Initiatives for Value Creation

Business Overview

FY2025 Results

Construction Supply Division

Net sales ¥58.4 billion

Operating profit ¥1.7 billion

Construction materials

For high-performance non-residential construction materials (wall materials, fire-resistant coverings, etc.) used primarily in large logistics facilities and plants, as well as pile-related and civil engineering materials (piles, foundation improvement methods, EDO-EPS methods, and transparent plastic underground retaining blocks, etc.), we are involved in everything from design considerations to construction, and provide goods and services to customers via a nationwide sales and construction network.

In addition, we will contribute to the energy savings by providing insulation panels used to create refrigerated spaces in non-residential facilities, such as food factories and distribution warehouses, and a wide range of other high-performance insulation materials and techniques.

Housing materials

As well as addressing the increasing diversification of residential buildings, including ZEH, by providing materials that are essential for enhancing the safety, comfort, and energy-saving characteristics of the living environment (exterior wall materials, roofing materials, "all electrification" materials, and thermal insulation materials), we process and install a variety of counters (synthetic marble for kitchen counters and bathroom vanity units) and provide various other interior materials.

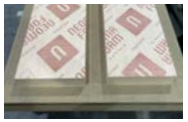
For residential buildings, by offering fully pre-cut thermal insulation materials to housebuilders and taking responsibility for layout, processing, and distribution functions, we help to save labor associated with measuring, cutting, and disposal work at construction sites.

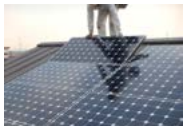
Renewable energy materials

We have an industry-leading track record in the market for residential solar power generation systems and offer a lineup of products for use in industrial/residential solar power generation systems and storage batteries, as well as internally developed support structures. In terms of new initiatives aimed at the coming era of the electric vehicle (EV), we are focused on sales of our Vehicle-to-Home (V2H) and solar carport products, and can provide solutions on a national scale.







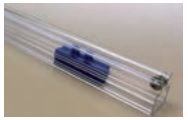
Industrial Materials Division

Net sales ¥17.9 billion

Operating profit ¥1.2 billion

Plastics-related materials

We handle a broad range of materials and products from synthetic resin to environmentally friendly resin. We offer optimal proposals for transportation and shipment materials tailored to process lines and applications for electronic components, automotive and electrical components, and precision equipment. We also offer design, assembly, and compound processing functions for internal and external materials used in rolling stock based on the keywords of energy savings and labor savings. We help tailor manufacturing to the needs of customers by procuring and processing materials and products from Japan and overseas with high-performance characteristics, such as heat resistance and superior strength. Our Group company, TAKCEL Co., Ltd., manufactures and sells plastic molded products, focusing on general industrial products such as automotive and electronic components, while also having been investing in the medical products field in recent years.






Textiles-related materials

We offer a wide range of textile materials, including the heavy fabrics (industrial textiles such as synthetic canvas, ornamental tents, truck canopies, etc.), that were the founding business of the Company. We also develop sustainable products such as lightweight logistics materials, sheets made from recycled materials, and energy-saving tent fabrics. In addition, we sell container bags and textile products for the Ministry of Defense, and propose OEM production of apparel products to major retailers in Japan. We also handle domestic sales, exports and imports of various materials for bags, satchels, shoes, gloves and other items using artificial leather, synthetic leather, etc.

Our Group company, HI-LAND Co., Ltd., is equipped with sewing and welding facilities and offers optimal proposals from design to processing.





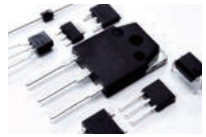

Electronic Devices Division

Net sales ¥14.2 billion

Operating profit ¥0.4 billion

Devices

We provide LCDs for a broad range of applications, from consumer products to automotive and industrial equipment, as well as audio products (microphones, speakers, receivers, etc.), and power electronics-related parts such as semiconductors, capacitors, and relays. We operate a business that leverages our customer support capabilities by capturing their needs, undertaking procurement primarily from Asian manufacturers, and systematically implementing delivery control, inventory management, and quality management for parts.




Assembly

Utilizing our own plant in Thailand, our electronics manufacturing services (EMS) business provides total support for PCB mounting in white goods and a wide range of other products, from design stages to mass production. With its background as an electronic components trading company and its capabilities as a manufacturer, the iTak Group has created a structure that enables it to supply competitive products as a "trading company + manufacturer." Its assembly services contribute to energy savings and the shift to inverter usage by white goods and other products through production at its Thai plant.



