

# Premium Group's Digital Transformation (DX) Strategy 2025

Premium Group Co., Ltd.  
TSE Prime Section: 7199



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# 01

## Correlation of DX to Our Mission and Business Model

### Mission & Business Model

We will now explain our mission, business model and how it relates to our digital transformation strategy.

#### **Digital Governance Code “1. Vision and business model”**

A company must understand its business and IT system as a unit, develop a management vision in consideration of the impacts (risk/opportunities) caused by changes in society and the competitive environment due to digital technologies, design a business model for realizing its management vision, and share this business model with its stakeholders as a value creation story.

## 01-1 Premium Group's Mission

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Our mission as outlined below has remained unchanged since our establishment in 2007.



**Contribute to the construction of a prosperous society by providing top level financing and services to the world**

By further improving our financing and services, and spreading them across the world, we will create a prosperous society.



**We will foster employees who are broadminded, have a positive outlook, and assiduously work their way towards creating results.**

We will not give up before we start by thinking we cannot do something, or something is not possible. We will promote innovation with creative ideas and great ambition, and forge ahead to the next step ourselves

# 1. Correlation of DX to Our Mission and Business Model

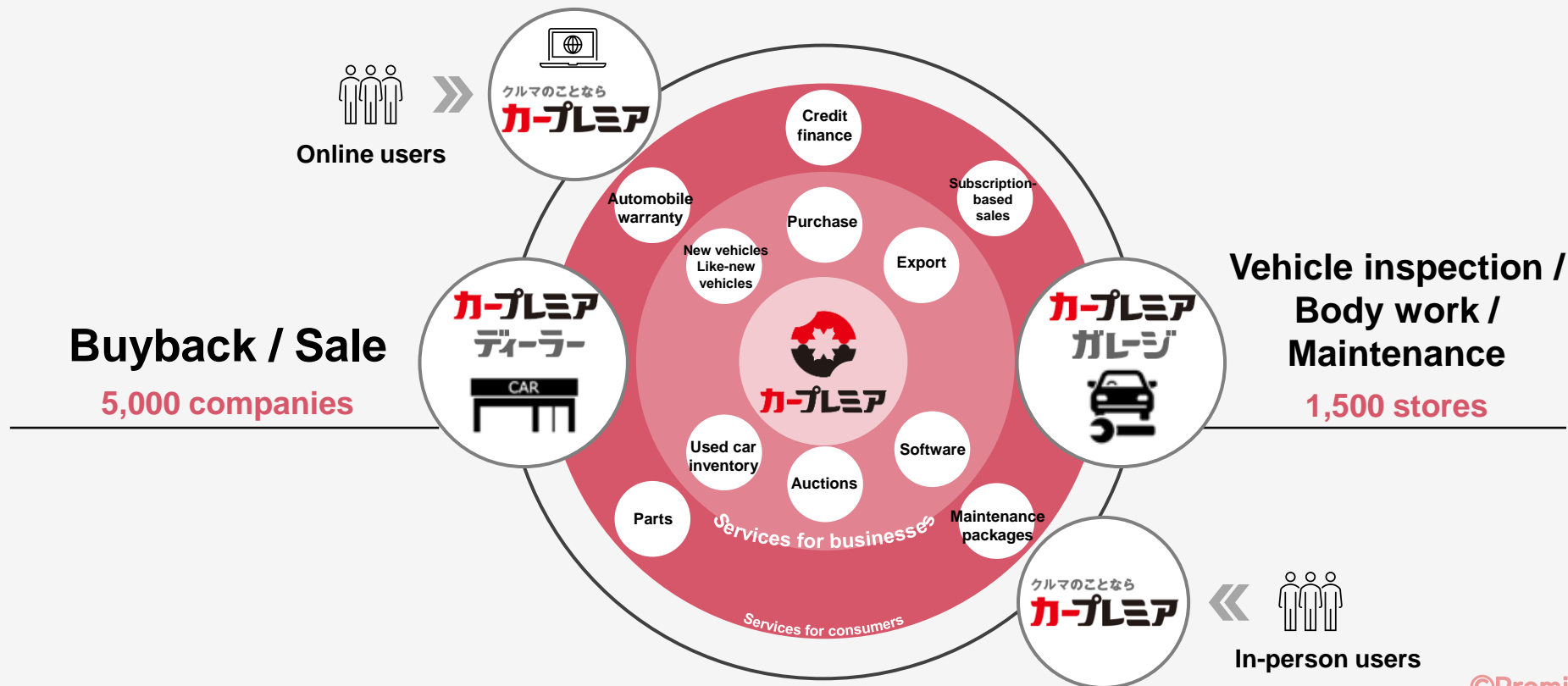
## 01-2 Medium-Term Management Plan

The three-year period of the previous medium-term management plan has ended, and in May 2023, we transitioned to a new medium-term management plan.





As part of the process toward achieving our long-term vision of seeking to become the ONE & ONLY auto mobility company, the medium-term vision outlined in the ongoing medium-term management plan, **Establishing the Car Premium Business Model**, is as follows.

### Medium-Term Vision: Car Premium Business Model





Users and Car Premium Club members enjoy a **full range of mobility** services with Car Premium







## 01-3 Medium-Term Management Plan Key Issues and DX (Car Premium Business)

Materiality		Key Policy through DX
 Car Premium	<b>Expanding the Car Premium Club and strengthening brand and ability to attract customers</b>	<b>Create touchpoints with end users through both online and offline channels to improve our ability to attract and retain customers</b>
 Finance	Expanding Car Premium Dealers, increasing transaction volume per network dealer, and using DX to streamline operations	
 Automobile Warranty	Expanding sales focused on products developed in-house to expand the third-party warranty market, reducing repair costs/using DX to streamline operations	
 Auto Mobility	Expanding mobility services and developing differentiated products to entrench the Car Premium business	

