

**[Delayed] Onward Group
Medium- to Long-Term Management
Vision**

ONWARD VISION 2030

April 8, 2021



The Onward Group's Raison D'être

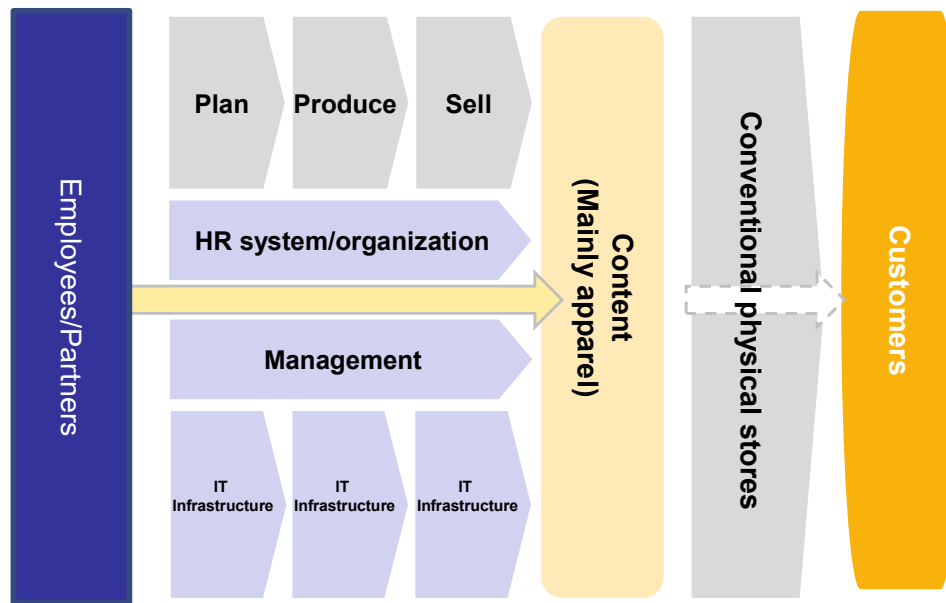


Enriching and adding color to people's lives while caring for the planet



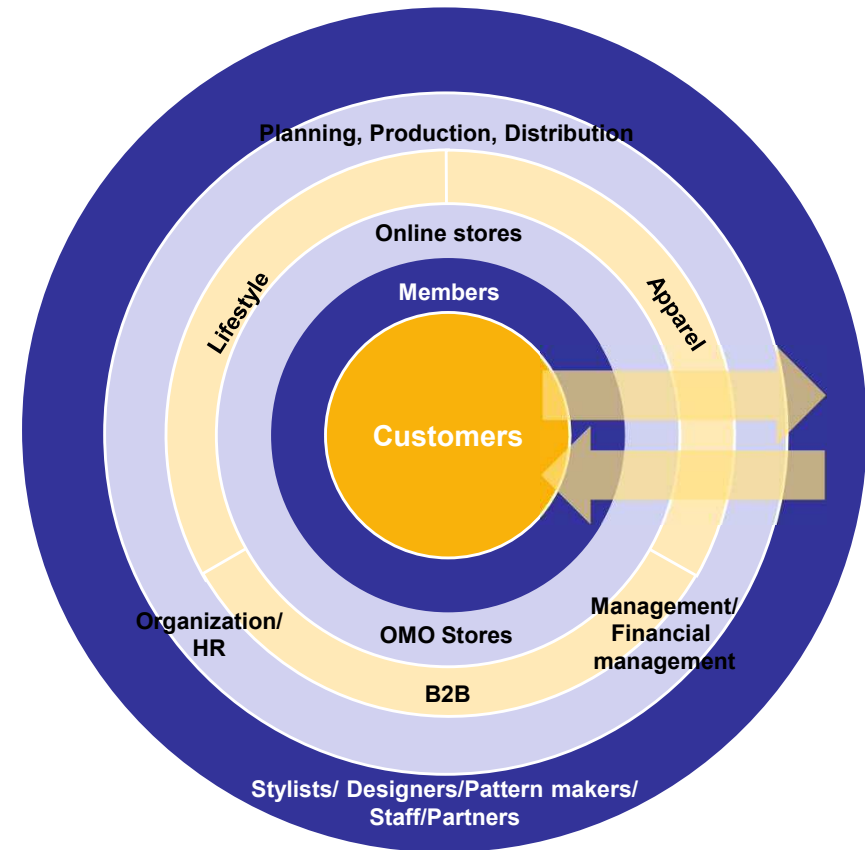
Desired Image of the Onward Group: Evolving into a Customer-Centric Company, Making the Best Use of Employees' Diverse Strengths

