Supplementary Materials for the Fiscal Year Ended March 31, 2024

GEO HOLDINGS CORPORATION

Prime Market of the Tokyo Stock Exchange (2681)

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1. Group profile

Corporate profile

Corporate philosophy:

To offer joy to your everyday life

Company name	GEO HOLDINGS CORPORATION
Date of incorporation	January 1989
Head office	8-8 Fujimi-cho, Naka-ku, Nagoya-shi, Aichi Prefecture 460-0014
Tokyo office	Imai Mitsubishi Bldg. 3-53-11 Minamiotsuka, Toshima-ku, Tokyo 170-0005
Representative director	Yuzo Endo
Common stock	9,251 million yen (As of March 31, 2024)
Listed exchange	Tokyo Stock Exchange Prime Market

***GEO is pronounced as “gaeo [géɪoʊ]” in Japanese.**

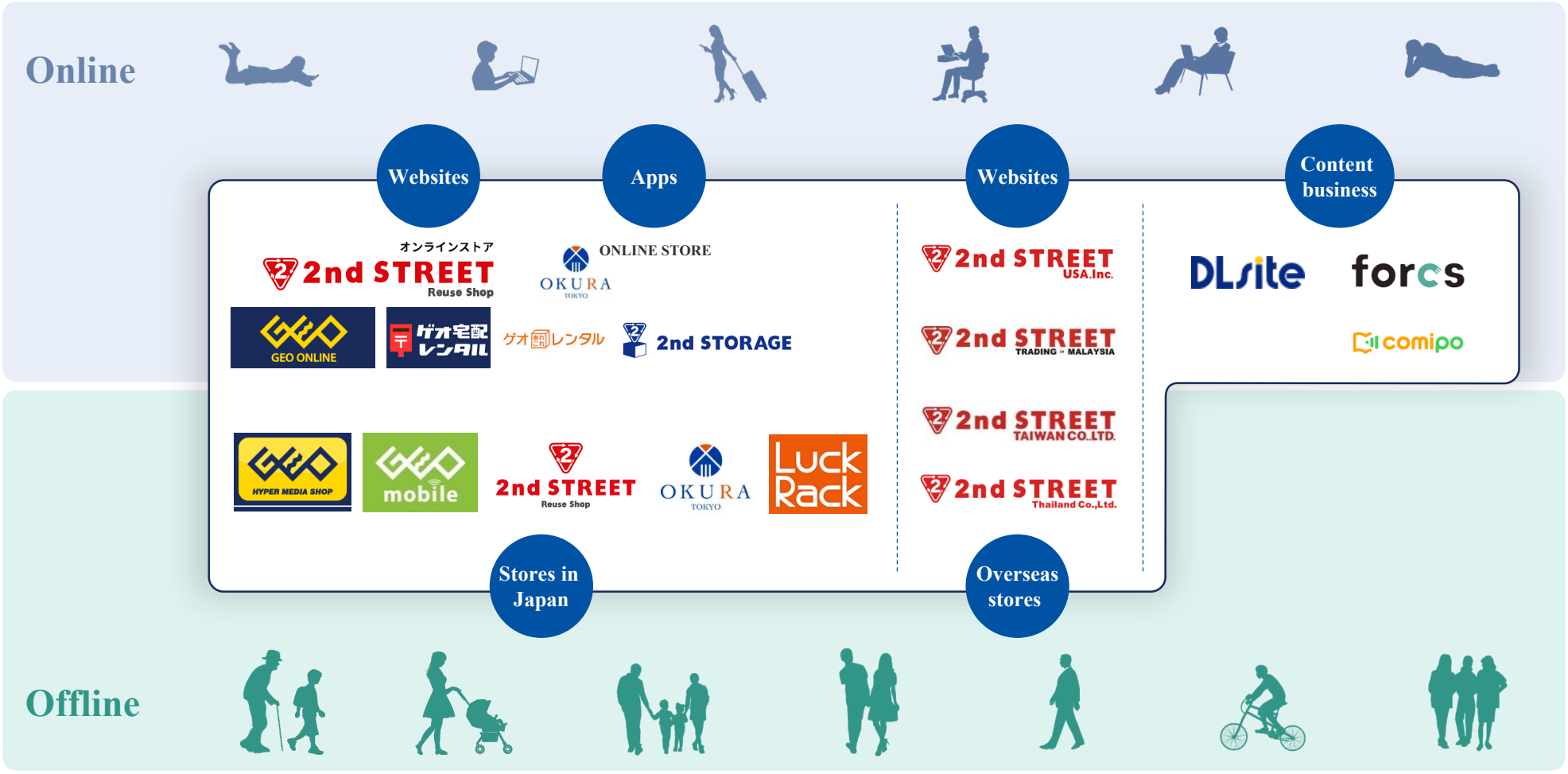
GEO Group's major shops and their major merchandise

	HYPER MEDIA SHOP	mobile	2nd STREET Reuse Shop	OKURA TOKYO	Luck Rack
Number of stores (As of March 31, 2024)	1,084 (including 66 GEO mobile stand-alone stores and 547 attached stores)		838 stores in Japan 81 stores overseas	22	18
Clothing and accessories			Reuse		Brand new
Household goods, furniture, and home appliances			Reuse		
Luxury brand items			Reuse	Reuse	
Game device and game software	Reuse merchandise and brand-new products				
Audio-visual equipment	Reuse merchandise and brand-new products	Brand new	Reuse		
Smartphones, tablet terminals, and PCs	Reuse	Reuse	Reuse		
DVD, Blu-ray, CD and comic book	Rental services and brand-new products				
Features	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 other.	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 the Fiscal Year Ended March 31, 2024

Summary of Fiscal Year Ended March 31, 2024

Consolidated earnings highlights

Net sales

Amid continuing consumer inflation, substantial sales growth of 15.0% YoY to 433.8 billion yen, thanks to strong sales at 2nd STREET in Japan and overseas due to an expanding reuse market, as well as strong sales of reuse luxury merchandise, new merchandise centered on games, and reuse smartphones at GEO mobile.

Operating profit, ordinary profit & net profit

Despite continued contraction of rental sales and higher SG&A, mainly due to strong sales of reuse clothing and accessories, operating profit increased 58.3% YoY, ordinary profit increased 57.2% YoY and net profit increased 91.9% YoY.

Gross profit

Strong reuse-type reuse sales and a gradual decline in rental sales moderated gross profit margin, resulting in a 1 point YoY decline, with the amount of profit up by 17.3 billion yen to 159.8 billion yen.

Topics

Topic (1)

2nd STREET Reuse Shop (Japan)

The number of stores stood at 838 at the end of March 2024, a net increase of 35 in the fiscal year under review.

Topic (2)

2nd STREET Reuse Shop (Overseas)

12 stores in the United States
10 stores in Taiwan
6 stores in Malaysia
1 store in Thailand
All of these stores opened in this period.
Number of overseas stores as of the end of March 2024: 81 stores

Topic (3)

GEO HYPER MEDIA SHOP

Implementing a plan for priority goods to increase customers' motivation to visit GEO stores.
Focused on reuse mobile, we have resulted in 66 GEO mobile dedicated stores and 547 attached stores.

Consolidated statement of income for the fiscal year ended March 31, 2024

Topline and profit growth, with FY 2024 marking record net sales, ordinary profit and net profit. The increase in net sales was mainly due to strong sales of 2nd STREET's mainstay reuse clothing and accessories, which more than covered higher SG&A expenses, resulting in a 2.0 point YoY decline in the SG&A ratio. As a result, operating profit rose 58.3% YoY to 16.8 billion yen. Also foreign exchange gains of 1.0 billion yen were recorded as non-operating income, and impairment losses of 1.6 billion yen, mainly on stores, were recorded as extraordinary losses.

(Million yen)	FY 2023 Results	**FY 2024 Results**	Change	Increase/decrease
Net sales	377,300	**433,848**	+15.0%	56,548
Gross profit	142,483	**159,824**	+12.2%	17,340
(Gross Profit Margin)	37.8%	**36.8%**	–	-1.0pt
SG&A	131,862	**143,009**	+8.5%	11,147
Operating profit	10,620	**16,814**	+58.3%	6,193
(Operating Profit Margin)	2.8%	**3.9%**	–	+1.1pt
Ordinary profit	11,926	**18,749**	+57.2%	6,823
Net profit	5,681	**10,902**	+91.9%	5,221

Net sales by merchandise for the fiscal year ended March 31, 2024

(Million yen)	FY 2023 Results	FY 2024 **Results**	Change	Increase/decrease
Reuse	199,641	**244,090**	+22.3%	44,449
Comprehensive	130,839	**170,489**	+30.3%	39,649
Clothing and accessories※1	68,002	**87,522**	+28.7%	19,519
Furniture and home appliances※1	9,181	**11,001**	+19.8%	1,820
Luxury※4	38,171	**54,851**	+43.7%	16,679
Others※1	15,483	**17,114**	+10.5%	1,630
Media	68,801	**73,600**	+7.0%	4,799
Games※2	31,310	**33,437**	+6.8%	2,127
Smartphones and tablets※2.3	31,795	**35,717**	+12.3%	3,921
Others※2	5,695	**4,446**	-21.9%	-1,248
Brand new	119,467	**132,391**	+10.8%	12,924
Others	58,192	**57,367**	-1.4%	-825
Digital content※5	13,914	**15,974**	+14.8%	2,059
Rental※2	36,917	**32,794**	-11.2%	-4,122
Others	7,360	**8,598**	+16.8%	1,238
Total	377,300	**433,848**	+15.0%	56,548

Partly thanks to the contributions of new stores, clothing and accessories, the main merchandise of 2nd STREET both domestically and internationally, continue to sell well.

Increased mainly due to an increase in per store sales.

Sales of used game consoles were strong.

GEO Mobile, which is expanding the number of stores handling its products performed well.

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

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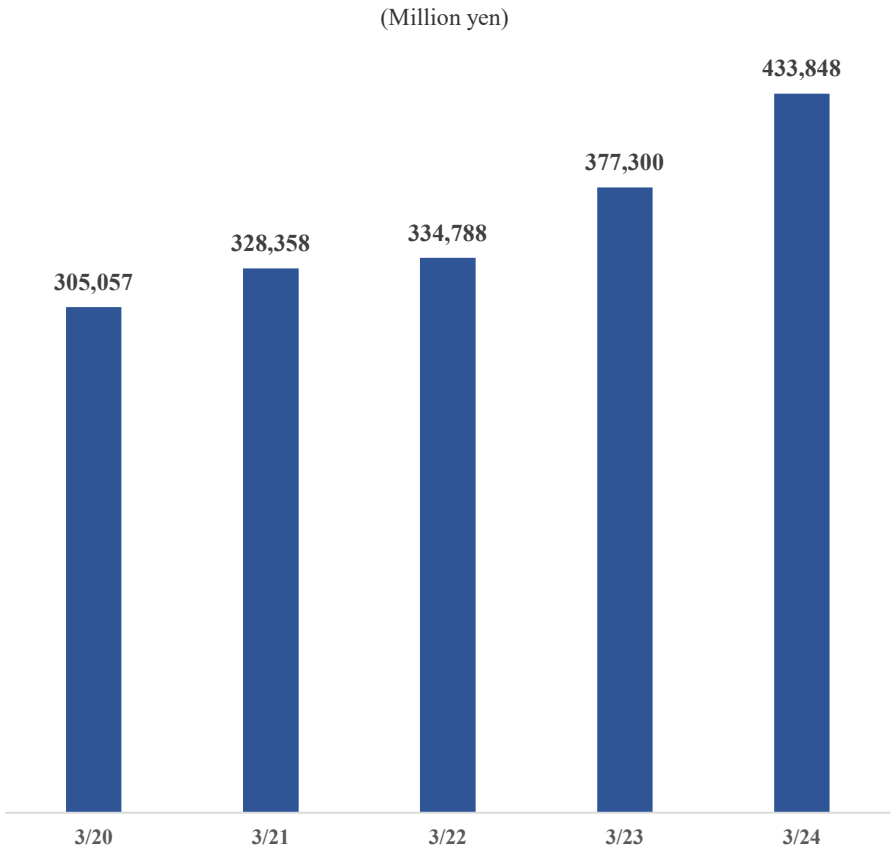
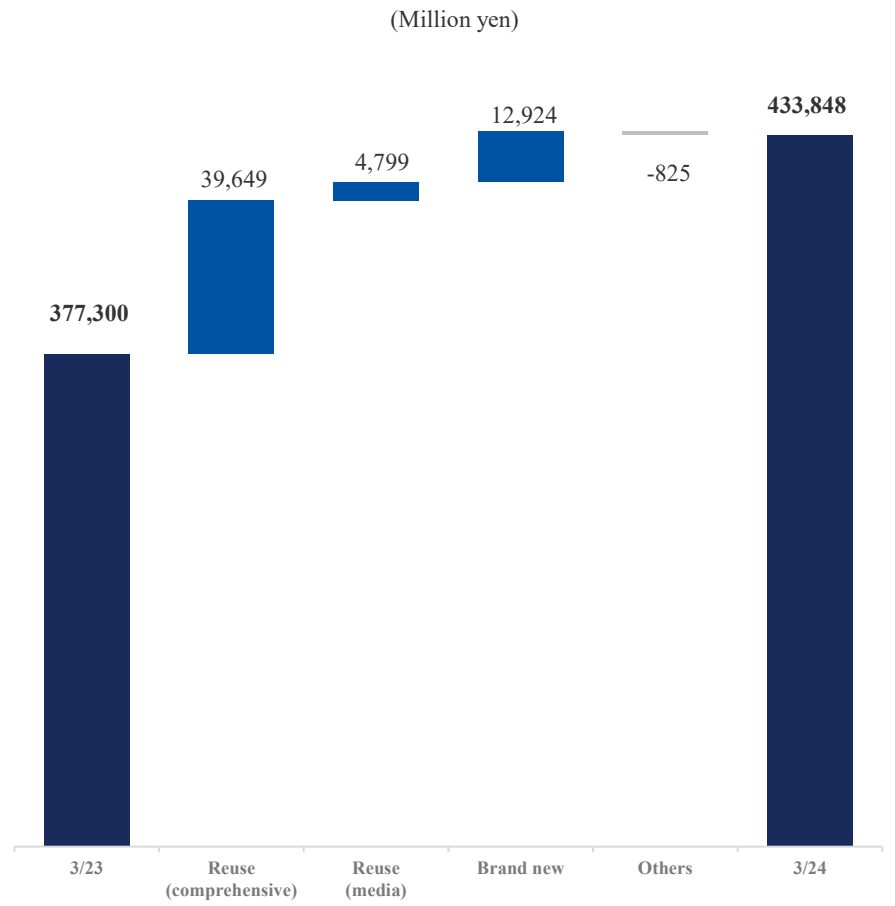
Net sales-related data for the fiscal year ended March 31, 2024

Amid continuing consumer inflation, substantial sales growth of 15.0% YoY to 433.8 billion yen, thanks to strong sales at 2nd STREET in Japan and overseas due to an expanding reuse market, as well as strong sales of reuse luxury merchandise, new merchandise such as games. We had a record-high net sales in the fiscal year ended March 31, 2024

Change in sales for nine months over five years



Year-on-year change in net sales for the fiscal year ended March 31, 2024

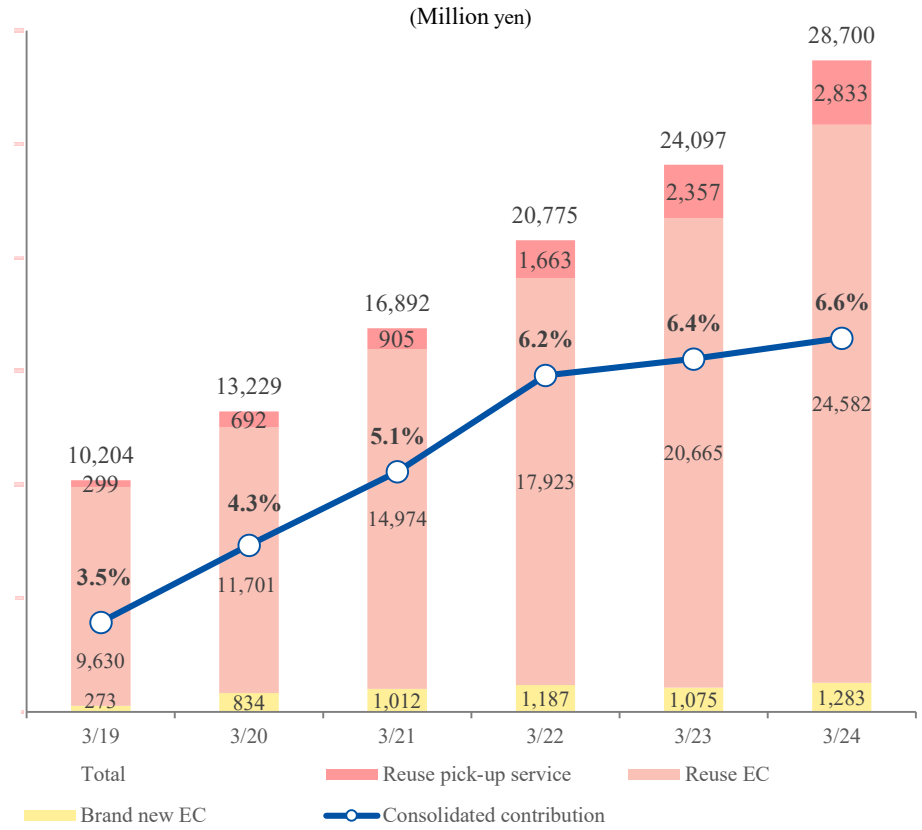


* The Accounting Standard for Revenue Recognition started applying at the beginning of FY 2022.

