



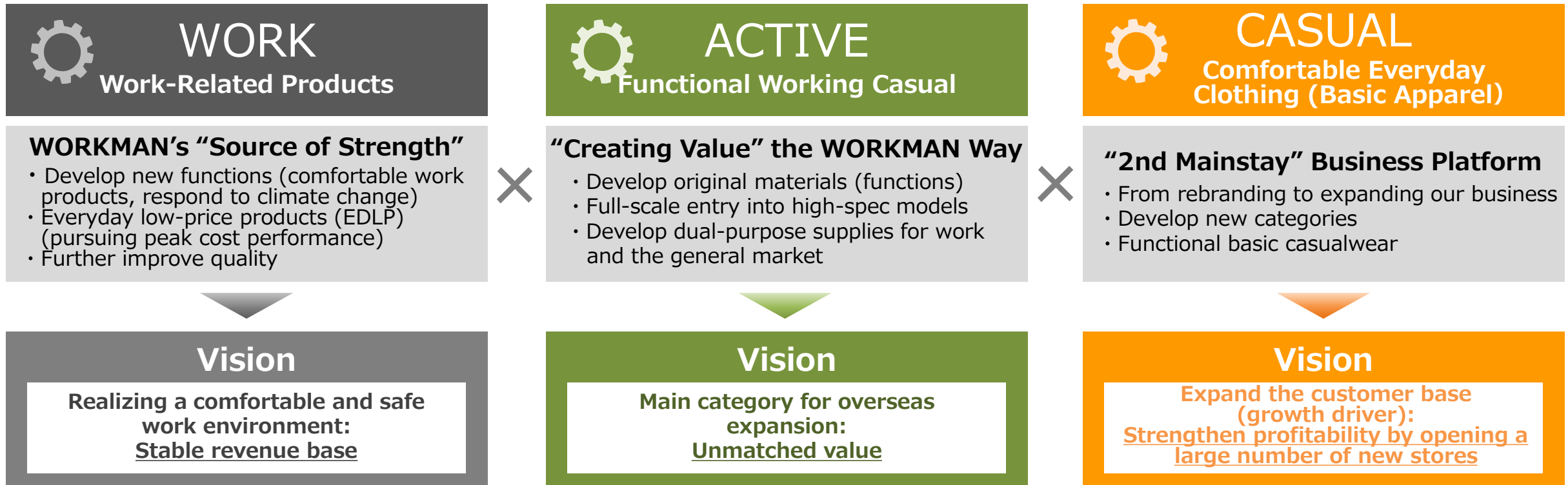
Medium-Term Growth Vision 2030

WORKMAN CO., LTD.

May 12, 2025

Functional Wear for All

With “Make new standards for functions and prices” as our corporate purpose and “Evolve for those who ask us to” as our core value, we aim for sustainable growth by providing new value.

