Business Engineering for Growth

Integrated Report **2026**

B-EN-G

Brand Statement

Business Engineering for Growth

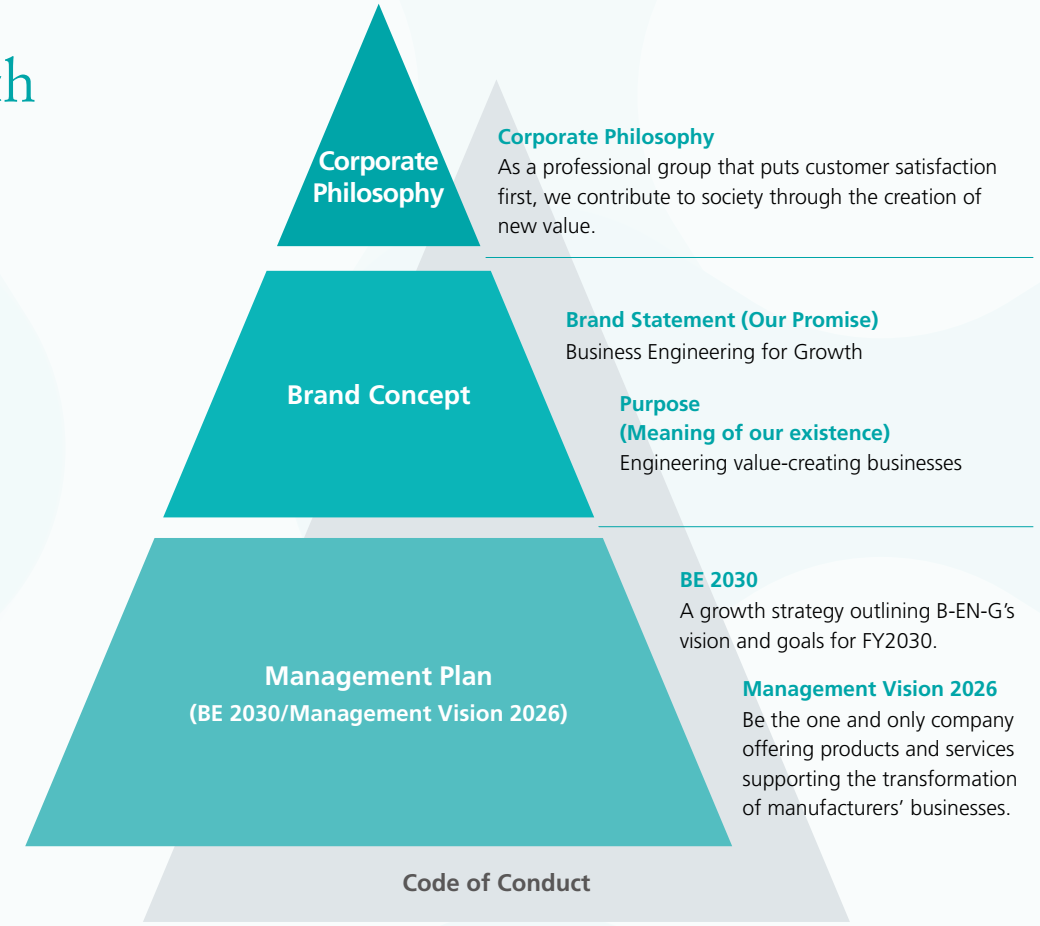
There are many companies in the world who aspire to create value and make the world a better place.
As a company that provides digital technology solutions to the manufacturing industry, we understand this better than anyone else.

We believe that, as our clients strive to move forward, we can stand alongside them, share the weight of their challenges, and pursue the same goals with equal enthusiasm.

There may be times when we give an opinion that is hard to hear, and our suggestions may seem different from what the client envisions. This is because, as a partner, our mission is to see beyond our client requests and provide them with the best possible solutions.

Everything we do is for our clients and their success.
We stand beside our clients and walk every step with them until, together, we reach the goal.

“Business Engineering for Growth”
We are B-EN-G.



Corporate Philosophy
As a professional group that puts customer satisfaction first, we contribute to society through the creation of new value.

Brand Statement (Our Promise)
Business Engineering for Growth

Purpose
(Meaning of our existence)
Engineering value-creating businesses

BE 2030
A growth strategy outlining B-EN-G’s vision and goals for FY2030.

Management Vision 2026
Be the one and only company offering products and services supporting the transformation of manufacturers’ businesses.

Editorial Policy

In 2026, Business Engineering Corporation (hereinafter “the Company”) issued its third integrated report. In all of our business activities, we value active dialogue with stakeholders. The goal of this integrated report is to comprehensively increase your understanding of the social and economic value created by the B-EN-G Group through reports on our management strategies, business operations and sustainability-related activities. For further information, please visit the Company’s website.

↗WEB **Business Engineering Corporation**

Reference Guidelines

- IFRS Foundation, International Integrated Reporting Framework
- Ministry of Economy, Trade and Industry, Guidance for Collaborative Value Creation 2.0

Environment Social Governance
Guidance for Collaborative Value Creation

Scope of Reporting

Organizations covered:
Business Engineering Corporation and the Business Engineering Group (two consolidated subsidiaries and five non-consolidated subsidiaries)

Period:
April 2025 to March 2026 (including some activities that began in or after April 2026)

Notes Concerning Forward-looking Statements

The performance forecast written in this report is based on information currently available to the Company and certain assumptions that are deemed reasonable. Actual results may differ from the forecast.

The reasons for this include but are not limited to the fluctuation of the economic and competitive environments of major markets, product supply and demand, exchange and interest rates and the conditions of the raw materials and fuel markets and changes to laws and regulations.

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orishia

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Engineering value-creating businesses

Masakazu Haneda
Representative Director, President & CEO

Digital infrastructure reignites Japan's stalled corporate growth

The "DX Report" released by the Ministry of Economy, Trade and Industry in 2018 highlighted Japan's significant lag in digitalization and warned of a "digital defeat."

This delay can be traced to a fixation on specific requirements unique to companies and industries, particularly in supply chain areas like sales and production management. Clinging to their own bespoke specifications, manufacturers in particular failed to adopt globally standardized digital platforms—ERP systems chief among them. Japan was thereby left behind in the race to harness digital technology for greater operational efficiency.

As long as Japanese enterprises focused primarily on the domestic market, this individualistic approach was not a noticeable issue. But as we ventured into global markets, difficult challenges reared their heads. Without a robust digital infrastructure, companies struggled to exchange data smoothly with overseas locations. This meant they were unable to respond in real-time and adapt nimbly to a dynamic business environment.

A turning point came with the new operational pressures created by the COVID-19 pandemic. Executives and frontline teams alike have recognized that the ability to adapt to a turbulent business environment requires digitalizing the supply chain.

AI technology's proliferation has underscored the critical importance of digitalization. But AI cannot be leveraged without comprehensive, high-quality data. The accurate analysis and decision-making needed for operational efficiency and transformation of business models depends upon ERP, digital infrastructure that spans and integrates every aspect of the enterprise.

One significant advantage of digital transformation is advanced simulation. Implementing digital infrastructure across both domestic and international locations, and appropriately leveraging AI technology, we can build highly accurate simulation environments. In the face of growing global uncertainty, such an ability becomes a critical factor for corporate survival and differentiation.

At Business Engineering, we have dedicated ourselves to delivering IT products and services that enhance supply chains in the manufacturing sector and empower Japanese companies in their global expansion. Drawing on our accumulated technical expertise, industry insights, and operational know-how, we are committed to bolstering our clients' true competitive edge.



AI services for the supply chain

AI's fast-paced evolution has led many to believe the death of SaaS is near at hand. There is some truth to this—SaaS platforms built around generic, easily commoditized information will likely be displaced by AI. But AI cannot take the place of all software. In the areas of our company's focus—such as corporate governance and complex supply chain support—I believe what is essential is not replacement by AI, but rather advanced integration with it.

Today's generative AI tends to produce answers that are plausible and aligned with user expectations. Despite drawing from vast troves of information, it can sometimes

favor plausibility over accuracy. In contrast, core systems related to corporate governance—such as accounting and material requirements planning (MRP) for production management—demand guaranteed accuracy and consistency of data.

In specialized business areas such as supply chain management, information that is industry- and company-specific is critical. Whereas generative AI excels at tasks calling for general knowledge and expertise, it is ill equipped to resolve deep and specialized issues particular to a single enterprise or industry. Inventory management, for example, is not a process where current generative AI could replace ERP. The optimal solution varies depending on the industry (such as automotive, food, or pharmaceuticals) and the company's position within that industry.

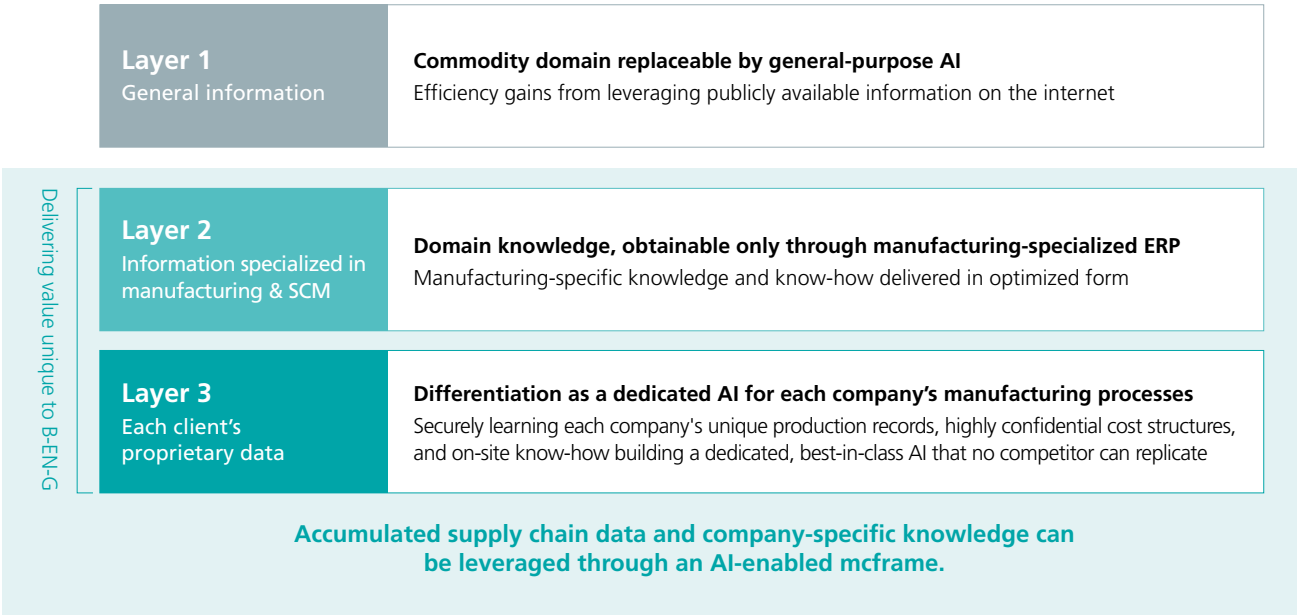
That said, we see immense potential in integrating ERP with AI agents and in the broader application of AI across software development.

B-EN-G's mcframe is our proprietary supply chain management system. Here we have already harnessed AI in development and testing, delivering remarkably enhanced productivity. Over 80% of responses to product inquiries are now automated through AI technology trained on a comprehensive knowledge base. We believe that humans must bear the responsibility for such a system's accuracy and consistency. Our highly skilled engineers, therefore, rigorously verify and review results, ensuring that efficiency never comes at the expense of quality.