Changes in e-commerce-involving net sales for the fiscal year ended March 31, 2024

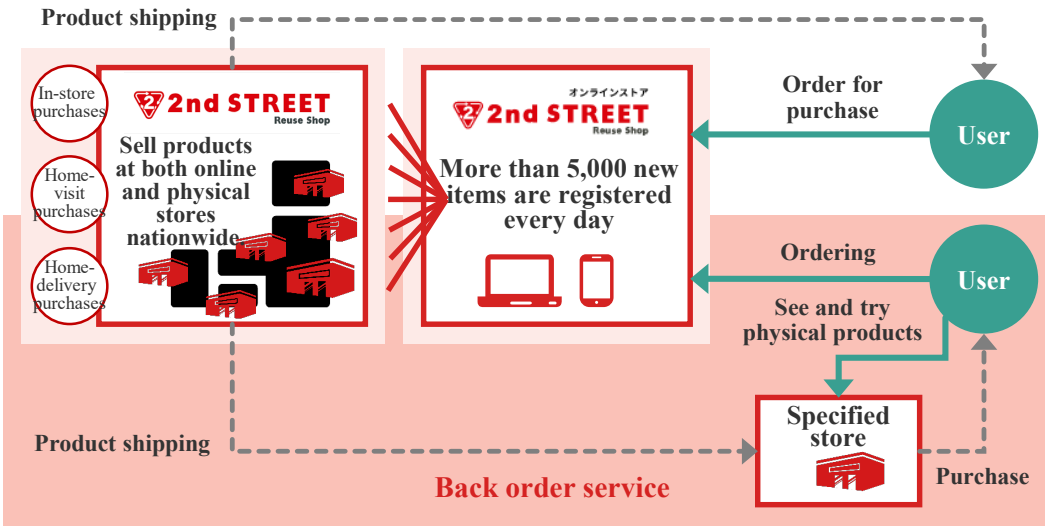
- EC related net sales* continue to grow, but growth in the EC contribution ratio has been sluggish due to strong overall sales growth.
- The “back order service” is highly convenient as users do not have to bear shipping and handling charges and can purchase items after checking and trying on the actual items at a specified store, a service that leverages the advantages of being centered on directly managed stores.

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



	FY 2023 Results	FY 2024 Results	Change
EC related sales (Million yen)	24,097	**28,700**	+19.1%

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.

*From FY 2024 definition broadened to include domestic EC related sales at OKURA etc, past data restated.

Gross profit by merchandise for the fiscal year ended March 31, 2024

(Million yen)	FY 2023 Results	**FY 2024 Results**	Change	Increase/decrease
Reuse	85,690	**103,758**	+21.1%	18,067
Comprehensive	62,247	**79,446**	+27.6%	17,198
Clothing and accessories※1	43,507	**55,479**	+27.5%	11,972
Furniture and home appliances※1	5,729	**6,570**	+14.7%	841
Luxury※4	2,249	**5,823**	+158.9%	3,574
Others※1	10,762	**11,573**	+7.5%	811
Media	23,442	**24,311**	+3.7%	868
Games※2	10,105	**10,159**	+0.5%	54
Smartphones and tablets※2.3	8,256	**9,391**	+13.7%	1,134
Others※2	5,080	**4,761**	-6.3%	-319
Brand new※2	17,667	**17,116**	-3.1%	-550
Others	39,125	**38,949**	-0.4%	-175
Digital content※5	12,407	**14,293**	+15.2%	1,886
Rental※2	23,502	**20,699**	-10.2%	-2,353
Others	3,665	**3,957**	+8.0%	291
Total	142,483	**159,824**	+12.2%	17,340

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

SG&A for the fiscal year ended March 31, 2024

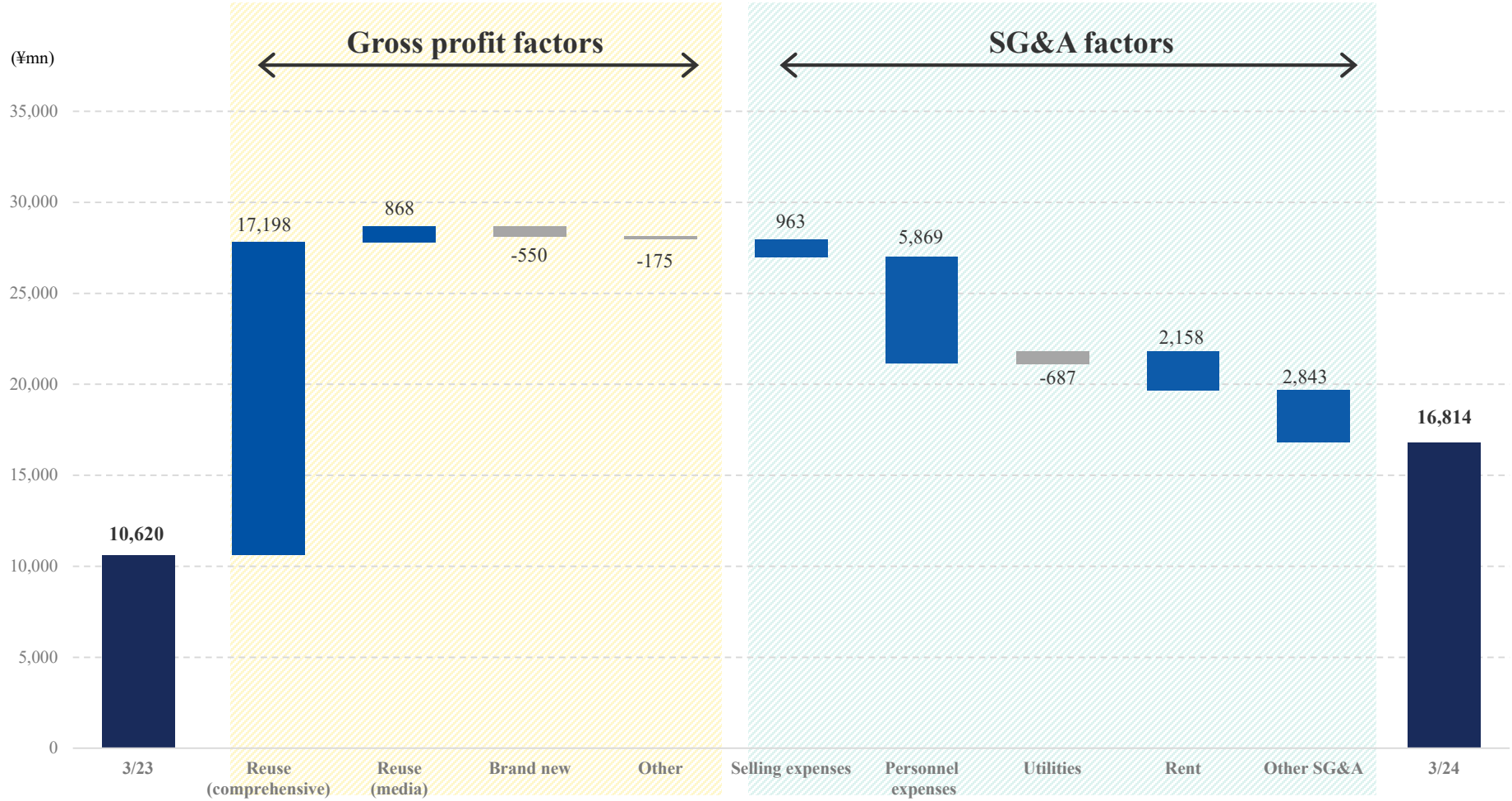
Total SG&A expenses increased by 8.5% YoY, due to an increase in sales commissions resulting from increased cashless payments relative to total sales, and the effects of increases in personnel expenses, rent, depreciation and amortization, and consumables.

(Million yen)	FY 2023 Results	Ratio to net sales	**FY 2024 Results**	Ratio to net sales	Change	Increase/decrease
Selling expenses	19,153	5.1%	**20,117**	4.6%	+5.0%	963
Advertising	9,053	2.4%	**8,770**	2.0%	-3.1%	-283
Sales promotion	323	0.1%	**361**	0.1%	+11.7%	37
Sales commission	6,038	1.6%	**6,932**	1.6%	+14.8%	894
Personnel expenses	60,079	15.9%	**65,948**	15.2%	+9.8%	5,869
Other expenses	52,629	13.9%	**56,944**	13.1%	+8.2%	4,314
Utilities	5,442	1.4%	**4,754**	1.1%	-12.6%	-687
Rent	26,258	7.0%	**28,417**	6.6%	+8.2%	2,158
Depreciation and amortization	4,304	1.1%	**4,963**	1.1%	+15.3%	658
Consumables	2,299	0.6%	**2,652**	0.6%	+15.3%	352
Maintenance	643	0.2%	**693**	0.2%	+7.8%	50
Total SG&A	131,862	34.9%	**143,009**	33.0%	+8.5%	11,147

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

Change in operating profit for the fiscal year ended March 31, 2024

Reuse merchandise gross profit rose by 27.6% YoY, for an increase of 17.1 billion yen, with 2nd STREET and OKURA and other reuse merchandise driving the overall gross profit increase. Operating profit rose 58.3% YoY to 16.8 billion yen, absorbing a gross profit decline from rentals included in other and an increase in SG&A, including personnel expenses.



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

Consolidated balance sheets for the fiscal year ended March 31, 2024

(Million yen)	FY 2023 Results	Composition	**FY 2024 Results**	Composition	Increase/ decrease
Current assets	131,311	65.1%	**154,308**	66.8%	22,996
Cash and deposits	44,286		**54,977**		10,690
Accounts receivable trade	11,712		**15,226**		3,514
Merchandise	64,241		**70,970**		6,728
Non-current assets	70,492	34.9%	**76,817**	33.2%	6,324
Property, plant and equipment	40,847		**46,840**		5,993
Intangible assets	3,264		**4,341**		1,076
Investments and other assets	26,380		**25,635**		-744
Total assets	201,804	-	**231,125**	-	29,320
Current liabilities	49,225	24.4%	**47,487**	20.5%	-1,737
Accounts payable trade	16,034		**14,692**		-1,341
Short-term borrowings	6,000		**2,000**		-4,000
Current portion of long-term borrowings	7,487		**8,737**		1,249
Non-current liabilities	75,366	37.3%	**96,287**	41.7%	20,921
Bonds	-		**6,600**		6,600
Long-term borrowings	54,462		**64,325**		9,862
Total liabilities	124,592	61.7%	**143,775**	62.2%	19,183
Total net assets	77,212	38.3%	**87,349**	37.8%	10,137
Total liabilities and net assets	201,804	-	**231,125**	-	29,320

Increase due to securing inventories of clothing and accessories, and reuse smartphones

Decrease in overdraft financing for working capital

Raised 6.6 billion yen from first unsecured bond, and 18.6 billion yen from financial institution partners

Consolidated statement of cash flow for the fiscal year ended March 31, 2024

(Million yen)	FY 2023 Results	FY 2024 Results	Increase/ decrease
Profit before income taxes	10,675	**17,306**	6,630
Depreciation	4,849	**5,534**	685
Decrease (increase) in receivables	-1,701	**-2,759**	-1,057
Decrease (increase) in inventories	-12,649	**-6,464**	6,184
Increase (decrease) in accounts payables	2,091	**-2,574**	-4,666
Subtotal	6,405	**13,983**	7,577
Income taxes refund (paid)	-1,932	**-4,524**	-2,591
Operating cash flow	4,283	**9,296**	5,013
Purchase of PP&E	-6,487	**-7,151**	-663
Investing cash flow	-9,589	**-10,401**	-812
Net increase (decrease) in short term borrowings	5,999	**-4,000**	-9,999
Proceeds from long term borrowings	9,900	**18,600**	8,700
Repayments of long term borrowings	-5,893	**-7,527**	-1,633
Proceeds from bond issuance	-	**6,568**	6,568
Dividends paid	-1,017	**-948**	68
Financing cash flow	3,938	**12,396**	8,458
Net increase (decrease) in cash & equivalents	-1,286	**11,598**	12,885
Cash & equivalents at FY end	46,564	**58,556**	11,991

Higher inventories due to more 2ND STREET stores, as well as securing inventory of reuse smartphones that are selling well.

Decrease in accounts payable, mainly for home video game consoles and game software.

Raised 6.6 billion yen from first unsecured bond, and 18.6 billion yen from financial institution partners.

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GEO Group's stores

Total number of stores for the Group as of March 31, 2024: 2,108

	GEO※1	2nd STREET※2					OKURA TOKYO	Luck Rack	Others	Total
		Japan	US	Taiwan	Malaysia	Thailand				
Directly-managed stores	**977**	**784**	**35**	**28**	**17**	**1**	**22**	**18**	**65**	**1,947**
(Opened during this fiscal year)	55	50	12	10	6	1	2	6	33	175
(Closed during this fiscal year)	-42	-14	0	0	0	0	-3	-9	-3	-71
Franchise stores and distributors	107	54	0	0	0	0	0	0	0	161
Total	**1,084**	**838**	**35**	**28**	**17**	**1**	**22**	**18**	**65**	**2,108**
End FY 3/2023	**1,089**	**803**	**23**	**18**	**11**	**0**	**23**	**21**	**35**	**2,023**
End FY 3/2022	**1,111**	**764**	**10**	**8**	**8**	**0**	**19**	**19**	**19**	**1,958**

*1: Directly managed stores include 66 GEO mobile stand alone stores. There are 547 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

- For net sales, despite uncertainties including concerns about a full-fledged recover in consumption due to rising prices for most goods and services and unstable global conditions, we expect growth of 0.5% YoY to 436 billion yen, mainly due to the development of a recycling-oriented society, rising demand for reuse due to changing customer preferences, and aggressive opening of 2ND STREET, GEO and GEO mobile stores in Japan and overseas.
- For operating profit, we expect a decline of 28.6% YoY to 12 billion yen despite topline driven gross profit growth, due to wages hikes and higher material costs.

(Million yen)	(Reference) FY 2024 Results	FY 2025 full-year forecast	(Reference) Full- year forecast YoY increase/decrease (%)	(Reference) Full- year forecast YoY increase/decrease
Net sales	433,848	**436,000**	0.5%	2,151
Operating profit	16,814	**12,000**	-28.6%	-4,814
（OPM）	3.9%	**2.8%**	—	-1.1pt
Ordinary profit	18,749	**12,000**	-36.0%	-6,749
Net profit attributable to owners of parent	10,902	**6,000**	-45.0%	-4,902
Number of stores	1,947	**2,076**	—	+129
ROE	12.51%	**6.54%**	—	-5.98pt
Net D/E ratio	0.26x	**0.33x**	—	+0.07x

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

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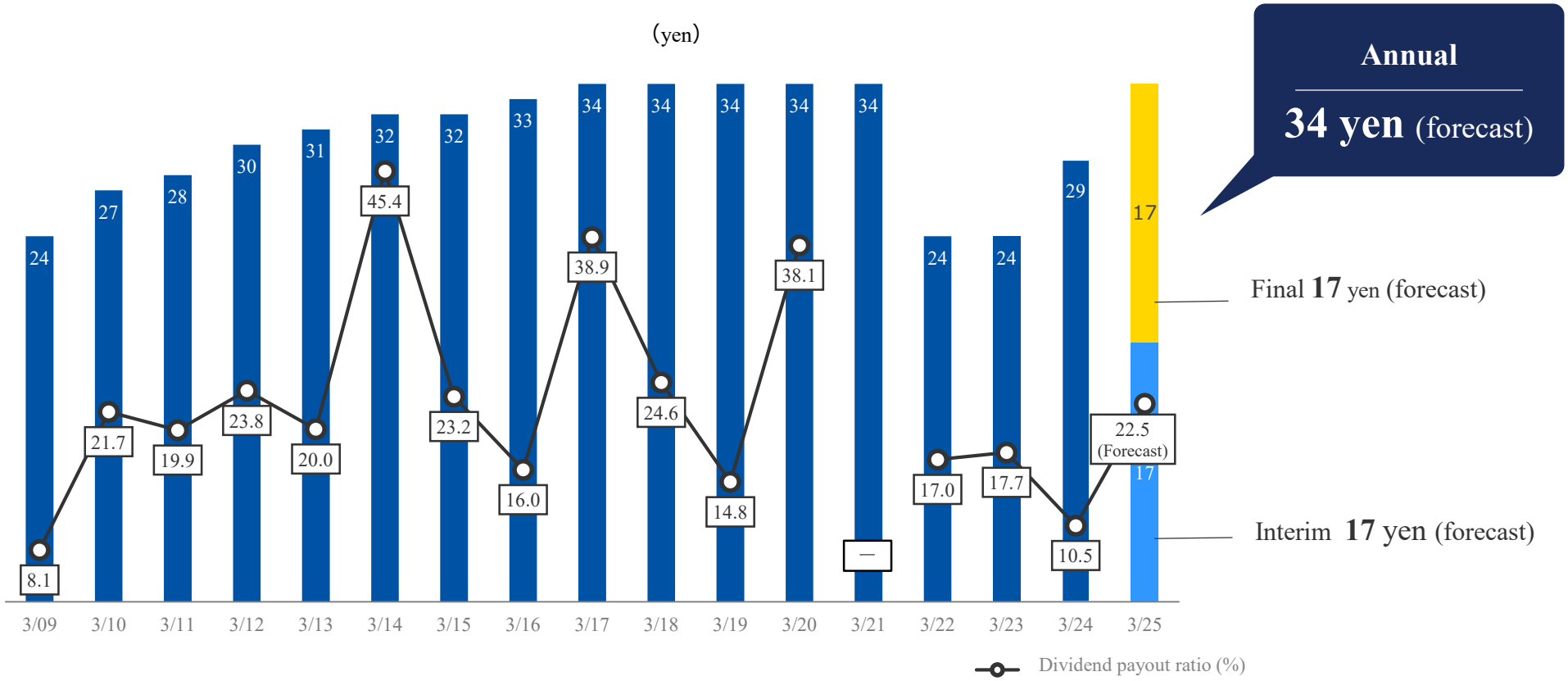
Store opening plan for the fiscal year ending March 31, 2025