Up Until the Present



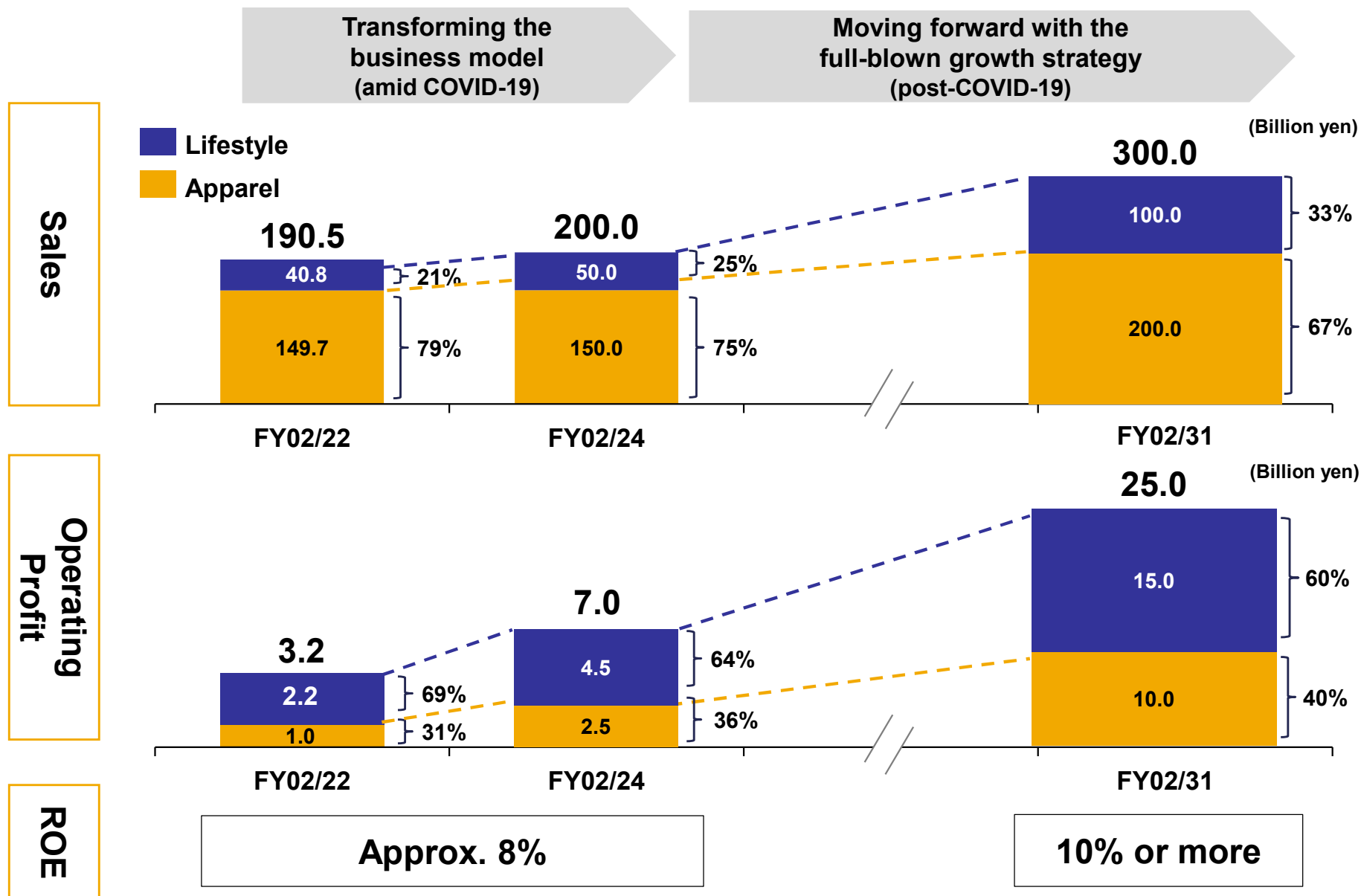
Communication between customers and employees tends to be indirect and one-way, resulting in a widening of the gap between value provided and the value that customers are seeking

