

March 13, 2025

FOR IMMEDIATE RELEASE

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Notice Concerning Formulation of Medium-Term Management Plan

Japan Eyewear Holdings Co., Ltd. ("JEH") announces that JEH resolved the formulation of the medium-term management plan for the five years from the fiscal year ending January 2026 to the fiscal year ending January 2030 at the meeting of the Board of Directors held on March 13, 2025. The details are described below.

1. Target terms

Five years from the fiscal year ending January 2026 to the fiscal year ending January 2030

2. Positioning of the medium-term management plan

JEH Group manufactures high quality eyewear planned and designed in-house by the skilled craftsmanship in "Sabae, Fukui," one of the world's leading eyewear production centers, and sells them mainly through its unique stores expressing the brands' worldview. The Group has continued to develop business with a focus on "promoting new store openings in Japan and overseas," "increase in unit price through reviewing frame sales prices," and "securing inbound demand." Both of the Group's main brands, Kaneko Optical and Four Nines, have received strong support from customers in Japan and abroad.

In order to further grow as a global brand in the future, the Group considers that it should focus on China and surrounding countries, where growth potential of high-priced eyewear market is high and preference to luxury brands is also high. In addition to stores already opened in France and Singapore, the Group opened its first Kaneko Optical store (directly managed) in China in Shanghai in April 2023, and opened its second and third stores in China in April and August 2024, respectively, as well as its first store in Hong Kong in November 2024.

In light of such circumstances, JEH has established a long-term vision "Share Japanese traditional craftsmanship and innovation with the world" and formulated a five-year plan for further growth of the Group.

The growth drivers in the medium-term management plan are to expand sales to overseas customers in addition to growth within Japan. JEH will aim for growth of sales and profit while proactively generating returns for JEH's shareholders.

3. Consolidated financial target for the fiscal year ending January 2030 (Based on IFRS)

Revenue	Operating profit	Operating profit margin	ROE
28,000 million yen	10,000 million yen	36.0%	25.0%

For details, please refer to the attached materials.

###



5-year Medium-term Management Plan

FY2026/1 – FY2030/1

Japan Eyewear Holdings Co., Ltd.

March 2025

Medium-term Management Plan — Financial Targets

Consistent Growth in Sales/ Revenue along with keeping high ROE

Revenue
(FY2030/1)

JPY **28.0** Bn

CAGR 10% or more,
169% over FY2025/1

Operating Profit
(FY2030/1)

JPY **10.0** Bn

CAGR 13% or more,
189% over FY2025/1

Operating Margin
(FY2030/1)

36.0% or more

FY2025/1: 32.0%

ROE
(FY2030/1)

25.0% or more

FY2025/1: 24.3%

Above does not include inorganic growth.

Pursue further growth in sales/ revenue by seeking M&A opportunities

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◆ **Capital Allocation**

SECTION 1

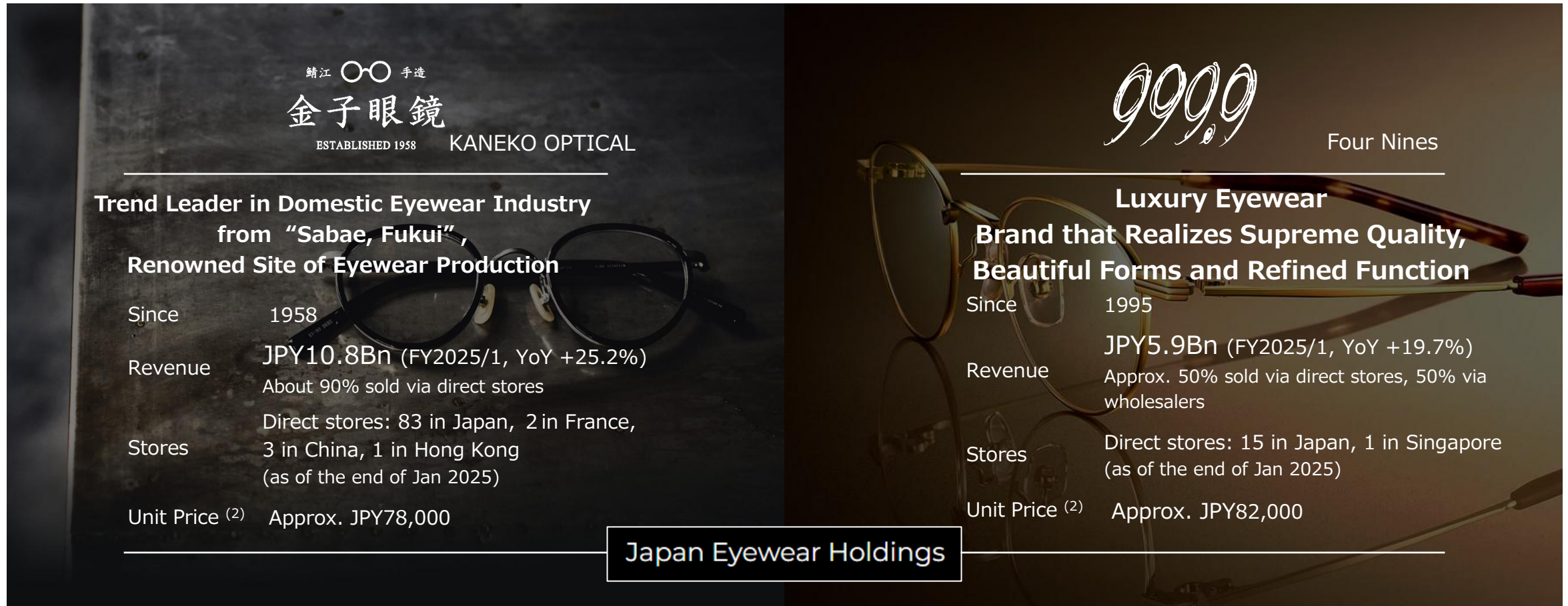
Company Overview

JEH
JAPAN EYEWEAR HOLDINGS



Japan Eyewear Holdings: Luxury Eyewear from Japan

We produce eyeglasses with original designs and high quality through craftsmanship cultivated in “Sabae, Fukui”, the world-renowned eyewear production site, and sell them via our network of luxury retail boutiques ⁽¹⁾



鯖江 〇〇 手造
金子眼鏡
ESTABLISHED 1958 KANEKO OPTICAL

**Trend Leader in Domestic Eyewear Industry
from “Sabae, Fukui”,
Renowned Site of Eyewear Production**

Since	1958
Revenue	JPY10.8Bn (FY2025/1, YoY +25.2%) About 90% sold via direct stores
Stores	Direct stores: 83 in Japan, 2 in France, 3 in China, 1 in Hong Kong (as of the end of Jan 2025)
Unit Price ⁽²⁾	Approx. JPY78,000