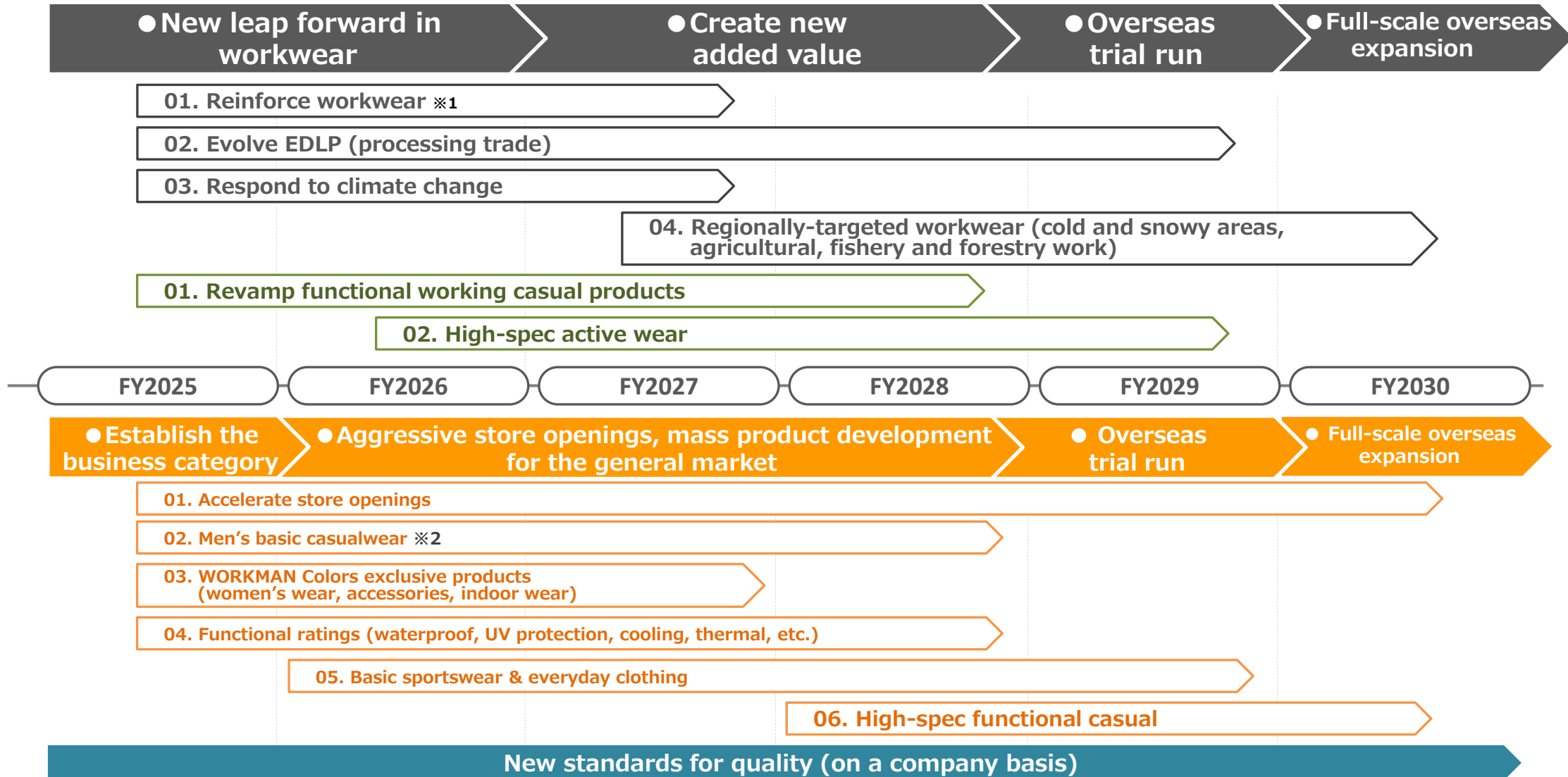


Roadmap



WORK Business

ACTIVE Business



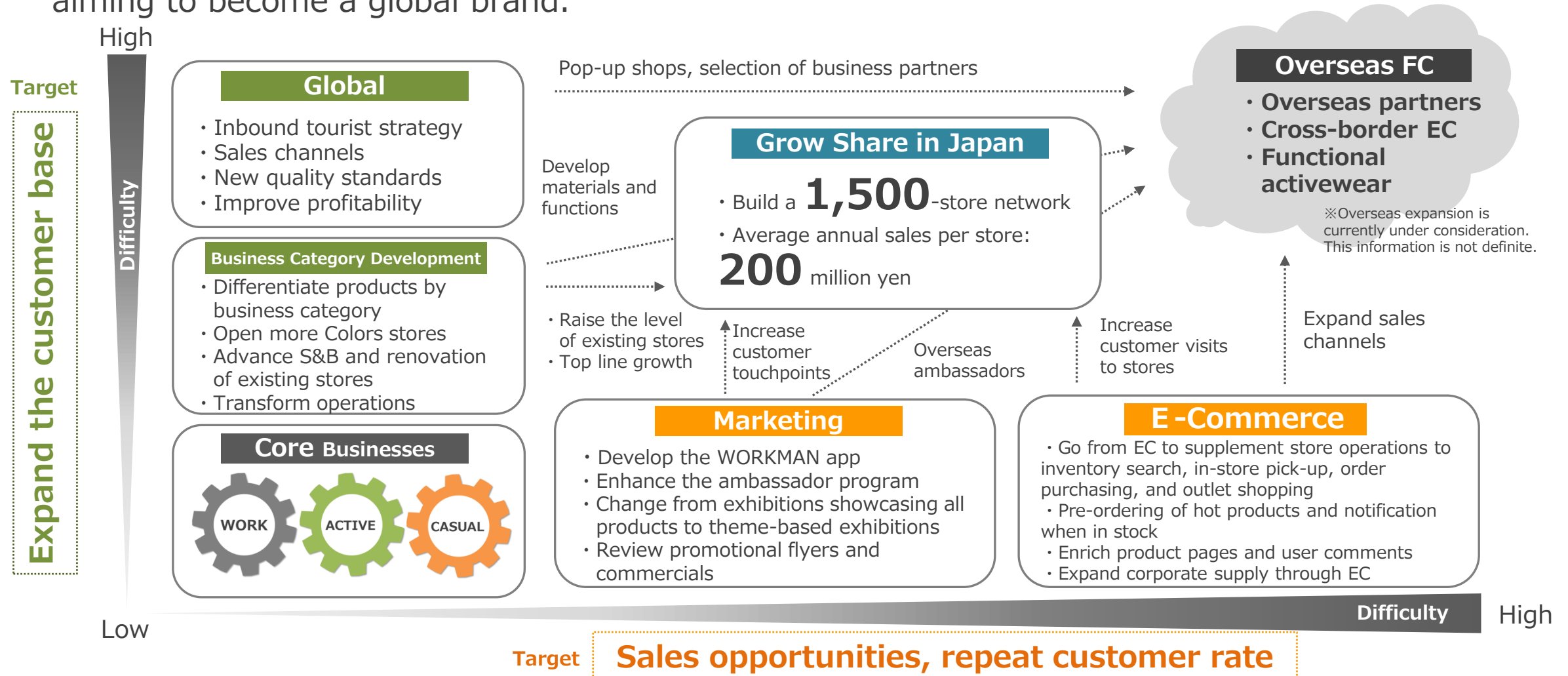
※1. The first phase of efforts to reinforce workwear started up strongly, and the decision was made to increase production. (High-spec "ZERO-STAGE" items: 260,000 → 350,000 items; high-function x low-priced "Wonder Stretch" items: 500,000 → 700,000 items.)

※2. "All-purpose pants" sold exclusively at WORKMAN Colors stores sold more than expected and contributed to attracting male customers to those stores.

■ Growth Strategy

Growth Strategy

Our growth strategy is to focus on expanding the customer base and retaining customers. We will expand business by linking store openings and sales based on our product policy, aiming to become a global brand.

