



# **Progress and Updates for Medium-term Management Goals**

**BOOKOFF GROUP HOLDINGS**

## *Corporate Philosophy*

Contributions to society through our business activities

Pursuit of employees' material and spiritual wellbeing

## *Mission*

**Be a source of an enjoyable and prosperous life for as many people as possible**

## *Vision*

**Be a leading reuse company**

**Be a company that can continue to grow while enabling all employees to do their jobs with confidence and enthusiasm**

## Business Strategy

**Sustained growth** while exploration and exploitation

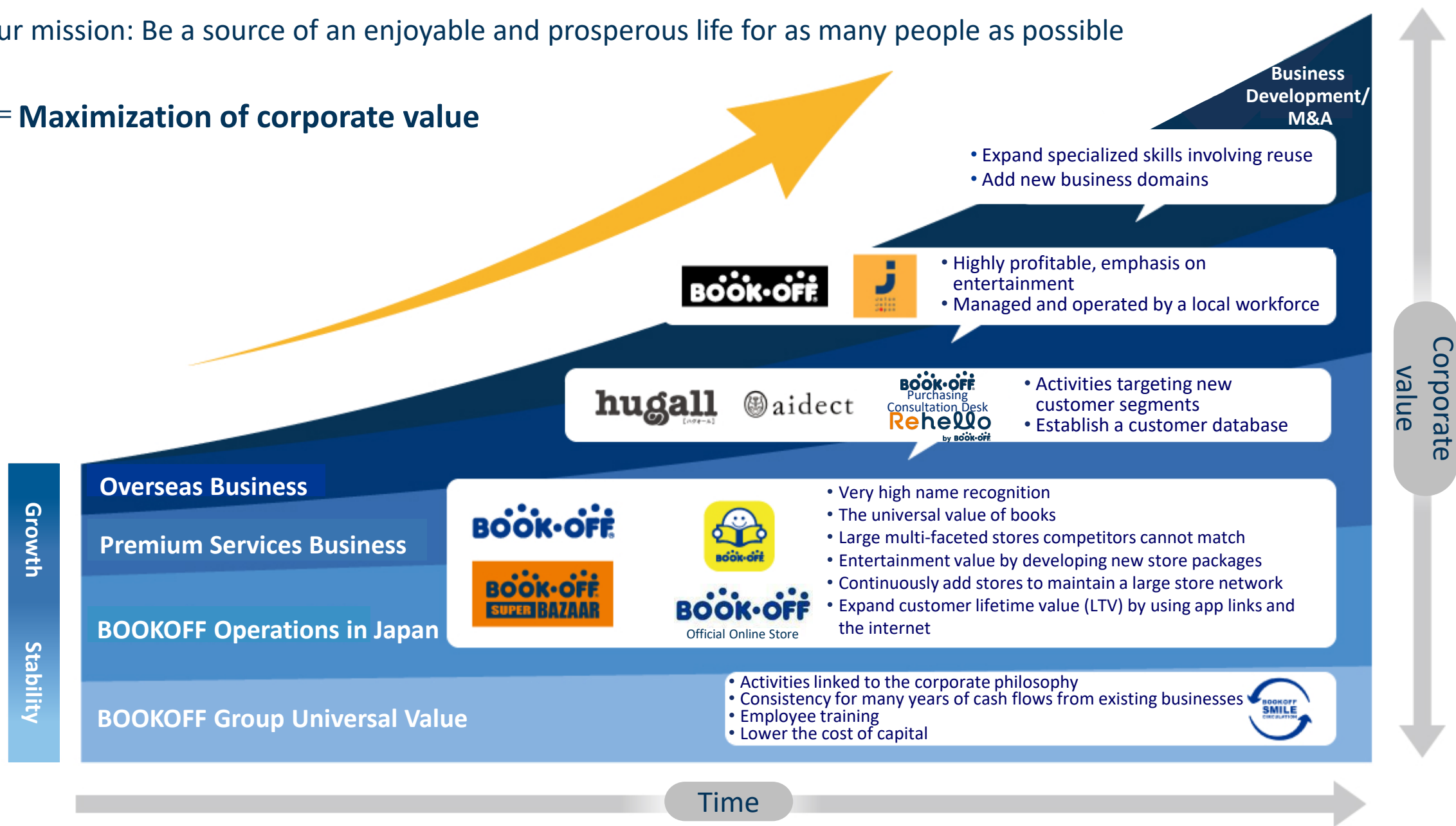
The BOOKOFF Group, more than just BOOKOFF  
**=Reshaping and expanding the business portfolio**

