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Medium-term Management Plan 2028

(Sustainable Positive Spiral)

Sustainable + Spiral

– Creating a Sustainable Positive Cycle –

Takashima & Co., Ltd.

Message on the Formulation of the Medium-term Management Plan 2028

Medium-term Management Plan 2028 Highlights

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1-1. Corporate Philosophy and Vision

2. Review of the Plan to Meet the Criteria and the Previous Medium-term Management Plan

2-1. Plan to Meet the Criteria and Previous Medium-term Management Plan: Policy and Initiatives

2-2. Results of Our Efforts

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3-2. Basic Policies of the Medium-term Management Plan 2028

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Supplement: Business Strategy by Segment

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2. Industrial Materials Segment

3. Electronic Devices Segment

Nurturing the seeds of growth for our next investments

A sustainable growth trajectory charted through a positive cycle (positive spiral)

The previous Medium-Term Management Plan, Sustainability V (Value), focused on the theme of “shifting from sound management to sustainable growth,” and was a period of sowing seeds for future growth, such as by implementing strategic investments and rearranging business portfolios.

As the name “V (Value)” suggests, we promoted proactive shareholder returns and the improvement of capital efficiency with the aim of improving our corporate value. While we did not achieve our quantitative targets, our earning power and corporate value have improved, and we have met the continued-listing criteria for the Prime Market, so the “seeds of growth” from previous strategic initiatives are beginning to sprout steadily.

Looking at social conditions, the outlook remains uncertain due to rising geopolitical risks, soaring material prices, and rising interest rates. At the same time, the importance of addressing the megatrend of carbon neutrality and the significance of labor shortages are becoming increasingly clearer.

These align with the strategic themes the Company is focusing on, and I believe that the Company’s business opportunities will expand further going forward.

With this in mind, we are announcing the Medium-Term Management Plan 2028, “Sustainable + Spiral (Sustainable Positive Spiral).”

The spiral represents the harmonious balance between the force converging towards the center (centripetal force) and the force expanding outward (centrifugal force) while gradually forming larger circles, and it symbolizes that the Company will maintain an unchanging axis as it grows sustainably.

In particular, under the Medium-Term Management Plan 2028, we aim to set growth on track by further advancing our previous efforts and establishing a positive cycle where the returns from investments in business and human assets lead to subsequent investments.

The Company will continue to contribute to the establishment of a sustainable society through its business, based on a corporate value of “integrity.”

May 2026

Koichi Takashima

Representative Director and President

Theme and Positioning

Sustainable Positive Spiral

Creating a sustainable positive cycle (Sustainable + Spiral)
Three years to put growth on track

Basic Policies

(1) Promote management conscious of cost of capital and corporate value

- Transform the business portfolio by capturing social issues and growth potential
- Continue proactive shareholder returns through progressive dividends

(2) Create a positive cycle of investment

- Improve returns by expanding group synergies
- Continue strategic investments on the scale of ¥10.0 billion

(3) Sustainable production of valuable human assets

- Establishment of a foundation for producing valuable human assets through diverse career paths.
- Implement growth support systems and execute investments

FY2028 Targets

Net sales	Operating profit	Profit attributable to owners of parent	ROE
¥110.0 billion	¥3.0 billion	¥2.0 billion	8 % or more

Strategic Investment Quota

Cumulative total of ¥10.0 billion over three years

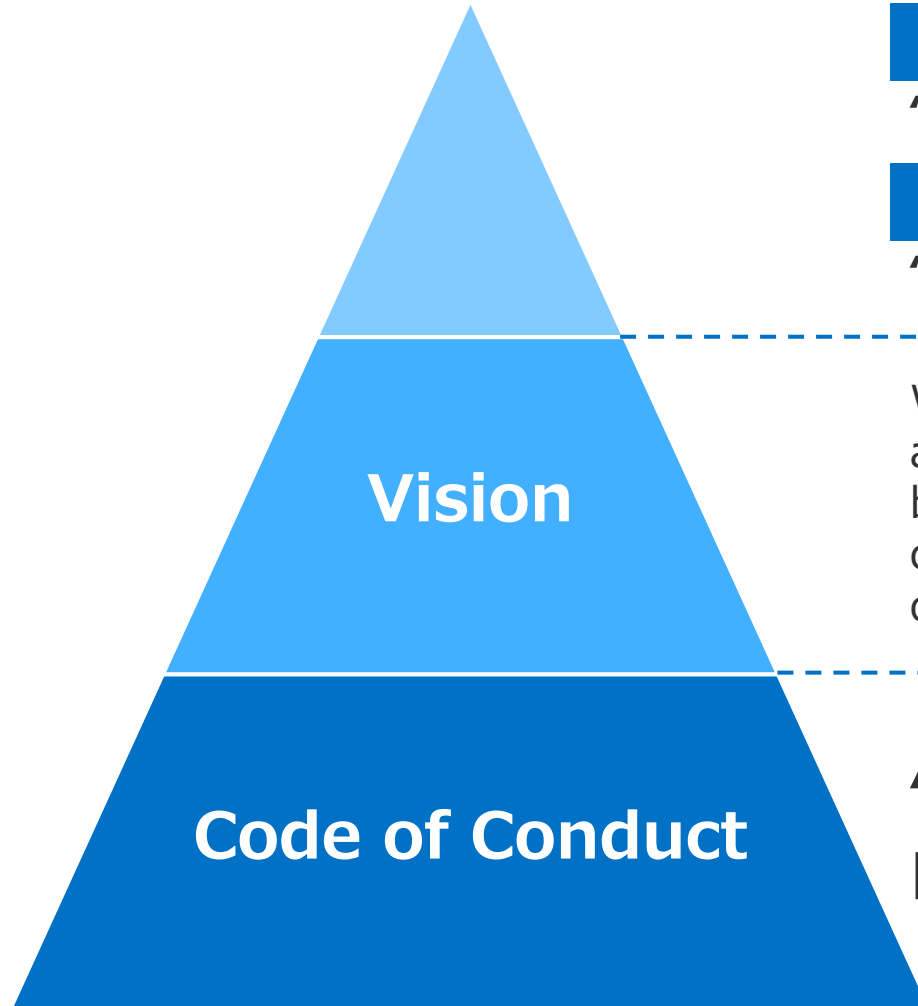
Shareholder Return Policy

Progressive dividends + Flexible purchase of treasury shares

1. Long-term Policy

1-1. Corporate Philosophy and Vision (Contributing to Building a Sustainable Society)

- Under our corporate mission of “Contribute to Society through Our Business Activities,” we have grown by adapting to an evolving world, transforming ourselves, and helping solve social issues.
- Looking ahead, we aim to serve as a “Solution Partner” for each of our customers and to contribute to building a sustainable society.



Corporate Mission

“Contribute to Society through Our Business Activities”

Corporate Value

“Integrity”

We will contribute to building a sustainable society through a deep understanding of the market environment and businesses as the “Solution Partner” for each of our customers, and continuously provide X(cross)-function and one-stop coordination unique to Takashima.

“Autonomous, Innovative and Responsible X Collaborative”

2. Review of the Plan to Meet the Criteria and the Previous Medium-term Management Plan

2-1. Plan to Meet the Criteria and Previous Medium-term Management Plan: Policy and Initiatives (Transition to Sustainable Growth)

- We chose to maintain our Prime Market listing and made a major shift in management policy, moving from “sound management” to “sustainable growth” supported by strategic investment
- Under the Plan to Meet the Criteria and the previous medium-term management plan (Sustainability V), we implemented a range of strategic initiatives to drive sustainable growth and increase corporate value.

Strategic Initiatives

· Executed the strategic investment quota

- ¥14.7 billion invested over the five fiscal years from FY2021 to FY2025
- Four M&A transactions and two equity investments/capital alliances

· Improved capital efficiency

- Sale of Ginza real estate
- Sale of policy shareholdings (reducing the ratio of policy shareholdings to net assets to below 10%)

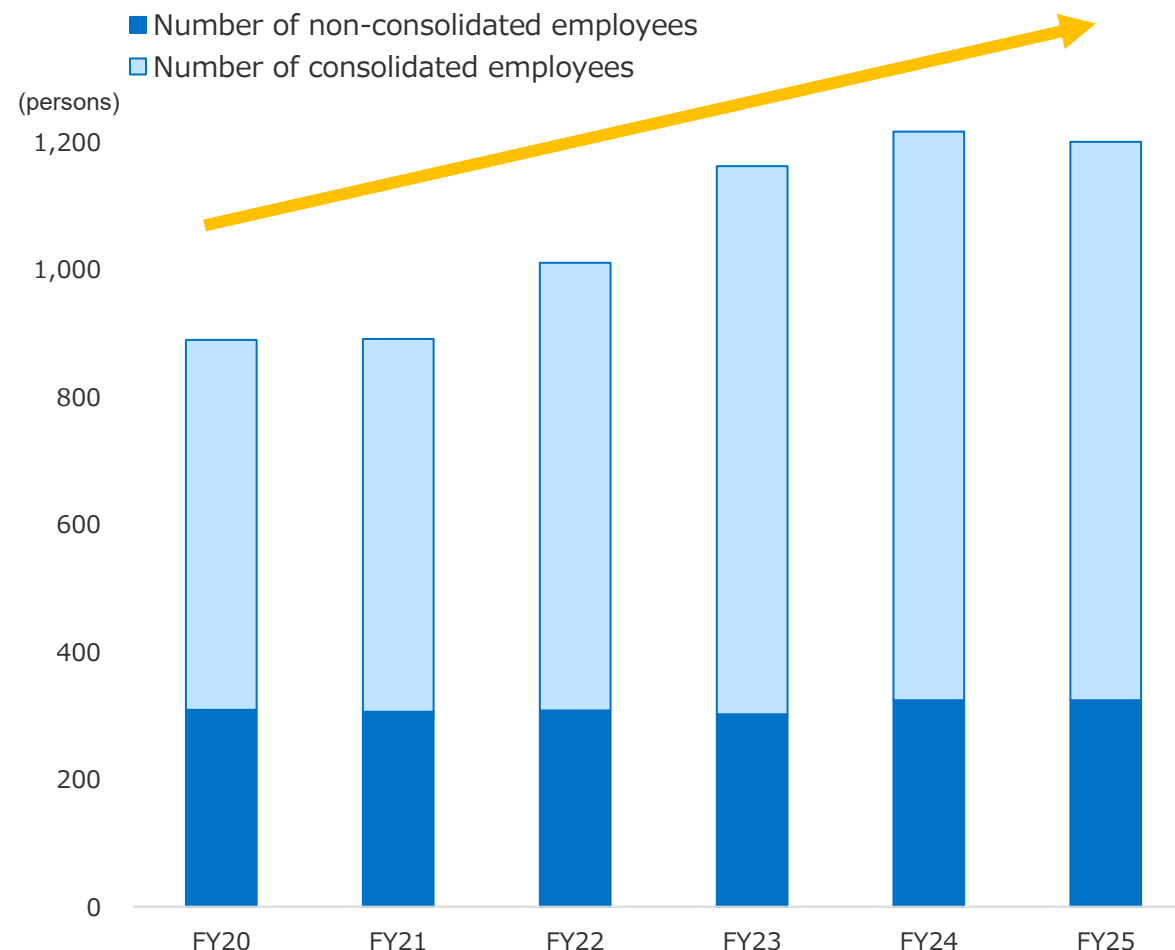
· Proactive shareholder returns

- Dividend payout ratio of at least 40%; total return ratio of at least 50%
 - * For FY2024–2025, the dividend payout ratio is at least 80% and the total return ratio is at least 100%
- Purchase of treasury shares
- Share split

· Enhanced IR initiatives

- IR tools in Japanese and English
- Increased media exposure and strengthened investor communication