	Store opening plans			
	Number of stores	Summary		
	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 FY 2029.		
	34 stores in overseas	US	15	In addition to the East Coast, we will expand the number of states we have stores in.
		Taiwan	10	We will continue to open stores and expand the area in which we operate.
		Malaysia	6	We will open stores mainly in Kuala Lumpur and the surrounding area.
		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.		
	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

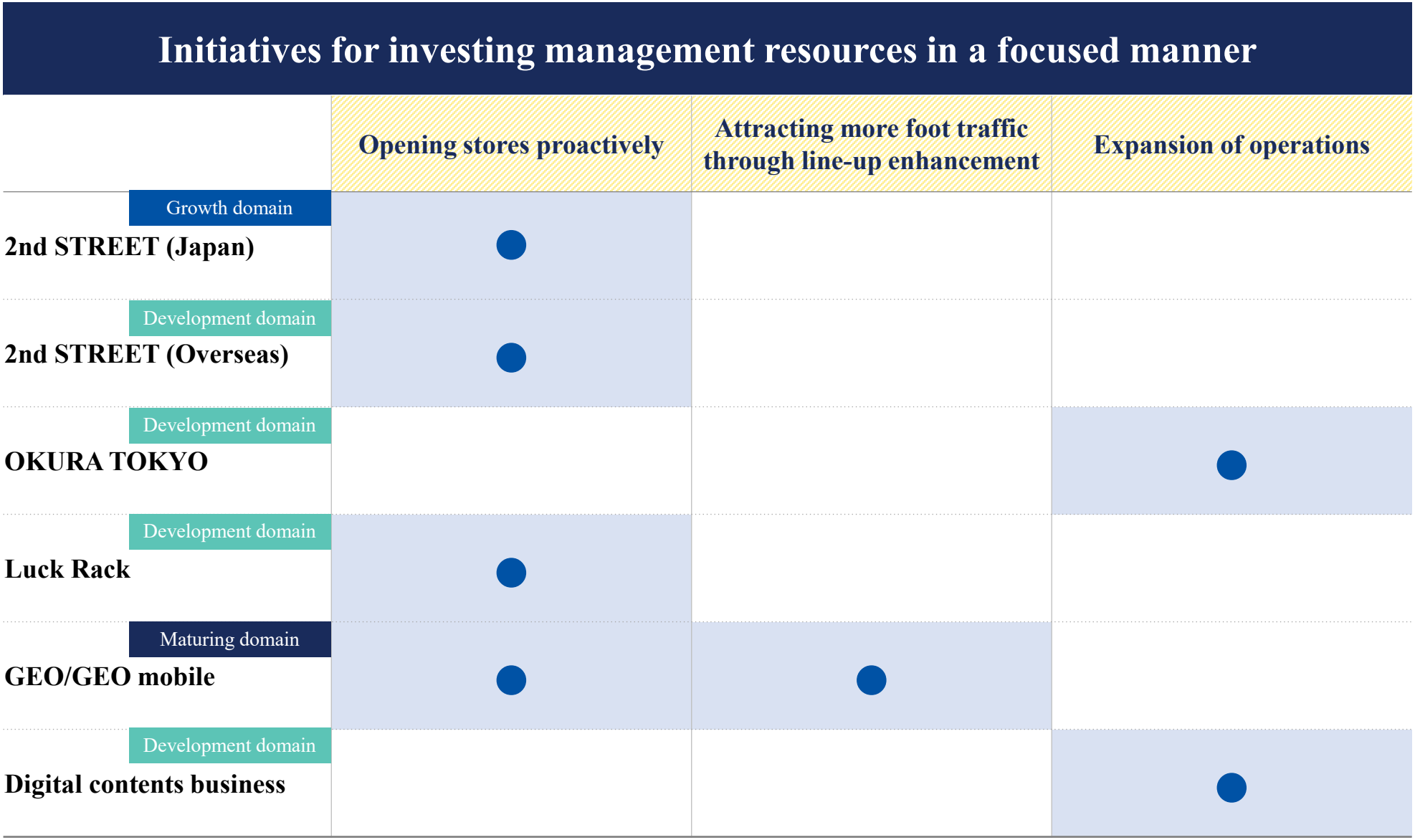
- We recognize that return of profits to shareholders is one of our top management priorities. We have a basic policy to pay stable dividends, while securing a stable management foundation and improving profitability.
- As a result of the comprehensive consideration of profit levels, financial position, and other factors, as announced on May 10, 2024 for FY 2025 we plan to pay an interim dividend per share of 17.00 yen, an increase of 5.00 yen YoY, 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



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

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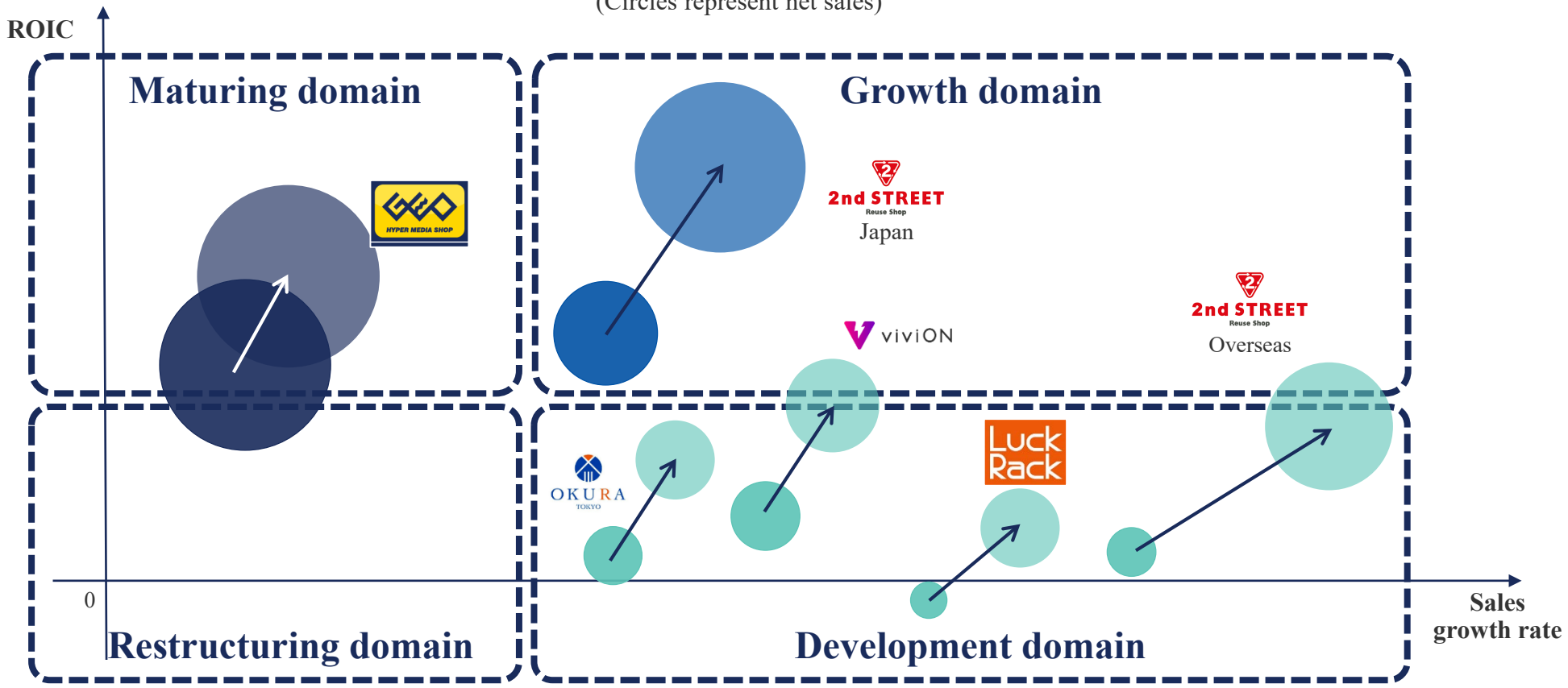
Business growth by segment

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

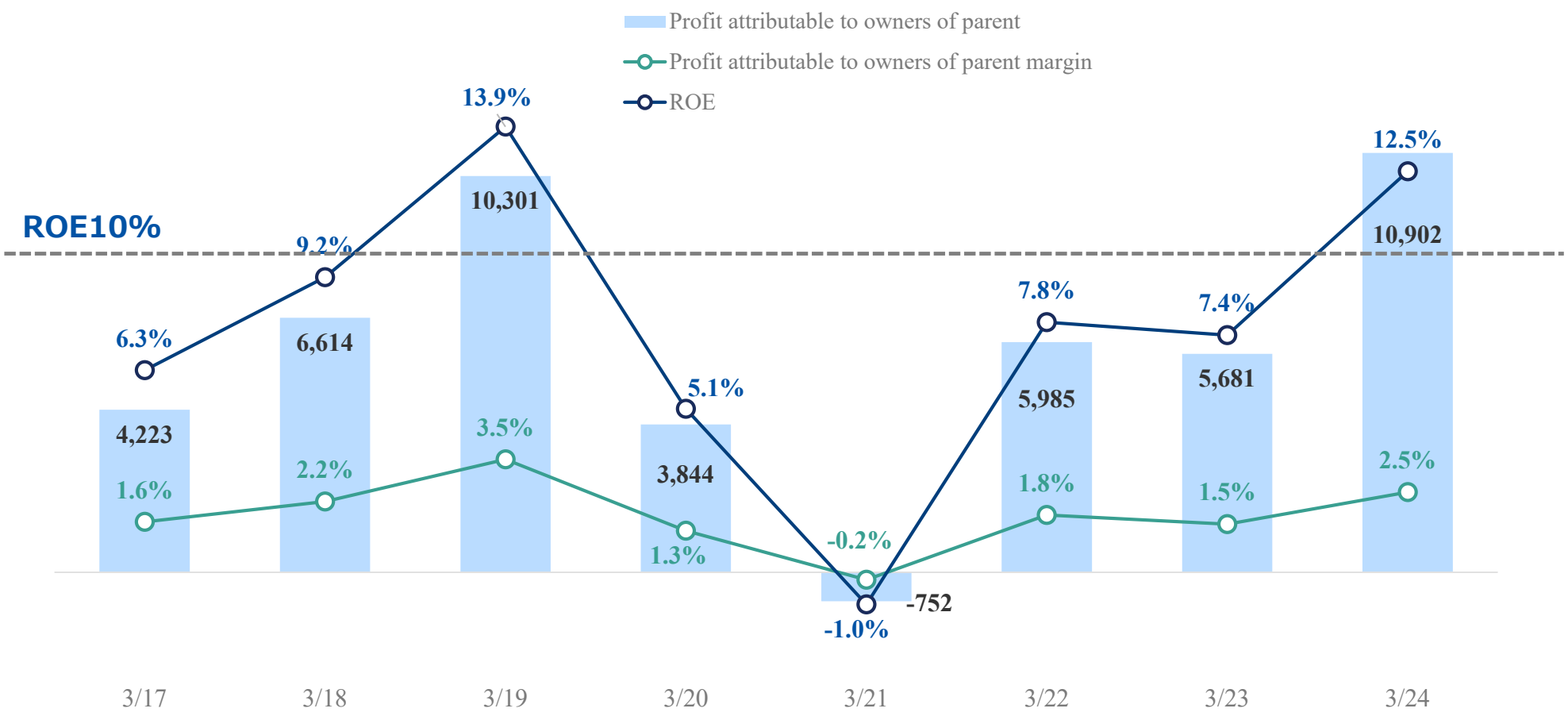
(Circles represent net sales)



* viviON data consider the impact of revenue recognition standards

ROE target

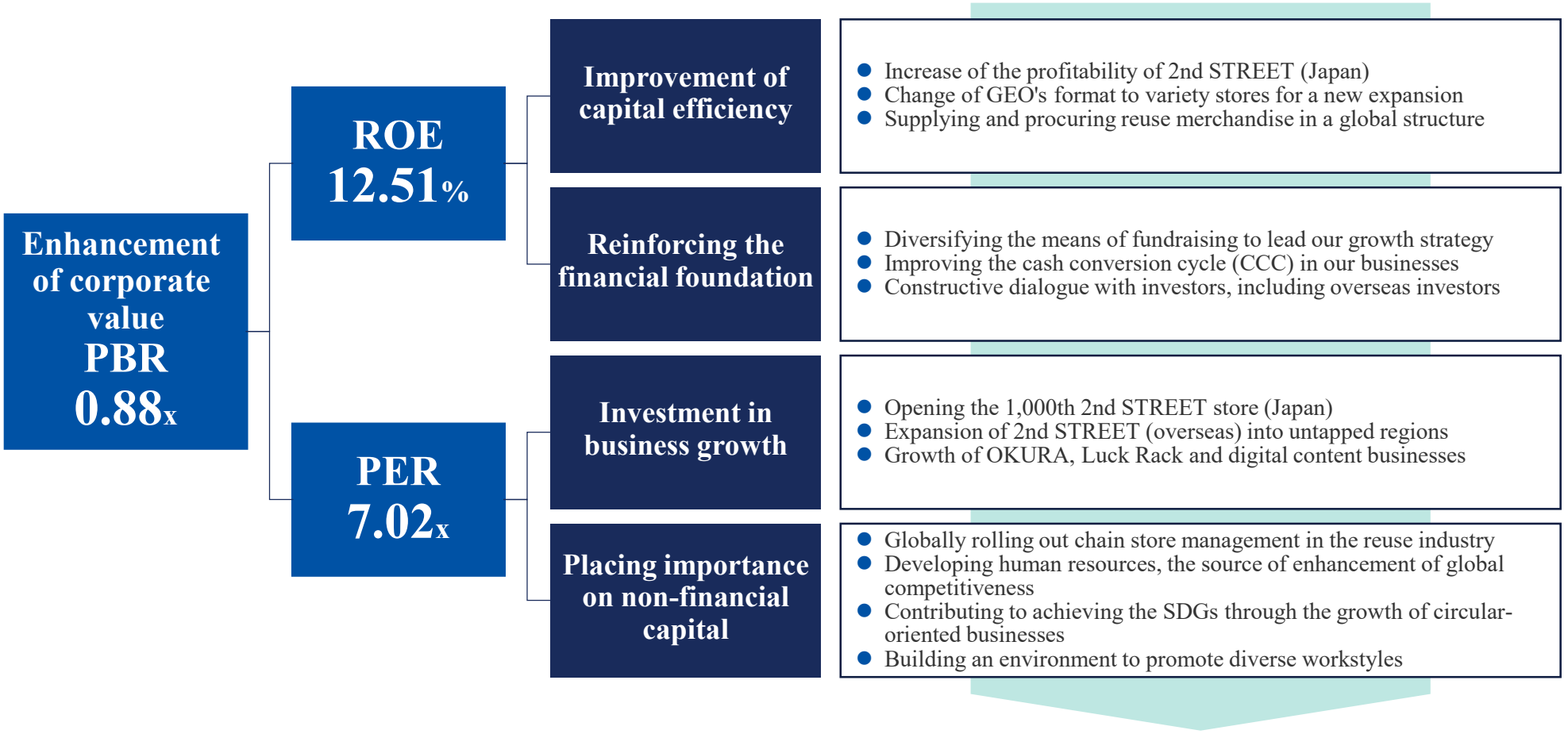
The ROE 10% level can be achieved by refraining from active investment, but ROE 8% or greater remains our target for the time being.



