

## Offering “Lexus” subscription-based brand-name bag sharing service

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## 【288A Lexus Technologies Sector : Services】

Fiscal Year	Net sales	YoY	Operating profit	YoY	Ordinary profit	YoY	Profit	YoY	EPS	BPS	DPS
	(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)	(yen)	(yen)	(yen)
Mar. 2023	2,007	-	330	-	332	-	273	-	14.3	22.3	0.0
Mar. 2024	2,251	12.2	473	43.6	503	51.5	431	58.1	22.6	44.1	0.0
Mar. 2025 f	2,693	19.6	634	34.0	576	14.5	455	5.6	21.6	-	0.0

Note: Consolidated basis in ending March 2023 and 2024, non-consolidated basis in ending March 2025.

Figures for the fiscal year ending March 2025 is the company's forecasts.

**Providing Brand-Name Bag Sharing Service**

Lexus Technologies provides a subscription-type sharing service that enables consumers to use brand-name bags for a monthly fee.

When the company was founded in Hiroshima City in August 2006, it sold English conversation materials and health foods. In February 2015, it launched a subscription-based sharing service for brand-name bags. Lexus Technologies withdrew from the sale of English conversation materials and health foods in July 2019. In October 2019, it became a subsidiary of major general apparel company World.

The Lexus business is a service that enables customers to use brand-name bags on an unlimited basis (with free exchanges) for a fixed monthly fee. The service handles around 40,000 items from 60 luxury brands recognized worldwide. The company primarily procures these brand-name bags through second-hand goods dealers and auctions. The bags are kept in good condition over time through thorough maintenance by the company's specialist staff.

The age range of users is broad, from those in their 20s to those in their 50s. However, as of February 2024, the majority are in their 30s and 40s. Additionally, as of the end of September 2024, the number of paying members was 19,847.

In addition to the subscription-type sharing service, Lexus Technologies also offers a service that gives users the option to purchase bags they are currently renting. Moreover, bags used numerous times through the subscription-based sharing services are sold to businesses on the secondary goods distribution market.

## Financial Statements

Statement of income	Fiscal Year	Mar. 2023		Mar. 2024		Six months to Sep.2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		2,007	100.0	2,251	100.0	1,284	100.0
Cost of sales		398	19.9	432	19.2	294	22.9
Gross profit		1,608	80.1	1,818	80.8	989	77.0
Selling, general and administrative expenses		1,278	63.7	1,344	59.7	651	50.7
Operating profit		330	16.4	473	21.1	338	26.3
Non-operating income		38	-	70	-	26	-
Non-operating expenses		36	-	40	-	27	-
Ordinary profit		332	16.6	503	22.4	337	26.2
Profit before income taxes		253	12.6	466	20.7	326	25.4
Profit attributable to owners of parent		273	13.6	431	19.2	283	22.1

Balance sheet	Fiscal Year	Mar. 2023		Mar. 2024		Sep.2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		829	26.5	1,050	28.7	1,028	27.4
Cash and deposits		368	11.8	503	13.8	557	14.8
Accounts receivable-trade		408	13.1	365	10.0	278	7.4
Inventories		29	0.9	95	2.6	39	1.1
Non-current assets		2,298	73.5	2,605	71.3	2,731	72.6
Property, plant and equipment		2,203	70.4	2,508	68.6	2,582	68.7
Intangible assets		0	0.0	0	0.0	0	0.0
Investments and other assets		94	3.0	96	2.6	148	4.0
Total assets		3,128	100.0	3,655	100.0	3,759	100.0
Current liabilities		2,699	86.3	2,753	75.3	2,590	68.9
Accounts payable - trade		-	-	-	-	-	-
Short-term borrowings		2,341	74.8	2,362	64.6	2,200	58.5
Current portion of long-term borrowings		-	-	33	0.9	33	0.9
Non-current liabilities		3	0.1	59	1.6	43	1.1
Long-term borrowings		-	-	55	1.5	38	1.0
Net assets		425	13.6	842	23.0	1,125	29.9
Owners' equity		425	13.6	842	23.0	1,125	29.9

Statement of cash flows	Fiscal Year	Mar. 2023	Mar. 2024	Six months to Sep.2024
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		-180	28	318
Depreciation		245	306	165
Cash flows from investing activities		-4	-6	-21
Cash flows from financing activities		114	110	-179
Dividends paid		-	-	-
Net increase in cash and cash equivalents		-68	134	117
Cash and cash equivalents		368	503	557

Note: Consolidated basis in Interim period ending March 2024.

Source: Prepared by Stock Research Center based on the notifiable prospectus.