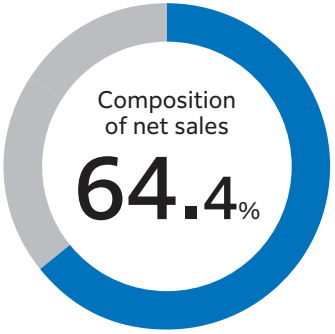

■ Chonburi Plant, Thailand

The Chonburi Plant was established in November 2017. As a company certified by Thailand's Board of Investment (BOI), it provides mounted circuit boards to Japanese companies and other customers that manufacture home appliances for export to countries around the world. It also handles specialized processing, such as urethane potting, and manufactures circuit boards that require waterproofing, such as those used in washing machines. It is equipped with mounting machines for SMT, radial, and axial components, thereby allowing for integrated production in conjunction with its automatic solder pot line.

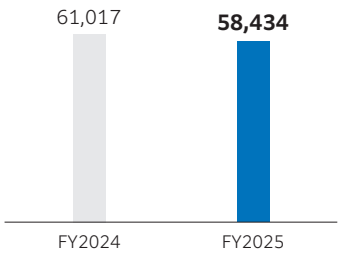
It also offers value engineering (VE) proposals for parts replacement, leveraging its strong relationships with parts manufacturers and our Group-wide network. In addition, it manufactures transformers and choke coils, and through the in-house production of key parts for power supply boards, it is able to shorten delivery times and reduce costs.

Initiatives for Value Creation

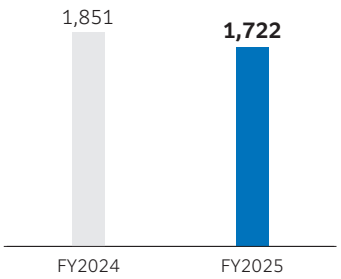
Construction Supply Division



Net sales (Millions of yen)



Operating profit (Millions of yen)



Description of business

The Construction Supply Division, which comprises the Company and Group companies*, handles a variety of products related to construction and building. These include wall materials, piles, thermal insulation materials, solar panel related products, and interior materials for residential and large/non-residential buildings. For these products we have established a nationwide sales and construction network, and offer a wide range of solutions to customers, from planning and design to construction.

* Rest Corporation, Gansui Corporation, Naruto-SP Industries Co., Ltd., Ando Co., Ltd., New Energy Distribution System Inc., Sanwa System Co., Ltd. (and seven other companies), Doryoku Co., Ltd., and HIT Engineering Co., Ltd.

Amid the tightening of regulations on the construction industry with the revised Building Standards Act established in 2006 and a contraction in construction services across the board among construction supply trading companies affiliated with major trading companies handling construction supplies, the Company has prepared a construction management system and strengthened its construction functions as a construction supply trading company. Since then, as a "value-adding trading company," we have strengthened our functions, such as processing, distribution, and system provision, and enhanced our functions that assist customers.

Strategy going forward

Gansui Corporation, which joined the Group in June 2023, boasts a large market share for ground improvement work in the Chugoku and Shikoku regions, and by providing one-stop services for proposals, processing, distribution, construction, and other functions, it has contributed to enhancing our presence in the industry. In addition, New Energy Distribution System Inc. joined the Group in December 2022, strengthening our construction functions for residential solar power generation systems. Furthermore, in February 2025, we made Sanwa Holdings Co., Ltd., which handles the sale and construction of solar power generation systems, a consolidated subsidiary. This has enabled us to cover the entire spectrum of the solar power generation market, from the wholesale of materials to construction.

As a further step in these initiatives to acquire new functions, Gansui Corporation acquired the ground-tech business and made Ando Co., Ltd. a subsidiary in June 2026. This will expand our construction coverage nationwide and strengthen our structure in the non-residential field, with the aim of securing more non-residential projects and sustainably enhancing corporate value by integrating locally cultivated technical capabilities with a nationwide construction structure. We will continue to advance the "delivery of multifunctional solutions" that combine the strengths of the entire Group by enhancing our traditional processing, logistics, and construction functions and strengthening our construction contracting structure. By advancing the two pillars of deepening these core businesses and making strategic investments, the Company will strive to accelerate growth in the construction supply segment and enhance corporate value as set forth in the Medium-Term Management Plan 2028.

