



# Supplementary Materials on the Financial Results

for the First Three Months of the Fiscal Year Ending March 31, 2025

**GEO HOLDINGS CORPORATION**

Prime Market of the Tokyo Stock Exchange (2681)



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# 1. Group profile

## Corporate philosophy

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# To offer joy to your everyday life

**Company name** GEO HOLDINGS CORPORATION

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**Date of incorporation** January 1989

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**Head office** 8-8 Fujimi-cho, Naka-ku, Nagoya-shi, Aichi Prefecture 460-0014

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**Tokyo office** Imai Mitsubishi Bldg. 3-53-11 Minamiotsuka, Toshima-ku, Tokyo 170-0005

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**Representative director** Yuzo Endo

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**Common stock** 9,257 million yen (As of June 30, 2024)






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**Listed exchange** Tokyo Stock Exchange Prime Market

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**\*GEO is pronounced as “gao [géioʊ]” in Japanese.**

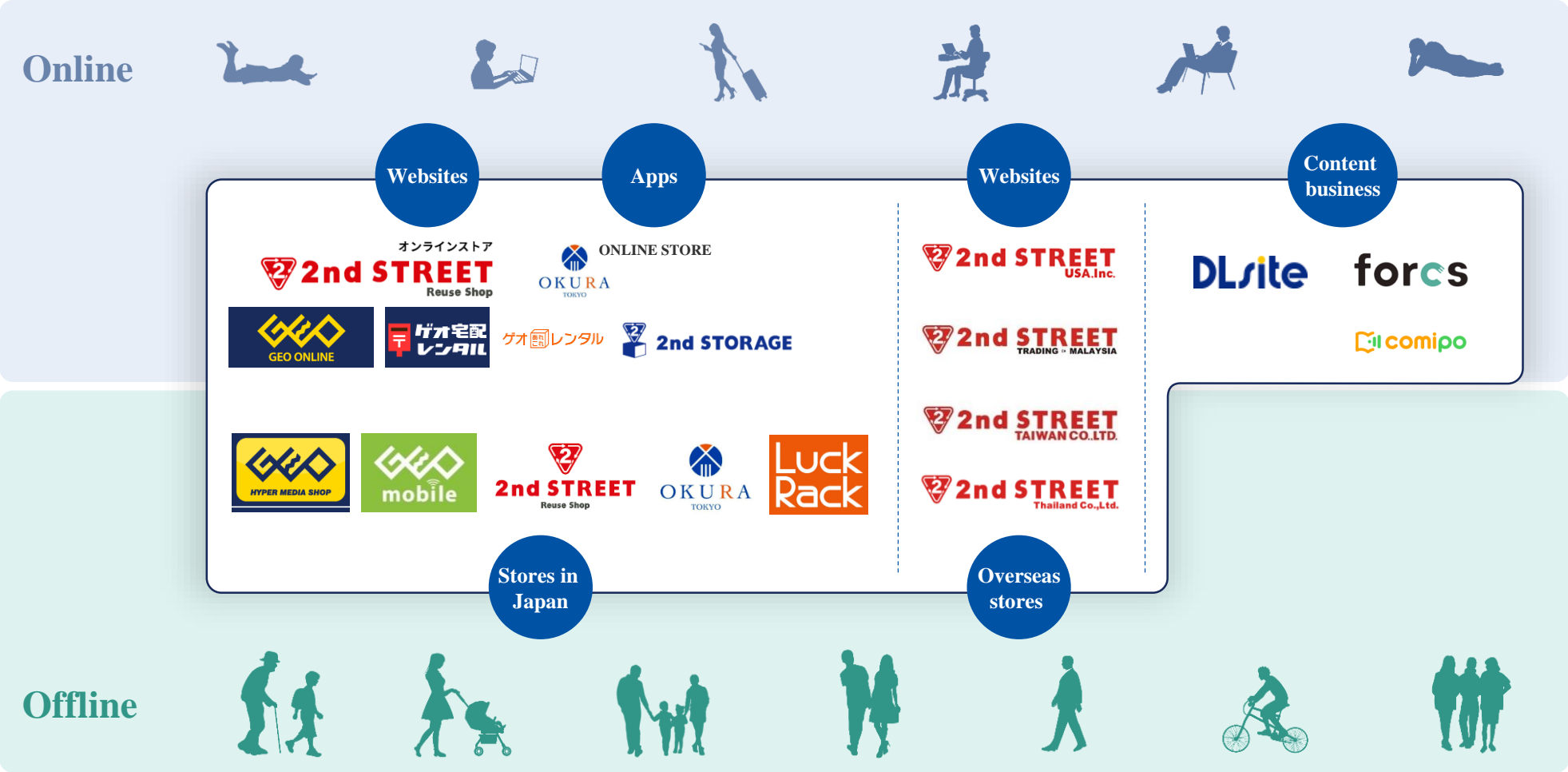
# GEO Group's major shops and their major merchandise

					
Number of stores (As of June 30, 2024)	<b>1,078 stores</b> (including 82 GEO mobile stand-alone stores and 571 attached stores)		<b>842 stores in Japan</b> <b>87 stores overseas</b>	<b>22 stores</b>	<b>18 stores</b>
<b>Clothing and accessories</b>			<b>Reuse</b>		<b>Brand new</b>
<b>Household goods, furniture, and home appliances</b>			<b>Reuse</b>		
<b>Luxury brand items</b>			<b>Reuse</b>	<b>Reuse</b>	
<b>Game device and game software</b>	<b>Reuse merchandise and brand-new products</b>				
<b>Audio-visual equipment</b>	<b>Reuse merchandise and brand-new products</b>	<b>Brand new</b>	<b>Reuse</b>		
<b>Smartphones, tablet terminals, and PCs</b>	<b>Reuse</b>	<b>Reuse</b>	<b>Reuse</b>		
<b>DVD, Blu-ray, CD and comic book</b>	<b>Rental services and brand-new products</b>				
<b>Features</b>	GEO has top market shares for reuse game devices and software, reuse smartphones, and video and music rental services. In addition to brand-new game devices and software, it offers brand-new audio-visual equipment and smartphone accessories.	We have opened stand-alone stores in addition to stores attached to GEO. GEO mobile has the leading market share for reuse mobile devices and it provides services by staff specialized in smartphones.	2nd STREET has top market shares for reuse clothing and accessories. We also operate buying-only stores and specialty stores offering outdoor goods, musical instruments, and others.	OKURA mainly offers watches and bags as luxury brand items. Auctions by OKURA ensure stable merchandise supply.	Luck Rack is a chain of off-price stores (OPS), which procure surplus stock from manufacturers and offer them at low prices.

\* Some stores may not be handling the above merchandise.

# Group strategy: Become a network retailer

- We will understand consumers' behaviors, eliminate the barrier between online and offline (stores) and bidirectionally build a "network retailer" structure enabling customers to freely select goods and services. Through recycling-oriented distribution characterized by reuse, rentals and retailing (the sale of brand-new products), we strive to be a global platform business that continues to enable people around the world to live happy lives every day.
- The mission-critical system which the Group has produced in-house since its founding is able to centralize the management and operation of sales, purchases and rental business. Going forward, our business management will seek to add to our product categories and expand the interface with customers (on and off/global).



## **2. Consolidated Results for Three Months Ended June 30, 2024**

# Summary of three months ended June 30, 2024

## Consolidated earnings highlights

### Net sales

Amid continuing consumer inflation and against the backdrop of an expanding reuse market, sales fell by 6.2% YoY to 100.1 billion yen, mainly due to a reactionary decline for new games, despite strong sales at 2nd STREET in Japan and overseas as well as strong sales of reuse smartphones and tablets at GEO mobile.

### Operating profit, ordinary profit & net profit

Due to the decline in brand new product sales, contraction in rental sales and continued increase in SG&A expenses, operating profit declined 24.6% YoY, ordinary profit declined 22.5% YoY and net profit attributable to owners of parent declined 26.5% YoY.

### Gross profit

Due to a change in the sales mix caused by a combination of strong sales of reuse goods and lower sales of low gross margin brand new merchandise, the gross profit margin increased by 4.8 points YoY, leading gross profit to increase by 2.4 billion yen to 41.6 billion yen.

## Topics

### Topic (1)



(Japan)

The number of stores stood at 842 at the end of June 2024, a net increase of 4 in the fiscal year under review.

### Topic (2)



(Overseas)

2 stores in the United States  
2 stores in Taiwan  
2 stores in Malaysia  
All of these stores opened in this period. Number of overseas stores as of the end of June 2024: 87 stores

### Topic (3)



Focus on reuse mobile, 82 GEO mobile dedicated stores and 571 attached stores. Strengthening product measures to increase the motivation to visit GEO stores.



## Consolidated statement of income for the first three months ended June 30, 2024

New store openings have contributed to strong sales of reuse clothing and accessories, the mainstay at 2nd STREET, and reuse smartphones and tablets, the mainstay at GEO mobile. On the other hand, sales fell by 6.2% YoY as a result of a reactionary decline for new games which had enjoyed strong sales in the previous year. In addition, SG&A expenses increased by 11.4% due to the hiring of personnel and the opening of new stores. As a result of the above, operating profit decreased by 24.6% YoY to 4.3 billion yen. Foreign exchange gains of 0.7 billion yen was recorded as non-operating income.

(Million yen)	FY2024 Three Month Results	FY2025 Three Month Results	YoY change	Increase/decrease
Net sales	106,725	<b>100,147</b>	-6.2%	-6,577
Gross profit	39,289	<b>41,694</b>	+6.1%	2,405
(Gross Profit Margin)	36.8%	<b>41.6%</b>	—	+4.8pt
SG&A	33,498	<b>37,328</b>	+11.4%	3,829
Operating profit	5,790	<b>4,366</b>	-24.6%	-1,424
(Operating Profit Margin)	5.4%	<b>4.4%</b>	—	-1.0pt
Ordinary profit	7,068	<b>5,481</b>	-22.5%	-1,586
Profit attributable to owners of parent	4,828	<b>3,547</b>	-26.5%	-1,281

# Net sales by merchandise for three months ended June 30, 2024

(Million yen)	FY2024 Three Month Results	FY2025 Three Month Results	YoY Change	Increase/decrease
Reuse	55,787	<b>65,665</b>	+17.7%	9,877
Comprehensive	39,460	<b>46,439</b>	+17.7%	6,978
Clothing and accessories <sup>※1</sup>	19,828	<b>24,070</b>	+21.4%	4,241
Furniture and home appliances <sup>※1</sup>	2,562	<b>3,022</b>	+18.0%	460
Luxury <sup>※4</sup>	12,975	<b>14,605</b>	+12.6%	1,629
Others <sup>※1</sup>	4,094	<b>4,741</b>	+15.8%	647
Media	16,327	<b>19,226</b>	+17.8%	2,898
Games <sup>※2</sup>	7,839	<b>7,812</b>	-0.3%	-27
Smartphones and tablets <sup>※2,3</sup>	7,305	<b>10,348</b>	+41.6%	3,042
Others <sup>※2</sup>	1,182	<b>1,065</b>	-9.9%	-116
Brand new <sup>※2</sup>	37,025	<b>21,257</b>	-42.6%	-15,768
Others	13,912	<b>13,224</b>	-4.9%	-687
Digital content <sup>※5</sup>	3,767	<b>3,726</b>	-1.1%	-40
Rental <sup>※2</sup>	8,253	<b>7,401</b>	-10.3%	-852
Others	1,890	<b>2,096</b>	+10.9%	205
<b>Total</b>	<b>106,725</b>	<b>100,147</b>	<b>-6.2%</b>	<b>-6,577</b>

Including the contribution from new stores, clothing and accessories, the mainstay at 2nd STREET in Japan and overseas, remained strong

Increased mainly due to an increase in per store sales

Strong sales of reuse smartphones and tablets, the mainstay of GEO mobile, which is expanding through store openings

Reactionary decline in new games which had been selling well following the resolution of semiconductor shortages

Main business or store : ※1 : 2nd STREET ※2 : GEO ※3 : GEO mobile ※4 : OKURA ※5 : viviON

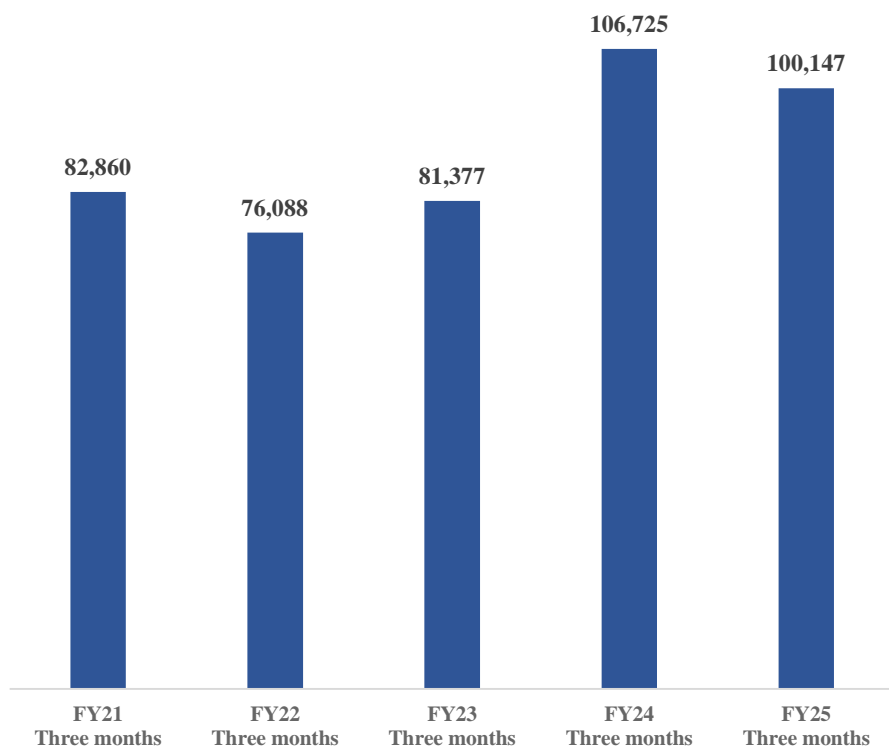


# Net sales-related data for three months ended June 30, 2024

Amid continuing consumer inflation and the expansion of the reuse market, sales of 2nd STREET in Japan and overseas were strong, as were sales of luxury reuse merchandise. In media, reuse sales grew due to the expansion of GEO mobile. At the same time, sales overall fell mainly due to a reactionary decline in new game merchandise sales, which had enjoyed strong sales in the previous year, resulting in a decline in net sales by 6.2% YoY to 100.1 billion yen.

## Change in sales for three months over five years

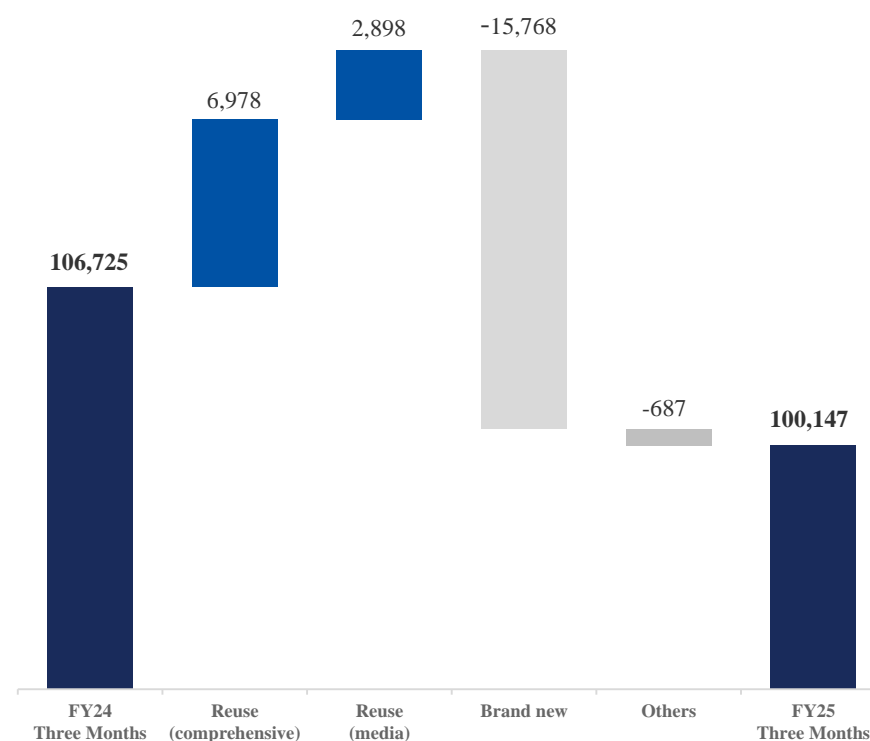
(Million yen)



※ The Accounting Standard for Revenue Recognition started applying at the beginning of FY 2022.

## Year-over-year change in net sales for three months ended June 30, 2024

(Million yen)

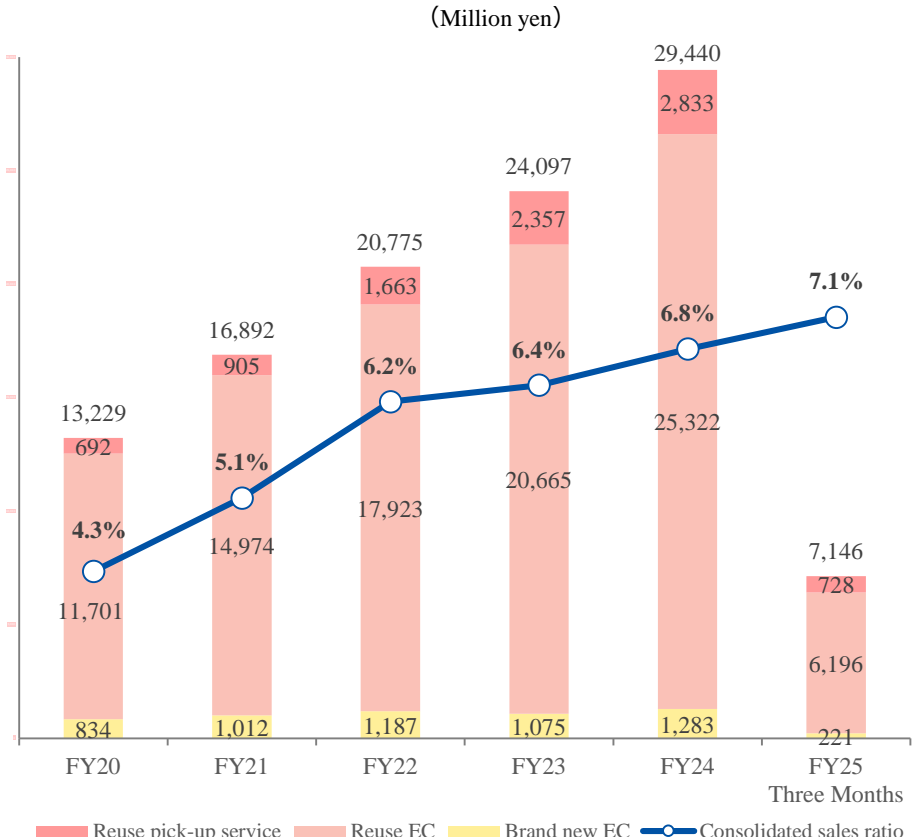


# Changes in e-commerce-involving net sales and ratio for the first three months ended June 30, 2024

EC related net sales\* continue to grow, but growth in the EC contribution ratio has been subdued due to strong overall sales growth.

