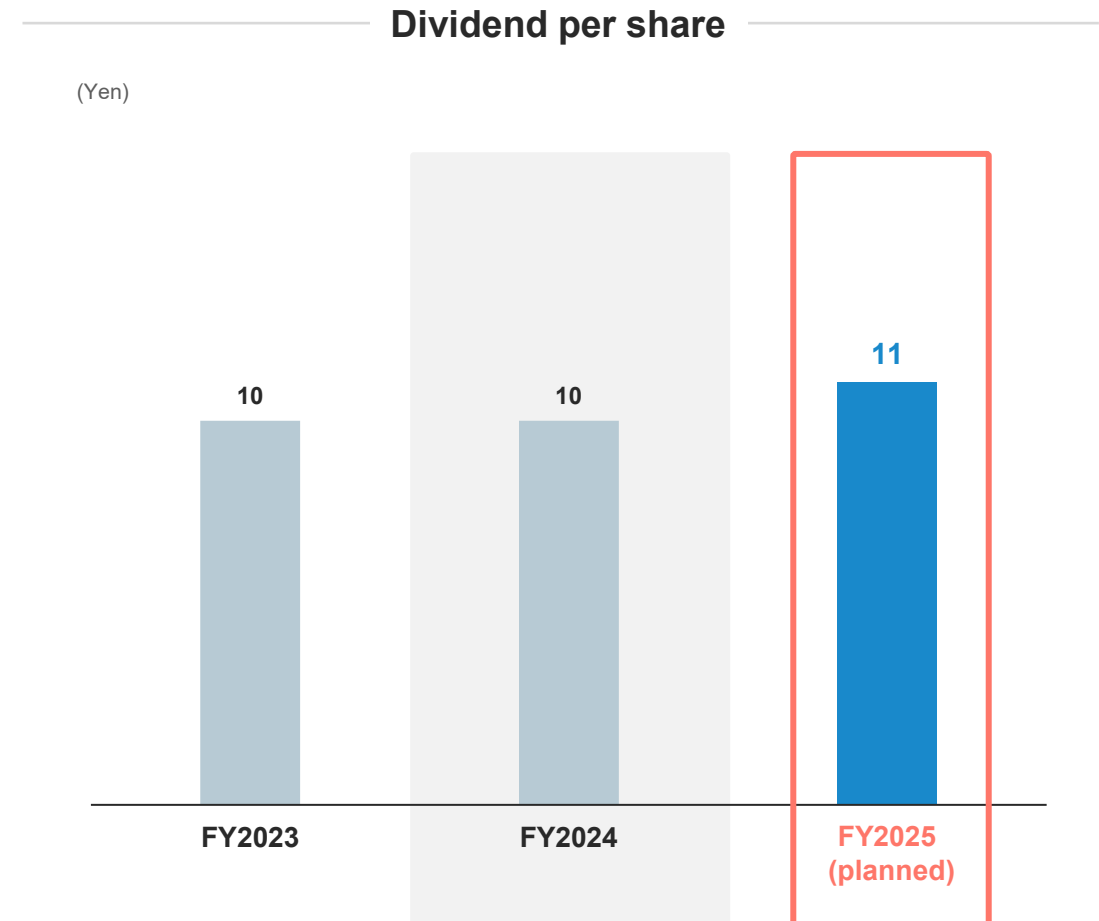
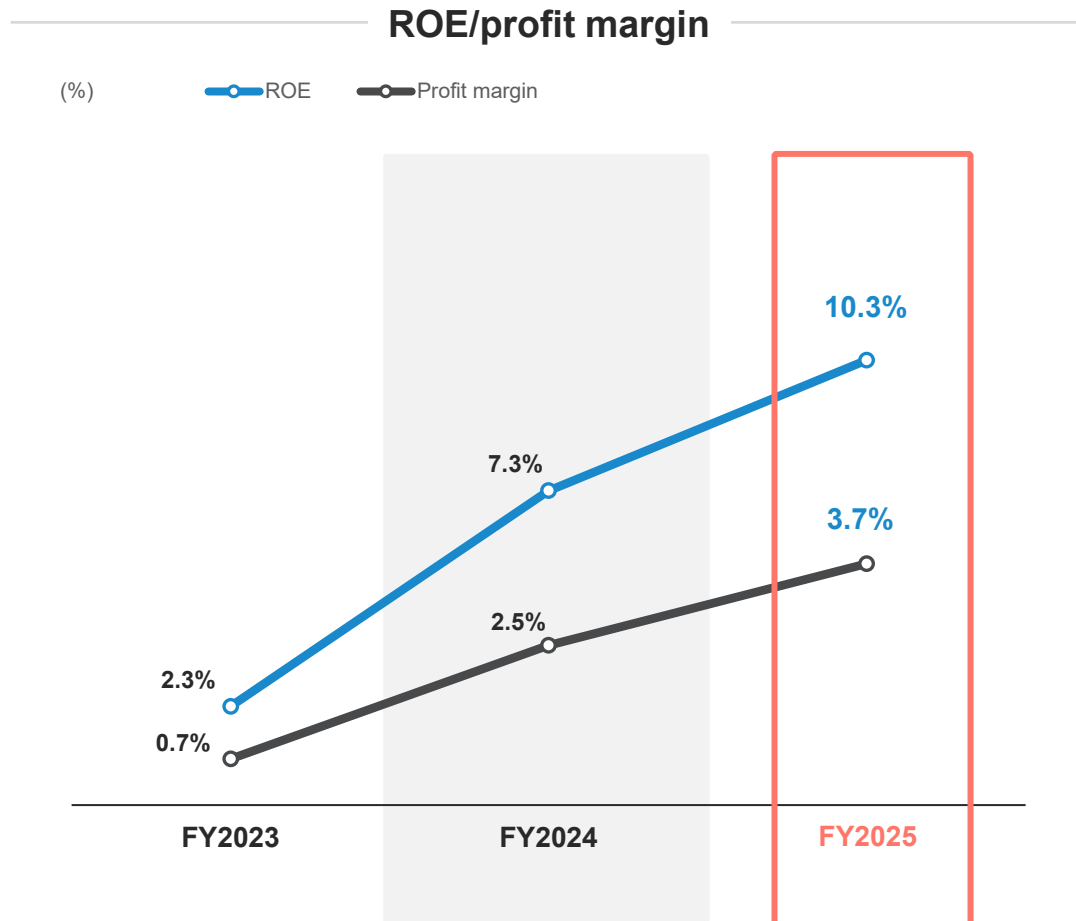
	Previous Fiscal Year (Fiscal Year Ended March 31, 2024)	Current Fiscal Year (Fiscal Year Ended March 31, 2025)	Increase/Decrease	Major Factors in the Current Fiscal Year
Cash flows from operating activities	264	715	+451	Profit before income taxes +938 Depreciation +206 Decrease (increase) in trade receivables (277) Decrease (increase) in inventories (202)
Cash flows from investing activities	(189)	(466)	(276)	Purchase of property, plant and equipment (298) Payments of leasehold and guarantee deposits (154)
Cash flows from financing activities	(234)	(165)	+69	Purchase of treasury shares (73) Dividends paid (104)
Cash and cash equivalents at end of period	1,839	1,922	+83	

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ROE of 10.3% and **profit margin of 3.7%** were achieved for the fiscal year ended March 31, 2025.