## 01-3 Medium-Term Management Plan Key Issues and DX (Car Premium Business)

Materiality		Key Policy through DX
 Car Premium	Expanding the Car Premium Club and strengthening brand and ability to attract customers	Use operational innovations through the development of DX talent and continuous investment in DX to increase productivity and employee happiness
 Finance	Expanding Car Premium Dealers, increasing transaction volume per network dealer, and using DX to streamline operations	
 Automobile Warranty	Expanding sales focused on products developed in-house to expand the third-party warranty market, reducing repair costs/using DX to streamline operations	
 Auto Mobility	Expanding mobility services and developing differentiated products to entrench the Car Premium business	

## 01-3 Medium-Term Management Plan Key Issues and DX (Car Premium Business)

Materiality		Key Policy through DX
 Car Premium	Expanding the Car Premium Club and strengthening brand and ability to attract customers	<b>(1) Enhance end-user convenience and management efficiency of mobility providers*</b> <b>(2) Create new businesses with an eye on next-generation auto mobility services</b>
 Finance	Expanding Car Premium Dealers, increasing transaction volume per network dealer, and using DX to streamline operations	
 Automobile Warranty	Expanding sales focused on products developed in-house to expand the third-party warranty market, reducing repair costs/using DX to streamline operations	
 Auto Mobility	<b>Expanding mobility services and developing differentiated products to entrench the Car Premium business</b>	

\* Mobility providers refers to used car dealers and maintenance facilities, key customers of the Group.



# 02

## Our DX Strategy

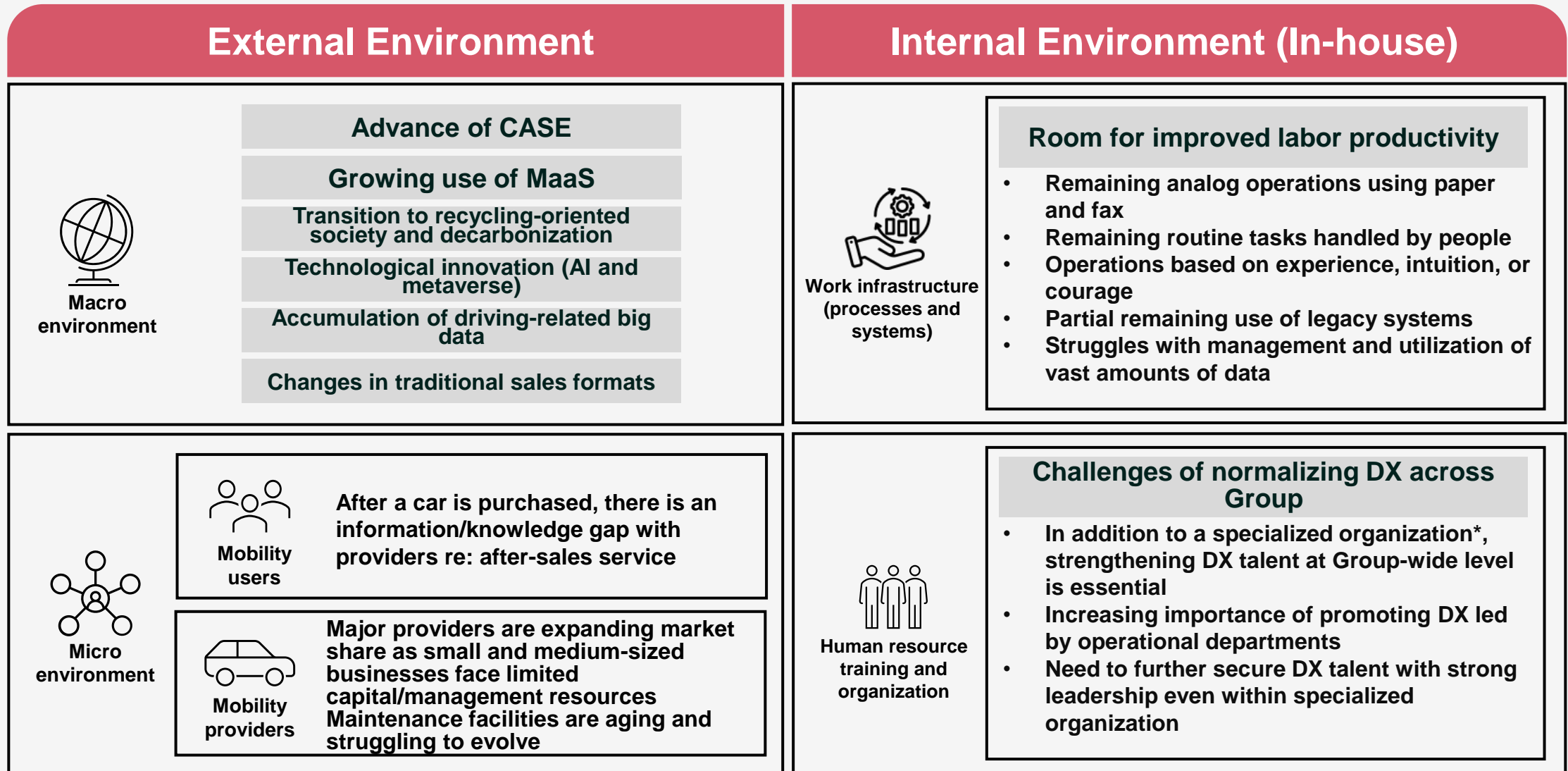
### Our DX Strategy

We will now explain our digital transformation strategy.

#### **Digital Governance Code “2. Strategy”**

A company must develop strategies to utilize digital technologies as a way to realize the target business model in consideration of changes in society and the competitive environment, and convey these strategies to stakeholders.