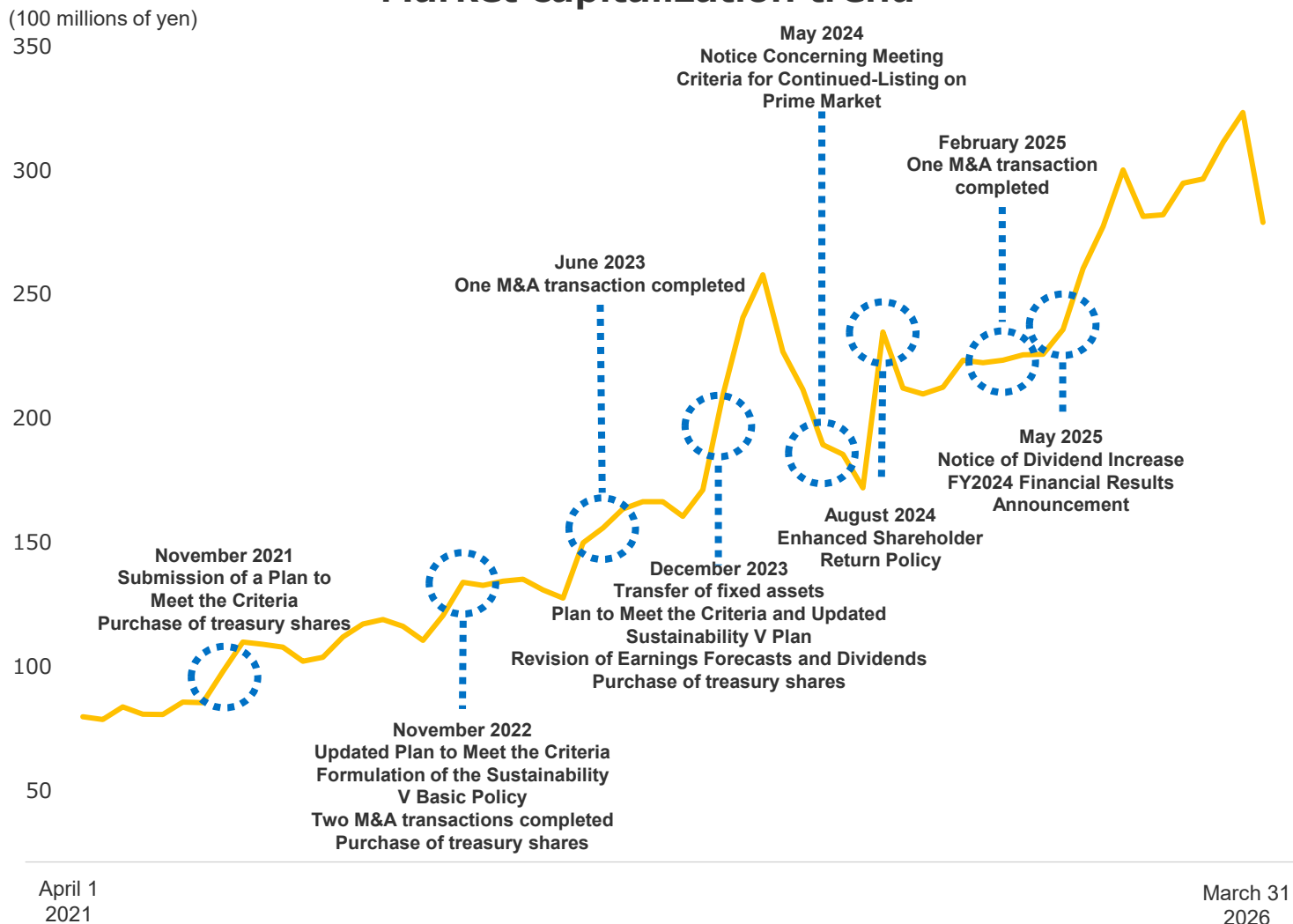
Headcount growth through M&A and active hiring



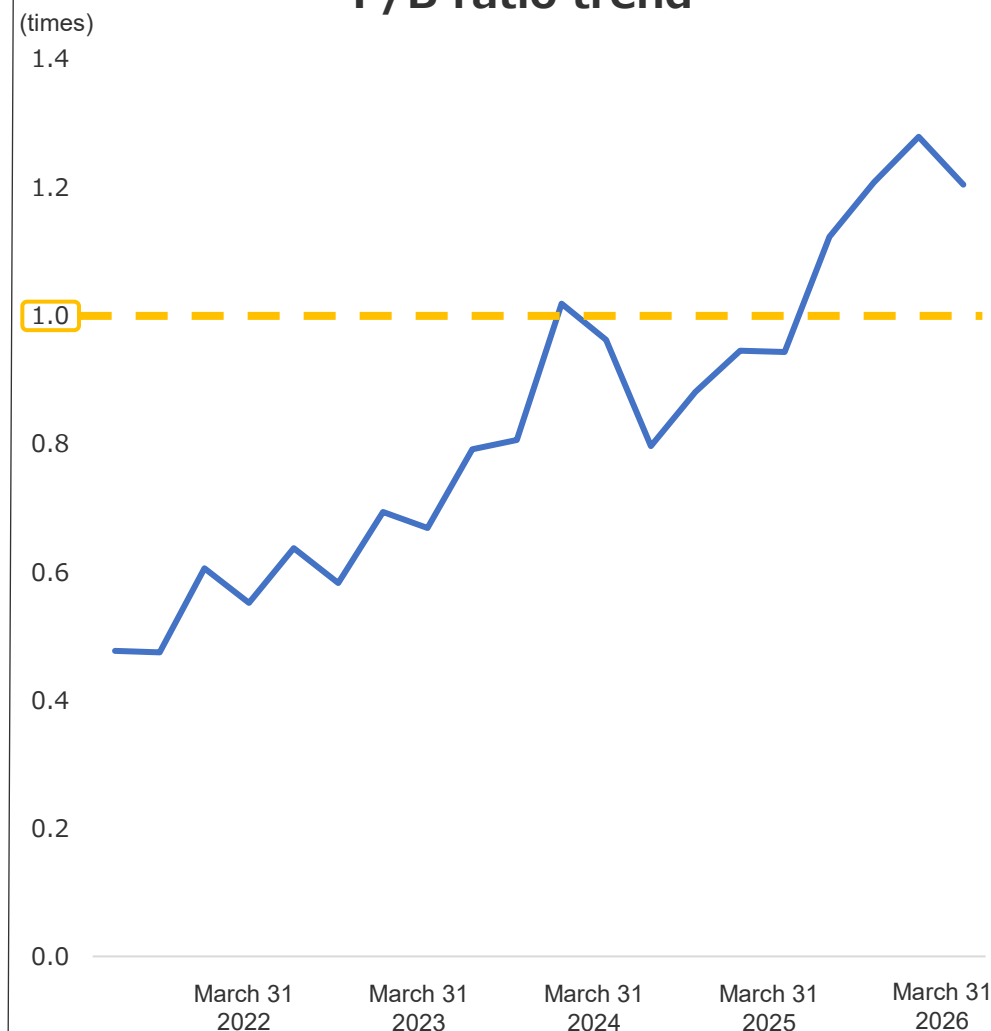
2-2-1. Results of Our Efforts (1) (Significant Increase of Corporate Value)

- The Company met the continued-listing criteria for Prime Market in FY2023. Market capitalization grew by more than 3.5 times, and the P/B ratio exceeded 1.0.