TOPICS

Gansui Corporation's Acquisition of the Ground-Tech Business and Conversion of a Company into a Subsidiary

In June 2026, Gansui Corporation acquired the ground-tech business of JFD Engineering Co., Ltd. and made Ando Co., Ltd. a subsidiary through share acquisition. By combining the specialized technologies and nationwide networks of both companies, the Group has established an overwhelming business foundation in the ground improvement and pile foundation fields within the non-residential market.

Overview of M&A and business acquisition

Executed on June 1, 2026

❶ **Acquisition of the ground-tech business from JFD Engineering Co., Ltd.** (ground improvement and foundation work; net sales of the acquired business: ¥4.70 billion)

❷ **Acquisition of shares in Ando Co., Ltd.** (making it a subsidiary; 100% of the voting rights; RC pile manufacturing; net sales of the acquired company: ¥150 million)

Strategic significance and Group synergies generated by this transaction

❶ **Nationwide expansion of construction coverage**

Gansui Corporation, whose operations had centered on the Chugoku and Shikoku regions, acquired the target business, which is capable of performing ground improvement and foundation work nationwide, thereby expanding the Group's construction coverage across Japan.

❷ **Establishment of an overwhelming business foundation in the non-residential market**

By integrating Gansui Corporation's locally rooted expertise and advanced technology with the newly acquired nationwide network and robust construction capabilities, the Group established a competitive advantage in the non-residential market.

Accelerating growth in the construction supply segment

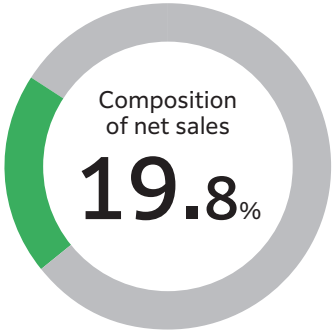
Establishing an overwhelming business foundation in the non-residential market by promoting these initiatives. Contributing to the enhancement of corporate value across the Group by implementing strategic investments under the Medium-Term Management Plan 2028.



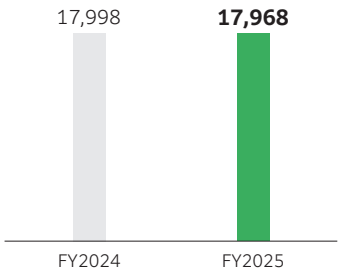


Initiatives for Value Creation

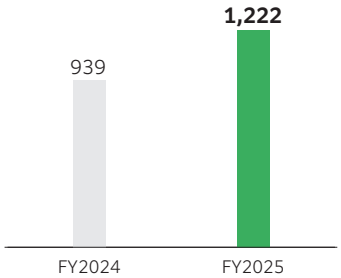
Industrial Materials Division



Net sales (Millions of yen)



Operating profit (Millions of yen)



Description of business

The Industrial Materials Division comprises Group companies*, with Takashima Industries Co., Ltd. at its core. The Division handles a diverse range of products, including the textile materials that were the founding business of the Group, plastic parts, and functional materials. We also have factories with HI-LAND Co., Ltd. and TAKCEL Co., Ltd., and we aim to become the manufacturing and sales partner of choice for our business partners by leveraging our network of processing partner companies. The Industrial Materials Division organically collaborates in design, manufacturing, processing, and sales to provide multiple layers of value to customers.

* Takashima Industries Co., Ltd., HI-LAND Co., Ltd., TAKCEL Co., Ltd., Sinbou Edix Co., Ltd., and Green Cycle Corporation

The capabilities offered to customers by the Industrial Materials Division vary widely according to the field in question, and in addition to providing logistics materials (plastic trays for transportation of parts, etc.) designed by the Group for their shock absorption characteristics to automotive and electrical manufacturers, it provides textile products to public agencies, and conducts OEM production of apparel and functional textiles for clothing.

Strategy going forward

The Industrial Materials Division has accelerated operational decision-making and promoted integrated management through a reorganization of Group businesses centered on Takashima Industries Co., Ltd. By integrating trading and manufacturing functions at a high level, the Division has established a structure to deliver multifunctional solutions to diverse sectors such as automobiles, electric machines, logistics, medical care, and public agencies.