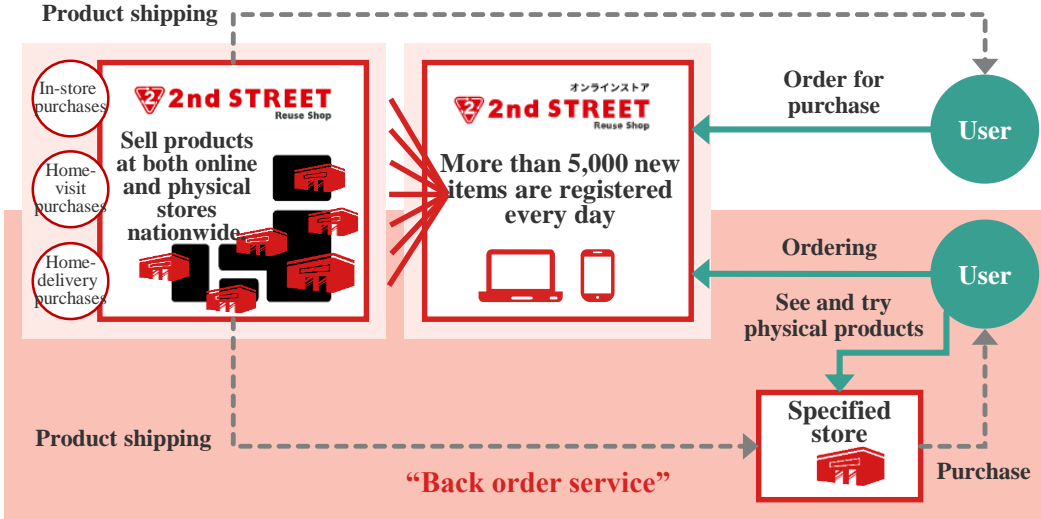
The “back order service” charges users no postage or commissions and is convenient as it enables users to see and try a product at a specified store before purchasing it. The service leverages the advantages of focusing on directly managed stores.

Changes in net sales\* involving e-commerce and size of e-commerce’s involvement (versus net sales)



	FY2024 Three Month Results	FY2025 Three Month Results	YoY Change
EC related net sales (Million yen)	6,467	7,146	+10.5%

## Overview of 2nd STREET online store



\*Includes sales from EC sites (2nd STREET online, GEO online, OKURA, etc.) and official apps, etc., and use of the “back order service” at 2nd STREET stores.

# Gross profit by merchandise for three months ended June 30, 2024

(Million yen)	FY2024 Three Month Results	FY2025 Three Month Results	YoY Change	Increase/decrease
Reuse	25,170	<b>28,897</b>	+14.8%	3,727
Comprehensive	19,357	<b>22,686</b>	+17.2%	3,329
Clothing and accessories <sup>※1</sup>	13,189	<b>15,881</b>	+20.4%	2,692
Furniture and home appliances <sup>※1</sup>	1,573	<b>1,868</b>	+18.8%	295
Luxury <sup>※4</sup>	1,777	<b>1,667</b>	-6.2%	-110
Others <sup>※1</sup>	2,817	<b>3,270</b>	+16.1%	453
Media	5,812	<b>6,210</b>	+6.9%	398
Games <sup>※2</sup>	2,467	<b>2,487</b>	+0.8%	20
Smartphones and tablets <sup>※2,3</sup>	2,117	<b>2,528</b>	+19.4%	410
Others <sup>※2</sup>	1,227	<b>1,195</b>	-2.6%	-31
Brand new <sup>※2</sup>	5,002	<b>3,886</b>	-22.3%	-1,115
Others	9,116	<b>8,910</b>	-2.3%	-205
Digital content <sup>※5</sup>	3,332	<b>3,345</b>	+0.4%	13
Rental <sup>※2</sup>	5,063	<b>4,712</b>	-6.9%	-350
Others	720	<b>852</b>	+18.3%	131
Total	39,289	<b>41,694</b>	+6.1%	2,405

Main business or store: ※1 : 2nd STREET ※2 : GEO ※3 : GEO mobile ※4 : OKURA ※5 : viviON



## SG&A for three months ended June 30, 2024

Total SG&A expenses increased by 11.4% YoY, due to an increase in sales commissions resulting from increased cashless payments relative to total sales, higher employee numbers due to recruitment, base salary increases, as well as higher rent, depreciation and amortization and utilities due to store openings and other factors.

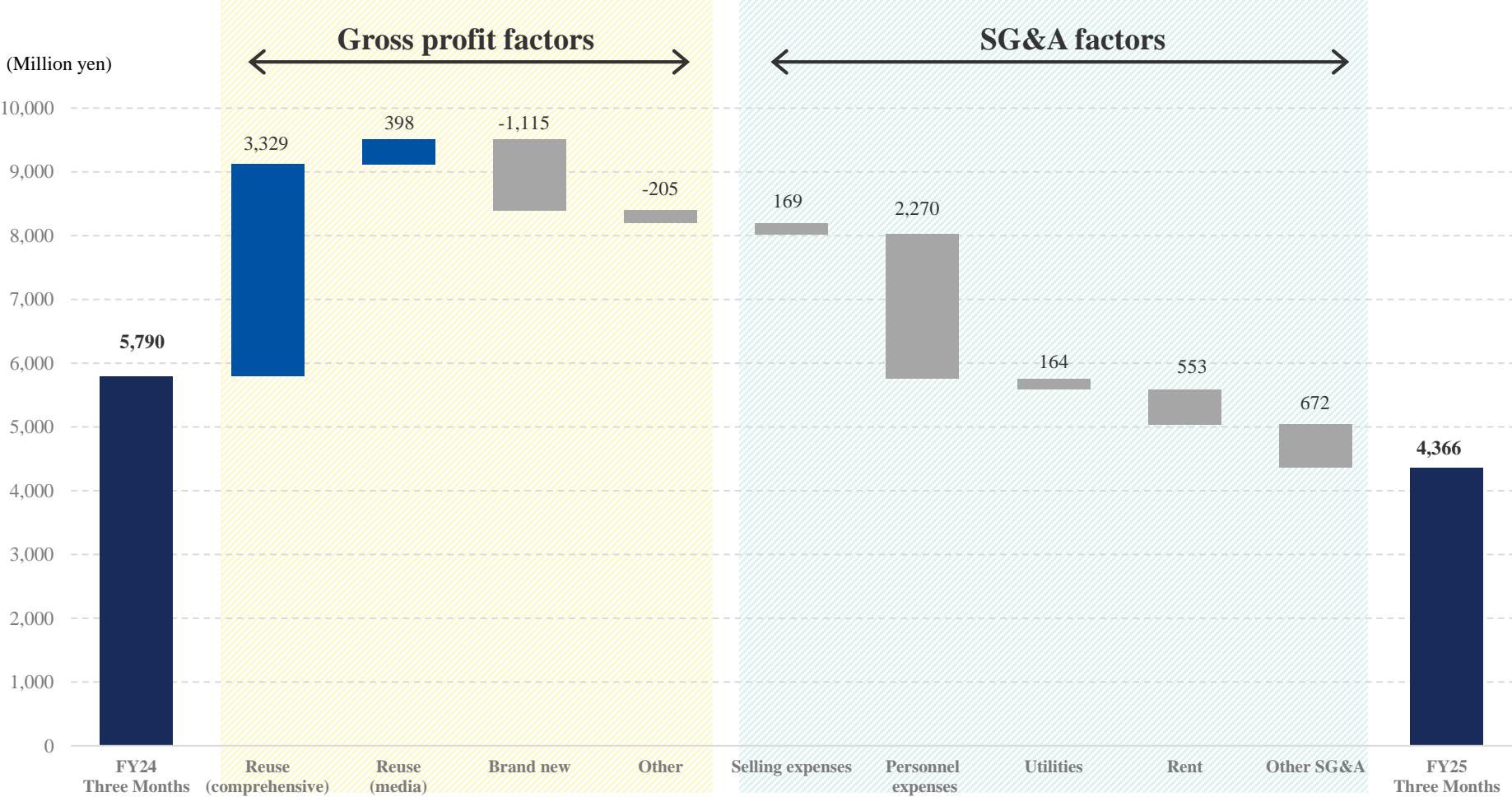
(Million yen)	FY2024 Three Month Results	Ratio to net sales	FY2025 Three Month Results	Ratio to net sales	YoY Change	Increase/decrease
Selling expenses	4,730	4.4%	<b>4,899</b>	4.9%	+3.6%	169
Advertising	2,215	2.1%	<b>1,946</b>	1.9%	-12.1%	-268
Sales promotion	80	0.1%	<b>65</b>	0.1%	-19.3%	-15
Sales commission	1,546	1.4%	<b>1,943</b>	1.9%	+25.7%	397
Personnel expenses	15,501	14.5%	<b>17,772</b>	17.7%	+14.6%	2,270
Other expenses	13,266	12.4%	<b>14,656</b>	14.6%	+10.5%	1,389
Utilities	883	0.8%	<b>1,048</b>	1.0%	+18.7%	164
Rent	6,812	6.4%	<b>7,365</b>	7.4%	+8.1%	553
Depreciation and amortization	1,077	1.0%	<b>1,272</b>	1.3%	+18.2%	195
Consumables	642	0.6%	<b>682</b>	0.7%	+6.3%	40
Maintenance	169	0.2%	<b>205</b>	0.2%	+21.5%	36
Total SG&A	33,498	31.4%	<b>37,328</b>	37.3%	+11.4%	3,829

\* Regarding increases and decreases in SG&A, minus figures represent factors positively impacting our operating profit.



# YoY change in operating profit for three months ended June 30, 2024

Gross profit from Reuse (Comprehensive) merchandise increased by 17.2% YoY, with 2nd STREET leading the overall increase. On the other hand, operating profit fell 24.6% year-on-year to 4.3 billion yen, due to a reactionary decline in the number of game console units sold (Brand new), a decrease in gross profit from rentals (Other), and an increase in SG&A expenses, including personnel costs.



※ For SG&A factors, minus figures negatively impact to profit.



# Consolidated balance sheets for three months ended June 30, 2024

(Million yen)	As of Mar. 31, 2024	Composition	As of Jun. 30, 2024	Composition	Increase/ decrease
Current assets	154,308	66.8%	158,991	66.8%	4,683
Cash and deposits	54,977		57,997		3,019
Accounts receivable trade	15,226		14,462		-764
Merchandise	70,970		72,291		1,321
Non-current assets	76,817	33.2%	79,097	33.2%	2,280
Property, plant and equipment	46,840		49,513		2,673
Intangible assets	4,341		4,604		263
Investments and other assets	25,635		24,979		-656
<b>Total assets</b>	<b>231,125</b>	<b>-</b>	<b>238,089</b>	<b>-</b>	<b>6,963</b>
Current liabilities	47,487	20.5%	41,152	17.3%	-6,335
Accounts payable trade	14,692		11,289		-3,403
Short-term borrowings	2,000		1,250		-750
Current portion of long-term borrowings	8,737		9,174		437
Non-current liabilities	96,287	41.7%	106,699	44.8%	10,411
Bonds	6,600		6,600		0
Long-term borrowings	64,325		73,725		9,400
<b>Total liabilities</b>	<b>143,775</b>	<b>62.2%</b>	<b>147,851</b>	<b>62.1%</b>	<b>4,075</b>
<b>Total net assets</b>	<b>87,349</b>	<b>37.8%</b>	<b>90,238</b>	<b>37.9%</b>	<b>2,888</b>
<b>Total liabilities and net assets</b>	<b>231,125</b>	<b>-</b>	<b>238,089</b>	<b>-</b>	<b>6,963</b>

Increase due to inventories for overseas business and luxury merchandise

Increase due to store openings






Decrease in trade payables mainly for games

11.9 billion yen raised from financial institution partners



# Status of the number of GEO Group stores

Total number of stores for the Group as of June 30, 2024: 2,117

	GEO※1	2nd STREET※2					OKURA TOKYO	Luck Rack	Others	Total
	 HYPER MEDIA SHOP  mobile		Japan	US	Taiwan	Malaysia	Thailand	 OKURA TOKYO	 Luck Rack	
<b>Directly-managed stores</b>	<b>974</b>	<b>787</b>	<b>37</b>	<b>30</b>	<b>19</b>	<b>1</b>	<b>22</b>	<b>18</b>	<b>70</b>	<b>1,958</b>
(Opened during this fiscal year)	9	8	2	2	2	0	0	0	5	28
(Closed during this fiscal year)	- 12	- 5	0	0	0	0	0	0	0	-17
<b>Franchise stores and distributors</b>	<b>104</b>	<b>55</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>159</b>
<b>Total</b>	<b>1,078</b>	<b>842</b>	<b>37</b>	<b>30</b>	<b>19</b>	<b>1</b>	<b>22</b>	<b>18</b>	<b>70</b>	<b>2,117</b>
End FY2024	<b>1,084</b>	<b>838</b>	<b>35</b>	<b>28</b>	<b>17</b>	<b>1</b>	<b>22</b>	<b>18</b>	<b>65</b>	<b>2,108</b>
End FY2023	<b>1,089</b>	<b>803</b>	<b>23</b>	<b>18</b>	<b>11</b>	<b>0</b>	<b>23</b>	<b>21</b>	<b>35</b>	<b>2,023</b>

※1 : Directly managed stores include 82 GEO mobile stand alone stores. There are 571 attached GEO mobile stores.

※2 : Includes Super 2nd STREET, 2nd OUTDOOR, JUMBLE STORE and buying-only stores.

### **3. Full-year Forecast for Fiscal Year Ending March 31, 2025**

# Full-year forecast for the fiscal year ending March 31, 2025

■ The forecasts announced in May 2024 remain unchanged






■ In the first quarter, sales were boosted by continued demand for reuse merchandise, particularly 2nd STREET shops in Japan and overseas, where we are actively opening new stores, as well as reuse luxury merchandise. On the other hand, sales fell sharply, mainly due to a reactionary decline in new game merchandise, and some uncertainties, such as soaring resource prices and increases in personnel and utility costs, are a cause for concern, and the company is currently continuing to closely examine its full-year performance forecast.

(Million yen)	FY2025 Full-year Forecast	FY2025 Q1 Results	FY2025 Q1 Achievement Rate	(Reference) FY2024 Full-year Results	(Reference) Year-on-year
Net sales	<b>436,000</b>	<b>100,147</b>	23.0%	433,848	2,151
Operating profit	<b>12,000</b>	<b>4,366</b>	36.4%	16,814	-4,814
(Operating Profit Margin)	<b>2.8%</b>	<b>4.4%</b>	-	3.9%	-1.1pt
Ordinary profit	<b>12,000</b>	<b>5,481</b>	45.7%	18,749	-6,749
Net profit attributable to owners of parent	<b>6,000</b>	<b>3,547</b>	59.1%	10,902	-4,902
Number of directly-managed stores	<b>2,076</b>	<b>1,958</b>	+11	1,947	+129
ROE	<b>6.34%</b>	-	-	12.51%	-6.17pt
Net D/E ratio	<b>0.33x</b>	<b>0.33x</b>	±0	0.26x	+0.07



※ ROE = profit attributable to owners of parent ÷ FY-end own equity, Net D/E ratio = FY-end net debt (excl. lease) ÷ FY-end net assets