9999
Four Nines

**Luxury Eyewear
Brand that Realizes Supreme Quality,
Beautiful Forms and Refined Function**

Since	1995
Revenue	JPY5.9Bn (FY2025/1, YoY +19.7%) Approx. 50% sold via direct stores, 50% via wholesalers
Stores	Direct stores: 15 in Japan, 1 in Singapore (as of the end of Jan 2025)
Unit Price ⁽²⁾	Approx. JPY82,000

Japan Eyewear Holdings

Notes:

1. Some of the sales are earned at stores other than directly managed stores

2. Unit price refers to aggregate price of eyewear frames and lenses. Average unit price for the third quarter of the fiscal year ending January 31, 2025

Brand Concept

With excellence in techniques and craftsmanship (spirit of *monozukuri*) cultivated in Sabae, one of the 3 renowned sites of eyewear production, finest quality is achieved via combination with latest innovative technologies that realizes well-designed, fashionable and functionable products



KANEKO OPTICAL



SPIVVY



CRAFTSMAN SERIES



ISSEY MIYAKE EYES



999.9



999.9 feelsun



FN/FOUR NINES

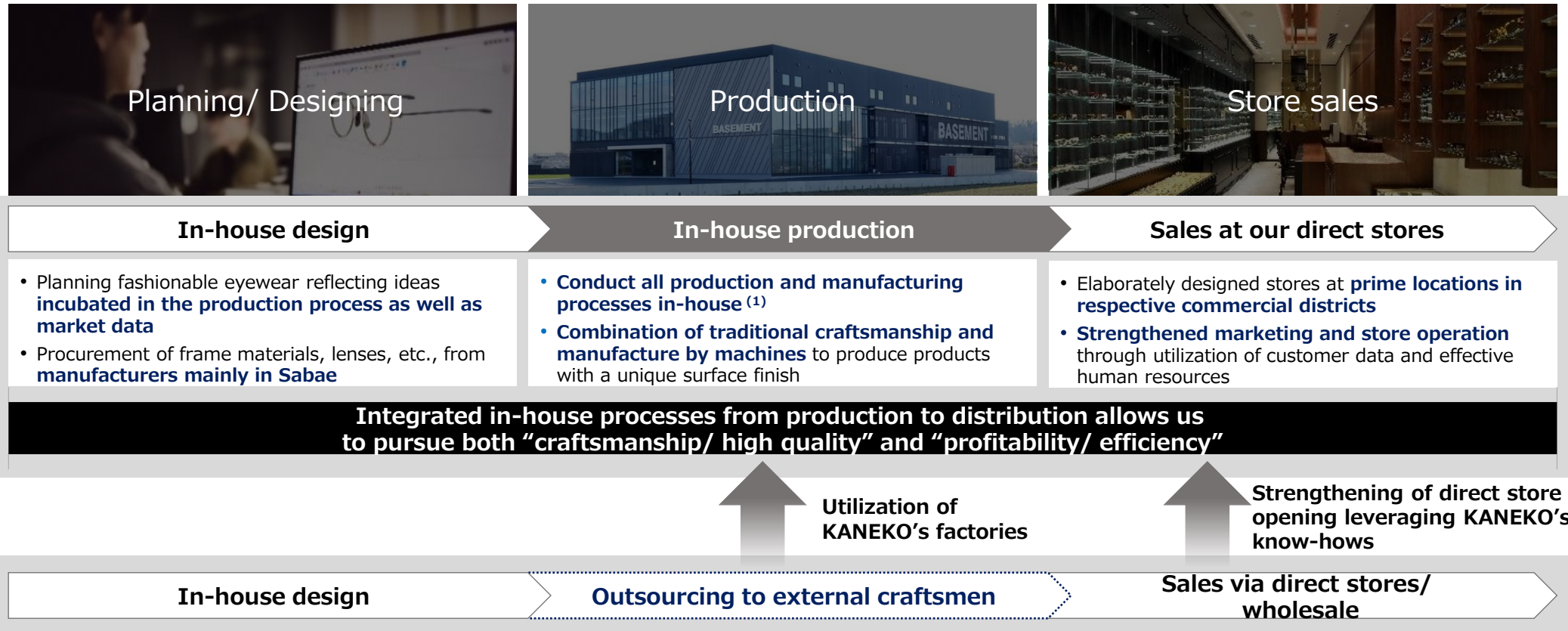


PLAIDe



Integrated Business Model That Realizes New Design/ Trends

In-house planning, production and distribution are the source of brand value



Notes:

1. Excludes molding, pressing and metal frame special processing

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In-house Production to Realize High Quality Products

We strive to produce ideal luxury eyewear at our three in-house factories, manufacturing around 114,000 pairs per year in the city of Sabae, with a new factory expected to operate in 2025 spring

BASEMENT

For metal and plastic frames



BACKSTAGE

For plastic frames



GLASSWORKS

For metal frames



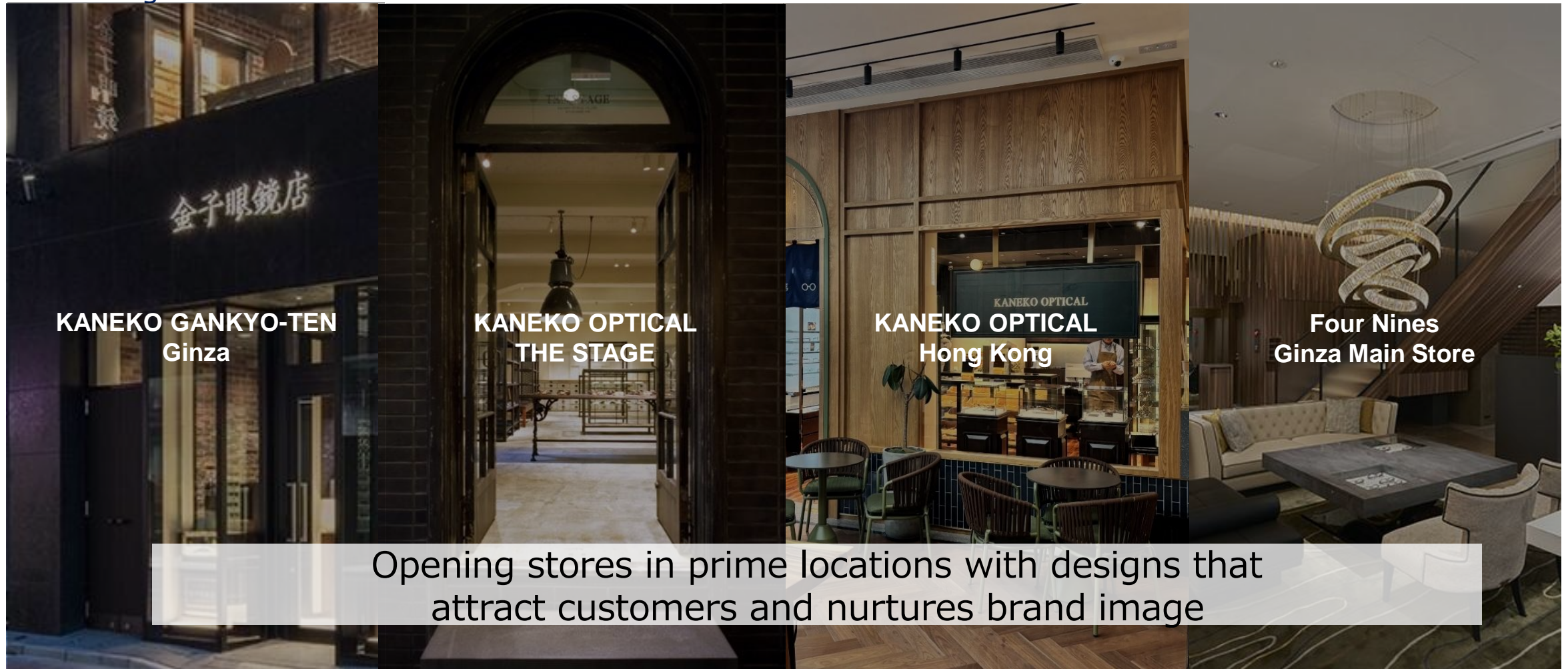
COMMUNE (Expected to operate in 2025 spring)