# The BOOKOFF Group Value Creation Map

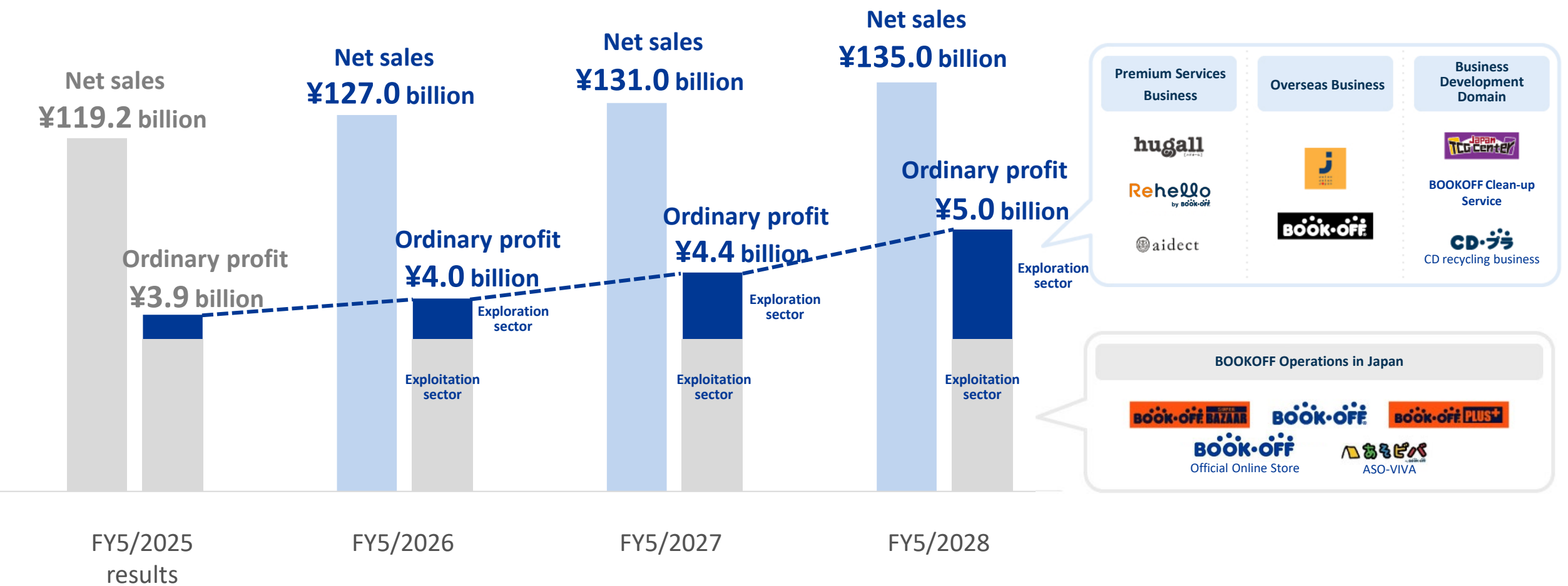
BOOKOFF GROUP HOLDINGS

Our mission: Be a source of an enjoyable and prosperous life for as many people as possible