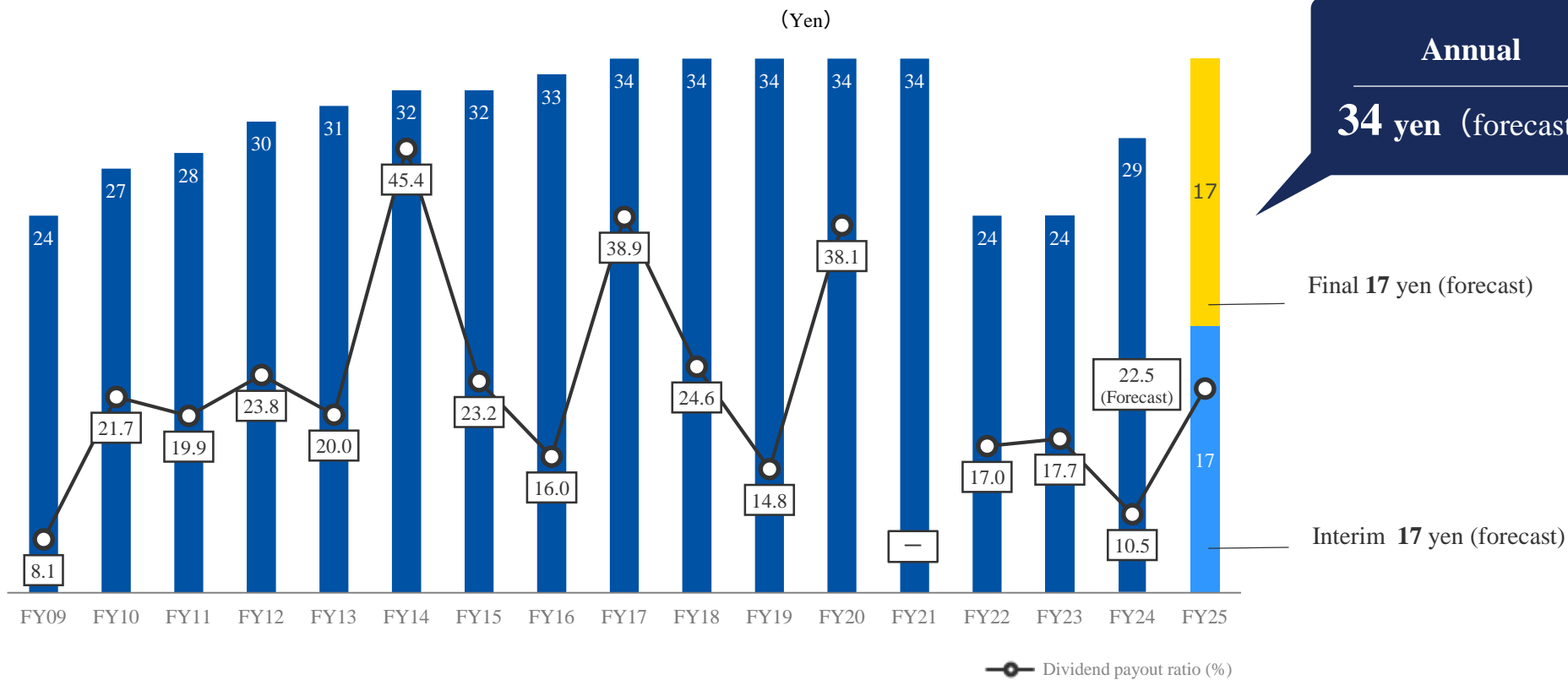
# Store opening plan for the fiscal year ending March 31, 2025

		Store opening plans			
		Number of stores	Summary		FY2025 Three month results
	60 stores in Japan	In addition to general reuse stores, we aim to open urban and buying-only stores, with a goal of 1,000 stores by FY2029.			<b>8 stores</b>
	34 stores overseas	North America	15	In addition to the East Coast, we will expand the number of states we have stores in.	<b>2 stores</b>
		Taiwan	10	We will continue to open stores and expand the area in which we operate.	<b>2 stores</b>
		Malaysia	6	We will open stores mainly in Kuala Lumpur and the surrounding area.	<b>2 stores</b>
		Thailand	3	We will open stores mainly in the Bangkok metropolitan area.	-
 	50 stores	Of these, 45 are GEO mobile stand-alone stores. In addition to opening new stores, we will also pursue attached stores. We also plan to open new format GEO stores.			<b>9 stores</b>
	3 stores	Aside from entertainment districts, we also plan to open buying-only stores.			-
	6 stores	In addition to stores in commercial buildings in front of train stations, we also plan to open suburban roadside stores.			-

# Dividends

- We recognize that return of profits to shareholders is one of our top management priorities. We have a basic policy to pay stable dividends, while securing a stable management foundation and improving profitability.
- As a result of the comprehensive consideration of profit levels, financial position, and other factors, as announced on May 10, 2024 for FY2025 we plan to pay an interim dividend per share of 17.00 yen, and a final dividend per share of 17.00 yen, for an annual dividend per share of 34.00 yen. We will continue our efforts to ensure financial soundness, while improving capital efficiency and maintaining stable dividends.

Changes in dividends per share as adjusted to reflect stock split



## **4. Growth-oriented initiatives**

# Matrix of growth-oriented initiatives for investing management resources in a focused manner

## Initiatives for investing management resources in a focused manner

	Opening stores proactively	Attracting more foot traffic through line-up enhancement	Expansion of operations
<b>2nd STREET (Japan)</b> Growth domain	●		
<b>2nd STREET (Overseas)</b> Development domain	●		
<b>OKURA TOKYO</b> Development domain			●
<b>Luck Rack</b> Development domain	●		
<b>GEO/GEO mobile</b> Maturing domain	●	●	
<b>Digital contents business</b> Development domain			●

\* The initiatives for investing management resources in a focused manner are highlighted.

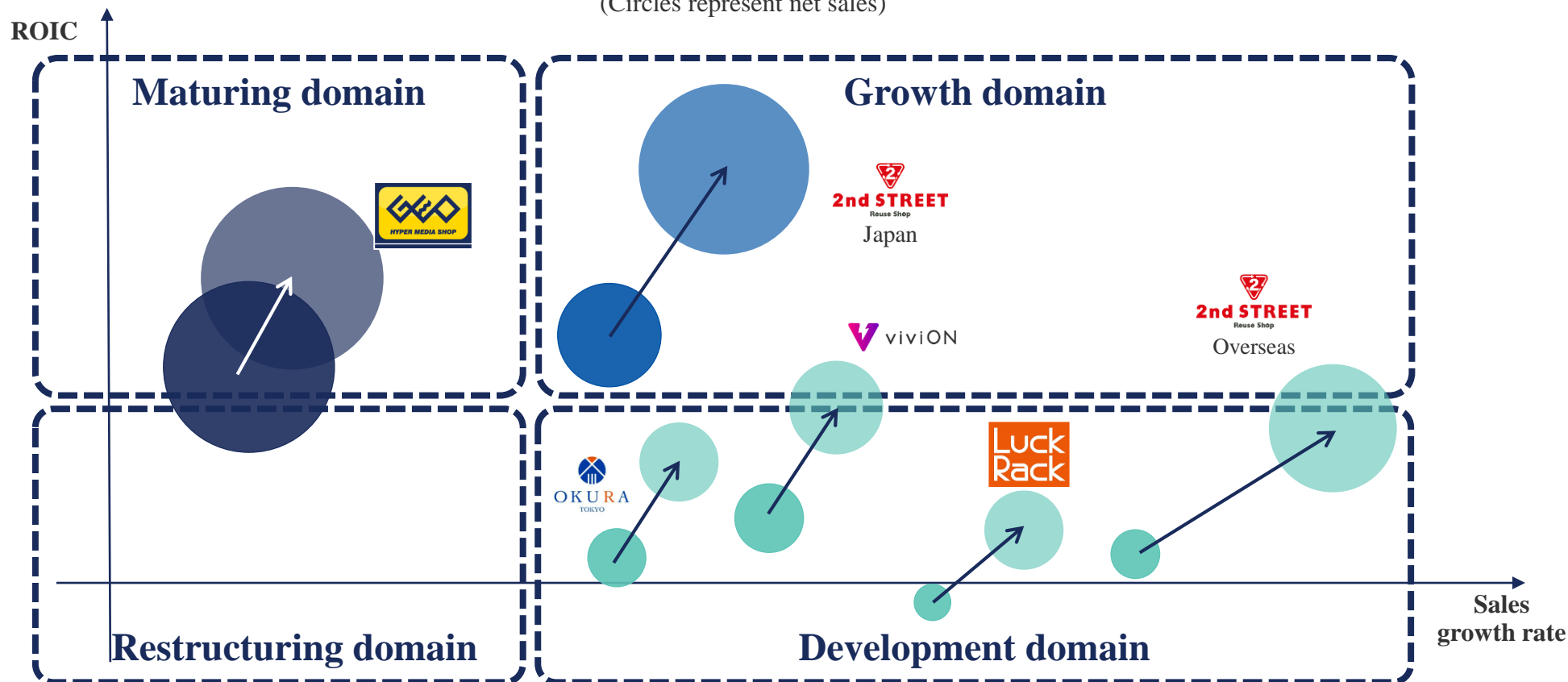


# Future outlook and business growth by segment

- Currently the GEO Group has annual sales of less than 500 billion yen, but we want to double the size of our sales by around 2035. We believe that the reuse business will be the single most important business, and we will continue to take on the challenge of further developing the reuse industry with the aim of enriching the everyday lives of customers around the world.
- We will seek to increase revenue in existing industries with our multi-store platform for offline and online businesses. Also, monetization is ongoing in new trade areas and new businesses. A platform has been established in the online digital content business and its monetization is in sight.

## Growth image of our businesses over the next few years

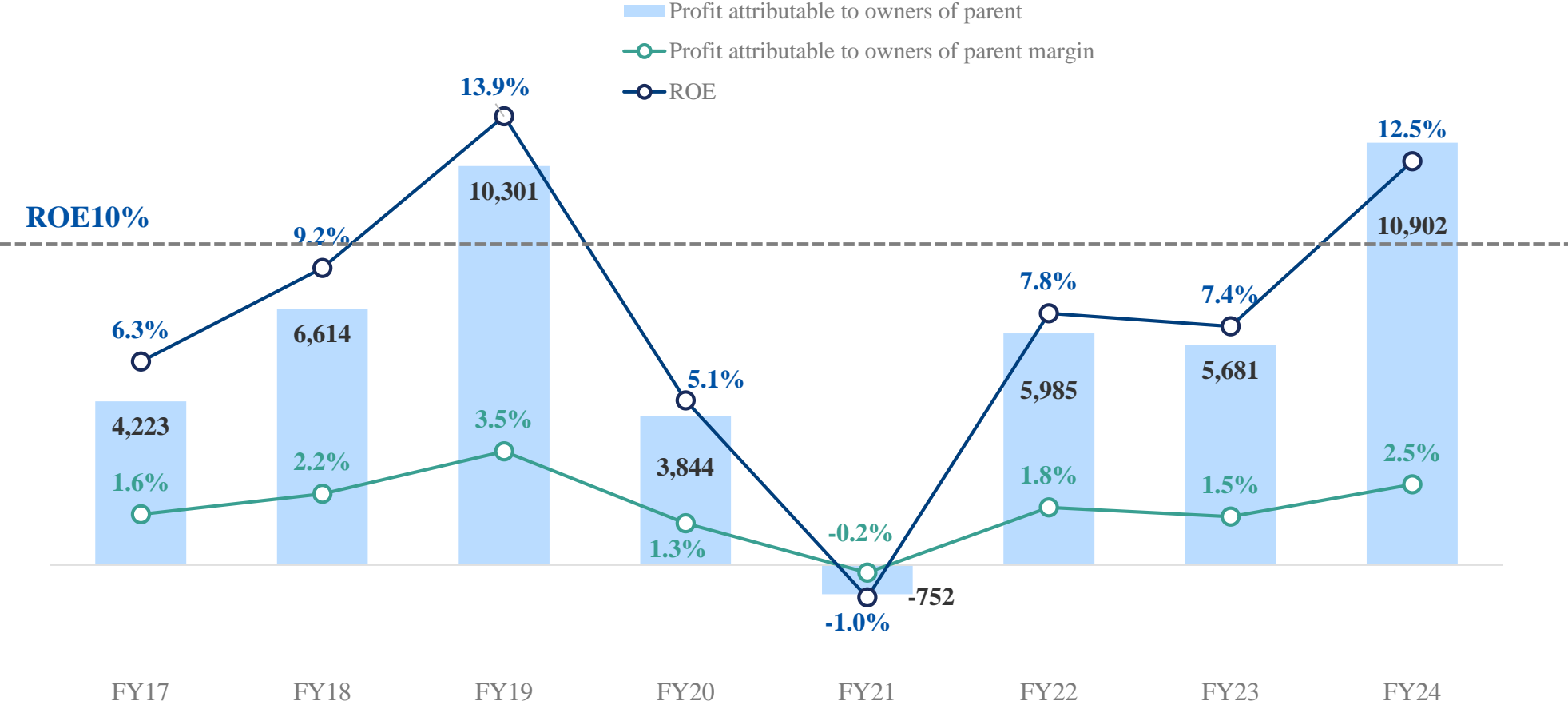
(Circles represent net sales)





# ROE target

The ROE 10% level can be achieved by refraining from active investment, but ROE 8% or greater remains our target for the time being.

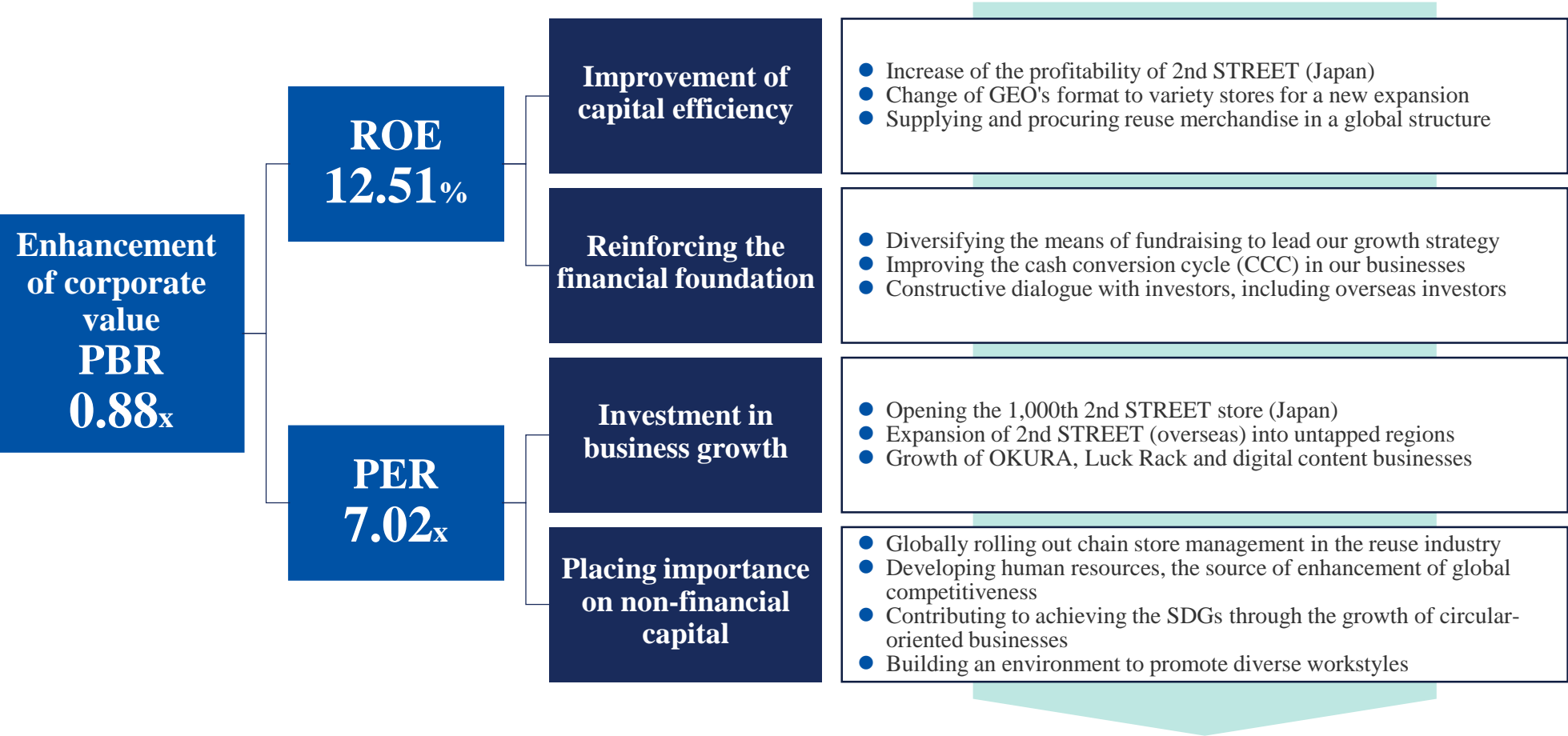


※ROE = Profit attributable to owners of parent ÷ FY-end own equity



# Towards improving corporate value

As we work to become an outstanding company without peer in the world's reuse industry, we will continue to improve capital efficiency, reinforcing our financial foundation, investing in business growth and placing importance on non-financial capital and sustainably to achieve a PBR greater than 1.0 and enhance our corporate value.



**Be the outstandingly No. 1 player in the world's reuse industry**

\* PBR, ROE and PER shown above are as of March 2024.  
 PBR = FY-end market cap ÷ FY-end net assets, ROE = profit attributable to owners of parent ÷ FY-end own equity, PER = FY-end market cap ÷ profit attributable to owners of parent





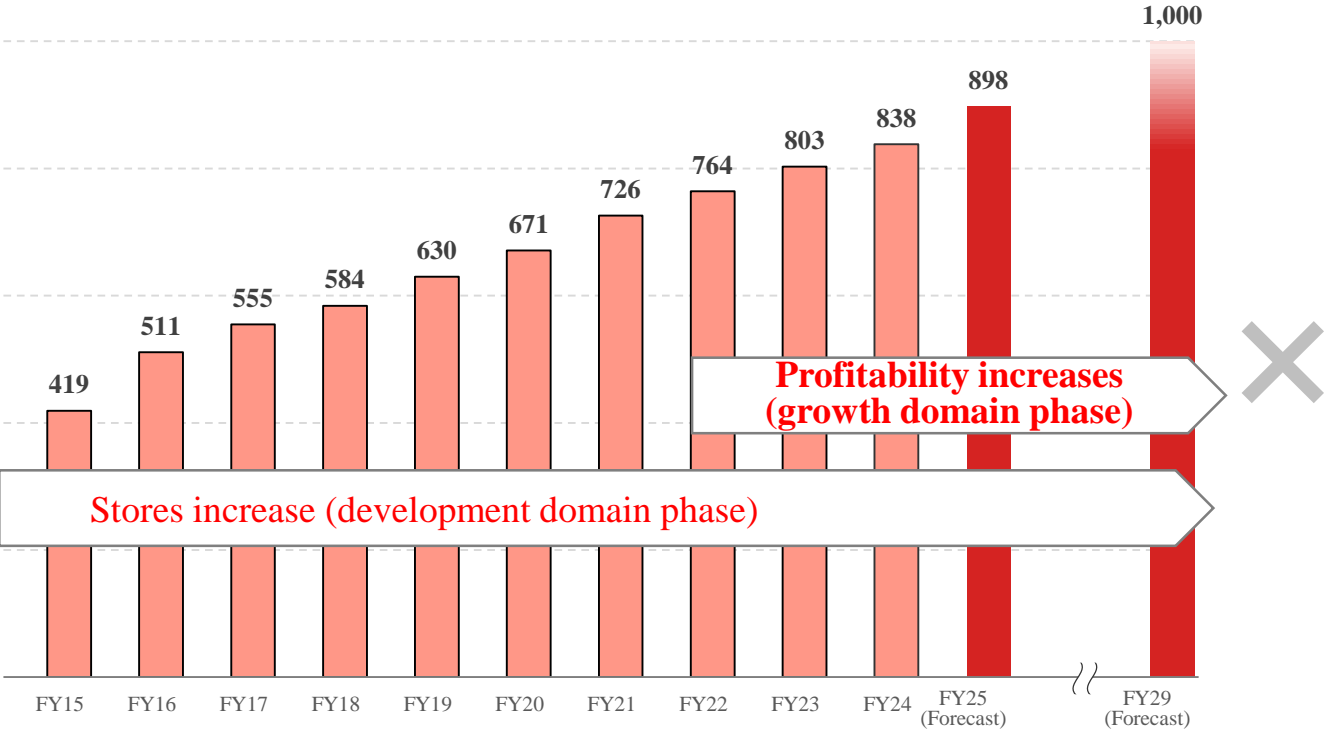
# 2nd STREET Japan store numbers and medium term target

To become the overwhelmingly No. 1 player in the reuse market, we achieved our interim target of 800 stores in FY2023, and our next target is 1,000 stores by FY2029.