The Company plans to pay a dividend of **11 yen** per share. 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 CO₂ emissions** and **strengthen governance**.

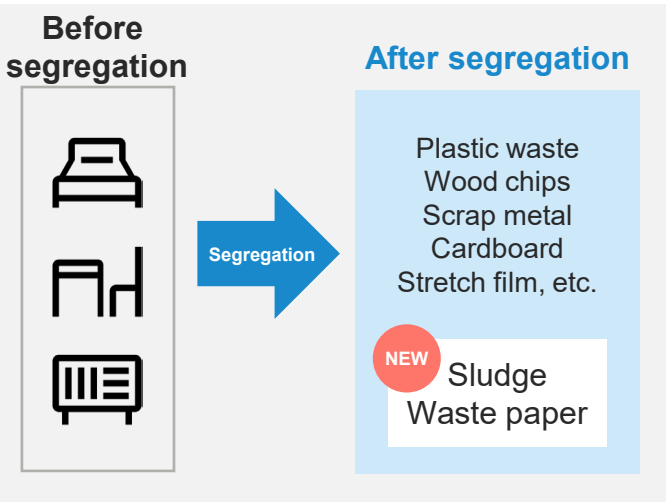
Donation of
photographed goods

February 2025
Donated furniture used for a photo shoot to welfare facilities in Fukuoka Prefecture.



Activities to promote
resource recycling

April 2024 – March 2025
Mixed waste segregation is underway. In FY2025, segregation of sludge and waste paper was newly implemented.



Salary increases

April 2025
Implemented a base-pay increase in line with improved performance.





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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 **15,588 million yen (YoY 99.6%)**. **Membership of the flagship store** and **the number of engagement accounts** grew steadily.

In the fiscal year ended March 31, 2025, the Company opened **five** actual stores, currently making for **a total of eight** in operation.

Net sales

15,588 million yenYoY **99.6%**

Number of actual stores

8 storesYoY **+5** storesNumber of customers^{*1}**774** thousandYoY **93.6%**Average basket value^{*1, 2}**21,625** yenYoY **109.9%**Flagship store membership^{*3}**1,946** thousandYoY **121.2%**Number of app DLs^{*3}**1,767** thousandYoY **117.4%**Number of products^{*3}**1,756**YoY **47.9%**Number of engagement accounts^{*3, 4}**2,088** thousandYoY **146.5%**

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

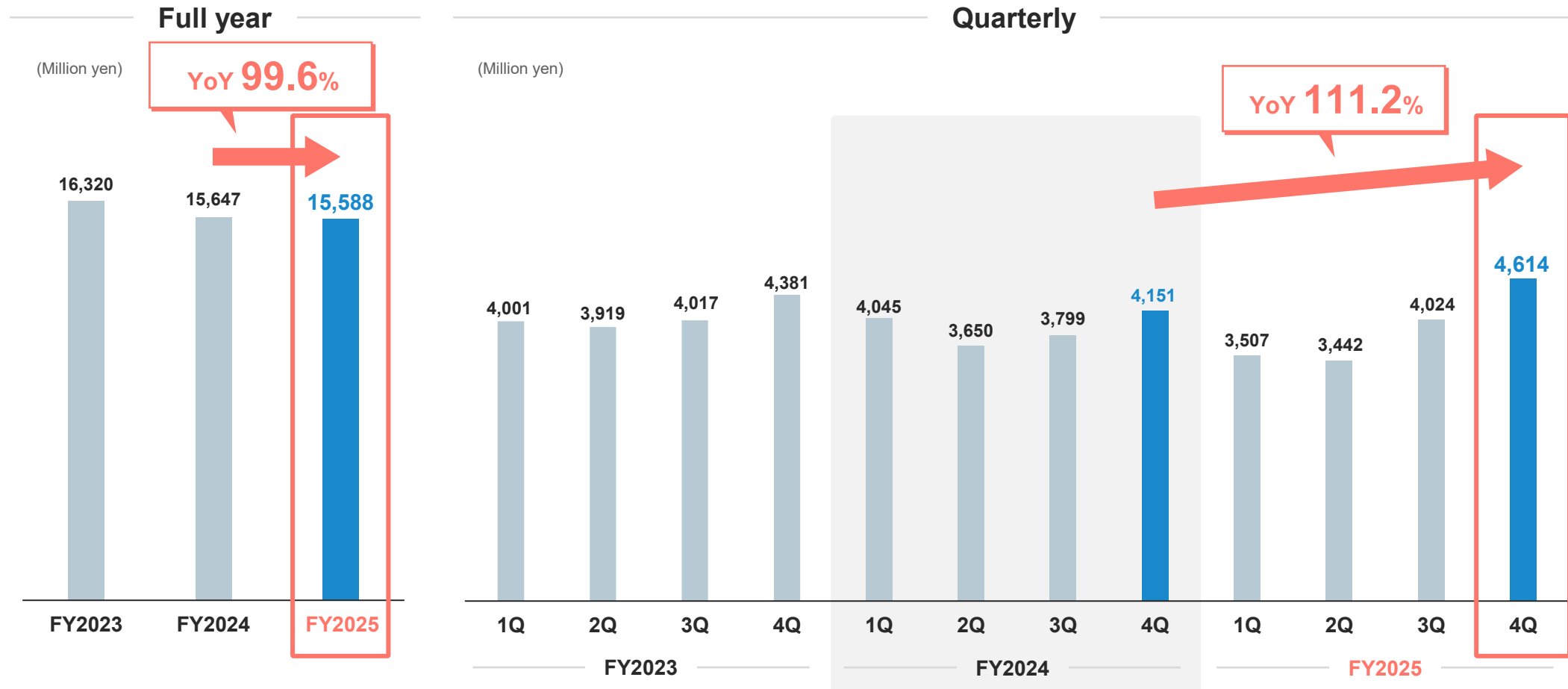
*2. Calculated by dividing GMV of orders by the number of orders received

*3. As of March 31, 2025

*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. THE 608 HOTEL ceased operations at the end of January 2025.¹³