Over the next three years, mcframe will evolve into a true AI agent platform — expanding its agentic capabilities and closing a gap in simulation functionality that has long challenged ERP systems. Traditional ERP has excelled at automating routine, rule-based work like parts ordering and production instructions. AI agents go further, applying autonomous judgment to handle the kind of flexible, complex processing that static systems were never built for. We believe this evolution will meaningfully strengthen mcframe's position as demand for intelligent, adaptive systems continues to grow.

With agentic capabilities, mcframe will be able to better leverage customers' unique data and deep industry knowledge, accumulated over years of operation. This will enable autonomous support in reaching optimal decisions and executing them. Building on this foundation, we will continue evolving the product — combining our manufacturing expertise with cutting-edge technology — toward a clear goal: AI services for the supply chain.

The True Data Utilization Delivered by AI × Manufacturing-Specialized ERP
Delivering unique value that general-purpose AI alone cannot achieve



Business engineering for growth

In 2022, we introduced our brand statement, "Business Engineering for Growth." Many of our customers have trusted us as partners for more than 20 years. This statement reflects our commitment to remain true partners — standing by our customers to solve their challenges, now and into the future.

At the same time, we announced our Purpose: "Engineering value-creating businesses." This is based on our desire to help our customers — the creators of value — break free from routine tasks so they can focus on essential, creative work.To follow through on this purpose, it is not enough to simply build systems to customer specifications.



We must anticipate challenges and risks our customers may not yet recognize, and offer solutions that go further and deeper.

When we first announced this purpose, there was, admittedly, a gap between the goal of value creation and our day-to-day business. That reality meant implementing ERP systems and delivering supply chain management solutions.

I feel, however, that today's dramatic advances in AI are changing this significantly.

For example, we can now put AI to good use in ERP data gathering and complex analysis — tasks that conventionally were quite time consuming. This lets us help our customers achieve real business model transformation — true DX — and lead them toward becoming businesses that create even greater value.

By combining our deep manufacturing expertise, long experience and keen insight with our commitment to standing by customers, we aim to deliver products and services exclusive to Business Engineering. We hope for these to be customers' preferred and trusted choice wherever they operate across the globe.

Well on the way to achieving our BE 2030 goals

Fiscal 2025 delivered strong momentum toward our 2030 targets under the growth strategy "BE 2030." Our plan calls for average annual growth through fiscal 2030 of 8% in net sales and 13.5% in operating profit. In fiscal 2025, we grew net sales 17.6% and operating profit 37% year on year — more than double our targeted pace on both fronts.

By segment, our License business — targeting 10% average annual growth — grew 20%, while our Systems Integration (SI) business, targeting 5%, grew 10%. With both core business areas posting substantial growth, I am encouraged to persevere on this path, and expect fiscal 2026 performance to again exceed the BE 2030 growth targets.

Our overseas business — our next growth driver — has performed strongly, with average annual sales growth of 12% in recent years. Southeast Asia is at the forefront of this momentum. We offer products tailored to the tax systems and business practices of key Southeast Asian markets, including Thailand, Indonesia, and Vietnam. Through our overseas subsidiaries and partner companies, we deliver attentive, localized support in each country's language.

While our current focus centers on Japanese companies, we plan to expand into local companies across Southeast Asia's manufacturing sector. This is a market that major Western IT vendors have yet to fully penetrate.

Developing talent capable of uncovering and solving customer challenges

Amid today's IT talent crunch, AI's evolution is redefining the work that truly requires human beings. This is reshaping the profile of talent we need to attract.

Across our recruitment process, one criterion has top priority. We demand a genuine commitment to our core mission of advancing manufacturing and supporting Japanese enterprises on the global stage. Technical IT proficiency alone is not enough. We seek people who are passionate about the craft of making things and who can engage with clients as true partners — seeing every challenge through their eyes.

Mastering the complex processes and supply chain dynamics of manufacturing is not achieved overnight. That is precisely why we invest time and resources into

developing professionals who can uncover clients' true challenges and tailor optimum solutions. This caliber of talent is, we believe, the foundation of our enduring competitive advantage.

At the same time, we are creating an environment where talented individuals can continuously develop and perform at their full potential. This includes expanding flexible arrangements across every life stage: reduced hours, remote work, and caregiving leave. Alongside this, we are driving organizational reform grounded in rigorous analysis of employee engagement data.

Equally important is giving recruits a clear view of where their career can lead over the medium and long term. Reconfigured career frameworks will reflect a broader spectrum of professional paths. Our goal is a resilient organizational foundation where individual growth and the company's sustained growth advance together.

B-EN-G's Value Proposition: Business Engineering for Growth

Becoming the singular leader powering business transformation across the manufacturing industry with unique tailored solutions

- **Championing customers' business transformation**
  We serve as the trusted partner for customers navigating rapid, sweeping change.
- **From provider to problem solver**
  We go beyond delivering products and services. We uncover our customers' most pressing challenges and harness IT expertise to resolve them — establishing ourselves as true problem solvers, not merely integrators.
- **Staying half a step ahead**
  Building on a stable management foundation, we capture emerging trends just ahead of the curve. While leading at the cutting edge, we stay just close enough to guide businesses with precision and foresight.
- **Bringing world-class solutions to market**
  We create product and service offerings that resonate with global enterprises — including those well beyond the Japanese corporate ecosystem.
- **Sustainability, the B-EN-G way**
  We address the societal challenges of our times in ways that only B-EN-G can. Applying our unique strengths, we drive meaningful impact across a broad range of initiatives.

A global IT leader by 2030

For sustainable medium- to long-term growth we implement a capital strategy that balances three imperatives: financial soundness, continuous growth investment, and meaningful shareholder returns. First, we are advancing next-generation product development and deepening our human capital investment. At the same time, we recognize that returning value to our shareholders through high dividends is a cornerstone of sound corporate stewardship.

We are wholly committed to building products and services that compete and win on the world stage. Among Japanese IT vendors, few have the genuine ambition to take on global competition in international markets. That scarcity is our opportunity. This pursuit defines our identity — and a competitive advantage no rival can replicate.

We will continue to push boundaries as Japan's one and only IT partner built to compete, and built to win in the global marketplace.

The Advantages of mcframe in the Era of AI

We are treating the change in the business environment brought on by the dramatic evolution of AI as an opportunity for new value creation.
We are pursuing sustainable evolution in the direction of achieving an AI services for the supply chain by realizing a high-level integration of AI into both the product and business aspects, based on our operational knowledge built up over 30 years.



mcframe is evolving into a digital platform for manufacturing in the era of AI

In the context of core systems, in which data accuracy and consistency are essential, AI is not a replacement for ERP, but a partner for maximizing value. Operations that call for stringency and speed like accounting and production management, that require industry or client-specific knowledge, or that arise from experiences on the factory floor will without doubt survive in the age of AI. As ensuring the scope of accountability and consistency of software grows more important, mcframe is evolving into a digital platform in the form of an ERP underpinning "record and control" through high-level integration with AI.

The core of this evolution is the shift of mcframe to using AI agents. We are already shifting the product itself to use agents and treating it as a platform, enabling high-level forecasts and simulations that were difficult to achieve under the traditional fixed processing approach.

From FY2028, we will incorporate our knowledge of supply chain standards and client-specific knowledge into AI services and evolve in the direction of being an operating platform for the manufacturing industry enabled by a combination of operational processes and AI.

We will also make proactive use of AI even in internal system development and implementation phases, achieving major improvements in productivity and quality. By integrating this technology, we will authentically support the DX of clients from the ground up, contributing to the realization of flourishing "value-creating businesses."

The mcframe Evolution Story

Phase1 - To date (Through FY2025)

Process ERP

ERP centered on business processes. 30 years of proven track record as the foundation supporting "record and control."

- Cumulative track record across 1,131 companies and 17 countries
- Industry-specific domain knowledge embedded in the product
- Extremely low churn rate and long-term lifecycle

Phase2 - Going forward (From FY2026 onward)

Data Platform

Evolving into a foundation that integrates manufacturing data. Structuring operational data into a form ready for AI utilization.

- Data integration across the entire supply chain
- Data standardization as a business model
- Available in both on-premise and SaaS forms

Set for initial release within FY2026

Phase3 - Future (From FY2028 onward)

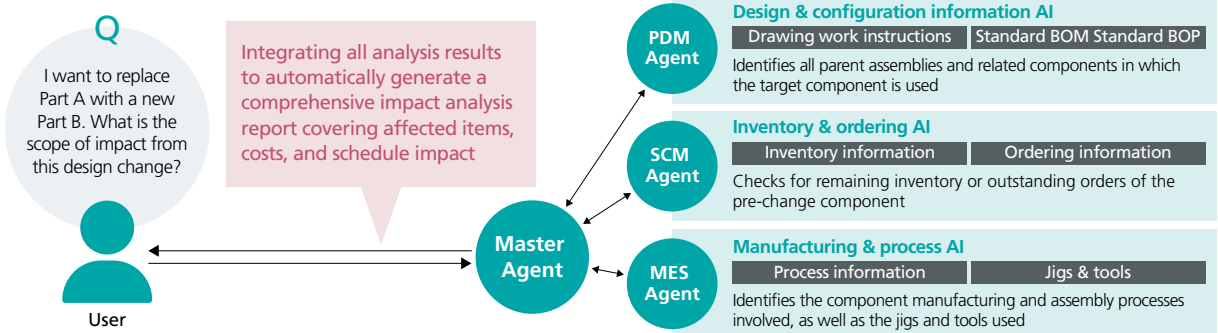
AI Driven Manufacturing

Through integration with AI agents, evolving into business processes × AI = the operational foundation for an automated manufacturing industry.

- Operational automation via Master/Unit Agents
- Irreplaceable added value from business expertise × AI
- An operational foundation that "takes on accountability"

The value mcframe's AI agents bring to the table

mcframe coordinates multiple AI agents to automatically analyze the scope of impact of design changes. It carries out the whole process end to end from carrying out complex investigations to creating reports.



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Our Value Creation Story

Ever since its founding, the Business Engineering (B-EN-G) Group has accurately grasped constantly changing business environments and leveraged its deep knowledge, rooted in frontline operations, to consistently make proposals and provide support, looking a half step ahead of customers, primarily in manufacturing. We will continue to tackle the challenges of creating new value as a unique partner supporting the Japanese manufacturing industry through digital transformation (DX)*1, in line with the transformation of customers' businesses.

Realizing highly reliable systems by leveraging our know-how in managing large-scale projects cultivated through plant construction work and our experience as pioneers in the introduction of ERP systems in Japan

1987
Toyo Engineering Corporation establishes the Industrial System Division

1991
Begins an ERP business as the first Japanese SAP partner

SAP Partner

1996
Launches MCFrame, a package developed in-house Digitalization of Japanese manufacturing

1999
Toyo Business Engineering Corporation is established

2001
Listed on JASDAQ Securities Exchange (over-the-counter public offering)

2003
Toyo Business System Services Corporation (currently Business System Services Corporation) is established

2003
Starts supporting the introduction of Ariba (currently SAP Ariba)

2005
Starts supporting the introduction of FlexNet (currently DELMIA Apriso)

2007
Launches A.S.I.A. (currently mcframe GA), an accounting package for overseas bases

2009
MCFrame XA series launched

2013
Listed on TSE Second Section

2014
Listed on TSE First Section

2014
Begins supporting the introduction of Informatica MDM

2016
The mcframe brands of products are integrated (MCFrame is changed to mcframe) mcframe IoT series launched

mcframe

2017
mcframe 7 launched GLASIAOUS launched

GLASIAOUS

2019
Begins supporting the introduction of Werum PAS-X MES

2019
Renamed Business Engineering Corporation to mark the company's 20th anniversary

2022
Shifted to the TSE Prime Market

2023
mcframe X launched

2025
Starts growth strategy BE 2030

System Integration Business

- Deep operational knowledge specialized in the manufacturing industry
- Technical capability to integrate complex systems
- Project management ability
- Problem solving ability aligned to client needs

License Business

- Powerful product brand combined with high reliability
- Continuous provision of value through updates
- Flexible customizability
- Understanding client needs and incorporating this into products

In 1996, B-EN-G began providing MCframe, a product developed in-house, leveraging its experience in ERP implementation. By condensing our know-how of Japanese manufacturing, we managed to establish an edge overseas competitor products didn't have.