- Promote in-house production of process that were partially outsourced
- Promote production of Four Nines's products

Selected Store Location and Store Designs

We are nurturing brand image that attracts customers by opening stores in prime locations with sophisticated store designs

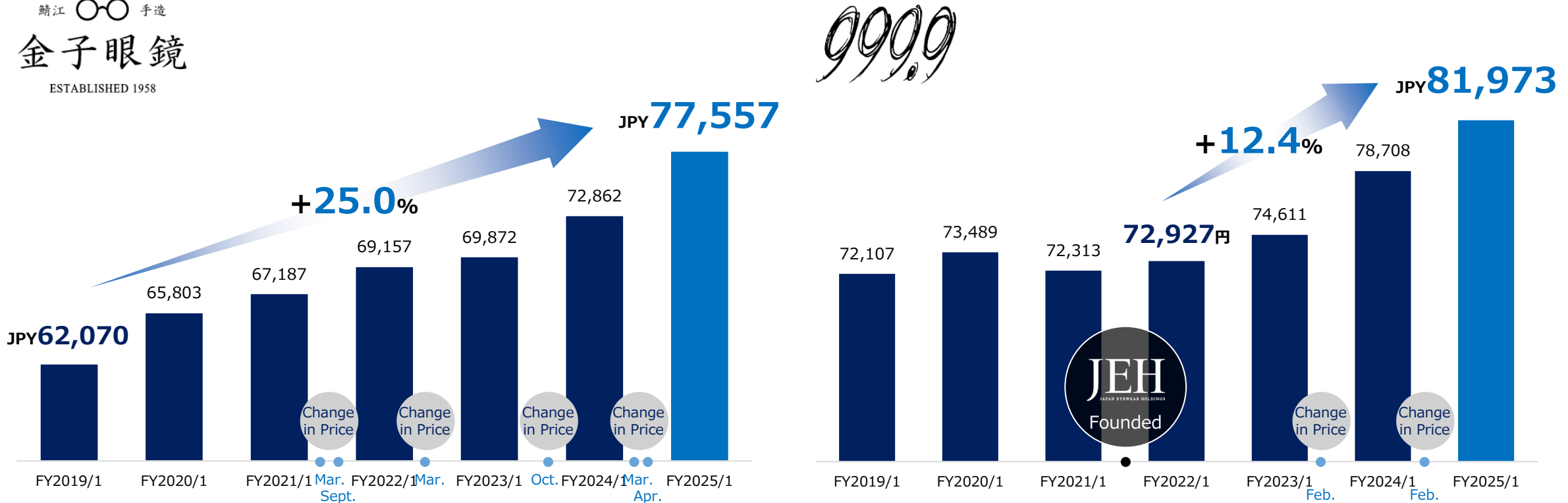


Consistent Increase in Unit Price Proving Brand Strength

Owning 2 brands with high presence enables further expansion of the brand as a group, via product offering of luxury eyewear across various categories

Historical Unit Price (1)

鯖江 〇〇 手造
金子眼鏡
ESTABLISHED 1958



Notes:
 1. Unit price refers to aggregate price of eyewear frames and lenses
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SECTION 2

Medium-term Management Plan



Our Philosophy

To inspire the world through eyewear,
to add to the world's cultural richness,
and to share our prosperity
with all our contributors.

Long-term Vision:

**Share Japanese traditional craftsmanship
and innovation with the world**



Medium-term Management Plan — Financial Targets

Consistent Growth in Sales/ Revenue along with keeping high ROE

Revenue
(FY2030/1)

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169% over FY2025/1

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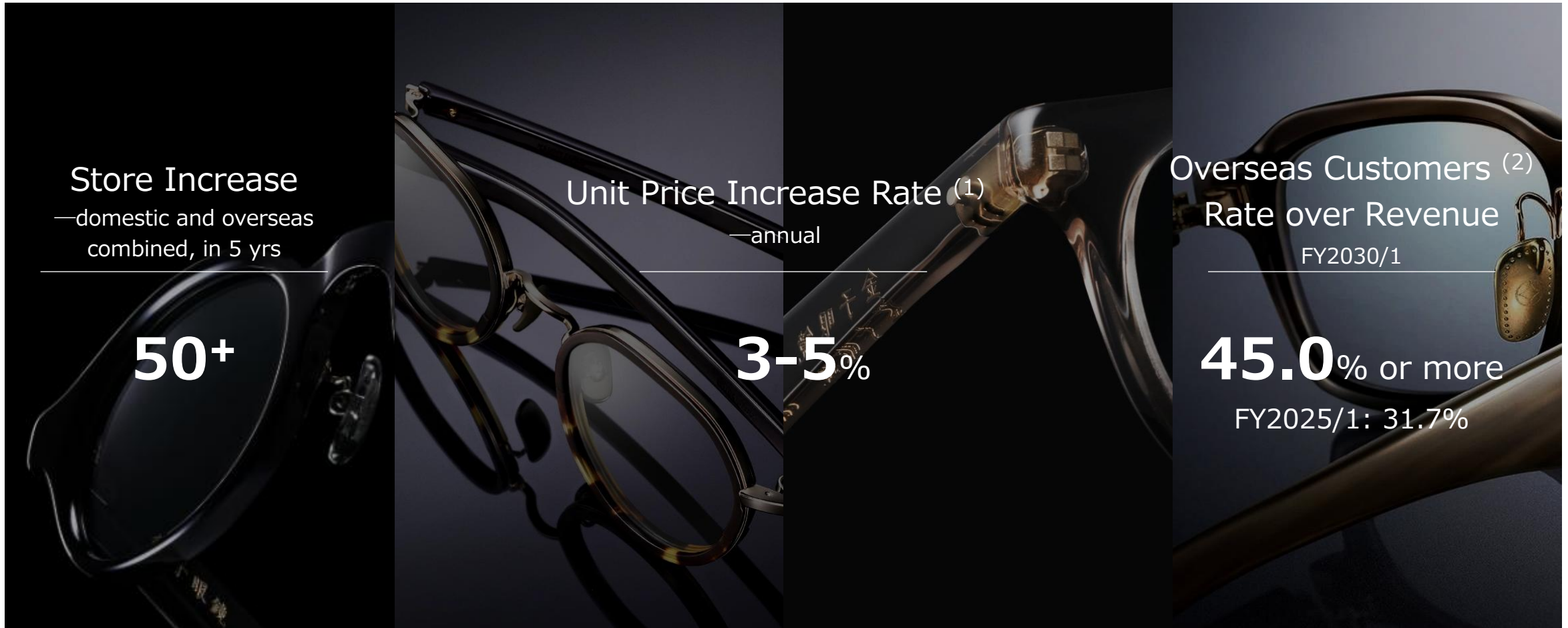
ROE
(FY2030/1)