Under the Medium-Term Management Plan 2028, we aim to improve profit margins on products and services by further strengthening the production capabilities of Group companies and strongly promoting end-user business. In addition, we will advance business structure reforms and prioritize the allocation of management resources to high-growth areas, such as providing customized logistics materials made from recycled resources and expanding solutions in the healthcare field.

Through the continued, steady execution of these strategies, the Company will further strengthen its earnings base, enhance its business portfolio, improve capital efficiency, and strive to sustainably increase corporate value.

TOPICS

Focusing on the Medical and Micro-Molding Sectors and Strengthening the Business Structure at TAKCEL Co., Ltd.

TAKCEL Co., Ltd., which has uniquely refined its plastic molding technologies over a history spanning more than a century, is accelerating its shift toward the medical and micro-molding fields as part of a key initiative under the Medium-Term Management Plan to focus on growth areas.

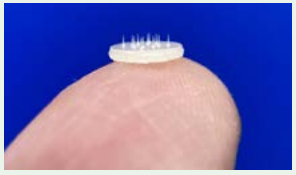
The Company has obtained ISO 13485 certification and operates a dedicated medical device manufacturing facility equipped with cleanrooms, with plans to expand its molding machine capacity to 22 units. It has also established a stringent traceability framework through digitalization.

Leveraging the heat-and-cool molding technology it cultivated, as well as ultra-precision processing technologies, the company designs, develops, and mass-produces technically demanding medical and scientific components, including blood test plates, nucleic acid chromatography test kits, microneedles, and lab-on-a-chip devices.

By promoting the consolidation of intellectual property, joint development with startups, and global expansion through participation in overseas exhibitions, the Company is strongly driving the Industrial Materials Business's focus on high-growth areas and shift toward higher value-added products and services.

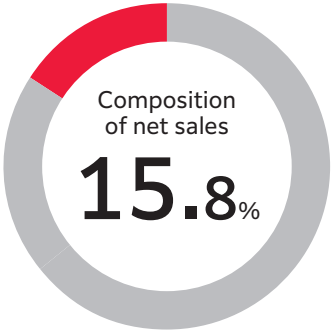




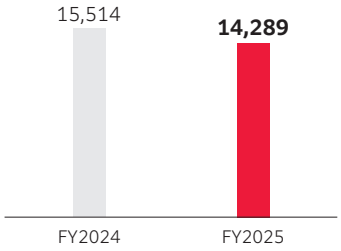


Initiatives for Value Creation

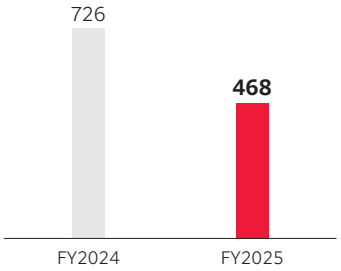
Electronic Devices Division



Net sales (Millions of yen)



Operating profit (Millions of yen)



Description of business

The Electronic Devices Division is a multinational corporate group headquartered in Hong Kong and conducts business mainly overseas as the iTak Group. The iTak Group has 11 locations in total, including seven business sites in Japan and overseas* and two plants located in Thailand and Vietnam.

* iTak (International) Limited, iTak International (Thailand) Limited, iTak International (Vietnam) Co., Ltd., iTak International (Shanghai) Limited, iTak International (Shenzhen) Limited, iTak International (Malaysia) Sdn. Bhd., and iTak International (Japan) Co., Ltd.

The iTak Group works actively as a single business unit through strong cooperation among its sites to cover all of the main countries in Asia. The ability to offer global manufacturing support for customers' development, production, and purchasing from an office near to their site is one of the characteristics of the iTak Group.

Strategy going forward

Utilizing the iTak Group's multinational network of seven major business locations in Asia and two in-house factories, the Division will further refine its strength in providing integrated services, from proposals for rigorously selected, price-competitive electronic components to international procurement, in-house PCB assembly, and custom component manufacturing.

