

## Speech Summary for Strategy Briefing for the Food-Focused Donki

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### 1. Concept of the Food-Focused Donki

Kosuke Suzuki, COO & Representative Director

#### **Supermarket? Not quite**

- Make food the key to achieving the goals set in our long-term business plan, Double Impact 2035. Continue capturing discount-driven demand while strengthening our response to rising consumer needs in food.
- Leverage PPIH's core assets: (UNY's fresh-food sourcing capabilities "strong traffic from food" + Donki's merchandising capabilities "strong profitability from non-food") × "Donki's discount value."

#### *Strong traffic from food*

- Have dramatically improved fresh-food sourcing capabilities over the past two decades by integrating the strengths of Nagasakiya (2007) and UNY (2019), both now consolidated subsidiaries.
- Use these enhanced fresh-food sourcing capabilities to define the food-focused Donki format.

#### *Strong profitability from non-food*

- Define Don Quijote's merchandising capabilities as the ability to deliver trend-right assortments and catchment-area-optimized product mixes.
- Use the expertise of 80,000 employees to curate the optimal assortment for each catchment area from a pool of 1.1 million SKUs handled across all stores, generating strong profitability.
- Plan a non-food salesfloor ratio of approximately 40% (vs. ~10% for a conventional supermarket), with non-food expected to account for 25% of total sales.

*Donki's discount value*

- Drive traffic with a clear and compelling pricing strategy on processed foods and daily essentials—categories where customer needs are rising amid inflation.

▶ The combination of these three elements creates the unique and unmatched winning formula of the food-focused Donki format.

2. Name of the Food-Focused Donki Format

Kosuke Suzuki, COO & Representative Director

**“Robin Hood,” the Astonishingly Fun Store**



*Why “Robin Hood”?*

- Refer to the legendary outlaw from medieval England who fought to protect people’s lives and was a master archer.
- Convey our intent to protect customers’ daily lives under rising prices and hit their needs right on the mark, just as Robin Hood did with his arrows.
- Benefit from its strong sound-alike connection to Don Quijote—its “brother brand”—making the name instantly memorable.

▶ Expanding our domestic business from two pillars to three:

Discount store business

UNY business

Robin Hood format

*What is the “Astonishingly Fun Store”?*

- Respond to rising demand for efficient, cost-effective shopping experiences driven by inflation and lifestyle changes, including shifts in labor conditions and daily habits.
- Satisfy customers’ fundamental need for a fun shopping experience by providing cost- and time-efficient shopping through low prices and a broad range of easy-to-prepare food options.



More hassle-free than a supermarket. As fun as Donki.  
That's the kind of store we're building



- Robin Hood, “the Astonishingly Fun Store,” and Don Quijote, “the Astonishingly Affordable Store,” serve as complementary formats. Customers choose Robin Hood or Don Quijote depending on their needs and circumstances.

**【Shopping occasion】**

Customers use Robin Hood on busy weekdays for quick, efficient shopping, and choose Don Quijote or MEGA Don Quijote on weekends for time-rich, exploratory shopping.

**【Catchment area】**

Robin Hood aims to become the first-choice destination for daily shopping needs, while Don Quijote draws customers from a broader area.

**【Customer lifetime value (LTV)】**

Robin Hood covers a wide range of customer life stages—from the “first-touch stage” to the “life-stage transition stage”—and maximize LTV across PPIH Group formats.

*Store expansion plan for Robin Hood*

- Open the first Robin Hood store on April 24, 2026, in Jimokuji, Ama City, Aichi Prefecture.
- Open five stores in FY ending June 2026 and expand into the Tokyo metropolitan area in FY ending June 2027.
- Expand to 200–300 stores by 2035, targeting ¥600 billion in net sales and ¥36 billion in operating income.

3. MD Strategy of Robin Hood

Mikihira Katagiri, Managing Executive Officer

**“Supermarket? Not quite” MD Strategy**

*Non-food strategy*

- Target a 25% sales mix with 40% of the salesfloor allocated to non-food.
- Build the assortment around five themes that make customers say, “This works!”

(1) Entertainment

Character goods, character apparel, and related items

(2) Casual wear

Loungewear, sandals, and other short-distance casual wear

(3) Wellness

Protein products and health foods, including entry-price items and trend-driven products

(4) Beauty

International cosmetics and value-priced cosmetics

(5) Daily essentials

Consumables and household goods with drugstore-level breadth, plus time-saving cooking tools

*Fresh food strategy*

- A lineup that focuses on customers' desire for quick, easy, and ready-to-eat solutions.