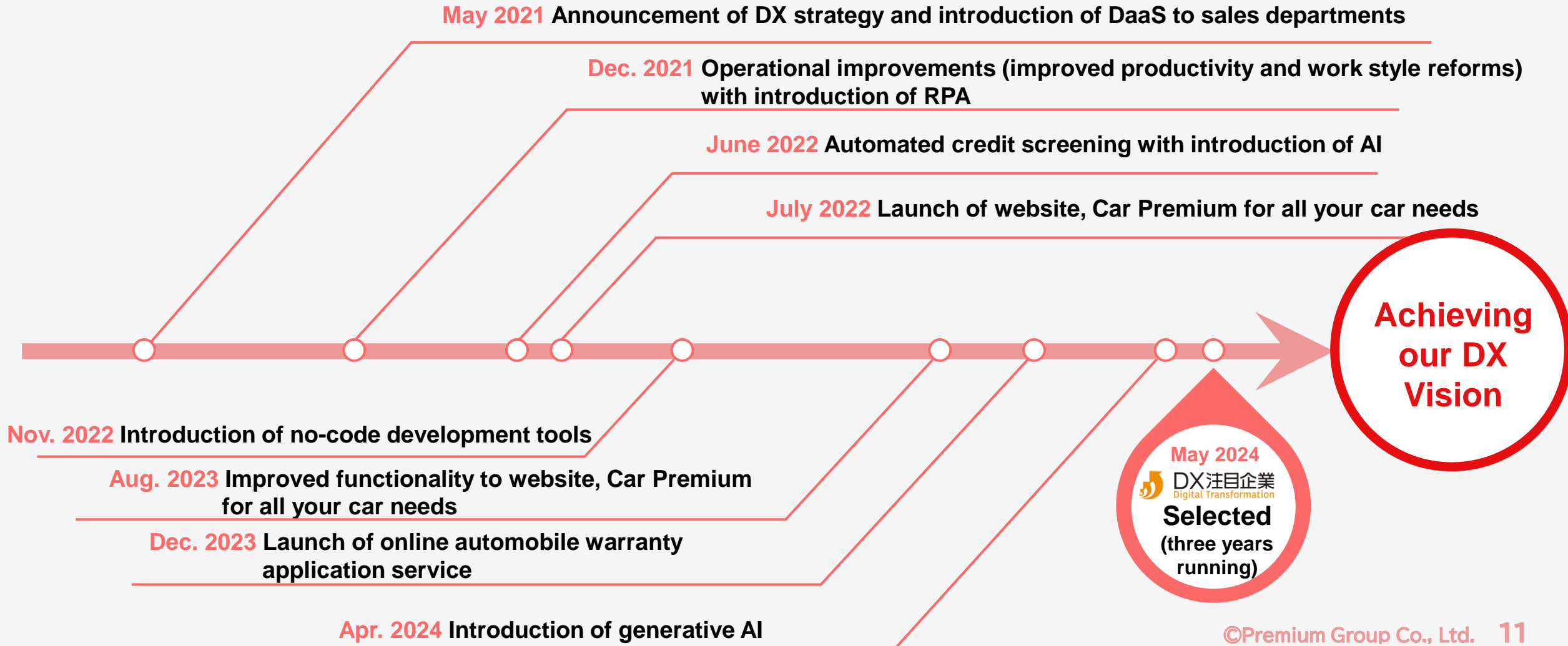
# 02-1 Environment Surrounding the Group



\* A dedicated team whose mission is to promote DX

## 02-2 Path from Our 2021 DX Strategy

We have seen the following initiatives take place since we first announced our DX strategy in May 2021.



## 02-3 DX Vision

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We will continue to promote DX according to the following vision.

**Create a “Premium” car life together with end users and mobility providers as a digital platform comprised of teams where every individual shines**



# 02-4 Overall Picture of DX

## Medium-Term Management Plan



Car Premium

Expanding the Car Premium Club and strengthening brand and ability to attract customers



Finance

- Expanding Car Premium Dealer (CPD) membership\*
- Increasing transaction volume per network store
- Streamlining through DX



Automobile Warranty

- Expanding third-party warranties market
  - Expanding sales focused on products developed in-house
- Reducing repair costs
- Streamlining through DX



Auto Mobility Services

- Enhancing auto mobility services
- Expanding scale of each auto mobility business
- Developing differentiated products

DX Action

## DX Vision

**Core Business Strategy**

Enhance management efficiency of mobility providers and provide peace of mind and convenience to end users

Employee well-being

Achieve next-generation mobility services (CASE/MaaS)

**Organization**

Hybrid approach using specialized organization for promoting DX that reports directly to senior management and departments for promoting DX projects established at major subsidiaries