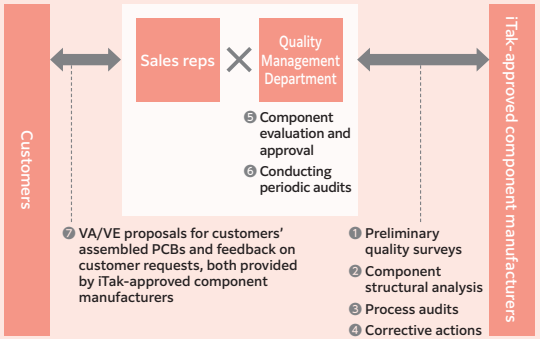
To ensure it meets customers' increasingly stringent quality, cost, and delivery (QCD) requirements, the Division will strengthen its quality control department (through thorough component analysis, factory audits, etc.) and expand and enhance its development and technical support systems, striving to provide high-value-added, multifunctional solutions by combining component sales with PCB assembly.

Under the Medium-Term Management Plan 2028, in addition to further developing business with Japanese manufacturers, as it has done to date, the Division will significantly strengthen its business activities in the rapidly growing ASEAN region by opening new locations, investing in its own factories, and pursuing other initiatives. By globally deploying competitive component procurement capabilities through our international sales network and high-precision mounting technology, we will strongly promote sales expansion to new customer segments, including foreign-affiliated companies, and work toward further growth and the enhancement of corporate value.

TOPICS

Cost Optimization + Technology × Quality Control

Proposing new components that customers can use with confidence



To pursue a quality-first approach based on a customer-centric philosophy, we continuously implement initiatives

(1) Auditing component manufacturers

Proactively conducting preliminary quality surveys and process audits prior to component approval, as well as periodic audits after approval



Meeting during process audits



Process audit in progress

(2) Examples of component analysis

① **X-ray inspection of an aluminum electrolytic capacitor**



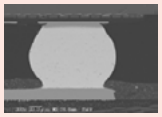
[Inspection Items]
• **Internal defects** (foreign particles, foil irregularities, etc.)

② **Magnified cross-sectional image of a multilayer ceramic capacitor**



[Inspection Items]
• **Internal defects** (internal electrode stacking condition, etc.)

③ **SEM image of a cross section of a BGA solder joint**



[Inspection Items]
• **Solder joint integrity** (intermetallic compound formation)