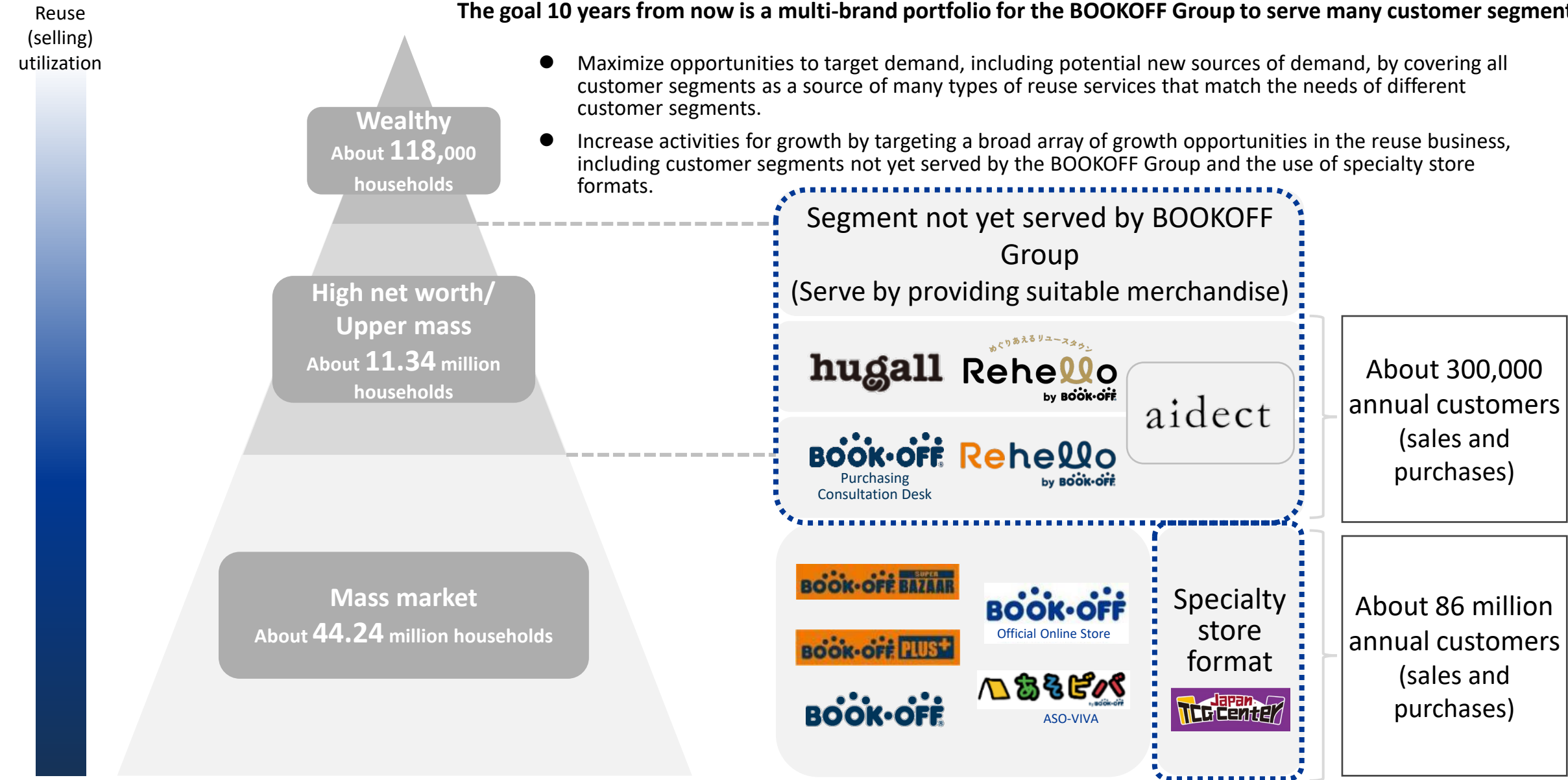
= Maximization of corporate value



Increased the FY5/2028 Ordinary Profit Goal to ¥5 Billion



The goal 10 years from now is a multi-brand portfolio for the BOOKOFF Group to serve many customer segments



Source: Nomura Research Institute: Assets and households divided by net financial assets held (2023)

BOOKOFF Operations in Japan Medium-term Goals

Provide customers with the best possible reuse experience

More merchandise, centered on books, linked to local market needs

- Maintain gross profit of book purchases
- Make reuse item purchases even easier for customers
- Increase inventory visualization, ease of searches

Make BOOKOFF ultra-convenient, ultra-interesting

- More convenience
- Continue to add stores
- Develop new store packages

Customer Strategy	Purchasing Strategy	Digital Strategy	People Strategy
<ul style="list-style-type: none"><li>• More frequent store visits</li><li>• More reasons to visit stores</li></ul>	<ul style="list-style-type: none"><li>• Increase experience value</li><li>• Cut customer expenses</li><li>• Make continuous improvements</li></ul>	<ul style="list-style-type: none"><li>• Improve useability</li><li>• Larger selection of merchandise</li><li>• More app functions</li></ul>	<ul style="list-style-type: none"><li>• Hire a large number of people</li><li>• Diversity of performance evaluations and career paths</li></ul>

- ✓ BOOKOFF in Japan is the group’s core business. The goals are to use capital more productively while maintaining the current level of profitability and to continue to direct people and know-how to growth businesses.

## Merchandise Goals and Actions for Customers

Apparel, high-end brand bags, jewelry, trading cards, hobby goods, sporting goods, etc.