Overseas expansion

2004 Opens a representative office in Shanghai

2007 A Thai-based subsidiary begins operating

2010 Local subsidiary established in China

2015 Local subsidiaries in Indonesia and Singapore begin operating

2017 Local subsidiary established in the United States

ERP*2 (mission-critical systems) trends in society

ERP is popularized in Europe and the United States → Recognition of ERP increases in Japan → ERP becomes common in big companies following the "accounting big bang" → Domestic ERP becomes popular with small and medium-sized companies → Cloud ERP emerges → ERP becomes more sophisticated

* 1 Digital transformation: Using digital technologies to change and create new business models and services.
* 2 ERP: Enterprise Resources Planning. A package system centralizing the management of corporate resources, streamlining business operations and optimizing corporate management.

Value Creation Process

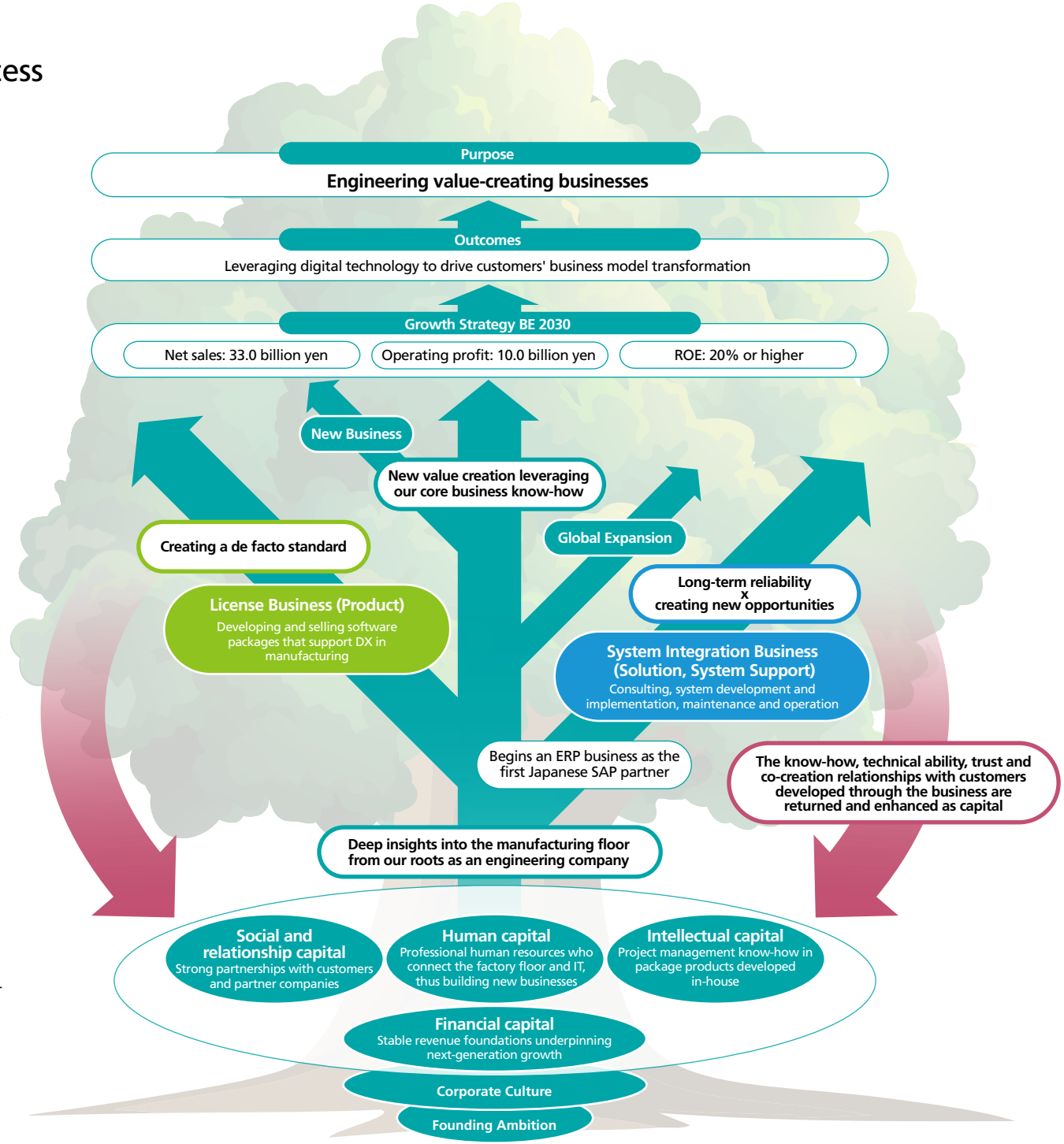
Solving customers' problems and engineering value-creating businesses through our unique model combining engineering DNA with "verticality x horizontality"

The source of our value creation lies in the deep insight into the manufacturing industry that we have developed through our origins as an engineering company, being intensely involved on the factory floor over many years. Based on these unshakable foundations, we have built a unique business model that combines vertical depth and horizontal breadth.

Our business has been developed centering on the System Integration Business (Solution Business and System Support Business), in which we boast a wealth of experience as the first SAP partner in Japan, and the License Business (Product Business), with our own product, mcframe, at its core.

These two businesses take on multi-tiered roles, combining the vertical depth to work closely with individual customers on a wide variety of on-the-ground challenges and to thus adapt quickly, and the horizontal breadth to promote as best practices the cutting-edge, on-the-ground trends and insights gleaned from working on those challenges and extend them into an industry de facto standard. The two businesses' roles of "stable revenue platform" and "growth engine" complement each other, establishing powerful (growth) synergy in which we incorporate and polish the outcomes of our work on the ground into software packages, then redeploy these on the factory floor. The resilience of this management platform that comes from this melding of vertical and horizontal know-how is the unique strength of B-EN-G.

At present, we are working to extend this strength by accelerating global expansion centered on Asia and by developing new businesses, thus further broadening our platform for future growth. The problem solving for our customers that this enables directly contributes to solving social problems (social contribution) in the form of "Engineering value-creating businesses," as per our purpose. The high-level insights and reliable outcomes that we gain from these activities are then fed back into our human and intellectual capital, further deepening our value-creating foundations for sustainable growth into something even stronger.



Capital Supporting Value Creation

Social and relationship capital

Strong partnerships with customers and partner companies

Importance in value-creating activities

The relationship of trust between us and our customers is the foundation of our business continuity. We have built strong relationships with our clients and partners by confronting challenges through an attitude of "Business Engineering for Growth," and through long-term maintenance services and a track record of reliable implementation.

Total number of customers that have introduced our systems

3,710 companies

(As of July 2026)

*Cumulative implementations of our own packages and solutions from other companies

Number of mcframe business partners

62 companies

(As of July 2026)

Policies for strengthening to accelerate value creation

We will strengthen our collaborative framework with more than 60 partner companies to expand our sales and implementation structure for customers. We will also accelerate our global expansion by deepening relationships with overseas partners and pursuing equity investments, thereby creating new business opportunities in Japan and overseas.

Human capital

Professional human resources who connect the factory floor and IT, thus building new businesses

Importance in value-creating activities

B-EN-G sees human capital as core to leading sustainable growth. Professional talent who can understand manufacturing floor processes, meld this with cutting-edge IT technology, and use this to genuinely solve problems and construct new business models are the source of our competitive edge.

Overall engagement score

71 → 73 → 74

(2024.3) (2025.3) (2026.3)

Investment in human resources

2.0 to 2.5 billion yen

(FY2024 to FY2026 plan)

Policies for strengthening to accelerate value creation

To further enhance these strengths, we are improving how we foster talent in growth areas, beginning with SAP and AI. At the same time, we are putting in place an environment of high psychological safety so that we can support employees in obtaining further qualifications, autonomously developing their careers and improving engagement, and so that diverse talent can fully realize their capabilities, thus increasing the value we provide across the entire organization.

Intellectual capital

Project management know-how in package products developed in-house

Importance in value-creating activities

Our own software product, mcframe, which condenses our insights into on-the-ground matters in manufacturing, and our project management know-how, rooted in an over 30-year track record, represent strengths that cannot be replicated by our competitors. Deeply connecting these facets of our company creates solid foundations for achieving high-level problem solving for our customers.

Investment in software, R&D and business development

3.5 to 4.5 billion yen

(FY2024 to FY2026 plan)

Number of products developed in-house

(As of July 2026)

14 *mcframe series, GLASIAOUS, Business b-ridge, orishia series

Policies for strengthening to accelerate value creation

We will accelerate investment in our SaaS-based ERP "mcframe X" and the adoption of advanced technologies such as AI. We will establish a virtuous cycle in which needs identified on the front lines of the System Integration (SI) Business are incorporated into product development, enabling us to continuously accumulate and enhance high-value intellectual property.

Financial capital

Stable revenue foundations underpinning next-generation growth

Importance in value-creating activities

Through the twin pillars of the License Business and the SI Business, we have established a management platform that combines strong profitability and stability. High ROE and a firm financial position serve as a strong driving force for achieving both sustainable growth investment and stable returns to shareholders.

Total assets

21,526 million yen

(FYE March 2026)

Return on invested capital (ROIC)

29.0%

(FYE March 2026)

Return on equity (ROE)

33.2%

(FYE March 2026)

