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Fiscal Year Ending March 31, 2023(FY22) Full Year Financial Briefing

Takashima & Co., Ltd. Securities Code 8007

Mar. 31, 2023



Takashima & Co., Ltd.

- 1 | FY22 Financial Highlights**
- 2 | FY23 Consolidated Performance Forecast**
- 3 | Shareholder Return**
- 4 | Our efforts to meet the continued-listing criteria in the new market segment of Tokyo Stock Exchange**

1 . FY22 Financial Highlights

FY22 Financial Highlights

- ✓ Increase Net Sales and Profit
- ✓ Highest Net Profit Ever
- ✓ Annual dividend per share of ¥170
(Year-end Dividend Increased by ¥30)
- ✓ Payout ratio 47.9% Total Return Ratio 54.3%

FY23 Performance Forecast

Net Sales ¥89,000M, Operating Profit 1,800M, Ordinary Profit 1,900M, Profit attributable to owners of parent 1,600M

FY23 Dividends Forecast

Dividends Per Share
Interim (Before Share Split) ¥70
Year-end(After Share Split) ¥25
(We will execute 1 for 4 Share Split at October)
(Without Share Split ¥170)

Consolidated Performance: P/L

- ✓ Net sales increased due to strong performance in the construction supply segment and the electronics and devices segment. Selling, general and administrative (SG&A) expenses increased due to increased sales activities to expand business performance, increased system investment, and expenses associated with M&A execution. Operating profit increased despite increase in SG&A expenses
- ✓ Net profit increased, helped by a gain on the sale of strategic stock holdings. Record-high profit.

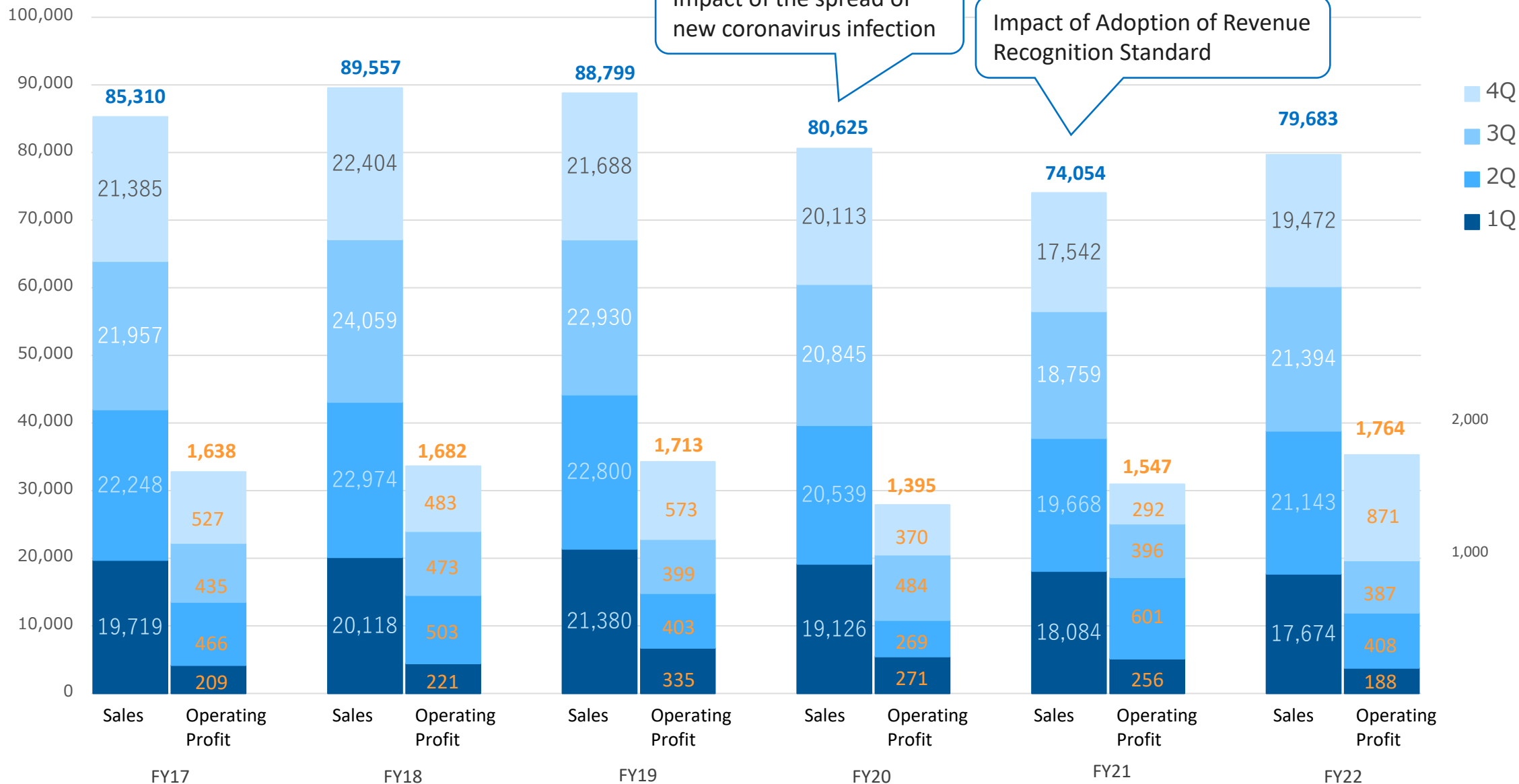
(Unit: millions of yen)

| | FY21 | FY22 | Amount of change | Year-on-Year(YoY) |
|---|--------|---------------|------------------|-------------------|
| Net sales | 74,054 | 79,683 | 5,629 | 7.6% |
| Operating profit | 1,547 | 1,764 | 216 | 14.0% |
| Operating profit ratio | 2.1% | 2.2% | 0.1pt | - |
| Ordinary profit | 1,840 | 1,939 | 98 | 5.4% |
| Profit attributable to owners of parent | 1,296 | 1,585 | 289 | 22.3% |

| Index | FY21 | FY22 | Change |
|-------------------------------|------|-------------|---------|
| ROE | 7.2% | 8.3% | 1.1pt |
| ROIC | 5.2% | 5.0% | (0.2)pt |
| Cost of Shareholder's Equity. | 6.2% | 6.3% | 0.1pt |
| WACC | 4.0% | 3.9% | (0.1)pt |

Consolidated Performance: P/L Sales & Operating Profit Transition

(Unit: Millions of yen)



Consolidated Performance B/S

The end of FY21
(Mar. 31, 2022)

Total assets : **¥45,176M**

Equity ratio : **40.9%**

+¥7,883M

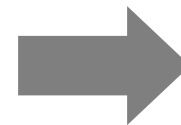
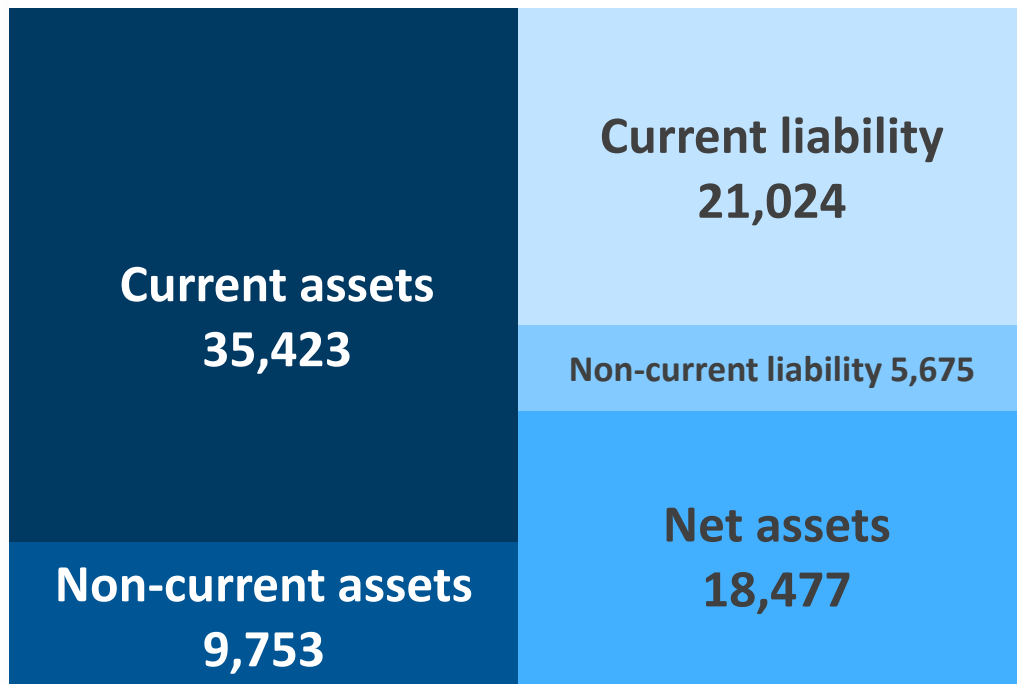
(4.1)pts

The end of FY22
(Mar. 31, 2023)

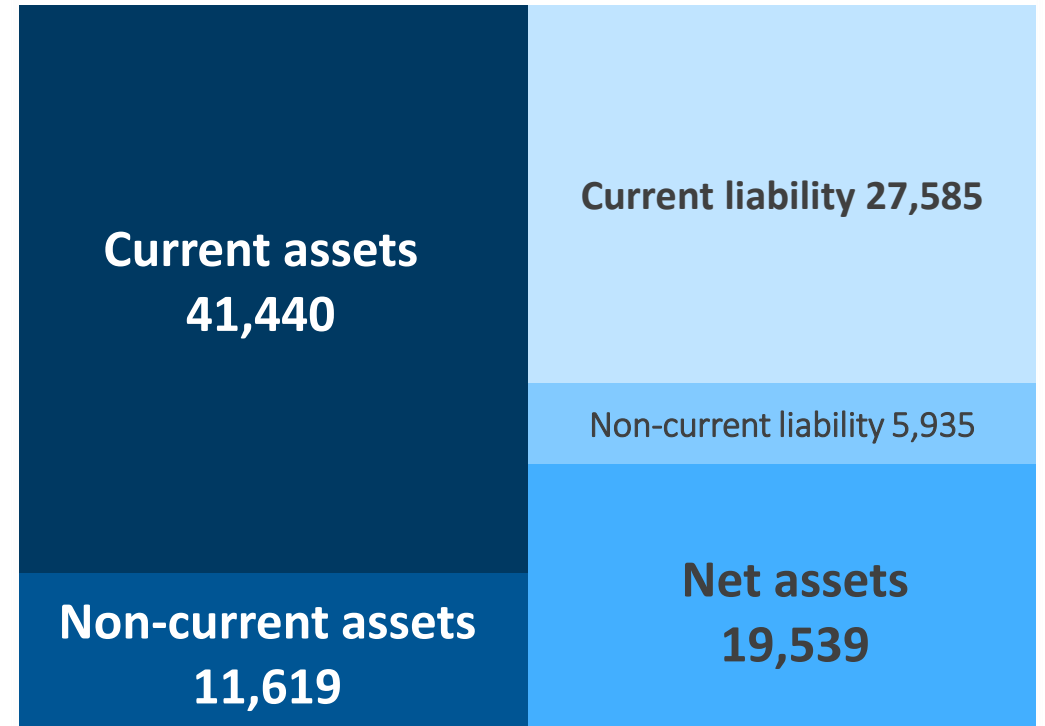
Total assets : **¥53,060M**

Equity ratio : **36.8%**

(Unit: Millions of yen)