**Training**

Define and train the talent required for DX at the Premium Group

**Foundation**

Data consolidation, agile development, full cloud adoption and Zero Trust

Investment Policy / Progress Indicators

\* A membership structure for automobile dealers

# 02-5 Core Business Strategy

## DX Strategy

## Core Business Strategy

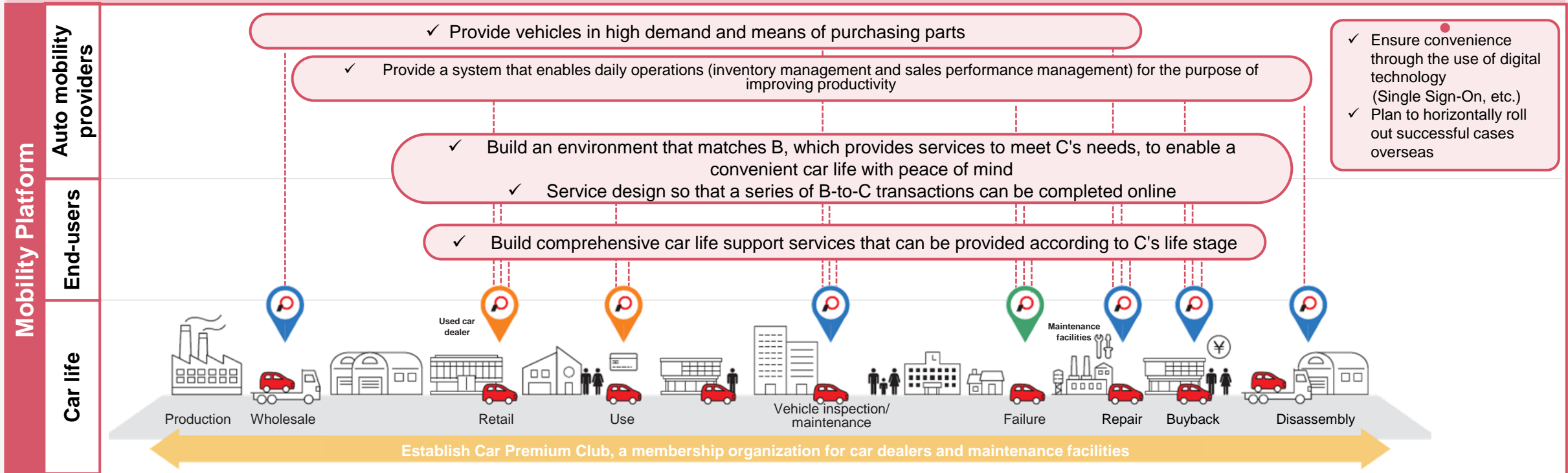
## Organization

## Training

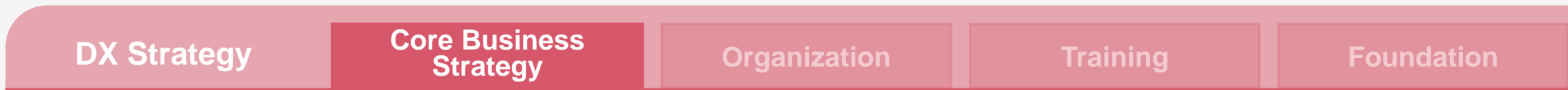
## Foundation

### 1 Enhance management efficiency of mobility providers and provide peace of mind and convenience to end users

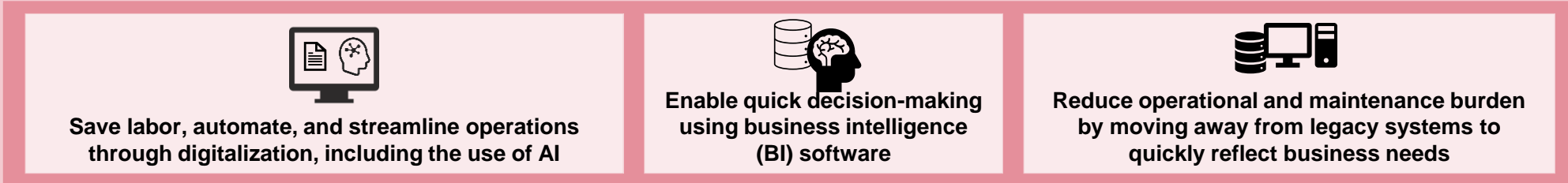
- Build an environment where mobility providers above a certain threshold (hereinafter collectively referred to as 'B') and individuals interested in purchasing or repairing used cars (hereinafter collectively referred to as 'C') **can enjoy all types of mobility services** on a mobility platform offered by Car Premium.
- Aim to **maximize business opportunities** by providing a mechanism to match B and C on a platform, whether in the real world or online.



# 02-5 Core Business Strategy



## 2 Increase employee well-being



Assist work styles with individuality by liberating employees from constraints

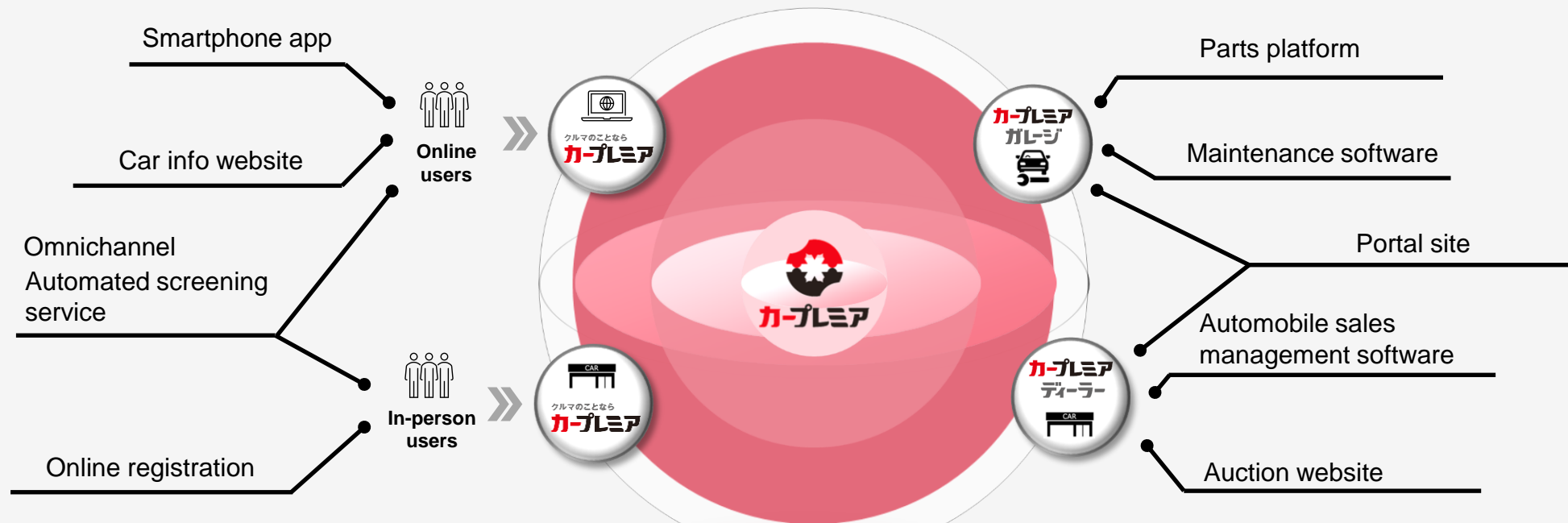
## 3 Achieve next-generation mobility services (CASE/MaaS)

- Aim to **build a next-generation platform** that can address the transformation taking place in the automobile industry.
- In addition to purchase and after-sales support for customers who purchase EVs, aim to further promote the spread of EVs and contribute to the formation of a recycling-oriented society by also providing energy infrastructure facilities.