Policies for strengthening to accelerate value creation

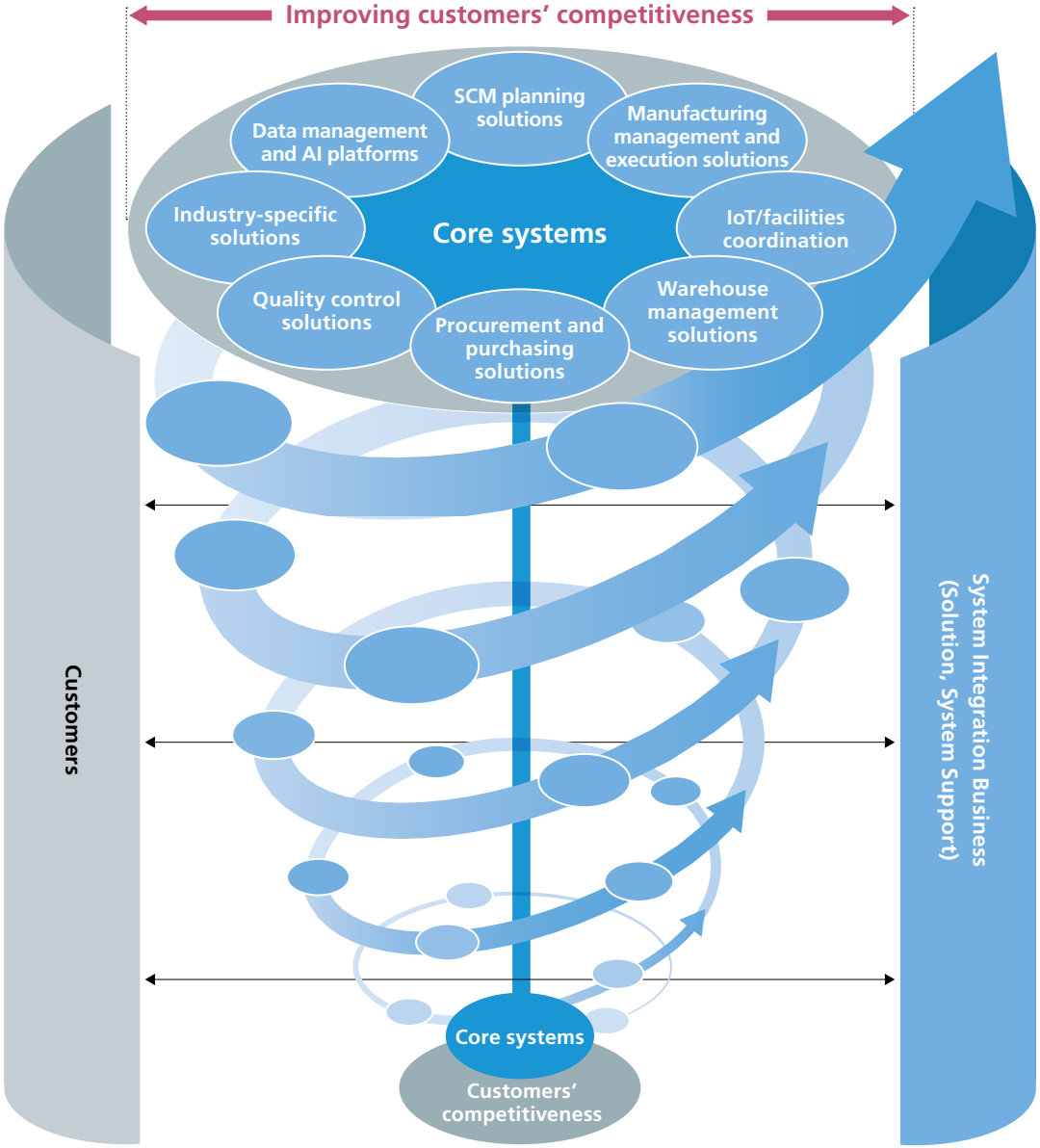
We are advancing capital allocation of 32.0 billion yen in growth investment and 15.0 billion yen in shareholder returns. We are seeking to maximize corporate value through management that pursues active M&A activity and development investment and is conscious of capital efficiency, while maintaining ROE in excess of 20%.

Strengths of the System Integration Business

A recurring revenue structure built on working with clients over the long term and creating upselling opportunities through AI

Our more than 30-year track record cultivated as Japan's first SAP partner and our deep domain knowledge of on-the-ground issues in manufacturing coming from our roots as an engineering company serve as a firm foundation for our System Integration Business. We go beyond the mere implementation of systems, understanding the "ideas" on the ground to fully partner with clients to see through to the essence of the challenges they face.

We first build strong core systems through a "Fit to Standard" approach, then promote a shift to AI/DX for the client in the closest locations possible through value-creating AMS (operations and maintenance), and implement high-level AI, IoT and SCM solutions step by step. Finding value in clients' factory floor data using AI, continuously evolving operational processes by partnering with clients over the long term, and generating high and sustainable revenues—this virtuous cycle of value creation precisely represents our strength as a company: our ability to continue to create new business opportunities together with our customers.



Solution Business

MISSION & VALUES

Designing the "Ideas" of Manufacturing and Executing on Them with Determination.

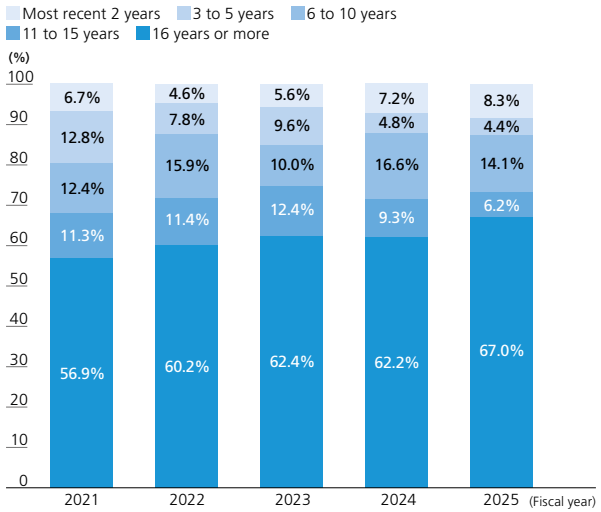
Beyond System Integration, Engineering the Vision for the Future.

We are the partner for every manufacturer daring to evolve.
We design more than just systems—we design the future of manufacturing itself.
By fusing our clients' passion and resolve with the breadth of our solutions, we craft the blueprint for tomorrow.
Navigating the rough seas of change, we move forward step by step—with integrity and unwavering tenacity.
Until the very moment the aspiration behind every creation comes to life as transformative new value, we will continue to engineer the future of business.

Strong revenue foundations built on long-term relationships of trust

"Working side-by-side with customers over the long term" and thorough alignment bear fruit in the form of a solid track record of a strong repeat structure (stock business). The System Integration Business possesses an exceptional client base centered on major domestic manufacturers and has built deep relationships of trust with customers through generous maintenance and support and by continuing to extend functionality in response to changes in the business environment. As a result, approximately 70% or higher of net sales in this business and 67% thereof come from customers with whom we have had relationships for over 10 years and for over 16 years, respectively. This strong client base and "accumulated data about the manufacturing floor" built up over many years have given us a treasure trove of ongoing upselling opportunities in the era of AI. Our stable revenue structure built on high repeater rates and AMS (operations and maintenance) is the powerful driving force supporting the Company's sustainable growth.

Breakdown of net sales by number of years since first order (Solution)



Core systems × enhanced solutions

We boast a unique ability to multiplicatively combine core systems at the center with a wide range of peripheral solutions including SCM, IoT and data management, optimally blending these as a whole. Our approach of combining AI with our store of manufacturing domain data built up over years of working with customers, which takes their DX to the next stage, is our core competency. We continue to provide value as a reliable and high-growth niche top SIer by achieving vertical integration from the factory floor (execution layer) to management (strategy layer) at a high level.

Industry-specific solutions
Solving the challenges facing the pharmaceutical and medical device industries
PAS-X | BatchLine | Orca1 | NuGenesis | BIOVIA

Quality control solutions
Supporting experiment logging and central management of data
NuGenesis | BIOVIA

Procurement and purchasing solutions
Support for optimal selection of materials and services and purchasing operations
SAP Ariba | Coupa

Warehouse management solutions
Support for streamlining warehouse operations through coordination of facilities
SAP EWM

ERP core systems
Systems that centrally manage corporate resources to support management
SAP | mcframe

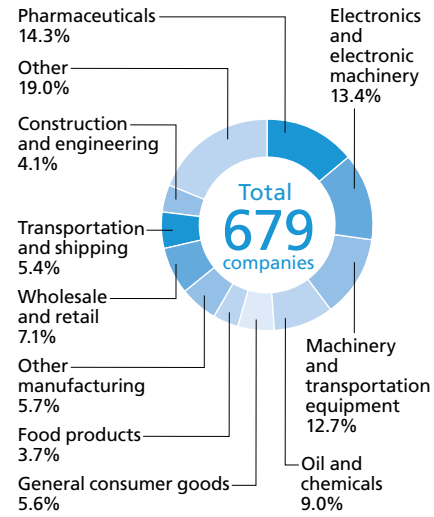
Data management and AI platforms
Support for data linking, management, integration and AI utilization
Informatica | Databricks | Orca1 | Snowflake | SAS | TIBCO

SCM planning solutions
Support for supply chain strategy and planning
Anaplan | Asprova | SAP IBP

Manufacturing management and execution solutions
Support for manufacturing operations aimed at realizing smart factories
DELMIA Apriso | PAS-X | BatchLine

IoT/facilities coordination
Digitization of the factory floor aimed at realizing smart factories
mcframe IoT | zenon | AVEVA PI System

Implementations per industry
(as of March 31, 2026)



Talent with problem-solving capabilities leveraging manufacturing industry expertise

With our roots as an engineering company, B-EN-G is a group of professionals with deep knowledge of manufacturing floor processes. Since FY2019, we have maintained a 100% rate of first-year SAP qualification acquisition in the Solution Business Division, on top of having factory inspections and production management courses as part of new hire training. We have also put in place training to improve PM capabilities and e-learning programs on cutting-edge technologies. Such systems for quickly developing "manufacturing x IT" talent to a high level are the source of our value creation.

Implementations in manufacturing **437** companies

SAP qualification acquisition rate (new employees in the Solution Business Division) **100**%

Know-how from **over 30 years** of managing projects to introduce mission-critical systems for manufacturers

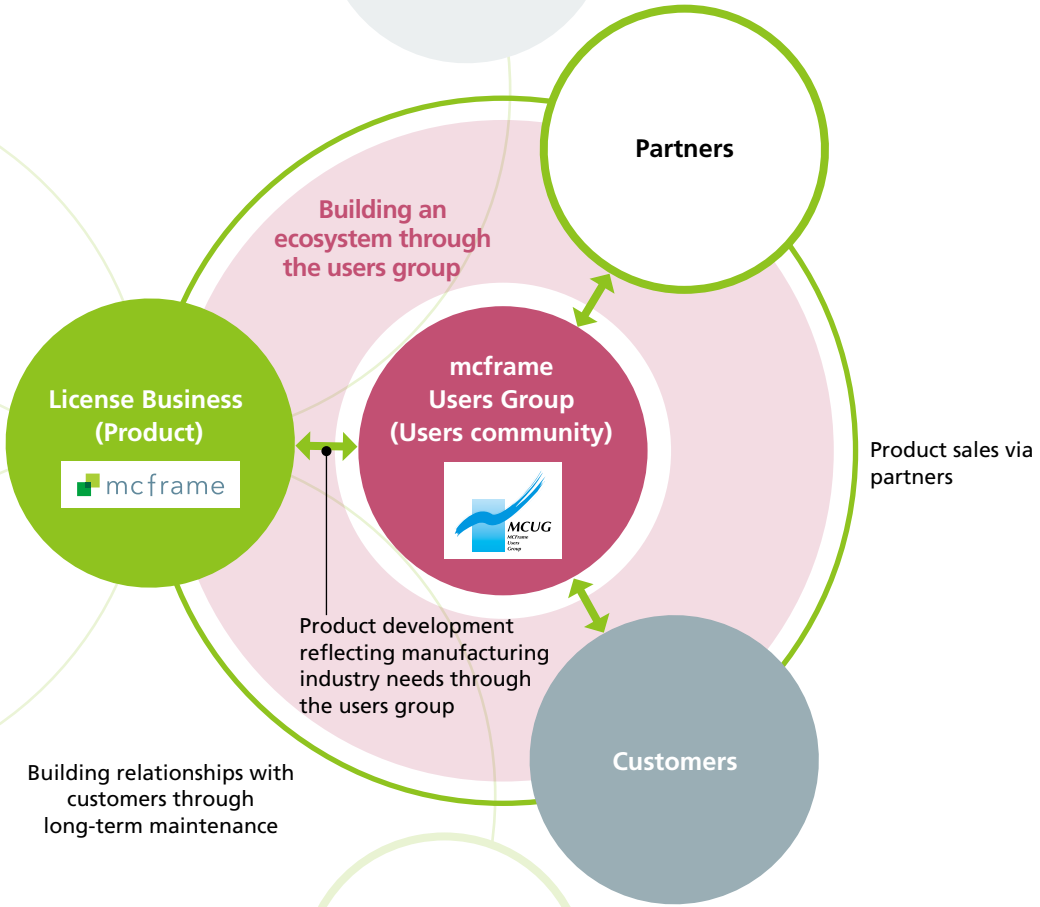
Strengths of the License Business

Permeating the market through the overwhelming market advantage of our products and a powerful partner ecosystem

Our in-house product, mcframe, has built a dominant market position in the SCM (supply chain management) domain on the strength of features optimized for the Japanese manufacturing industry and its high degree of customizability. What is driving this market permeation is a powerful partner ecosystem among major domestic and international IT vendors. By building a unique network that encompasses even former competitors, we have achieved scalable growth with low headcount, while being focused on developing our products. We have established a high-growth, high-revenue recurring model by combining license sales with stable maintenance and SaaS fees.