25.0% or more
FY2025/1: 24.3%

Above does not include inorganic growth.

Pursue further growth in sales/ revenue by seeking M&A opportunities

KPI Targets



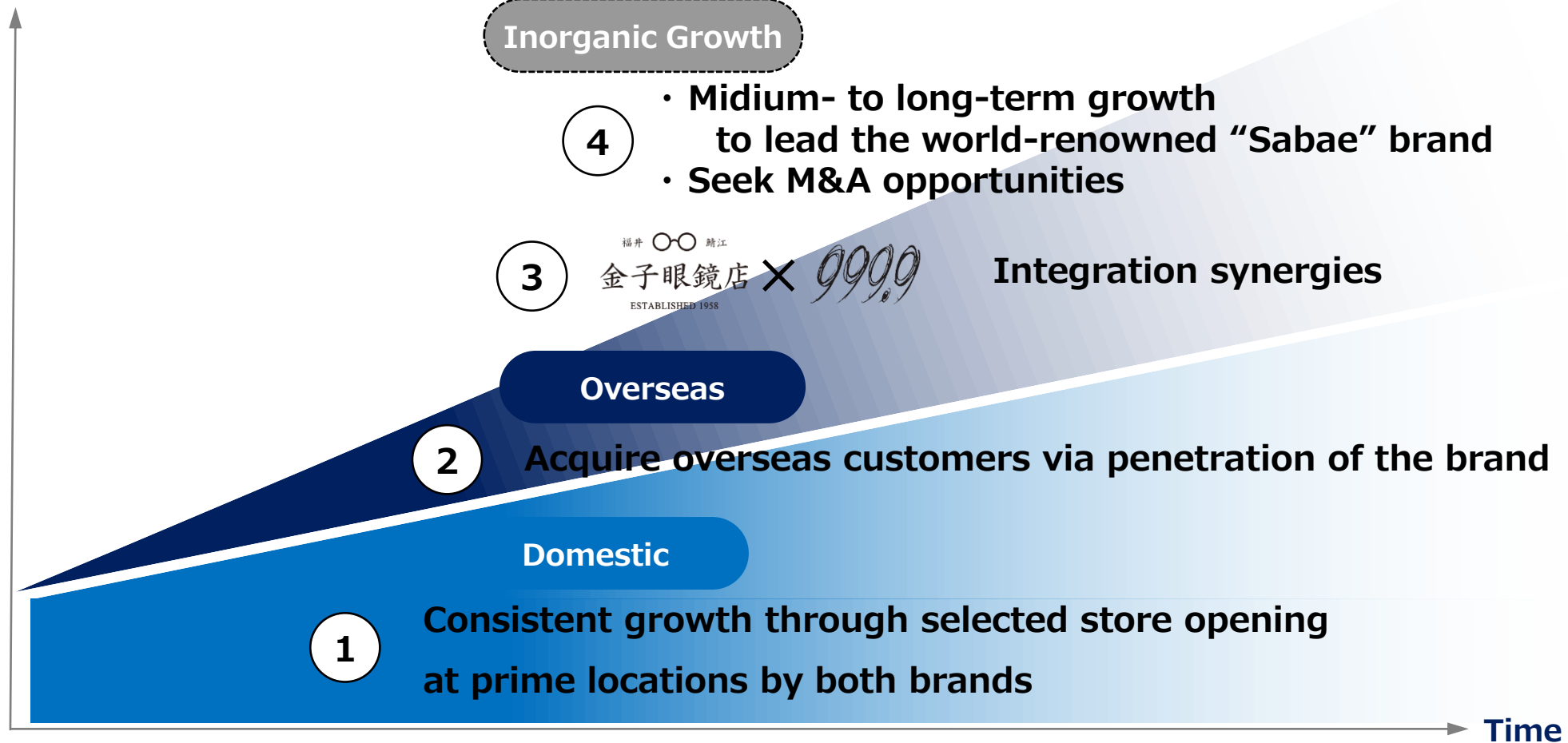
Notes:

1. Unit price refers to aggregate price of eyewear frames and lenses

2. Sum of revenue from overseas stores, overseas wholesale, and inbound revenue (inbound revenue refers to revenue from direct stores by foreigners visiting Japan and it does not include inbound revenue from wholesale)