Desired Image



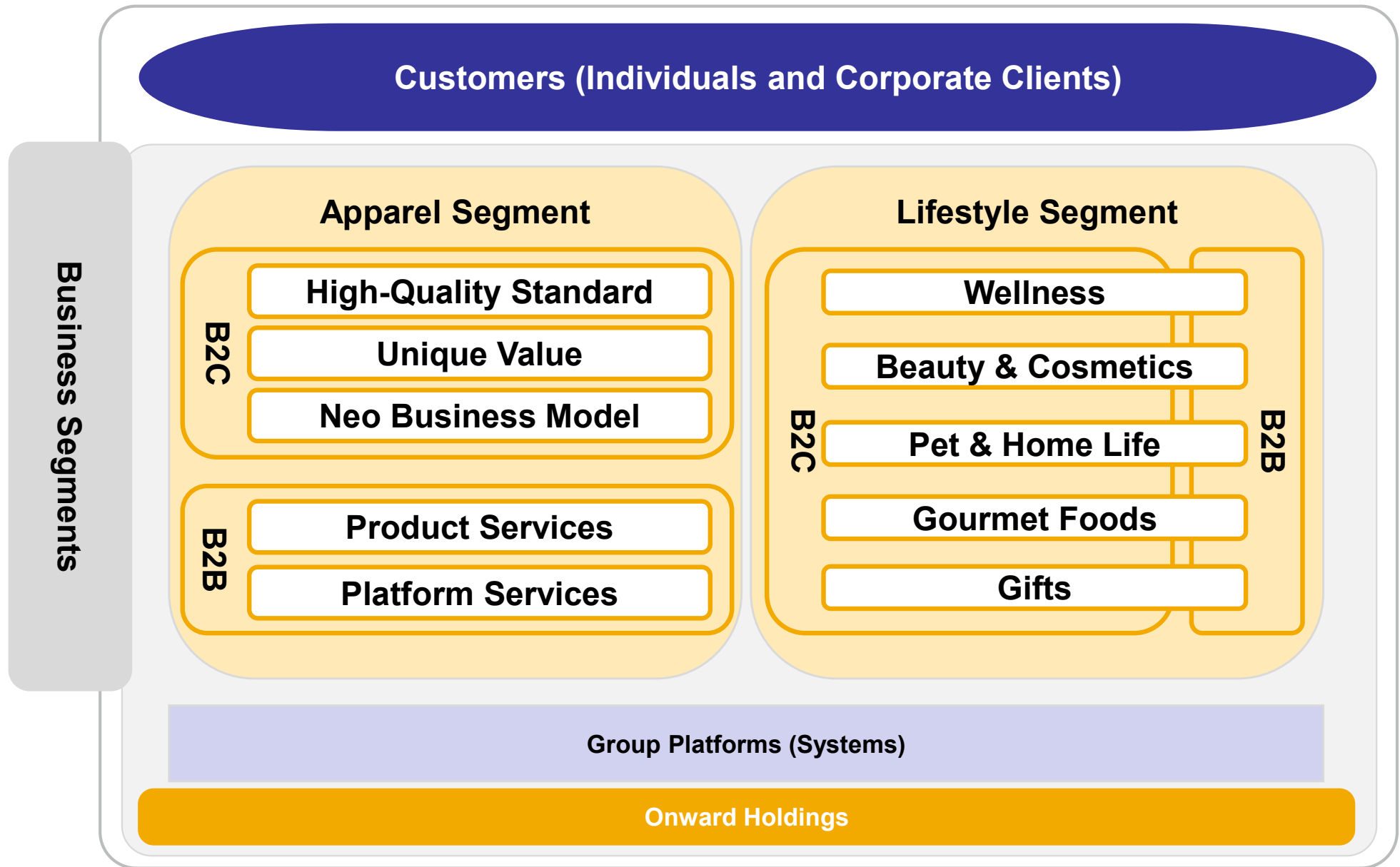
Achieve direct and two-way communication between customers and employees to co-create value provided to customers