(Unit: Millions of yen)



Consolidated Performance: B/S(detailed)



(Unit: millions of yen)

| | FY21 | FY22 | Amount of change(YoY) | Ratio of change(YoY) | Main reasons of change |
|------------------------------------|--------|--------|-----------------------|----------------------|---|
| Total Assets | 45,176 | 53,060 | 7,883 | 17.5% | |
| Total current assets | 35,423 | 41,440 | 6,017 | 17.0% | Notes Receivables –trade and accounts receivable – trade +¥2,592M, Electronically recorded monetary claims- operating +¥1,127M Merchandise and finished goods +¥1,071M |
| Total non-current assets | 9,753 | 11,619 | 1,866 | 19.1% | |
| Property, plant and equipment | 4,252 | 4,707 | 454 | 10.7% | Machinery, equipment and vehicles +¥302M |
| Intangible assets | 514 | 1,662 | 1,147 | 223.0% | Goodwill +¥1,069M |
| Total investments and other assets | 4,986 | 5,249 | 263 | 5.3% | |
| Total liabilities and net assets | 45,176 | 53,060 | 7,883 | 17.5% | |
| Total liabilities | 26,699 | 33,520 | 6,821 | 25.5% | |
| Total current liabilities | 21,024 | 27,585 | 6,561 | 31.2% | Short-term borrowings +¥2,524M, Notes and account payable – trade +¥1,153M, Electronically recorded obligation operating +¥1,870M |
| Total non-current liabilities | 5,675 | 5,935 | 259 | 4.6% | Others +¥291M |
| Total net assets | 18,477 | 19,539 | 1,062 | 5.7% | Retained earnings ¥(895)M Retained earnings(profit attributable to owners of parent) +¥1,585M |

Consolidated Performance: C/F



Cash flows from operating activities: Increase in trade payable +¥3,227M

Increase in trade receivables and contract assets ¥(3,850)M

Cash flows from investing activities : Acquisition of shares of a subsidiary resulting in a change in the scope of consolidation ¥(1,211)M

Cash flows from financing activities: Net increase in short-term borrowings ¥(2,418)M

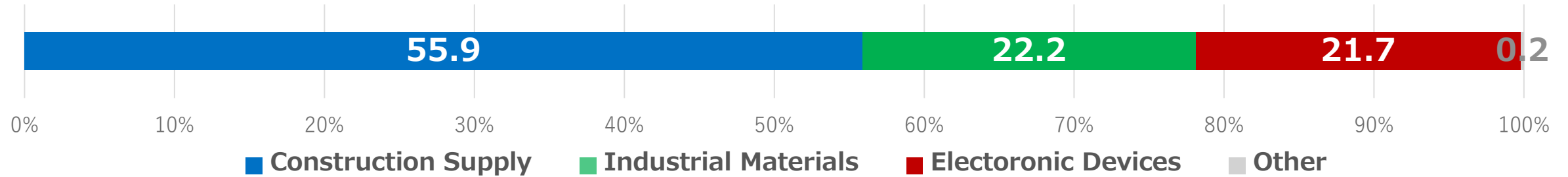
(Unit: Millions of yen)

| | FY21 | FY22 |
|--|-------|----------------|
| Net cash provided by (used in) operating activities | (389) | 700 |
| Net cash provided by (used in) investing activities | (654) | (1,448) |
| Net cash provided by (used in) financing activities | 2,305 | 1,059 |
| Net increase (decrease) in cash and cash equivalent | 1,421 | 470 |
| Cash and cash equivalents at beginning of the period | 5,880 | 7,301 |
| Cash and cash equivalents at end of the period | 7,301 | 7,772 |

Performance of Each Segment

Net Sales Configuration by Segment

FY22 Net Sales ¥79,683M



Construction Supply Segment

This segment handles a variety of commercial products related to construction and building, including wall materials, foundation pillars(piles), insulation materials, solar panels, and interior materials. We have established a nationwide sales network and also undertake a wide variety of processes, from planning and design to construction.



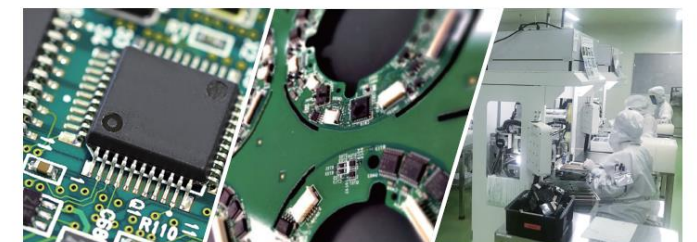
Industrial Materials Segment

This segment handles a diverse range of commercial products, including plastic materials and molded products, high-performance products for rolling stock, industrial textiles, LED construction, and OEM of apparel. We also make use of manufacturers within the group to offer a variety of other services and functions.

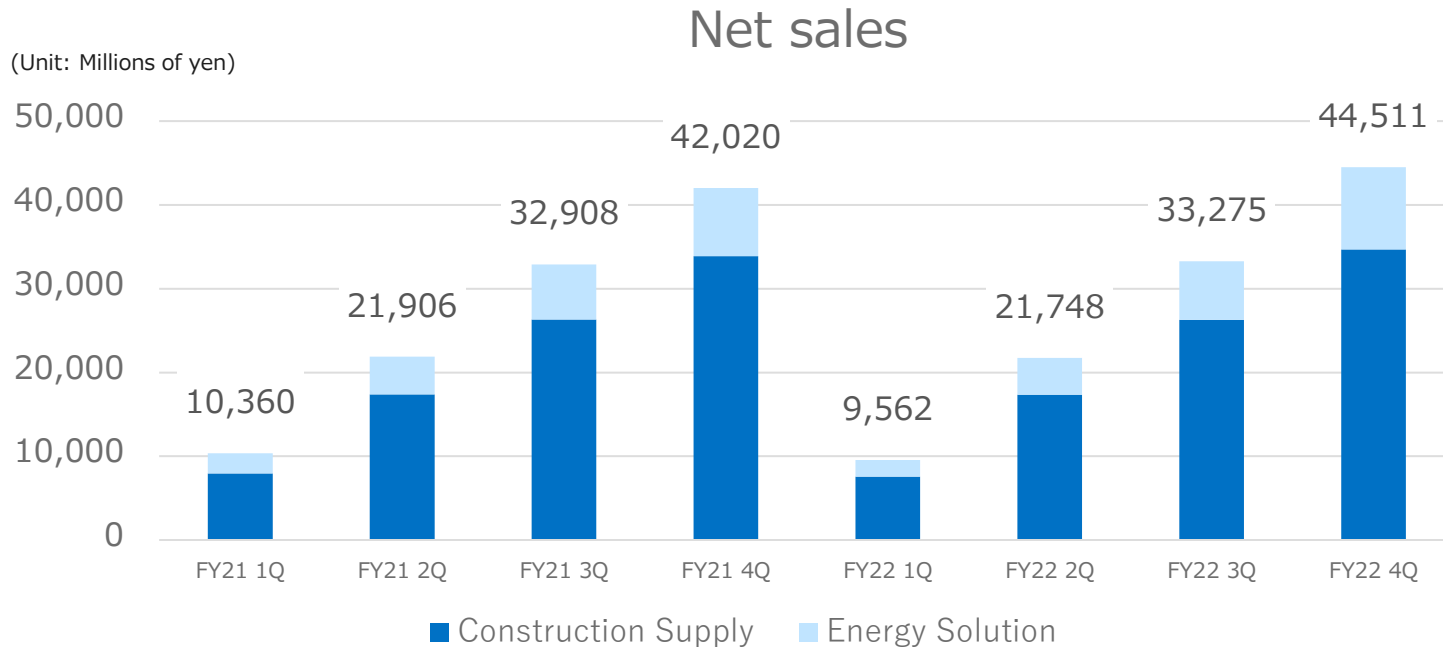


Electronic Device Segment

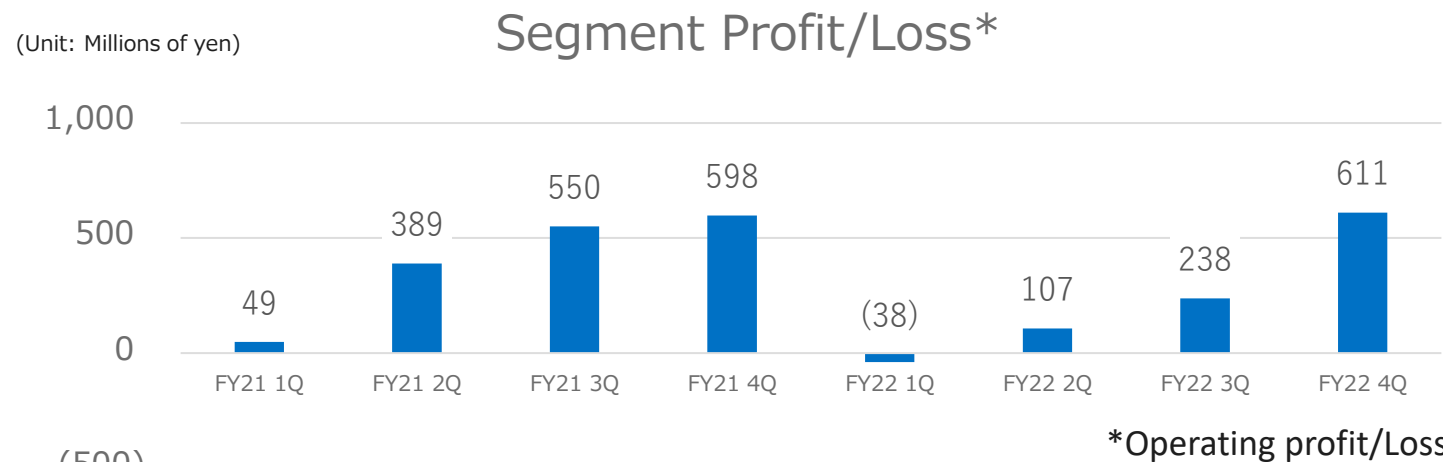
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Briefing by Segment: Construction Supply (Net sales, Segment Operating Profit/Loss)



| | | |
|--------------|----------------|---|
| Net sales | ¥44,511 | M |
| Year-on-Year | 5.9 | % |



| | | |
|-----------------|-------------|---|
| Segment profit | ¥611 | M |
| Ratio of profit | 1.4 | % |
| Year-on-Year | 2.2 | % |

Briefing by Segment: Construction Supply -Business Field-



- In the construction supply field, sales of construction materials were firm, although sales of ground improvement work were sluggish.
- Sales in the solar energy-related sector increased year on year, despite the impact of supply delays for solar panels and peripheral equipment.
- Sales in the insulation materials-related and housing materials-related fields were generally firm.
- Sales and profit decreased due to an increase in selling, general and administrative expenses resulting from increased sales activities to expand business performance, increased system investment, and expenses associated with the implementation of M&A.