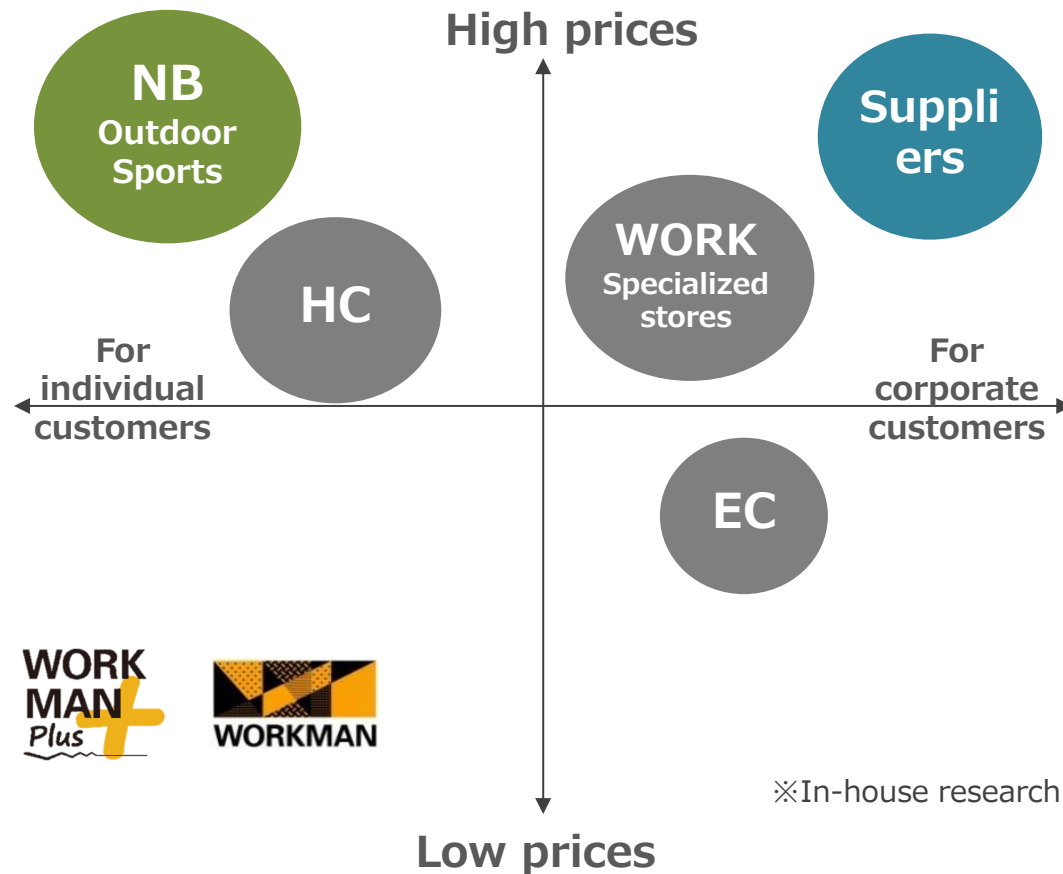


Positioning

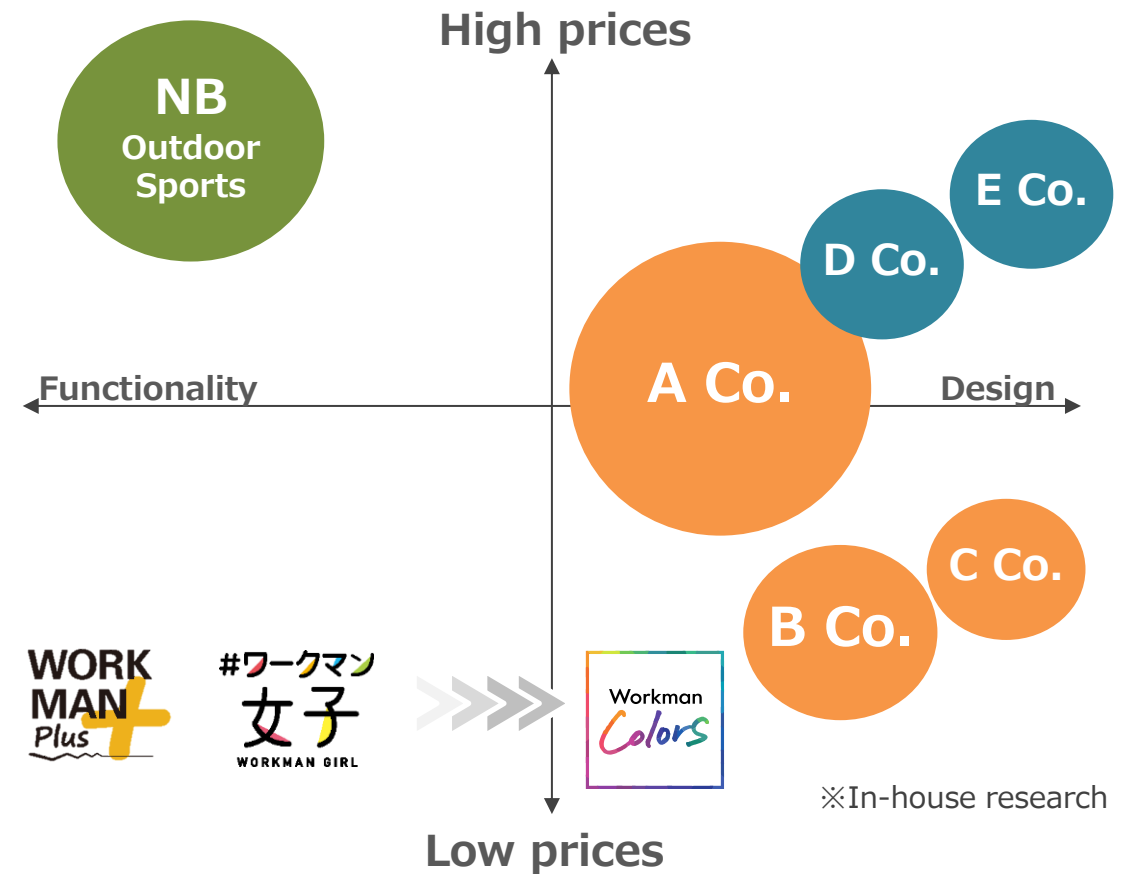
We will clarify where each business category stands, and carve out a unique position in each market.