Growth Roadmap



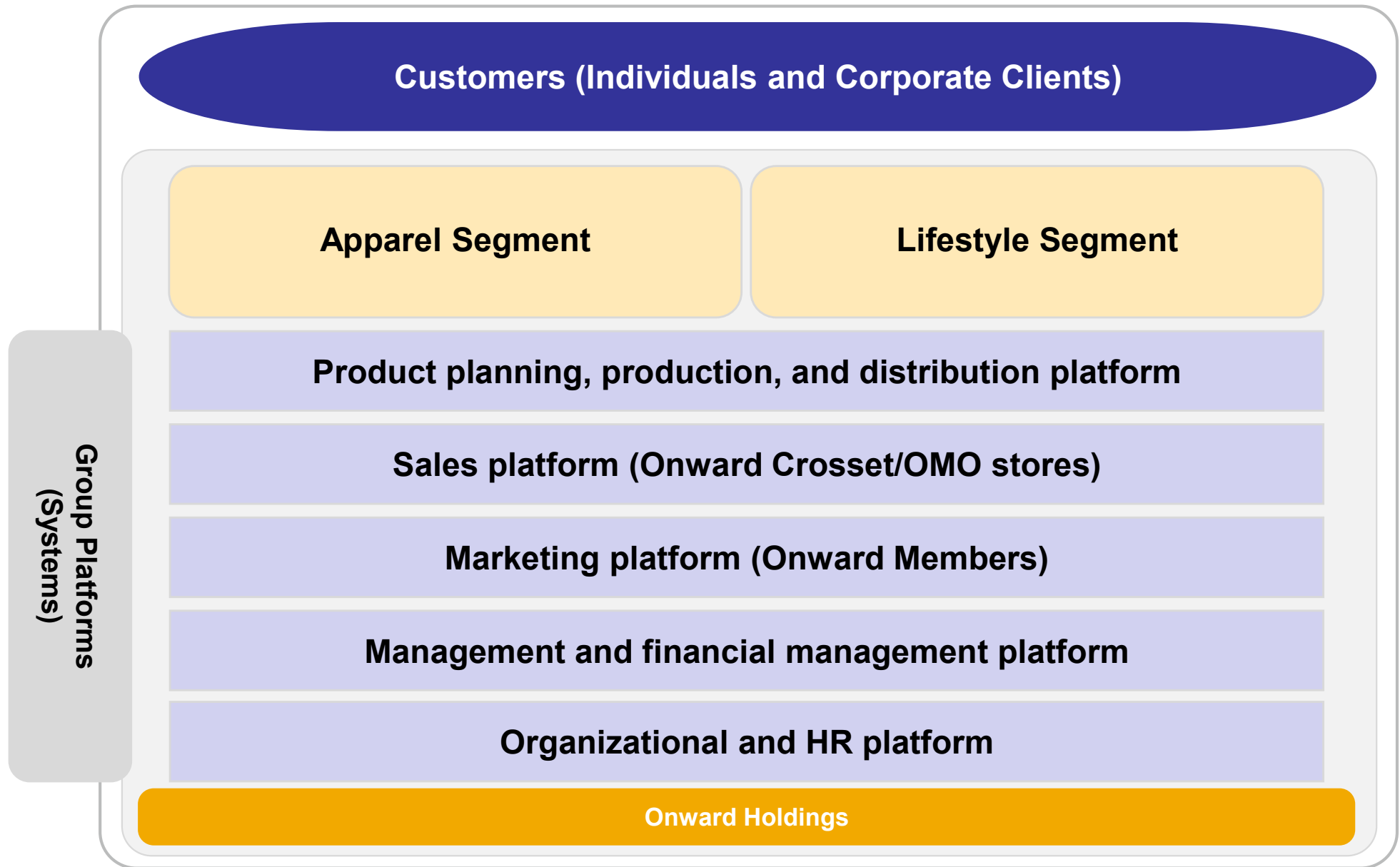
Aim to achieve sales and operating profit growth by expanding the Lifestyle Segment while transforming the business model of the Apparel Segment with a view to the post-COVID era.

Business Segments



Grow the Lifestyle Segment to be a core business on par with the Apparel Segment.