At 2nd STREET stores in Japan we continue our efforts to improve profitability by (1) increasing operational capabilities, (2) flexibly changing sales floors and making purchases in accordance with inventory status and (3) properly controlling personnel expenses, among other efforts.

## Change in the number of stores in Japan

(Stores)



## Initiatives to improve stores' profitability

Increasing their operational capabilities through the standardization and simplification of store operations

Flexibly changing sales floors and focused on buying from customers in accordance with inventory status

Analyzing store person-hours and properly controlling personnel expenses



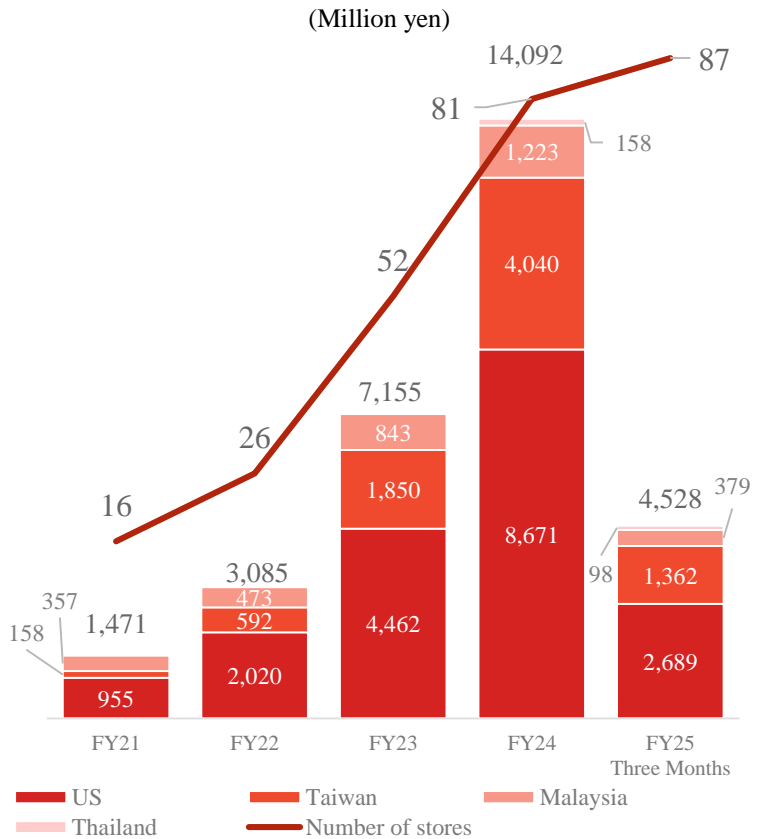
# Opening more 2nd STREET stores overseas

By providing chain management (core system) and merchandise from Japan, we will achieve multistore expansion in the United States, Taiwan, Malaysia and Thailand to energize our growth.

As another step towards our global expansion, we have established subsidiaries in Singapore and Hong Kong. The new stores in Singapore and Hong Kong will utilise our core system, which we have produced in-house since our establishment, to accelerate future global expansion. We will work to realise an increase in our share of global reuse market and take on the challenge of becoming the overwhelmingly world No. 1 in the reuse industry.



## Change in overseas sales



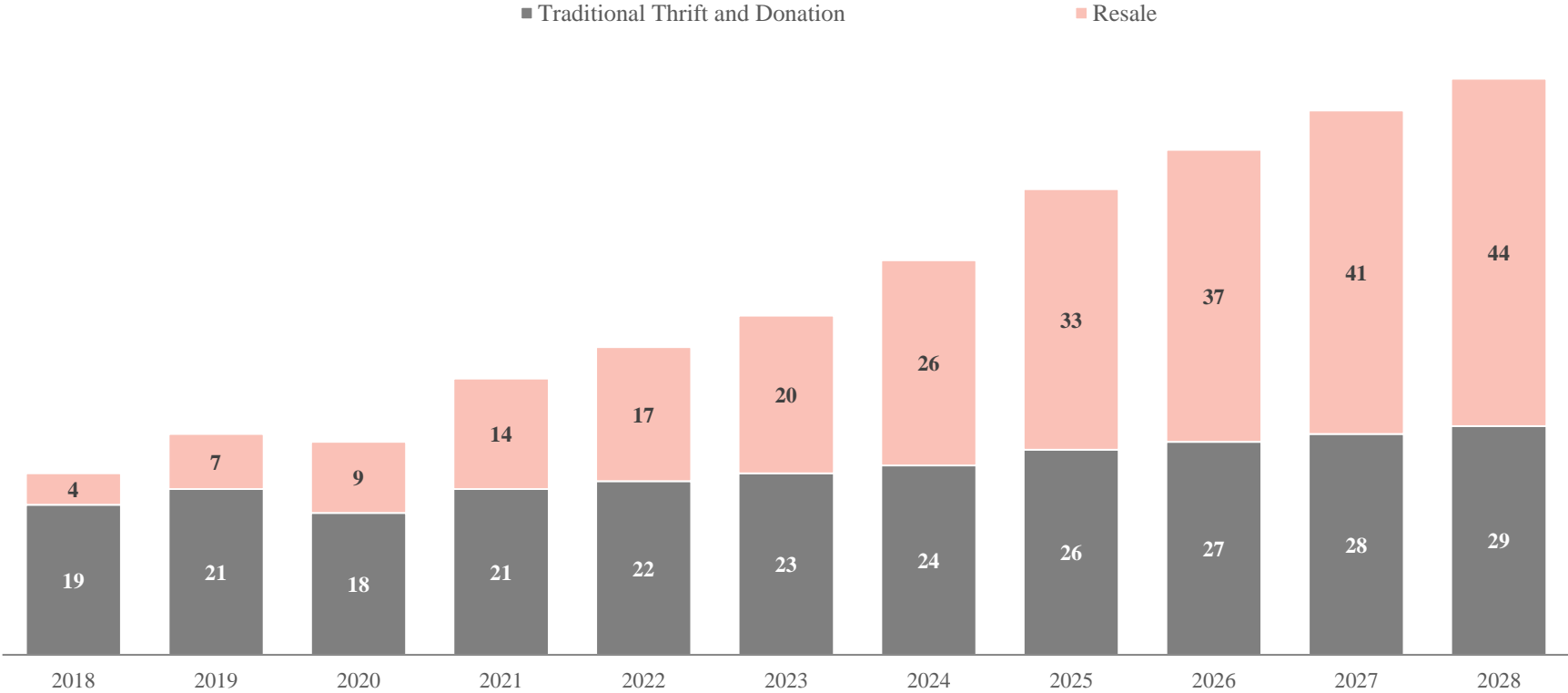
# Business strategy in the United States, a country with large potential



- There are estimates that the US reuse market will grow from 43 billion dollars in 2023 to 70 billion dollars by 2028 because it enjoys the support of various generations of people.
- In the US, the buying- or sales-oriented reuse store markets are expanding in addition to the traditional thrift and donation reuse stores. Based on this fact, we are transitioning from the tentative stage of store openings to multi-store management.

## Changes in the size of US reuse market

(Billion USD)



\* Source: "Changes in the size of US reuse market" is from thredUP: Resale Report 2024.



# Operating stores in the United States and the advantages of it

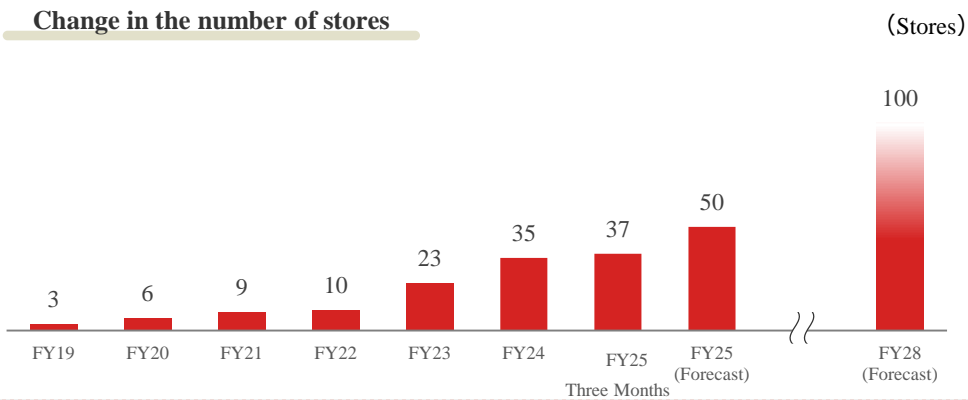
- Our expansion into the US started on the West Coast. The performance of our US stores and the training of local employees have progressed favorably. We will continue actively opening more stores mainly in densely populated cities, with a target of opening 100 2nd STREET stores by the end of FY2028, which will be the stepping stone to our further US expansion.
- Our US stores also have advantages such as (1) offering reuse merchandise shipped from Japan and products that are hard to get in the United States while basing their business on locally purchased products, (2) the ability to quickly adapt to trends and weather conditions and (3) Japanese-style hospitality.

## New Jersey: Hoboken store (opened in May 2024)



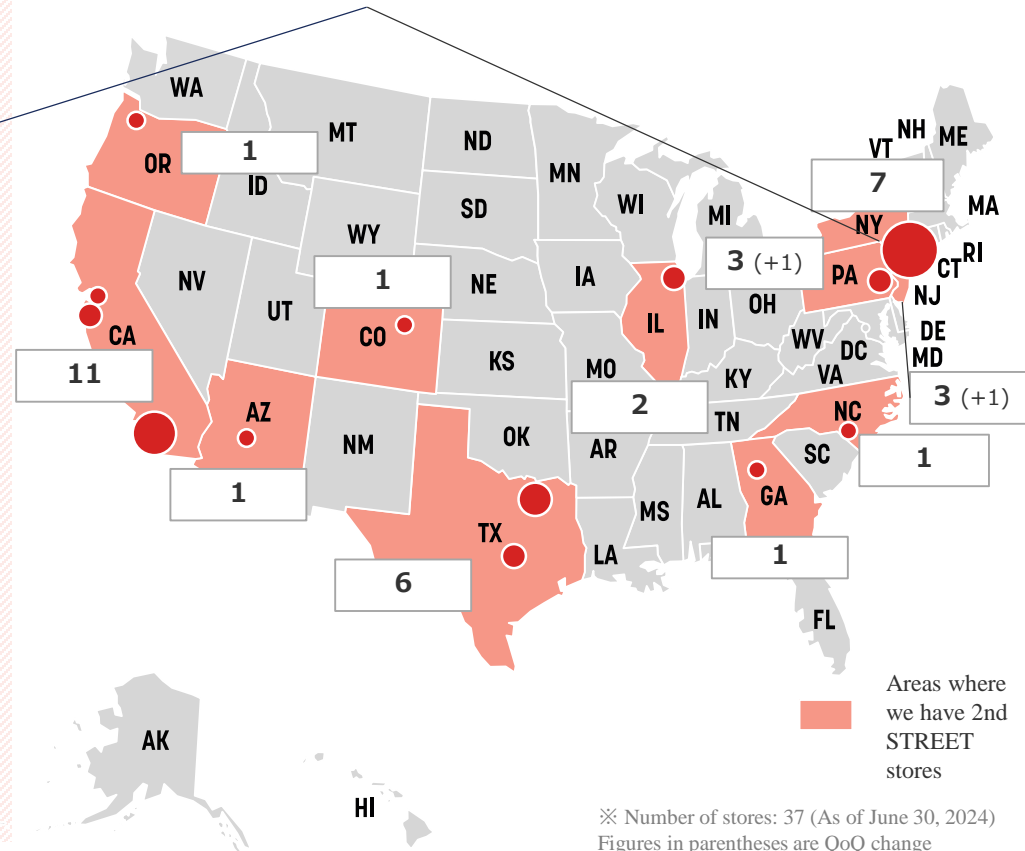
Our third store in New Jersey. Located near Hoboken Station, the gateway to Manhattan, it is surrounded by a variety of stores including restaurants and a supermarket. The store will deal mainly in reuse clothes, bags, shoes, accessories, and other items, with the aim of creating a store that will be loved by the local community.

## Change in the number of stores



## 2nd STREET store locations in the USA

※ The figure in the map below is the number of 2nd STREET stores in that area.



※ Number of stores: 37 (As of June 30, 2024)  
 Figures in parentheses are QoQ change



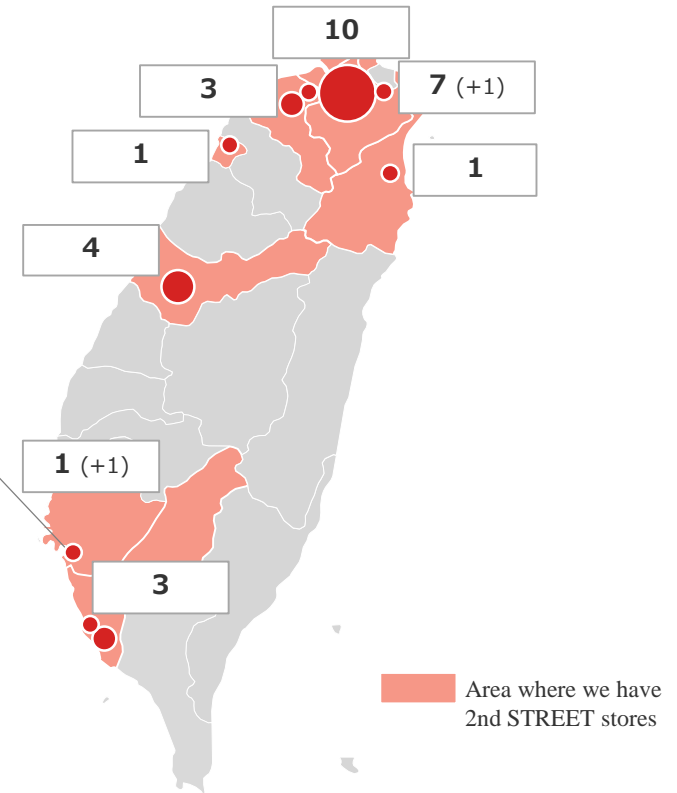
# Store opening strategy in Taiwan where the reuse market is developing



- As the reuse market in Taiwan is still developing, we will aggressively open stores in Taiwan in an effort to establish our firm position there.
- Our stores in Taiwan have the advantage of continuously displaying merchandise from Japan in addition to locally bought merchandise, and we will solidify our position in the Taiwanese market while strengthening the development of human resources and cost management. We have a target of opening 100 2nd STREET stores in Taiwan by the end of FY2030.

## 2nd STREET store locations in Taiwan

※ The figure in the map below is the number of 2nd STREET stores in that area.

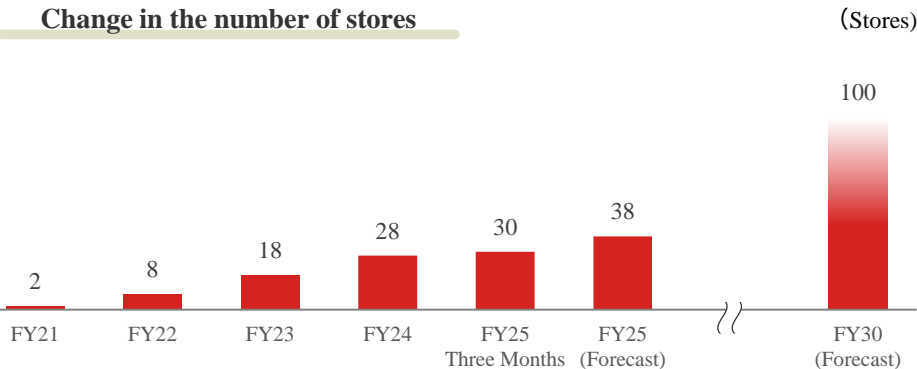


### Tainan: Shin Kong Mitsukoshi Tainan Zhongshan (opened May 2024)



Our first store in the city, we opened our Shin Kong Mitsukoshi Tainan Zhongshan Store in the Shin Kong Mitsukoshi Tainan Zhongshan department store. The store carries a total of approximately 12,000 items of carefully selected clothing and accessories, including bags, shoes and accessories, and offers a line-up of high-quality, reasonably priced products from Japanese designer brands and internationally popular luxury brands.