Work market map



General market map

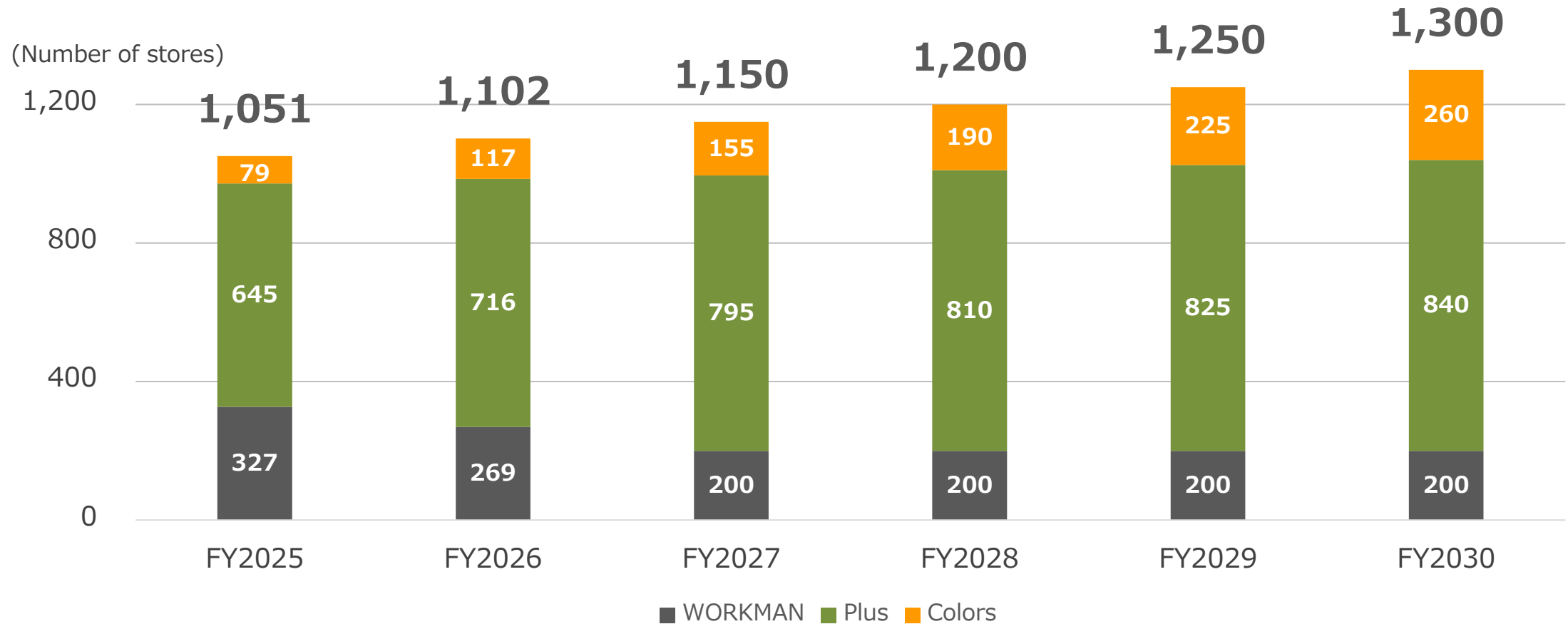


Store Opening Plans



In a generational shift, store openings will focus on WORKMAN Colors. With an expected net increase of 50 stores a year, we will aim for

1,500 stores across Japan by the fiscal year ending March 31, 2035.



※WORKMAN store numbers include WORKMAN Pro stores, Plus includes Plus II stores, and Colors includes #WORKMAN GIRL stores.

Store Opening Strategy



We will promote differentiation between business categories to expand opportunities for store openings.

Expand the customer base so that business categories can
“coexist and co-prosper” in different markets



WORKMAN *Plus* +

Action ①.

- Pursue dominance in urban areas, targeting market areas with a population of 70,000-100,000 people
- Can coexist with WORKMAN Colors by selling exclusive products

WORKMAN Plus

Action ②.

- Create a business model that is viable even in market areas with a population of 30,000 people
- Capture all work-related and general demand in the market area through stand-alone stores

WORKMAN Plus II

Action ③.

Taking the sales conditions of each store into consideration, choose to either relocate or renovate in the same location, aiming to increase sales activities at existing stores

S&B

Build a network of 1,100 stores across Japan in accordance with the store opening standards



Workman *Colors*

Action ①.

Store Opening Standards/Locations

- Store openings: 30-40 per year, market area population: 70,000-10,000 people
- Locations: Strip malls, roadside stores, shopping center tenants

Action ②.

Form of Store Operations

While individual franchise contracts are the norm, depending on store opening conditions, corporate franchises and multiple store management by individuals may be considered

Action ③.