※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

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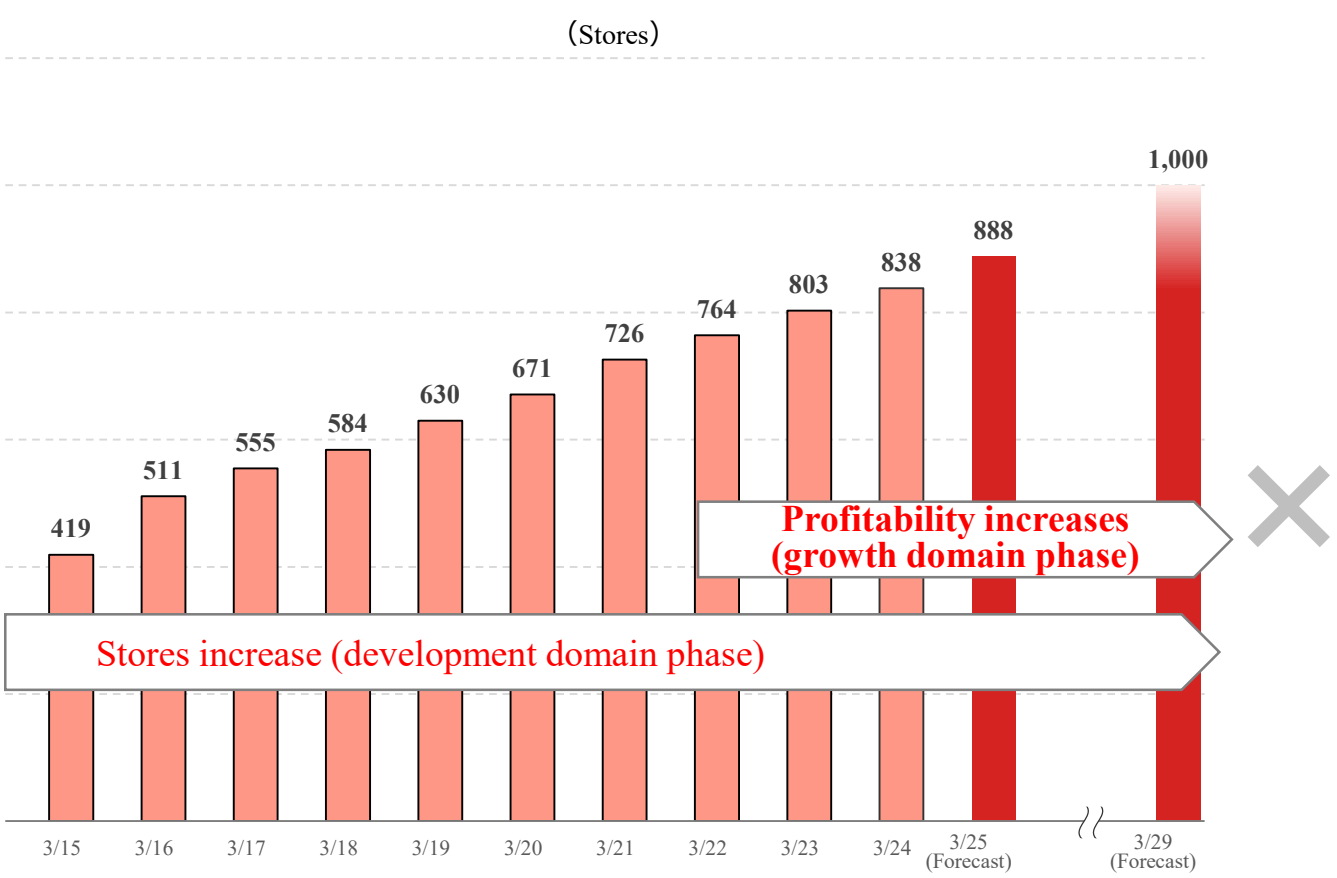
2nd STREET Japan store numbers and medium term target

- To become the overwhelmingly No. 1 player in the reuse market, we achieved our interim target of 800 stores in FY 2023, and our next target is 1,000 stores by FY 2029.
- 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



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

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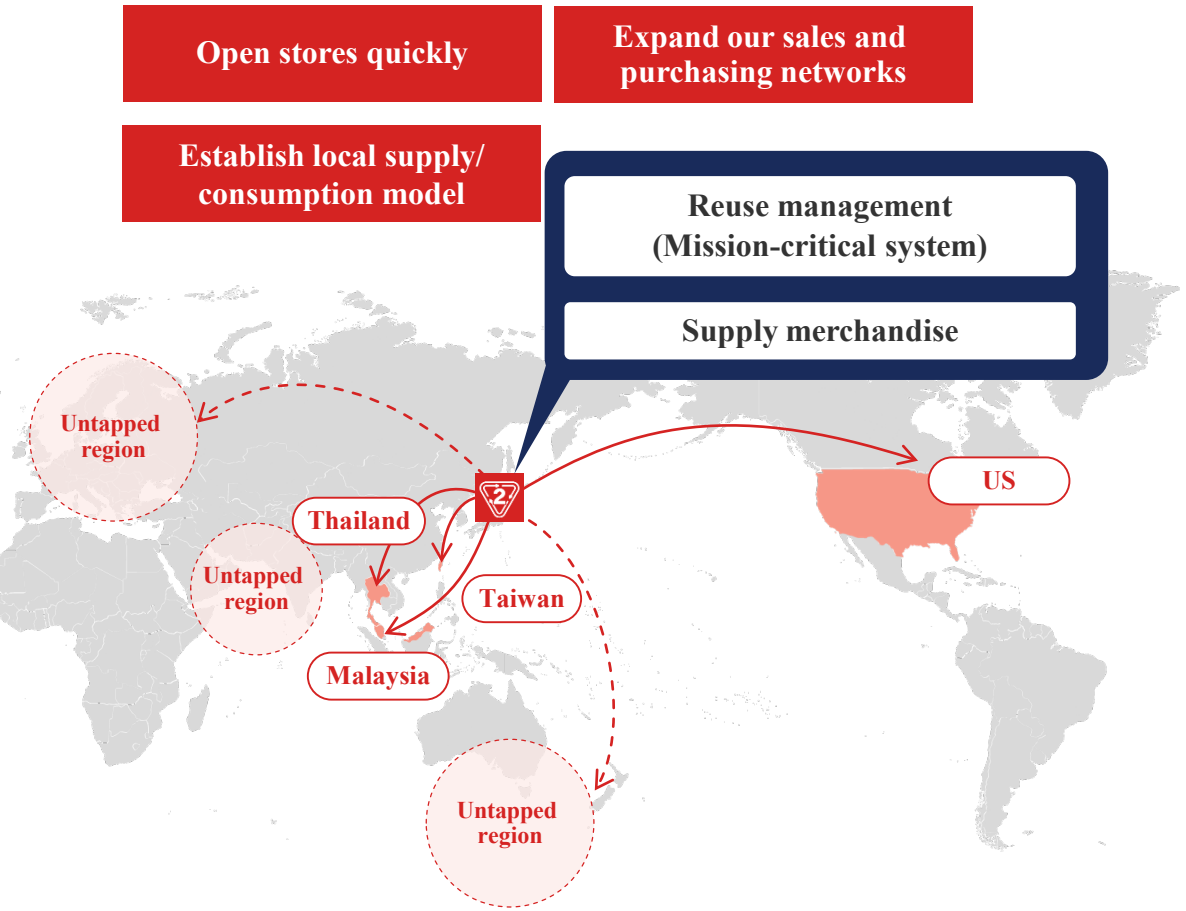
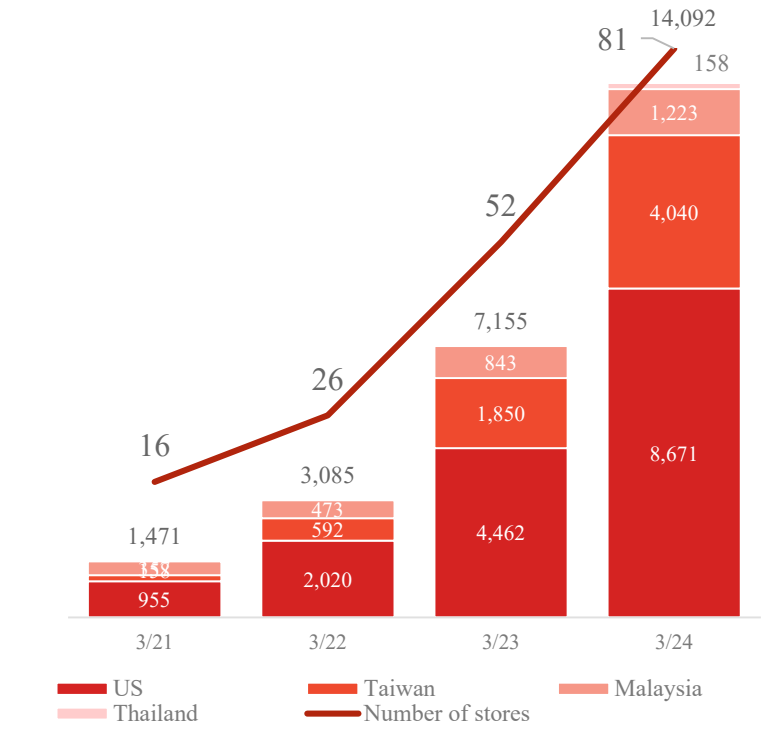
Opening More 2nd STREET Stores Overseas

- By providing reuse management (mission-critical system) and merchandise from Japan, we will achieve multistore expansion in Taiwan, Malaysia, the United States and Thailand to energize our growth.
- As another step toward our global expansion, the first 2nd STREET store in Thailand opened in December 2023. We are also considering opening stores in Southeast Asia and other regions.



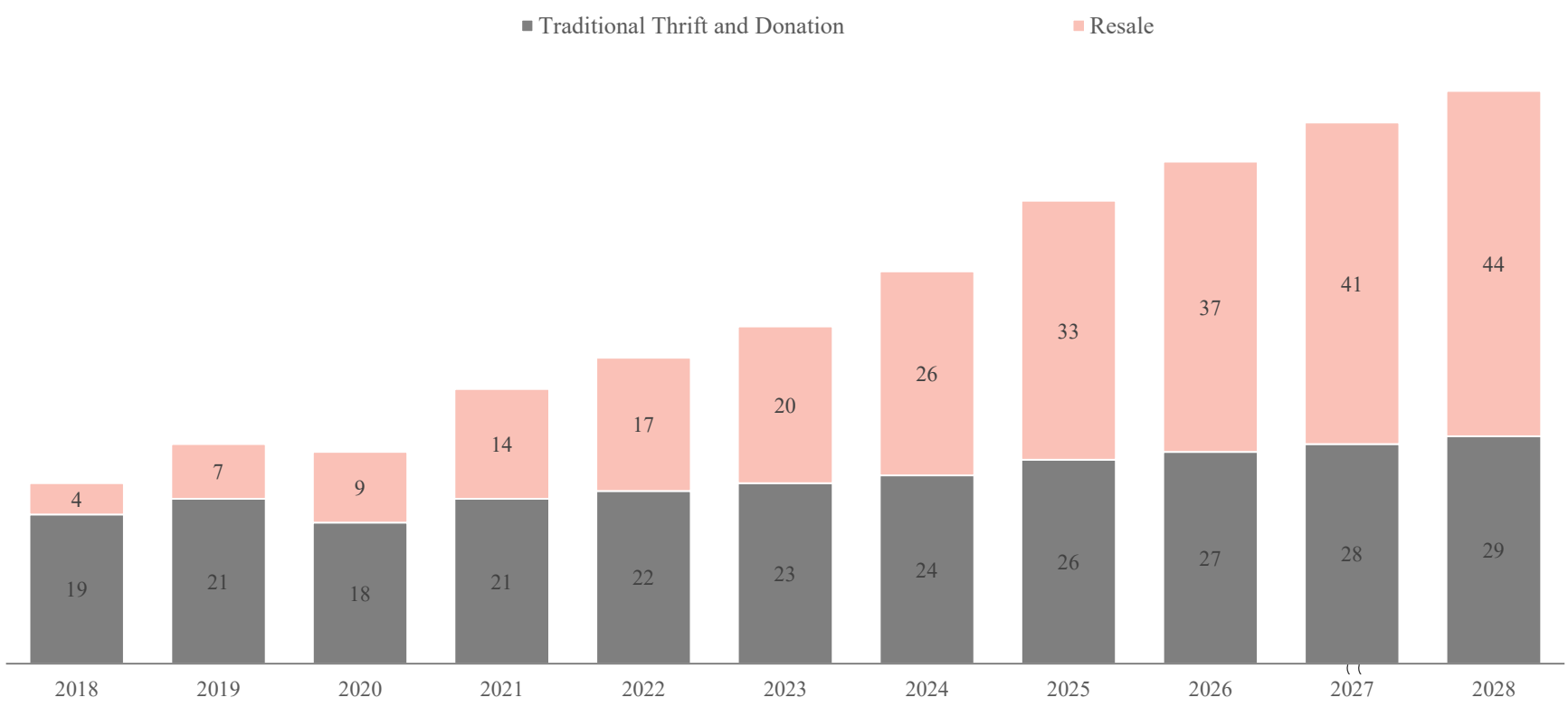
Change in Overseas Sales



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



* Source: “US reuse market trends" is created by GEO HOLDINGS based on the thredUP: Resale Report 2024.

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Operating stores in the United States and the advantages of it

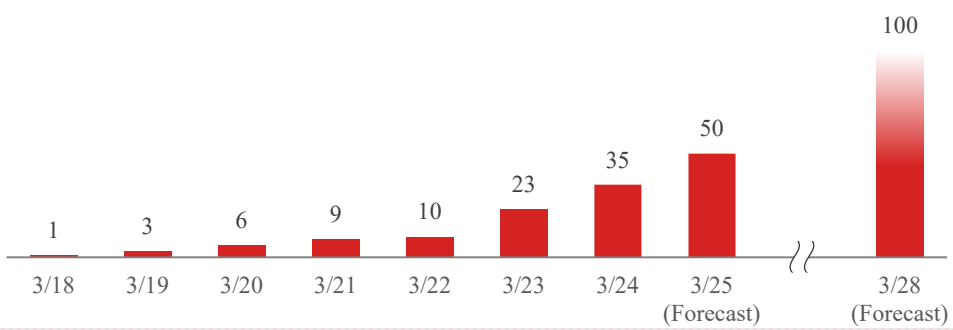
- Our expansion into the US started on the West Coast. The performance of our US stores and the training of local employees have progressed favorably. We will continue actively opening more stores mainly in densely populated cities, with a target of opening 100 2nd STREET stores by the end of FY 2028, 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.

Arizona: Norterra store (opened in February 2024)



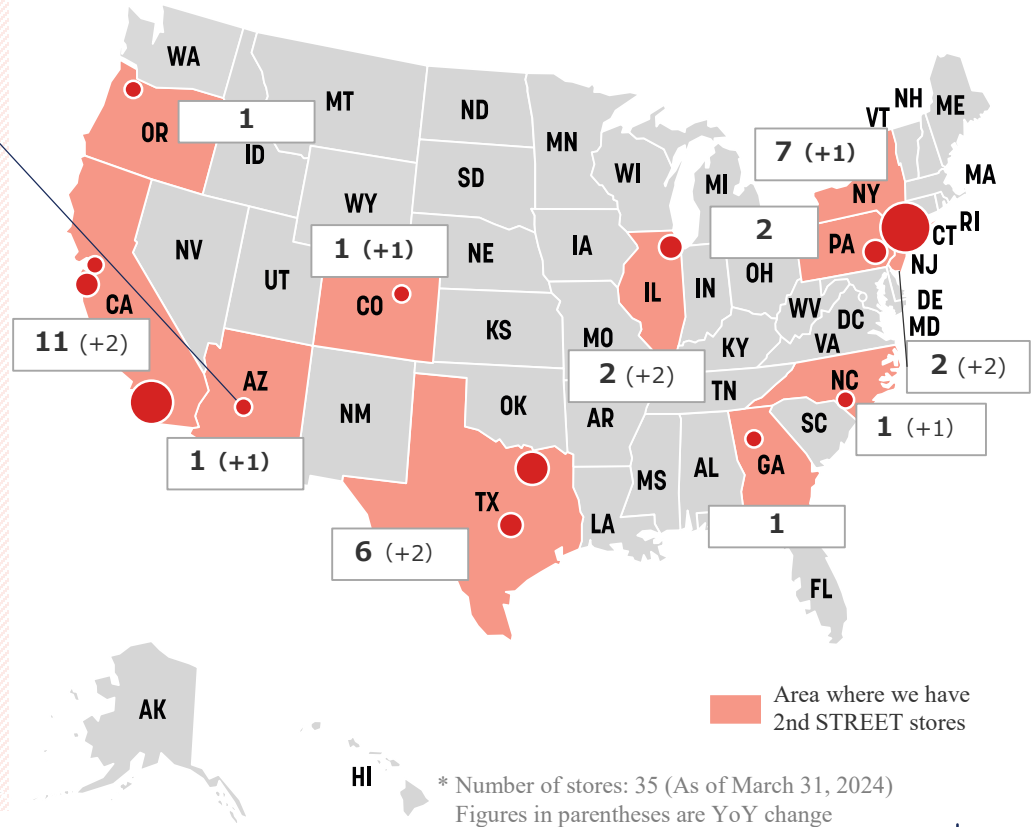
Our first store in Arizona. Norterra is located in northern Phoenix, the largest city in the state, and amongst residential areas has various stores, such as shopping centers, movie theaters, and supermarkets. It has a sales floor of about 180m², handling reused items centered on clothing and accessories such as bags and shoes, 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: 35 (As of March 31, 2024)
Figures in parentheses are YoY change

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Store opening strategy in Taiwan where the reuse market is developing

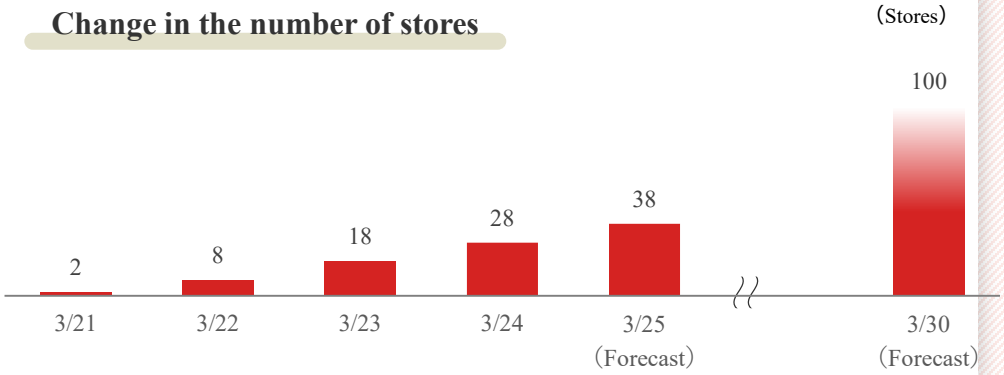
- As the reuse market in Taiwan is still developing, we will aggressively open stores in Taiwan in an effort to establish our firm position there.
- Our stores in Taiwan have the advantage of continuously displaying merchandise from Japan in addition to locally bought merchandise, and we will solidify 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 FY 2030.