Another unique asset underpinning this sustainable growth is the mcframe Users Group (MCUG), which boasts over 250 member companies. We directly get feedback from our customers and learn of their potential needs through the users group, while maintaining a sales model that goes through our partners, which has allowed us to build a "co-creation ecosystem" that immediately incorporates such feedback and needs into our product development. Going beyond a mere vendor-client relationship, we promote exchanges and knowledge sharing among customers to establish deep relationships of trust that work together to reach the future.

Going forward, we aim to further step this up as an engine for growth that transforms customers into "value-creating businesses" using the twin axes of mcframe X, our SaaS ERP, and mcframe 7, our on-premise ERP.



What is the mcframe Users Group (MCUG)?

The mcframe Users Group (MCUG) was formed at the suggestion of mcframe users in 2005. For the MCUG, the implementation of core systems is not a goal in itself, but rather the start of efforts aiming to achieve the Company's original goals and pursue further improvement. Since it began operating, the MCUG has worked for users seeking to make use of mcframe with the aim of promoting information exchanges on the effective use of mcframe and related products, solving operational problems across various companies, and promoting good relations among members. The group has thus engaged in activities including hosting various research groups and holding seminars.

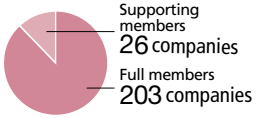
Number of member companies

256 companies

(as of May 2026)

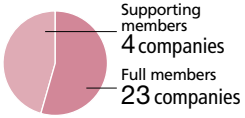
In Japan

229 companies



Overseas

27 companies

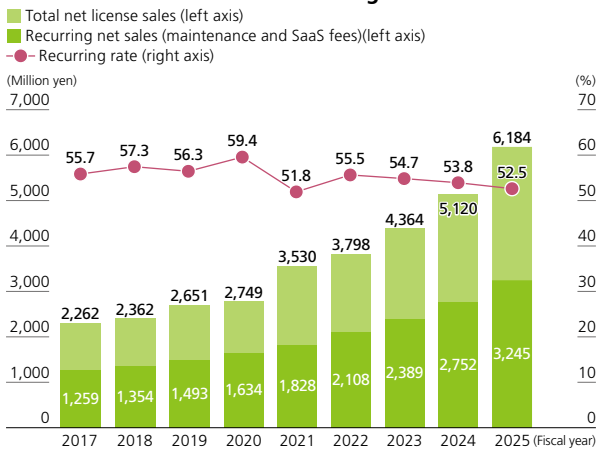


Ideal earnings structure with high margins and high growth

Our in-house product, mcframe, which forms the core of the License Business (Product Business), has established exceptionally high profitability and stability through a hybrid revenue model that combines initial license sales with ongoing maintenance fees. Given that we have maintained a very low turnover rate, in addition to our products being characterized by the fact that clients tend to use them for as long as 10 to 15 years once they have implemented them, this system is one that firmly builds up stock revenue as the client base expands. This has allowed us to develop an ideal business with operating leverage, in which profits grow faster than net sales.

Furthermore, by accelerating our investments in recent years into the SaaS ERP, mcframe X, and moving in the direction of a SaaS model, we have further enhanced the predictability of our revenue. Leveraging these resilient financial foundations as an asset, we are continuing to invest in the further evolution of our products. We are thus contributing to expanding our purpose, "Engineering value-creating businesses," through the generalization of the Japanese concept of Kaizen using digital technology.

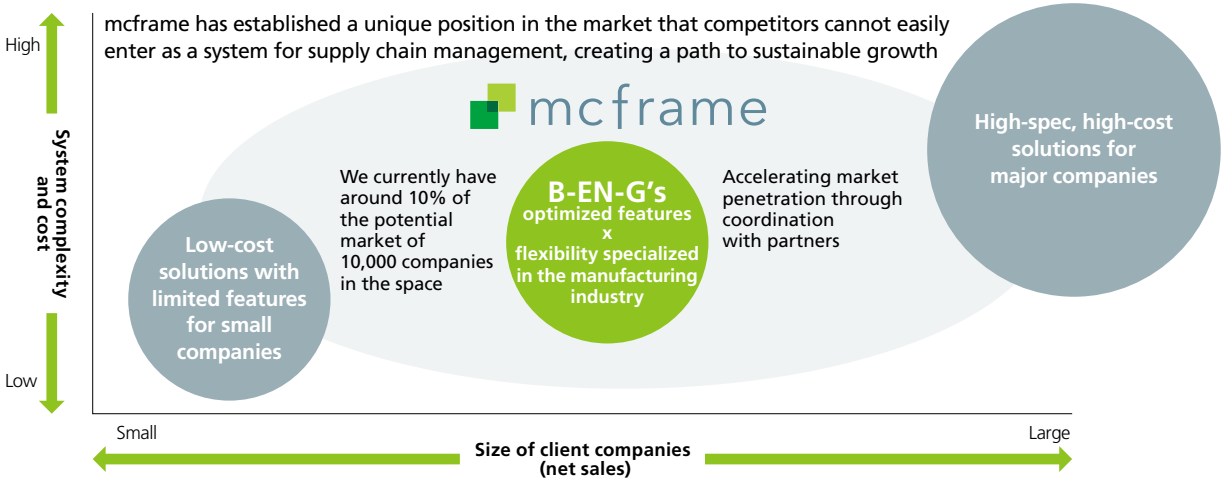
mcframe licenses: Trends in recurring net sales



Strategic market positioning

We have established a unique platform in the market through optimized functions and price, targeting companies with net sales of 10 billion yen to 1 trillion yen in the manufacturing industry broadly, irrespective of sector. We have positioned ourselves between the high-spec, high-cost ERPs targeted at major companies and the feature-limited packages aimed at small companies, and have thus secured a space in the market specialized around "complex production floor needs" that is difficult for other companies to break into. For over 30 years, mcframe has encompassed everything from assembly to process manufacturing, incorporating "overwhelming operational knowledge that competitors struggle to keep up with" deeply adapted to Japan-specific operations, allowing us to boast a powerful competitive position as a de facto standard in the supply chain domain.

Becoming the de facto standard in the supply chain management domain has allowed B-EN-G to establish a dominant competitive position



A partner ecosystem accelerating global expansion

We have built an efficient and scalable sales and implementation network without depending on our own resources through strong partnerships with 62 major domestic and international IT vendors. This network extends beyond Japan and reaches globally and, through cooperation with our major partners in different locations, powerfully supports the digitization and localization of our products for our customers' overseas locations.

Number of mcframe business partners
62 companies

Cumulative mcframe implementations
1,131 companies across 17 countries

Cumulative GLASIAOUS implementations
1,900 companies across 37 countries

Number of products developed in-house 14
mcframe series, GLASIAOUS, Business b-ridge, orishia series

Two Approaches to Supporting Value Creation in the Manufacturing Industry

mcframe Combines Versatility with Customizability

— Business Engineering delivers software and services through the twin approaches of the License Business and the System Integration Business. Could you tell us the reason for this?

Betchaku The Products Business Division where I work is in charge of the License Business that develops and sells mcframe. mcframe is an ERP that excels in supply chain management (SCM) and production management for manufacturing.

In designing and developing mcframe, we focused on ensuring it was highly versatile. Rather than creating the differing individual requirements of each client so that they can function as is, we went a step further in abstraction so that we could cover the requirements of many clients "with the same single function and implementation." The fact that we can handle basic product distribution operations using standard features allows clients to implement and utilize an ERP at low cost.

The mcframe Users Group (MCUG), with over 250 participating companies, also helps in implementing standard features. MCUG members are active in giving us feature requests and feedback from a motivation to support "customers who will implement mcframe going forward."

At the same time, even if a company implements a highly versatile ERP, it will still need to make it so that it can express its own strengths in relation to production management in manufacturing. This is why mcframe is designed with the idea in mind of "needing to be customizable in accordance with the operations of each company."

Ariumi At the Solutions Business Division, we offer system integration services using a variety of software including Germany-based SAP's ERP packages, and mcframe. The details of the operations and the challenges faced by each company differ, so we select from and offer multiple packages such as SAP and mcframe on an even footing.

Betchaku At present, implementing a package as is as a core system without any customization or system integration is not a practical option. We need both approaches so that we can deliver value to the client. The Products Business Division and the Solutions Business Division differ in role, but I believe they share a mission to contribute to the management and operations of client companies and support their value creation.

Excelling in Strong Expertise in Handling All Areas of Manufacturing

— You mentioned that the License Business focuses on versatility, but what is the focus for the System Integration Business?

Ariumi We focus on having a deep understanding of operational processes in manufacturing and building systems from the same perspective as our clients. If licenses grow horizontally, we focus on deepening our presence vertically. I believe typical IT vendors often put the focus on fulfilling system specifications and function requirements. But, in addition to this, we focus on deeply understanding our clients' operations themselves. What enables this is that since our beginnings we have worked on many ERP projects and that our company's roots are in Toyo



Masahiro Betchaku
General Manager, Systems Development Department 1, Systems Development Division, mcframe X Product Manager, Products Business Division

Youhei Ariumi
General Manager, Solutions Department 1, Digital Life Science Division, Solutions Business Division

Engineering engaging in plant engineering.

To allow us to understand our clients' operations, our team members in the Solutions Business Division each have a high degree of expertise in their respective areas of manufacturing. For example, in my own area of pharmaceuticals, it is impossible to build factory systems without an understanding of the strict rules set by regulatory authorities such as the Ministry of Health, Labour and Welfare or the FDA (Food and Drug Administration) in the USA. Each team member is fully familiar with the pharmaceutical industry, so we have consultants who are able to handle multiple MES (Manufacturing Execution System) packages.

We also focus on working as a partner for our clients. Rather than making "completing the building of the system" the goal, we continue to work alongside the client after it goes online into the operation phase, applying patches and helping to manage changes.

Betchaku We also focus on working alongside the client as a partner at the Products Business Division. For example, we provide long-term maintenance services as part of post-launch support so that customers can continue to use mcframe over the long term. We also do not enforce version updates on clients on our schedule.

With typical package software, maintenance periods end after five to six years, and the maintenance fees often jump up dramatically after that. Given this context, we take pride in the fact that a major strength of ours is that our long-term maintenance services protect our clients' investments.



A Virtuous Cycle of License and SI

— The Products Business Division and the Solutions Business Division are closely coordinating in how they do business. Do they engage in inter-departmental personnel exchanges?

Betchaku We have many people who have moved from the Solutions Business Division to the Products Business Division and worked on designing and developing mcframe. This resulted in, for example, someone who had moved from the Solutions Business Division making an important contribution when we were developing optional features in mcframe for the medical and pharmaceutical industries.

Ariumi Conversely, there have also been examples of people who had worked on developing mcframe moving to the Solutions Business Division and performing well in system integration. I feel that rotation between departments has allowed us to achieve synergies across both businesses.

Enhancing System Development and On-the-Ground Operations Through the Use of AI

— Business Engineering supports value creation in manufacturing and has as its mission "engineering value-creating businesses." From this perspective, what is the outlook for your coming initiatives?