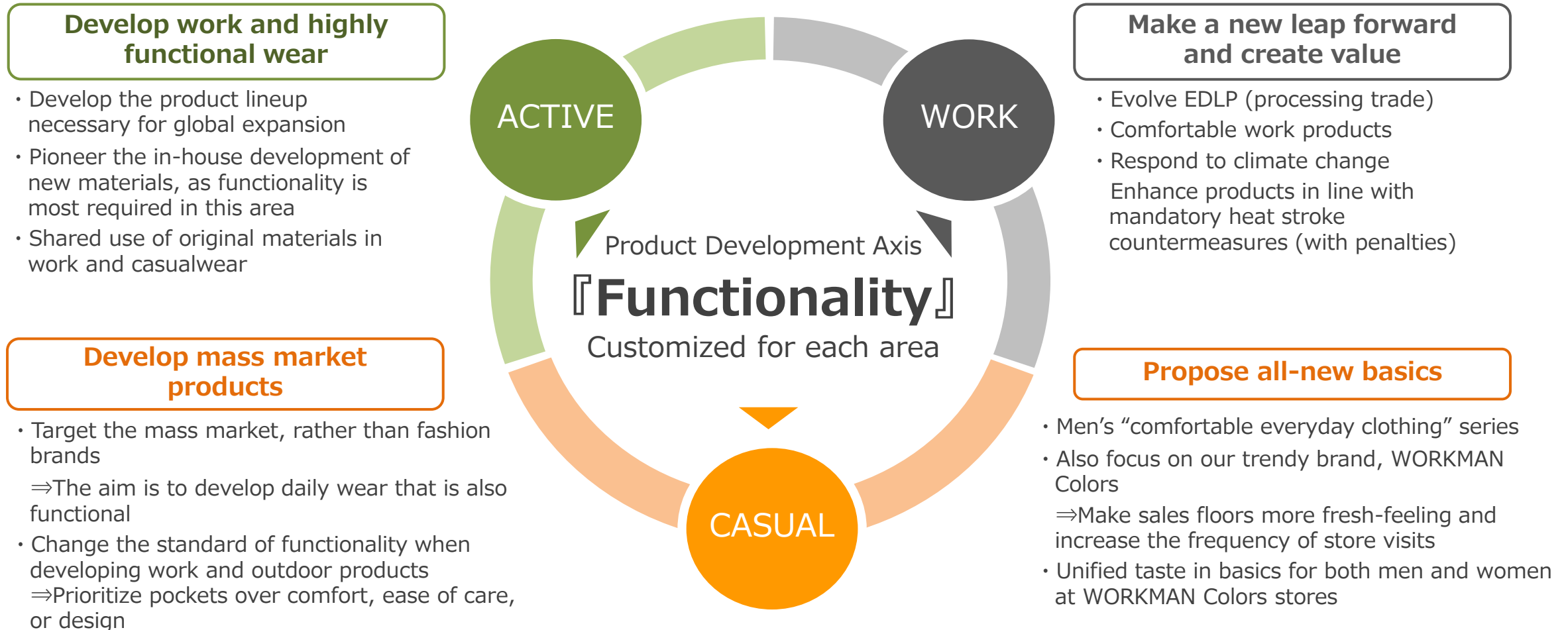
Renovation

Renovate #WORKMAN GIRL stores (20 per year) to revitalize existing stores

Aim to have 400 stores in Japan by March 31, 2035, unbound by fixed concepts such as the form of store operations

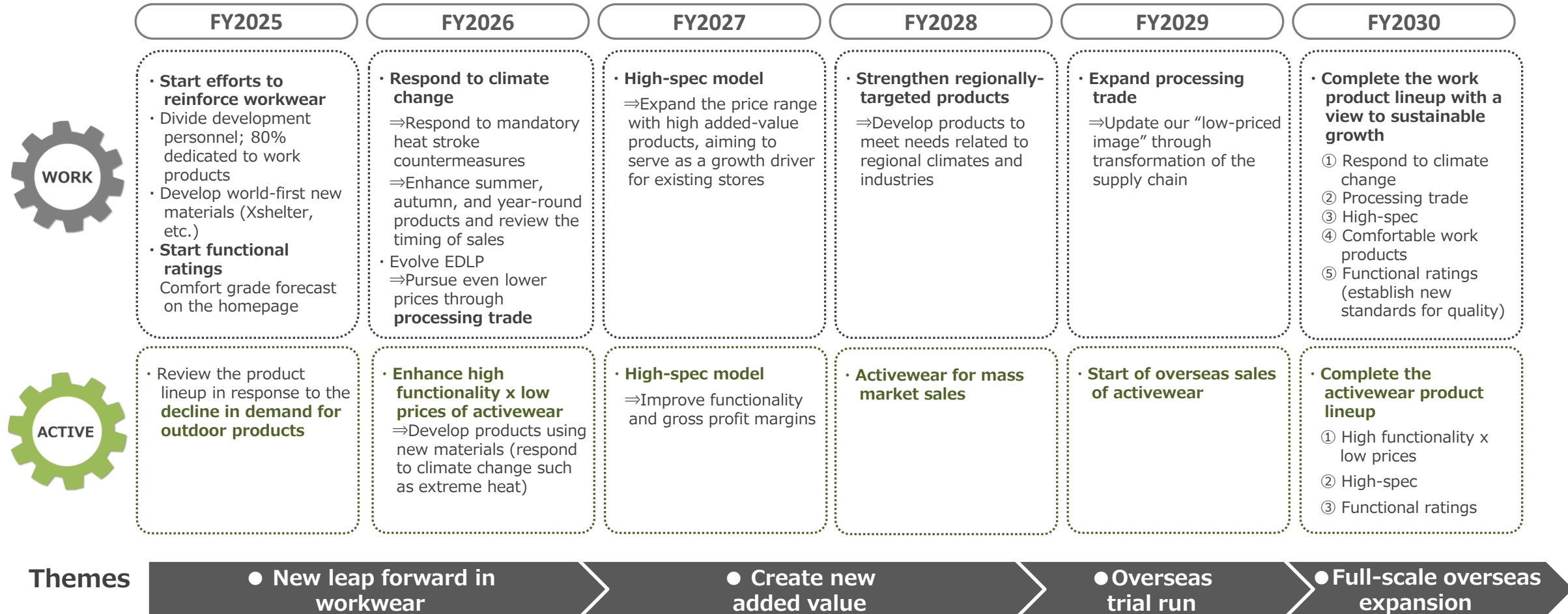
Separate the development teams into workwear and casualwear.

We will develop new materials unlike any in the world, aiming for shared use in each area, and stabilize our profit margins by lengthening forward exchange contracts.