Kaohsiung City: Kaohsiung Talees store (opened in March 2024)



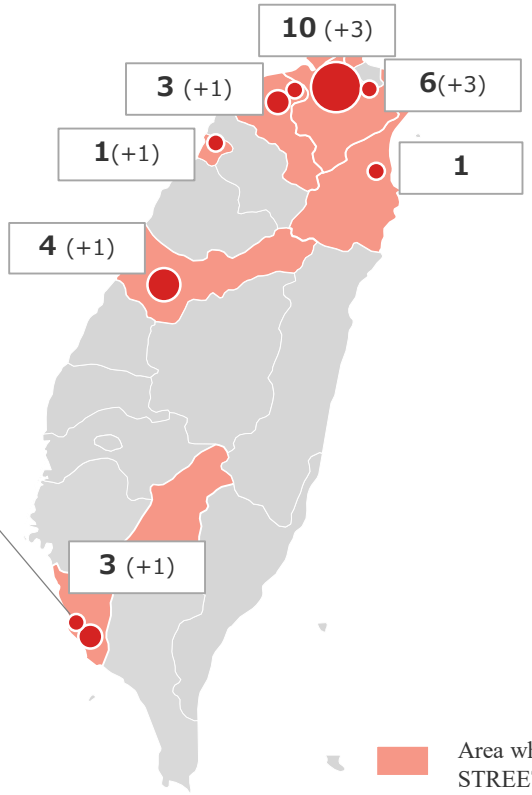
In March 2024, we opened our Kaohsiung Talees store on the fifth floor of Talees A, a large shopping center in Kaohsiung City. This is our 28th store in Taiwan, with a sales floor of about 230m² offering about 8,000 items of mainly luxury brand products that suit the local market.

Change in the number of stores



2nd STREET store locations in Taiwan

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



* Number of stores: 28 (As of March 31, 2024)
Figures in parentheses are YoY change

Store opening strategy in Malaysia

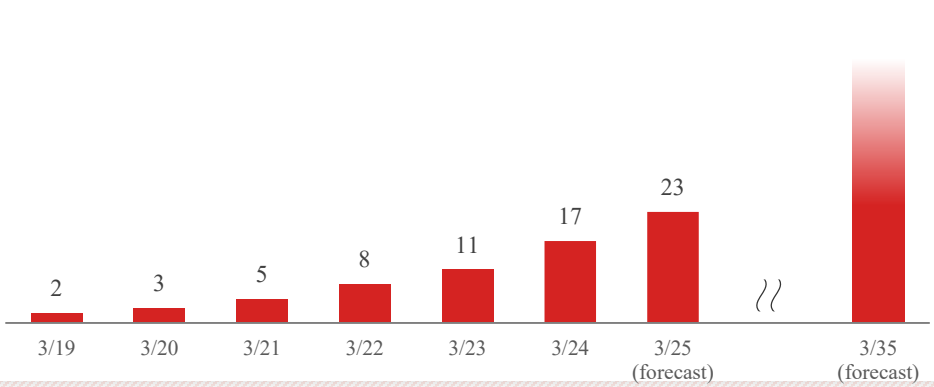
- In Malaysia, wholesale and in-store sale of reuse products imported from Japan are concentrated in Kuala Lumpur and the surrounding area.
- We will continue with marketing research and staff increases in Malaysia while stepping up our operations in the country.

Kuala Lumpur: AEON Mall AU2 (opened in February 2024)



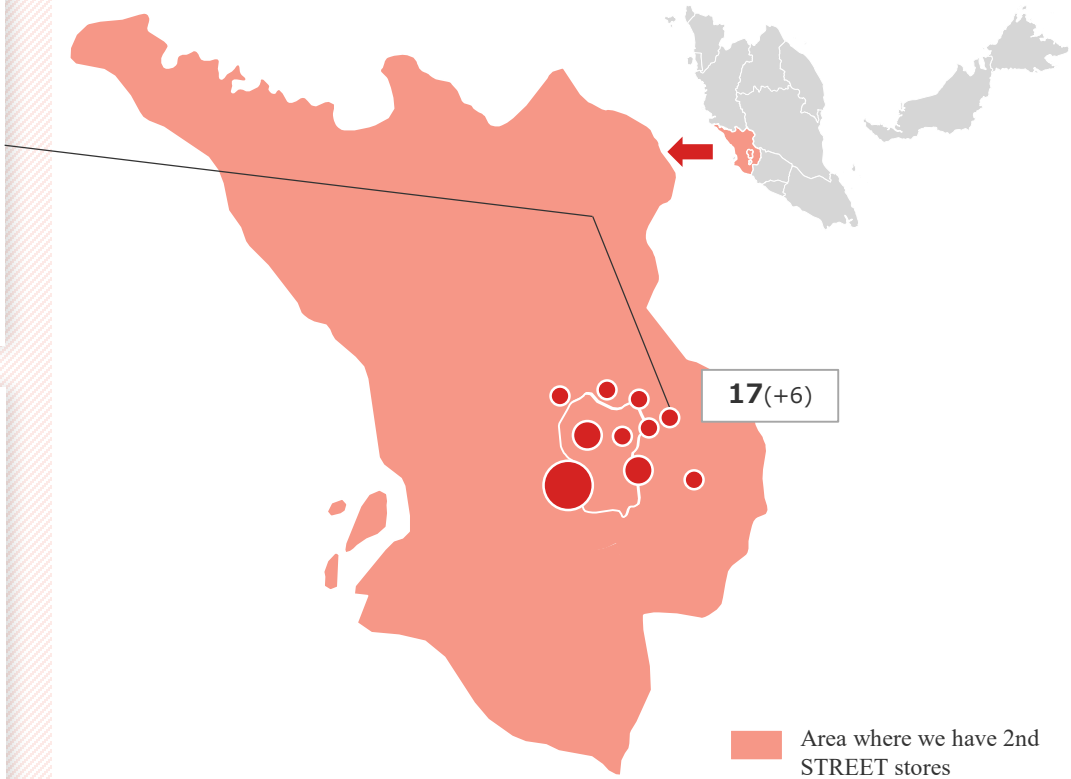
Our 17th store in Malaysia, located in a shopping complex, has a sales floor of about 530m² and offers a wide variety of reuse items sourced from Japan. Like 2nd STREET in Japan, the store is organized by category such as item or genre, to create an easy-to-see, well organized sales floor that is well supported in the country.

Change in the number of stores



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: 17 (As of March 31, 2024)
Figures in parentheses are YoY change

First store in Thailand opened in December 2023

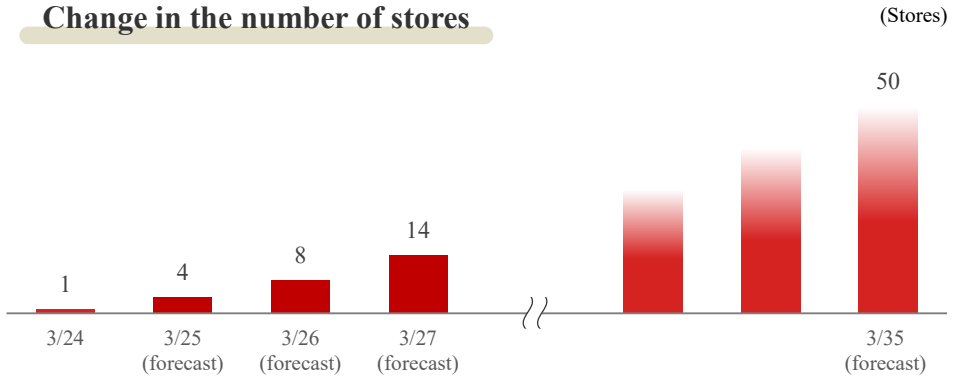
- In Southeast Asia where the reuse market is in its infancy, we will build a model to complete buying and selling domestically and accelerate overseas expansion.
- Urbanization is gaining speed in Thailand. In fact, more than 50% of the country's population lives in urban areas. We have the target of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

Bangkok: BIG-C RAMA4 Store (opened in December 2023)



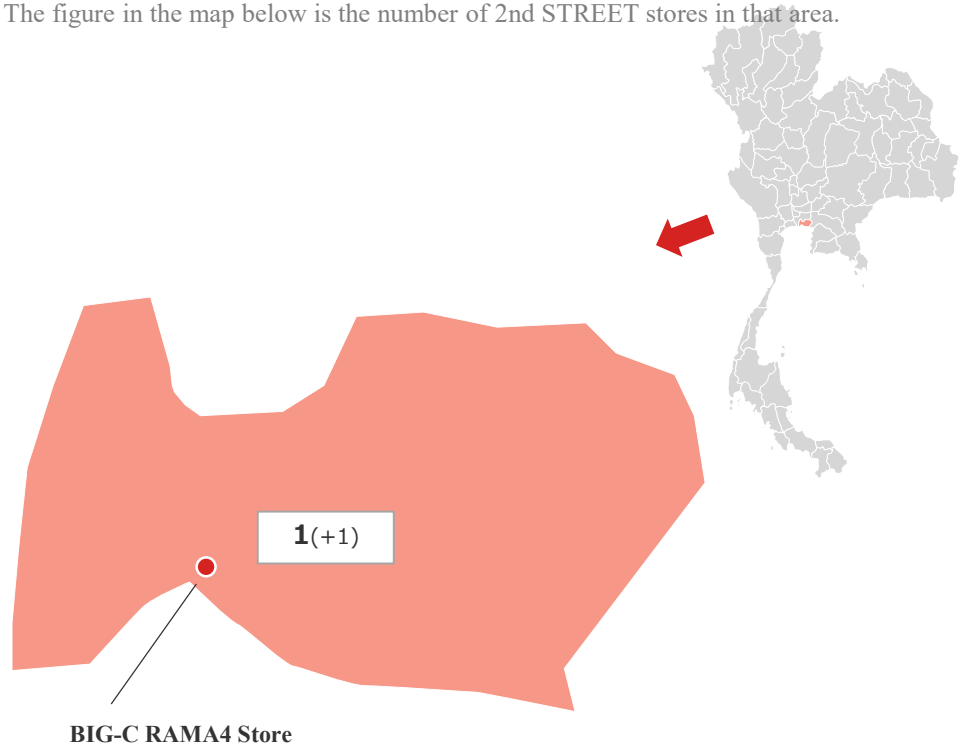
The store opened in BIG-C, a large commercial complex in Thailand's capital Bangkok. Adjacent to a supermarket, the store is a familiar place where local residents usually shop and has products from many Japanese companies. Luxury brands and reuse items back-ordered from Japan are available and the store also runs a purchase service.

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.

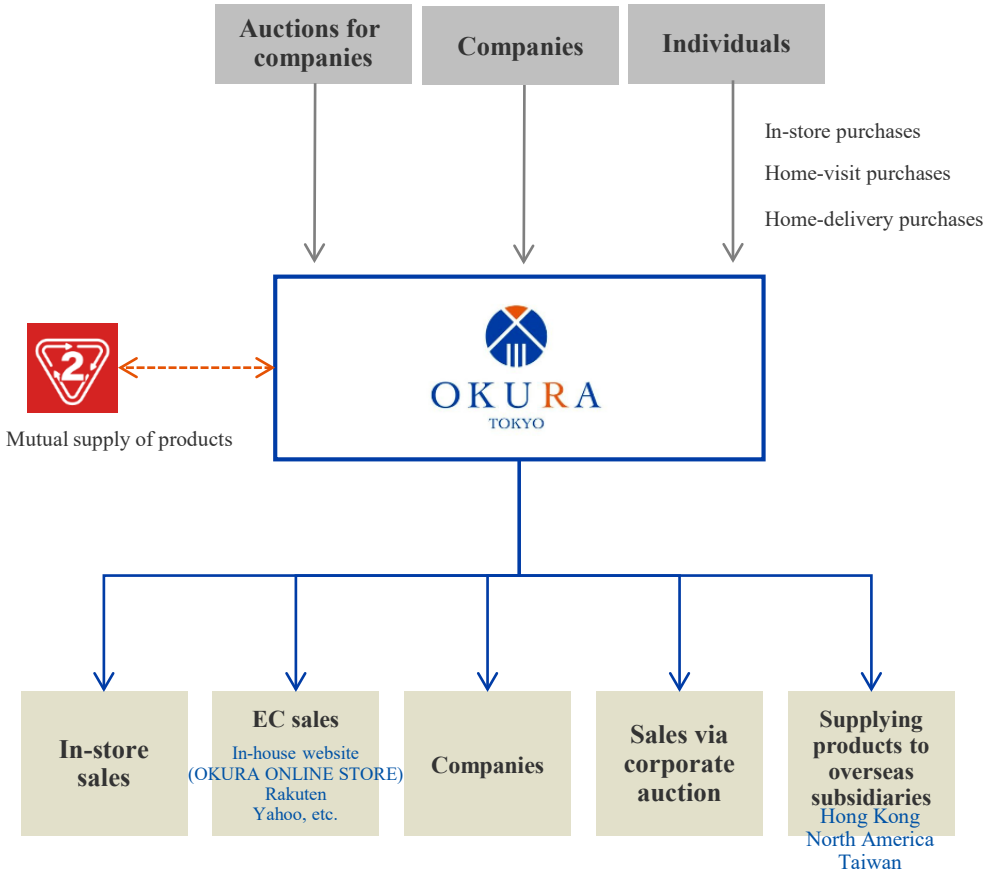


* Number of stores: 1 (As of March 31, 2024)
Figures in parentheses are YoY change

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
Characteristics	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.
Annual trading volume	Over approx. **13** billion yen	Over approx. **21** billion yen
Main product lines	Watches, bags, jewelry, kimonos, and miscellaneous equipment	Watches, bags, and jewelry

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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
Brands to be dealt in	**Multiple brands**	Single brand
Product lineup	**Combine many different brands**	Outlet-only goods are also available
Main form of operation	**Operate at shopping centers, etc.**	Operate at outlet malls
Access	**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 (660m²) 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

Shift to variety stores / Expansion of GEO mobile

- Close small GEO stores
- Convert GEO stores that are about 200 tsubo in area and suitable for our new business format
- Open GEO stores that are about 200 tsubo in area and suitable for our new business format
- Open GEO mobile stand-alone and attached stores

Main products available at GEO stores

- Priority goods section
  - Smartphones, tablets, and PCs (Reuse)
  - Audio-visual equipment (Reuse and brand-new)
  - Food
  - Daily goods
  - Pet supplies
- Game device and game software (Reuse and brand-new)
- BD/DVD/CD/COMIC (Rental)

Increase customer motivation to visit GEO stores

- Efforts to expand the priority goods section
  - Acquisition and training of human resources in buying
  - Improvement of marketing



Increase net sales and purchasing capacity

- Advantage of scale in purchasing
- Centralized management and optimal allocation of store inventory

Nation-wide stores: GEO

1,084 stores

(As of March 31, 2024 including FC stores and distributors)

Increase store attractiveness and promote GEO's image

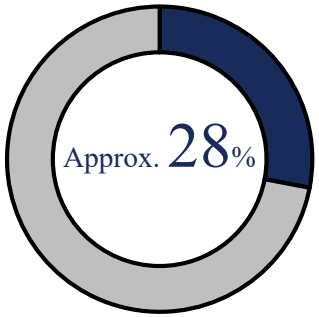
Largest share of the smartphones and tablets for reuse market

- 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 management, (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

Stores	• Centralizing the management of GEO and GEO mobile's inventory nationwide can ensures that sales activities are properly adjusted for demand.
Devices for sale	• The insides of all devices are cleaned, ensuring safety and reliability. • Devices are well cleaned both externally and internally. • Devices have a 30-day warrantee against defective products. 
SIM card	• UQ and Y!mobile SIM cards are available at GEO and GEO mobile stores around the country.
In-store support	• In-store support reassures customers. Specifically, GEO mobile provides support by specialized consultants.