Market capitalization trend



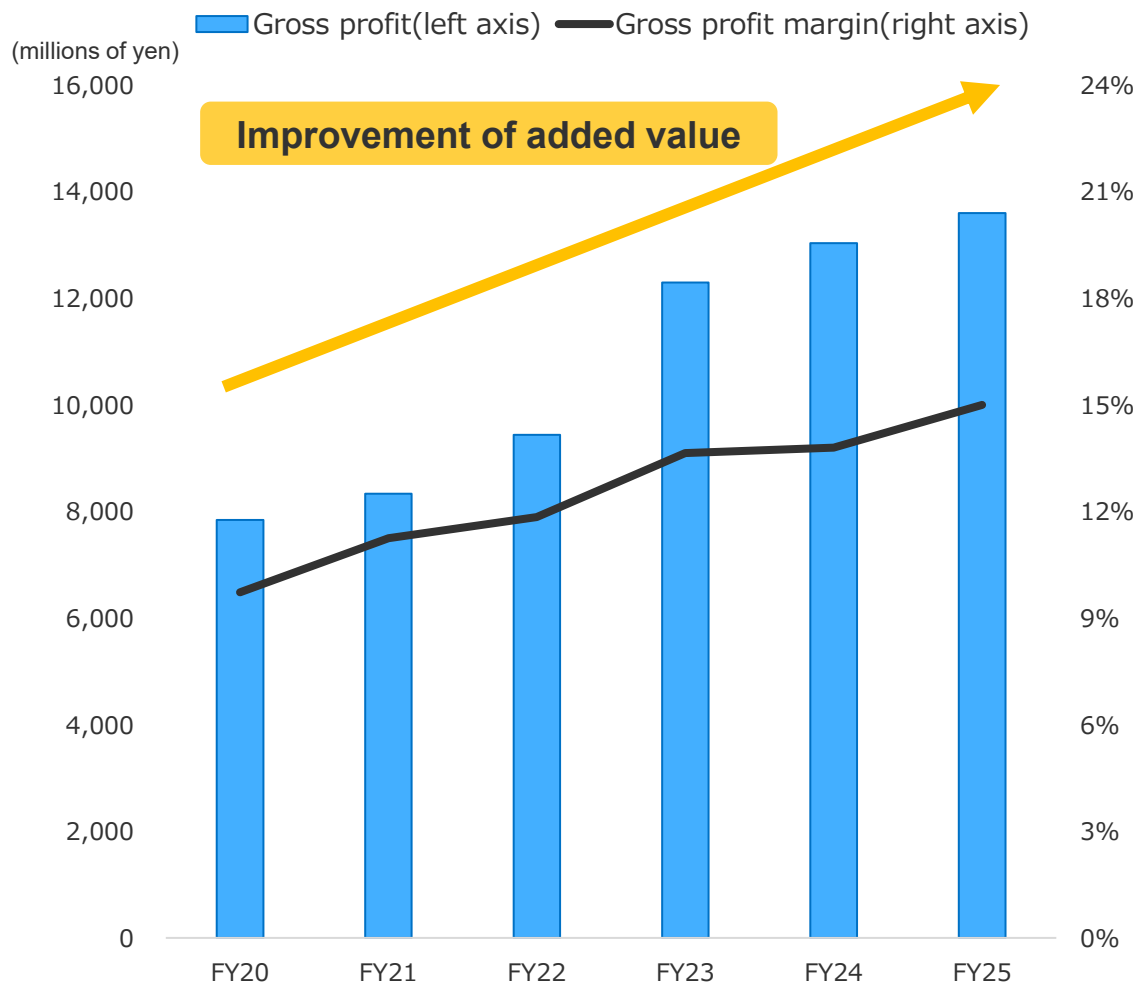
P/B ratio trend



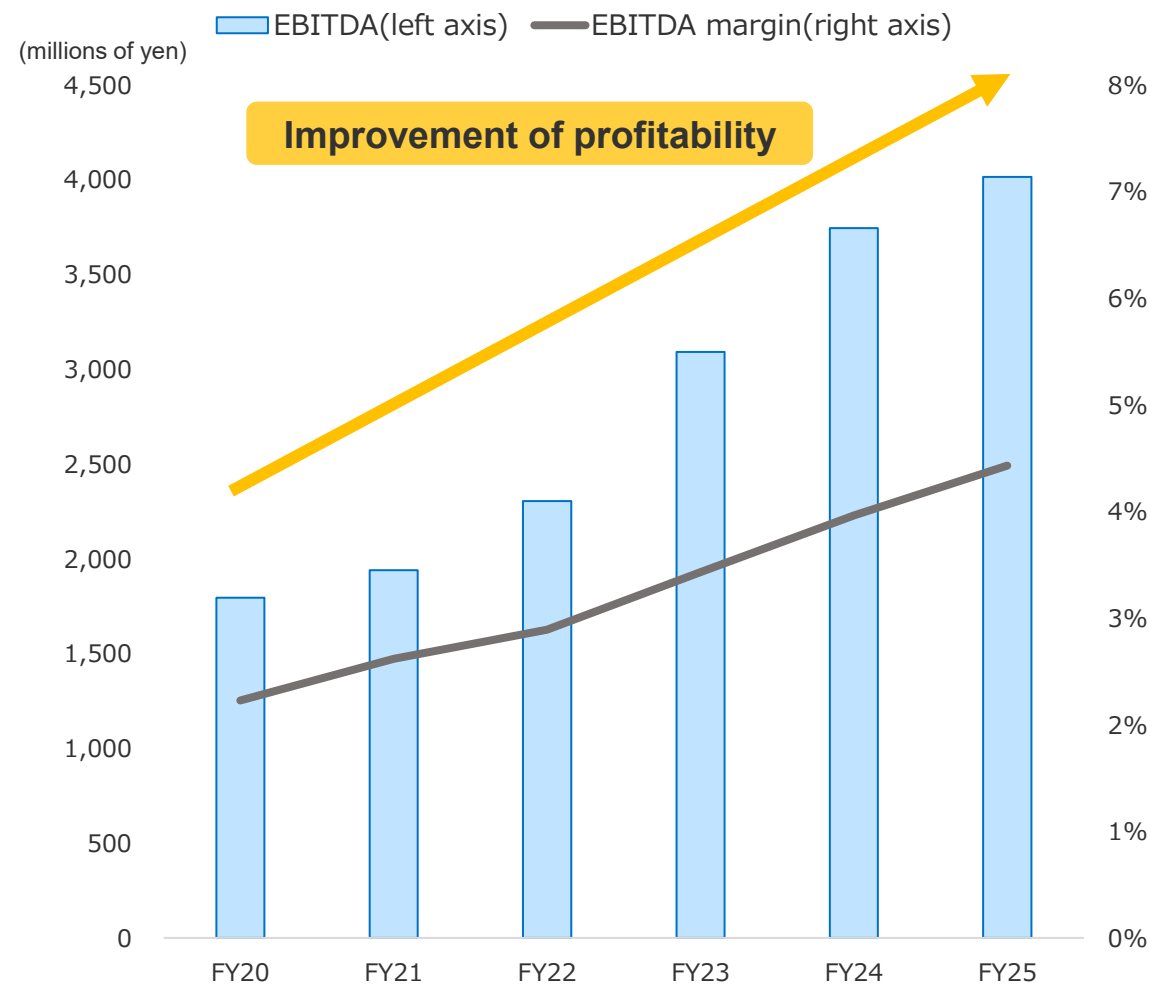
2-2-2. Results of Our Efforts (2) (Steady Improvement in Earning Power)

- Active strategic investments and M&A have steadily enhanced the added value and profitability that underpin our earning power.

Gross Profit and Gross Profit Margin



EBITDA and EBITDA Margin



2-3. Challenges for the Medium-term Management Plan 2028 (Driving Further Growth by Improving Investment Returns)

- The Sustainability V targets were not achieved, and higher depreciation and goodwill from investments and M&A are putting pressure on profits.
- For the Medium-term Management Plan 2028, our key challenges are to drive further earnings growth and improve capital efficiency by increasing investment returns.

Sustainability V targets

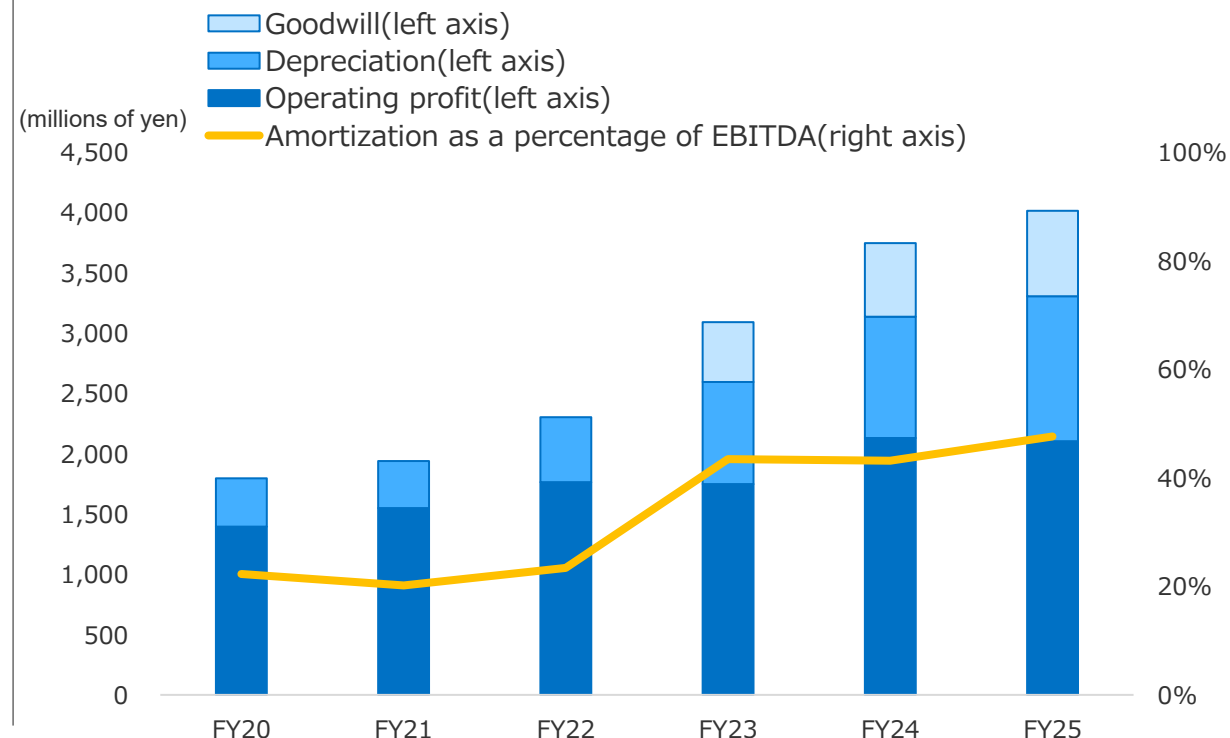
FY2025

Net sales: **¥110.0** billion
 Operating profit: **¥2.6** billion
 Net profit: **¥1.9** billion
 ROE: **8%** or more
 ROIC: **6%** or more

Actual results for FY2025

→ Net sales: **¥90.6** billion
 → Operating profit: **¥2.1** billion
 → Net profit: **¥1.2** billion
 → ROE: **5.2%**
 → ROIC: **4.0%**

EBITDA breakdown



**Challenges for the
Medium-term
Management Plan 2028**

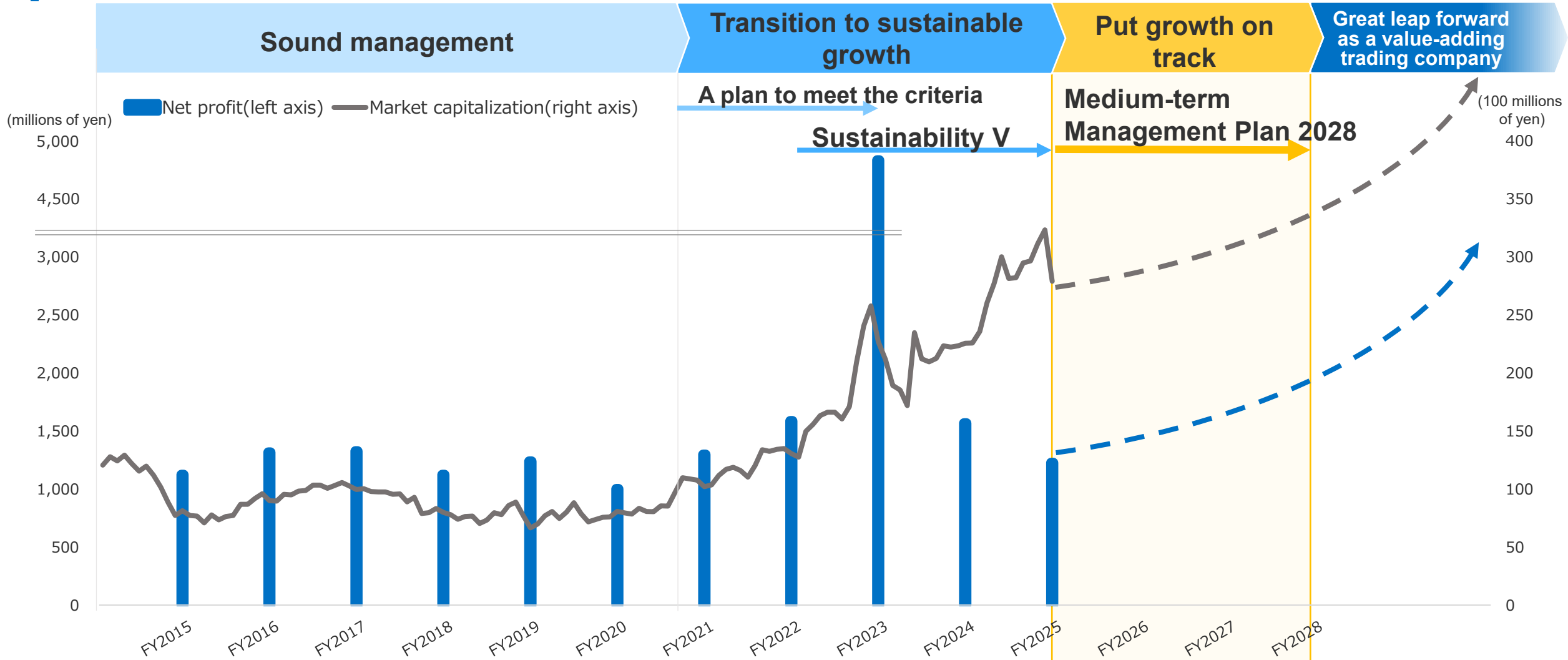
**Drive further earnings growth and improve capital efficiency by
increasing investment returns**

3. Medium-term Management Plan 2028 Policy

3-1. Positioning of the Medium-term Management Plan 2028 (Three Years to Put Growth on Track)



- We have positioned the current Medium-term Management Plan period as three years to put growth on track.
- We will advance our ongoing strategic initiatives to contribute to profits and create a “sustainable positive cycle (Sustainable + Spiral),” where returns on investment fund further investment.



3-2. Basic Policies of the Medium-term Management Plan 2028: Creating a Sustainable Positive Cycle (Sustainable + Spiral)

- The three basic policies work together to create a “sustainable positive cycle (Sustainable + Spiral).” We aim to sustainably increase corporate value.

Sustainable Positive Spiral

Three Basic Policies for Creating a Sustainable Positive Cycle (Sustainable + Spiral)

(1) Promote management conscious of cost of capital and corporate value

- Transform the business portfolio by capturing social issues and growth potential
- Continue proactive shareholder returns through progressive dividends

(2) Create a positive cycle of investment

- Improve returns by expanding group synergies
- Continue strategic investments on the scale of ¥10.0 billion

(3) Sustainable production of valuable human assets

- Establishment of a foundation for producing valuable human assets through diverse career paths.
- Implement growth support systems and execute investments



Sustainably increase corporate value

Medium-term Management Plan 2028

Creating a sustainable positive cycle (Sustainable + Spiral) to put growth on track

Corporate mission
Contribute to Society through Our Business Activities

A plan to meet the criteria
Previous Medium-term Management Plan Sustainability V (value)

2030
A great leap forward as a value-adding trading company

2050
Achieving carbon neutrality
Helping address labor shortages

Vision
Solution Partner for each of our customers
Contributing to building a sustainable society

Sustainable growth

Basic Policies of Medium-term Management Plan 2028 for Creating a Sustainable Positive Cycle (Sustainable + Spiral)