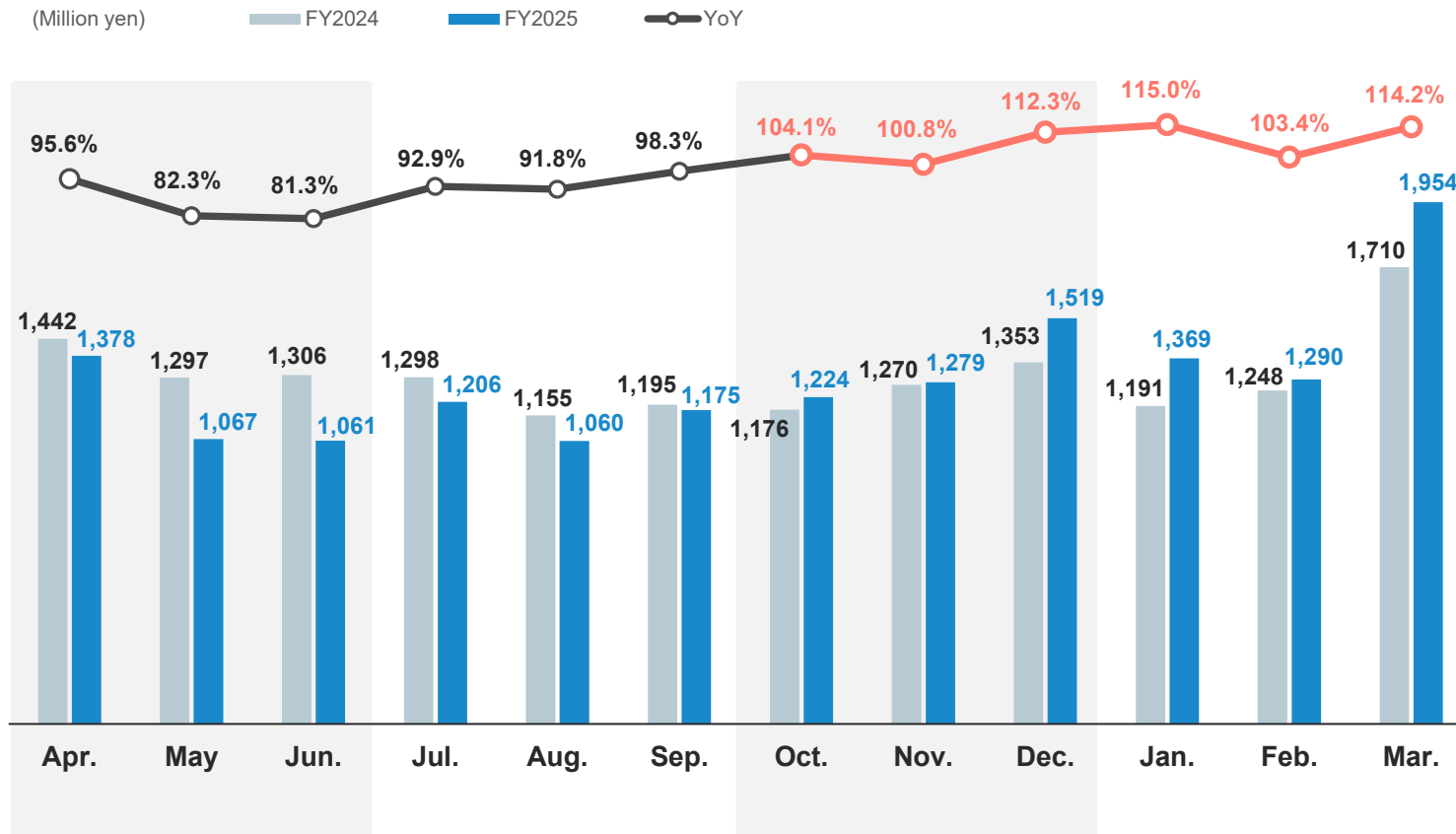
As a result of the Company's efforts to open actual stores and profit-oriented measures, net sales were **15,588 million yen (YoY 99.6%)** for the full year, and **4,614 million yen (YoY 111.2%)** for 4Q.



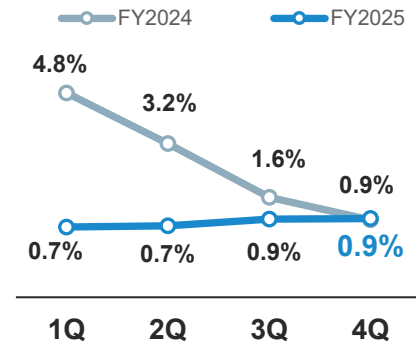


The opening of actual stores based on the OMO strategy progressed steadily, and the benefits of store openings were realized. In the second half of the fiscal year, the **YoY rate exceeded 100% in all months**.

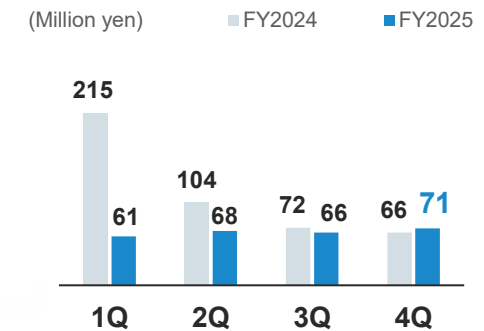
Net sales (monthly)