(Unit: Millions of yen)

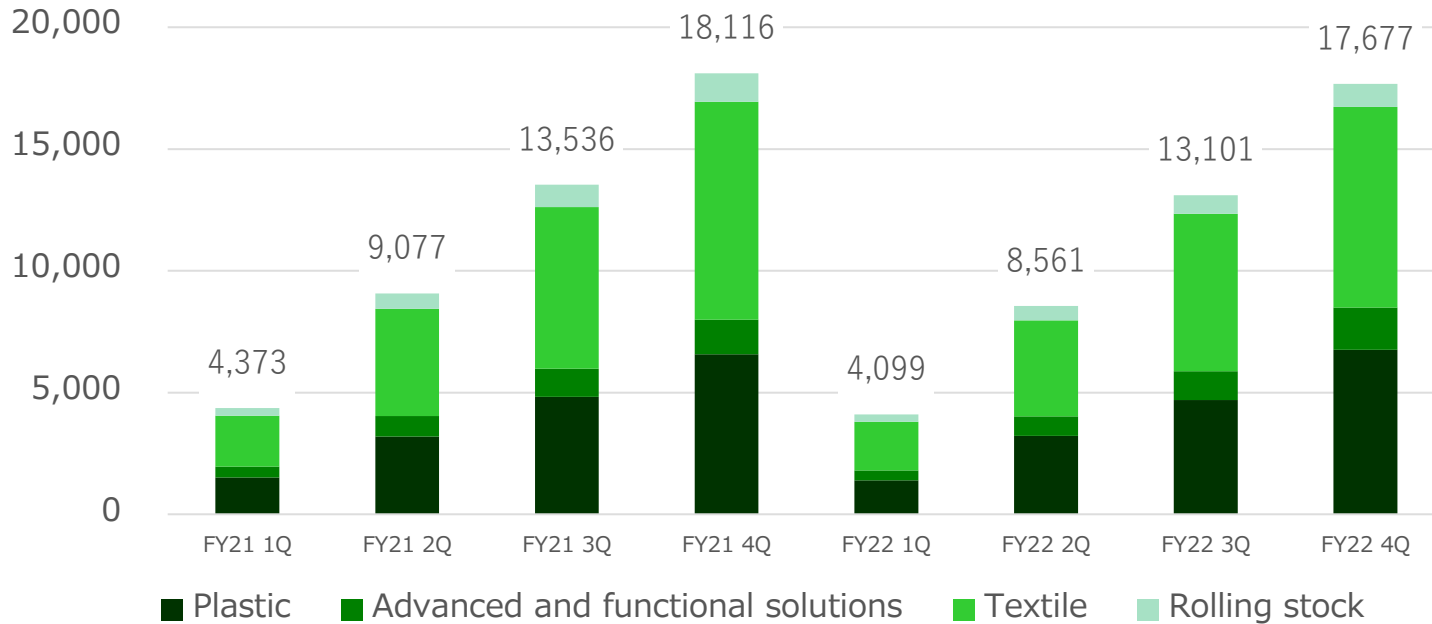
| Business Field | FY21 | FY22 | Amount of change | Year-on-Year |
|--|--------|--------|------------------|--------------|
| Construction Supply —Sales, design, and construction of materials related to housing and non-housing | 33,865 | 34,700 | 834 | 2.5% |
| Energy solutions —Sales of solar power generation systems, energy products, and “all-electrification” products. | 8,154 | 9,810 | 1,655 | 20.3% |
| Segment net sales | 42,020 | 44,511 | 2,490 | 5.9% |
| Segment profit | 598 | 611 | 13 | 2.2% |
| Ratio of profit | 1.4% | 1.4% | - | (0.1)pt |

Briefing by Segment: Industrial Materials (Net sales, Segment Operating Profit/Loss)



(Unit: Millions of yen)

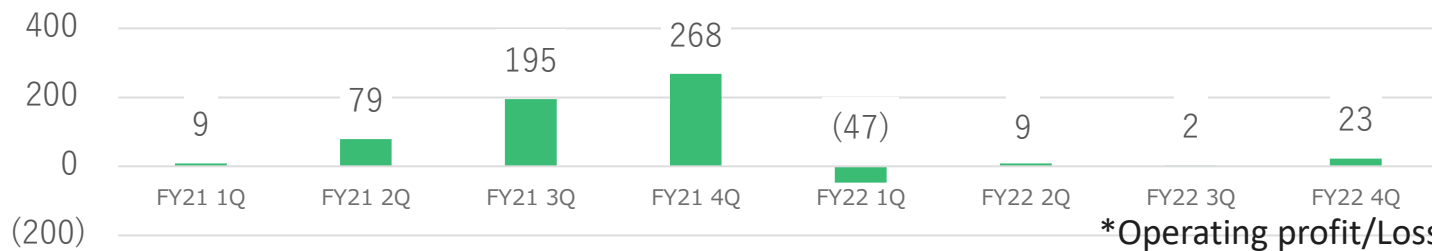
Net Sales



| | | |
|-----------------|----------------|---|
| Net sales | ¥17,677 | M |
| Year-on-Year | (2.4) | % |
| Segment profit | ¥23 | M |
| Ratio of profit | 0.1 | % |
| Year-on-Year | (91.3) | % |

(Unit: Millions of yen)

Segment Profit/Loss*



*Operating profit/Loss

Briefing by Segment: Industrial Materials -Business Field-

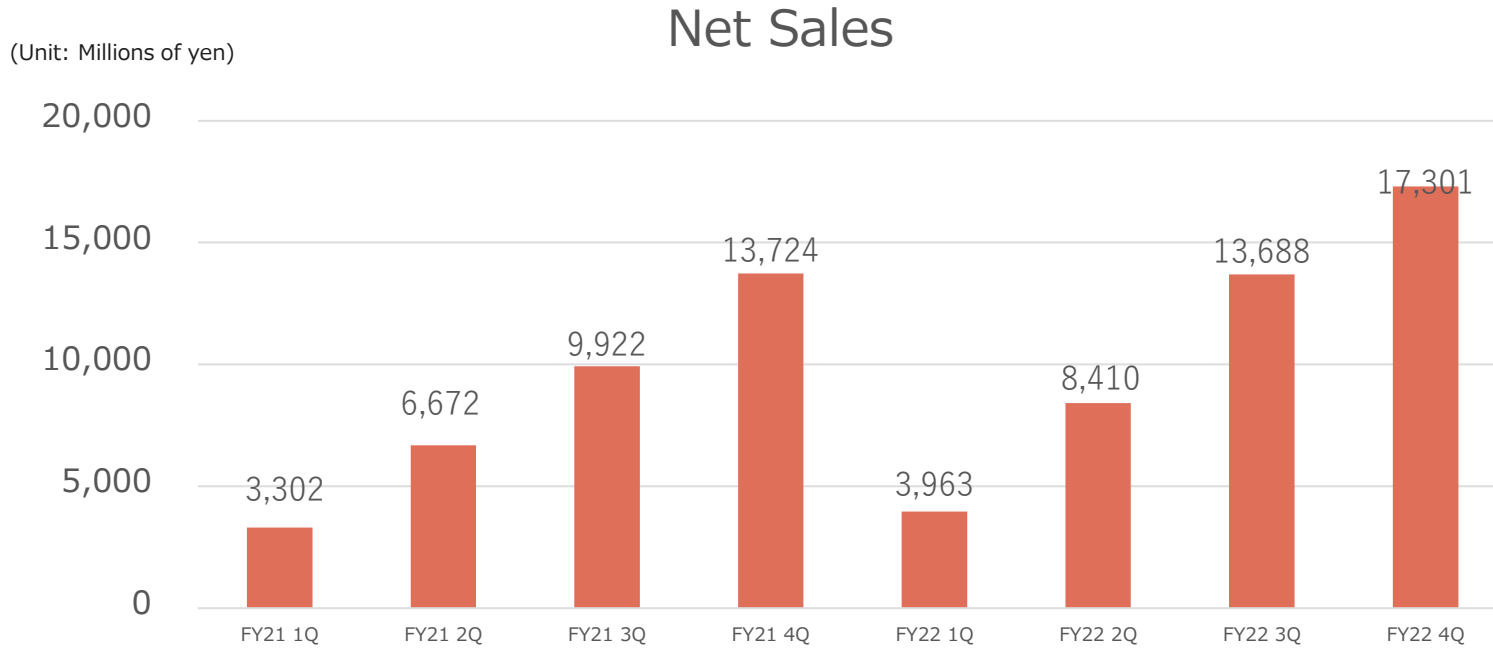


- In the plastic materials-related field, sales increased due to an increase in orders for molded products, despite a slow recovery in the automotive market due to the shortage of semiconductors.
- Textile materials-related sector remained sluggish due to stagnant market and lower demand caused by price hikes.
- Sales and income decreased due to an increase in selling, general and administrative expenses resulting from increased sales activities to expand business performance, increased system investment, and expenses associated with the implementation of M&A.

(Unit: Millions of yen)

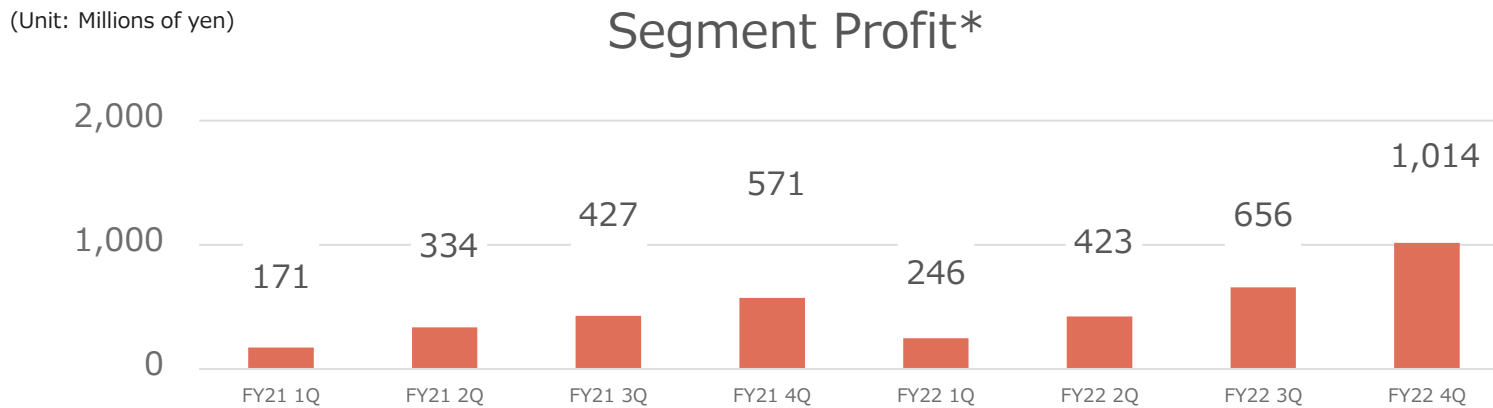
| Business field | FY21 | FY22 | Amount of change | Year-on-Year |
|--|---------------|---------------|------------------|----------------|
| Plastic —Design, processing, and sales of transport materials and molded plastic products | 6,582 | 6,753 | 171 | 2.6% |
| Advanced and functional solutions —Sales of industrial materials, such as polishing film, and LED installation | 1,414 | 1,738 | 323 | 22.9% |
| Textile —Sales and processing of industrial fabrics, apparel, synthetic leather, sewn products, and textile-related good. | 8,949 | 8,246 | (703) | (7.9)% |
| Rolling stock —Design, processing and sales of interior and exterior components for rolling stock | 1,170 | 938 | (231) | (19.8)% |
| Segment net sales | 18,116 | 17,677 | (439) | (2.4)% |
| Segment profit | 268 | 23 | (244) | (91.3)% |
| Ratio of profit | 1.5% | 0.1% | - | (1.3)pt |