### Change in the number of stores



※ Number of stores: 30 (As of June 30, 2024)  
 Figures in parentheses are YoY change

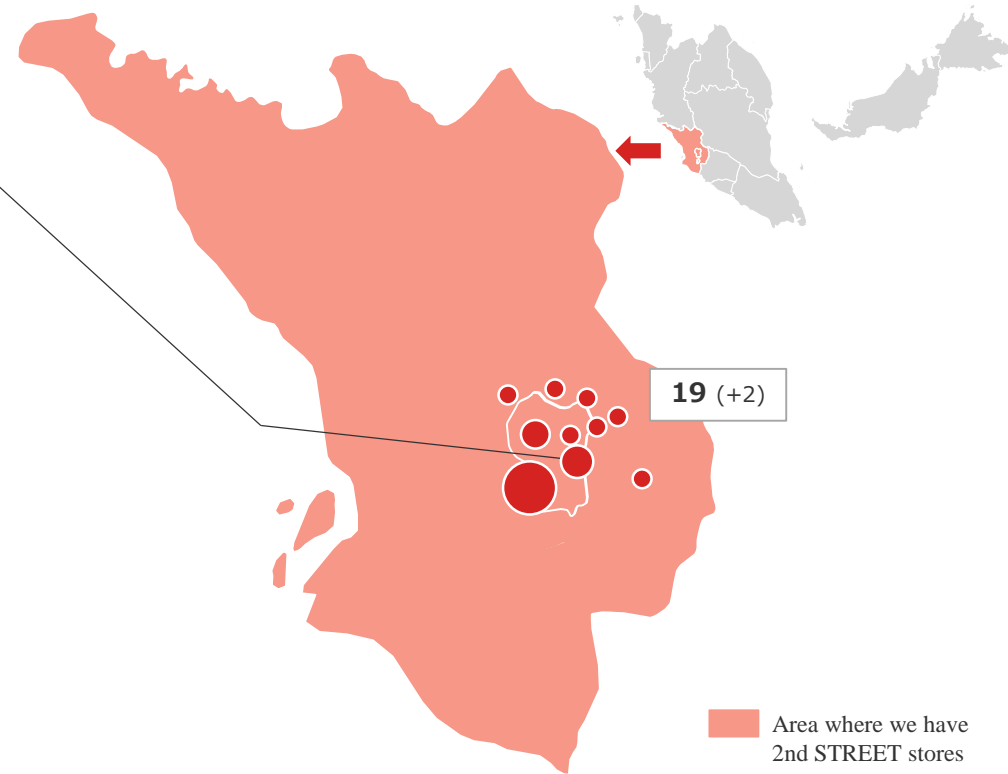
# Store opening strategy in Malaysia



- In Malaysia, wholesale and in-store sale of reuse products imported from Japan are concentrated in Kuala Lumpur and the surrounding area.
- We will continue with marketing research and staff increases in Malaysia while stepping up our operations in the country.

## 2nd STREET store locations in Malaysia

※ The figure in the map below is the number of 2nd STREET stores in that area



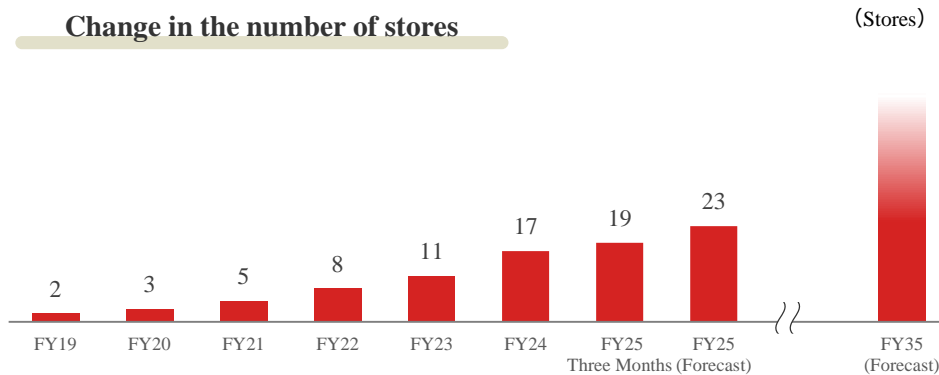
※ Number of stores: 19 (As of June 30, 2024)  
 Figures in parentheses are YoY change

### Kuala Lumpur: Bandar Sri Permaisuri (opened in May 2024)



Our 19<sup>th</sup> Malaysia store, it is located in a complex, has a sales floor of about 133 tsubo (approx. 440 square meters) and offers a wide range of reuse items imported from Japan. The store also buys locally and, like 2nd STREET in Japan, is organised by category of item and category, creating an easy-to-see, tidy sales floor that is well supported in Malaysia.

### Change in the number of stores





# Planning to open second store in Thailand in August 2024



- In Southeast Asia where the reuse market is in its infancy, we will build a model to complete buying and selling domestically and accelerate overseas expansion.
- Urbanization is gaining speed in Thailand. In fact, more than 50% of the country's population lives in urban areas. We have the target of opening 50 stores in ten years mainly in the Bangkok metropolitan area where further population growth is expected.

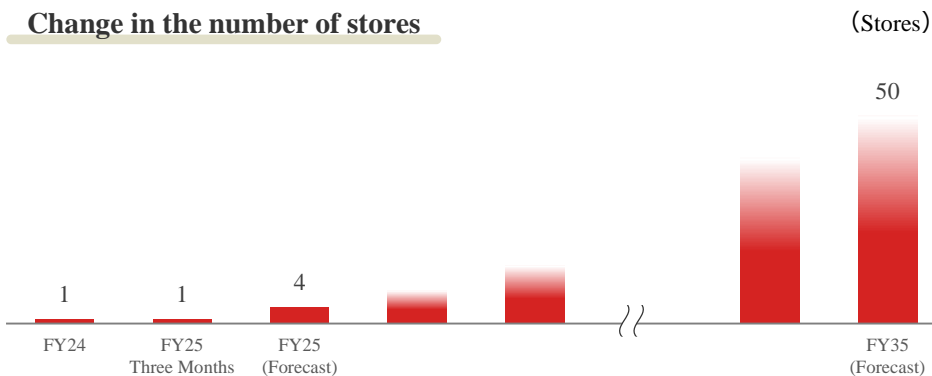
## Bangkok: centralwOrld Store (opening in August 2024)



※ Impression of store  
(Second Thai store: 2nd STREET centralwOrld)

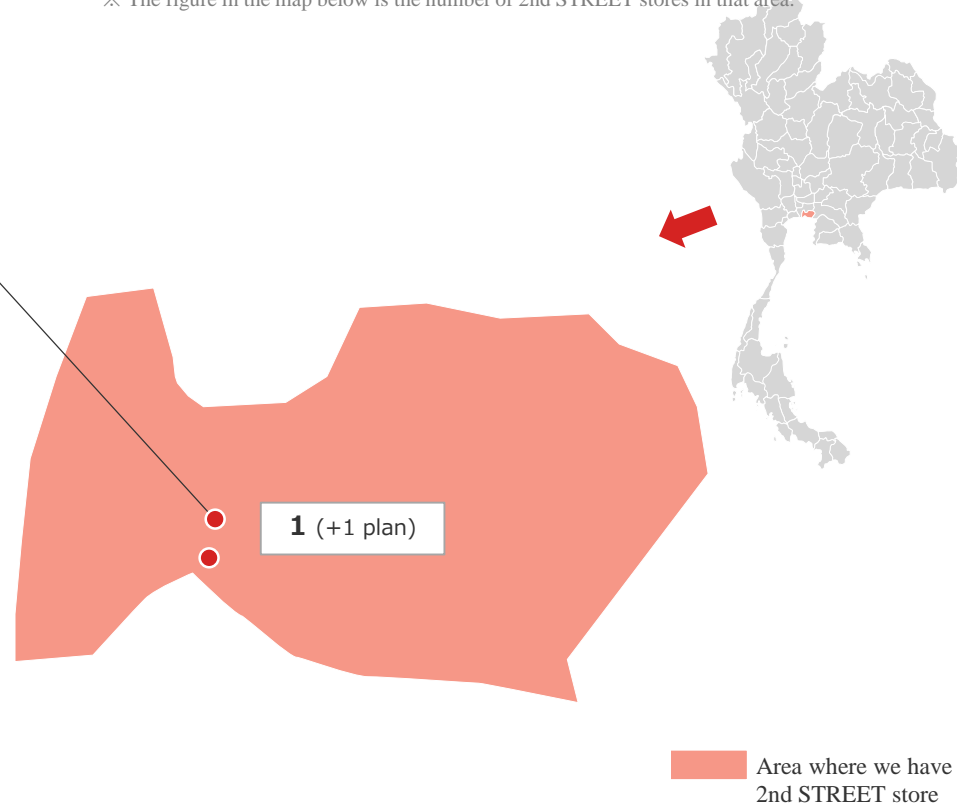
Our new store will be located in centralwOrld, one of the largest shopping malls in Thailand, with over 500 shops located in the centre of Bangkok. For the opening of our new store in centralwOrld, the product mix will be centred on high-priced products in line with the location characteristics of the central downtown area in Bangkok, with a careful selection of products that will appeal to Thai fashion lovers.

## Change in the number of stores



## 2nd STREET store location in Thailand

※ The figure in the map below is the number of 2nd STREET stores in that area.



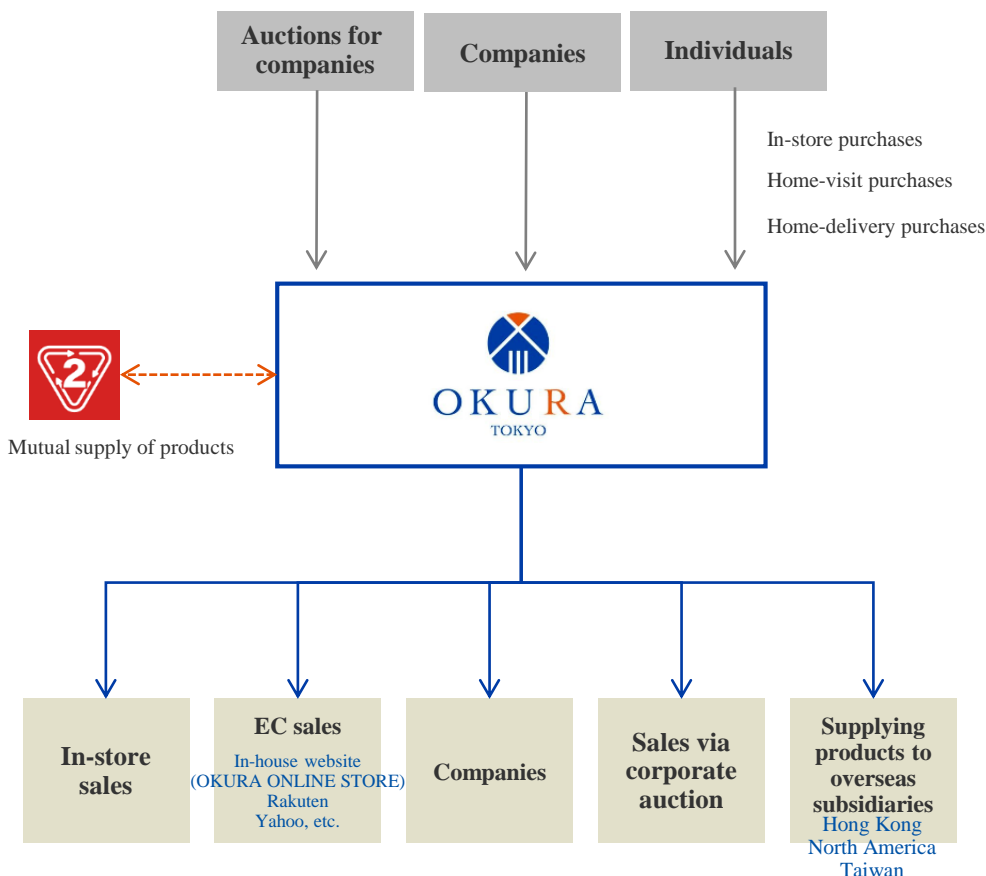
※ Number of stores: 1 (As of June 30, 2024)  
Figures in parentheses are YoY change



# OKURA plays a core role in luxury merchandise for reuse



- OKURA purchases an extensive range of luxury products from individuals and through auctions for companies and sells these products at its stores, on its e-commerce outlets, at corporate auctions and through our overseas subsidiaries.
- With strength in luxury watches, OKURA can expect the improvement of the procurement and sale of luxury merchandise after acquiring ownership of Japan Auction Association Inc., one of Japan's biggest auctions.

## Overview of OKURA's business



## OKURA utilizes the following core auctions

### Japan Auction Association Inc. becomes our consolidated subsidiary

	Self-organized auctions OKURA Market 	Self-organized auctions JWA 
<b>Characteristics</b>	OKURA holds self-organized auctions every month. Auctioned items range broadly from watches, bags and jewelry to kimono and various instruments and equipment.	This is one of Japan's biggest auctions and is now our subsidiary. The auction house has strengths in upmarket watches and its members can bid at any time and from any place using the dedicated website.
<b>Annual trading volume</b>	Over approx. 13 billion yen	Over approx. 21 billion yen
<b>Main product lines</b>	Watches, bags, jewelry, kimonos, and miscellaneous equipment	Watches, bags, and jewelry

# A pioneer of Japanese off-price stores, Luck Rack aggressively takes on challenges

- As the pioneer in Japanese off-price stores, Luck Rack wishes to provide a new store format for customers to value shop without tarnishing manufacturers' brands.
- Luck Rack aggressively takes on challenges mainly in the Kanto and Kansai areas and it aspires to be the leading Japanese off-price store company.

## Off-price store business model



## Difference between off-price stores and outlet stores

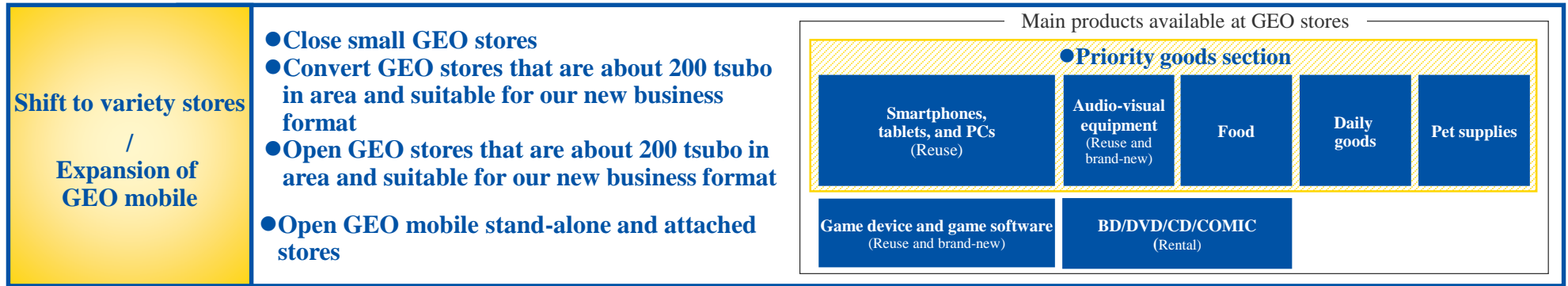
	Off-price stores	Outlet stores
<b>Brands to be dealt in</b>	Multiple brands	Single brand
<b>Product lineup</b>	Combine many different brands	Outlet-only goods are also available
<b>Main form of operation</b>	Operate at shopping centers, etc.	Operate at outlet malls
<b>Access</b>	A location where it can be expected that people will visit very frequently	Mainly accessible by car

# Implementing a plan for priority goods to stimulate customers' motivation to visit the stores.



- GEO will increasingly shift to variety stores and will review its existing stores by, for example closing small stores as we resume our expansion by opening stores that are approx. 200 tsubo (660m<sup>2</sup>) each and compatible with our new business format.
- To stimulate customers' motivation to visit the stores, we will develop priority goods lineups aiming to make customers associate specific products with GEO.
- Meanwhile, we will also open more GEO mobile stores that are differentiated by their specialized services.

## Expanding the priority goods section and establishing a new format of GEO






# Largest share of the smartphones and tablets for reuse market



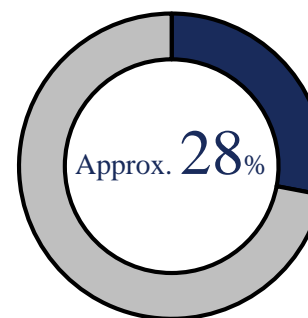
Mainly through GEO and GEO mobile, we have the leading share of the reuse smartphones and tablets market, with approx. 28% market share, which we aim to expand further, and target 800 stores by the end of FY 2026.

GEO and GEO mobile's advantages include (1) a flexible sales system due to its centralized inventory, (2) completely initialized and cleaned devices, (3) SIM card sales and (4) specialized counsellors providing support at GEO mobile.

## Advantages of GEO and GEO mobile

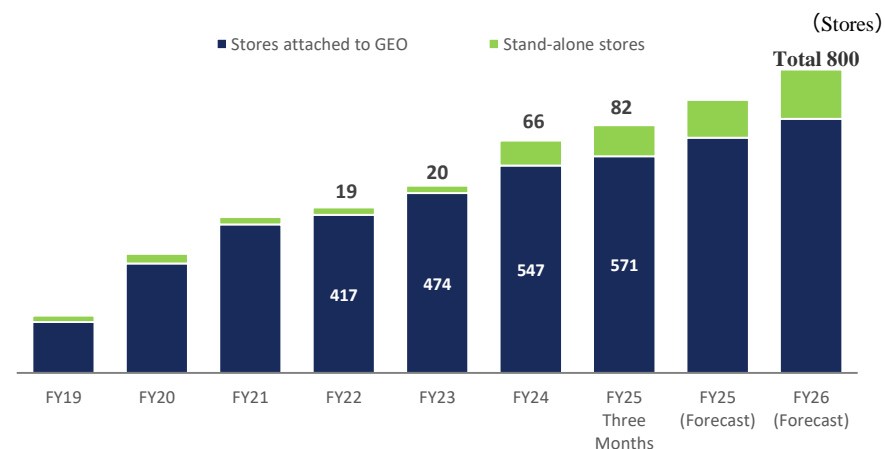
<b>Stores</b>	<ul style="list-style-type: none"> <li>Centralizing the management of GEO and GEO mobile's inventory nationwide can ensure that sales activities are properly adjusted for demand.</li> </ul>
<b>Devices for sale</b>	<ul style="list-style-type: none"> <li>The insides of all devices are cleaned, ensuring safety and reliability.</li> <li>Devices are well cleaned both externally and internally.</li> <li>Devices have a 30-day warranty against defective products.</li> </ul> <div style="display: flex; justify-content: space-around; align-items: center;">    </div>
<b>SIM card</b>	<ul style="list-style-type: none"> <li>UQ and Y!mobile SIM cards are available at GEO and GEO mobile stores around Japan.</li> <li>From July 2024, 20 GEO and GEO mobile stores started handling in advance HIS Mobile</li> </ul>
<b>In-store support</b>	<ul style="list-style-type: none"> <li>In-store support reassures customers. Specifically, GEO mobile provides support by specialized consultants.</li> </ul>

## Our share of reuse smartphones and tablets market



Our market share, mainly GEO and GEO mobile

## GEO mobile store trends



\* Total number of GEO stores, including stand-alone, in facilities and attached stores. Including changes due to the change of store name made in April 2024.