Promotion expense ratio

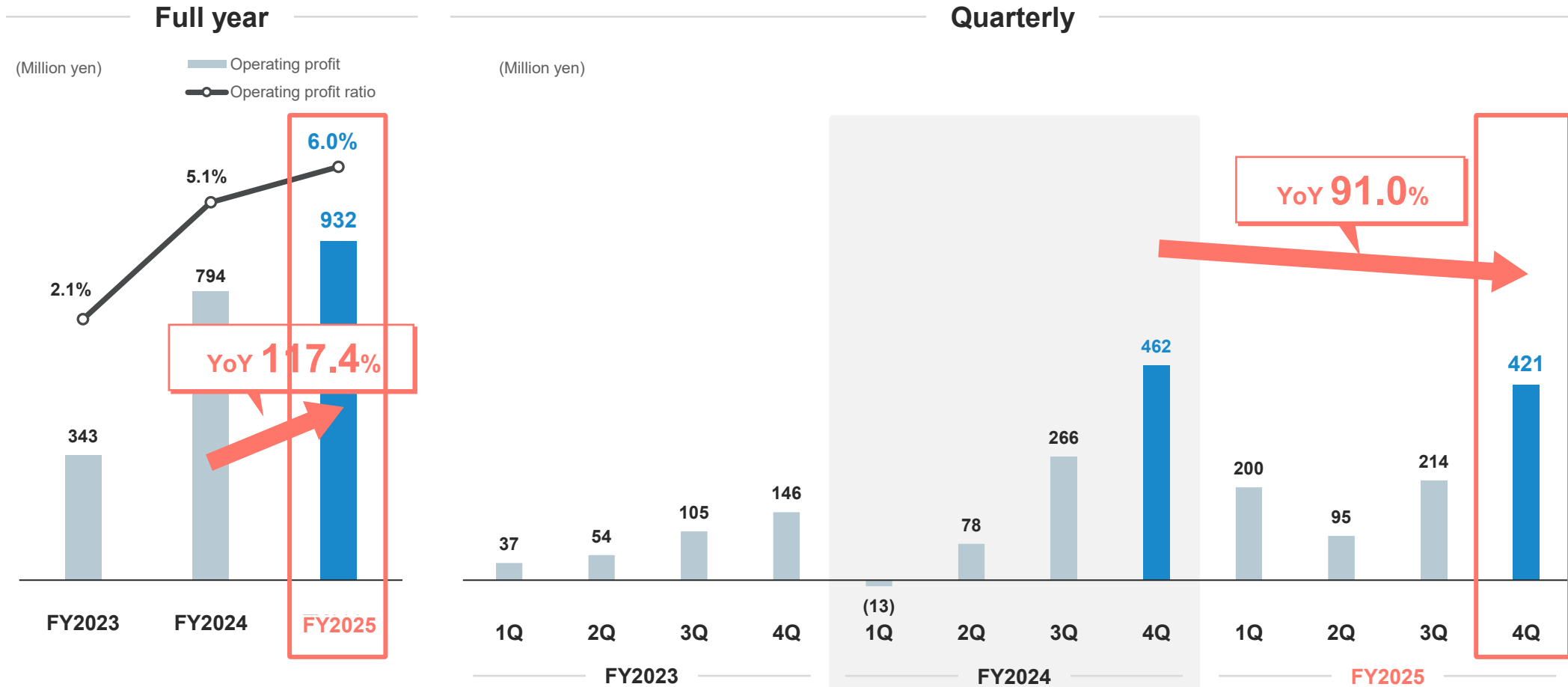


Advertising expenses



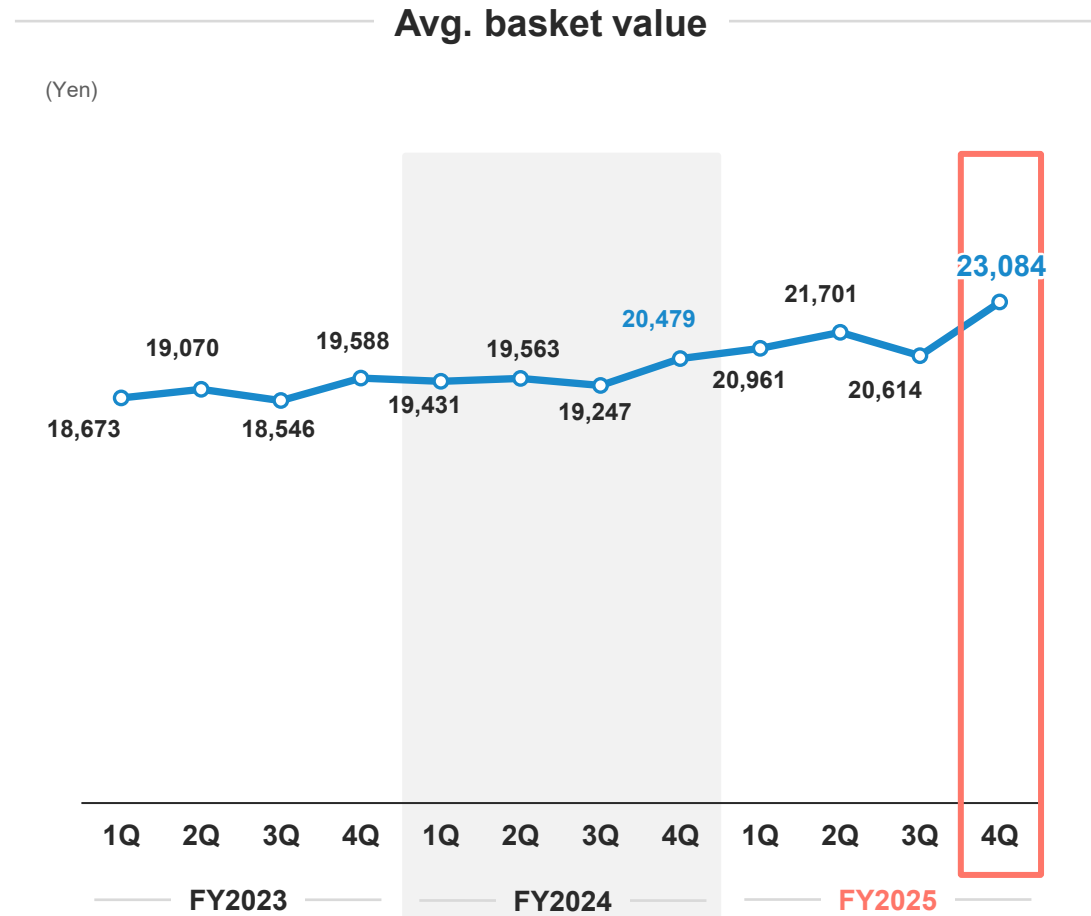
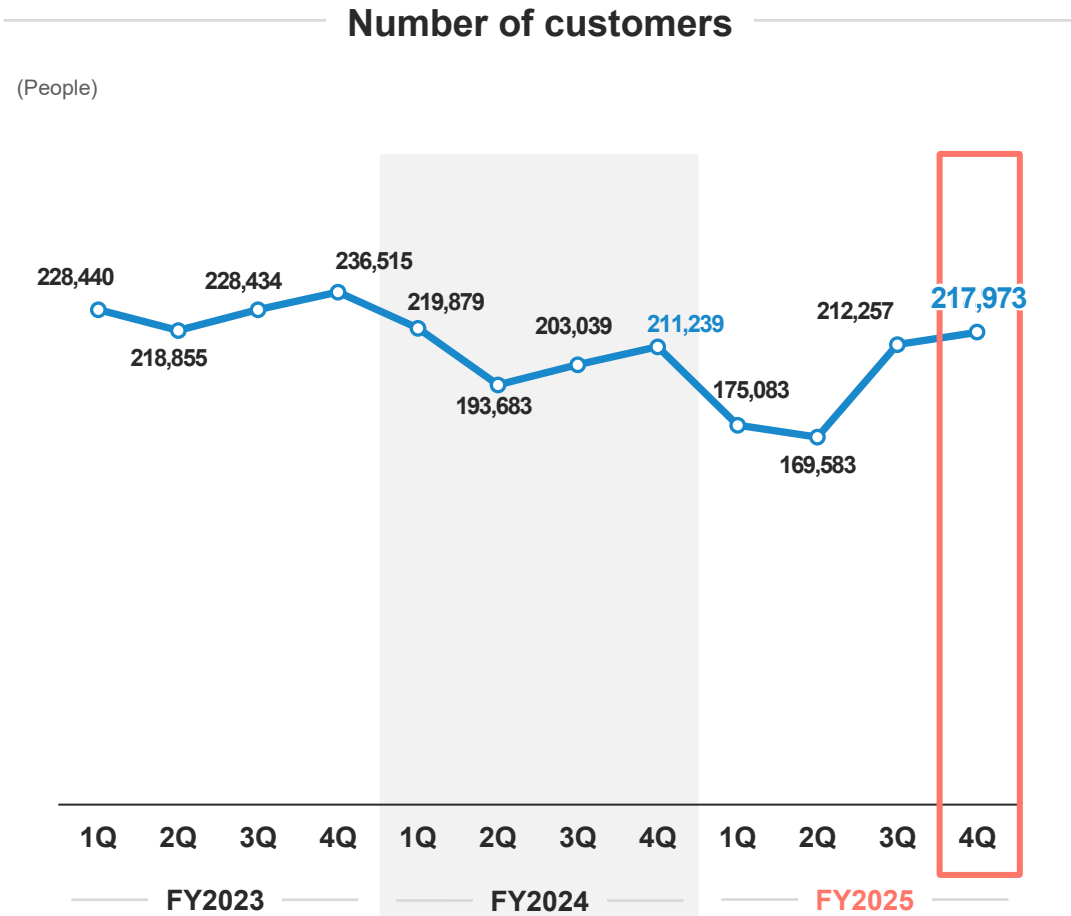


Operating profit was **932 million yen (YoY 117.4%)** for the full year. In addition, one-time expenses, including opening actual stores and preparing to replace the core system, resulted in 4Q operating profit of **421 million yen (YoY 91.0%)**.





Both **the number of customers** and **average basket value** increased from the same quarter of the previous year due to an increase in the number of actual stores.