Growth Roadmap

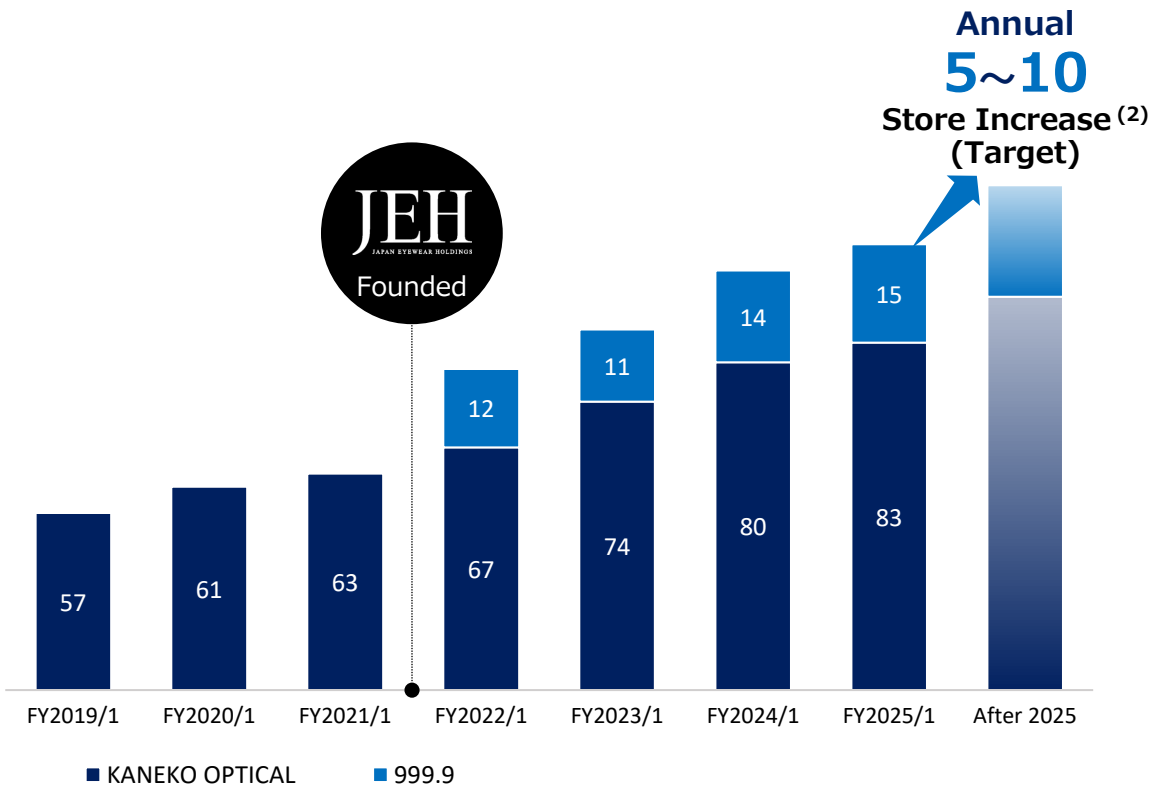
Sales/Revenue



① Steady Growth Realized by Selected New Store Openings by KANEKO OPTICAL and Four Nines in Japan

Steady new store opening for both KANEKO OPTICAL and 999.9 whilst strictly selecting the locations so as not to compromise the brand image

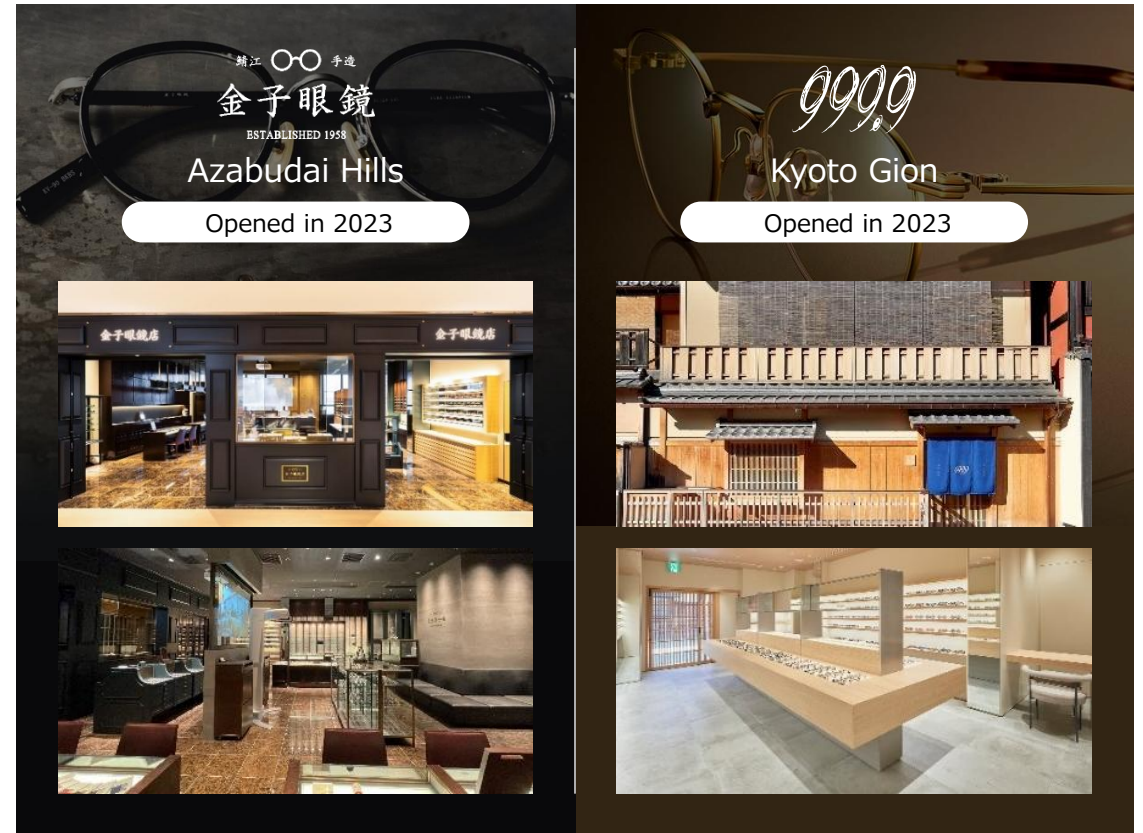
Number of (Direct) Stores in Japan⁽¹⁾



Notes:

1. Number of stores as of each fiscal year end. Number of 999.9 stores is counted after the establishment of JEH
2. Including relocations of existing stores to favorable neighborhood locations

Store Opening at Locations That Enhance Brand Image



① Effective Store Opening Strategy Tailored to Each Brand

We implement effective new store opening strategies by determining target areas and customer segments for each brand



金子眼鏡
ESTABLISHED 1958

- Continuously seek to open stores at roadside, department stores and shopping centers at prime locations in urban areas, with an aim to raise the brand profile
- Expand stores to regional cities in Japan where the brand has penetrated
- Consider relocation of existing stores (move to favorable neighborhood locations)