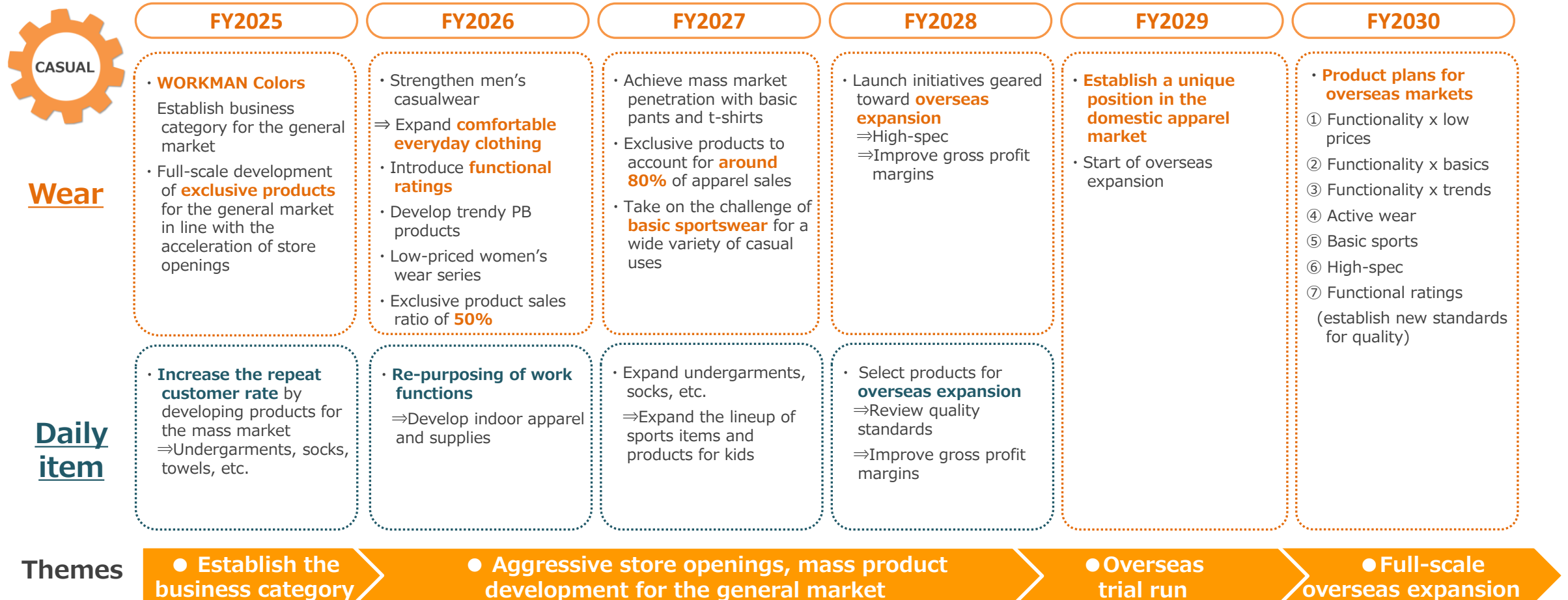
Product Development (Work and Active)

Reaffirming our original strengths in functionality, price, and a design with a shine to it, we will develop product lines that satisfy what customers are asking for, aiming for global development of functional wear that uses our own new materials.



Product Development (Casual)

Avoid competition among our own business categories by improving the ratio of exclusive products. We will propose a new kind of functional basic apparel that also incorporates some trends.



Sales Strategy



Aiming to become a convenient chain that is closely interconnected with people's lives, including work, day-to-day activities, and hobbies, we will transform our operations and marketing approach to boost customer satisfaction.



WORK

Return to our roots by reinforcing workwear and capturing corporate demand

Action ①: Respond to climate change

- Review timing and sales floors in response to longer summers and warmer winters

Action ②: Evolve the demand forecast ordering system

- Eliminate shortages of products for professionals essential for their jobs

Action ③: Capture corporate demand

- Corporate sales leveraging our store network and EC
- Promote sales through exhibitions, etc.

CX

Keep sales floors fresh and improve the customer experience

Action ①: Store renovations

- Renovate 200 stores per year to make them equal to those of new stores

Action ②: Optimize inventory

- Improve the shopping environment by consolidating items in each business category

Action ③: Sophisticate operations (develop human resources)

- Develop high-quality franchise stores by following up after they join
- In-house Operation Meister system
- Sales promotions (boosting popularity) and linkage between EC and sales floors

DX

Cultivate and retain customers
Improve our level of service

Action ①: Develop a smartphone app

- New products, limited information on promotional campaigns, EC linkage, etc.
- FY2030 target: **5 million** registered app users

Action ②: Area-specific sales promotions

- Web-linked flyers in urban areas, resume local TV commercials

Action ③: Strengthen EC to supplement store operations

- Link to smartphone app
- Improve convenience ⇒ pre-ordering of hot products, outlets, order service for corporate customers, etc.

Mission : Transform operations

Mission : Transform channels & marketing

Target :

Increase the number of loyal customers by expanding the customer base and improving customer satisfaction

Logistics Strategy



We will invest in logistics to accommodate the expansion of the store network and increased distribution due to growth in sales, automate warehouse operations to “save on manpower,” and address social issues such as the shrinking workforce and work style reforms.