## 2. Our DX Strategy

# 02-5 DX: Core Business Strategy (Efforts to Build a Mobility Platform)

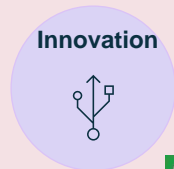


**Saving labor in existing services and creating new businesses**



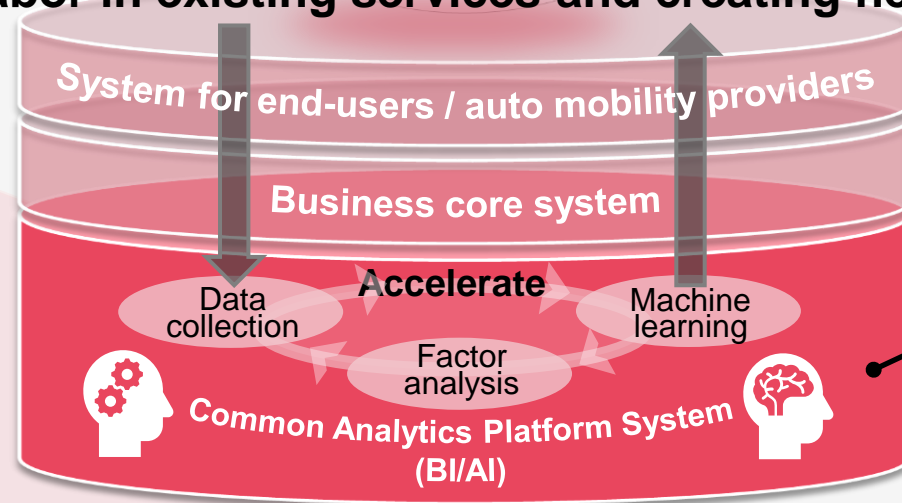
Human resources

- Improving well-being



Innovation

- Operational innovations through DX
- Ecosystem construction



**Greater speed of management decision-making**  
**Creation of new business ideas**



## 2. Our DX Strategy

# 02-5 DX: Core Business Strategy (App Concept for End-users of Mobility Platform)



End-users

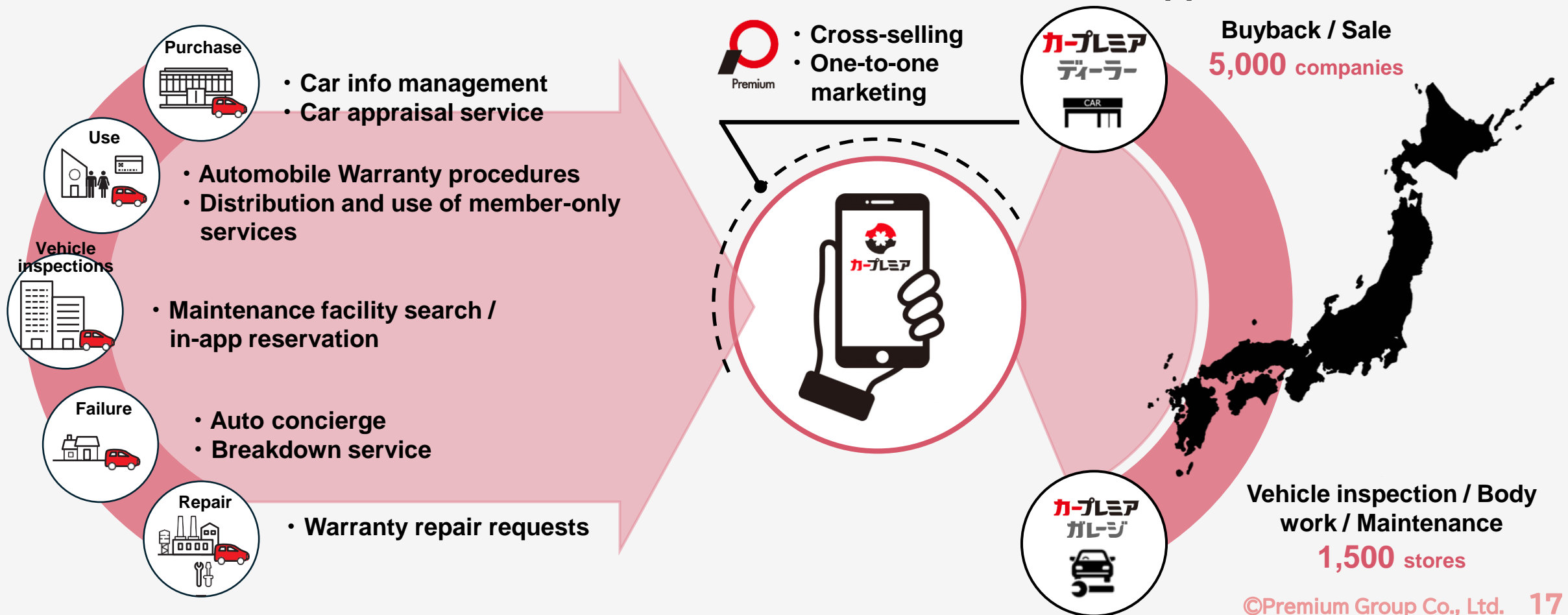