\* Source: Our share of the smartphones and tablets for reuse market is estimated by GEO HOLDINGS based on the Secondhand Market Databook 2023. © GEO HOLDINGS CORPORATION

# Become the overwhelmingly No. 1 player in the reuse smartphones and tablets market



- By adding GEO mobile stand-alone stores and attached to GEO group stores, we are aggressively increasing the number of stores and selling merchandise at electronic and home appliance stores and other stores. In addition, we collaborate with electronic and home appliance stores by providing reuse functions.
- We seek to become the overwhelmingly No. 1 player in the reuse smartphones and tablets market by strengthening online purchasing, sales and contracts and focusing on the expansion of the BtoB business.

## Be an outstandingly peerless company in the smartphones and tablets for reuse market

### Brick-and-mortar stores

GEO mobile  
Expand stand-alone stores  
and attached stores



Sell merchandise at  
electronic and  
home appliance stores, etc.



### Online

Utilize digital means to  
strengthen our interface  
with customers  
(purchases, sales and contracts)



### B to B

Corporate-brokered  
transactions in Japan  
Overseas import  
and export



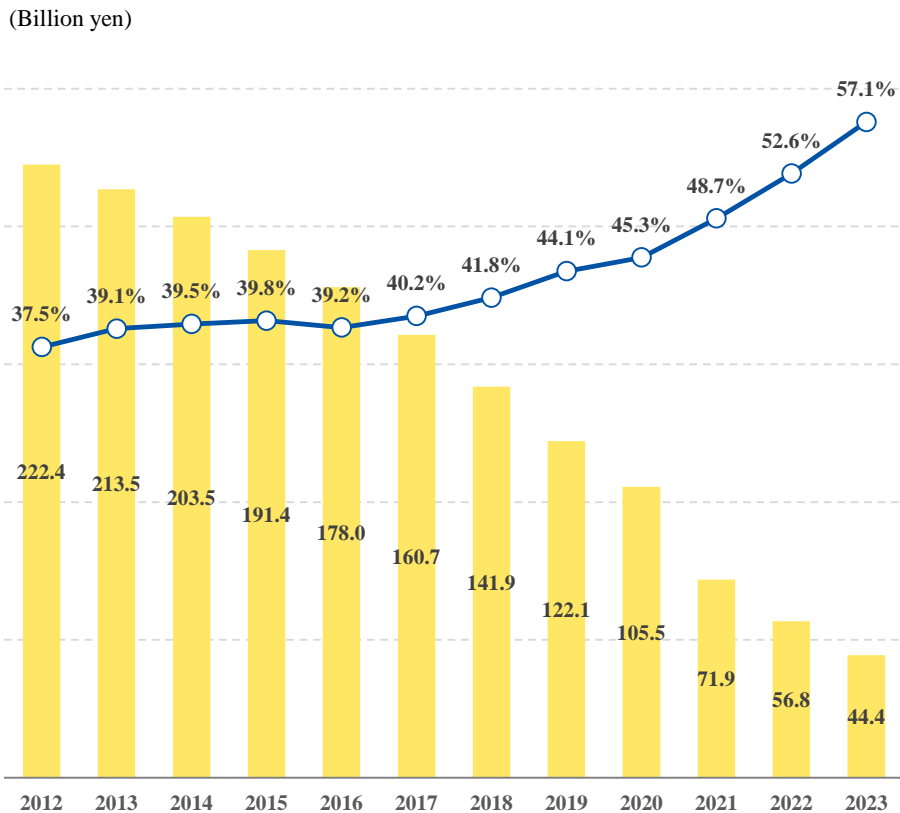
# Our rental business streamlines spaces in a rock-solid manner



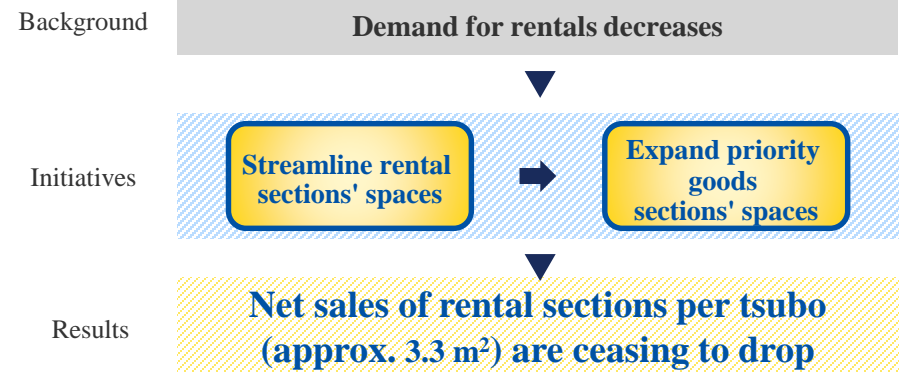
It is unavoidable that we will be impacted by the shrinkage of the domestic music and video rental market. Nevertheless, we will streamline store spaces and strive to further solidify our position as having the largest share of the domestic music and video rental market, the business the GEO Group originated from.

As a consequence of working to streamline the rental section spaces in stores, net sales of our rental sections per tsubo (approx. 3.3 m<sup>2</sup>) are ceasing to drop and the streamlined spaces are being used to sell priority goods.

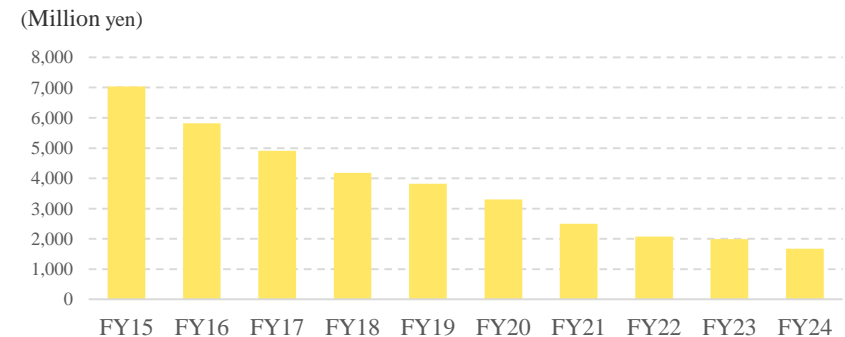
**Change in the music and video rental market in Japan and our share of the market\***



**Efforts to prevent the drop in demand for rental goods and their outcomes**



**Change in end-of-term balance of assets in the rental business (after depreciation)**



\*Source: The graph shows an estimates by GEO HOLDINGS based on the Ministry of Economy, Trade and Industry's Specific Service Industry Statistics.

Note 1: Market share is an estimate by GEO HOLDINGS. Note 2: Market size is calculated excluding home delivery rental and comic rental. © GEO HOLDINGS CORPORATION

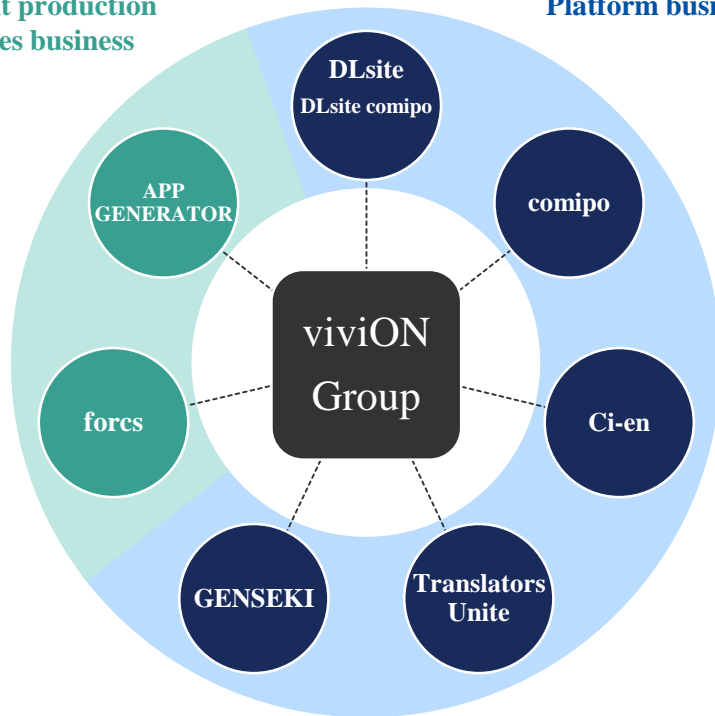
# Digital contents business

- viviON operates a digital content platform business and produces and sells content.
- DLsite, a 2-D content website, has one of the largest content portfolios in Japan and services in 14 languages. In addition, comipo offers comics with audio tracks enabling users to enjoy comics with sound. viviON also operates a new business model by engaging in businesses such as Translators Unite and a creator support business named Ci-en.

## viviON Group's main digital content businesses

Content production and sales business

Platform business



## Main services

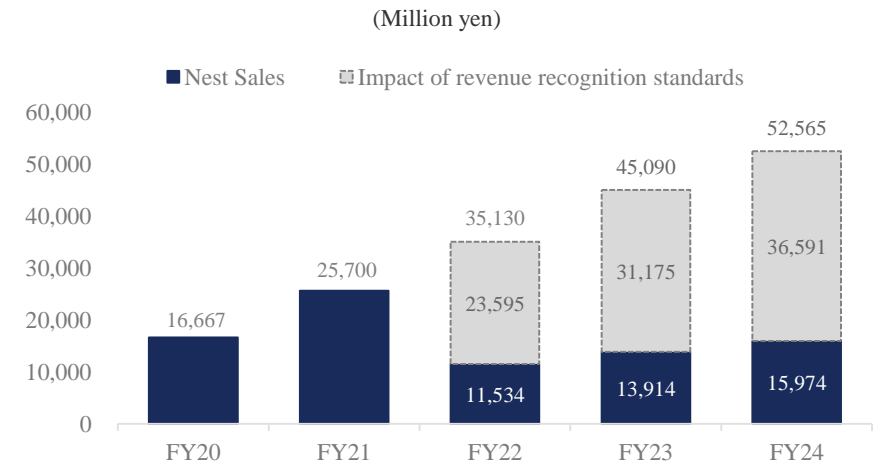


The world's largest subculture content download site. The number of titles available for download from the site has reached 1.21 million.



Electronic audio comics add sounds such as actor's voices to comics. comipo has more than 30,000 Japanese and international comics.

## Net sales trends



Amount net of internal transactions

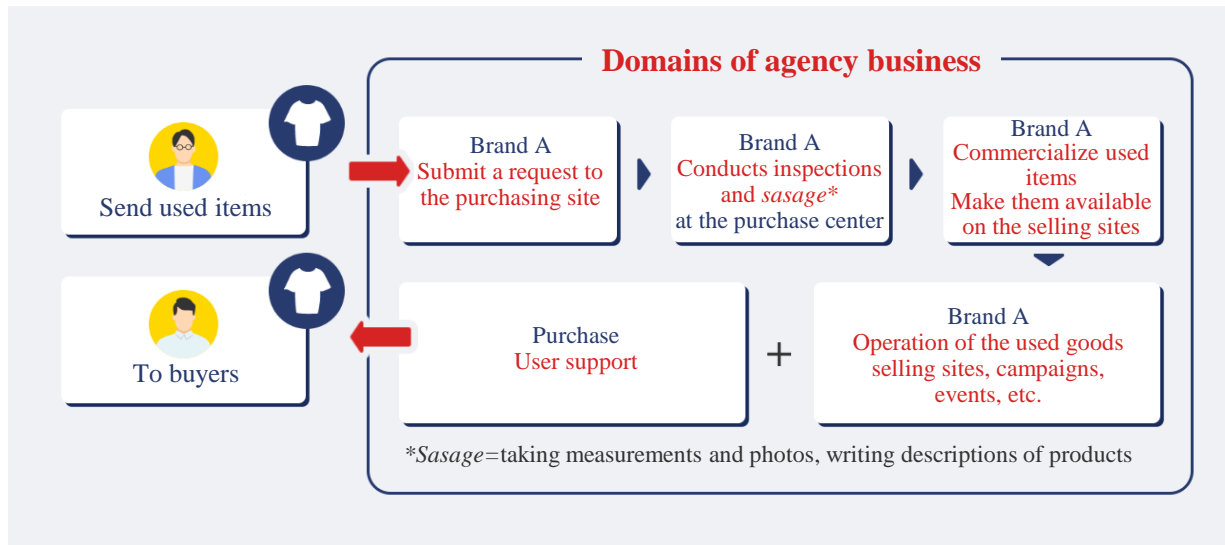


# 5. New Efforts

# Entering the reuse alliance business



- In the reuse alliance business, primary distribution companies' stores and websites serve as contact points for reuse. The business involves inspecting and recycling the items collected and purchased from customers before sending them back to the primary distribution companies as reuse items, or promoting their sales leveraging the GEO Group's sales capabilities.
- Primary distribution companies serve as the contact points for reuse and the GEO Group provides the primary distribution companies with the Group's expertise in the operation of and systems for reuse stores and e-commerce. Through this, we find users we have been unable to access in an effort to help orient society more toward recycling.
- The reuse alliance project is scheduled to start services during FY2025.



Items available: tops, bottoms, bags, shoes, bicycles and musical instruments

## Full agency service

Used goods purchase  
 Inspection, *sasage*\* and commercialization  
 Sales and shipping  
 Operation and user support

## Individual support

Operation of purchasing sites

Purchase operations

Inspection, *sasage*\* and commercialization

Operation of selling sites

Our reuse alliance business website: <https://www.geonet.co.jp/business/ra/>

# Full-scale launch of 2nd STORAGE

- 2nd STORAGE, a storage unit service with free home delivery, has been fully launched. The service initially covered the 23 wards of Tokyo. We also plan to expand this service to Tokyo metropolitan area by FY 2027.
- We will pursue the reuse business in depth by buying and selling goods in storage that are no longer needed, as well as developing the goods deposit service.

## Business model of 2nd STORAGE

User



**Charged monthly**

Within the contract space, your items can be deposited or taken out through home delivery as many times as you like.



A deposited item can be tracked from a smartphone.

You can ask to take your item out when needed.

It is also possible to select which of the deposited items you wish to sell.

# Purchase via locker



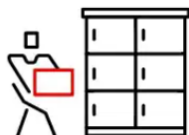
- Purchase via locker enables you to use our purchase service via a smartphone without meeting anyone. Available round-the-clock, it helps you to use your time efficiently. The service has begun.
- Purchase lockers will be placed at our purchase-only shops which will open sequentially. The service will be expanded mainly in the metropolitan area including the 23 wards of Tokyo.

## Purchase via locker business model

### User



Use a smartphone to offer your item for sale and authenticate yourself



Deposit the item in the locker



See the appraisal results by smartphone

Receive the proceeds by smartphone  
(Can also be received at a store counter)



Lockers are available in five different sizes: XS, S, M, L and XL.  
You can deposit clothes, home electric appliances, musical instruments, sports equipment and many other items.

### Introduced to the following stores

**Tokyo** 2nd STREET purchase-only store in Kyodo



\* Some stores have terminated their purchase locker service as of January 19, 2024.

GEO Arekore Rental is a web service that allows users to rent many different items such as cameras, smartphones and home appliances whenever and as long as necessary. It can also be used for pre-purchase trials.

## GEO Arekore Rental's business model

User

Has approx. 140,000 subscribers and deals in more than 2,000 products



### Registration can be easily completed online

Registration is free of charge.

\*Some products require submission of personal ID



### Rental

Types of rental period

**Short-term rental** (four days and longer), **monthly rental** (a monthly basis) and **purchasable rental**\*

\*Available at prices calculated by deducting the paid rental fee from the selling price



### Return or purchase

Product returns can be entrusted to a convenience store (A delivery form and adhesive tape for packing are provided)

Paid rental fee JPY 7,000	Purchase price JPY 13,000
Sales price JPY 20,000	



Cameras

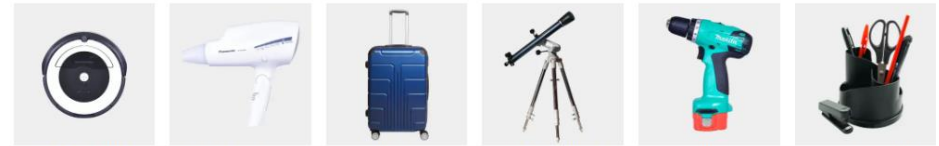
Drones

Smartphones and tablets

Smart watches and wearable devices

PC and peripherals

Audio and visual devices



Home appliances and goods

Beauty and healthcare

Travel goods

Telescopes and binoculars

DIY

Business and study

### An example of rental products provided through collaboration with manufacturers



DENKI BARI BRUSH®



Liquid-crystal graphics tablet Artist Pro 16



Ultrasonic haircare SonoRepro



Document scanner Scan Snap



Happy Hacking Keyboard

After rent, a brand-new item can be purchased on the manufacturer's site at a bargain price.