Management Platforms (Systems)



Build up-to-date Group platforms (systems) to enhance Group synergy

Five Strategies toward FY02/31

Targeting sales of 300 billion yen and operating profit of 25 billion yen in FY02/31

Five Strategies

1

Transform the Apparel Segment business model

2

Accelerate growth in the Lifestyle Segment

3

Strengthen B2B business

4

Evolve into a company where diverse and unique personnel can exhibit their strengths

5

**Promote sustainable management
that pursues coexistence with the environment**

1

Transform the Apparel Segment Business Model: Three Main Policies

(1) Transform communication with customers

Build a community that grows autonomously and co-create value with customers



(2) Transform product planning, production, and distribution

Digitalize the production process to improve speed, price optimization, and traceability



(3) Transform sales

***OMO = Online merges with offline**

Develop OMO* stores that combine the advantages of physical and online stores.



1

Transform the Apparel Segment Business Model:

Brand Groups Developed under the Apparel Segment (B2C)

High-Quality Standard Business

A group of brands that create “evolving staples” by balancing quality and price, made possible by production expertise cultivated over many years

23



自由区

iCB

gotairiku
五 大 陸

any FAM

any SiS

Feroux



SHARE PARK

Unique Value Business

A group of one and only brands that continue to attract customers by communicating a strong individuality and worldview

JOSEPH



Paul Smith

DAKS
LONDONJOSEPH
ABBOUD

BEIGE,

ATON

GRACE CONTINENTAL

Neo-Business-Model Business

A group of brands that provide innovative customer experiences through a new business model that utilizes the latest digital technologies. We aim to make these brands the core of our future business.

KASHIYAMA

#Newans

uncrave



ONWARD DD

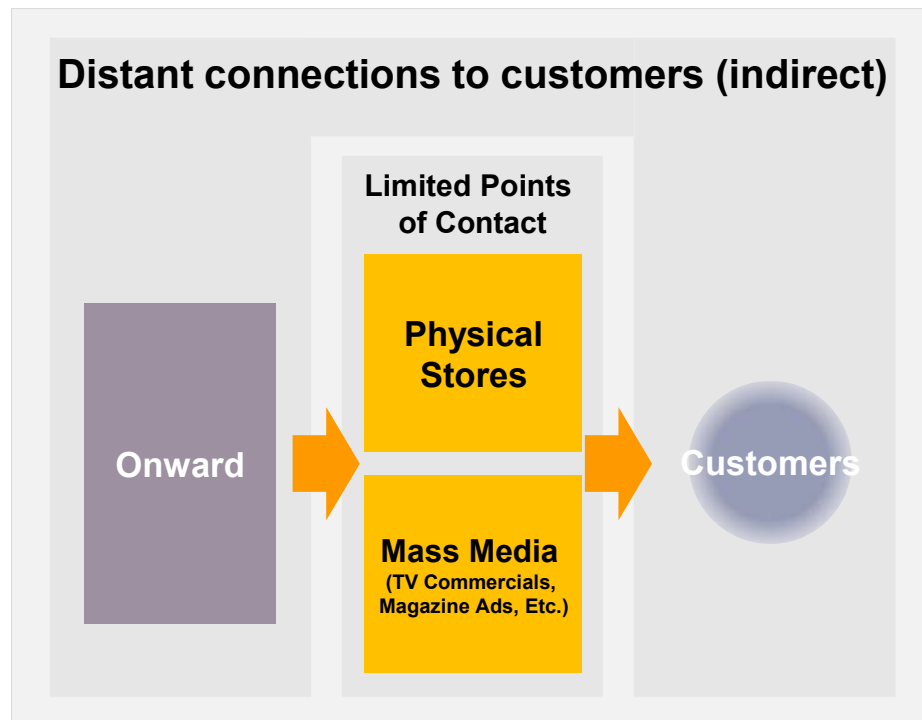
Transform the Apparel Segment Business Model:

(1) Transforming Communication with Customers

Up Until the Present

Indirect, one-way communication,
distancing customers

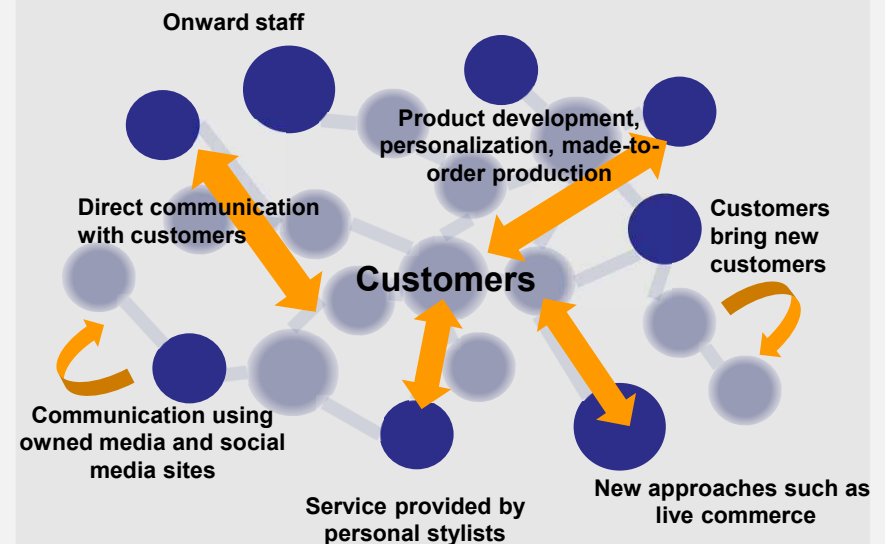
Distant connections to customers (indirect)



Desired Image for FY02/31

Community where customers grow
autonomously through direct
communications between customers and
employees, and through interactions among
customers

A community that grows autonomously



Use owned media, social media, and live commerce to promote value co-creation through direct and two-way communication between customers and employees.

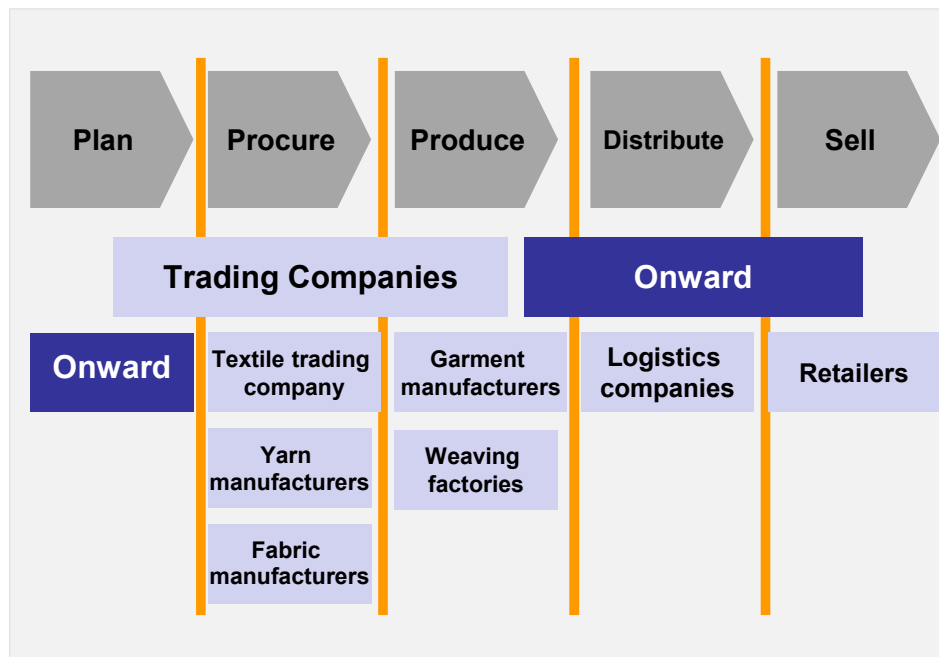
1

Transform the Apparel Segment Business Model:

(2) Transforming Product Planning, Production, and Distribution

Up Until the Present

A divided, opaque, and inefficient supply chain



Desired Image in FY02/31

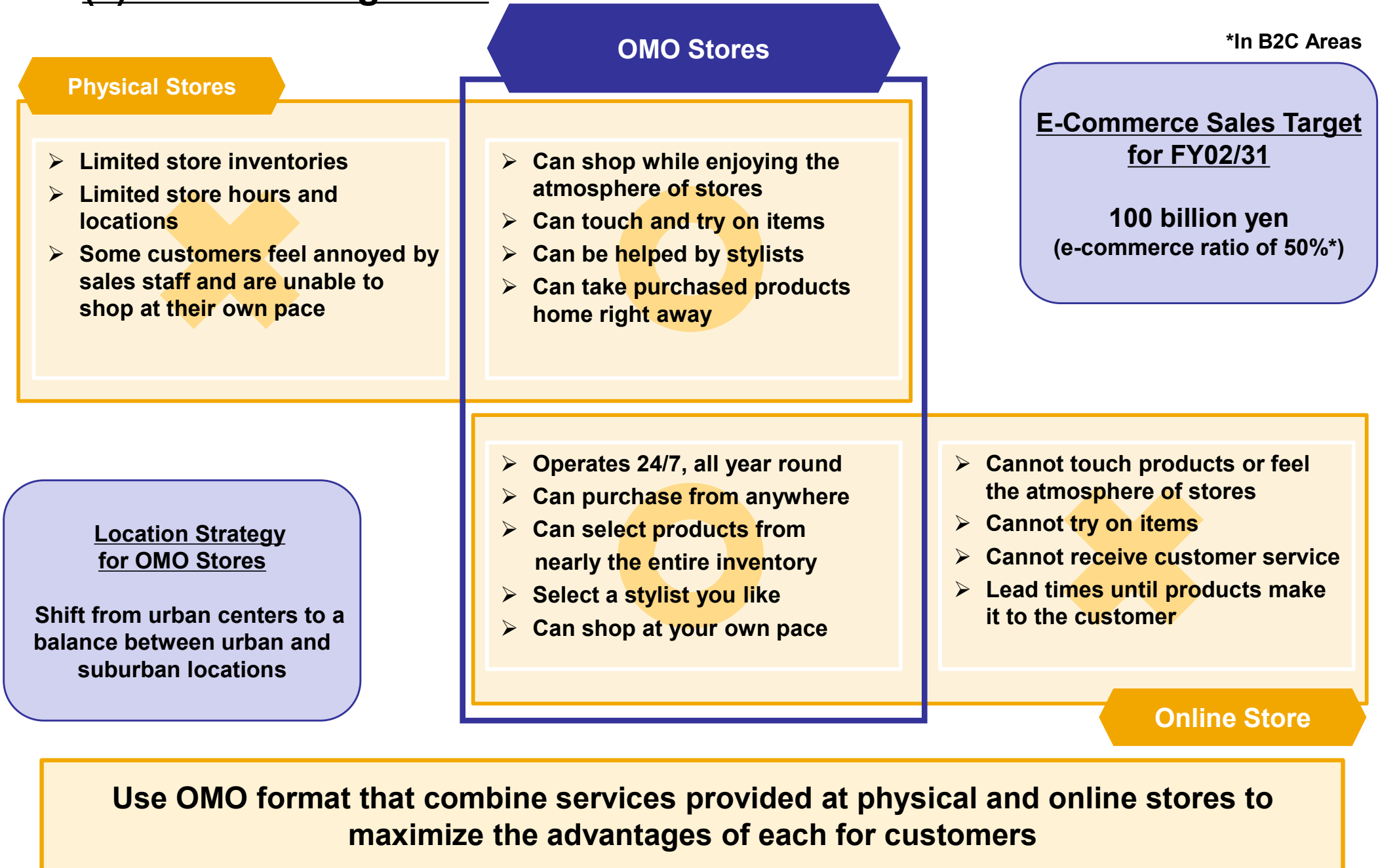
A streamlined supply chain with processes made explicit based on data-sharing and data-linking



Shorten delivery periods, optimize prices, and improve traceability through visualization of processes and promotion of data-linking while digitalizing the supply chain.

Transform the Apparel Segment Business Model:

(3) Transforming Sales



2 Accelerate Growth of the Lifestyle Segment



The five businesses of the Group's Lifestyle Segment show steady results even amid the COVID-19 pandemic. We will vigorously push forward with our growth strategy for the post-COVID world with the Lifestyle Segment as our core segment.