Smartphone app



Auto mobility providers

All your car needs in a single app

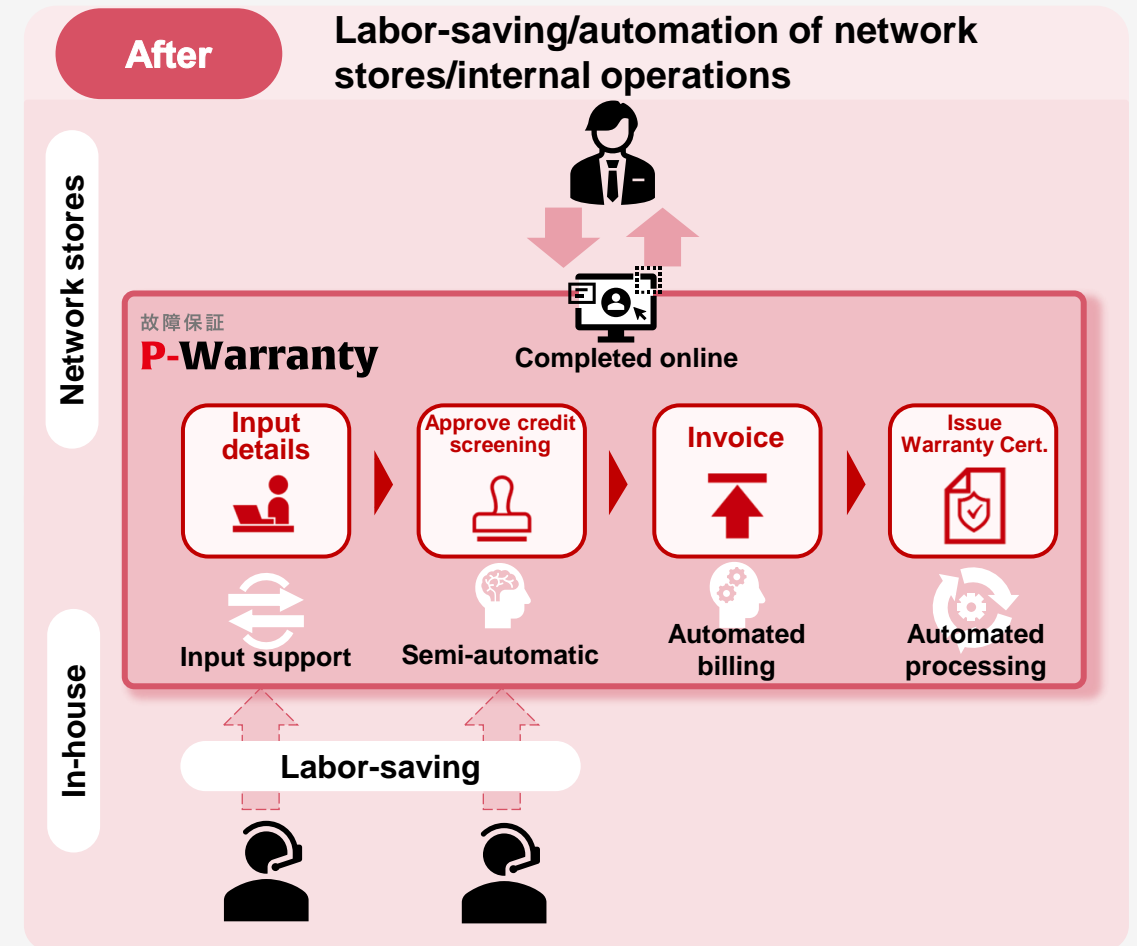
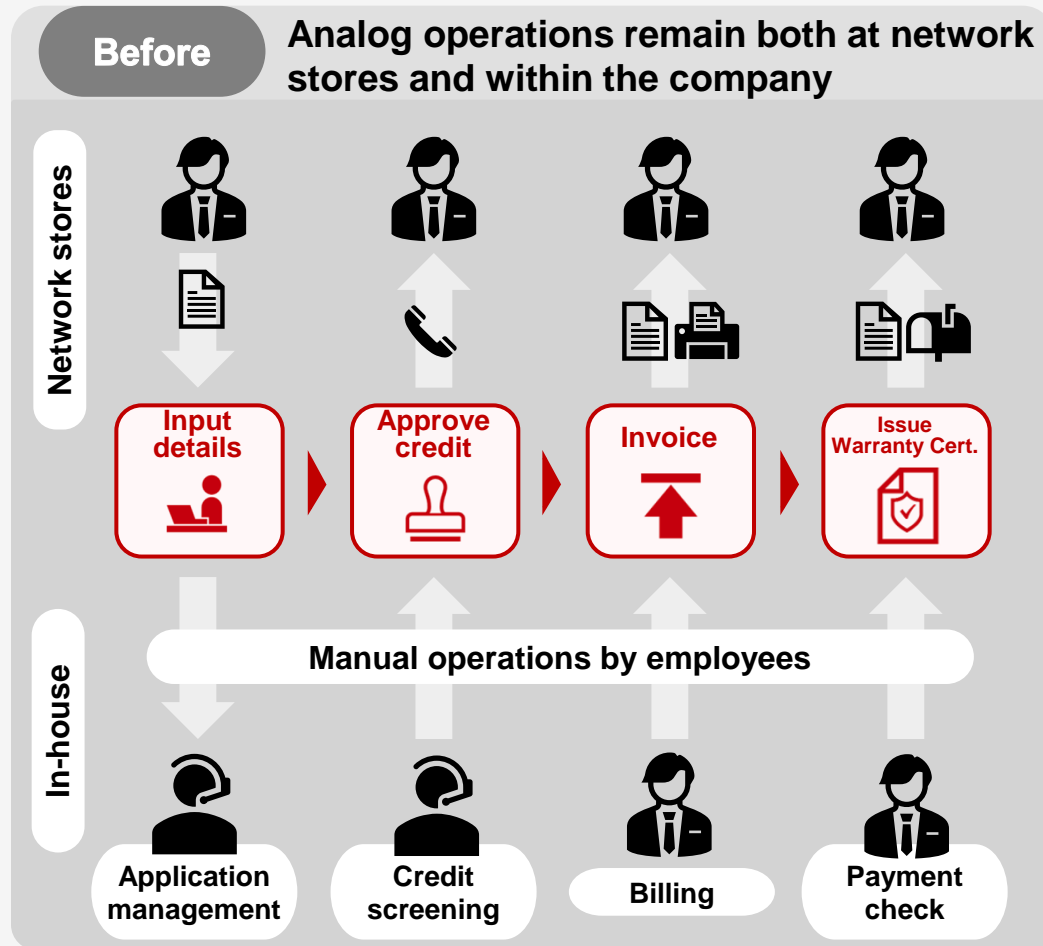
Creation of business opportunities



## 2. Our DX Strategy

# 02-5 DX: Core Business Strategy (Automobile Warranty: Breaking Away from Legacy Systems by Updating Core Systems)

- Aim to reduce workload and improve management efficiency of mobility providers at the time of automobile warranty contract.
- At the same time, it will reduce our workload, expand the automobile warranty business while also reducing the cost of repair.