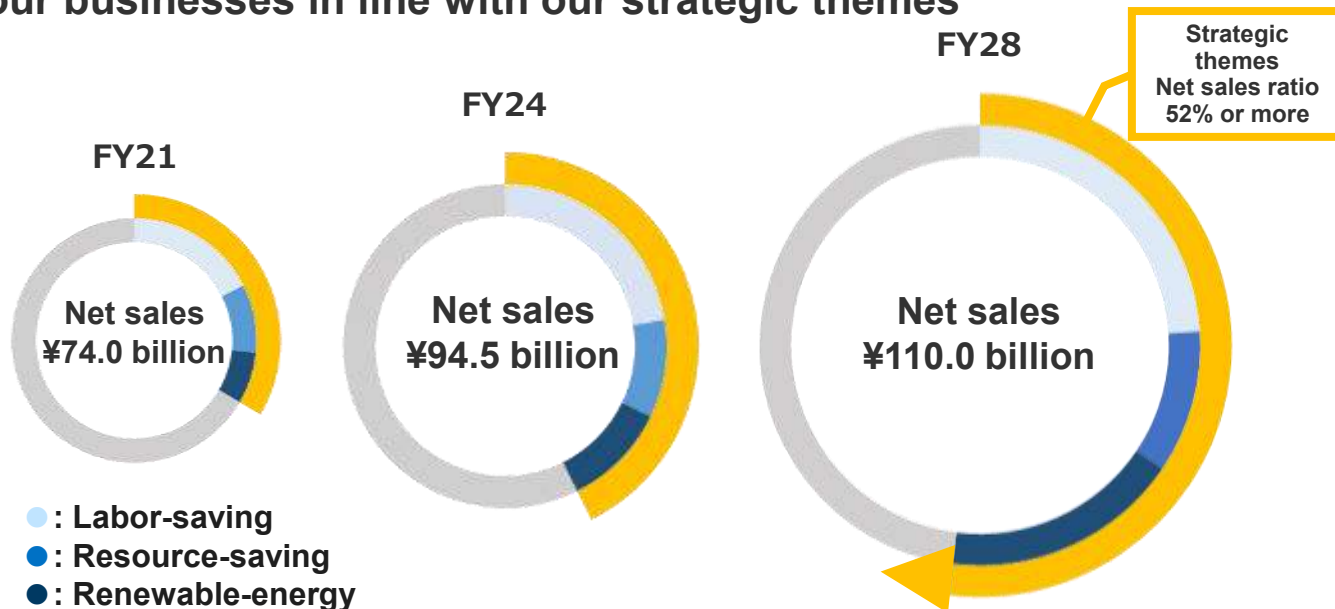
- +** Promote management conscious of cost of capital and corporate value
 - Transform the business portfolio by capturing social issues and growth potential
 - Continue proactive shareholder returns through progressive dividends
- +** Create a positive cycle of investment
 - Improve returns by expanding group synergies
 - Continue strategic investments on the scale of 10.0 billion yen
- +** Sustainable production of valuable human assets
 - Establishment of a foundation for producing valuable human assets through diverse career paths.
 - Implement growth support systems and execute investments

3-3. Quantitative Targets

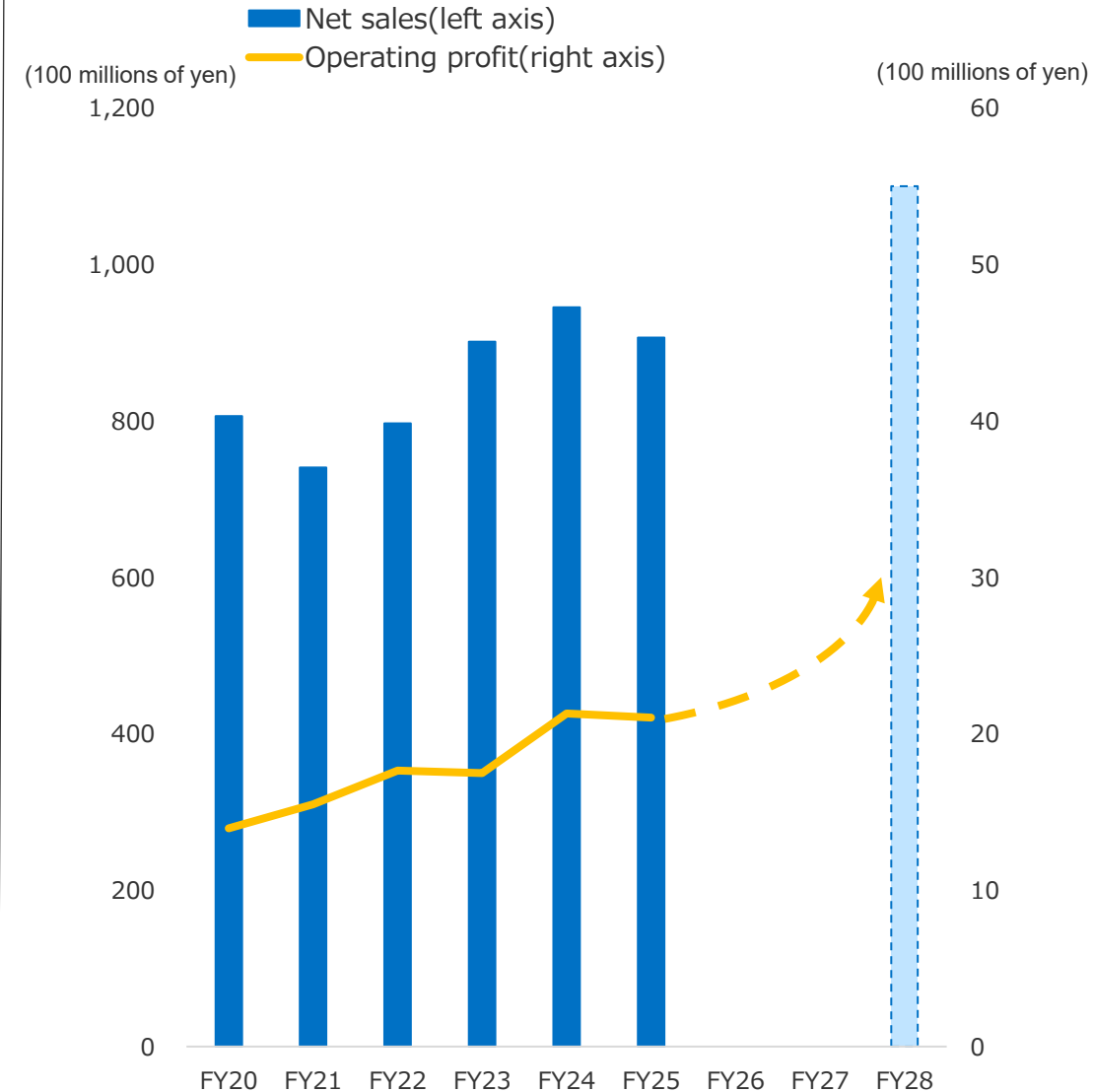
FY2028 Consolidated Financial Targets

Net sales	¥110.0 billion
Operating profit	¥3.0 billion
Net profit	¥2.0 billion
ROE	8 % or more

Contributing to solving social issues by expanding our businesses in line with our strategic themes



Net sales and operating profit targets



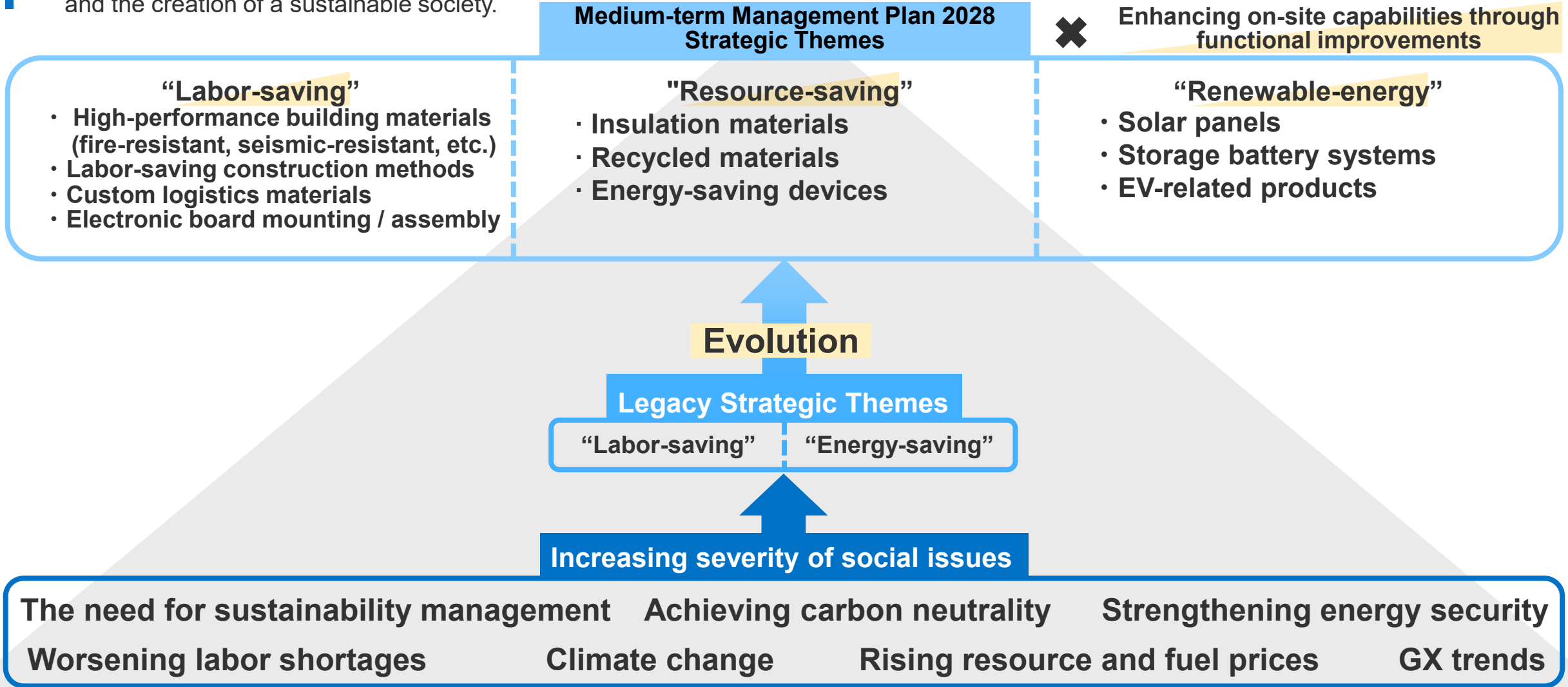
4. Business Strategy

4-1-1. Selection of Strategic Domains (1) (Contributing to a Sustainable Society through Three Strategic Themes)

(1) Promote management conscious of cost of capital and corporate value
(2) Create a positive cycle of investment
(3) Sustainable production of valuable human assets



- Social issues related to labor-saving and energy-saving, the strategic themes defined in Sustainability V, are becoming increasingly severe.
- In the Medium-term Management Plan 2028, we will evolve our strategic themes include to three: labor-saving, resource-saving, and renewable-energy. By combining these themes with enhanced on-site capabilities, we will further accelerate our response to social challenges and the creation of a sustainable society.



4-1-2. Selection of Strategic Domains (2)

(Concentrating Resources on Strategic Themes and High-Growth Businesses)

(1) Promote management conscious of cost of capital and corporate value
(2) Create a positive cycle of investment
(3) Sustainable production of valuable human assets



- We evaluated each business based on growth (net sales CAGR) and profitability (ROIC) to identify our strategic domains.
- In addition to businesses aligned with our strategic themes, we designate high-growth businesses as strategic domains. By focusing and allocating management resources to these domains, we aim to improve capital efficiency.

