

June 10, 2025

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Notice Regarding Termination of Joint Venture Agreement and Transfer of Equity Interest in Kazakhstan

BOOKOFF GROUP HOLDINGS LIMITED (the “Company”) hereby announces that its wholly owned subsidiary, BOOKOFF CORPORATION LIMITED, resolved at a meeting of its Board of Directors held today to terminate the joint venture agreement established for the reuse store business in Kazakhstan and to transfer its equity interest in the joint venture company, J&K TRADING LLC, to the joint venture partner.

1. Reason for the Termination of the Joint Venture Agreement

Under the mission to “Be a source of an enjoyable and prosperous life for as many people as possible,” the Company Group has positioned the transformation of its business portfolio as a key policy in its medium-term management plan aimed at achieving sustainable growth. As part of its overseas business, which is identified as a driver of future expansion, the Company has set forth a vision to expand “Jalan Jalan Japan” (“JJJ”)—a reuse store that sells items with limited sales opportunities in Japan in overseas local markets—to a network of 100 stores by the fiscal year ending May 2033.

Based on this policy, and as previously announced in the disclosure dated March 19, 2024 titled “Notice Regarding the Establishment of a Joint Venture (Consolidated Subsidiary) in Kazakhstan,” the Company established a local subsidiary through a joint venture with a local partner to pursue further multi-store expansion in Kazakhstan, and opened four directly operated stores. However, due to changes in the local business environment, the Company has determined that maintaining the capital relationship is not optimal for mid- to long-term expansion of store openings in the country.

The termination of the joint venture does not indicate a withdrawal from the JJJ business in Kazakhstan. On the contrary, it reflects the Company’s intention to minimize risk and shift to a structure that enables more flexible and prompt decision-making under a franchise-based model. The Company will continue to actively support store development in the country through product supply, brand management, and operational assistance, with the aim of realizing the goal of “100 JJJ stores.”

2. Details of the Termination of the Joint Venture Agreement

BOOKOFF CORPORATION LIMITED will transfer all of its equity interest in its consolidated subsidiary J&K TRADING LLC—representing 55% of the capital—to its joint venture partner, KAZ AGRO PROJECT. As a result of this transfer, the joint venture agreement will be terminated.

*The transfer price is not disclosed in accordance with the agreement with the counterparty.

3. Overview of the Joint Venture Company

(1) Name	J&K TRADING LLC
(2) Location	Almaty, Republic of Kazakhstan
(3) Business Description	Import, export, and sale of reused products
(4) Capital	KZT 155 million (equivalent to ¥51 million) *Calculated at an exchange rate of ¥0.33 per KZT

(5)	Date of Establishment	April 23, 2024	
(6)	Equity Ownership	BOOKOFF CORPORATION LIMITED: 55% KAZ AGRO PROJECT: 45%	
(7)	Relationship between the Listed Company and the Joint Venture	Capital Relationship	BOOKOFF CORPORATION LIMITED holds 55.0% of the voting rights in the joint venture.
		Personnel Relationship	Two directors have been dispatched from the listed company to the joint venture.
		Business Relationship	BOOKOFF CORPORATION LIMITED supplies secondhand merchandise and other products to the joint venture.
(8)	Recent Operating Results and Financial Position of J&K TRADING LLC		
		(Fiscal Year Ending May 31, 2025 — as of the end of the third quarter, cumulative total for the third quarter)	
	Net Assets	¥65 million (based on ¥0.30 per KZT at the end of Q3)	
	Total Assets	¥398 million (based on ¥0.30 per KZT at the end of Q3)	
	Net Sales	¥140 million (cumulative Q3, based on ¥0.32 per KZT)	
	Operating Loss	¥112 million (cumulative Q3, based on ¥0.32 per KZT)	
	Net Loss	¥113 million (cumulative Q3, based on ¥0.32 per KZT)	

4. Overview of the Counterparty to the Termination of the Joint Venture Agreement and the Transferee of Shares

(1)	Name	KAZ AGRO PROJECT	
(2)	Location	Shymkent, Republic of Kazakhstan	
(3)	Title and Name of Representative	Title: CEO Name: Zhanayev Bakytzhan	
(4)	Business Description	Real estate development and related businesses	
(5)	Date of Establishment	May 11, 2018	
(6)	Relationship with the Listed Company	Capital Relationship	None
		Personnel Relationship	None
		Business Relationship	None

5. Schedule of the Termination of the Joint Venture

Resolution of the Board of Directors	June 10, 2025
Execution Date of Termination Agreement	June 24, 2025 (scheduled)
Effective Date of Termination of the Joint Venture Agreement and Transfer of Equity Interest	June 24, 2025 (scheduled)

6. Outlook

The impact of this matter on the Company's consolidated financial results is expected to be minor. However, if any material matters requiring disclosure arise in the future, the Company will promptly make an announcement..