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

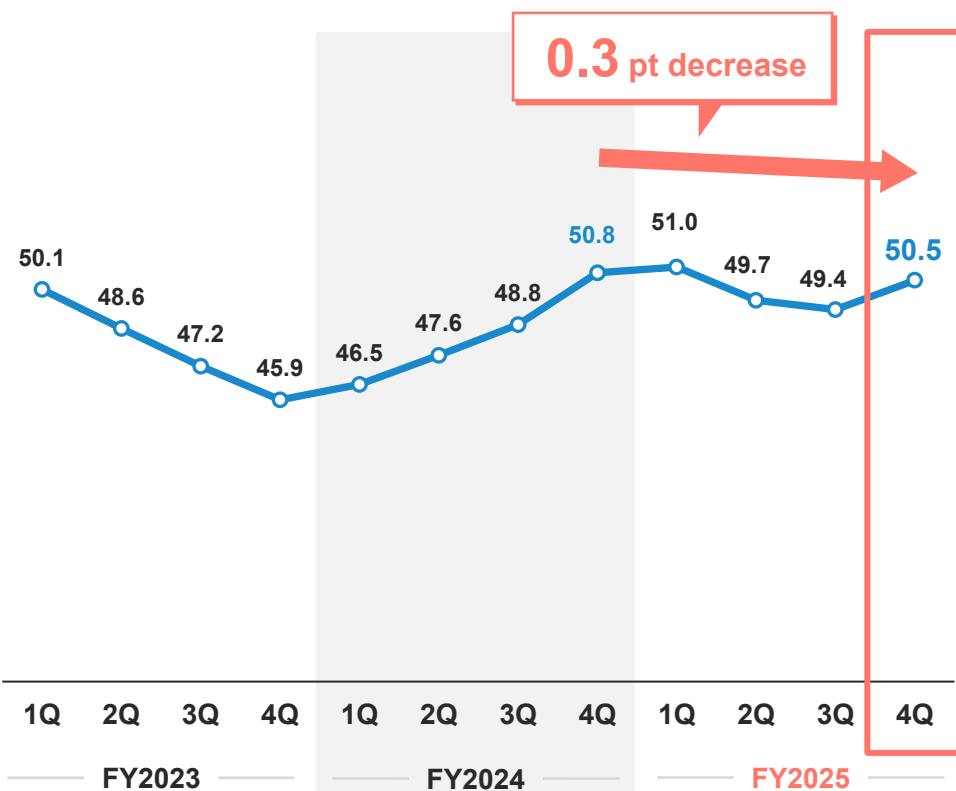
*2. The figures have been retroactively adjusted due to a change in the calculation method for the number of customers and average basket value in the second quarter (addition of actual stores).



Although the yen appreciated at the end of the fiscal year under review, gross profit margin ratio was **50.5%** (down 0.3 pt YoY) due to the implementation of forward exchange contracts and lead time effects.

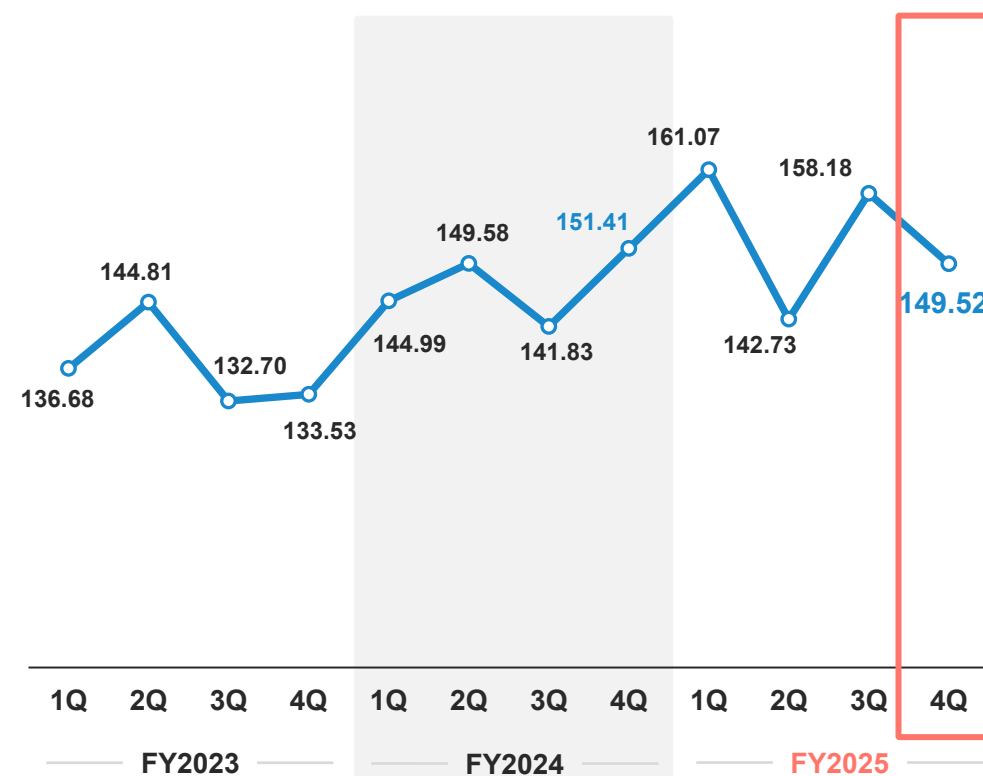
Gross profit margin ratio

(%)



Exchange rate

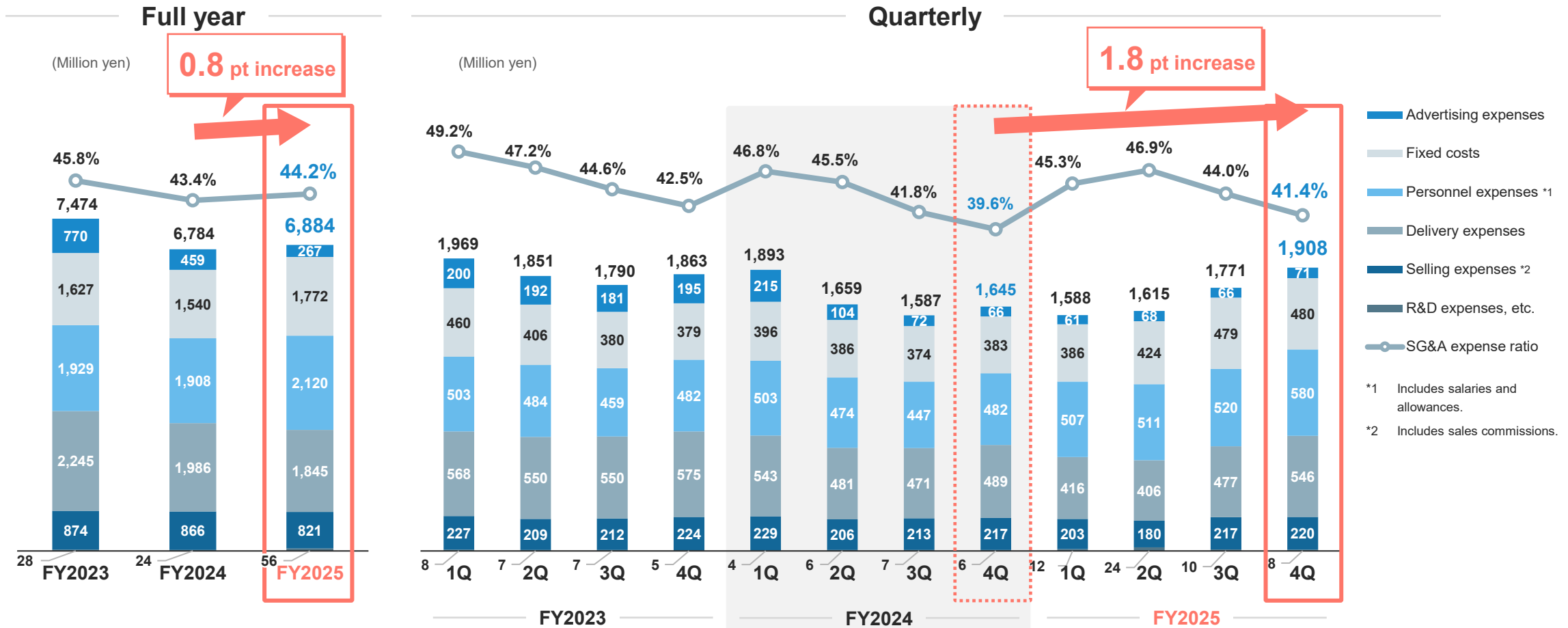
(Yen/USD)