Betchaku It goes without saying that AI will be a game changer, so I would like us to offer products and services that effectively incorporate AI. For example, it would traditionally take a lot of hours and expertise to make use of the massive amounts of data in ERP, and in turn it represented a challenge with a high bar to clear. If, in future, we could automatically deliver analysis leveraging this data using AI agents, I expect that we would be able to contribute to improving the accuracy of decision-making by management and people on the ground without retooling the ERP itself.



Ariumi I would like us to use AI to streamline operations. For example, if we could model the "implicit knowledge" that a team member who has mastery over manufacturing has using AI, we could potentially implement an "autonomous factory" that detects the signs of defects and corrects them in advance.

Going forward, it is important for us to use the power of IT to reduce waste and streamline operations on the front lines and to create environments where each and every person working there can dedicate their time to more value-added "value-creating" work. We hope to work with our clients every step of the way to truly transform their businesses using AI.

We are also seeing AI bring about major changes in how system development is done. Specifically, we need to automate areas like coding and testing as much as possible using AI so that we can focus more on the things only humans can do such as understanding and supporting client businesses. We hope to move forward in human resource development and recruitment with this perspective in mind as well.

Medium- to Long-Term Strategy

20 Growth Strategy BE 2030
22 Message from the CFO
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28 Examples of Value Co-Creation with Clients : Murata Machinery
29 Examples of Value Co-Creation with Clients : Towa Denki
30 Product Business
32 Examples of Value Co-Creation with Clients : TAKEMURA SEISAKUSYO
33 System Support Business
34 Global Expansion
35 New Business

Correlation between Business Category and Disclosure Segment

The growth strategy BE 2030 sets four business categories separate from our disclosure segments to clearly explain our business model and growth areas. This chart organizes the relationships with the disclosure segments as a reference to allow you to more deeply understand the medium- to long-term strategy parts.

		BE 2030 business categories			
		System Integration Business	License Business	Global Business	New Business & Others
Disclosed segments	Solution Business	●			●
	Product Business		●	●	
	System Support Business	●			

Growth Strategy BE 2030

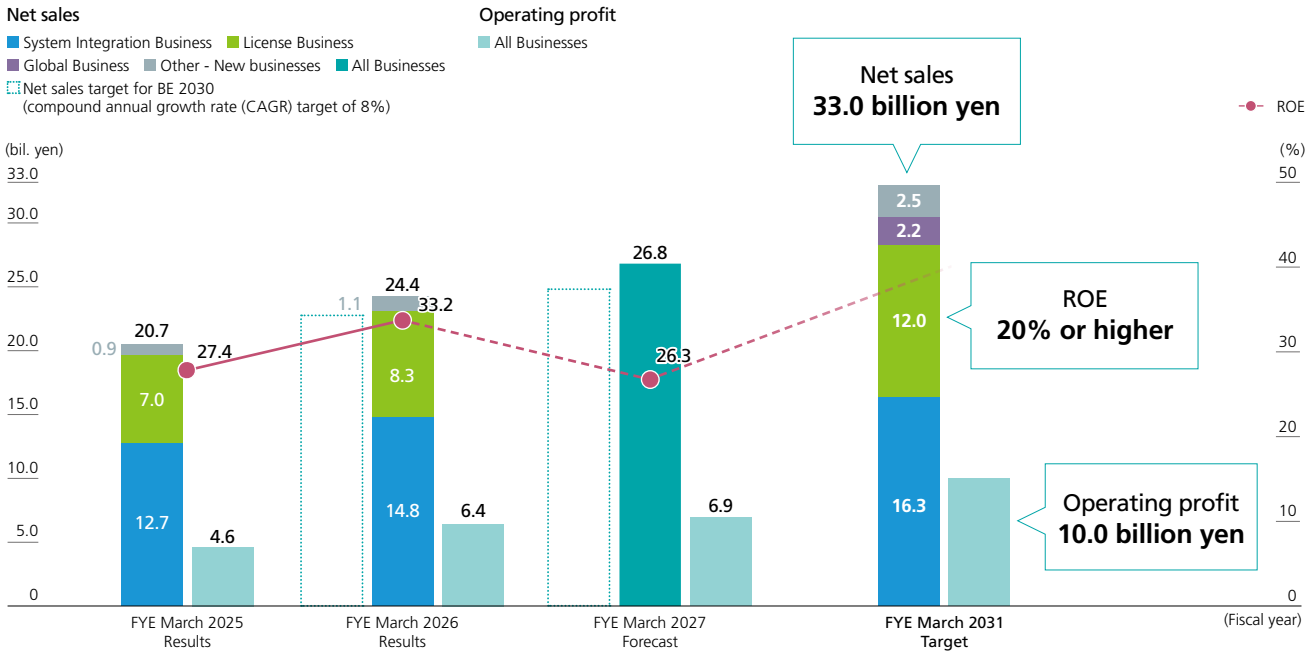
In May 2025, the B-EN-G Group formulated its growth strategy BE 2030, outlining its vision and goals for FY2030.
We aim to achieve sustainable growth by supporting Japan's manufacturing industry and its digital transformation.

The vision behind the growth strategy BE 2030

The Group has formulated its growth strategy BE 2030 for FY2030, the fiscal year ending March 31, 2031. Under this growth strategy, we have set key performance targets for our business of net sales of 33.0 billion yen, operating profit of 10.0 billion yen, and a return on equity (ROE) of 20% or higher, and are promoting our business.

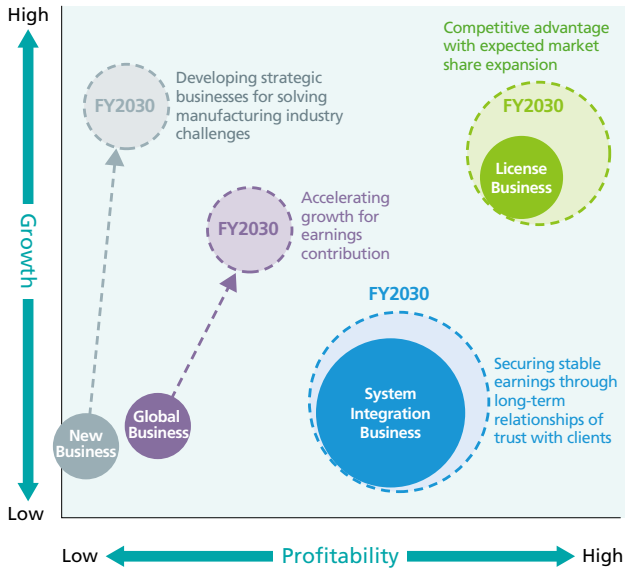
BE 2030 uses distinct business categories separate from our disclosure segments to clearly explain our business model and growth areas. Our two core businesses—the License Business, which boasts high profitability through license sales of proprietary products such as mcframe, and the System Integration Business, which provides IT introduction support for manufacturers and offers stable earnings—form a robust revenue base. We will leverage the customer base and expertise cultivated through these two businesses to expand our global presence and new businesses, driving the development of a business model that will lead our next-generation growth. This will enable us to aim for an even more highly profitable and efficient business structure.

Growth scenario targeting FY2030



Business portfolio (envisioned)

Size of circle: Net sales



Major initiatives and progress in each BE 2030 business category

BE 2030 business categories	FY2030 sales targets	Basic measures		Progress (FY2025)
System Integration Business	16.3 billion yen	• Robust earnings base built on high client trust Centered on large enterprises, building a robust earnings base based on long-term trust relationships with clients • Problem-solving capabilities leveraging manufacturing industry expertise Expanding competitive advantage that rivals cannot match through problem-solving capabilities that leverage deep knowledge of complex business processes unique to manufacturing	• Core systems × Enhanced solutions Establishing a repeat business structure and high-margin model through the integrated provision of core systems and unique complementary solutions • Continuous client support throughout system lifecycle Maintaining and strengthening relationships of trust with clients through continuous support from system implementation to post-implementation service, leading to future business opportunities	• Increased project profitability and established a stable revenue base against a backdrop of long-term relationships of trust with clients. • Firmly established models for continuous customer problem-solving through the provision of SAP + extended solutions.
License Business	12.0 billion yen	• Strategic market positioning With large and medium-sized manufacturers as main target clients, establishing unwavering market dominance and brand power • Strengthening sales capabilities through partnership strategy Expanding market share by significantly enhancing sales capabilities through partnerships with major IT vendors	• Ideal earnings structure with high margins and high growth Establishing a high-margin, high-growth earnings model through a combination of initial license sales and recurring maintenance revenue (15-20%) • Cloud product strategy Responding to market needs by providing cloud-compatible products and expanding the target customer base	• Continuously increased license sales and established market pre-eminence in the supply chain management domain. • Fully launched the system for hybrid provision of the mcframe SaaS version (mcframe X), the core product, and the on-premise version (mcframe 7).
Global Business	2.2 billion yen	• Strategic positioning in emerging Asian markets Establishing first-mover advantage in untapped territories where major ERP vendors have not actively entered • Proprietary product strategy enabling flexible localization Developing globally usable products with flexible support for multiple languages, currencies, and country-specific tax systems	• Unique vertically integrated business model Simultaneously capturing high-profit margins from product sales and stable earnings from implementation support through integration of license sales and implementation support by overseas subsidiaries • Expansion of overseas locations and entry into new countries Strengthening organizational capabilities of overseas subsidiaries and expanding beyond ASEAN countries	• Grew net sales at overseas subsidiaries by an annual average of approx. 12% over the most recent three years. • Consolidated all local subsidiaries overseas from FY2026 and accelerated the growth of license sales.
New Business & Others	2.5 billion yen	• User Co-creation Business Creating new value by integrating client hardware/services with our solutions • Data Centric Business Advanced analytics using core system data to support decision-making	• Field DX Support Revolutionizing manufacturing operations where digitalization has lagged, to enhance productivity and transfer of skills • Life Science Specialized Solutions Providing unique value in the evolving life science domain, balancing regulatory compliance and quality improvement	• The data utilization business and data-centric businesses grew steadily. • Began offering a new DX solution brand for factory floor workers (orishia). Steadily building a business platform in new areas.

Message from the CFO



Accelerating investment and M&A with the aim of fulfilling BE 2030, maintaining ROE of 20%. Pursuing sustainable enhancement of corporate value through growth investment and human resources strategy.

Shigeaki Betsunou
Representative Director, Senior Managing Director and CFO

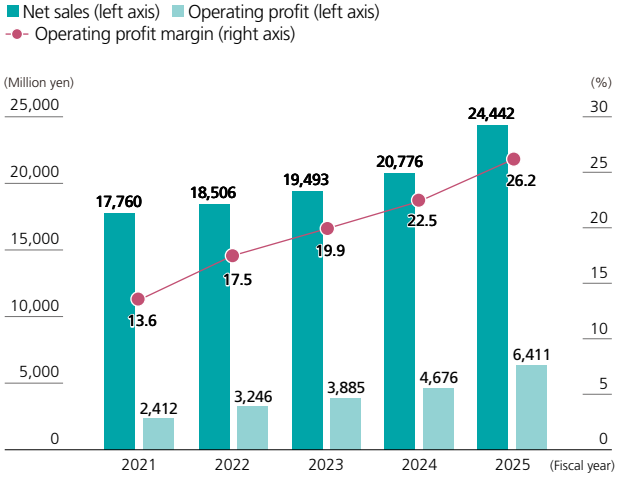
BE 2030 begins with best ever results in the first fiscal year, with strong financial foundations set to drive future growth

FY2025 (fiscal year ended March 31, 2026) has proven to be an incredibly strong start as the first fiscal year of the growth strategy BE 2030. Net sales, profit in each phase and orders received have all reached record levels. Net sales increased 17.6% year on year to 24.44 billion yen, operating profit increased 37.1% year on year to 6.41 billion yen, and net profit increased 46.8% year on year to 4.89 billion yen, including the effects of transitory factors such as reductions in tax burden, meaning the Company achieved broad ranging improvements in earnings and profit.