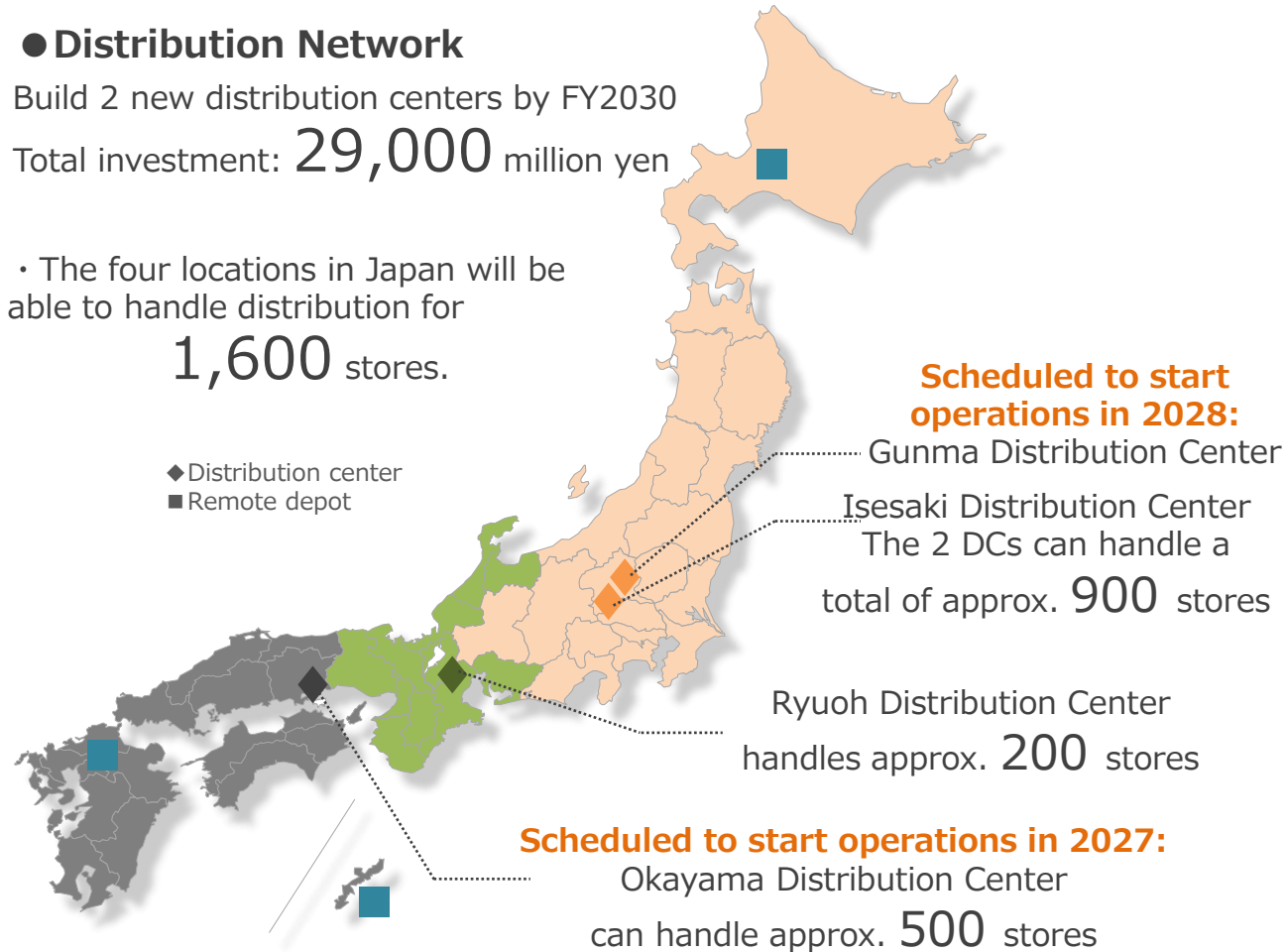
● Distribution Network

- Build 2 new distribution centers by FY2030

Total investment: **29,000** million yen

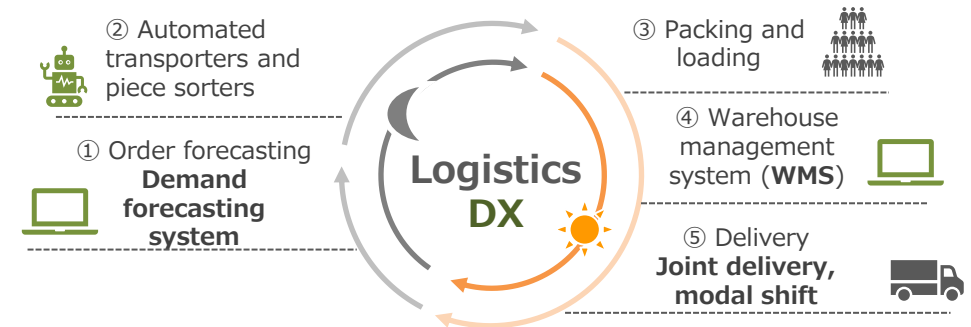
- The four locations in Japan will be able to handle distribution for

1,600 stores.



● Streamlining of Logistics

- Automate by integrating material handling and systems.
- Constantly seek improved efficiency in delivery (joint delivery, modal shift).