Briefing by Segment: Electronic Devices (Net sales, Segment Operating Profit/Loss)



| | | |
|------------------|----------------|----------|
| Net sales | ¥17,301 | M |
| Year-on-Year | 26.1 | % |

| | | |
|-----------------------|---------------|----------|
| Segment profit | ¥1,014 | M |
| Ratio of profit | 5.9 | % |
| Year-on-Year | 77.4 | % |



*Operating profit

Briefing by Segment: Electronic Devices -Area-

- In the electronic equipment-related field, the domestic consumer electronics market, the main market, was in a difficult situation with negative growth for the third consecutive year, while the domestic white goods market turned positive for the first time in two years and performed well.
- Despite continued fierce price competition in the market, sales and income increased due to an increase in new orders and the weaker yen, which also boosted earnings.

(Unit: Millions of yen)

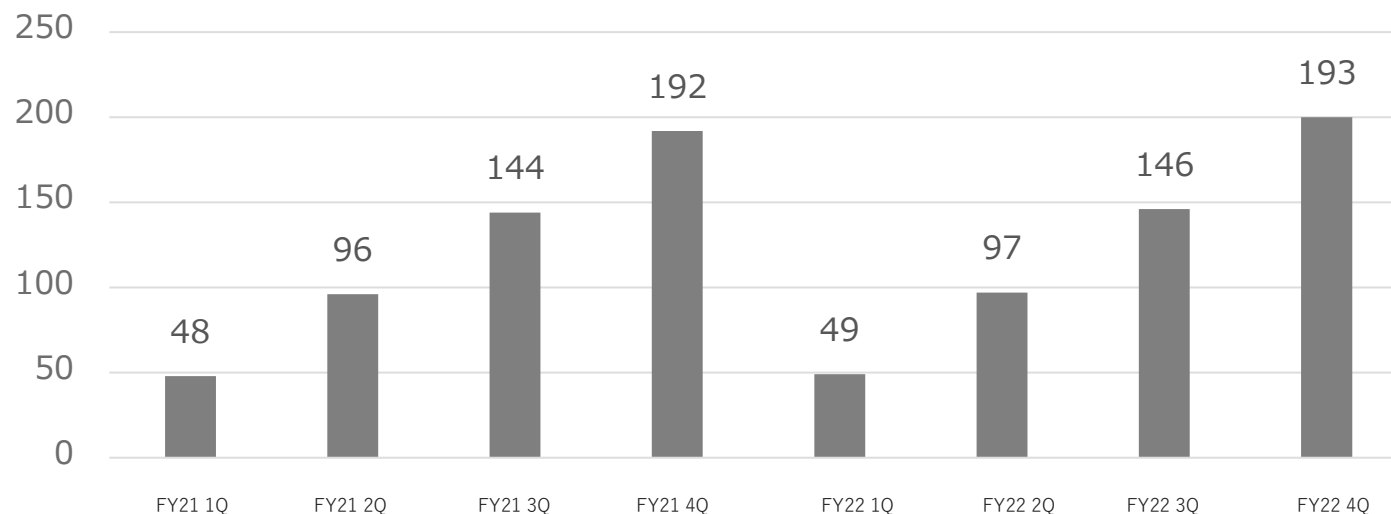
| Area. | FY21 | FY22 | Amount of change | Year-on-Year |
|---|---------------|---------------|------------------|--------------|
| Hongkong —Sales of electronic components and devices, production technologies, quality control support | 4,601 | 4,880 | 279 | 6.1% |
| Thailand —Manufacturing and sales of electronic components and devices | 4,860 | 7,021 | 2,160 | 44.5% |
| Japan —Sales of electronic components and devices, production technologies, quality control support. | 1,567 | 2,164 | 597 | 38.1% |
| Others —Manufacturing and sales of electronic components and devices | 2,696 | 3,234 | 538 | 20.0% |
| Segment Net Sales | 13,724 | 17,301 | 3,576 | 26.1% |
| Segment profit | 571 | 1,014 | 442 | 77.4% |
| Ratio of profit | 4.2% | 5.9% | - | 1.7pt |

Real Estate Leasing Segment

- No change in real estate owned by the Company from the previous period, and both net sales and segment profit remained unchanged.

(Unit: Millions of yen)

Net Sales



Net sales

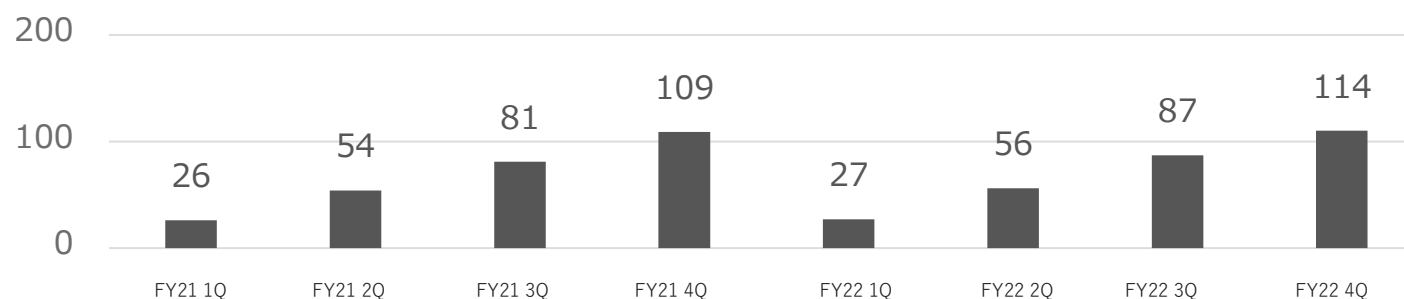
¥193 M

Year-on-Year

0.9 %

(Unit: Millions of yen)

Segment Profit*



Segment profit

¥114 M

Ratio of profit

59.1 %

Year-on-Year

5.0 %

*Operating profit

FY22 4Q Segment Performance Overview



(Unit: Millions of yen)

| | FY21 | FY22 | Amount of change | Year-on-Year |
|-------------------------|--------|--------|------------------|--------------|
| Net Sales | 74,054 | 79,683 | 5,629 | 7.6% |
| Construction Supply | 42,020 | 44,511 | 2,490 | 5.9% |
| Industrial materials | 18,116 | 17,677 | (439) | (2.4)% |
| Electronic Devices | 13,724 | 17,301 | 3,576 | 26.1% |
| Real Estate Leasing | 192 | 193 | 1 | 0.9% |
| Operating Profit | 1,547 | 1,764 | 216 | 14.0% |
| Construction Supply | 598 | 611 | 13 | 2.2% |
| Industrial materials | 268 | 23 | (244) | (91.3)% |
| Electronic Devices | 571 | 1,014 | 442 | 77.4% |
| Real Estate Leasing | 109 | 114 | 5 | 5.0% |

2. FY22 Full-year Consolidated Performance Forecast

FY23 Consolidated Performance Forecast

- ✓ Sales increased 11.7% YoY to ¥89,000M.
- ✓ Net profit increased 0.9% from the previous year to ¥1,600M.

(unit : Millions of yen)

| | FY22 | FY23 (Forecast) | Amount of Change | Year-on-Year |
|--|--------|--------------------|---------------------|--------------|
| Net Sales | 79,683 | 89,000 | 9,316 | 11.7% |
| Operating profit | 1,764 | 1,800 | 35 | 2.0% |
| ratio of operating profit | 2.2% | 2.0% | - | (0.2)pt |
| Ordinary profit | 1,939 | 1,900 | (39) | (2.1)% |
| Profit attributable to owners of parent | 1,585 | 1,600 | 14 | 0.9% |

FY23 Consolidated Full-year Forecast by Segment



(unit : Millions of yen)

| | FY22 | FY23 (forecast) | Amount of change | Year-on-Year |
|-------------------------|--------|--------------------|------------------|--------------|
| Net sales | 79,683 | 89,000 | 9,316 | 11.7% |
| Construction Supply | 44,511 | 54,600 | 10,088 | 22.7% |
| Industrial Materials | 17,677 | 18,750 | 1,072 | 6.1% |
| Electronic Devices | 17,301 | 15,450 | (1,851) | (10.7)% |
| Real Estate Leasing | 193 | 200 | 6 | 3.1% |
| Operating profit | 1,764 | 1,800 | 35 | 2.0% |
| Construction Supply | 611 | 840 | 228 | 37.3% |
| Industrial Materials | 23 | 400 | 376 | 1607.3% |
| Electronic Devices | 1,014 | 450 | (564) | (55.7)% |
| Real Estate Leasing | 114 | 110 | (4) | (4.0)% |

3.Shareholder Return

Purpose of the Stock Split

By reducing the amount per investment unit of our share, we aim to create an environment in which investors can invest more easily, to improve the liquidity of our share, and to further expand our investor base.