Amid this strong performance, demand for DX (digital transformation) has remained strong in the manufacturing industry where we focus our efforts, and strategic investment into digital technology has remained steady. All four of the business categories (System Integration, License, Global, and New Business & Others) defined in BE 2030 in particular have been developing well. The fact that we have achieved results well above the compound annual growth rate (+8%) we initially targeted has had a major positive effect in our efforts to achieve our targets.

Turning our attention to the current state of our financial foundations, we see that we are maintaining an exceptionally high equity ratio of 74.7%, demonstrating that our financial position is exceptionally sound. Our strong performance has also led to a major increase in cash flows from operating activities (up 2.38 billion yen year on year), bringing our cash and cash equivalents to 12.14 billion yen. While a high equity ratio and accumulating cash are evidence of our financial strength, they also represent, however, "unutilized assets" from the

Net sales, operating profit and operating profit margin



perspective of capital efficiency. Converting these assets into growth investment and returns to shareholders is my highest priority as CFO.

We have put forward a goal of reducing our cash and cash equivalents to total assets ratio to 16% toward FY2030, and, on top of further investment into developing our own products and improved returns to shareholders, we are setting out on intensified M&A activities. We established a department specializing in M&A promotion in FY2025 and have prepared processes for making such investments. By executing strategic M&A, including large deals, we will convert cash into investment capital and pursue both increased asset turnover and optimized financial leverage.

Seeking to maximize LTV through synergy with the SI business, with the license business as a growth engine

We have clearly defined the role of our business portfolio in order to sustainably improve corporate value as part of BE 2030.

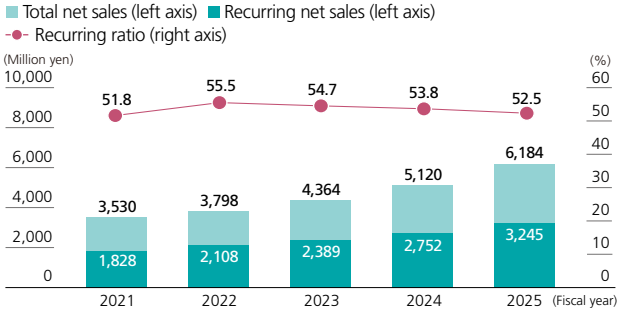


Firstly, the License Business centered on our mcframe package is positioned as the "engine driving growth" for the Company. The key feature of this business is its structure, which enables profit margins to increase as the business scales. Its two-tiered revenue structure consisting of flow (license sales) and stock (maintenance fees and SaaS fees) allows it to combine growth potential with stability. The maintenance fees for the on-premise version of mcframe, which represent stock revenue, and the recurring revenue from fees for mcframe X, our SaaS version, which is expected to grow going forward, are factors that will, in particular, dramatically increase the stability of the business.

The System Integration (SI) Business, meanwhile, is the "steadily growing business base" of the Company. The System Integration Business goes beyond simple system contracting to offer value with a high barrier to entry by deeply understanding clients' complex business processes and combining core systems such as SAP with our own extension solutions. More than 70% of our clients in this business have been dealing with us for over a decade. This high retention rate is an expression of the depth of our understanding of client business processes beyond the scope of ordinary system contracting and of the high switching costs that our service entails. This is the foundation of our model for maximizing each client's lifetime value (LTV). The SI Business also plays the role of an "antenna," giving us early detection of the latest industry trends and client needs. We feed the insights gained on the ground in this manner back into the development of our next-generation products and services, thus connecting the SI Business to efforts to improve our competitiveness and sustainably expand our revenue.

Furthermore, from FY2026, we will enter into a phase wherein the Global Business, which consolidates all our local subsidiaries overseas, and new businesses such as our DX brand targeted at factory floor workers, orishia, will act as drivers of future growth. By combining businesses with such diverse characteristics, we are building a business portfolio that combines a robust business base that is resilient to economic fluctuations with strong growth potential that can capture market tides.

mcframe license - Trend in recurring net sales



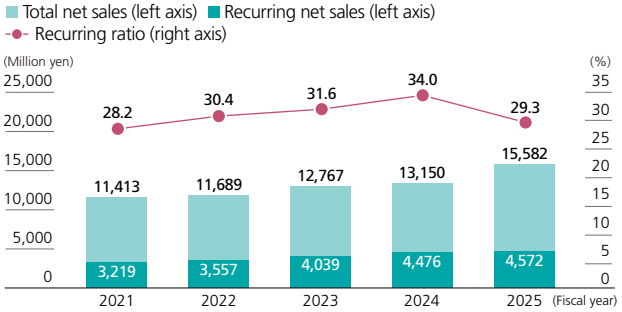
Recurring net sales has largely doubled in five years

- The business grew on average +15.4% per year, going from 1.82 billion yen in FY2021 to 3.24 billion yen in FY2025.
- The buildup of stock revenue has steadily expanded a stable revenue base that is resilient to economic fluctuations.

Future direction

- The growth in subscription contracts from the move to mcframe X is expected to grow both the ratio and amount of recurring revenue over the medium to long term.

Solution Business - Trend in recurring net sales



Recurring net sales grew to the 4.5 billion yen level

- The business grew at a steady average of +9.2% per year, going from 3.21 billion yen in FY2021 to 4.57 billion yen in FY2025.
- Stock revenue, focused on operations and maintenance services, has formed the stable revenue base of the Solution Business.

Future direction

- We will pursue the accumulation of both flow and stock revenues through monetization of the entire client lifecycle.

Pursuing the continuous achievement of ROE in excess of 20% through promotion of growth investment and M&A in addition to high profitability

Our fundamental capital policy is to maintain ROE in excess of 20% over the medium to long term. Our ROE in FY2025 reached an exceptionally high level of 33.2% due to broad increases in income and transitory tax reductions. To ensure this achievement is not just transitory, however, we need to ensure we practice management that is conscious of capital efficiency.

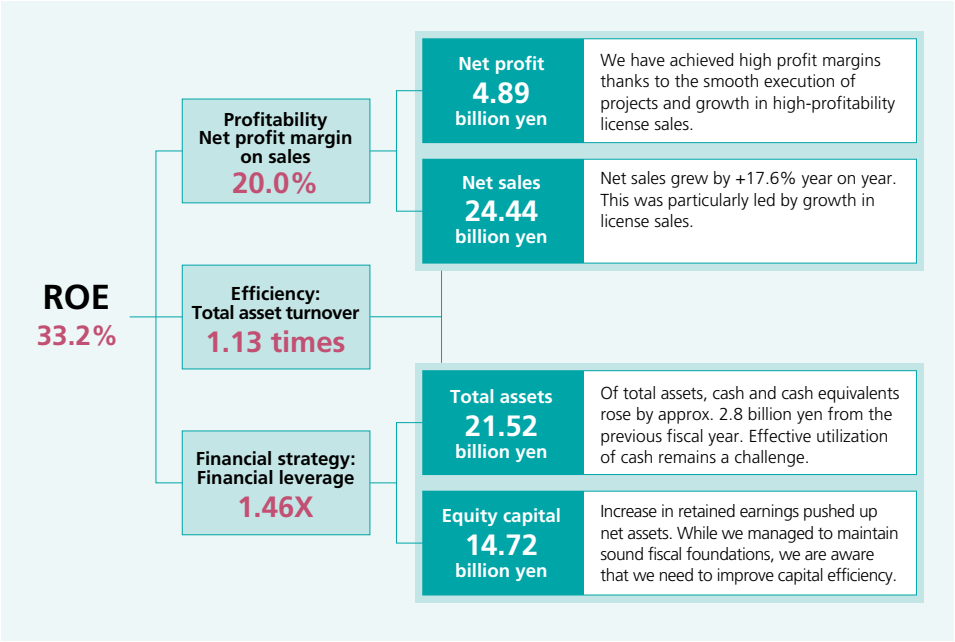
Regarding ROE, which is composed of three elements: profitability (net profit margin on sales), efficiency (asset turnover) and financial leverage, the current high level of ROE is being sustained by high profitability, but there is significant room for improvement in both our efficiency and financial leverage. Raising the floor on the remaining two elements by increasing investment capital through M&A and making selective use of debt, while maintaining and growing profitability, is the logic of our approach to achieving sustainable ROE in excess of 20%.

The key to achieving this is the 32 billion yen of growth investment planned under BE 2030. We will make more active use than before of M&A, in addition to product development and investment in talent. Our policy is to convert excess cash into investment capital by executing M&A deals expected to synergize with our businesses, and by applying the right financial leverage through the use of debt, while also increasing our asset turnover ratio.

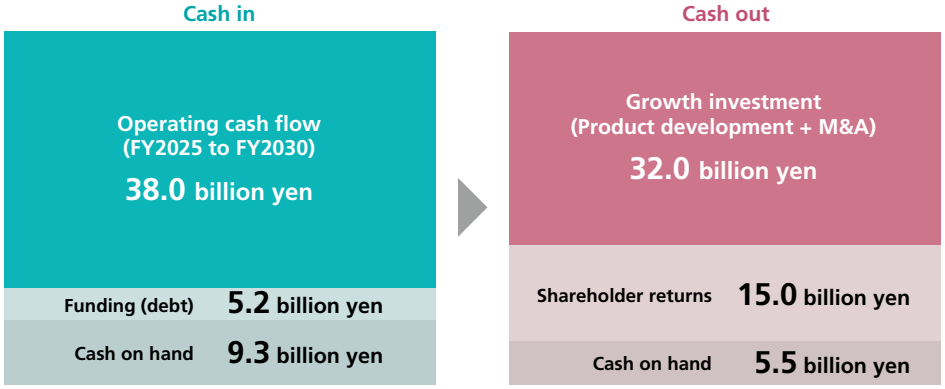
In making investment decisions, we will set a hurdle rate standardized according to cost of capital, and strictly seek investment returns in excess of that rate. We have put in place a system in which we regularly monitor investments after they are made and report the results of this monitoring to the Board of Directors. Disciplined capital allocation is the foundation for maintaining ROE levels and for enjoying the trust of investors.

From the perspective of capital management, under our capital allocation looking forward to FY2030, we plan to return 15 billion yen to shareholders against 32 billion yen in growth investment. With this, we aim to reduce our present, high equity ratio to around 65% by FY2030, and to enhance sustainable corporate value while optimizing capital efficiency.

Breakdown of ROE factors



Capital allocation plan



	FY2024	FY2030
Cash and cash equivalents to total assets ratio	51%	16%
Months of sales covered by cash on hand	5.4 months	2.0 months
Equity ratio	73%	65%

Investing in an environment that supports people's workstyles and fostering problem solvers through uncompromising recruitment and long-term development

Today, the technological environment is undergoing a rapid change including AI and other developments. As securing exceptional talent becomes an even greater challenge across the IT industry, B-EN-G's human capital strategy is entering a new phase. In recruitment, we are persevering with our policy of "only hiring the talent we really want, without compromise." Precisely because the areas where AI can replace people are growing, we are strictly acquiring only talent who share in the Company's purpose of "Engineering value-creating businesses" and who have a deep interest in manufacturing and strong problem solving skills, rather than just pursuing any experienced IT professional with standardized skills.

B-EN-G's biggest point of uniqueness is the knowledge we have built up over "30 years focused on manufacturing." This sort of expertise is not built in a day. This is precisely why we view taking the time to develop talent, rather than relying solely on recruiting ready-made talent in the short term as core to our human capital management. We firmly believe that fostering talent who can understand client business processes in depth, figure out the true issues hidden beneath the surface on the front line and solve them using IT is directly tied to our business feasibility and our unique competitive edge.