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



SG&A expense ratio was **44.2%** (up 0.8 pt YoY) for the full year, and **41.4%** (up 1.8 pt YoY) for 4Q from the effect of temporary cost increase due to opening actual stores 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.

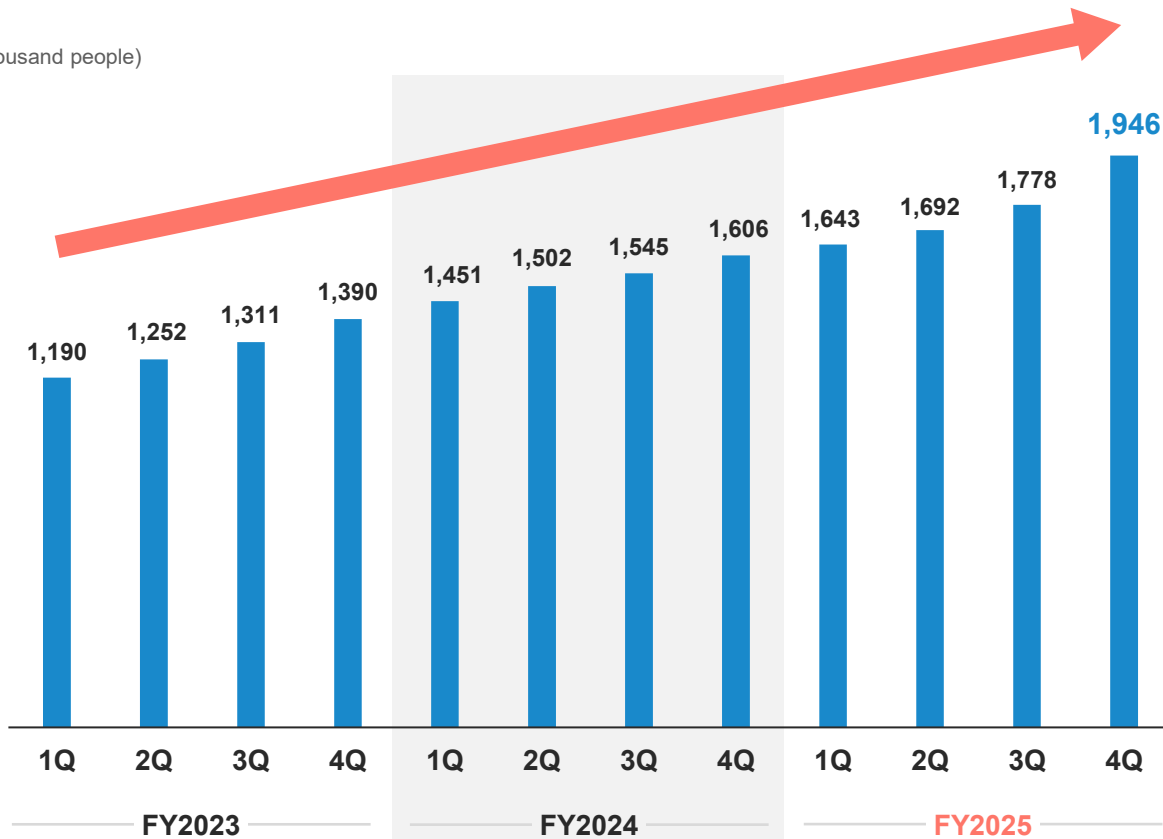
* Promotion expenses, which were included in selling expenses, are included in advertising expenses from the fiscal year ended March 31, 2024. As such, the figures for the fiscal year ended March 31, 2023, have been retrospectively adjusted.



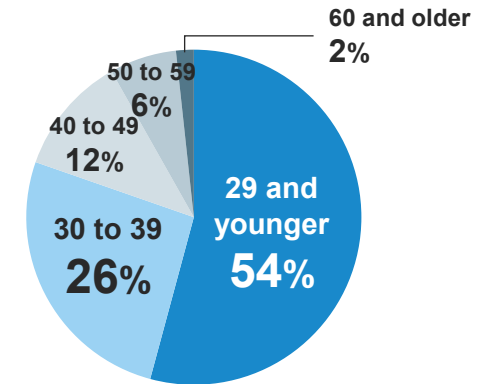
Membership of the flagship store is steadily increasing, with strong support from people in their 20s and 30s.

Trend in membership of flagship store

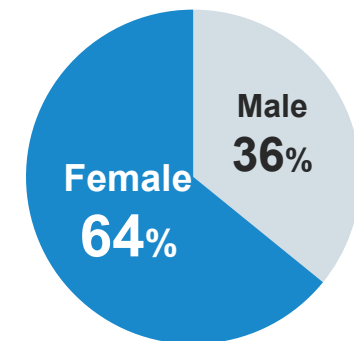
(Thousand people)



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



**Wood-grain bed with shelves
built into the headboard**
from 34,990 yen (tax included)



Study desk and chair set
from 33,980 yen (tax included)

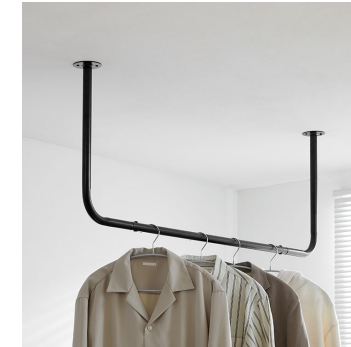


Stand-type TV stand
from 9,990 yen (tax included)



Display storage rack
14,990 yen (tax included)

Other



Hanger bar
5,990 yen (tax included)



Hand blender
4,990 yen (tax included)



The internally developed official app and operation of social media function as the key to attracting customers. **1.76 million smartphone app** downloads, and more than **1.17 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 March 31, 2025)



Smartphone app

1,760,000 downloads (cumulative)