## 02-5 DX: Core Business Strategy—Roadmap

### Initiatives to accelerate DX promotion

- Strengthen mobility platform to realize Car Premium business model
- Start to develop DX human resources
- Improve productivity and business speed by updating work systems

### Build foundation for DX

- Formulate DX strategy
- Form specialized organization for promoting DX
- Start construction of mobility platform

1st  
Stage

2nd  
Stage

Current location

3rd  
Stage

### Achieving our DX Vision and further innovation

- Complete mobility platform
- Establish competitive advantage through DX
- Create new business models that go beyond the mobility platform

## 02-6 DX: Organization

DX Strategy

Core Business  
Strategy

Organization

Training

Foundation

### Establish two organizations to promote DX in a hybrid manner through mutual collaboration

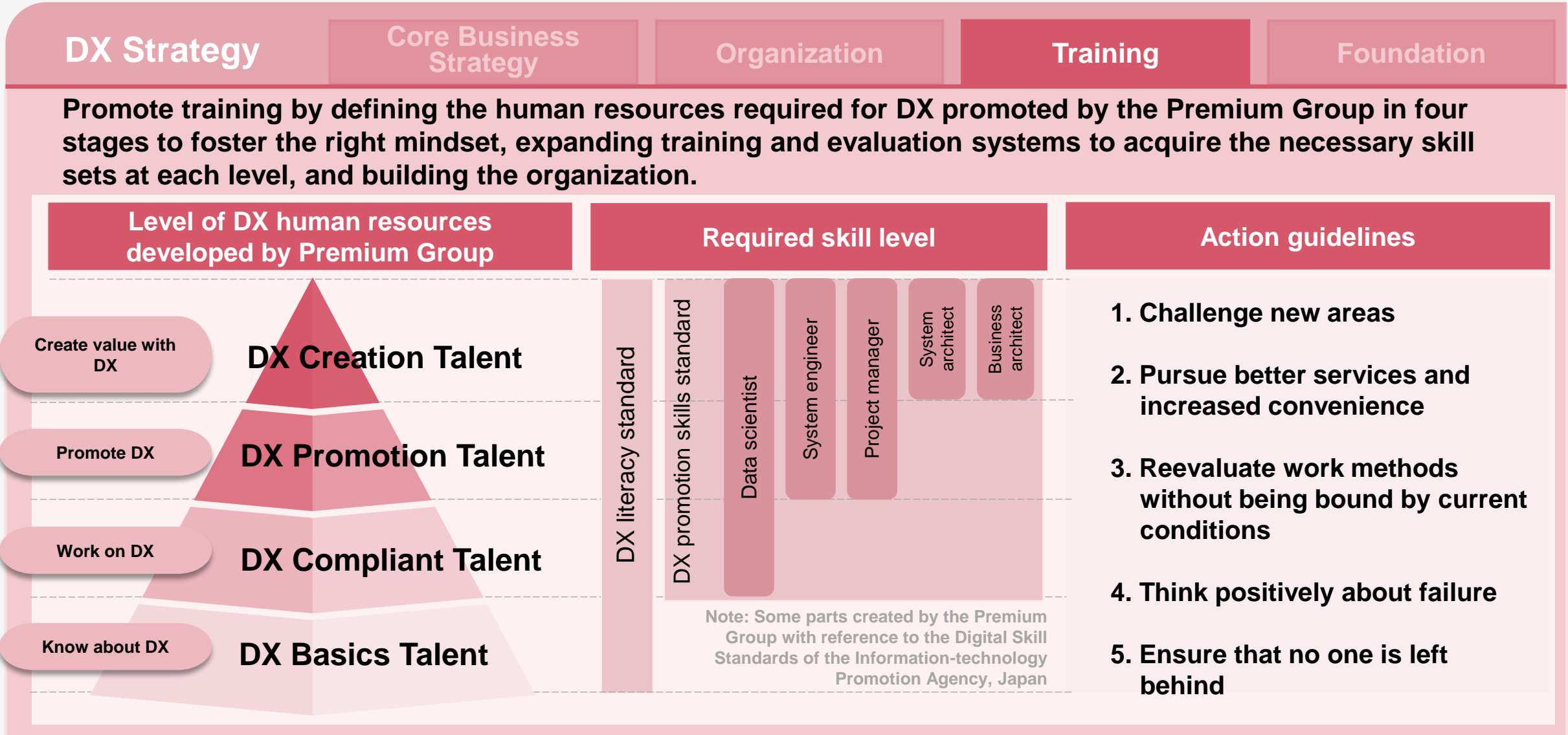
#### 1 Establish “specialized organization for promoting DX” that reports directly to senior management

- Form an organization with the mission of building and operating a system ahead of the curve in terms of business speed using the latest IT technology.
- Continue to promote Company-wide reforms considering new perspectives not tied to conventional businesses.
- Monitor latest trends in digital technology to promote DX from a unique perspective.
- Also implement initiatives to develop human resources with the skills necessary to promote strategy Company-wide.

#### 2 Establish departments to promote DX projects within major subsidiaries

- Setup project team as a department, and after clarifying ownership, promote work improvements and better productivity across the Group.
- Strive for continuous operational improvements that are not one-off in nature.
- Facilitate mutual reskilling and also use to develop DX human resources by having members of business divisions and members of specialized organization for promoting DX work together in departments.