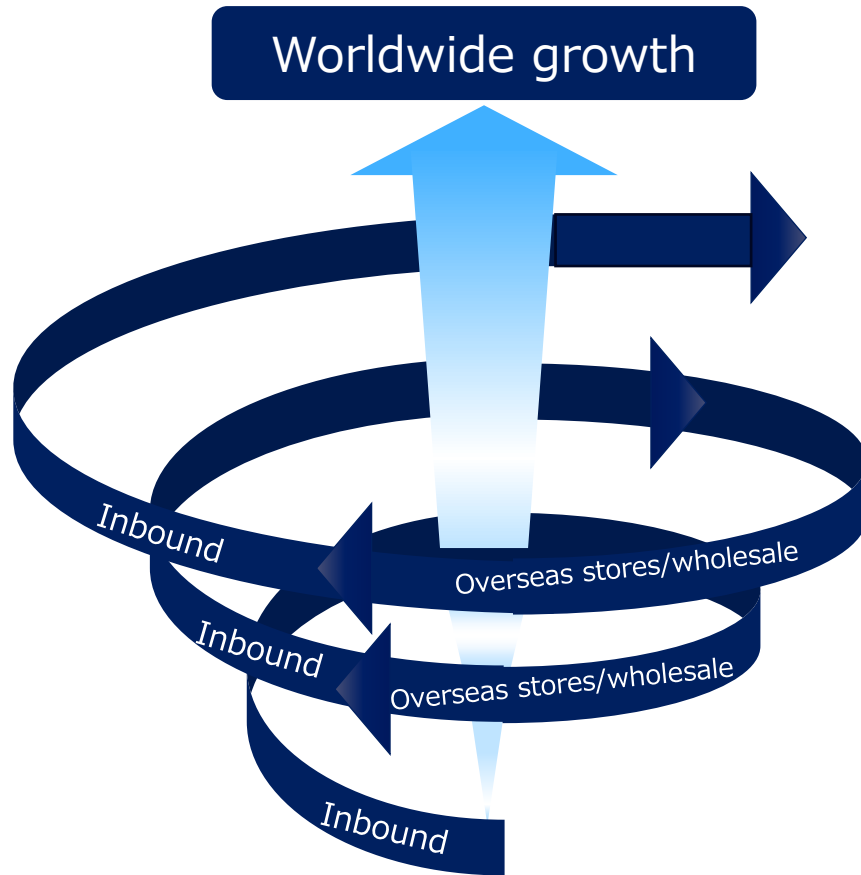
999.9

- Utilize know-how of KANEKO OPTICAL to strengthen opening of directly managed stores
- Prioritize store openings in highly trend-conscious urban areas

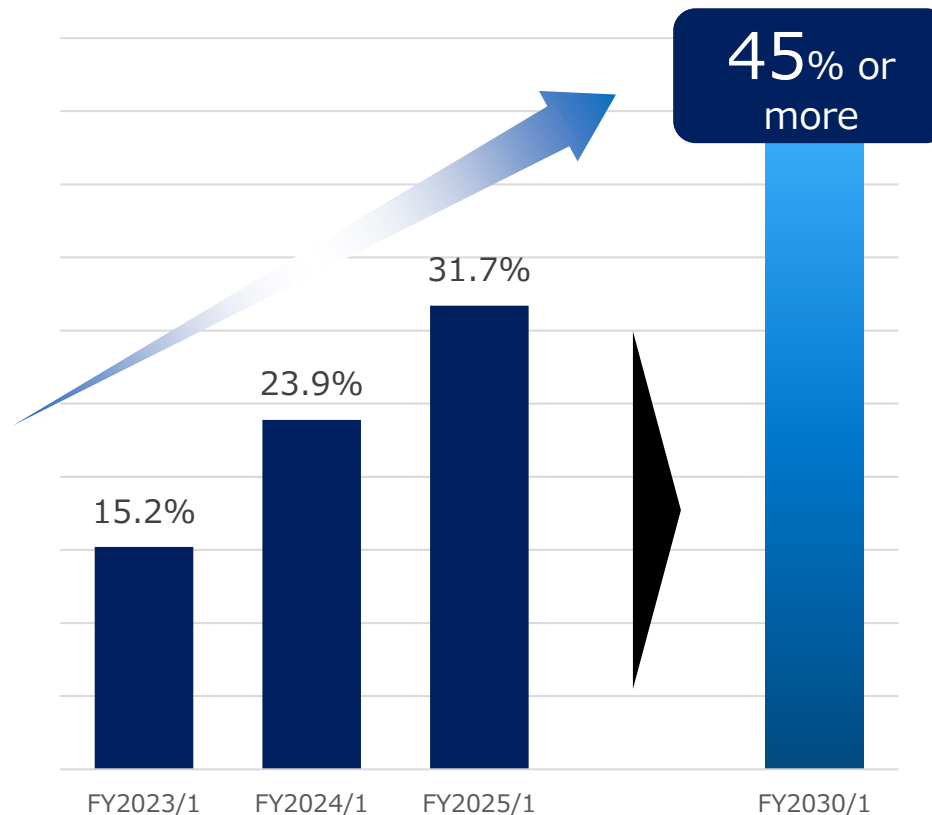
● KANEKO OPTICAL
● 999.9

② Acquire Overseas Customers via Penetration of the Brand

JEH brand penetration in overseas markets (mainly Asia) pushes up inbound demand and revenue from overseas stores. Seek for further growth by enhancing the brand image whilst expecting upside from inbound visitors from China, which is still on the track of recovery against pre-COVID level



Sales ratio for overseas customers(*1)



Notes:



1. Sum of revenue from overseas stores, overseas wholesale, and inbound revenue (inbound revenue refers to revenue from direct stores by foreigners visiting Japan and it does not include inbound revenue from wholesale)

2 Further Growth Potential Realized Through Acceleration of Rollout of Global Store Network and Partnerships

We are planning to further expand our store network in fast-growing Asian countries, whilst nurturing the brand image

Overview of
Global Strategy

Promote Sabae, Japan-born luxury eyewear brand to luxury-oriented overseas customers

	Status Quo / Short-term	Medium- to Long-term
Target Area	Greater China	 <p>Accelerate new store opening in Greater China Consider opening new stores in other Asian regions</p>
Strategy on Store Opening	Increase brand awareness via directly managed store opening at locations where brand image can be nurtured	 <p>Accelerate new store opening at prime locations of major cities at the timing where brand image has penetrated</p>
Store Format	Open directly managed stores (several)	 <p>Consider wide-ranging partnerships with global and local companies in addition to directly managed stores (several dozen stores)</p>

② Expand Brand Awareness via New Store Opening in China/ Hong Kong

We have succeeded in continuously opening new stores at prime locations in Mainland China and Hong Kong that nurtures brand image. We seek to build customer loyalty not only in Japan but globally

3rd Store in China: KANEKO OPTICAL Rockbund Shanghai



Following the 1st store and 2nd store in China opened in April 2023 and April 2024, respectively, our 3rd store in China was opened in Shanghai in August 2024.

ROCKBUND is known as a part of The Bund area of Shanghai, located along the Huangpu River, lined with buildings built in the Art Deco period from 1920s to 1930s.