Instagram

1,170,000 followers



TikTok

390,000 followers



YouTube

200,000 channel subscribers

LOWYA official app



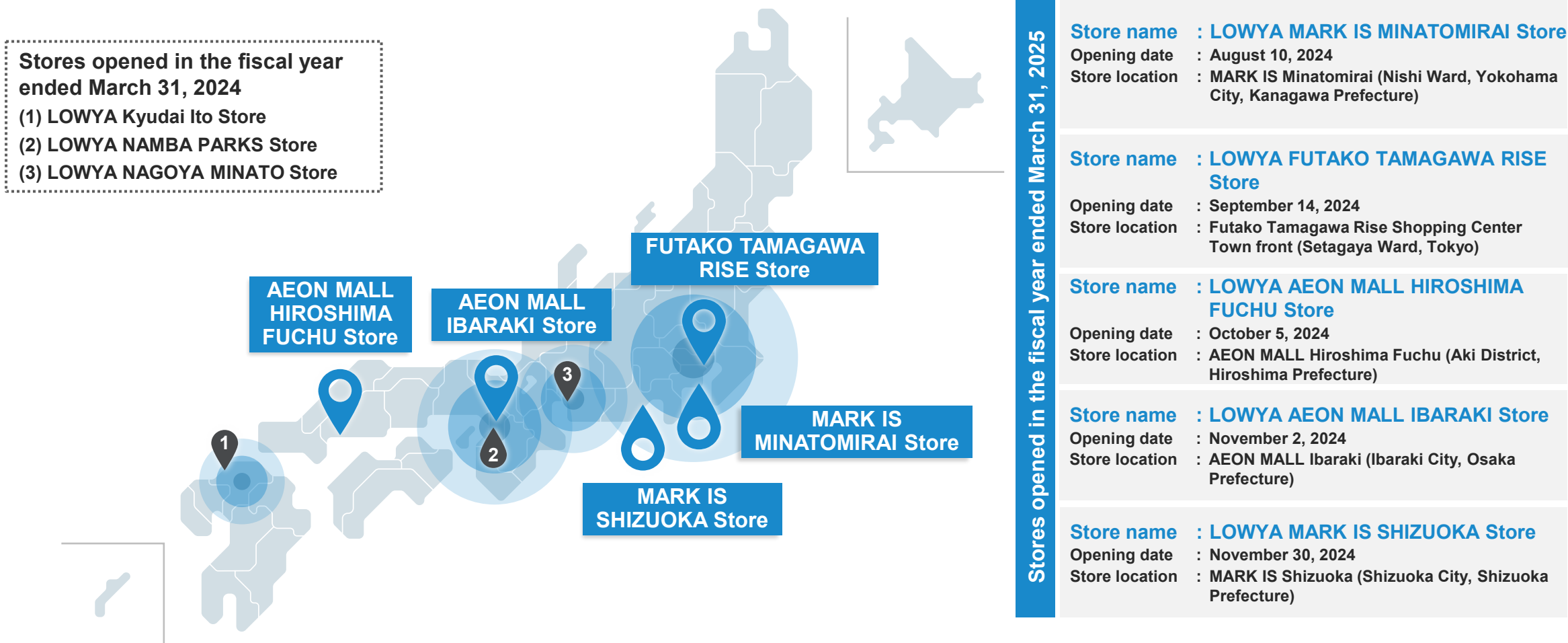
LOWYA official social media accounts





During the fiscal year ended March 31, 2025, the Company opened **five stores** out of a target of four to six store openings. The Company had already opened **a total of eight stores** as of March 31, 2025.

The Company plans to open **at least five stores** in the next fiscal year.





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

Total downloads exceeded **300,000** by March 2025. Sales via Oku ROOM® are also on the rise.

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 **2,210 million yen (YoY 82.3%)** and net sales of **346 million yen (YoY 83.2%)**. **Membership** and **the number of app DLs** remained **steady**.

GMV*1

2,210 million yenYoY **82.3%**

Net sales

346 million yenYoY **83.2%**

Membership*2

1,165 thousandYoY **107.8%**

Number of app DLs*2

1,668 thousandYoY **103.9%**

Avg. basket value

12,148 yenYoY **78.2%**

Number of brands*2

1,297YoY **101.7%**

Number of products*2

47,683YoY **102.3%**

Deliveries*2, 3

123 countriesYoY **102.5%**

*1. Gross Merchandise Value

*2. As of March 31, 2025

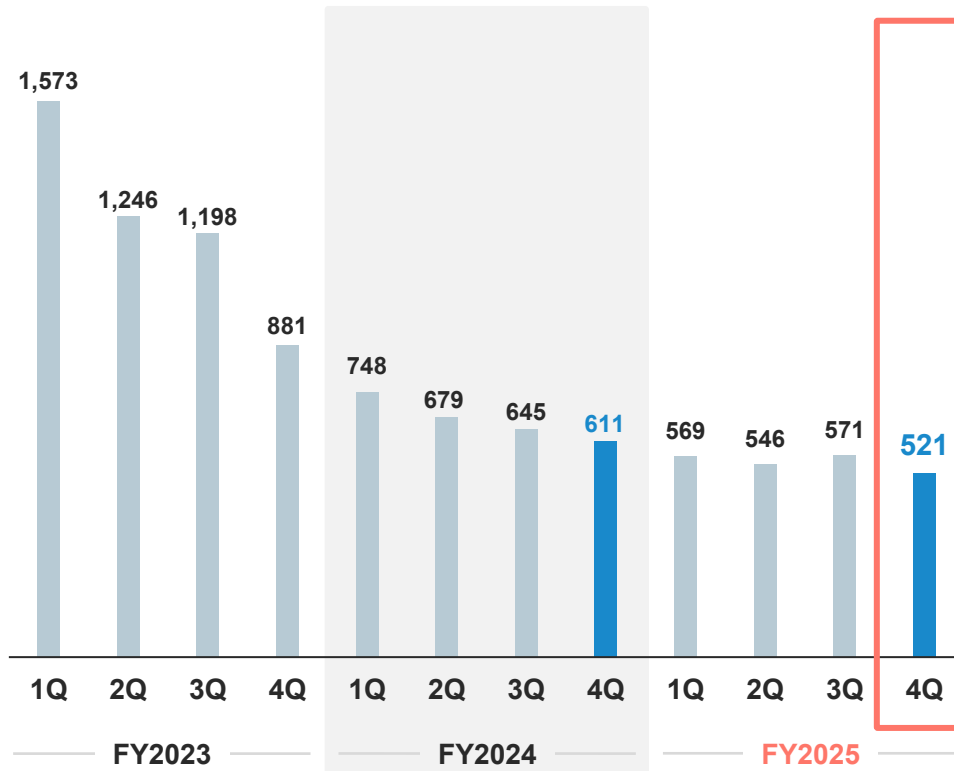
*3. Number of countries and regions to which deliveries were made (cumulative)



The Company **optimized promotion expenses and advertising expenses** in an effort to improve profitability. As a result, GMV was **521 million yen**, and the business balance was a **loss of 1 million yen**.