# 02-7 DX: Training



## 02-8 DX: Foundation

DX Strategy

Core Business Strategy

Organization

Training

Foundation

### 1 Data consolidation/analysis foundation

- Speed up business execution by building an environment where the latest data is obtained quickly and a platform that addresses myriad analysis needs for quick management decisions.

### 2 Agile development

- Quickly respond to changes in the business environment and new needs to swiftly provide new services without stopping systems by realizing an agile development environment through microservices.

### 3 Full cloud adoption

- Provide infrastructure at the right cost and speed based on requirements for business expansion and introduce Work From Anywhere at Anytime (WFA) as a new work style for users.

### 4 Zero Trust

- Protect information assets from threats and increase corporate value by adopting a zero-trust security model based on the premise that all internal and external networks are not to be trusted.

# 03

## DX Investments & Progress Indicators

### DX Investments & Key Goal Indicators




We present our DX investments and KGI targets.

**Digital Governance Code “3. Achievements and key performance indicators”**

A company must define indicators for measuring the achievement of strategies for utilizing digital technologies and convey to stakeholders self-assessments of performance based on these indicators.

# 03-1 Investment Policy and Progress Indicators

## DX Strategy

Investment Policy	1	Plan to invest 1.5 to 3 billion yen over the three years of FY2024-2026		
	2	Advance DX concurrently in three areas—end users, mobility providers, and internal work reforms—with the goal of further strengthening the platform		
Progress Indicators	KPIs	 <p><b>Man-hour reduction rate</b> through work process improvements</p>	 <p><b>3Rs of mobility platform</b></p> <p>Inflow rate Utilization rate Retention rate</p>	 <p><b>Percentage*1 of DX-compliant certified human resources*2</b></p> <p><small>*1: Calculated as a percentage of the total number of employees in the Premium Group *2: Includes DX promotion and DX creation human resources</small></p>
		CSF	Medium-Term Management Plan materiality	
	KGI	Medium-Term Vision: Establishing the Car Premium Business Model		



# 04

## Governance

### Governance

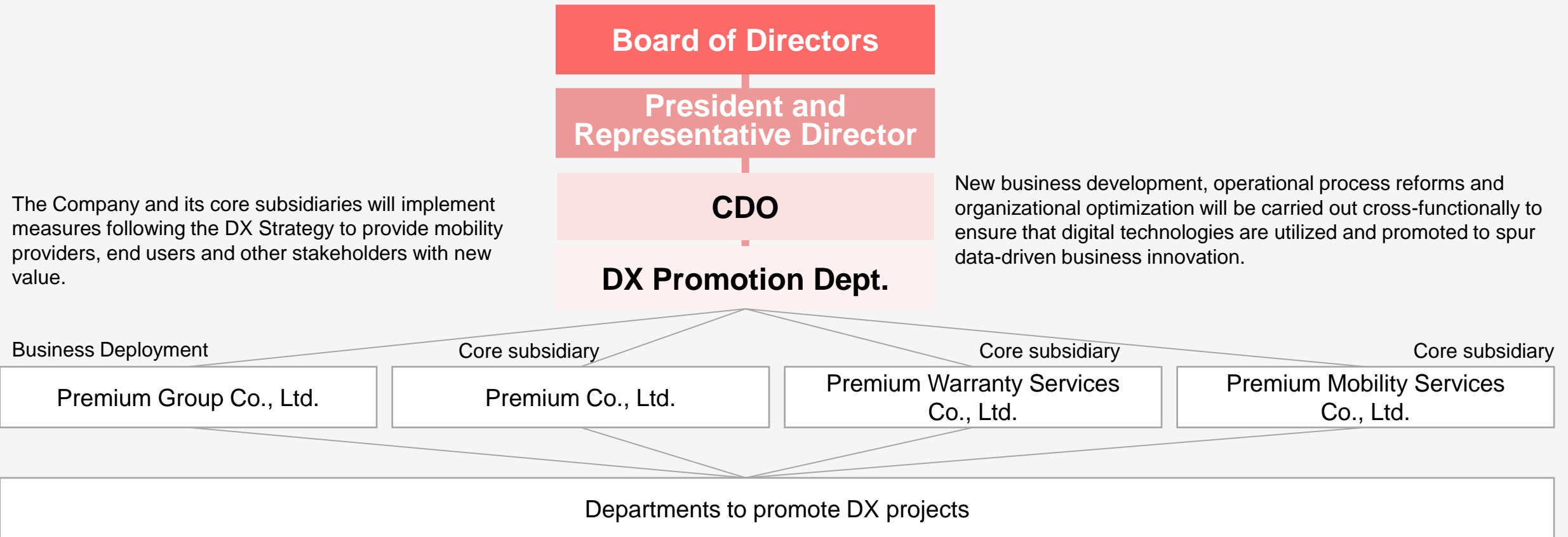
We will now explain our governance, digital transformation implementation system.

#### **Digital Governance Code “4. Governance system”**

- Management must exercise leadership when implementing strategies for utilizing digital technologies, such as providing information to stakeholders.
- Management must cooperate with business divisions (persons in charge) and IT divisions (persons in charge) to understand and analyze issues based on trends in digital technologies and the current conditions of the company’s IT system, and reflect these in the review of strategies. Additionally, management must take appropriate measures against cybersecurity risks, which accompany business execution of .

# 04-1 DX Promotion Framework Diagram

The Group is building a system where the president and representative director will serve as the person ultimately responsible for execution and the Chief Digital Officer (CDO) will promote and lead implementation of our DX Strategy.



# 04-2 Information Security (Cybersecurity) Initiatives

Based on the Information Security Policy, the Group recognizes that it is important to respond to information security risks that change on a daily basis, to provide safe and reliable services, and to protect the information assets entrusted to us by our customers and business partners, as well as the Group's information assets, from various threats. With this understanding, we have positioned information security as one of our most important issues, and we will work together as a Group to work on information security systematically and continuously.