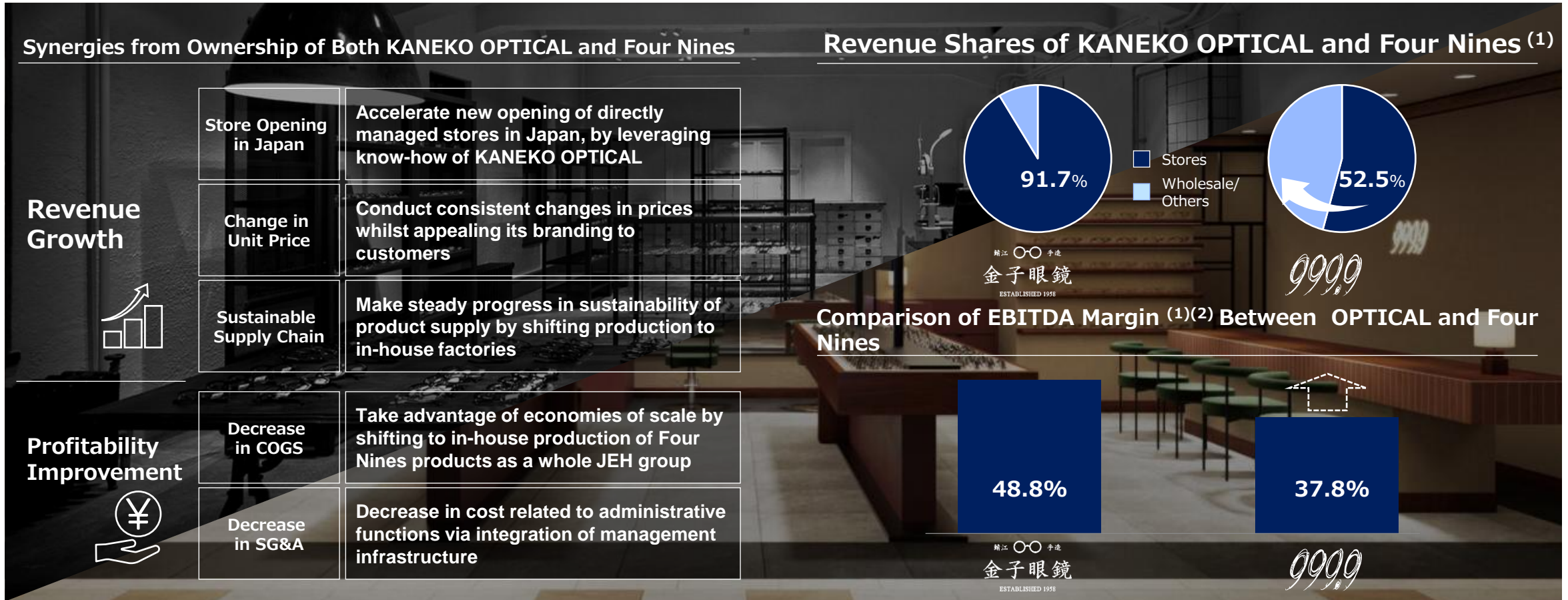
1st Store in Hong Kong: KANEKO GANKYO-TEN Pedder Arcade



Our 1st store in Hong Kong was opened in November 2024. Pedder Building, where the store is located, is known as a historic commercial building situated along Pedder Street in the Central District of Hong Kong

③ Further In-depth Group Synergies Achieved via Integration of KANEKO OPTICAL and 999.9

We will fully utilize functions of recently acquired Taiho to promote in-house production. 999.9, the brand with the higher wholesale sales ratio, seeks further upside by leveraging know-how of and realizing synergies with KANEKO OPTICAL, as well as by improving profit margin via driving sales at stores with higher profitability



Notes:

1. As of FY2025/1

2. Calculated by (operating profit + depreciation + amortization) divided by revenue

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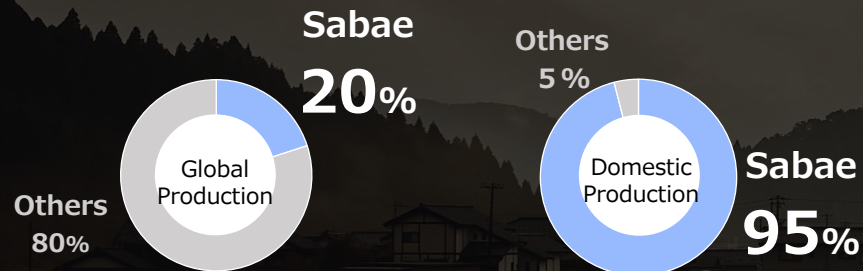
4 Medium-to Long-Term Growth Strategies as a Leader of “Sabae” Brand, One of the 3 Renowned Sites of Eyewear Production

Globally-renowned “Sabae” Brand

Production of High-quality Eyewear in Sabae, One of the World’s Largest Production Sites

Sabae is one of the three major eyeglass frame production sites along with Belluno, Italy and Shenzhen / Dongguan, China, with a history of over 100 years in eyewear industry

Market Share



Three Major Eyeglass Frame Production Sites

Location		Start of production	Production style	Strong points
Japan	Sabae	1905~	Specialized production	Skills/ Processing
Italy	Belluno	1870s~	In-house integrated system	Design/ Brand
China	Shenzhen/ Dongguan, etc.	1980s~	Mass production	Cost effectiveness

“Sabae Glasses”, the winner of the 1st COOL JAPAN AWARD



COOL JAPAN AWARD is an award sponsored by The Cool Japan Association and backed by Ministry of Economy, Trade and Industry, etc.
“Sabae Glasses” was among the winners of the 1st COOL JAPAN AWARD along with Toyota’s hydrogen fuel cell vehicle MIRAI

④ JEH's Role as a Leader of "Sabae" Brand

Our inorganic growth strategy including M&A of local companies is intended to further enhance the manufacturing capabilities



SECTION 3

Capital Allocation



Capital Allocation Backed by Strong Capability to Generate Cash Flow

We are able to implement return to shareholders, loan repayment and growth investment with an appropriate balance using ample cash generated as the source of funds

Ample Operation Cash Flow

- 
- Shareholder return
 - Loan repayment
 - Store openings in Japan/ overseas
 - Strengthen manufacturing capabilities
 - Strategic M&A

Shareholder return

Basic policy:

Implement stable and steady dividend share along with ensuring appropriate leverage for future business expansion and reinforcing the management base.

