Takashima Group's Value Creation

Message from the Representative Director, Chairperson and CEO



Accelerating our transition to a sustainably growing company under a new management structure led by a CEO and a COO

Koichi Takashima
Representative Director, Chairperson and CEO

Launch of a new management structure that harnesses centripetal and centrifugal forces

Following the General Meeting of Shareholders and Board of Directors meeting in June 2026, the Company transitioned to a new management structure led by President Yamamoto and me. As preparations for our goal of changing direction from sound management to a sustainably growing company are in place, we have put our transition to a sustainably growing company firmly on track under a management structure led by a CEO and a COO, with the two sharing responsibilities, with the aim of further accelerating the transition.

The shift from sound management to a sustainably growing company is a major turning point in the history of the Company, which just celebrated its 110th anniversary in 2025, and there are several key factors for our growth up to this point. We have achieved *progress* × *fit* by always keeping pace with the changing times and continuously renewing ourselves while remaining true to our corporate mission of "Contributing to Society through Our Business Activities" and our DNA of "Integrity," and at the same time, our business has grown by evolving with the times.

However, when I was appointed President in 2004, the Company was in a challenging situation with no clear path to sustainable growth. Ensuring the Company can grow over the next 50 or 100 years became our top priority, so we promoted the concepts of sustainability and sustainable growth, which were still not ubiquitous at the time, within the Company and set the goal of becoming an advanced trading company. This is because we wanted to clarify the value of our existence—"Contributing to society through our business activities by drawing on original ideas and approaching society through Takashima Group's unique means"—which underpinned our corporate mission.

To that end, for example, we presented three frameworks: the "Solution Framework," "Risk Control Framework," and "Development Framework." The "Solution Framework" entails the creation of functions and solutions unique to the Company. The "Risk Control Framework" seeks to eliminate reliance on individual operational expertise and ensure continuity of the organization. By establishing mechanisms for joint management and operation within each department, we made progress in standardizing and streamlining operations. The "Development Framework" involves instilling the mindset that developing one's successor, from frontline units all the way up to the top management of each business unit, is a task of paramount importance.

While we have sought to become an advanced trading company in the area of sustainability through these various initiatives, the turning point that accelerated our growth was taking on the challenge to meet the continued-listing criteria for the Tokyo Stock Exchange's Prime Market. We set this as our top management priority and advocated a shift from sound management to sustainable growth in our previous medium-term management plan, "Sustainability V (Value)," and proactively implemented strategic initiatives to that end.

Among these initiatives, we placed particular emphasis on business investment, including M&A, and investment in human assets. In terms of business investment, we have executed M&A deals that allow our business to take giant strides forward through expeditious decision-making while focusing on the growth of existing businesses. We also recognize that recruiting and developing human assets that support growth as well as developing employees into valuable human assets are the key management challenges for achieving sustainable growth, and we are thus making aggressive strategic investments in our human assets.

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As a result of these initiatives, the number of employees across the entire Group, including those from companies that have joined the Group through M&A, has increased rapidly. It is important that we harness the "centripetal force" to instill the DNA cultivated by the Company among our new Group companies and human assets. Furthermore, we must also harness the "centrifugal force" to expand our growth. The new management structure that we have introduced will propel the Company forward by making use of both these centripetal and centrifugal forces.

As a member of the founding family, I understand better than anyone else the DNA that is integral to the Company based on my 22 years of management experience. When it comes to harnessing the centripetal force such as our corporate philosophy and corporate mission, my role is to take the lead and proactively work to instill the Company's philosophy. I also take seriously my role as the "face" of the Company to the outside world, and I intend to take the lead in IR and other activities as well.

As for harnessing the centrifugal force, I am looking forward to the work of our new President, Yamamoto. How can we harness the centrifugal force across the entire Group? We need to swiftly implement measures such as developing new businesses and acquiring new customers. Future changes start with the frontline. It is imperative to bridge frontline issues and possibilities with the centrifugal force, and by having someone who was closer to the frontline than I am serve as COO, I hope to see rapid progress in business restructuring, organizational reforms, and human assets development.



There is also another way in which the new management structure is significant. If we aim to be a company that continues for 50, 100 years, and beyond, we need a system that can sustainably produce successors. The Nominating Committee has spent nearly ten years thoroughly discussing a successor program, and with that system gradually taking shape under this new management structure, I see it as a major achievement that we could show we have taken a step forward. Given that I served as President, I hope that employees who wondered if someone outside the founding family could really become President will now realize that it is indeed possible, and that even more employees will aspire to take on management roles.

Taking a leap forward to become a sustainably growing company through our unwavering philosophy of sustainability

Since I was appointed President in 2004, the Takashima Group has placed sustainability at the core of its management and business growth, developing businesses that meet social needs and continuing to demonstrate the value of its existence through these efforts. While there are certainly environmental aspects to sustainability, I think of it as a philosophy that is central to the continued existence of both companies and individuals. When I reflected on what sustainable growth means for a sustainable company and for individuals 22 years ago, I was struck by the idea of becoming an advanced sustainability-focused trading company. If we develop businesses in sustainable domains, those businesses themselves will become sustainable. Demonstrating the value of our existence through such efforts will be consistent with our corporate mission. We are unwavering in embracing this philosophy going forward, and the Group will continue to forge ahead on the path to becoming a sustainably growing company as an advanced sustainability-focused trading company.

Through a wide range of strategic initiatives aimed at changing direction from sound management to a sustainably growing company, the Company's earning power is growing steadily. EBITDA has grown for five consecutive years, while gross profit and gross profit margin continue to improve. In terms of our human assets strategy, the concept of "career-type human assets," where each employee plans his/her own career by being his/her own manager and continues to provide high value to society, is starting to take root. As this concept takes root across the entire Group and the number of employees putting it into practice increases, we can look forward to producing leaders that drive our business forward and successors for managers in a sustainable manner.

As these seeds of growth begin to sprout, we have formulated the Medium-Term Management Plan 2028 "Sustainable $^{+}$ Spiral (Sustainable Positive Spiral)," designating the next three years as a period for putting growth on track. We will continue to advance our ongoing strategic initiatives to contribute to profits and create a "sustainable positive cycle (Sustainable $^{+}$ Spiral)," where returns on investment fund further investment. We have established three basic policies for creating a sustainable positive cycle: (i) promote management conscious of cost of capital and corporate value; (ii) create a positive cycle of investment; and (iii) sustainable production of valuable human assets. By focusing on the three strategic themes of "labor-saving," "resource-saving," and "renewable-energy," we will expeditiously invest resources to achieve a sustainable positive cycle.

Creating a sustainable positive cycle and contributing to society through our business activities

Our founder Kotakichi Takashima had a strong conviction that becoming a listed company should form the foundation of our credibility, and the Company has been listed since the Tokyo Stock Exchange was established in 1949. This is a key feature of the Company's corporate value, and we have always considered it the Group's mission to engage with our stakeholders, meet their expectations, and contribute to the sustainable growth of society through our business activities.

As an advanced sustainability-focused trading company that contributes to a sustainable society, the Group will take a leap forward to become a sustainably growing company. Going forward, we would like to ask for the continued support and understanding of our stakeholders, including our shareholders.