# Aogiri Vtuber High School / viviON BLUE

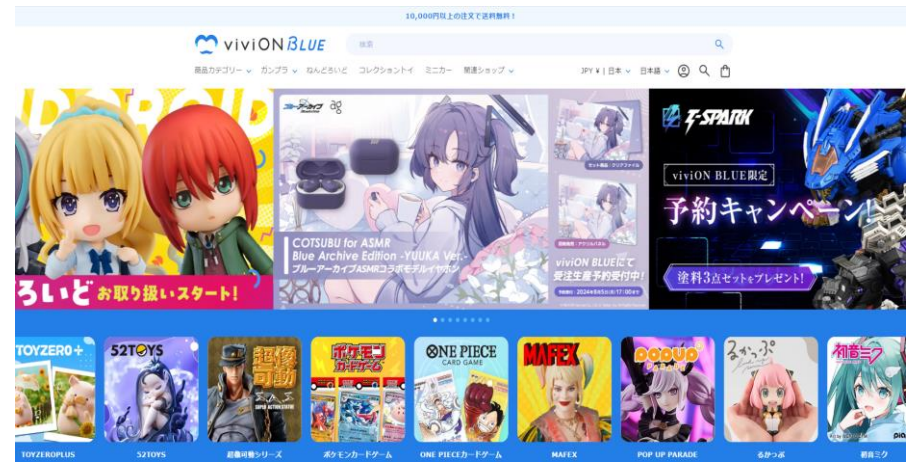
- Aogiri VTuber High School, a group of virtual YouTubers active in the viviON Group, celebrated its fifth anniversary on October 27, 2023. Based on the motto, “We’ll do anything if it’s fun,” the group of VTubers operates by trying anything, including events and offline activities, that is fun or exciting and that has not been done by others.
- The "viviON BLUE" e-commerce site is an e-commerce site that sells limited-edition collaborative products from anime and games, as well as its own content. The shop was established with the aim of enabling people to enjoy 2D content to the fullest. It sells official goods from famous IPs such as Blue Archive, and has been very well received by 2D fans.

## Aogiri High School



YouTube channel subscribers exceeds 3.4 million.

## viviON BLUE



Genres currently handled: Plastic models, figures, trading cards and foreign toys, viviON character goods, etc.

# 6. Appendix

# Trends in the domestic reuse market

- The 2022 domestic reuse market rose 7.4% YoY to 2,897.6 billion yen. Awareness of reuse products, which are less expensive than new products, rose as consumer took steps to maintain their standard of living as prices rose.
- The domestic reuse market is expected to continue to grow again the back drop of soaring material costs, the rebound from COVID-19 and a shift to SDG orientated lifestyles.

(Billion yen)

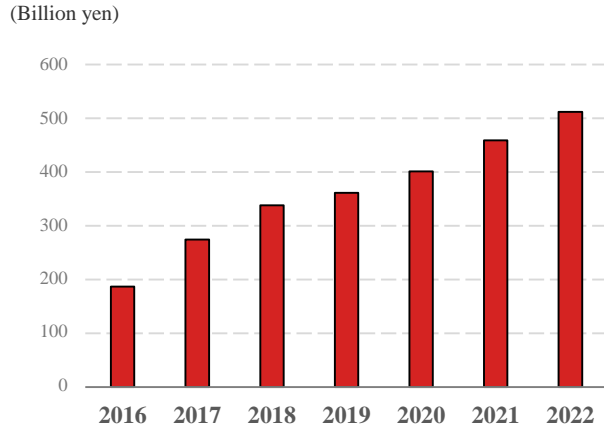


\* Source: Reuse Business Journal “Secondhand Market Databook 2023” The market forecast is excerpted from The Reuse Business Journal.

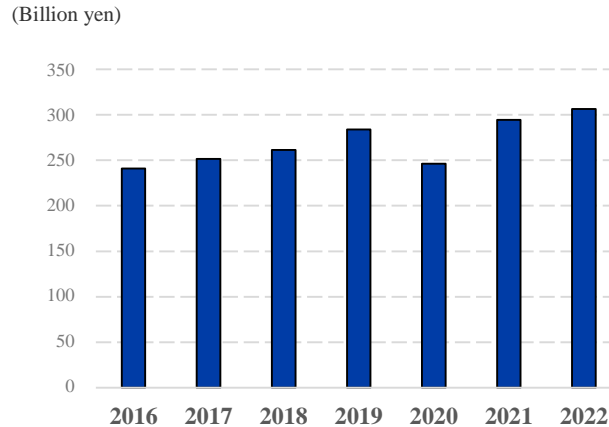


# Change in the size of the domestic reuse market by type of merchandise

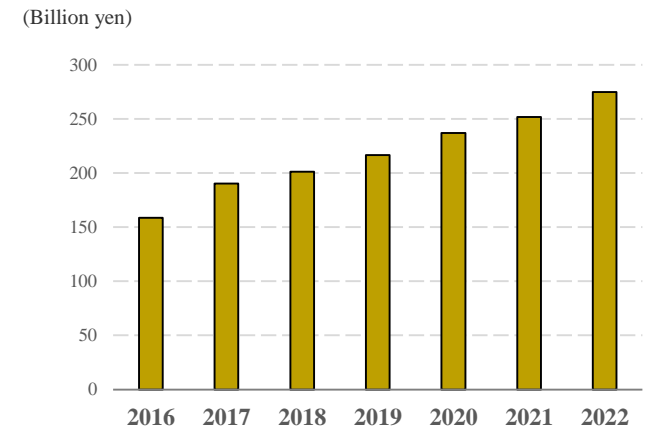
## Clothing and accessories



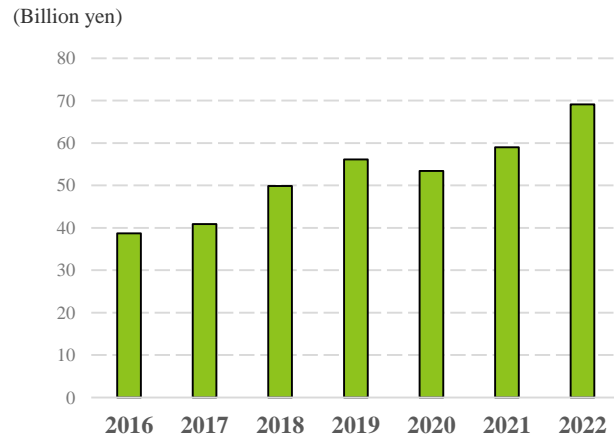
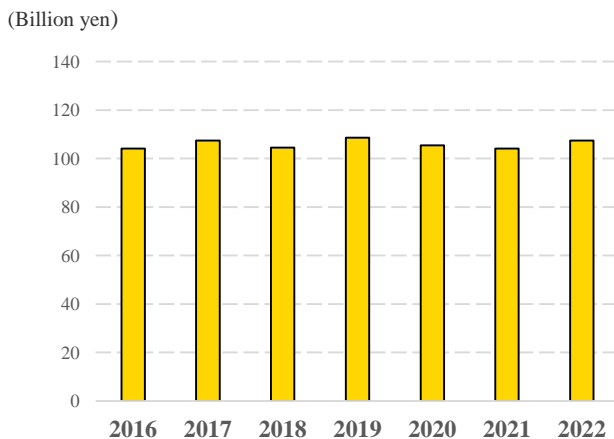
## Luxury brand items



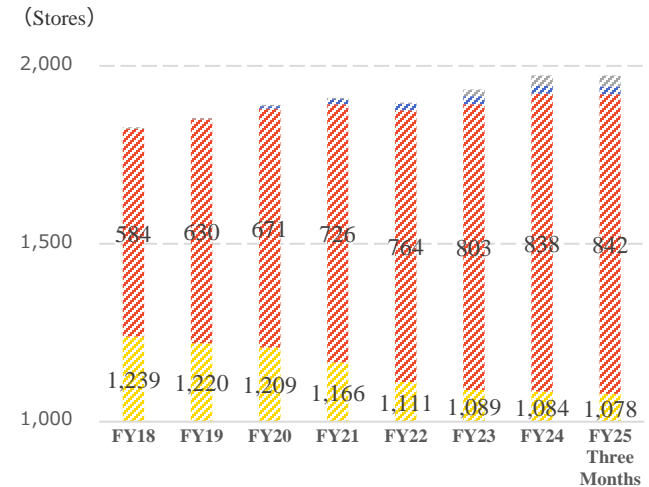
## Furniture and home appliances



## Games and media (excluding books) Mobile phone and smartphone

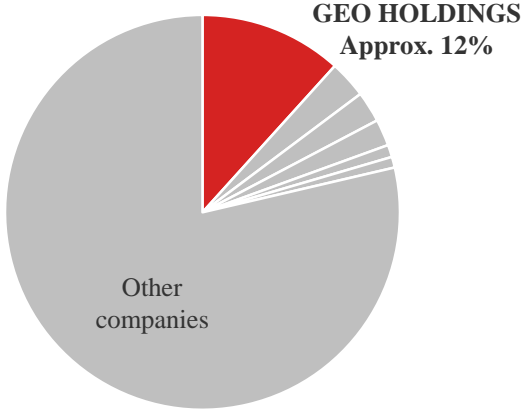


## GEO group reuse stores in Japan

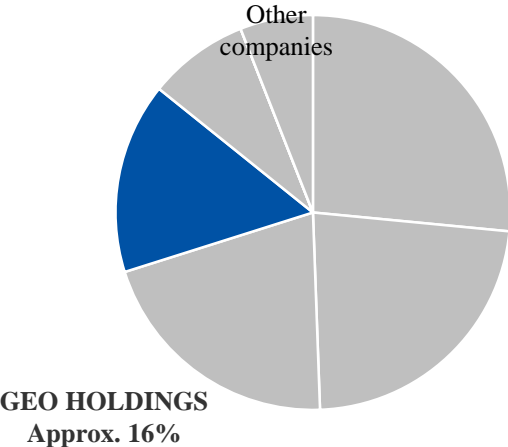


# Our market share by major reuse merchandise

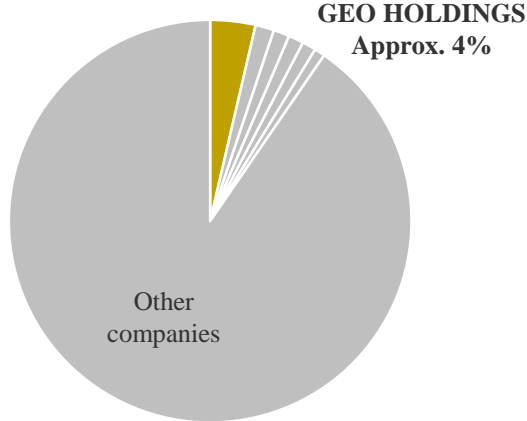
**Clothing and accessories**



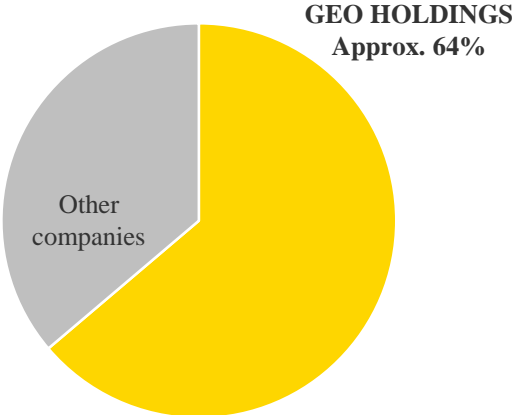
**Luxury (Brand)**



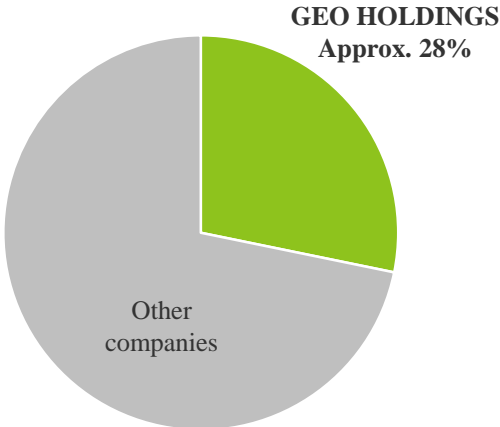
**Furniture and home appliances**



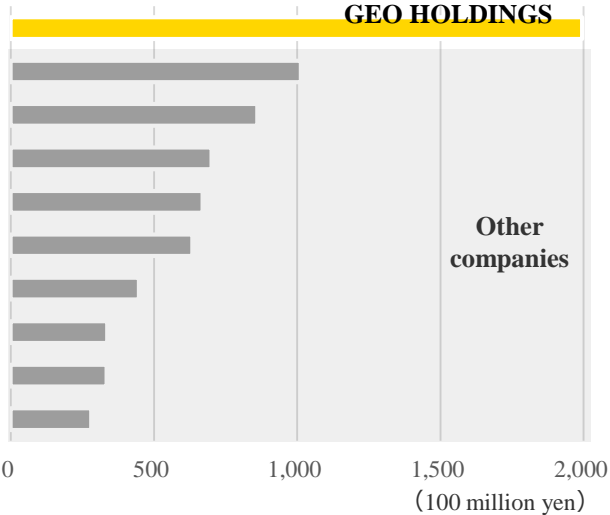
**Game**



**Mobile phones & smartphones**



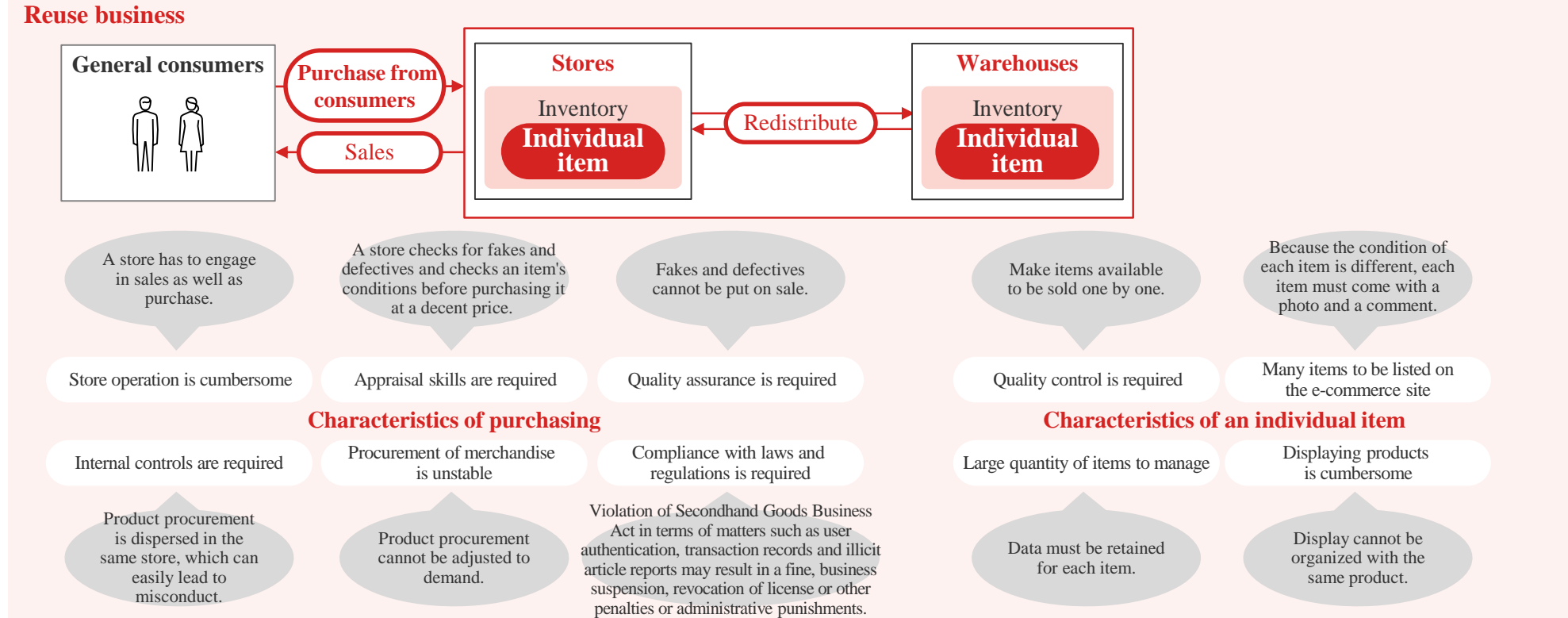
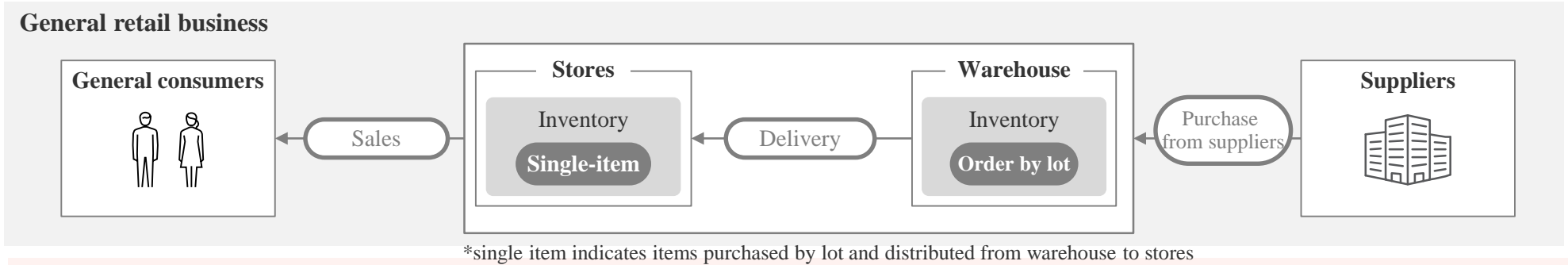
**Reuse sales ranking**



\* Source: GEO Holdings estimates based on Reuse Business Journal "Secondhand Market Databook 2023"