Annual payout ratio target: 40%

Share buyback also considered to increase the total payout ratio

福井 鯖江

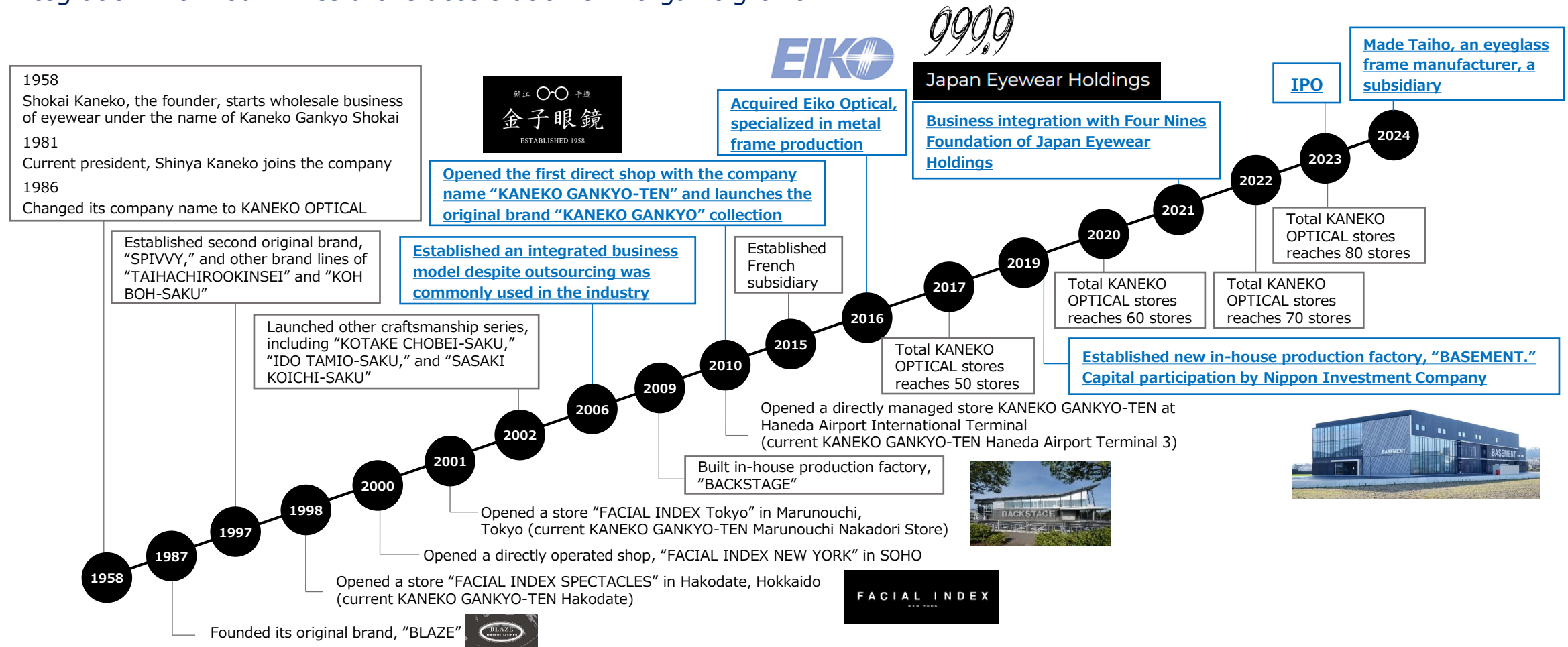


金子眼鏡

APPENDIX

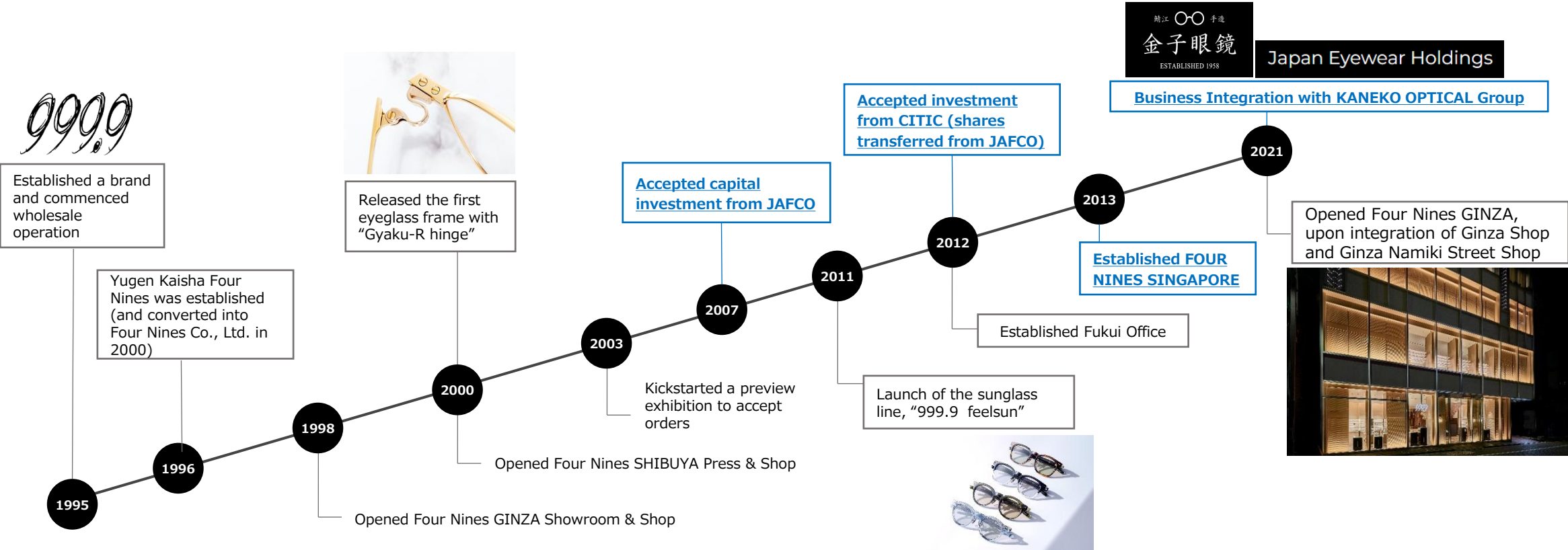
Track Record of KANEKO OPTICAL's Growth

Founded as an eyewear wholesaler, we have developed full-lineup production capability and evolved to an integrated model of in-house design, production and boutique retail. In addition to steady store openings, consolidation of Eiko Optical and business integration with Four Nines drove acceleration of inorganic growth



Track Record of Four Nines's Growth

999.9 is the brand of eyeglass frames with high functionality and beautiful forms, building an extensive distribution network with direct stores operated mainly in urban areas and more than 600 wholesale stores, and now seeks for further business expansion upon business integration with KANEKO OPTICAL



JEH Code of Conduct



Use of Hometown Tax System for Regional Contribution and Revenue Increase

Vouchers for KANEKO OPTICAL/ Four Nines products are available as return offering of the Sabae City's hometown tax system



Eyewear not only works as a vision correction device, but also highlights the personality of a wearer: the longer you wear glasses, the more they fit into your features.

We would be happy if donators fully feel and enjoy the high quality of Japan-made eyewear in their everyday life on this occasion given by the hometown tax system.

Community Support in Sabae (Part of ESG Initiatives)

Succession of Tradition to Next Generations

Add innovation to inheritance of Sabae's traditions and hand them down to following generations

11 住み続けられる
まちづくりを



Manufacturing in Sabae with an aim to "inherit and develop craftsmanship" at Sabae

9 産業と技術革新の
基盤をつくろう



Succeeding traditional materials and artisanship, combined with enterprising spirit for innovative technologies

History of Establishment of Production Sites in Sabae



2009 **BACKSTAGE**

Built its own factory "BACKSTAGE" for integrated production of plastic eyeglass frames

2016 **GLASSWORKS**

Built its own factory "GLASSWORKS" for specialized production of metal eyeglass frames



2019 **BASEMENT**

Built its own factory "BASEMENT" to enhance innovation, in which state-of-the-art robotics are installed in parts of the frame cutting and polishing process

Disclaimer



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