(1) Meat

Marinated meats, microwave-ready meats

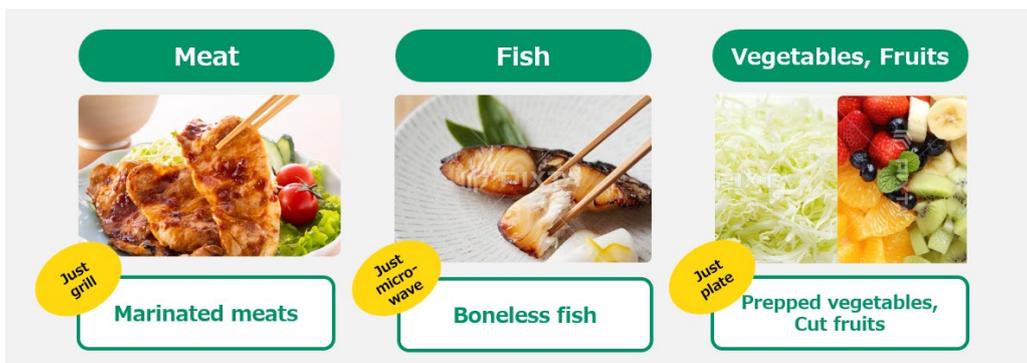
(2) Seafood

Boneless fish, microwave-ready fish

(3) Produce

Prepped vegetables, cut fruits

Images for illustrative purposes only.

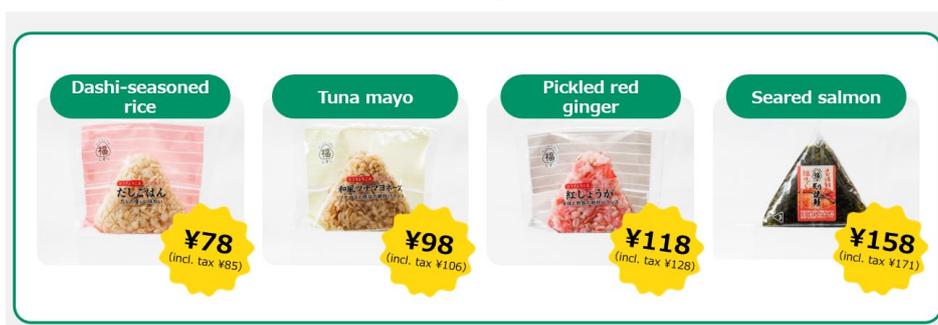


*Deli strategy*

- Offer convenient deli items that deliver great taste, great value, and never-get-tired-of-it variety.
- Build the assortment around the joy of choosing and the confidence of tastes good every time, featuring signature deli items.
- Set price points so customers can build a complete meal for under ¥500.
- Rotate products frequently to ensure customers always discover something new.

Examples of deli items

Offer 30 varieties of Robin Hood's rice balls, starting at ¥78.



Operate Robin Hood’s udon station, built on the joy of choosing, great taste, and never-get-tired-of-it variety.

Images for illustrative purposes only.



*Introduction of the new people brand (PB)*

- Robin Hood’s PB embodies “the Astonishingly Fun Store,” built on the themes of Low price, Great value, Fast, Easy.
- Develop a PB built around the concept of “effortless choice,” stripping away unnecessary information to make the benefits instantly and intuitively clear.

Low Price: Deliver intuitive low-price positioning that provides convincing cost performance.

Great value: Offer value-added products that balance affordability and quality—high-quality items at approachable prices.

Fast: Provide time-saving products that are ready-to-use quickly, without compromising on taste.

Easy: Offer products that eliminate hassle and simplify meal preparation, enabling effortless mealtime solutions.



*PPIH's 響創 (Kyoso, "Co-creation with customers")*

- A concept rooted in co-creating stores with our customers, shaped directly by their feedback.
- Build a system where store improvements are customer-driven, using customer evaluations—not corporate assumptions—as the basis for how stores evolve.

**【Test marketing】** We collected over 1,300 pieces of customer feedback, primarily through maji-voice and social media, regarding frustrations and issues experienced in our stores. We identified the key themes raised and use them as indicators for store evaluation.