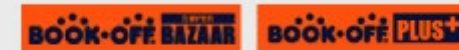
Larger volume of merchandise by increasing the number of stores that buy and sell these items, developing store packages specializing in specific merchandise categories, and using other measures

## Books and software/media



Books and software/media will remain the core categories.  
Aim to maintain the current level of gross profit by taking pricing actions and improving convenience for customers.

## Ultra-convenient, Ultra-interesting (More Customer Points of Contact)



BOOK-OFF



Continue adding stores, mainly by making existing stores larger



Strengthen the official smartphone app and customer relationship management



Deepening customer contact and store operations



Digital technologies for merchandise and customer management

Premium Services Business Medium-term Goals

Primarily by opening more stores, this business is targeting customer segments that the BOOKOFF Group could not previously reach



Source: Nomura Research Institute: Assets and households divided by net financial assets held



## Overseas Business Medium-term Goals




## Jalan Jalan Japan

- Continue to open stores in Malaysia and Kazakhstan
- Seeking opportunities to start operations in other countries
- Planning on a network of **50 stores** in FY5/2028
- Goal is a network of **100 stores** in FY5/2033



## BOOKOFF

- Continue to add stores for dominance on the East and West Coasts
- Starting to open stores in very large inland cities in the U.S.
- Seeking opportunities to start BOOKOFF operations in other countries
- Planning on a network of **30 stores** in FY5/2028
- Goal is a network of **100 stores** in FY5/2033



Larger volume  
of merchandise

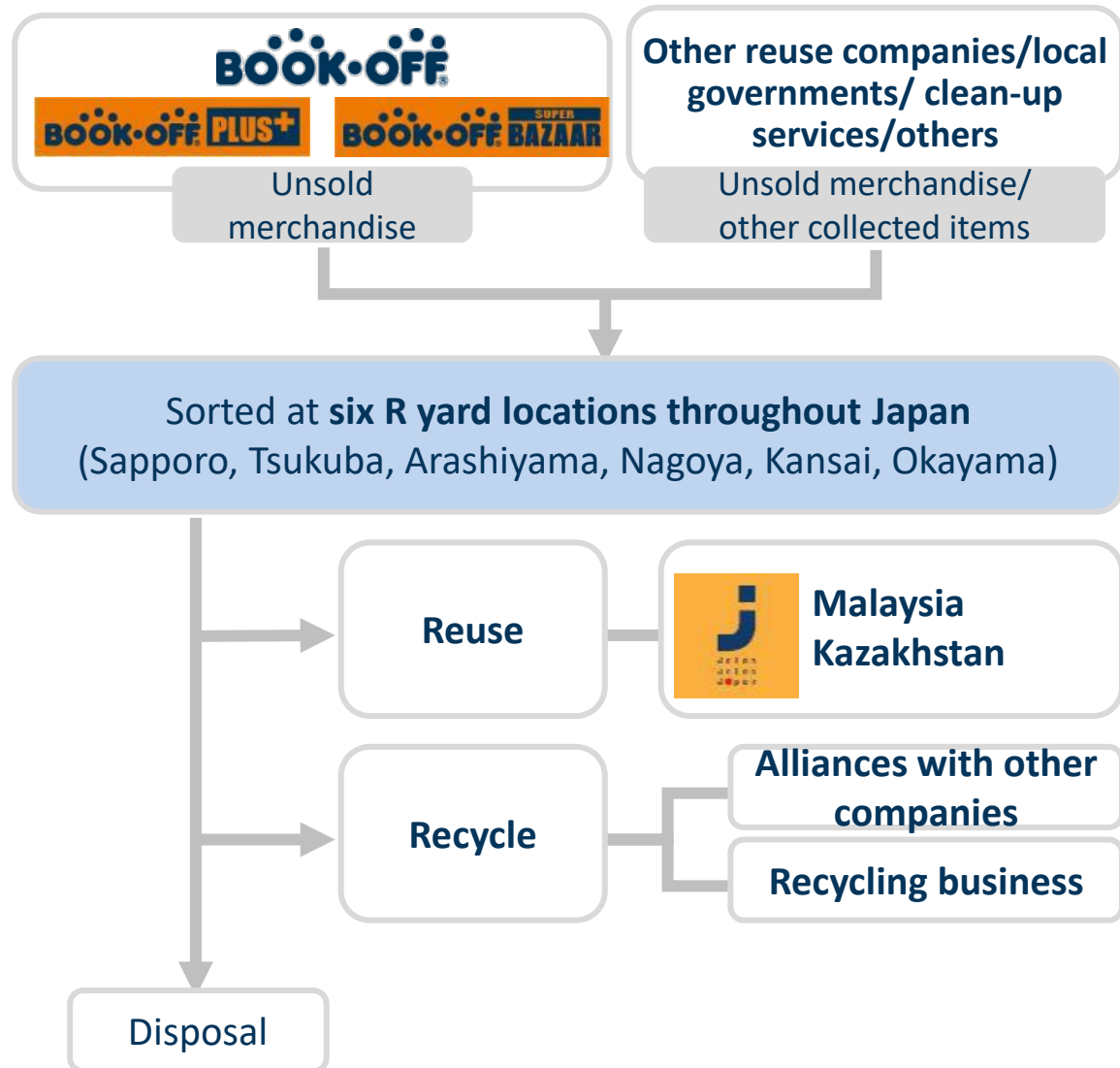
Actions in Japan to support  
overseas businesses