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, both stand-alone stores and attached stores.
* Source: Our share of the smartphones and tablets for reuse market is estimated by GEO HOLDINGS based on the Secondhand Market Databook 2023.

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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.

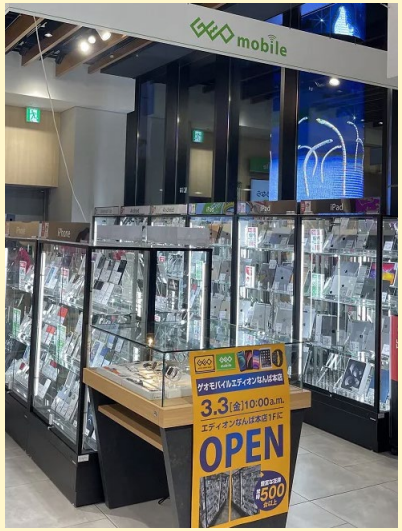
Be an outstandingly peerless company in the smartphones and tablets for reuse market

Brick-and-mortar stores

GEO mobile
Expand stand-alone stores and attached stores



Sell merchandise at electronic and home appliance stores, etc.



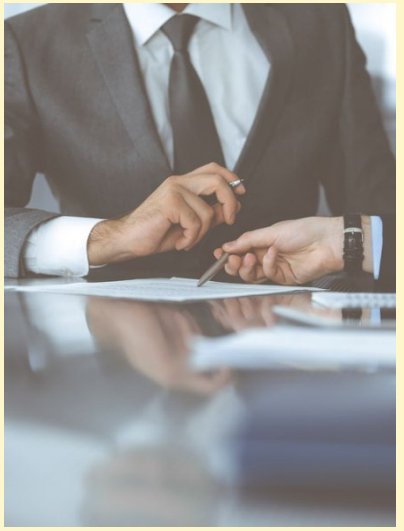
Online

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



B to B

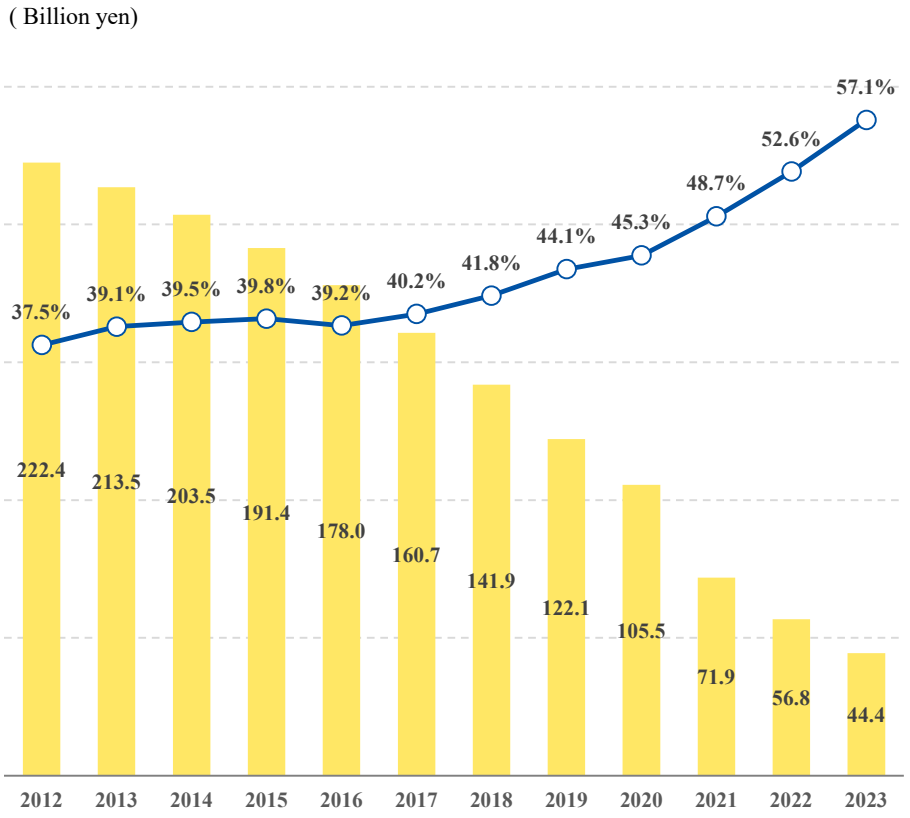
Corporate-brokered transactions in Japan Overseas import and export



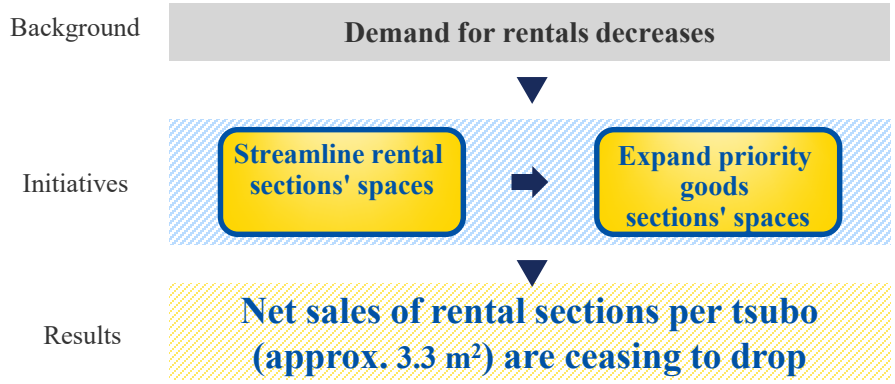
Our rental business streamlines spaces in a rock-solid manner

- 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 tsubo (approx. 3.3 m^2) are ceasing to drop and the streamlined spaces are being used to sell priority goods.

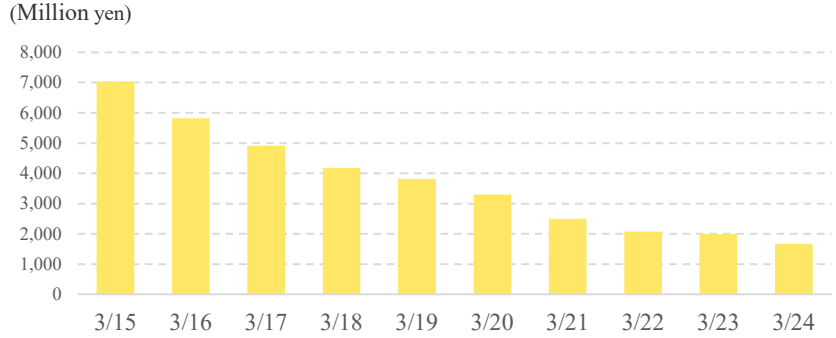
Change in the music and video rental market in Japan and our share of the market*



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.

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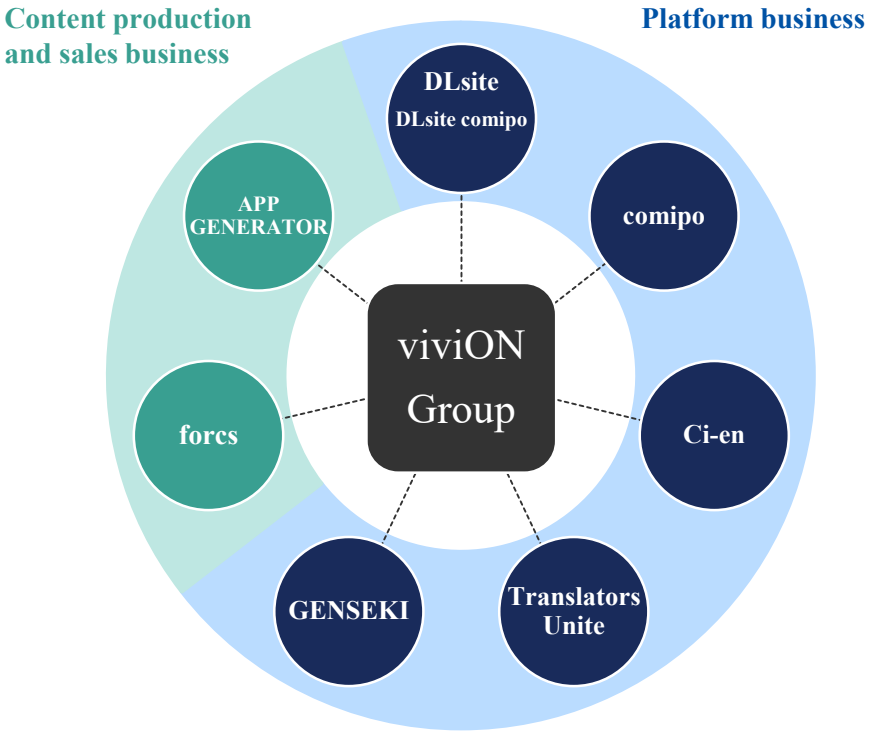
Digital contents business

- 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



Main services

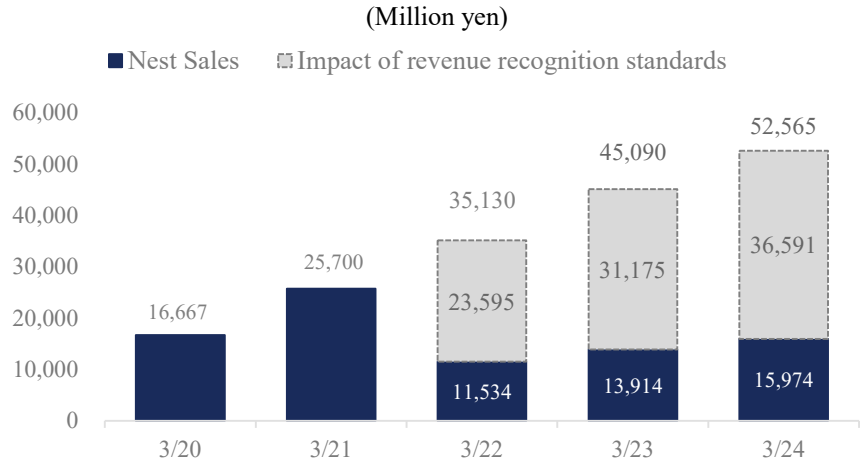


The world's largest subculture content download site. The number of titles available for download from the site has reached 1.21 million.



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

Net sales trends

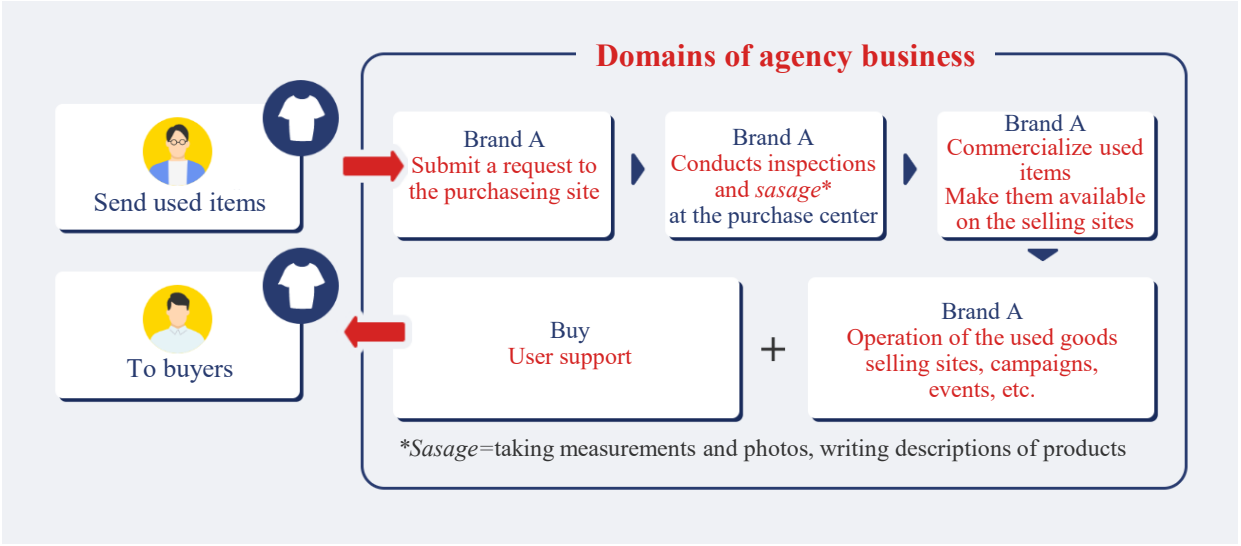


Amount net of internal transactions

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.
- Our service in the reuse alliance business is scheduled to start in the summer of 2024.



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

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

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 using 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.

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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

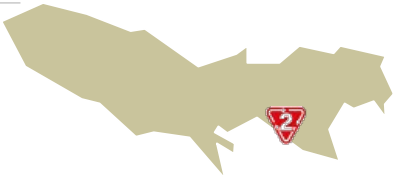
Receive the proceeds by smartphone
(Can also be received at a store counter)



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 will terminate their purchase locker service on January 19, 2024.

GEO Arekore Rental

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

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)



Has approx. 130,000 subscribers and deals in more than 1,800 products



An example of rental products provided through collaboration with manufacturers



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

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Aogiri Vtuber High School / - Sin of OZ -

- 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 smartphone puzzle game "- Sin of OZ -" is a fully -fledged 3-match puzzle game that combines a picture-book atmosphere with a slightly darker + doll worldview based on the motif of "The Wizard of Oz. Users can increase the trust level of the characters by solving puzzles and enjoy the story and changes in the appearance of the characters.

Aogiri High School

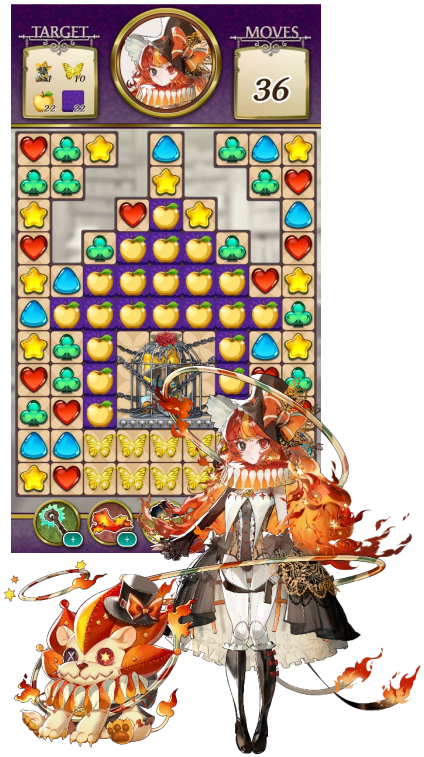




YouTube channel subscribers exceeds 3.4 million.

- Sin of OZ -







Japanese version released in March 2024, global version to be released in 63 languages!

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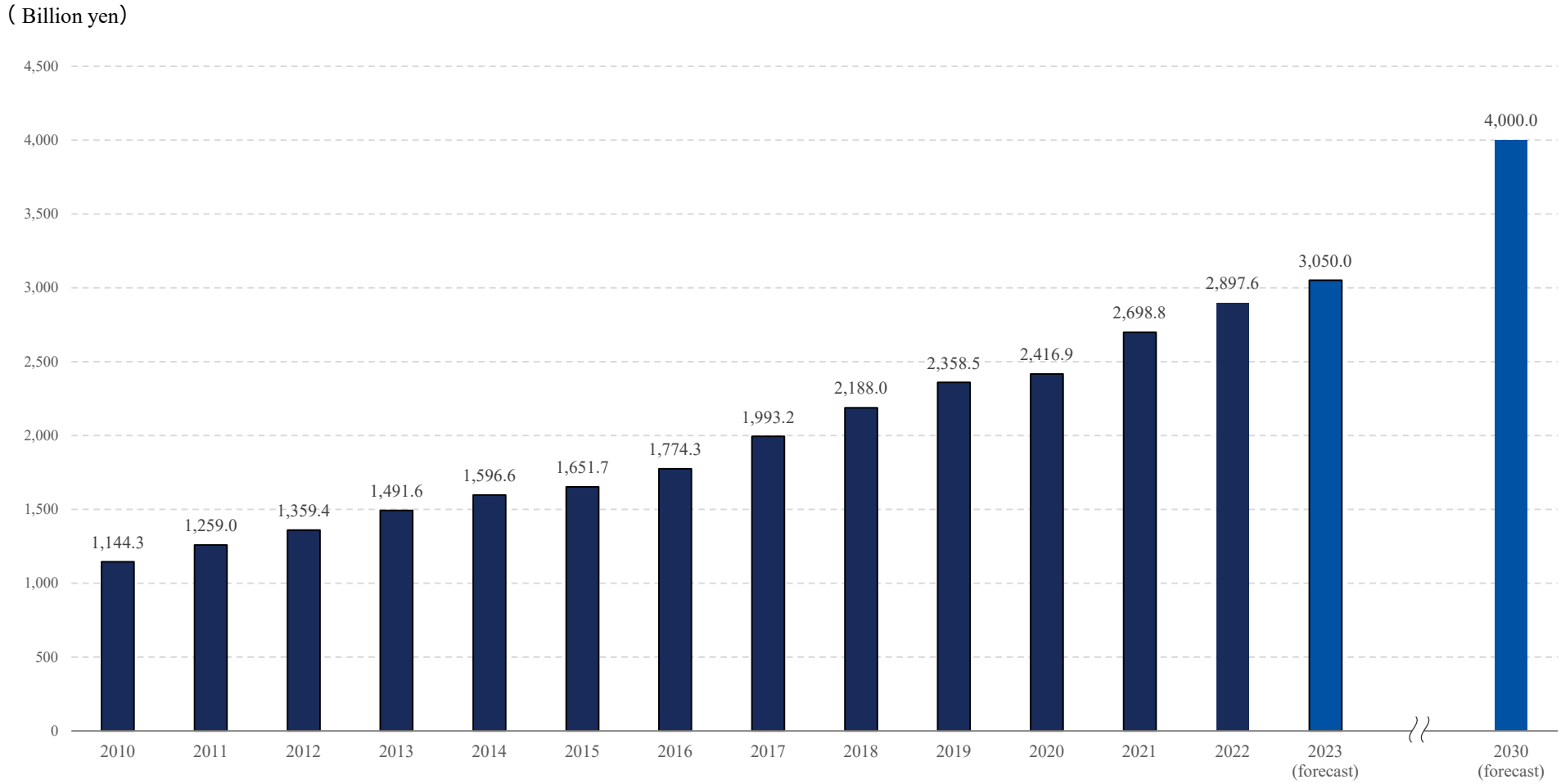
6. Appendix