Overview of share split

| | |
|----------------|-------------------------------|
| Ratio of split | 4-for-1 stock split |
| Record date | September 30, 2023 (Saturday) |
| Effective date | October 1, 2023(Sunday) |

| | Before share split | After share split |
|--|--------------------|-------------------|
| Total number of issued shares | 4,466,273 shares | 17,865,092 shares |
| Total number of shares authorized to be issued | 14,000,000 shares | 56,000,000 shares |

Basic Policy

Consolidated dividend payout ratio of 40% or more - Total return ratio of 50%
Lower limit of total return amount: 500 million yen

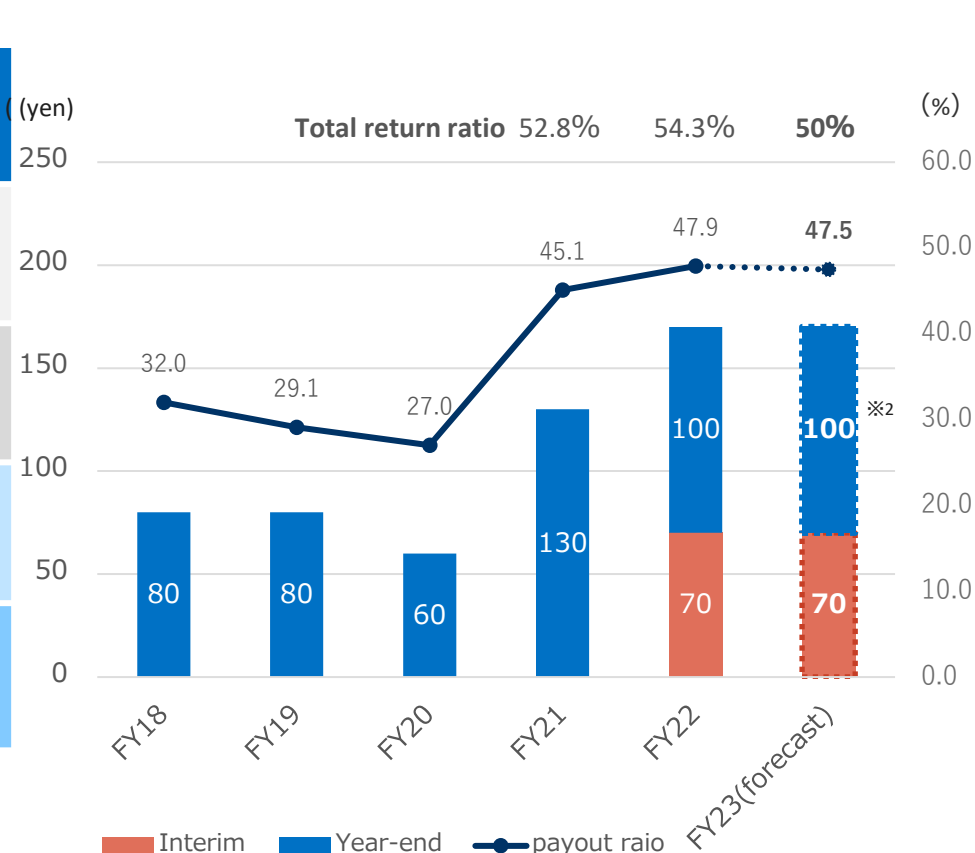
Dividends per share

| | (yen) | | |
|---|--------------|-------------------------------|---------------|
| | Interim | Year-end | Total |
| FY22 (Initial forecast) | 70.00 | 70.00 | 140.00 |
| FY22 (Revised forecast) | 70.00 | 100.00 | 170.00 |
| FY23 (Forecast) | 70.00 | 25.00 *1 after share split | - |
| FY23 (forecast) Without considering share splits | 70.00 | 100.00 *2 | 170.00 |

*1 A 4-for-1 stock split is scheduled to take effect on Sunday, October 1, 2023.

*2 Dividend per share without stock split

Transition of Dividend per Share and Dividend Payout Ratio



Our efforts to meet the continued-listing criteria in the new market segment of Tokyo Stock Exchange

May 31, 2023

Takashima & Co., Ltd

Securities Code 8007

Takashima & Co., Ltd.







- 1. Status of meeting the criteria as of the base date of TSE's transition to the new market classification**
- 2. Basic policy of the plan to meet the continued listing criteria**
- 3. Progress based on the plan to meet the continued listing criteria**
- 4. Sustainability **V** (Value), a medium-term management plan developed with the aim to meet the continued listing criteria of TSE's prime market.**
- 5. Our Achievements and Plans for the Future**
- 6. Trends in stock prices after the announcement of our plan to meet the criteria**

1. Status of meeting the criteria as of the base date of TSE's transition to the new market classification

1. Result of judgment by the Tokyo Stock Exchange as of the transition reference date

- The Company's compliance with the criteria for continued-listing on the prime market as of the transition reference date (June 30, 2021) did not meet the criteria for tradable market capitalization and trading value.

[Prime Market] Our status of continued-listing criteria for New Market Classification

| Criteria | Number of Tradable shares 20,000 units or more | Tradable share market capital ¥10.0Bn or more | Tradable share ratio 35% or more | Trading value ¥20.0M or more / day |
|----------|--|--|--|--|
| Status |  Met |  Not met |  Met |  Not met |
| | 27,185 units | ¥4.79Bn | 59.7% | ¥6.83M |

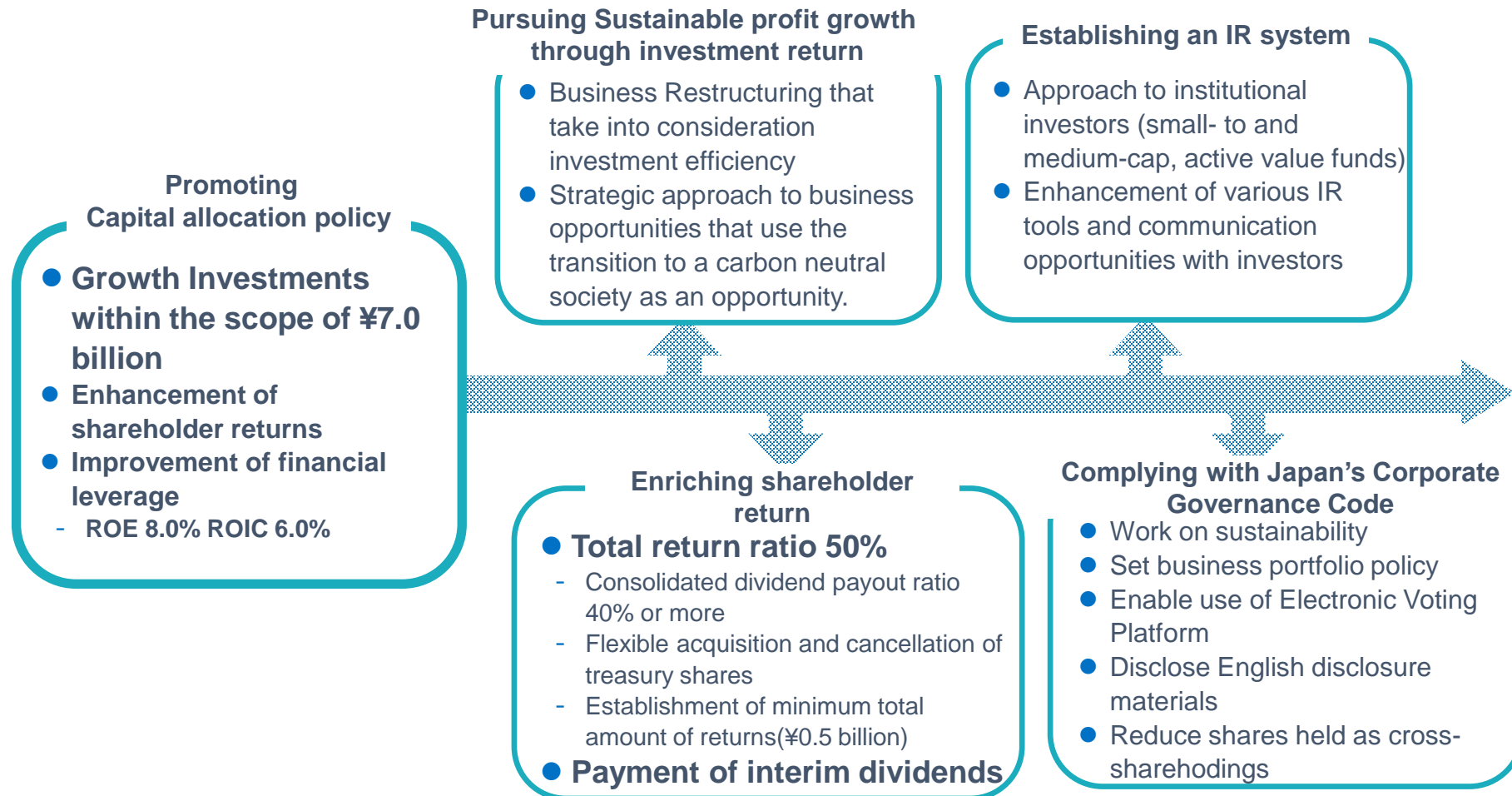
Results of the First Assessment of Compliance with the Criteria for Continued-Listing in the New Market Segment" (received from Tokyo Stock Exchange, Inc. on July 9, 2021)

2. Basic Policy of our plan to meet the criteria

2. Basic Policy of Our Plan to Meet the Criteria

- In the plan to meet the criteria disclosed on November 10, 2021, we established five basic policies to achieve the market capitalization of tradable shares and trading value standards.

Basic initiative policy for improving tradable share market capitalization and trading value



3. Progress based on the plan to meet the continued listing criteria

3-1 Trends in Status About to Meet the Continued-listing Criteria

- As for the status of compliance with the continued-listing criteria on the prime market at the end of the fiscal year ending March 31, 2023, our estimate of trading value met the criteria, but tradable market capitalization did not meet the criteria.

[Prime Market] Compliance with the continued-listing criteria New Market Classification

| Criteria | Tradable share units | Tradable market capitalization | Tradable share ratio | Daily trading value | |
|--------------------------|---|--------------------------------|----------------------------------|---------------------|------------------------------|
| | 20,000 units or more | ¥10 Bn or more | 35% or more | ¥20M or more/day | |
| Transition of our status | June 30, 2021 ^{*1} (Transition Reference Date) 27,185 units Met | ¥4.79Bn Not met | 59.7% Met | ¥6.83M Not met | |
| | As of the end of March, 2022 | 27,058 units | ¥6.34Bn ^{*2} | 60.1% ^{*2} | |
| | As of the end of Dec. 2022 ^{*3} | — | — | — | ¥33.32M Met |
| | As of the end of March, 2023 | 28,236 units Met | ¥8.24Bn ^{*4} Not met | 63.2% Met | ¥32.66M ^{*4} Met |

*1 Calculated by TSE.

*2 Estimated by us.

*3 Calculated by TSE.

*4 Estimated by us.

3-2. Planning Period to Meet the Continued-listing Criteria

- The period of the plan to meet the continued-listing criteria of the prime market listing is until the end of the fiscal year ending March 31, 2026, which is the final year of the Medium-Term Management Plan Sustainability V (fiscal year ending March 31, 2024 - fiscal year ending March 31, 2026), and various initiatives are being promoted.

| | | Sustainability X | | | The plan to meet the criteria | |
|--------------------------------|--------------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|---|
| | | Management Index | FY20 | FY21 | FY22 | FY25 |
| Management index | Net profit | | ¥1Bn | ¥1.296Bn | ¥1.585Bn | ¥1.7Bn ^{*1} <small>In the plan to meet the criteria, ¥1.5Bn</small> |
| | ROE | | 5.9% | 7.2% | 8.3% | 8.0% or more |
| | ROIC | | 5.1% | 5.2% | 5.0% | 6.0% or more |
| | Total return ratio | | 27.0% | 52.8% | 54.3% | 50% |
| The continued listing criteria | Continued-listing criteria | As of the end of June 2021 | As of the end of Dec. 2022 | As of the end of Mar. 2023 | | At the end of March, 2026 |
| | Tradable share units | 27,185units | | 28,236units | | 20,000 units or more |
| | Tradable market capitalization | ¥4.79Bn | | ¥8.24Bn | | ¥10 Bn or more |
| | Tradable share ratio | 59.7% | | 63.2% | | 35% or more |
| | Daily trading value | ¥6.83M | ¥33.32M | ¥32.66M | | ¥20M or more/day |

*1 Revised in the disclosure on November 14, 2022 ("Notice Regarding Update of "the Plan to Meet the continued-listing Criteria in the New Market Classification" and Progress Based on the Plan to Meet the continued-listing Criteria)

3-3. Status of Implementation and Evaluation of Initiatives

As a result of the steady implementation of the agreed-upon items in the plan to meet the criteria for "market capitalization of tradable shares (10 billion yen)," the ratio of tradable shares and the share price are on an increasing trend, and we have determined that there is no need to change the policies of the plan, including the profit plan and basic policy for initiatives in the plan.
Nevertheless, we will consider and implement additional measures with the aim of achieving the goal ahead of schedule by the end of March 2025.