Strategic domain framework

① Businesses within the strategic themes

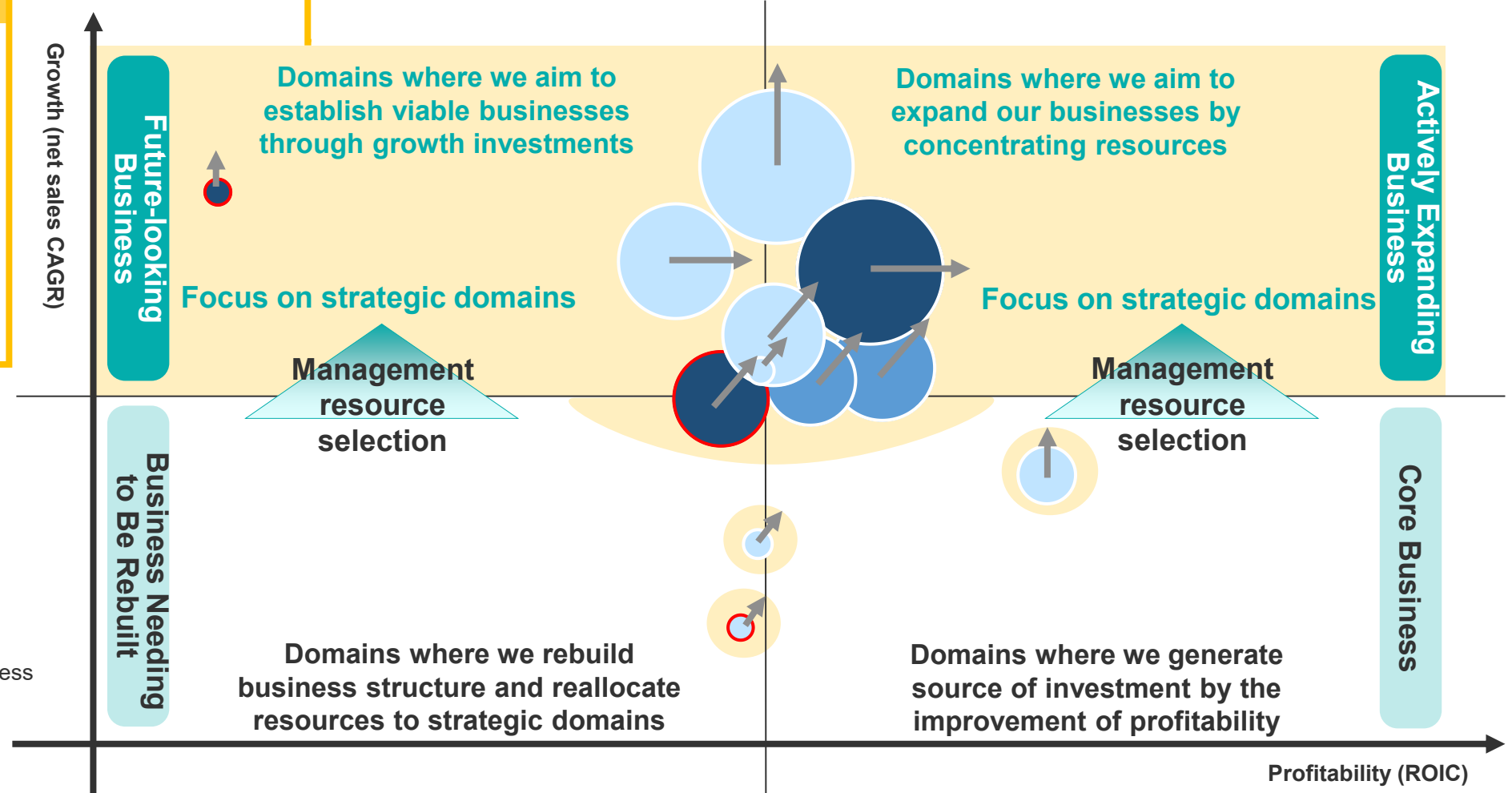
- Labor-saving business
- Resource-saving business
- Renewable-energy business

② High-growth business

- Future-looking Business
- Actively Expanding Business

- : Labor-saving business
- : Resource-saving business
- : Renewable-energy business
- * Circle size represents operating profit.
- * Operating losses in the businesses highlighted in red
- * Arrows indicate policies for each business

Four-Quadrant Framework (Illustration)

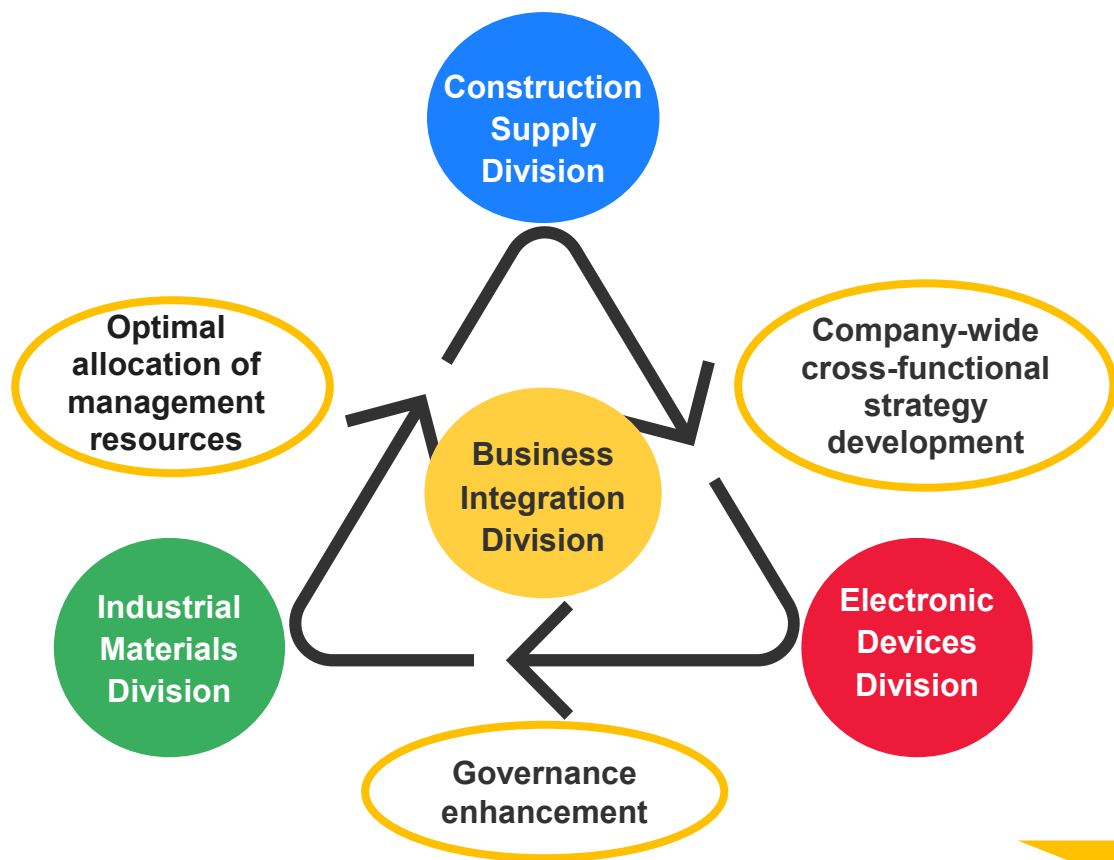


4-2. Promoting Group Integration (Improving Returns by Expanding Group Synergies)

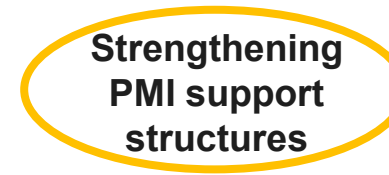
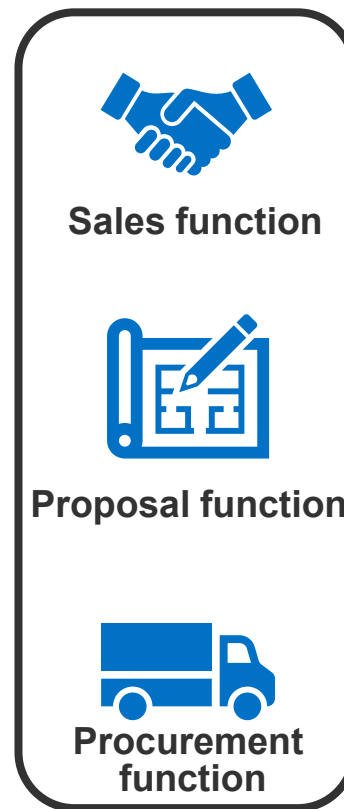
(1) Promote management conscious of cost of capital and corporate value
(2) Create a positive cycle of investment
(3) Sustainable production of valuable human assets



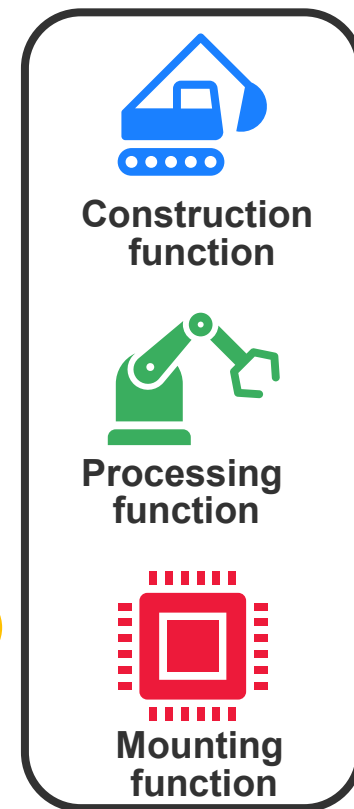
- The former Corporate Management Division will be reorganized as the Business Integration Division to accelerate cross-company strategy formulation and integrated value creation.
- The three business divisions will further promote collaboration with Group companies to expand synergies between our traditional trading functions and the construction, processing, and mounting capabilities of Group companies, thereby improving returns from M&A and capital investment.



Each business division



Each Group company



Improving investment returns by expanding group synergies

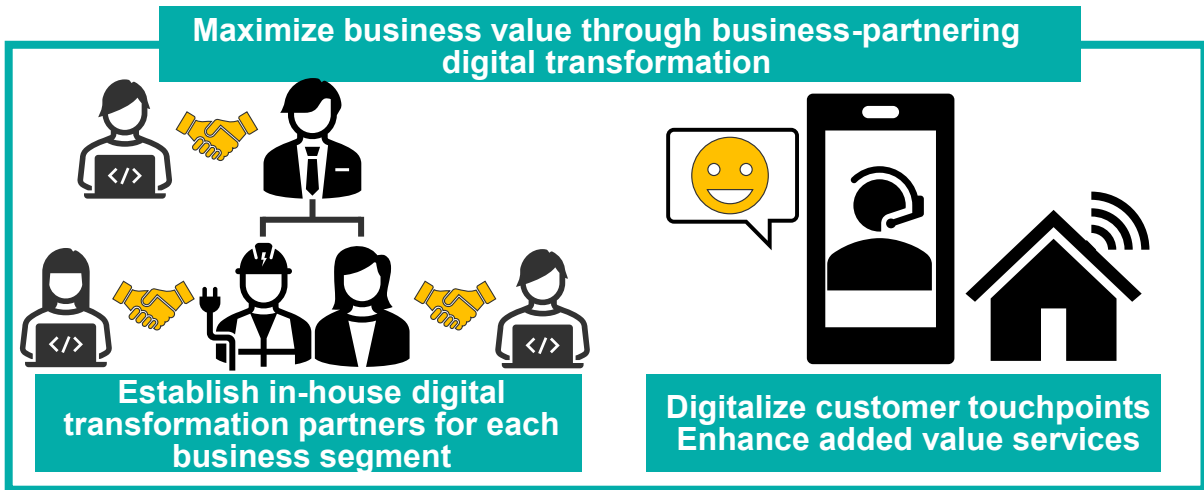
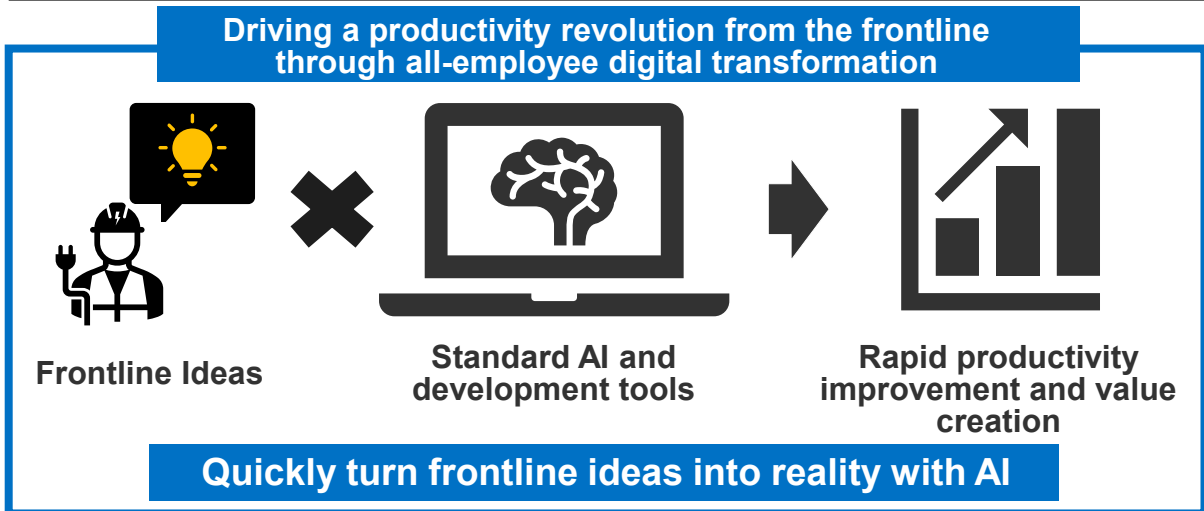
4-3. Digital Transformation Strategy (Company-Wide Employee Digital Transformation Through AI Utilization × In-House Digital Transformation Partner Support)