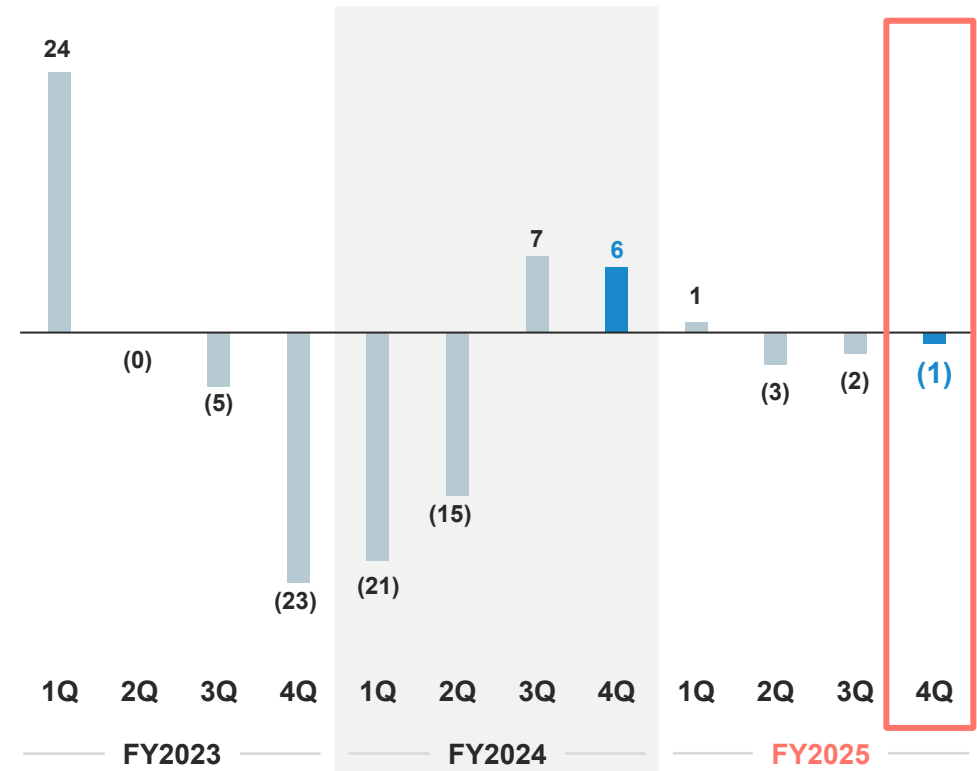
GMV

(Million yen)



Net Business Income

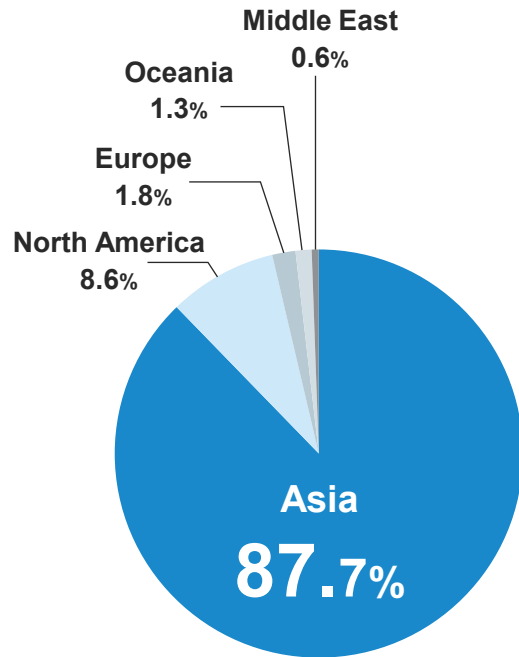
(Million yen)



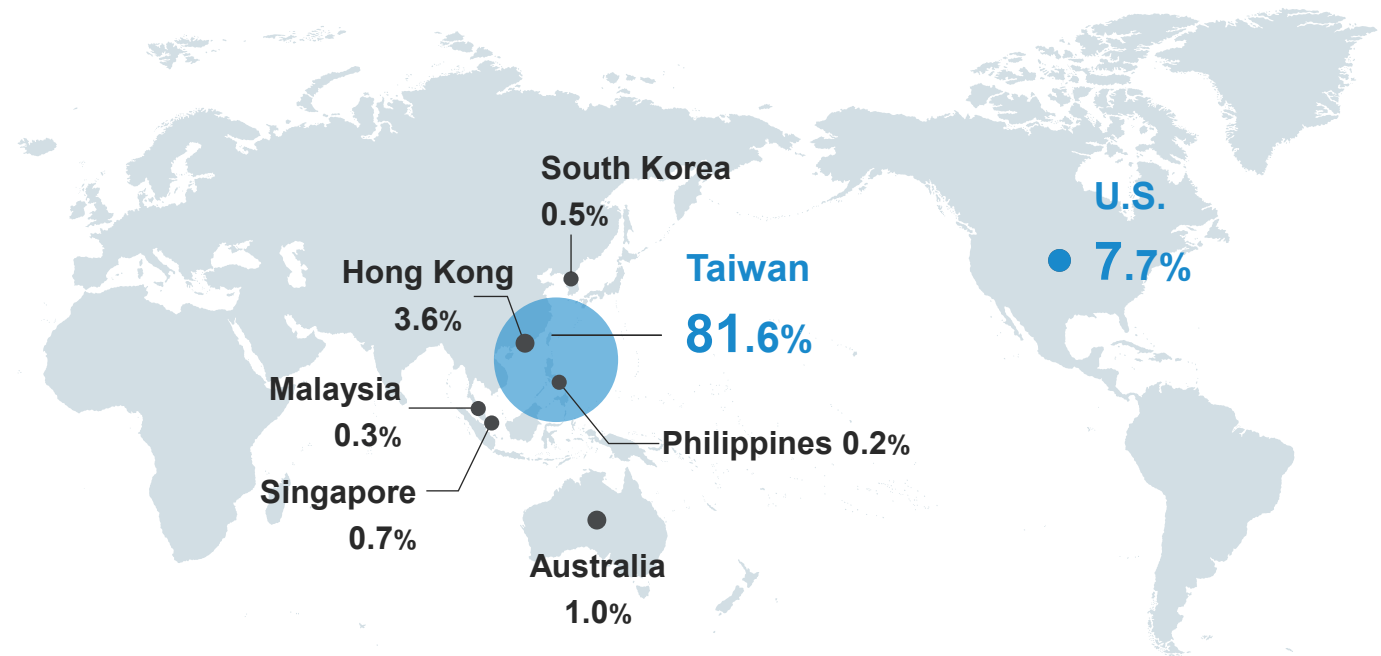


Deliveries to Asia, **mainly Taiwan**, account for **more than 80% of GMV**, while deliveries to **the U.S.** account for **just under 10%.**

By region



By country



* Proportion of deliveries by country is calculated based on the ratio of GMV from April 2024 to March 2025



4

Financial Results Forecast for the Fiscal Year Ending March 31, 2026

Financial Results Forecast for the Fiscal Year Ending March 31, 2026



In the LOWYA business, the Company will **continue to focus on profitability**. At the same time, the Company will focus on expanding the OMO-type D2C model by **opening at least five actual stores**, aiming for **increased sales and profit**. The DOKODEMO business aims to increase GMV by **expanding the range of products and genres it handles** while controlling advertising costs.

	Fiscal year ended March 31, 2025		Fiscal year ending March 31, 2026		YoY	
	First-half results	Full-year results	First-half forecast	Full-year forecast	First half	Full year
Net sales (million yen)	7,123	15,935	8,000	17,500	112.3%	109.8%
Operating profit (million yen)	294	926	400	1,100	135.6%	118.7%
Ordinary profit (million yen)	298	938	400	1,100	133.8%	117.3%
Profit (million yen)	191	591	240	660	125.6%	111.5%
Basic earnings per share (yen)	18.48	57.23	23.34	64.19	—	—

* Audit procedures pursuant to the Financial Instruments and Exchange Act are in progress as of the date of disclosure of this document.

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.