Market capitalization and trading value of tradable shares and status of initiatives

- Promptly implemented measures based on the basic policy in the plan to meet the criteria, which is to transform the company from a solid management to a sustainable growth company, and met the continued-listing criteria about average daily trading value
- Market capitalization of tradable shares increased to 8.24 billion yen as both the ratio of tradable shares and the share price increased.
- Implement various measures such as strategic investments (M&A), shareholder return measures, raising awareness in capital markets (investor relations), and reducing policy shareholdings



business conditions

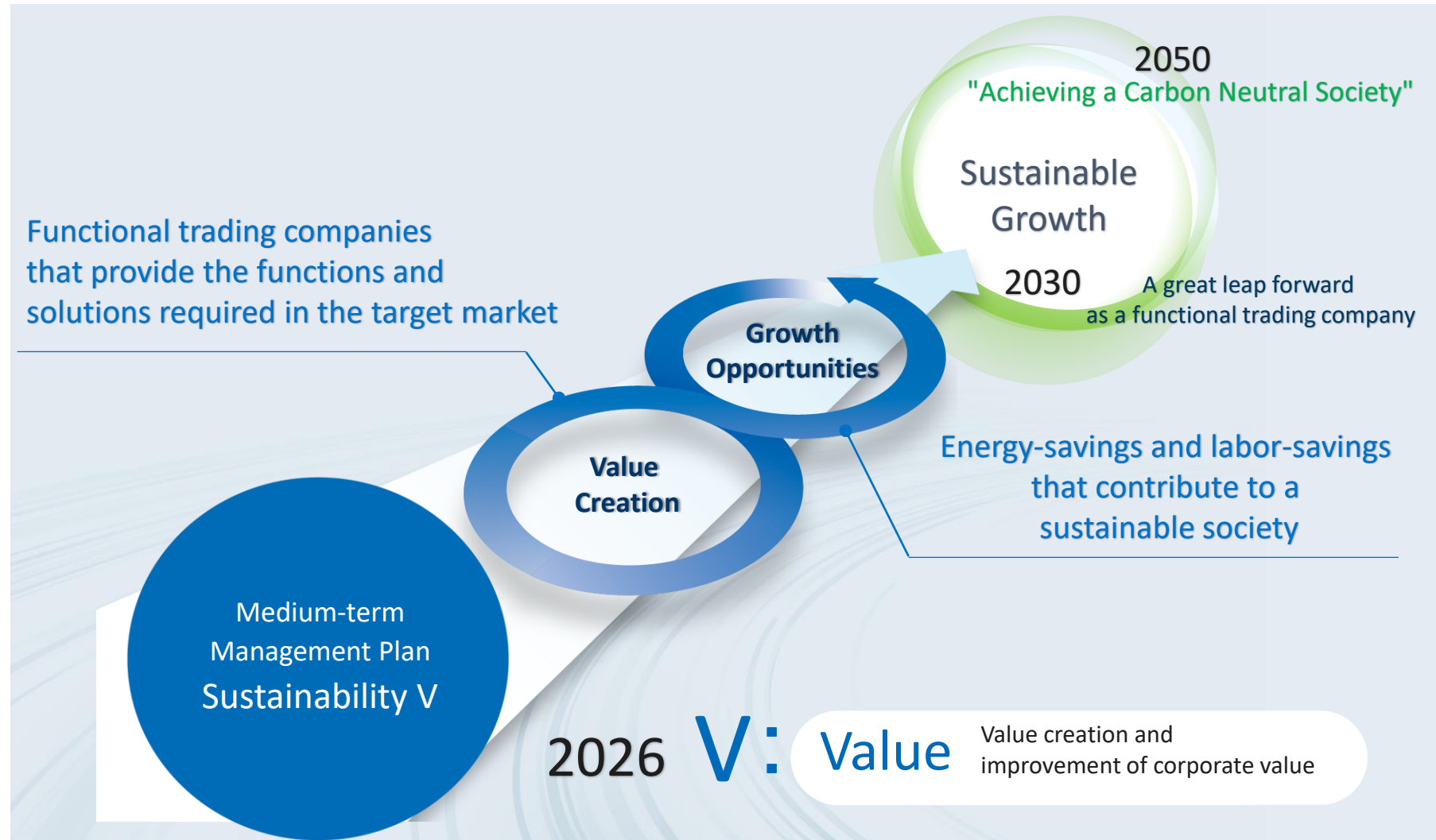
- Achieved the final year targets of the previous medium-term management plan, Sustainability X, and increased sales and profit for the fiscal year ended March 31, 2023 compared to the previous fiscal year.
- Formulate and announce the medium-term management plan, Sustainability V (FY3/2024-FY3/2026), to achieve profit growth and capital productivity improvement and increase corporate value.

4. Sustainability V (Value), a medium-term management plan developed with the aim to meet the continued listing criteria of TSE's prime market.

4. Next Medium-term Management Plan “Sustainability V”

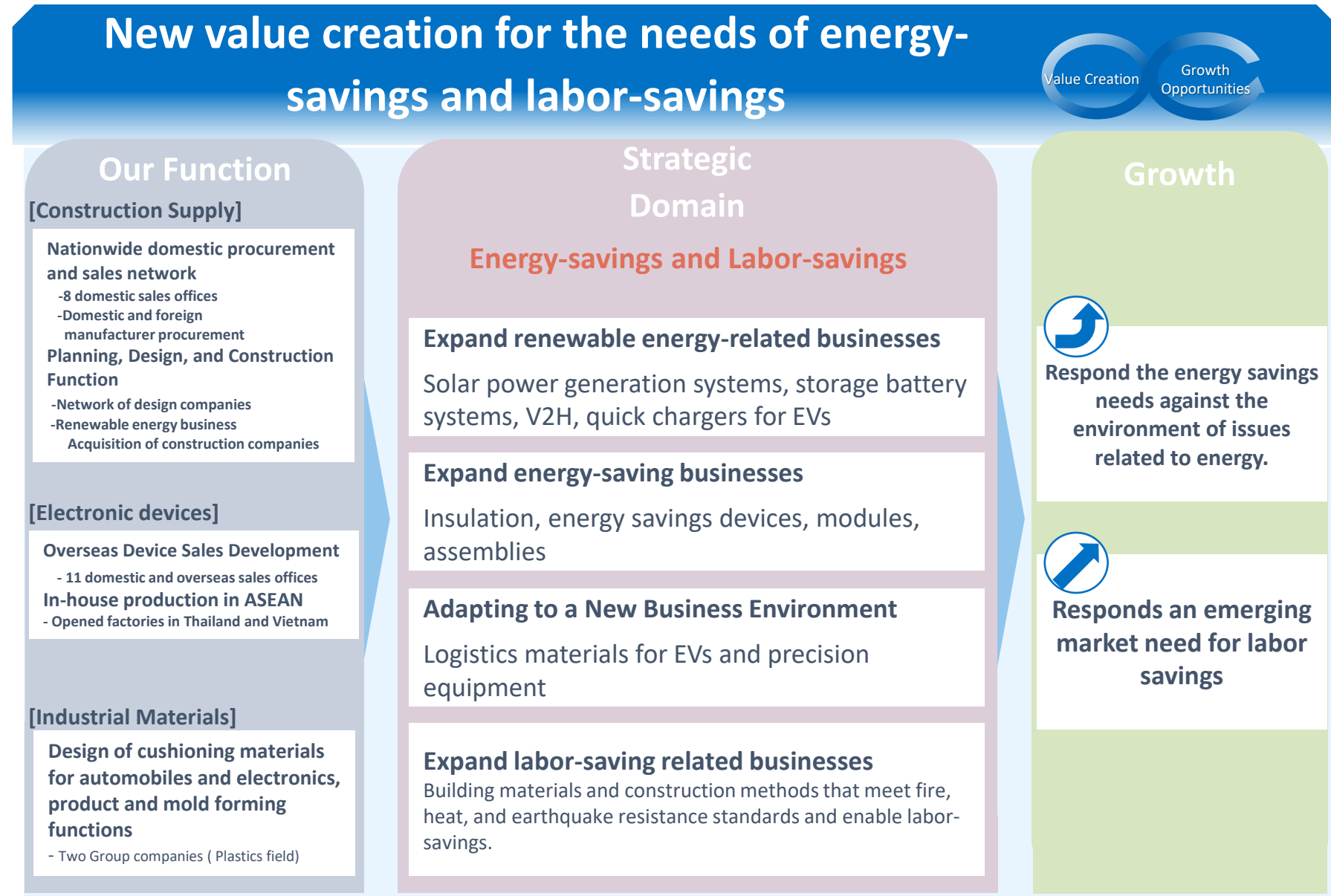
4-1. Basic Policy

- “Sustainability V” will simultaneously achieve adaptation to a sustainable society and sustainable growth through value creation strategies that capture growth opportunities in a changing market toward "Achieving a Carbon Neutral Society (2050)".