(1) Promote management conscious of cost of capital and corporate value
(2) Create a positive cycle of investment
(3) Sustainable production of valuable human assets



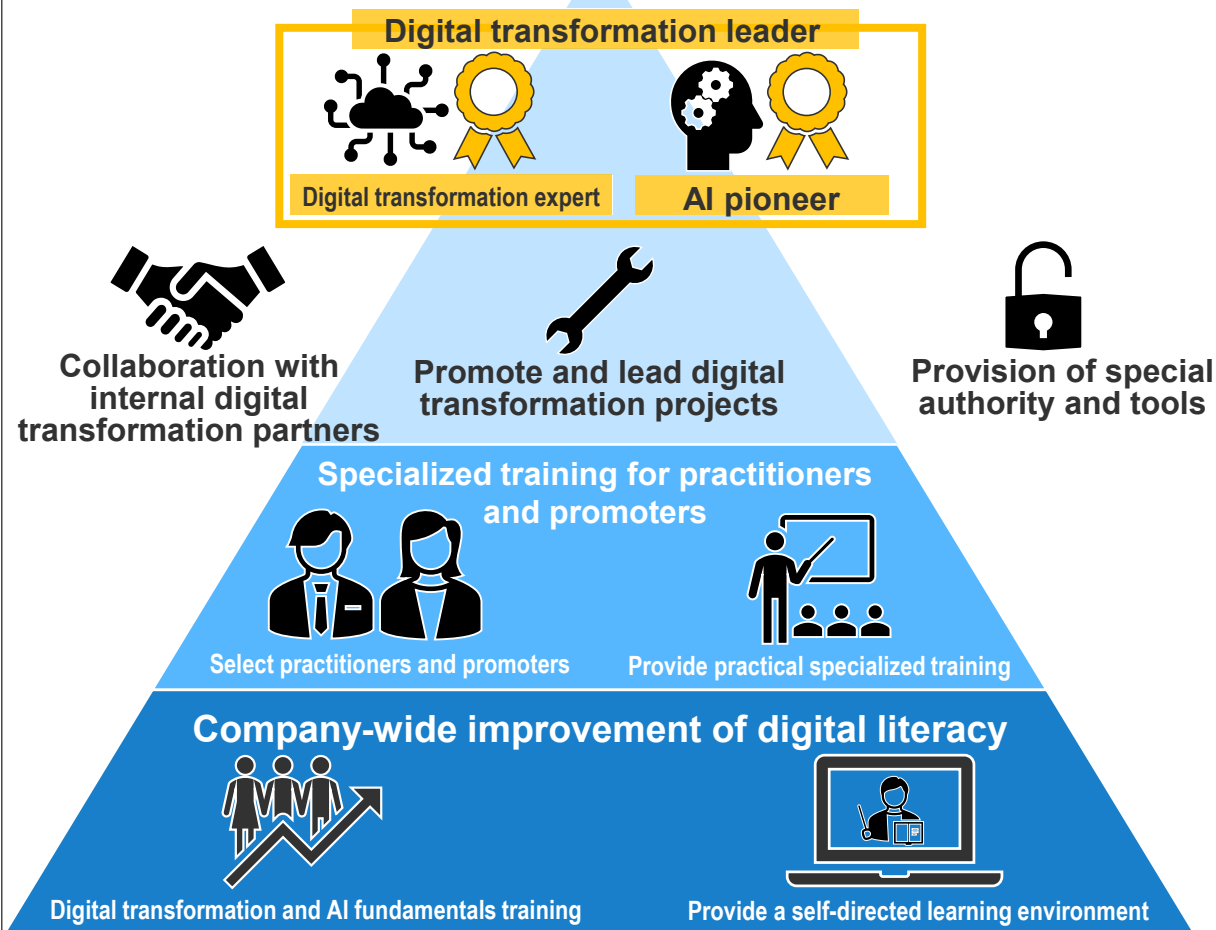
- We are driving digital transformation across our entire workforce by promoting AI adoption and developing digital human assets. We immediately implement frontline ideas to improve productivity.
- Internal digital transformation partners assigned to each business segment work alongside teams to implement IT initiatives aligned with business strategy, aiming to maximize business value.

Strategy execution



Digital human assets development

Appoint digital transformation leaders through an internal certification program



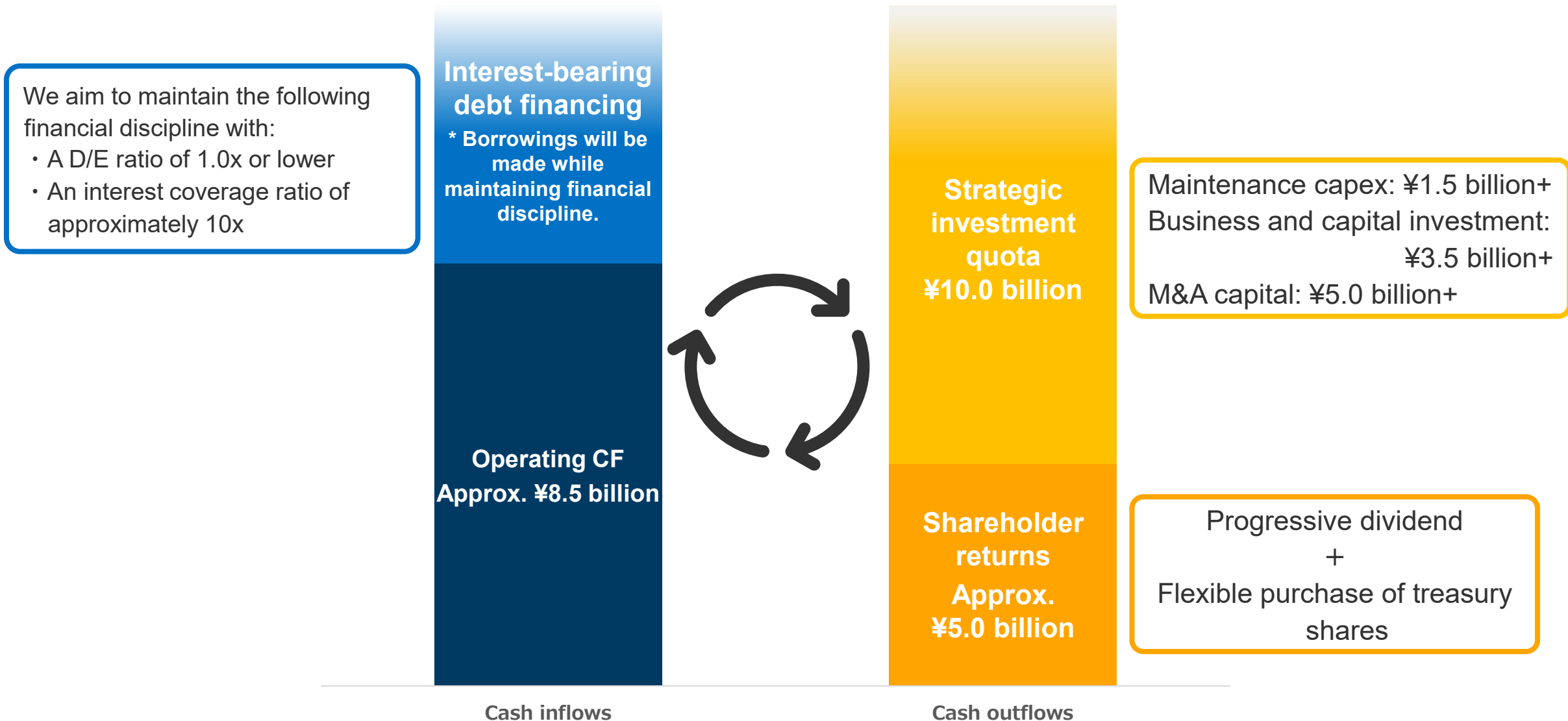
5. Capital Allocation Policy

5-1. Cash Allocation (Investing and Returning Capital While Maintaining Financial Discipline)

(1) Promote management conscious of cost of capital and corporate value
(2) Create a positive cycle of investment
(3) Sustainable production of valuable human assets



➤ Maintain financial discipline while securing external borrowing to fund continued strategic investment and shareholder returns.



5-2. Investment Strategy (Continuing Strategic Investments on the scale of ¥10.0 billion)

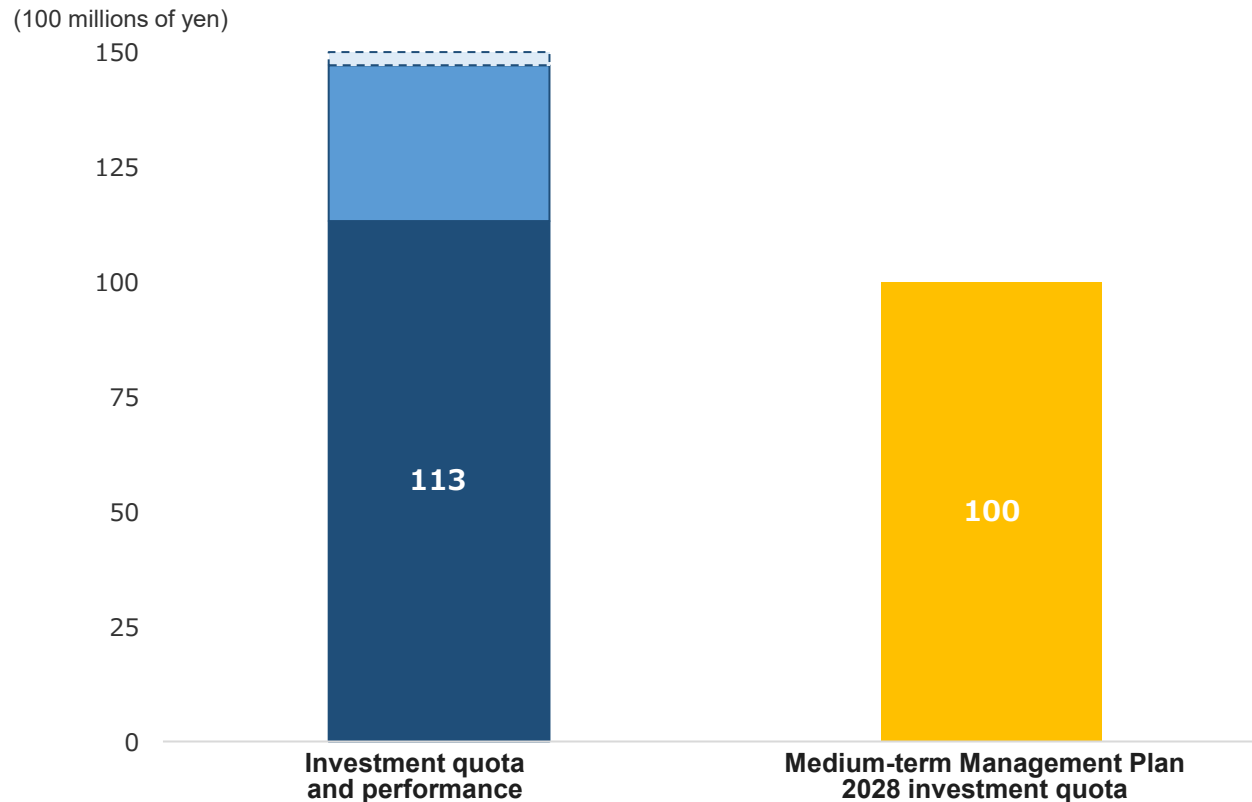
(1) Promote management conscious of cost of capital and corporate value
(2) Create a positive cycle of investment
(3) Sustainable production of valuable human assets



- During the current Medium-term Management Plan period, we have secured a ¥10.0 billion strategic investment quota, maintaining the same level of strategic investment as in the past three years.
- We invest in acquiring and strengthening capabilities in existing businesses, as well as expanding and branching out into strategic domains, to achieve sustainable growth.