Trends in the domestic reuse market

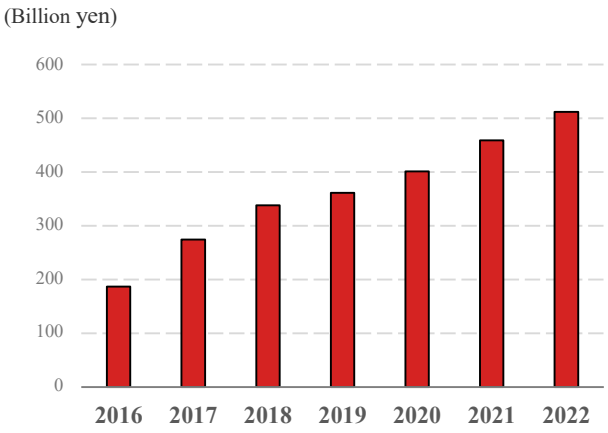
- The 2022 domestic reuse market rose 7.4% YoY to 2,897.6 billion yen. Awareness of reuse products, which are less expensive than new products, rose as consumer took steps to maintain their standard of living as prices rose.
- The domestic reuse market is expected to continue to grow again the back drop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



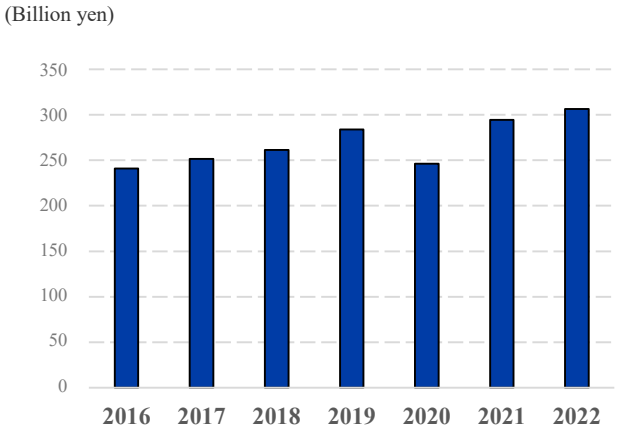
* Source: Reuse Business Journal “Secondhand Market Databook 2023” The market forecast is excerpted from The Reuse Business Journal.

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

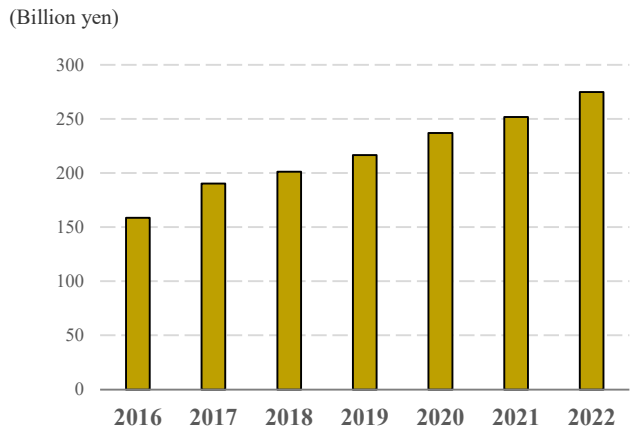
Clothing and accessories



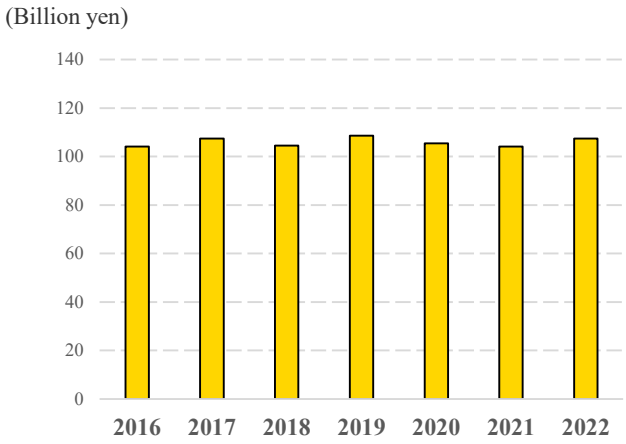
Luxury brand items



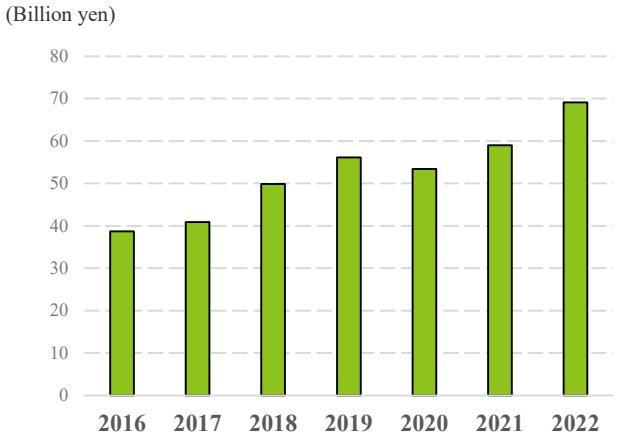
Furniture and home appliances



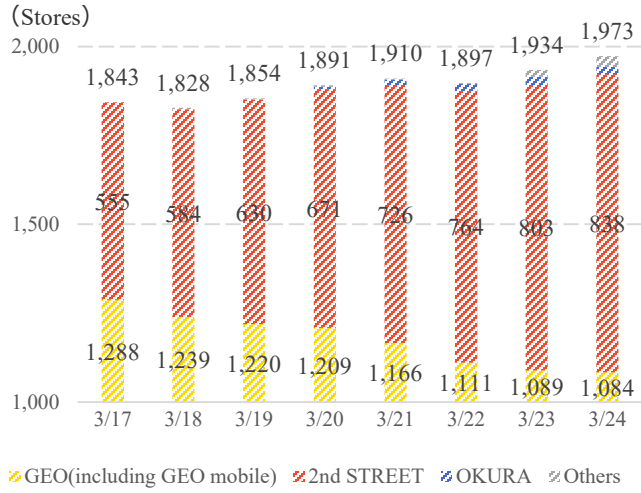
Games and media (excluding books)



Mobile phone and smartphone



GEO domestic reuse store trends



* Reference: Reuse Business Journal “Secondhand Market Databook 2023”

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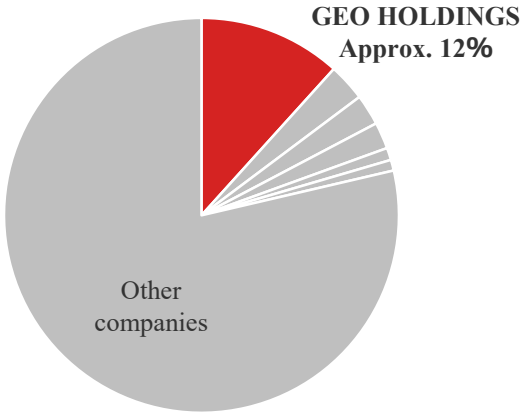
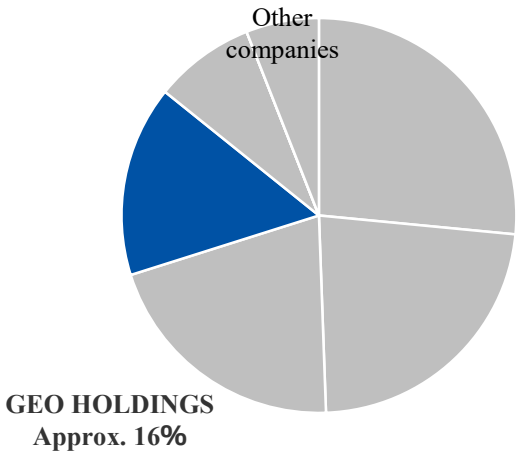
Our market share by major reuse merchandise

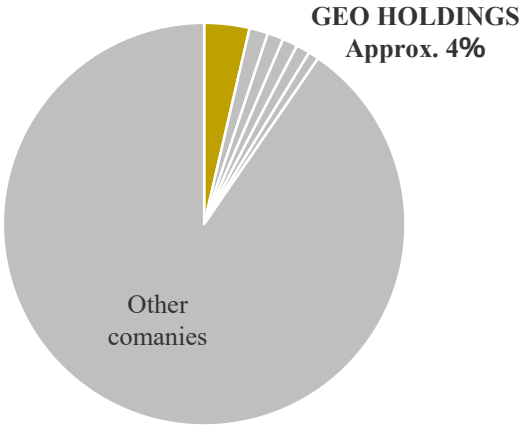
Clothing and accessories



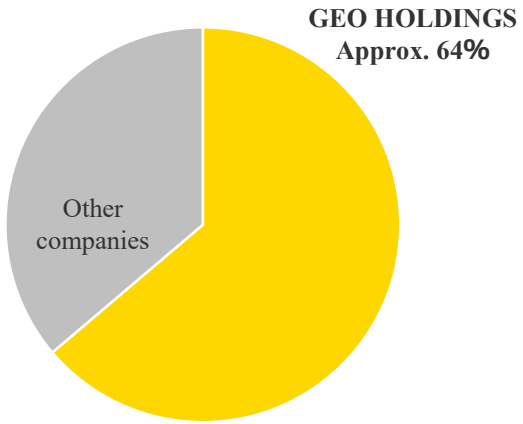
Luxury (Brand)



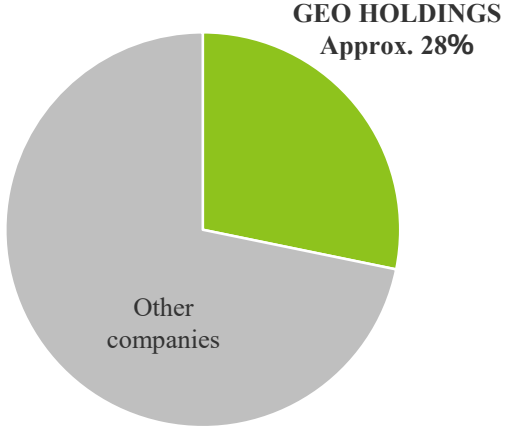
Furniture and home appliances



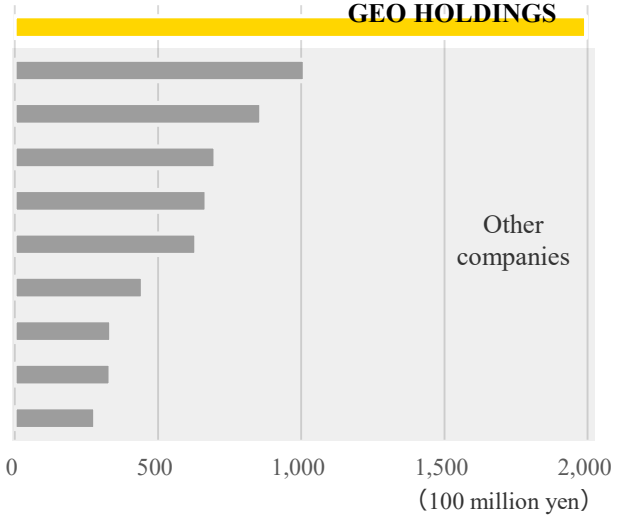
Game



Mobile phones & smartphones



Reuse sales ranking



* Source: GEO Holdings based on Reuse Business Journal “Secondhand Market Databook 2023”

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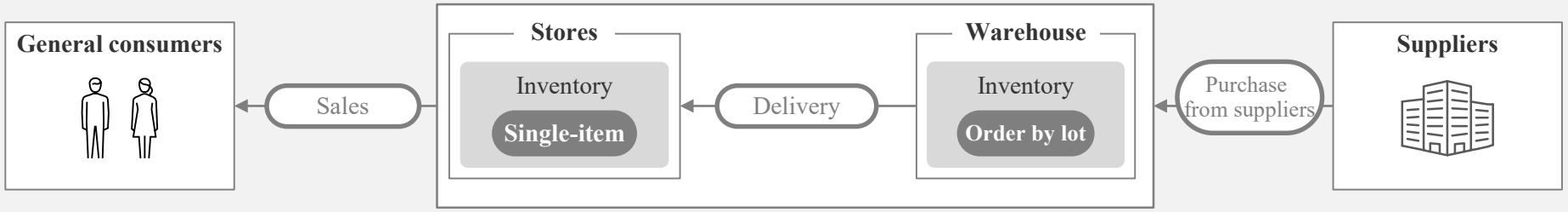
Characteristics of the reuse business

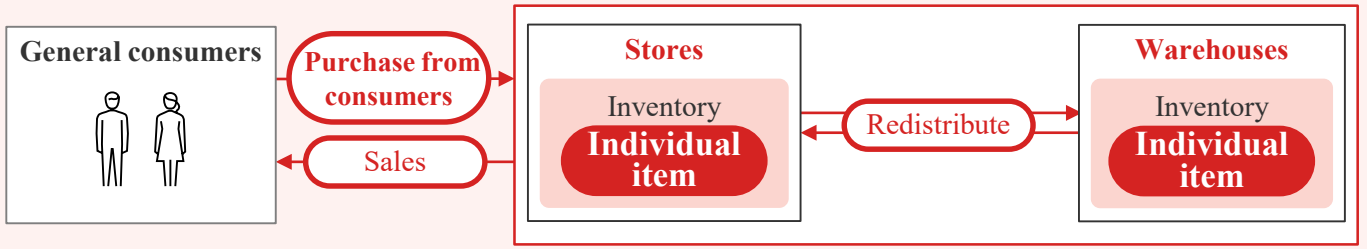
The reuse business is easy to enter but, unlike the general retail business, requires special actions involving purchase and individual items. Multistore operation of the reuse business requires unique management of the business.

General retail business



*single item indicates items purchased by lot and distributed from warehouse to stores

Reuse business



A store has to engage in sales as well as purchase.

A store checks for fakes and defectives and checks an item's conditions before purchasing it at a decent price.

Fakes and defectives cannot be put on sale.

Make items available one by one.

Because the condition of each item is different, each item must come with a photo and a comment.

Store operation is cumbersome

Appraisal skills are required

Quality assurance is required

Quality control is required

Many items to be listed on the e-commerce site

Characteristics of purchase

Internal controls are required

Procurement of merchandise is unstable

Compliance with laws and regulations is required

Characteristics of an individual item

Large quantity of items to manage

Displaying products is cumbersome

Product procurement is dispersed in the same store, which can easily lead to misconduct.

Product procurement cannot be adjusted to demand.

Violation of Secondhand Goods Business Act in terms of matters such as user authentication, transaction records and illicit article reports may result in a fine, business suspension, revocation of license or other penalties or administrative punishments.

Data must be retained for each item.

Display cannot be organized with the same product.