4. Next Medium-term Management Plan “Sustainability V”

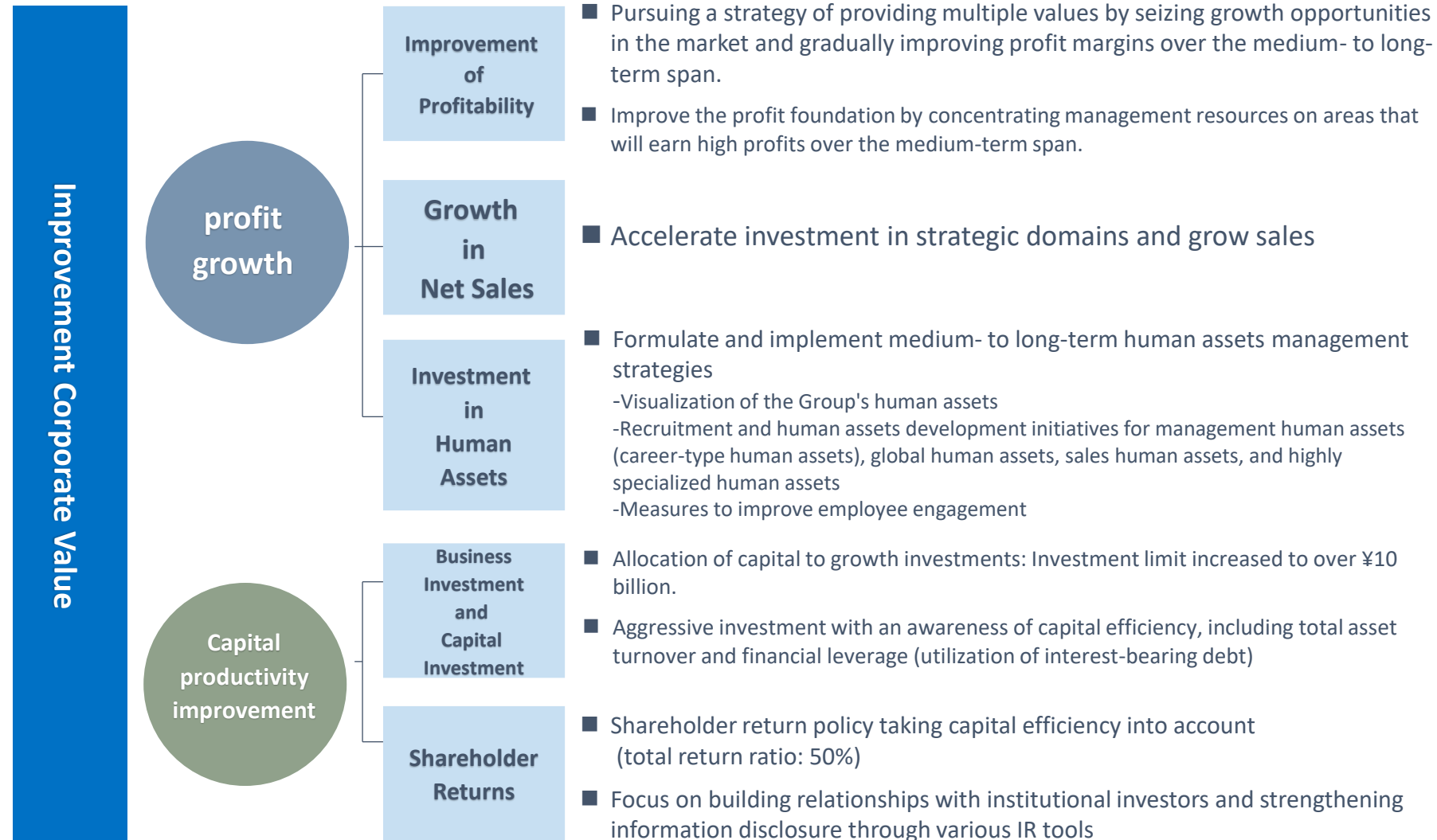
4-2. Our Continuous Growth Story



4. Next Medium-term Management Plan “Sustainability V”

4-3. Basic Policy

- We aim to increase corporate value by achieving profit growth and capital productivity improvement

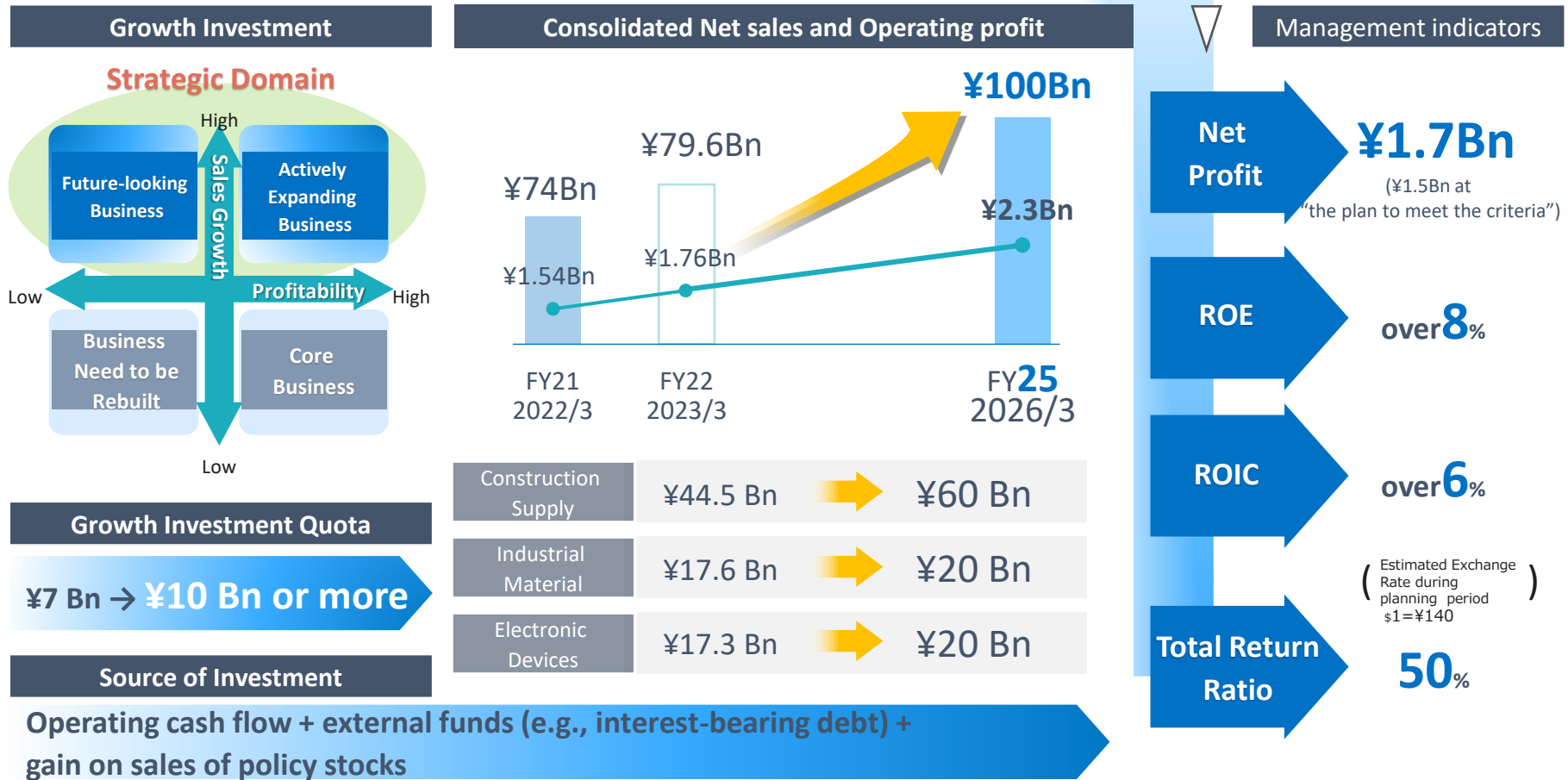


4. Next Medium-term Management Plan “Sustainability V”

4-4. Management Indicators and Financial Policies

- We set management indicators and financial policies that focus on growth.
- We aim to achieve net income of ¥1.7 billion in the final year of the plan (fiscal year ending March 2026).

Additional measures are under consideration in accordance with the termination of the transitional measures for the criteria for maintaining prime market listing for the fiscal year ending March 31, 2025.



5. Our Achievements and Plans for the Future

5. Next medium-term Management Plan “Sustainability V”

5-1. Shareholder Return Policy

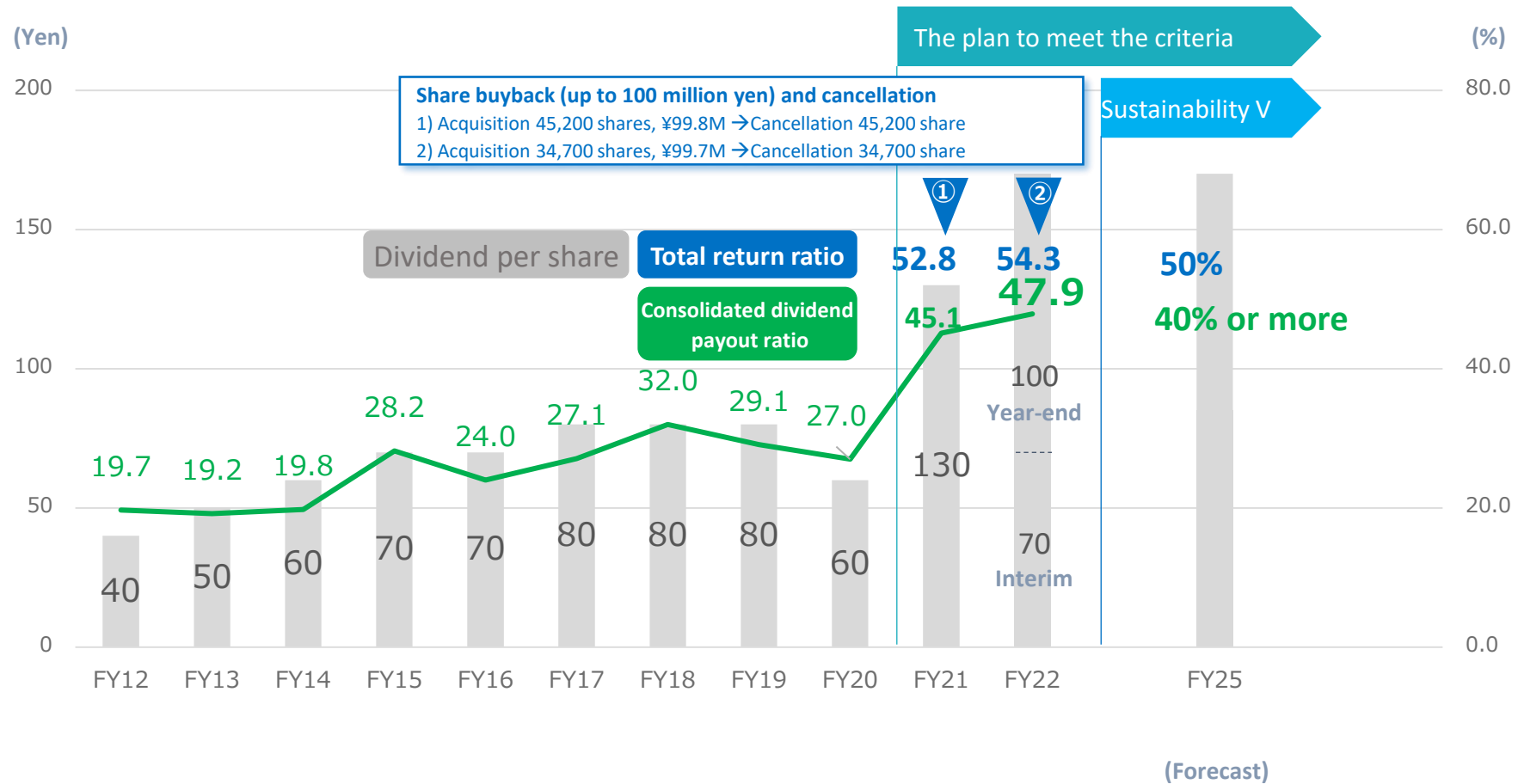
- Shareholder returns for FY2023-FY2025 in accordance with the basic policy of the plan to meet the criteria