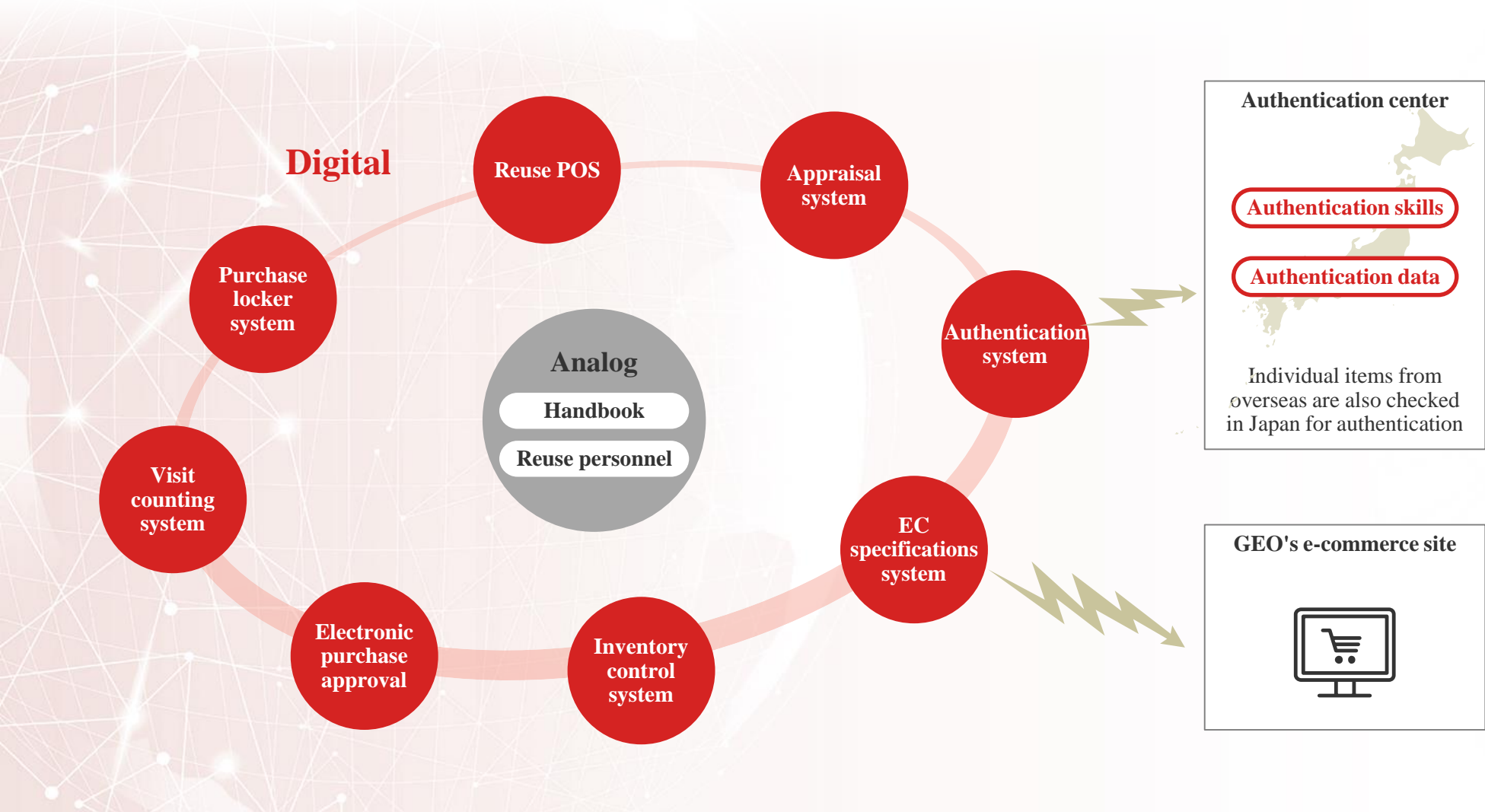
# Characteristics of the reuse business

The reuse business is easy to enter but, unlike the general retail business, requires special actions involving purchase and individual items. Multistore operation of the reuse business requires unique management of the business.



# Digital transformation of the reuse business (digital reform)

Chain store management of our reuse business, which has been accumulated within the GEO Group, has been transitioned to digital and we have changed our business operations and organization both in Japan and overseas.



# Consolidated statement of income for the fiscal year ending March 31, 2025

(Million yen)	FY 2024				FY 2025			
	Q1 Results	Q2 Results	Q3 Results	Q4 Results	Q1 Results	Q2 Results	Q3 Results	Q4 Results
<b>Net sales</b>	106,725	109,035	111,640	106,446	100,147			
(YoY Change)	131.1%	119.6%	104.2%	109.1%	93.8%			
<b>Gross profit</b>	39,289	36,597	43,081	40,855	41,694			
(YoY Change)	114.9%	106.2%	109.6%	118.4%	106.1%			
(Gross profit margin)	36.8%	33.6%	38.6%	38.4%	41.6%			
<b>SG&amp;A</b>	33,498	35,081	37,045	37,384	37,328			
(YoY Change)	111.0%	108.9%	108.2%	106.1%	111.4%			
<b>Operating profit</b>	5,790	1,516	6,036	3,470	4,366			
(YoY Change)	143.8%	66.9%	119.2%	—	75.4%			

# Dialogue with shareholders in the three months ended June 30, 2024

In order to contribute to sustainable growth and medium- to long-term enhancement of corporate value, we strive to engage in constructive dialogue with investors. The executive officer in charge of IR oversees the implementation of dialogue, and in cooperation with related divisions, holds biannual financial results briefings, holds dialogues with domestic and overseas institutional investors, posts IR-related materials on the Company's website, and disseminates information by providing research reports by research firms. In addition, the Company reports the results of IR activities to the Board of Directors on matters of particular importance, such as matters of interest to shareholders and gaps between the results of IR activities and investors' viewpoints.

## Main IR activities

Activity	Content
Individual meetings	<ul style="list-style-type: none"> <li>Held at any time except for the time period between the day after quarterly financial closing date and the day of earnings call (IR quiet period).</li> </ul>
Earnings calls	<ul style="list-style-type: none"> <li>Conducted for analysts and institutional investors after the announcement of Q2 and FY (Q4) results.</li> </ul>
Materials on our IR website	<ul style="list-style-type: none"> <li>Posting of financial results, financial results briefings, materials from general shareholders' meetings, annual reports, etc. on the corporate website</li> <li>English version of the corporate website created based on the Japanese version</li> </ul>
Research reports	<ul style="list-style-type: none"> <li>Research reports in Japanese and English by research firms are updated and published for each quarter.                      Shared Research (Japanese version): <a href="https://sharedresearch.jp/ja/companies/2681">https://sharedresearch.jp/ja/companies/2681</a>                      Shared Research (English version): <a href="https://sharedresearch.jp/en/companies/2681">https://sharedresearch.jp/en/companies/2681</a>                      Astris Advisory Japan (Japanese version): <a href="https://corporateresearch.astrisadvisory.com/ja/geohd">https://corporateresearch.astrisadvisory.com/ja/geohd</a>                      Astris Advisory Japan (English version): <a href="https://corporateresearch.astrisadvisory.com/geohd">https://corporateresearch.astrisadvisory.com/geohd</a> </li> </ul>

## Overview of dialogue and feedback

Item	Situation
Main respondents	<ul style="list-style-type: none"> <li>General shareholders' meetings : All directors and auditors</li> <li>Financial results briefings : President &amp; CEO, Executive Director Managing Operating Officer</li> <li>IR · SR individual meetings : Executive Officer of IR division, IR division</li> </ul>
Shareholders with whom dialogue was held	<ul style="list-style-type: none"> <li>Number of meetings : FY25Q1 48 *Total number of cases handled</li> <li>Investment style : Mainly active investors</li> <li>Investors' responsibilities : Analyst, fund manager</li> </ul>
Feedback implementation status	<ul style="list-style-type: none"> <li>IR status reports, including IR strategies, issues and measures, and indicators, are fed back to management as appropriate.</li> <li>Important details of the dialogue are regularly reported to the Board of Directors for discussion.</li> </ul>

# Strengthening non-financial capital

Emphasizing non-financial capital which is not written in financial statements, we actively invest in intellectual capital, fixed capital, human capital, social capital and natural capital from medium and long-term perspectives.

<h2>Non-financial capital</h2>	<h3>Intellectual capital</h3>	<ul style="list-style-type: none"> <li>● Chain store management in the reuse business, which we have built over many years, is the source of our corporate competitiveness.</li> <li>● Chain store management in the reuse business the GEO Group has built will be spread globally.</li> </ul>
	<h3>Fixed capital</h3>	<ul style="list-style-type: none"> <li>● Our sales locations, which include about 1,800 domestic stores and about 100 stores overseas, function as our management foundation.</li> <li>● We will invest in digital transformation that strengthens the chain management of our reuse business.</li> </ul>
	<h3>Human capital</h3>	<ul style="list-style-type: none"> <li>● We actively invest in human resource development, encouraging our people to take on challenges.</li> <li>● We will remain committed to producing specialists and female managerial-level employees, the source of enhancement of our global competitiveness.</li> </ul>
	<h3>Social capital</h3>	<ul style="list-style-type: none"> <li>● We respect diverse values and drive initiatives to create an environment in which the individuality of each employee is demonstrated to the full. We have also introduced programs that support diverse workstyles.</li> <li>● We co-sponsor community activities and engage in social contribution activities. We will thus continue to make contributions as a company that grows together with society.</li> </ul>
	<h3>Natural capital</h3>	<ul style="list-style-type: none"> <li>● Through the growth of our recycling-oriented business, we are committed to enhancing our economic and social value and contributing to the achievement of the SDGs.</li> <li>● We promote energy saving at our stores nationwide in pursuit of a sustainable society.</li> </ul>



# Recycling-oriented society



Moving goods from where they are no longer needed to where they are needed.  
-Contributing to achieving SDGs with business growth-

Through various recycling-oriented business, we will reduce generation of wastes and contribute to "Responsible Consumption and Production," i.e., SDG 12.





# Towards realizing sustainability

## Identification of materiality issues

We have identified 17 ESG issues in accordance with the materiality identification process for the GEO Group's material issues. These issues were analyzed from the two perspectives of “importance to stakeholders” and “importance to the GEO Group,” and six materialities were identified as the most important issues. We also created a materiality map showing the relationship between each issue.

### 【6 most important issues】

#### <Environment>

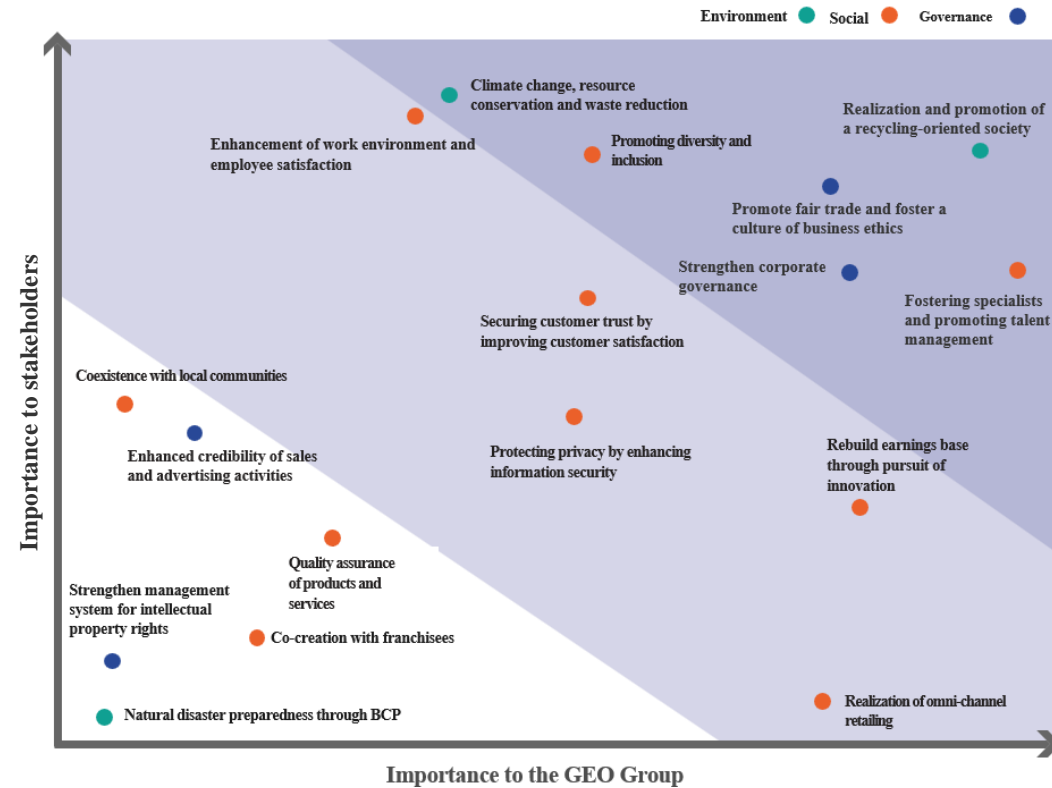
- Realization and promotion of a recycling-oriented society
- Climate change, resource conservation and waste reduction

#### <Social>

- Promoting diversity and inclusion
- Fostering specialists and promoting talent management

#### <Governance>

- Strengthen corporate governance
- Promote fair trade and foster a culture of business ethics



For details, please refer to the GEO HOLDINGS website “Materiality”

URL: <https://www.geonet.co.jp/csr/materiality/>

# Towards realizing sustainability

## Information disclosure based on TCFD Recommendation

Assuming a world centered on the year 2030, we identified risks and opportunities due to climate change that would affect our core businesses. We then conducted analyses based on the 1.5°C and 4°C scenarios to assess their impacts.

### 【Main disclosures based on the TCFD Framework】

#### 1. Governance

- Organizational structure for GEO Group to assess and oversee risks and opportunities for climate change

#### 2. Strategy

- Global perspective of our business with respect to future climate change
- Analysis of the impact of risks and opportunities on our business on our financial plans
- Measures to address risks and opportunities to the business

#### 3. Risk management

- Processes used to identify, assess, and manage climate-related risks

#### 4. Indicators and Targets

- Indicators and targets used for assessment in climate change related initiatives

For details, please refer to the GEO Holdings website “Disclosure Based on TCFD Recommendations”.

URL: [https://www.geonet.co.jp/english/pdf/2024/20240628\\_TCFD\\_ENG.pdf](https://www.geonet.co.jp/english/pdf/2024/20240628_TCFD_ENG.pdf)

# ESG data



## CO2 emissions from our business activities

We disclose numerical results of GHG emissions from its business activities.

Considering the impact of our corporate activities on the environment, we aim to balance our business activities with the reduction of GHG emissions.

Through our activities, we will reduce waste by creating a variety of goods cycles, and promote measures to address environmental burdens and climate change by driving the creation of a recycling-oriented society.

We will continue to contribute to the realization of a sustainable society.

## GHG emissions from business operations

(t-CO2e)		FY 2022	FY 2023	FY 2024
<b>Scope1</b>		1,712	1,543	1,465
<b>Scope2</b>	<b>Market-based</b>	71,796	64,601	63,743
	<b>Location-based</b>	69,085	63,274	63,919
<b>Scope3</b>		-	910,024	963,976
<b>Total</b>	<b>Market-based</b>	73,508	976,168	1,029,184
	<b>Location-based</b>	70,796	974,841	1,029,360

※ Scope 1: Direct greenhouse gas emissions from in-house fuel use and industrial processes. Calculated from its invoices each fiscal year based on the amount of gasoline purchased by GEO HD by oil type, and emission coefficients by fuel type published by the Ministry of the Environment.

※ Scope 2: Indirect greenhouse gas emissions from the use of electricity, heat and steam supplied by other companies.

We calculate using two different methods, 'Market-based', where the electricity used is calculated by applying emission factors by type, such as from renewables, and 'Location-based', which is calculated based on the average emission factor for the entire region.

Calculated on the basis of the emission coefficients indicated by the Ministry of the Environment, based on the electricity consumption from the GEO Group electricity statements for fiscal each year.

1,271 sites in FY2022, 1,242 sites in FY2023, 1,381 in FY2024

※ Scope 3: Indirect GHG emissions other than Scope 1 and Scope 2

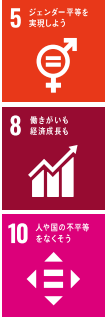
Calculated based on GHG protocols for each fiscal year.

## GHG reductions from reuse business

(t-CO2e)		FY 2023	FY 2024
GHG emission reductions	Household appliances	14,155	15,772
	Clothing and accessories	19,416	22,639
	Furniture	3,280	3,458
	Game-related equipment	1,634	1,685
	Livingware	2,643	2,674
	Children's products	1,763	2,054
	DVD/CD	1,097	1,023
	Hobby supplies	1,067	1,178
	Others	1,263	1,404
<b>Total</b>	<b>46,318</b>	<b>51,886</b>	

※ Calculated from GEO Group procurement data based on National Institute of Advanced Industrial Science and Technology (AIST) provided data (IDEA).

# ESG data



## Human capital indicators and achievements

We aim to be a company that allows its employees to feel richness and enjoyment through their daily work, while at the same time acknowledging the diverse values of its diverse people and being a part of each and every employee's life. We will continue to develop human resources and improve the internal environment so that each employee can balance life events and career development and choose flexible work styles.

Indicator	Definition	Targeted achievement date Target	Result (As of March 31, 2024)
Percentage of female workers in management positions (Manager ( <i>kacho</i> ) and above)	Percentage of female workers among general managers ( <i>bucho</i> ) and managers ( <i>kacho</i> )	March 31, 2030 30% or more	7.3%
Ratio of female workers	Percentage of female employees in total workforce	March 31, 2030 30% or more	21.6%
Ratio of persons with disabilities	Percentage of employees with disabilities in total workforce	Statutory employment rate achieved 2.3% or more	2.5%
Percentage of male workers taking childcare leave	Percentage of male workers whose spouses gave birth during the year in question who took paternity leave	Achieved, continuing 50% or more	57.6%
Percentage of female workers taking childcare leave	Percentage of female workers who gave birth during the year in question and took maternity leave	Achieved, continuing 80% or more	103.0%
Percentage taking periodic health checkups	Percentage of completed examinations in the number of persons subject to periodic health check-ups in the relevant year	March 31, 2025 100%	99.1%
Stress check uptake rate	Percentage of completed checks in the number of persons subject to stress checks in the year in question	March 31, 2025 100%	94.9%
Overtime hours (average)	Average overtime hours per month for the year in question for total employees	March 31, 2025 Less than 10 hours	13.5hours

# Notice concerning forward-looking statements

All indications made in this document concerning forecasts of performance, policies, management strategies, targets, plans, understanding and assessment of facts, as well as outlook on performance and dividends with respect to the Group, excluding historical facts, only reflect our current expectations, predictions, plans, understanding, assessments and others based on information available to the Group. These indications, facts or preconditions (assumptions) by their nature may be inaccurate from an objective perspective and they are exposed to potential risks of being affected by changes in general business environment, weather, economic trends, consumer trends, and consumer preferences. Therefore, no guarantee is made that the indications in this document will be realized in the future as projected.



**To offer joy to your everyday life**

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