Trends of Investment Quota and Investment Performance

- Medium-term Management Plan 2028 investment quota
- ▨ Investment quota (FY21~25)
- Investment performance(FY21~25)
- Investment performance(FY23~25)



Investment Policy

(1) Acquire and strengthen capabilities in existing businesses

Example: M&A of Sanwa System Co., Ltd.

→ Acquired construction capabilities for industrial solar power generation systems.

Our Group's capabilities in the solar power generation system market			
Sales		Construction	
Residential	Industrial	Residential	Industrial

(2) Business Expansion in Strategic Domains / Adjacent Expansion

Example: Investment in ASF Corporation

→ A foothold for creating new EV-related businesses.



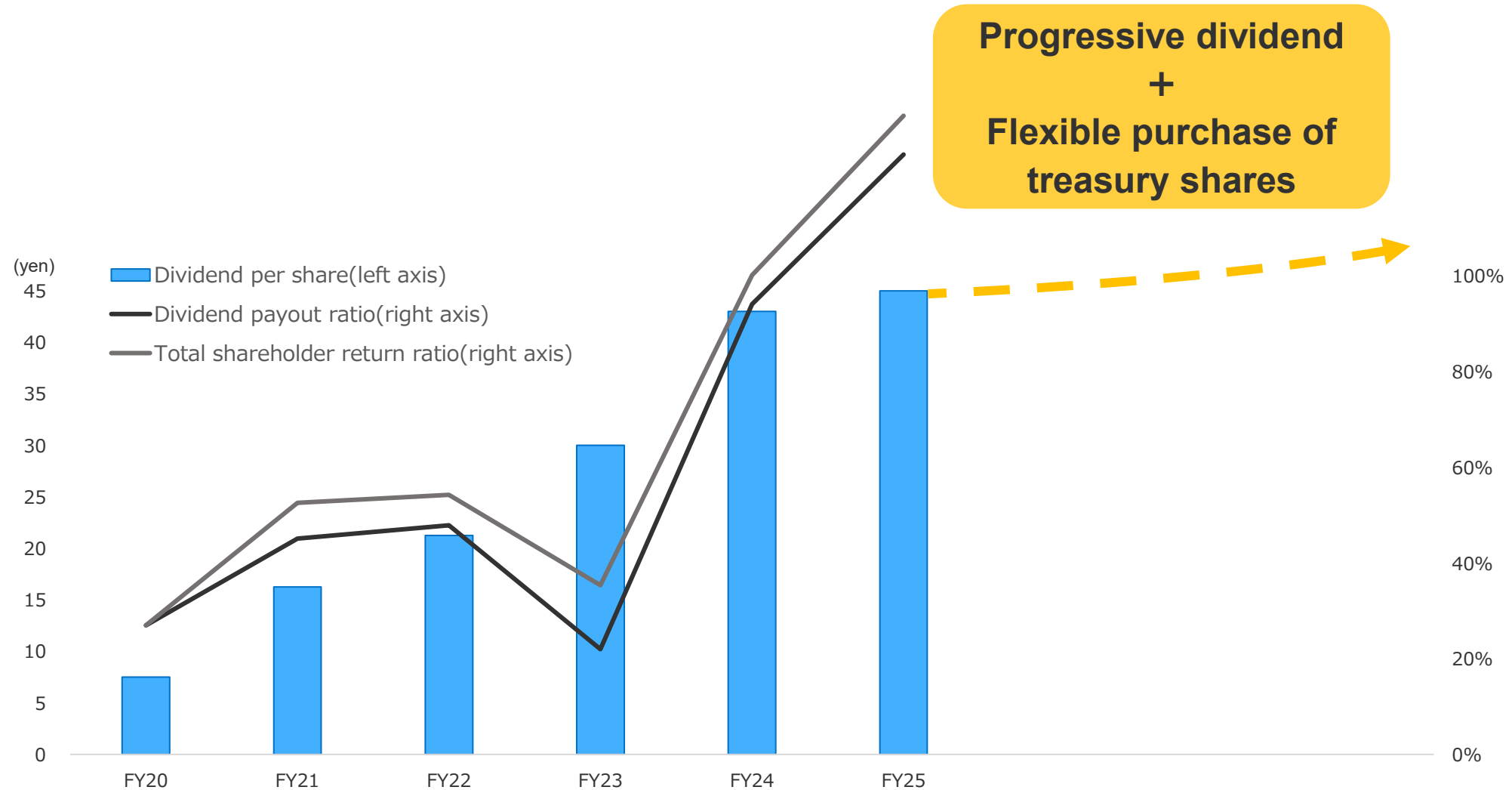
Image of light EV commercial vehicle "ASF2.0"

5-3. Shareholder Return Policy (Continuing Proactive Shareholder Returns Through Progressive Dividends)

(1) Promote management conscious of cost of capital and corporate value
(2) Create a positive cycle of investment
(3) Sustainable production of valuable human assets



- Since the Plan to Meet the Criteria, we have implemented proactive shareholder returns with a focus on capital efficiency.
- We will continue proactive shareholder returns through our progressive dividend policy and flexible purchase of treasury shares, aiming to further increase corporate value.



6. Non-Financial Strategy

6-1. Sustainability Strategy (Simultaneously Achieving Sustainable Growth and Contributing to a Sustainable Society)

(1) Promote management conscious of cost of capital and corporate value

(2) Create a positive cycle of investment

(3) Sustainable production of valuable human assets



- For each material issue, we set specific action policies and KPIs to achieve sustainable growth and contribute to a sustainable society at the same time.

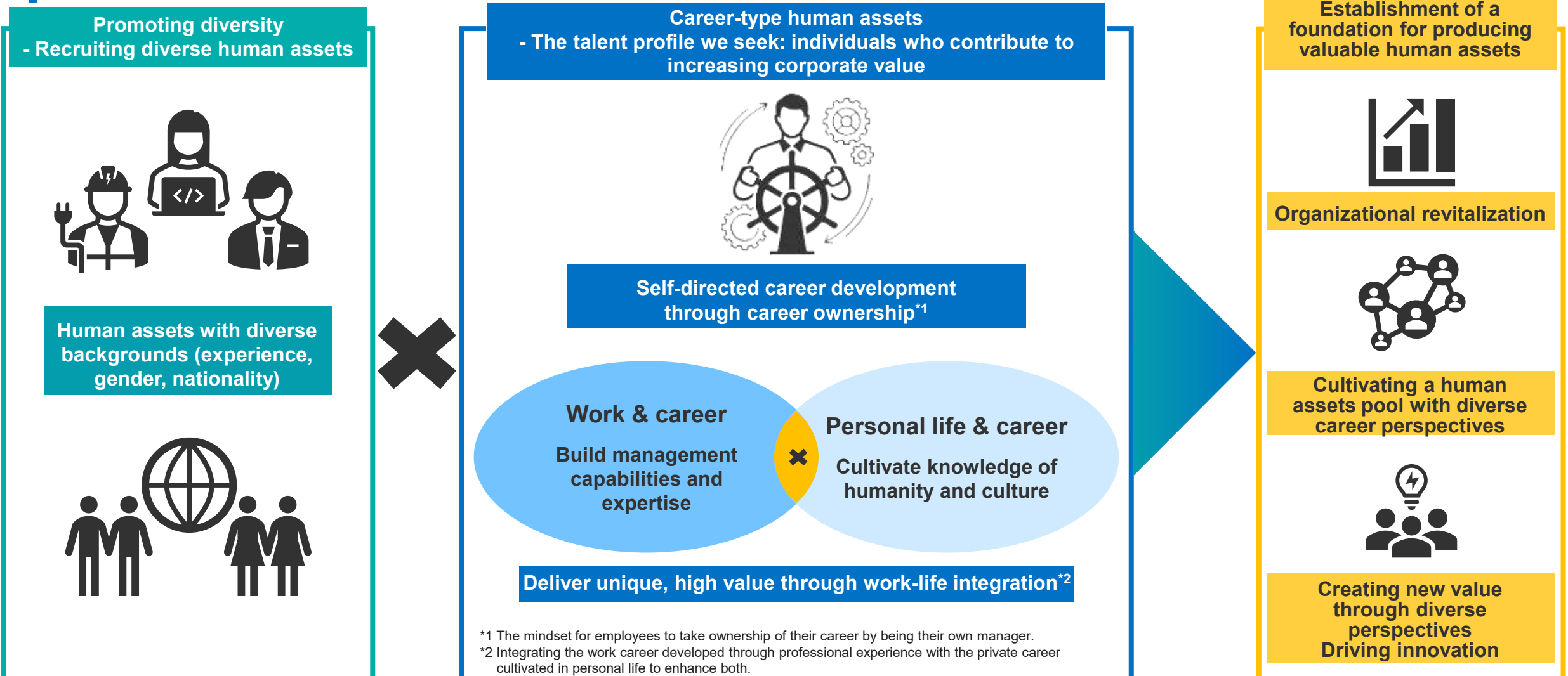
Materiality		Key initiatives	Main KPI	Numerical targets	Target year of achievement
Environment	Expanding our energy-saving and labor-saving businesses	<ul style="list-style-type: none"> •Growth in renewable energy-related businesses •Expansion of labor-saving businesses 	Percentage increase in sales of energy-saving and labor-saving products and services [Takashima & Co., Ltd.]	130% increase (Reference FY2022)	FY2030
	Contributing to global environmental preservation and to building a society in harmony with nature	<ul style="list-style-type: none"> •Compliance with ISO 14001 and disclosure of hazardous waste emissions, treatment costs, etc. •Promotion of responsible procurement of raw materials (e.g., supplier assessments, etc.) 		—	—
	Policies to combat climate change (global warming)	Promotion of reduction of greenhouse gas emissions through energy-saving and renewable energy	Rate of reduction of greenhouse gas (GHG) emissions (Scope 1+2) [consolidated]	46% reduction (Reference FY2024)	FY2035
Society	Creating an environment in which diverse human assets can exercise their capabilities and flourish	Development of human capital	Participation rate in training [Takashima & Co., Ltd.]	100%	Every year
		Promotion of diversity & inclusion	Ratio of foreign managers [consolidated]	30%	FY2030
			Ratio of female officers [Takashima & Co., Ltd.]	30% or more	FY2030
			Ratio of female managers [consolidated]	20%	FY2030
	Creating a safe, secure work environment in which anyone can work comfortably	Promotion of taking of childcare leave	Ratio of employees taking childcare leave [Takashima & Co., Ltd.]	Male:85% or more Female:100%	FY2030
			Ratio of employees on childcare leave returning to work [Takashima & Co., Ltd.]	Male:100% Female:100%	Every year
		Promotion of taking of paid leave	Paid leave utilization rate [Takashima & Co., Ltd.]	70% or more	Every year
		Improvement of employee engagement	Engagement survey score [entire Group in Japan, including Takashima & Co., Ltd.]	60 or higher	FY2030
	Maintenance and improvement of occupational health and safety management, occupational health services, etc.		—	—	
Corporate Governance	Compliance	Maintenance and improvement of compliance and risk management	Participation rate in compliance training [Takashima & Co., Ltd.]	100%	Every year
	Risk management				

6-2-1. Human Assets Strategy (1) (Establishment of a Foundation for Producing Valuable Human Assets through Diverse Career Paths)

(1) Promote management conscious of cost of capital and corporate value
(2) Create a positive cycle of investment
(3) Sustainable production of valuable human assets



- We promote the “career-type human assets” model—the talent profile we seek and a driver of sustainable business growth—and support the development of such individuals.
- We will also recruit diverse human assets and support their development as career-type human assets, thereby strengthening our organizational capabilities and establishing a foundation for developing valuable human assets.