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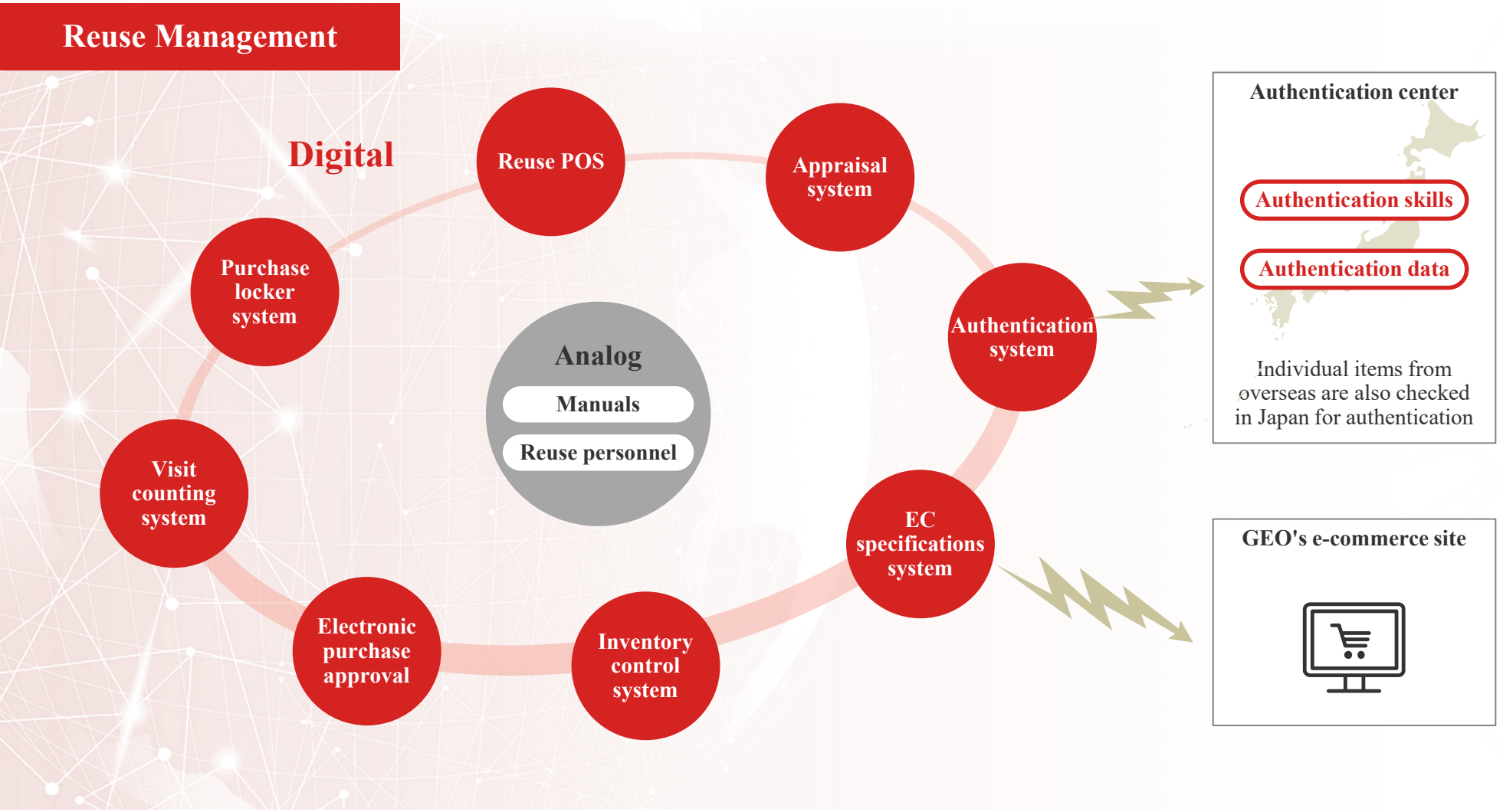
Digital transformation of the reuse business (digital reform)

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 Ended Mar. 31, 2024

(Million yen)	FY 2023 Q1 Results	FY 2023 Q2 Results	FY 2023 Q3 Results	FY 2023 Q4 Results	FY 2024 Q1 Results	FY 2024 Q2 Results	FY 2024 Q3 Results	FY 2024 Q4 Results
Net sales	81,377	91,185	107,134	97,603	106,725	109,035	111,640	106,446
(Change)	+7.0%	+20.2%	+15.1%	+8.7%	+31.1%	+19.6%	+4.2%	+9.1%
Gross profit	34,194	34,464	39,315	34,507	39,289	36,597	43,081	40,855
(Change)	+10.3%	+10.6%	+12.4%	+2.6%	+14.9%	+6.2%	+9.6%	+18.4%
(Gross profit margin)	42.0%	37.8%	36.7%	35.4%	36.8%	33.6%	38.6%	38.4%
SG&A	30,167	32,199	34,251	35,244	33,498	35,081	37,045	37,384
(Change)	+1.0%	+4.4%	+11.2%	+13.2%	+11.0%	+8.9%	+8.2%	+6.1%
Operating profit	4,027	2,265	5,064	-736	5,790	1,516	6,036	3,470
(Change)	+248.4%	+593.9%	+21.2%	n/m	+43.8%	-33.1%	+19.2%	n/m

Dialogue with shareholdersfor in Fiscal Year Ended March 31, 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 a research firm. 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	・From the day following results to until the start of the IR quiet period for the next quarter.
Results meetings	・Conducted for analysts and institutional investors after the announcement of Q2 and FY (Q4) results.
Materials on our IR website	・Posting of financial results, financial results briefings, materials from general shareholders' meetings, annual reports, etc. on the corporate website ・English version of the corporate website created inline the Japanese version
Research report	・Research reports in Japanese and English by research firms are updated and published for each FY quarter. Japanese version：https://sharedresearch.jp/ja/companies/2681 English version：https://sharedresearch.jp/en/companies/2681

Overview of dialogue and feedback

Item	Situation
Main respondents	・General shareholders' meetings : All directors and auditors ・Financial results briefings : President & CEO, Executive Director Managing Operating Officer ・IR・SR individual meetings : Executive Officer of IR division, IR division
Shareholders with whom dialogue was held	・Number of meetings : H1 83, H2 74 *Total number of cases handled ・Investment style : Mainly active investors ・Investors' responsibilities : Analyst, fund manager
Feedback implementation status	・IR status reports, including IR strategies, issues and measures, and indicators, are fed back to management as appropriate. ・Important details of the dialogue are regularly reported to the Board of Directors for discussion.

Dialogue with shareholders in Fiscal Year Ended March 31, 2024

Major themes of dialogue with shareholders and investors and their impact on management

Item	Dialogue content	Results of dialogue and status of respo

Management strategy & growth potential	• Market environment and competitive advantage
	• Future growth Strategies to expand earnings
	• Initiatives to improve P/B ratio
	• Request for disclosure of operating margin targets, ROE targets, ROIC targets by business, etc. from a medium- to long-term perspective
		• Enhancement of financial results presentation materials
		  • Sales and gross profit breakdown by merchandise
		  • Target number of new store openings from a medium- to long-term perspective
		  • Growth image of the business
		  • Stance on initiatives to enhance corporate value
		  • Disclosure of status of dialogue with shareholders,
		• Enhancement of English language disclosure
		• Information provided by sponsored research reports (including English)

Business segment	• Request for disclosure of profit/loss information, capital efficiency (ROIC), and business evaluation by business segment • Request for disclosure of performance of overseas business	• Consideration of disclosure of financial information by business
Financial strategy	• Disclosure of capital policy and shareholder return policy • Request for disclosure of initiatives and targets for improving capital efficiency (ROE, ROIC, etc.)	• On the principle of fair shareholder returns, abolition of shareholder benefits • Continuation of stable dividends based on financial soundness
Governance & other	• Stance on ESG initiatives and disclosure efforts • Strengthen governance functions by increasing the ratio of outside directo • Promote diversity and innovation by increasing the ratio of female directors • Strengthening of governance functions through the establishment of the nomination and compensation committees • Disclosure of feedback from individual meeting dialogue • Requests for company briefings including store tours	• Increase the ratio of female directors by appointing female directors • Disclosure of sustainability initiatives • Distribution of IR videos for individual investors • Periodic reports to the Board of Directors on the status of IR activities • Enhancement of corporate governance through transition to company with Audit & Supervisory Committee structure

Abolition of the shareholder benefit plan

It was decided to abolish the shareholder benefit plan at the Board of Directors' meeting held on November 10, 2023.

● Reasons for the abolishment

The Company has been implementing a shareholder special benefit program in order to show gratitude to its shareholders for their ongoing support, and to increase the investment attractiveness and encourage more shareholders to hold its shares over the medium to long term.
However, after careful consideration from the viewpoint of fair return of profits to our shareholders, the Company has decided to abolish the shareholder special benefit program. Instead of this system, the Company aim to focus on using fund to invest and expand the business for future growth, enhance its profitability and competitiveness, and generate mid long term corporate value, as part of its returning profit strategy for all shareholders.
The Company appreciate shareholders' understanding as it continues to position the return of profits to its shareholders as an important management issue and enhance corporate value for stable dividends.

● Timing of the abolishment

The Company will abolish the shareholder benefit plan after providing the final shareholder benefit items to shareholders (scheduled to be sent in late June 2024) who can be confirmed to hold one unit (100 shares) or more in our shareholder registry as of March 31, 2024.

Transition to Company with Audit and Supervisory Committee

At the Board of Directors meeting held on February 9, 2024, the Company resolved to make the transition to a company with an Audit and Supervisory Committee subject to approval at the 36th Annual General Meeting of Shareholders scheduled to be held in June 2024.

● Purpose of transition

The Company will transition to a company with an Audit and Supervisory Committee in order to strengthen the supervisory functions and further reinforcement monitoring system of the Board of Directors and further enhance corporate governance by having the Audit and Supervisory Committee Members responsible for auditing the execution of duties by Directors as members of the Board of Directors.

● Timing of transition

The Company plans to transition to a company with an Audit and Supervisory Committee upon approval of the necessary amendments for the transition to the Articles of Incorporation at the 36th Annual General Meeting of Shareholders scheduled to be held in June 2024.

● Other details

Details of the amendments to the Articles of Incorporation and details of candidates for directors will be announced once they have been determined.

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.

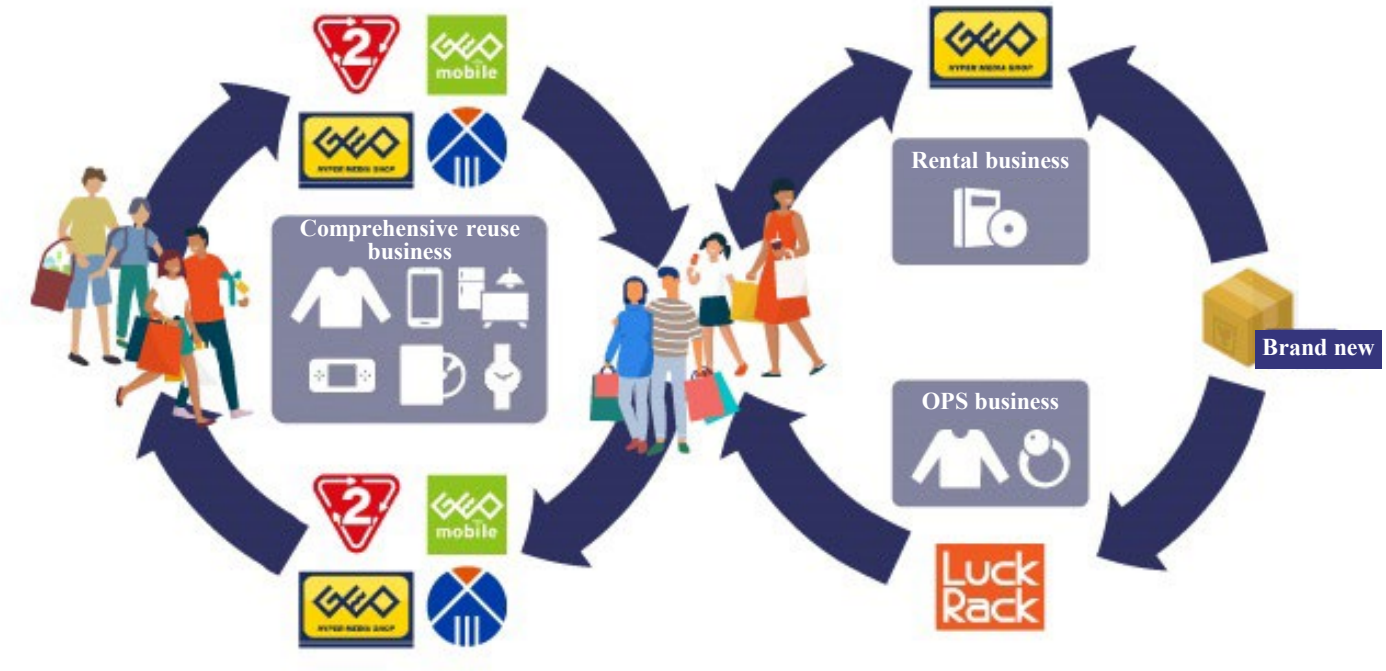
Non-financial capital

Intellectual capital	● Chain store management in the reuse business, which we have built over many years, is the source of our corporate competitiveness. ● Chain store management in the reuse business the GEO Group has built will be spread globally.
Fixed capital	● Our sales locations, which include about 1,800 domestic stores and about 100 stores overseas, function as our management foundation. ● We will invest in digital transformation in a way that strengthens our reuse management.
Human capital	● We actively invest in human resource development, encouraging our people to take on challenges. ● We will remain committed to producing specialists and female managerial-level employees, the source of enhancement of our global competitiveness.
Social capital	● 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. ● 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.
Natural capital	● 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. ● We promote energy saving at our stores nationwide in pursuit of a sustainable society.

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.



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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>

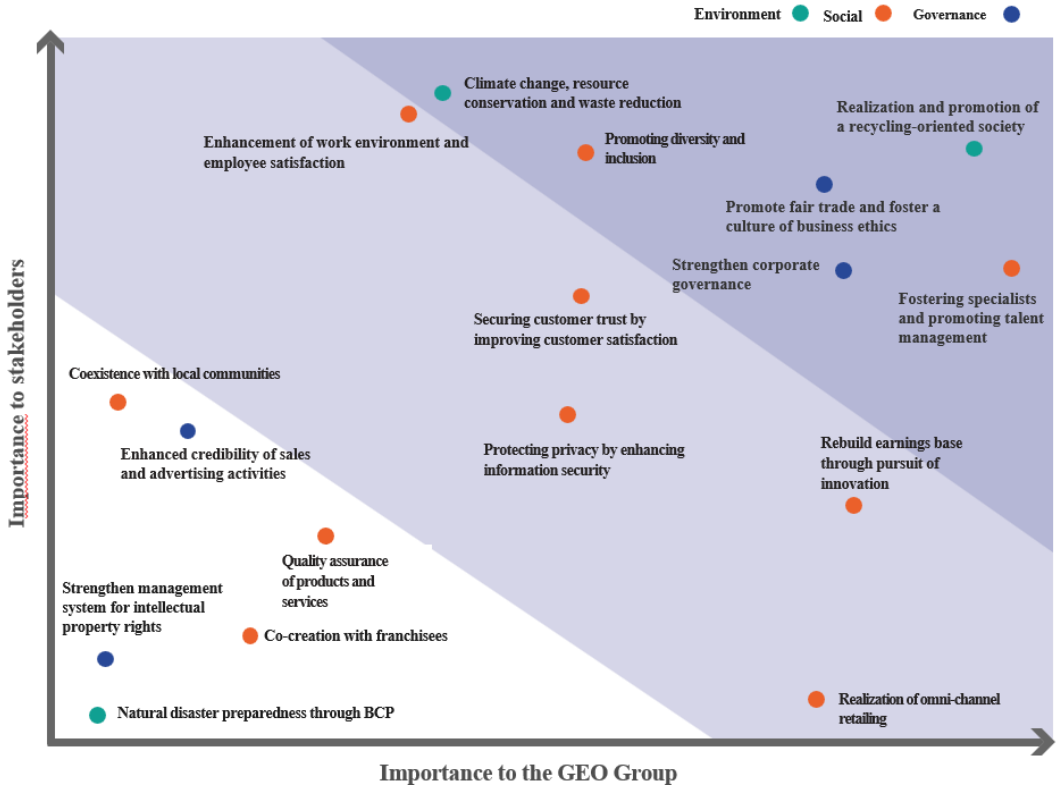
- Realization and promotion of a recycling-oriented society
- Climate change, resource conservation and waste reduction

<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/

Disclosure based on TCFD recommendations

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/pdf/2024/20240328_TCFD.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 2020	FY 2021	FY 2022
Scope1	1,917	1,712	1,543
Scope2	70,183	68,468	62,781
Scope3	-	-	910,028
Total	72,100	70,180	974,352

※ Scope 1: Direct greenhouse gas emissions from in-house fuel use and industrial processes. Calculated based on the amount of gasoline purchased by GEO HD from its FY 2022 invoices by oil type and emission coefficients by fuel type published by the Ministry of the Environment.
※ Scope2：Calculated by adding up the amount of electricity consumed by GEO HD from its electricity billing statements for FY 2022 and on a location basis based on the emission coefficient indicated by the Ministry of the Environment.
※ Scope 2: Calculated based on data from 1,220 locations where electricity consumption could be calculated (including stores, offices, and warehouses).
Scope 3: Indirect GHG emissions other than Scope 1 and Scope 2
Calculated based on GHG protocols from FY 2022 data.

GHG reductions from reuse business

(t-CO2e)		FY 2022
GHG emission reductions	Household appliances	14,155
	Clothing and accessories	19,417
	Furniture	3,281
	Game-related equipment	1,634
	Livingware	2,644
	Childrens` products	1,763
	DVD/CD	1,097
	Hobby supplies	1,067
	Others	1,264
Total		**46,322**

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

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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	Target	Result
Percentage of female workers in management positions (section manager and above)	30% or more ※as of March 31, 2030	Above 3.9% ※as of March 31, 2023
Ratio of female workers	30% or more ※as of March 31, 2030	Above 18.0% ※as of March 31, 2023
Percentage of male workers taking childcare leave	50% or more	Above 39.4% ※as of March 31, 2023
Percentage of female workers taking childcare leave	80% or more	Above 104.8% ※as of March 31, 2023
Percentage taking periodic health checkups	100%	Above 96.1% ※as of March 31, 2023

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.

GEO HOLDINGS CORPORATION

To offer joy to your everyday life

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