* VA: Value Analysis; VE: Value Engineering

* BGA: Ball Grid Array; SEM: Scanning Electron Microscope

Initiatives for Value Creation

Takashima in the Distribution Warehouse

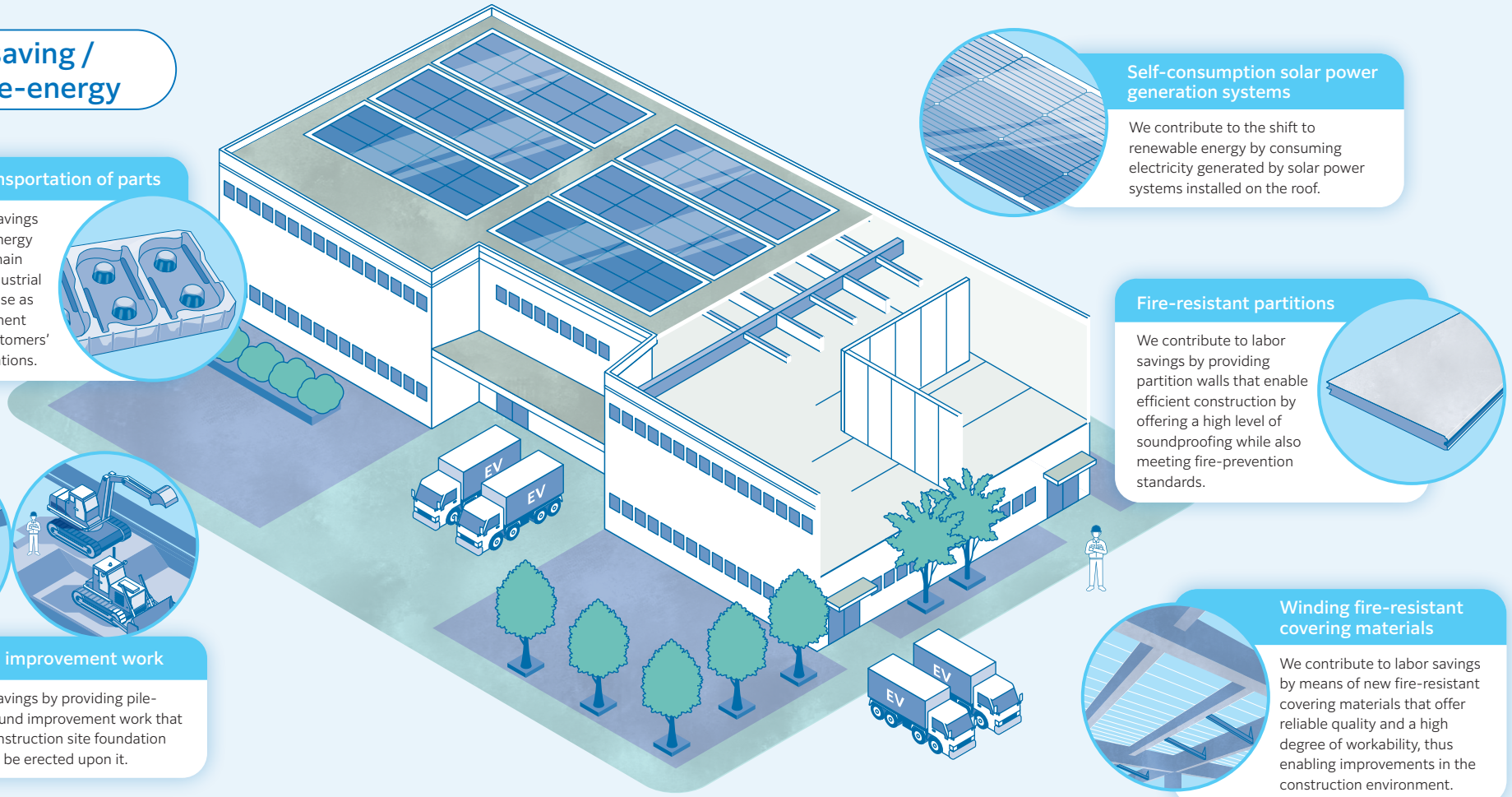
Creating social value through our business

In recent years a variety of social issues have become apparent, including climate change and energy problems. Takashima is creating social value through business activities that target labor savings and the shift to renewable energy, particularly following the COVID-19 pandemic, which resulted in a surge in e-commerce driving an expansion of the distribution market and an increase in the size of logistics facilities from 2020 onward.

Social value we wish to create

Resolution of social and environmental issues through the optimization of the supply chain

Labor-saving / renewable-energy



Plastic trays for transportation of parts

We contribute to labor savings and shift to renewable energy throughout the supply chain by proposing optimal industrial packaging products for use as transportation and shipment materials, tailored to customers' process lines and applications.

Self-consumption solar power generation systems

We contribute to the shift to renewable energy by consuming electricity generated by solar power systems installed on the roof.

Fire-resistant partitions

We contribute to labor savings by providing partition walls that enable efficient construction by offering a high level of soundproofing while also meeting fire-prevention standards.

Pile-driving/ground improvement work

We contribute to labor savings by providing pile-driving methods and ground improvement work that are best suited to the construction site foundation and the building that will be erected upon it.

Winding fire-resistant covering materials

We contribute to labor savings by means of new fire-resistant covering materials that offer reliable quality and a high degree of workability, thus enabling improvements in the construction environment.