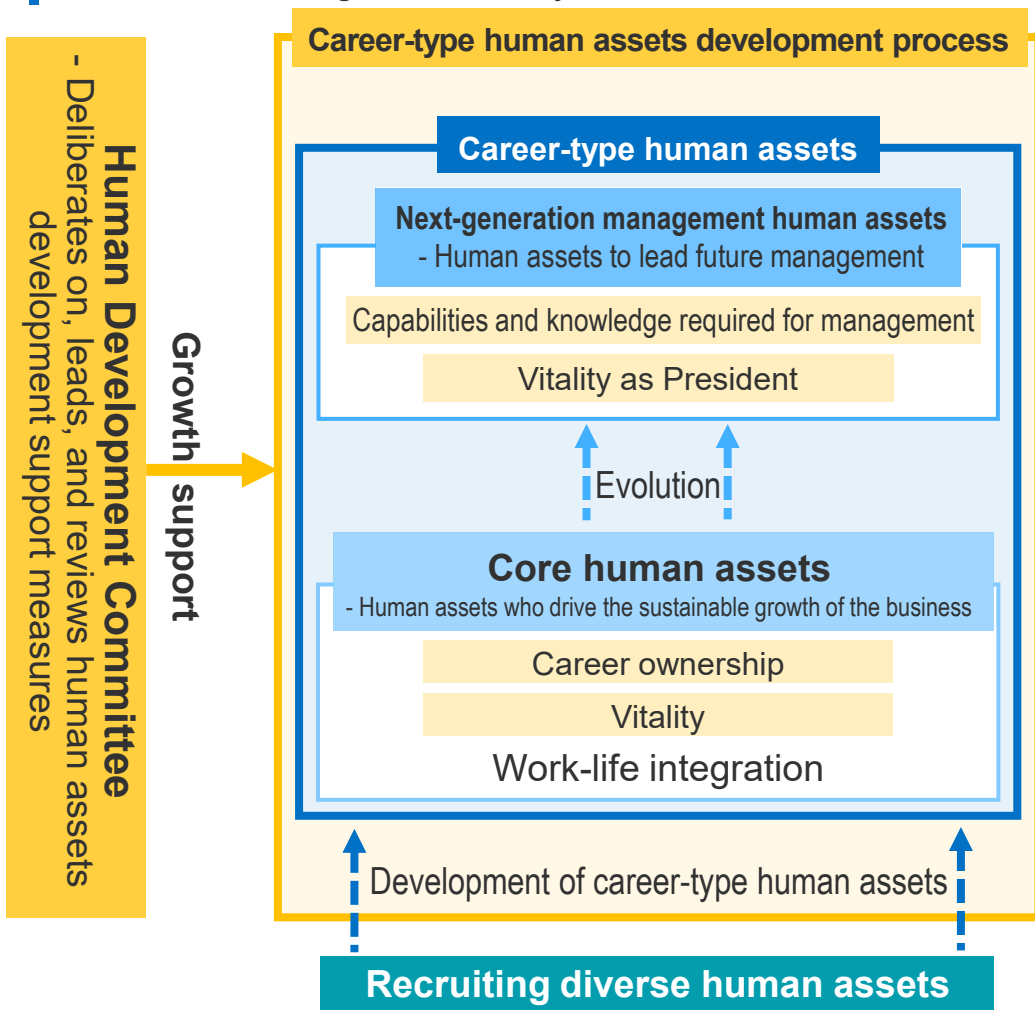
*1 The mindset for employees to take ownership of their career by being their own manager.
 *2 Integrating the work career developed through professional experience with the private career cultivated in personal life to enhance both.

6-2-2. Human Assets Strategy (2) (Implementing Growth Support Systems and Execute Investments)

(1) Promote management conscious of cost of capital and corporate value
(2) Create a positive cycle of investment
(3) Sustainable production of valuable human assets



- We established the Human Development Committee as the body responsible for operating our growth support framework. It promotes the career-type human assets development process.
- For growth support investment, we will introduce metrics to evaluate both the “quantity” and “quality” of investment, and strengthen investment while focusing on efficiency.



Growth Support Investment*1: FY2028 Target

Investment unit cost*2	Investment time*3	Reinvestment rate*4	Investment efficiency*5
¥50,000	20 hours or more	1.0% or more	30 times or more

*1 See the table below for the main components of growth support investment. *2 Growth support investment amount / number of employees

*3 Training and development hours per employee *4 Growth support investment amount / operating profit *5 Operating profit / growth support investment amount

Human capital investment details

Investment category		Aim	Investment details
Hiring	Human assets acquisition	Expansion of human capital <ul style="list-style-type: none"> Timely and appropriate staffing for growth areas Preventing hiring mismatches and accelerating time-to-productivity 	<ul style="list-style-type: none"> Recruitment advertising Recruitment branding Mid-career hiring, referral hiring Onboarding
Growth support	Skill and capability development	Accumulation of intellectual capital <ul style="list-style-type: none"> Productivity improvement Creation of high-value-added services New business creation 	<ul style="list-style-type: none"> Expansion of training content Management human assets development support (graduate school) Digital transformation promotion / AI utilization Reskilling
Retention	Environmental readiness & engagement	Maximizing organizational capability <ul style="list-style-type: none"> Reducing losses from employee turnover Building a foundation for innovation 	<ul style="list-style-type: none"> Promoting health-conscious management Transforming work environments (remote and office) Promoting diversity Engagement survey

Supplement:

Business Strategy by Segment

1. Construction Supply Segment (Promoting Prime-Contractor Business × Delivering Multi Functions Solutions)

(1) Promote management conscious of cost of capital and corporate value
(2) Create a positive cycle of investment
(3) Sustainable production of valuable human assets



- We are expanding our sales territory and strengthening our construction contracting capabilities to drive our prime-contractor business and ensure high profitability.
- In addition to enhancing and strengthening our existing processing, logistics, and construction functions, we are promoting collaboration with Group companies to provide multi-functional solutions.

Actual results for FY2025

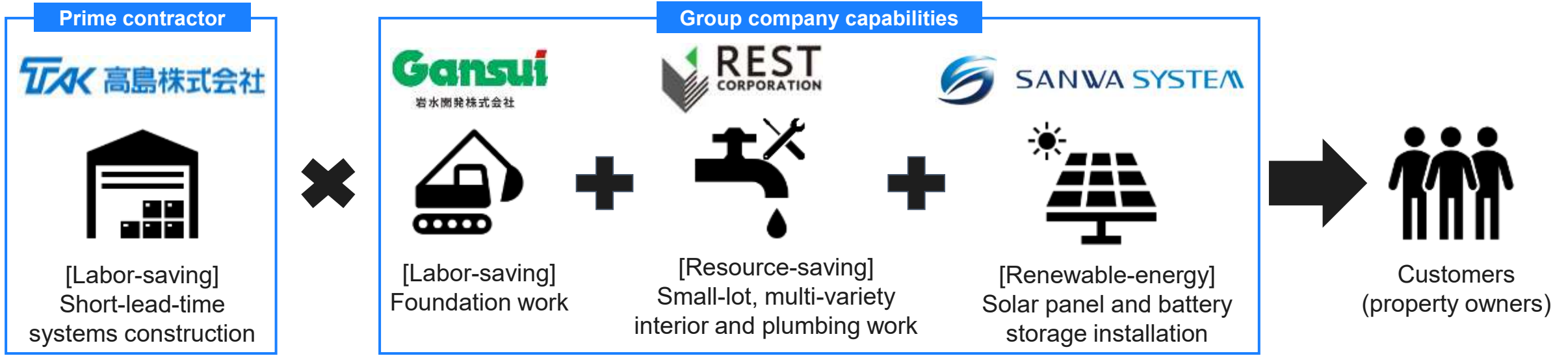
Net sales: **¥58.4** billion
 Operating profit: **¥1.7** billion



FY2028 Targets

→ Net sales: **¥73.0** billion
 → Operating profit: **¥2.7** billion

Future-looking Business: Providing integrated solutions by leveraging Group company capabilities



2. Industrial Materials Segment (Strengthening Production Capabilities and Promoting End-user Business)

(1) Promote management conscious of cost of capital and corporate value
(2) Create a positive cycle of investment
(3) Sustainable production of valuable human assets



- We aim to improve profit margins by strengthening the production capabilities of Group companies and promoting end-user business.
- We aim to enhance our business portfolio by implementing structural reforms and focusing on growth areas such as recycling and healthcare, with the goal of improving capital efficiency.

Actual results for FY2025

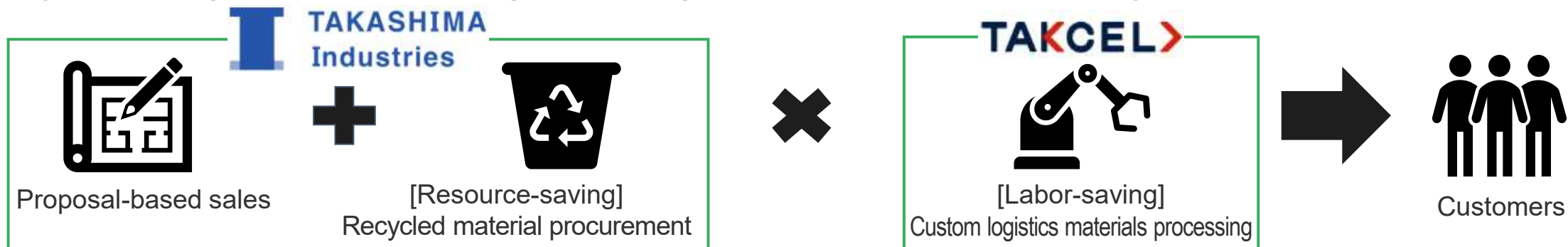
Net sales: ¥17.9 billion
Operating profit: ¥1.2 billion



FY2028 Targets

→ Net sales: ¥22.0 billion
→ Operating profit: ¥1.4 billion

Actively Expanding Business: Providing custom logistics materials made from recycled resources



Future-looking Business: Solution deployment in the healthcare sector (such as diagnostic kits and microneedles)



3. Electronic Devices Segment (Global Rollout of Component Sales × Mounting)

(1) Promote management conscious of cost of capital and corporate value
(2) Create a positive cycle of investment
(3) Sustainable production of valuable human assets



- Improving the quality control function will enable reliable electronic component supply. Combined with PCB mounting, this will drive further added-value enhancement.
- Through new office openings and factory capital investment, improve presence in the growing ASEAN region and focus on expanding sales to foreign-owned companies.

Actual results for FY2025

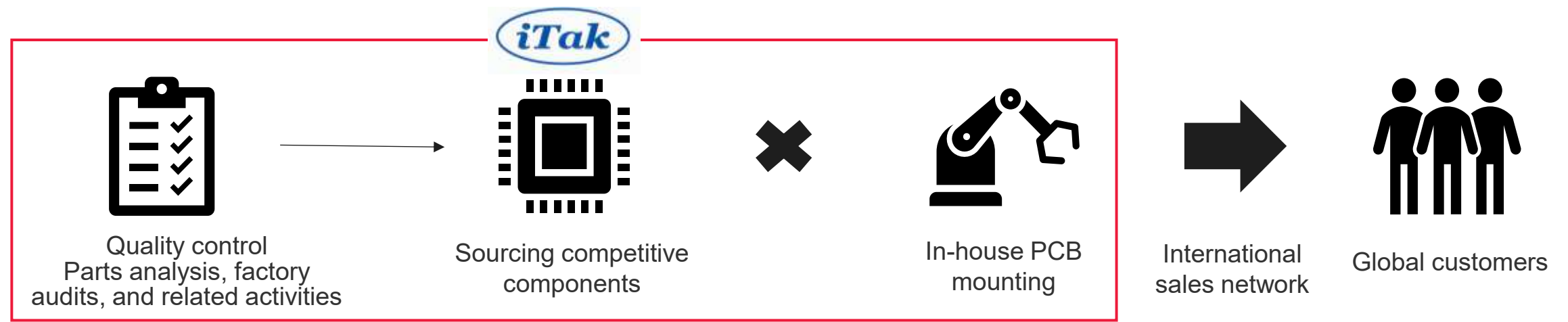
Net sales: ¥14.2 billion
 Operating profit: ¥0.4 billion



FY2028 Targets

→ Net sales: ¥15.0 billion
 → Operating profit: ¥0.5 billion

Actively Expanding Business: In-house PCB mounting and expanded sales to foreign-affiliated companies



Sustainable Positive Spiral

(Sustainable + Spiral)

Creating a sustainable positive cycle to put growth on track



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.