Accelerate Growth of the Lifestyle Segment: Strategy of Leading Companies in Different Areas

Wellness business

Chacott



Business:

Comprehensive business development including the sale of ballet/dance goods and cosmetics, and the operation of ballet schools

- ✓ Continue to develop the traditional core ballet business, while strengthening brands appealing to wellness (Chacott Balance and Chacott Cosmetics) to express the worldview of the brand philosophy, “Make life beautiful from the inside out.”
- ✓ Scheduled opening of a next-generation global flagship store in Daikanyama in spring 2022

Beauty & Cosmetics business

kokobuy
advanced organics



Business:

Dealing in the “product,” an organic haircare and skincare brand

- ✓ Accelerate expansion of product categories in skincare and body care
- ✓ Expand physical and online sales channels (including global development) and increase brand recognition through PR including collaborations
- ✓ Quickly establish a status as an organic cosmetics brand

Accelerate Growth of the Lifestyle Segment: Strategy of Leading Companies in Different Areas

Pet & Home Life business

CREATIVE YOKO CO., LTD.
www.creativeyoko.co.jp



Business:
Development of comfort goods and pet-related products

- ✓ Expand selection of everyday goods to enhance people's lives as they spend more time at home
- ✓ Enhance the lineup of cat products in addition to mainstay dog products
- ✓ Launch "Hinami," a lifestyle brand for hygienic and safe living

Gourmet Foods business

美味しい!をコーディネート
—ONWARD—
MARCHÉ



Business:
Operation of a high-quality e-commerce site for gourmet foods

- ✓ Contribute to enhancing customers' "home time" and expanding sales channels for producers
- ✓ Enhance the value and uniqueness of the site by expanding categories handled and developing original products
- ✓ Plan to begin cross-border e-commerce of delicious and safe Japanese gourmet foods

Gifts business



Business:
Development of a gift solutions featuring gift catalogues

- ✓ Strengthen direct online sales and enter the "social gift" market, which is expected to grow
- ✓ Provide new value to customers by developing new products and services

3 Strengthen B2B Businesses

Product Services business (for general corporate clients)

Provides uniforms, promotional products, and services to general corporate clients. Assets shared within the Group to maximize synergies.



Onward Trading's uniform business

Platform Services business (for retailers and the apparel industry)

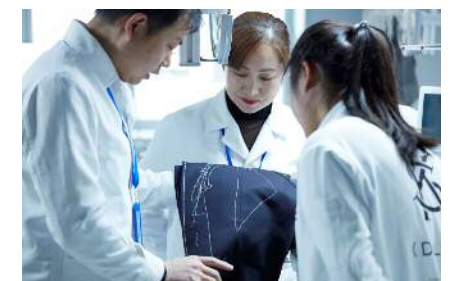
OEM/ODM business for retailers and the apparel industry. Utilizes product planning, production, and distribution platforms that are visualized and streamlined through information sharing and data-linking.



Kashiyama Dalian

These businesses have been robust even amid the COVID-19 pandemic. We position them as stable growth businesses in the post-COVID era, and target sales of 60 billion yen (20% of total sales) in FY02/31.

Evolve into a Company Where Diverse and Unique Personnel Can Exhibit Their Strengths



By training in-house personnel who will spearhead change, or recruiting personnel externally, and promoting organizational and HR platform reform, we will evolve into a company where diverse and unique personnel can play an active role.

Promote Sustainable Management that Pursues Coexistence with the Environment

Example: Find more ways to use recovered products (blanket donations in cooperation with the Japanese Red Cross Society, stepping up the Reuse Park initiative)



Example: Expand the made-to-order business centered on Kashiwajima Dalian



Eliminate wasteful production
(Expand made-to-order production)

Example: Increase awareness of factory audits at the Japan Apparel Quality Center



Recover and reuse products

Improve traceability

Main initiatives toward sustainable management

We will establish an organization dedicated to the promotion of sustainable management in FY02/22 and advance efforts in this direction based on the recognition that sustainable management is an important ideal that underpins our corporate activities.

The logo features the word "ONWARD" in a bold, blue, serif font. A thick yellow horizontal line passes through the center of the letter "O".

ONWARD

ONWARD HOLDINGS CO., LTD.

The information in this presentation is not a solicitation to purchase or sell Onward Holdings stock. Opinions and forecasts stated herein represent the judgments of the company at the time this presentation was prepared. Onward Holdings makes no guarantee regarding the accuracy of the information in this presentation and may make revisions without prior notice. Onward Holdings and the providers of this information assume no responsibility whatsoever for any losses incurred in association with this information.