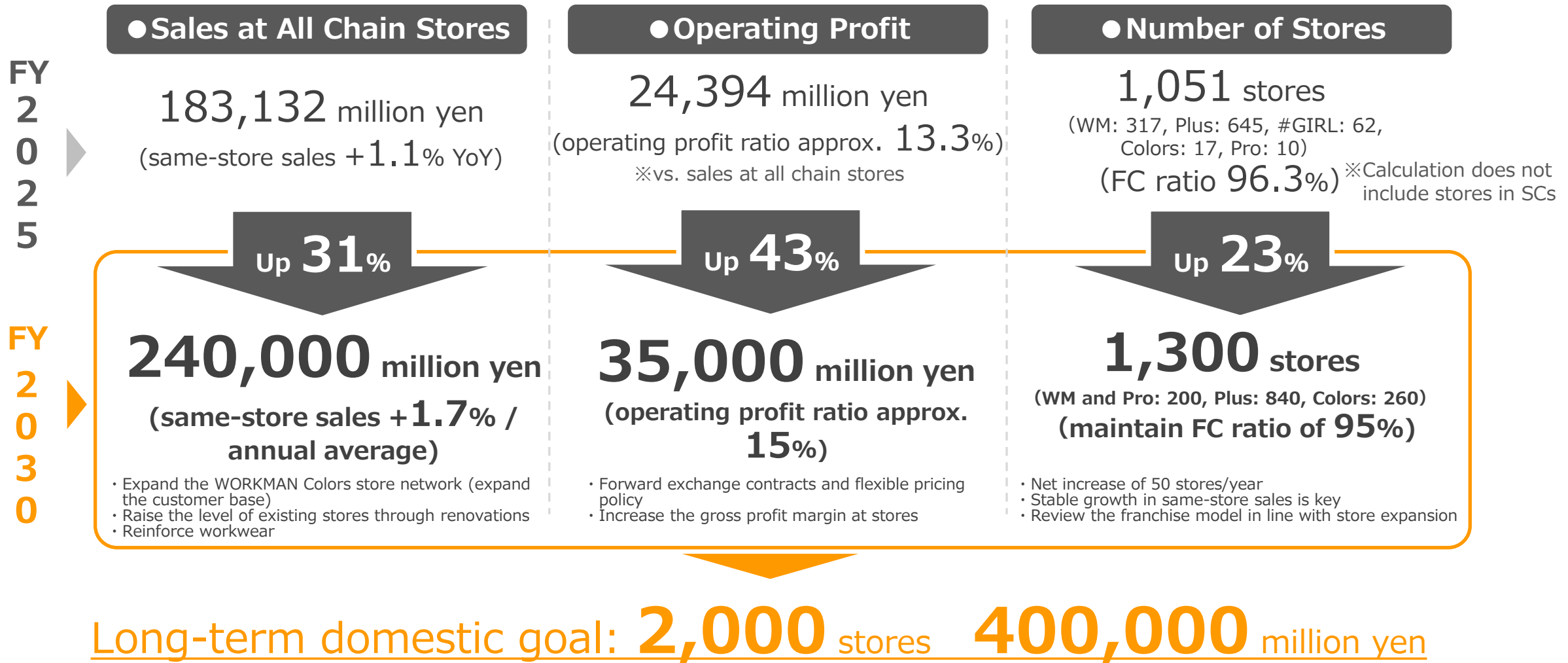
● KPIs

Item	FY2025	FY2030 Target
① In-house warehouse ratio	50%	approx. 95%
② Single-item follow-up ratio	under 50%	65% or more
③ Logistics cost ratio	7.8%	stay in the 7% range

※Logistics cost ratio: Ratio of logistics-related costs (land rent, outsourcing, freight cost, etc.) to total shipments.

■ Quantitative Goals/Capital Policy

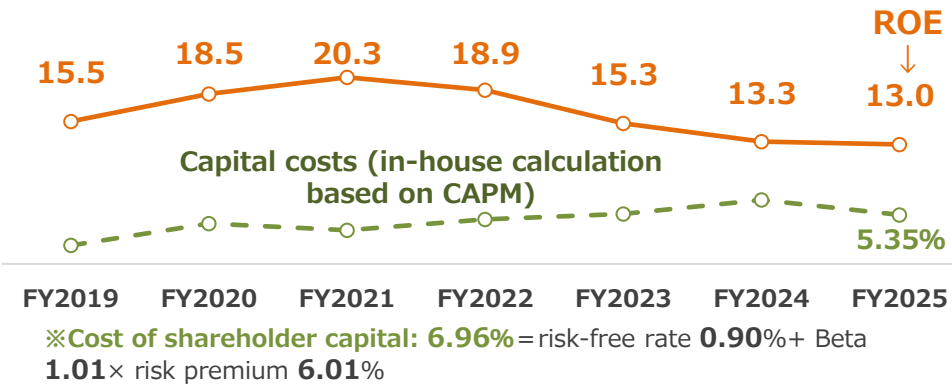
Quantitative Goals for 2030



We will aim to improve return on capital through growth investments.

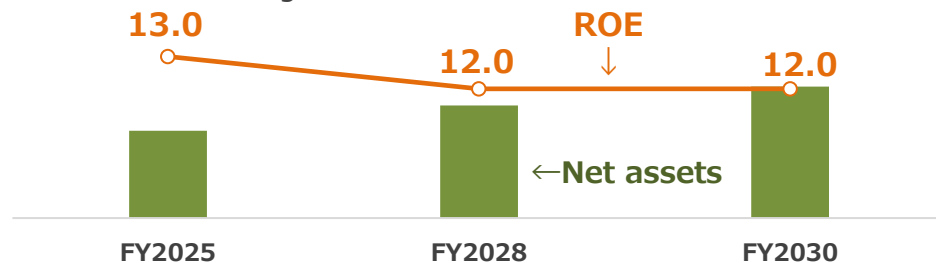
● Analysis of current situation (trends in ROE and cost of shareholder capital)

- ROE is higher than cost of shareholder capital (market expectations).



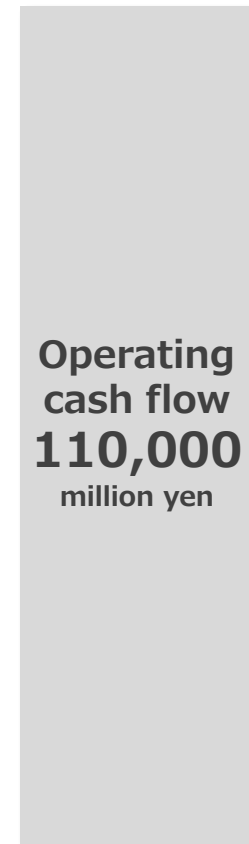
● Analysis of current situation (outlook for ROE and net assets)

- Net assets will increase due to solid profitability and a stable financial base.
- Maintain the level of ROE by being conscious of appropriate allocation of management resources.



● Cash Allocation

FY2026-FY2030
Cash In



FY2026-FY2030
Cash Out



- Store investment: 33,000 million yen
New store opening/renovation work
- Logistics investment: 31,000 million yen
Distribution centers/material handling
- IT investment, etc.: 3,000 million yen
Core systems/app development

- Reinforce the management foundations in anticipation of expansion of the scale of business, including overseas expansion

- Consider flexible returns to shareholders based on a dividend payout ratio of 35%.
- Raise the dividend payout ratio to 40% from FY2029, when growth investment will slow down



- We have prepared this document solely for the purpose of facilitating understanding of WORKMAN, and not for the purpose of soliciting investment in the Company. As such, investors are advised to make investment decisions at their own discretion.
- Whereas every effort has been made to ensure the accuracy of this document, we make no guarantees regarding the completeness thereof. Accordingly, WORKMAN bears no responsibility whatsoever for any losses or damages arising in relation to information contained herein.
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