Initiatives for Value Creation

Takashima in Homes

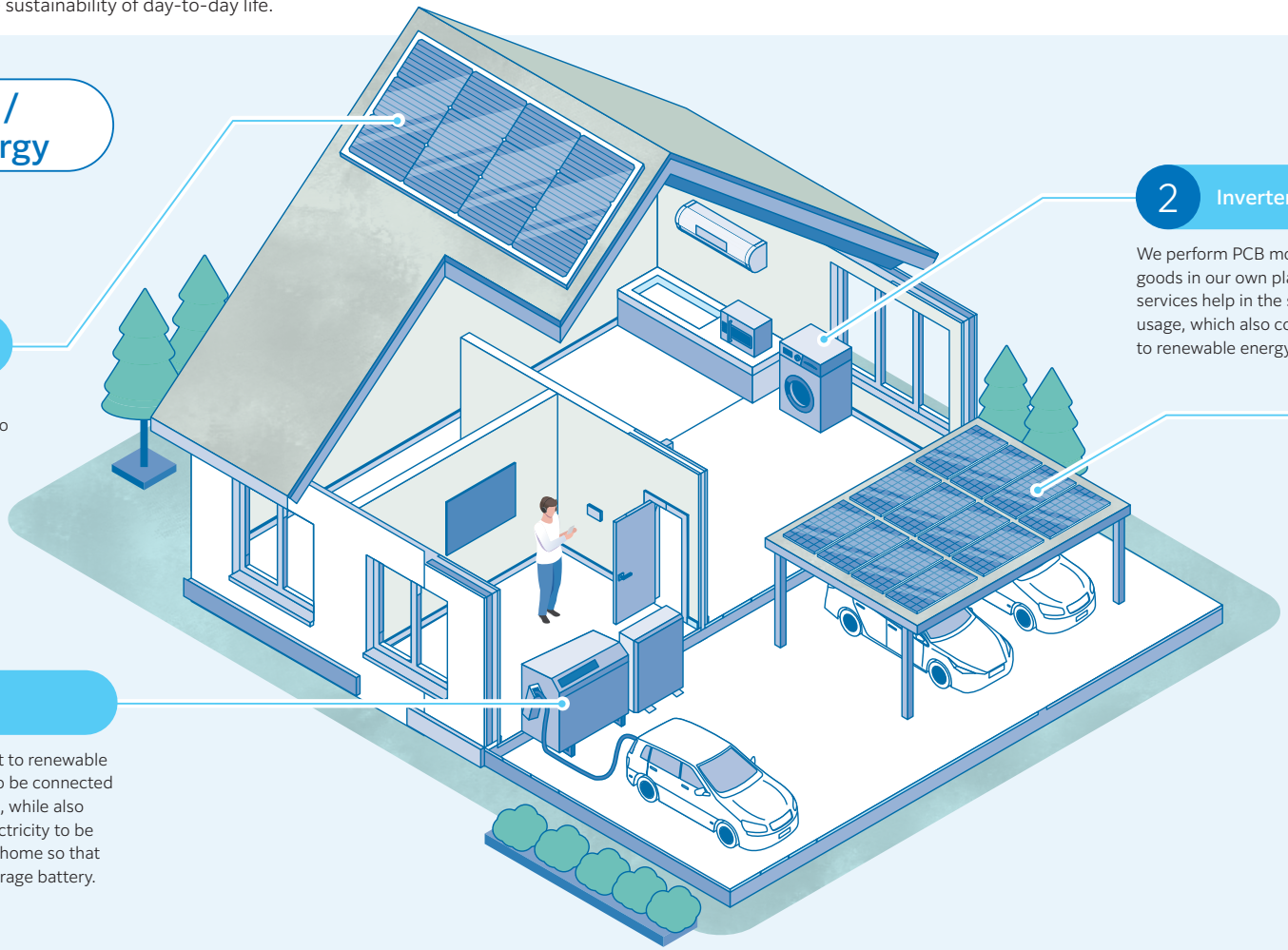
Creating social value through our business

Houses are the foundation of our social activities and an important element in supporting the stability of day-to-day life. Homes are also our most familiar places where we provide solutions to environmental problems. As an advanced sustainability-focused trading company, the Takashima Group offers a variety of services that lead to higher performance and an increase in the functions provided by homes, as well as to reductions in their energy consumption. In addition, with electric vehicles becoming capable of acting as a substitute storage battery, we are also proposing new approaches to utilizing energy, such as our V2H residential disaster mitigation initiative. The Group generates social value by taking the environment into account and contributing to improvements in the sustainability of day-to-day life.

Social value we wish to create

Creation of a foundation for safe and comfortable everyday life that takes the environment into account

Labor-saving / renewable-energy



1 Solar power generation systems

The use of electricity generated by solar power generation systems contributes to the shift to renewable energy.

2 Inverters

We perform PCB mounting for white goods in our own plants. Our assembly services help in the shift to inverter usage, which also contributes to the shift to renewable energy.

3 V2H

We contribute to the shift to renewable energy by enabling EVs to be connected to the home and charged, while also making it possible for electricity to be supplied from EVs to the home so that they can be used as a storage battery.

4 Carports

We contribute to the shift to renewable energy by broadening the use of renewable energy while making effective use of land through the installation of solar power generation systems on the roof of carports.