- Increase the reuse of items no longer needed by using activities of the BOOKOFF chain as well as joint activities with other companies and local governments.
- Use the growth of the JJJ store network to help create society where nothing is discarded.



Circulate smiles for a better future

## Services that Incorporate Reuse Functions



## R-LOOP

**New ideas for items no longer needed for a society where nothing is discarded**



R-LOOP is a **new platform** for the recovery of apparel and other household goods **for the purpose of creating a cycle for reusing resources.**

The platform combines the reuse scheme of directly operated BOOKOFF stores outside Japan with the Japanese recycling scheme of BP Lab. Constant reuse – Constant recycling.

Reuse and recycling are activities for creating a cycle where nothing is discarded for the benefit of people who reuse goods, others and society for a better future.

## Why choose R-LOOP?

- ✓ Strong support infrastructure
- ✓ Can be started within one or two weeks
- ✓ Confidence and continuity backed by BOOKOFF



## Business Development Domain Medium-term Goals

### Stores specializing in trading cards



- ✓ Rapidly increasing the number of stores and starting franchising; stores are mainly in the Tokyo, Nagoya and Osaka areas and other government-designated cities.
- ✓ Stores handle a broad spectrum of brands in the growing trading card market in order to increase the BOOKOFF Group's share of this market and increase earnings.

### CD recycling business



Sustainable plastic produced from  
BOOKOFF's CD/DVD inventories

- ✓ BOOKOFF is taking on the challenge of devising ways to recycle CDs and DVDs to prevent these disks from ending up in a landfill as well as to use innovative ideas to change disks into a material with considerable value.

### BOOKOFF Clean-up Service



- ✓ This service is offered in Tokyo and three neighboring prefectures and is to be expanded by using tie-ups with partner companies.
- ✓ The goal is to meet customers' expectations by minimizing the amount of household items that are discarded. This cuts disposal expenses and produces income for customers from items purchased, which lowers the cost of this clean-up service.

### Opportunities for new businesses

- ✓ Continue seeking opportunities for new businesses and M&A in accordance with the following guidelines.
  - All activities must be consistent with BOOKOFF's philosophy and mission.
  - New businesses and acquired companies must be able to benefit from the strengths of the BOOKOFF Group's current businesses.
  - New businesses and acquired companies must create new career paths for employees of the BOOKOFF Group.

Business Sustainability and Corporate Value Growth

Consistent earnings growth

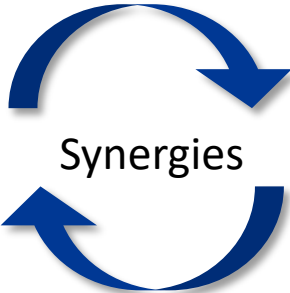
Diversification of reuse

High recognition of the BOOKOFF brand

More customer segments

Develop new services

- ✓ Increase sales area at 750 BOOKOFF stores in Japan
- ✓ Expand premium services to 100 stores
- ✓ 200 stores outside Japan by adding more countries
- ✓ Trading card stores
- ✓ Clean-up service



Increase the social value of reuse

Actions for a positive view of reuse

Ease and convenience

Traceability

Support for the next generation/young people

- |                              |                              |
|------------------------------|------------------------------|
| ✓ Public sector partnerships | ✓ R-LOOP                     |
| ✓ CD recycling business      | ✓ The School BOOKOFF Project |
| ✓ FURUSATO BOOKOFF Store     | ✓ Kimochi-to                 |
| ✓ Reclothes Cup              | ✓ Reuse Festival             |

Activities for a more powerful workforce