Basic Policy

Consolidated dividend payout ratio of 40% or more

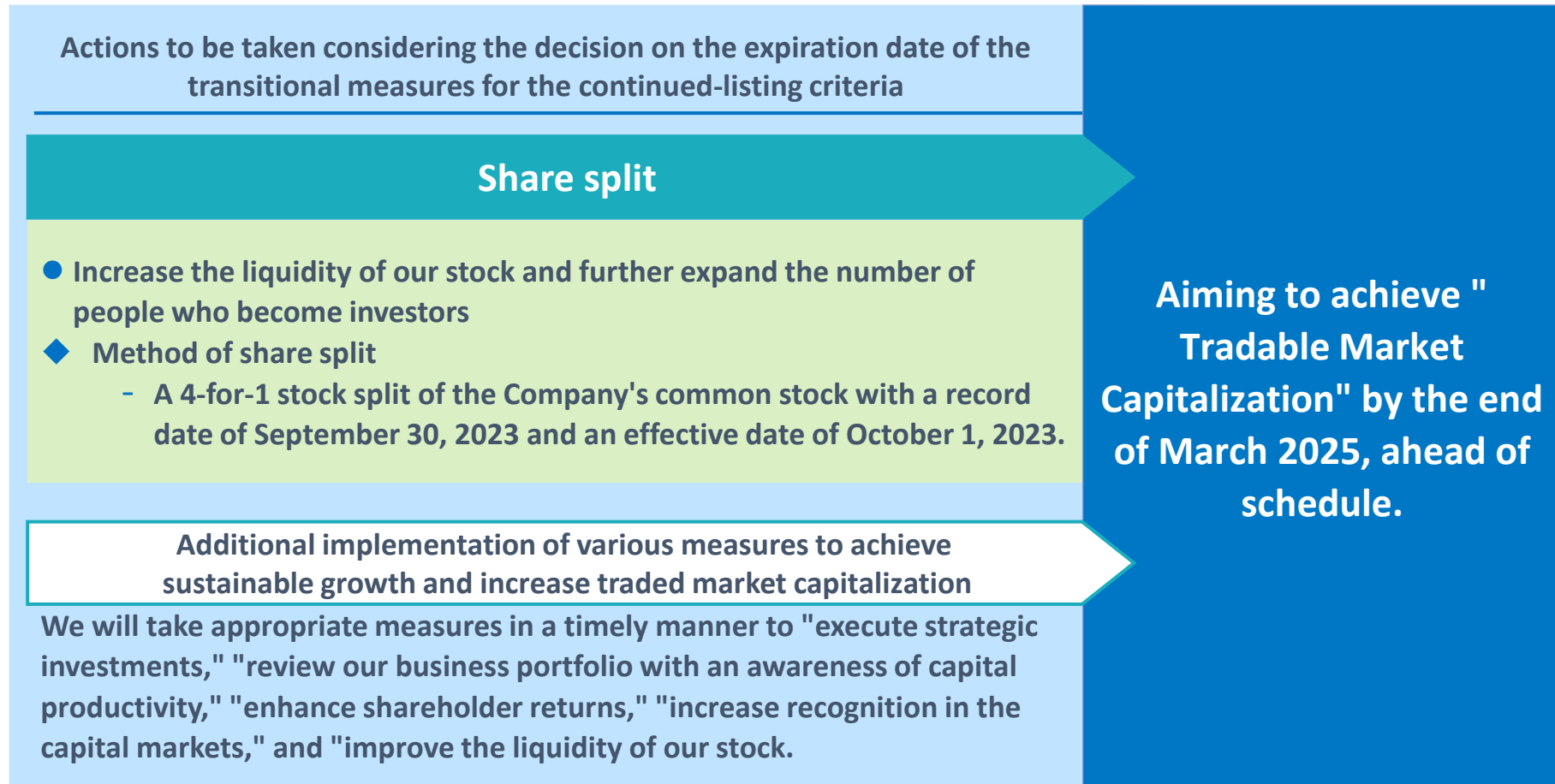
Total return ratio of 50%

The minimum total return is 500 million yen



5-2. Actions to be Taken in Consideration of the Decision on the Expiration Date of the Transitional Measures for the Continued-listing Criteria

- In light of the decision to terminate the transitional measures for the listing maintenance standards by the end of March 2025, the Company aims to achieve the "market capitalization of tradable shares" standard by the end of March 2025 ahead of schedule by implementing a stock split and various other measures in a timely and appropriate manner.



5-3. M&A Disclosed in May 2023.

Acquisition of Gansui Corporation

Overview of Gansui Corporation

- ✓ Almost 60 years in business since its establishment.
- ✓ Residential and nonresidential markets
(foundation reinforcement and ground improvement fields)
 - Housing market: Solid market transition
 - Non-residential market: stable growth
- ✓ High-level technology and services based on a high level of expertise are at the core of the company's business.
- ✓ Established position as a leading company mainly in Okayama and other Chugoku and Shikoku regions
- ✓ Acquisition costs Approximate ¥5.18Bn

◆ The impact on the current fiscal year's business results is under scrutiny, We will promptly disclose the results upon completion of the examination.

The logo for Gansui Corporation, featuring the word "Gansui" in a bold, green, sans-serif font. The letter "i" has a red dot above it.The Japanese name of Gansui Corporation, "岩水開発株式会社", written in a bold, black, sans-serif font.

5-4. Progress of the Established Investment Limit

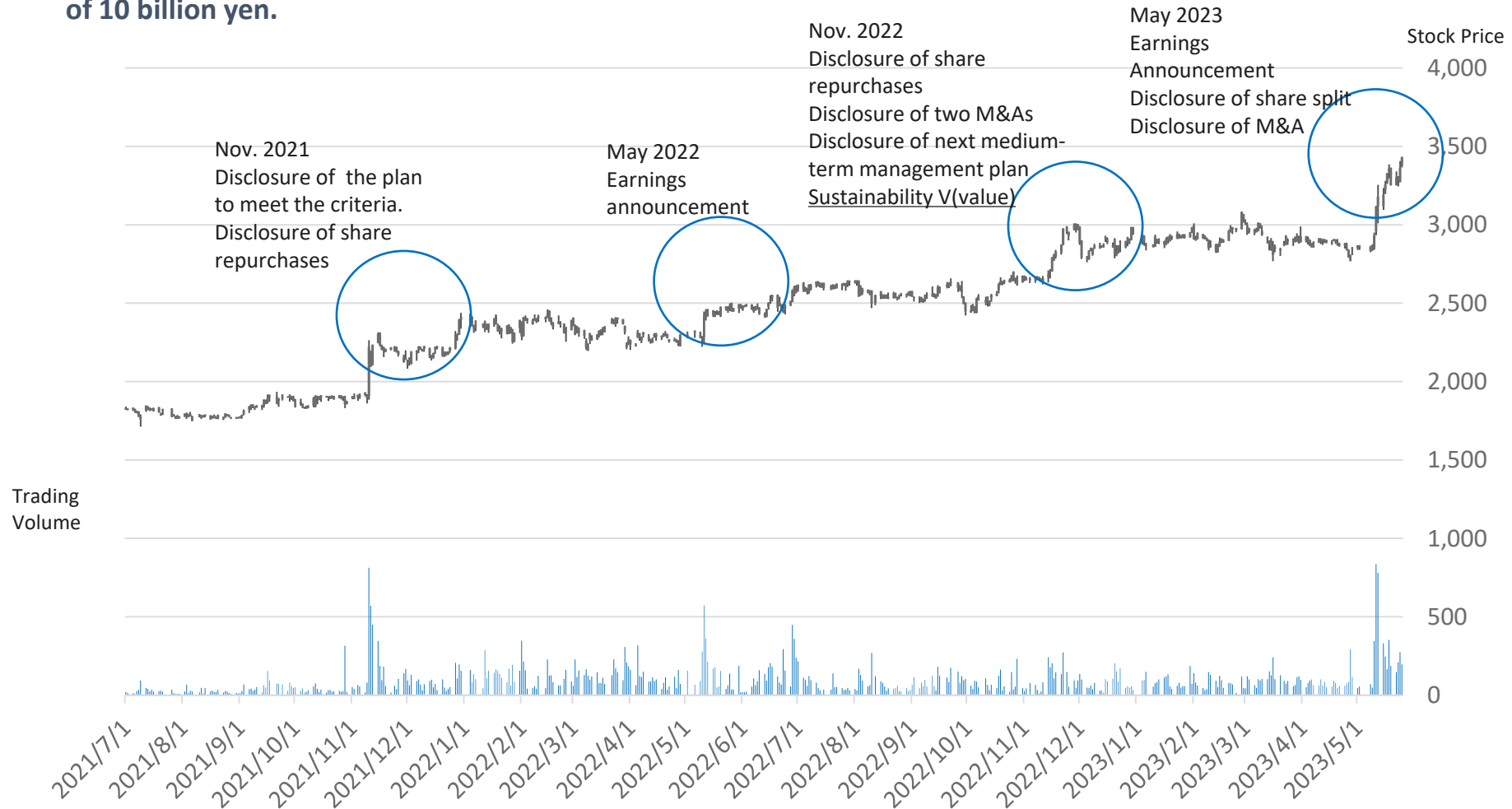
- We have already invested 8.57 billion yen out of a total investment limit that has been increased to over 10 billion yen.
- **The Company plans to continue to make investments with investment returns.**

| | Result (FY21-FY22) | Initial Plan (FY23-FY25) |
|---------------------------|--|--|
| M&A | <p>¥1,900M</p> <p>Two M&As (New energy distribution system inc. Sinbou Edix Co., Ltd. M&A Consideration Cost)</p> | <p>¥3,000M or more</p> <p>Execute M&As that contribute to the expansion of existing businesses and peripheral areas</p> <p>↓</p> <p>¥5,180M executed</p> <p>M&A Gansui Corporation</p> |
| Factory & Facility | <p>¥830M</p> <p>Investment in maintenance, renewal and enhancement of own plants and facilities</p> | <p>¥2,500M</p> <p>Investment in maintenance, renewal and enhancement of own plants and facilities</p> |
| Human assets/ IT/other | <p>¥650M</p> <p>Recruitment/engagement survey Core system replace/IR reinforcement</p> | <p>¥1,000M</p> <p>Formulate and implement medium- to long-term human assets management strategy, DX, IR enhancement, etc.</p> |
| | ¥3,390M | Of the remaining ¥6,610M, ¥5,180M has been executed |

6. Trends in Stock Price After the Announcement of Our Plan to Meet the Criteria

6. Share Price Trends After the Announcement of the Plan to Meet the Criteria

- After the announcement of the plan to meet the criteria, the company steadily implemented the commitment items in its basic policy, and as a result, the stock price remained steady.
- We will continue to take actions to increase corporate value in order to achieve tradable market capitalization of 10 billion yen.



Inquiries on this document

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■ Handling of this document

[Precautions regarding forecasts]

The data and predictions for the future disclosed in this document are based on judgments as of the release date of the document and obtainable information, and may change due to various reasons such as the economic situation, changes in market trends, etc.

Therefore, there are no guarantees that the targets and predictions noted in this document will be reached, nor on future business performance.