To support such talent development and success, we are planning to invest between 2 and 2.5 billion yen over three years from FY2024 to FY2026 into human capital. We are making concentrated investments into reforming workstyles to enable flexible responses to individual life events by, for example, shortening work hours, allowing remote work and offering caregiving support, on top of our efforts to revise salary standards and reconstruct career maps. We are also being proactive in promoting job rotation to allow employees to get diverse work experiences. The core of our talent investments is backing up our employees with an environment wherein they can autonomously study and choose opportunities to grow, rather than having the company lay down rails for them unilaterally.

Investment into human resources represents not a short-term increase in costs, but rather an investment aimed at medium- to long-term revenue improvement through the accumulation of intangible assets. Fostering people who are good problem solvers directly contributes to improving client LTV and maintaining the competitiveness of our products, making it a revenue foundation underpinning strong ROE. This logic of converting non-financial capital into financial capital is at the heart of what we want to convey in our integrated report, and is the wellspring of B-EN-G's efforts to sustainably improve corporate value.

Management resource distribution plan (FY2024-FY2026)

		FY2025 initiatives	FY2024 to FY2026 planned investment
Software and R&D Investment, Business Development Investment	• SaaS transformation of existing products • Development of new products and services for transformation-focused DX (data-centric business, etc.) • Next-generation technology research	Continued investment in mcframe	**3.5 to 4.5 billion yen** 2.84 billion yen through FY2025 1.6 billion yen in FY2026
Human Capital Investment	• Development of educational systems and programs aimed at talent strengthening • Enhancement of programs to improve employee engagement and support diverse working styles • Revision of salary levels • Strengthening of recruitment strategy	Recruitment increase Enhancement of employee education programs Compensation for inflation and performance-linked bonus	**2 to 2.5 billion yen*** 1.52 billion yen through FY2025 1.5 billion yen in FY2026
Business Infrastructure Investment	• Infrastructure development for SaaS business promotion • Internal digitalization to support new business initiatives • Investment toward advancing sustainability initiatives • Improvement of work environment	Promotion of internal digitization	**0.6 to 1 billion yen** 0.55 billion yen through FY2025 0.16 billion yen in FY2026
M&A Investments	• M&A investments for business expansion and partnerships • M&A investments for new business development	Investments into BatchLine and Tokai Soft	0.78 billion yen through FY2025

* Calculated as: Personnel cost increases (personnel costs above FY2023 levels) + Total training/education costs

Sharing the fruits of growth with all investors through a commitment to progressive dividends and a dividend payout ratio in excess of 50%

With the announcement of BE 2030, the Company set forth a policy of raising its consolidated dividend payout ratio to above 50% in the medium to long term. The FY2025 annual dividend rose 21.6 yen year on year to 41.6 yen per share, taking the dividend payout ratio to 50.9%, achieving 11 consecutive years of dividend increases.

On top of this, a key pillar of our shareholder return policy is progressive dividends. Not only do we increase dividends in line with growth in results, but we are also committed to maintaining stable returns that are not swayed by temporary fluctuations in performance. Thus, we are set to maintain our dividend level even though FY2026 (fiscal year ending March 31, 2027) is expected to see a fall in net profit due to the disappearance of transitory factors.

In contrast to our ROE and growth rates, PER remains at a low level. This discrepancy points to a failure to properly tell investors about the strengths of our business model and the BE 2030 growth story, and I view this as a challenge that I personally should take responsibility for rectifying. In addition to further dialogue with domestic and overseas institutional investors, we aim to achieve an appropriate corporate value through expansion among individual investors by splitting our stock (splitting 1 to 5 on January 1, 2026).

Going forward, we will be actively strengthening our approach to domestic institutional investors and mainly younger individual investors, in addition to the intensified dialogue we have pursued with overseas investors since the previous fiscal year.

Business Engineering continues to produce unique value in the industry as an expert body supporting DX in Japan's manufacturing industry. We are committed to continuously increasing our corporate value around the three pillars of growth investment, returns to shareholders and fostering talent. I look forward to investors getting to see the quality of the management behind the figures and hope to continue enjoying your support in future.

Strategy and Progress of Each Business

Solution Business



Atsushi Nakano
Managing Director and
Division General Manager,
Solution Business Division

Vision

Base our businesses on the development of human resources and build a team pursuing the creation of value for customers and society

Since becoming the first SAP partner in Japan in 1991, B-EN-G has built up a wealth of experience as a leading company in ERP implementation support. Accelerating the trajectory that we have been on to date, we are moving from providing individual solutions to providing new value that transforms into the real competitive power of our customers by integrating deep knowledge in manufacturing with AI and a global network. We are thus pursuing sustainable growth together with our customers as a partner for engineering business futures.

Stay up to date with changes in the business environment and invest in growth with human resources as our core

In order to take customer DX to the next level and turn it into transformation, B-EN-G has expanded its portfolio of solutions supporting data-centric decision-making that takes advantage of cutting-edge data utilization and AI in addition to the life science and supply chain domains where the Company boasts exceptional strengths. As foundations underpinning these efforts, we have put our focus towards developing professional talent through a renewal of our internal hiring and other systems, and towards expanding our ecosystem with leading partners.

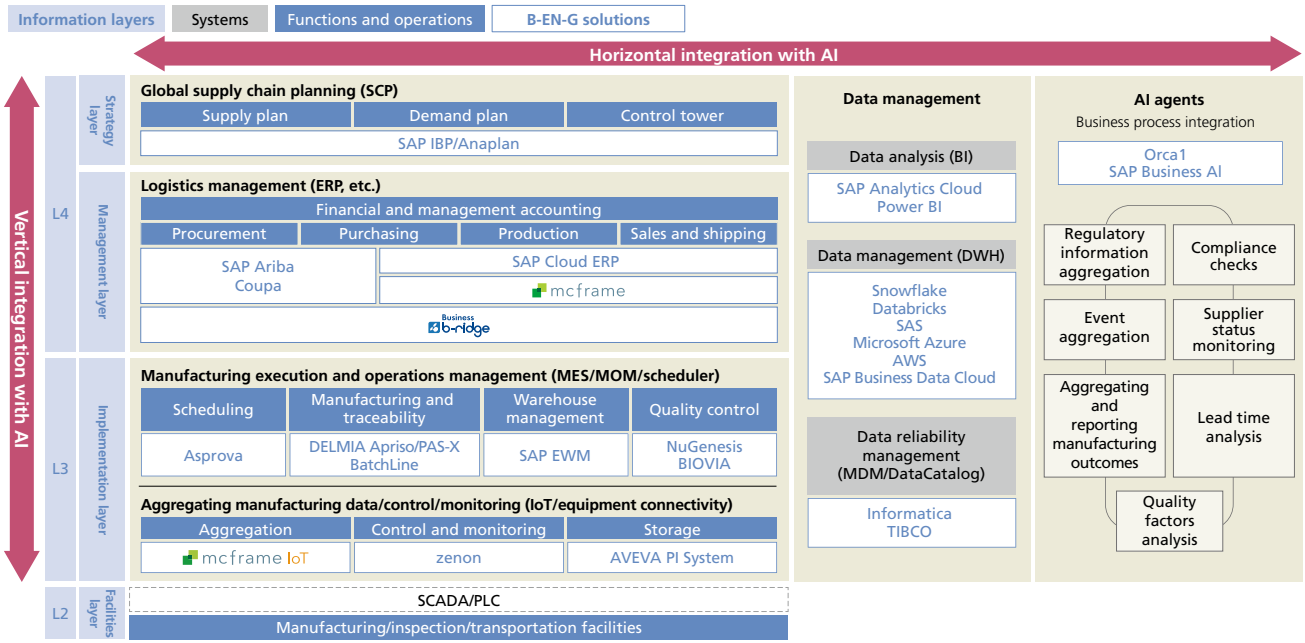
Supporting improved competitiveness by integrating the entire client lifecycle

We support comprehensive corporate digital transformation by optimally combining cutting-edge data utilization and generative AI technology with various extension solutions, on top of building ERP such as SAP.

Our strength lies in working alongside clients end to end for the entire lifecycle from conceptualization and planning to implementation and operations, maintenance and utilization. Our professional experts, who are well-versed in both business and technology, partner with clients deep in their system lifecycles, achieving business model transformation and sustainable growth.

Solutions map

Improving vertical integration from the strategy layer to the implementation and facilities layers as well as horizontal integration of multiple business areas by making use of AI



Awareness of the business environment and priority measures

Business environment

Investment shifting from "defensive IT" to "offensive IT" has become more active, and investment into digital technology in Japanese manufacturing has become exceptionally vigorous. Meanwhile, the market is entering into a period of structural transition with the peaking out of the concentration of system renewals (the 2027 Problem), the rapid spread of SaaS services, and severe labor shortages.

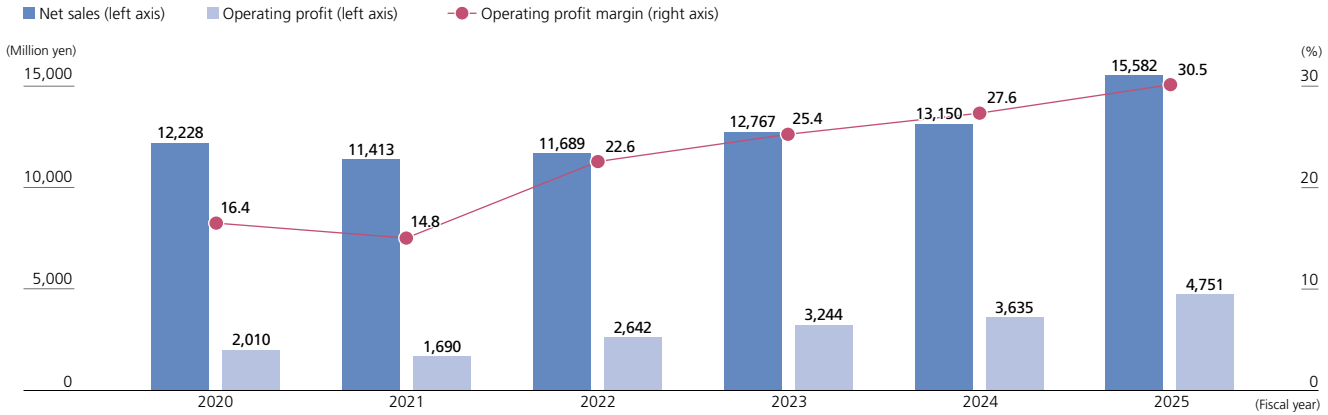
Priority measures

- **Deepening the value proposition from the perspective of digital transformation**
  We are accelerating the move to becoming a data-centric business and user-co-creation business around the axis of a strong client base. This goes beyond transitory implementations, with B-EN-G supporting data utilization and digital shift for the long term, even after launch.
- **Further excellence in the health and safety (life science) domain**
  B-EN-G offers solutions (PAS-X, NuGenesis, BatchLine) that support the exacting regulations (GxP, CSV) for the pharmaceutical and medical device industries, where we boast outstanding strengths. We are also working on implementing support for next-generation cell and genetic treatments, AI-enabled solutions and global life science regulatory information utilization.
- **Supporting the building of sustainable supply chains**
  We are advancing the development and provision of vertical and horizontal integration solutions from planning to execution and CO_2 emissions visualization solutions.
- **Expanding the ecosystem for developing talent who will take on challenges, the mission of B-EN-G**
  Through educational investment and renewal of our internal hiring and other systems, we are fostering an organizational culture in which people autonomously take on challenges. At the same time, we build strong ecosystems together with leading partners and create new value at overwhelming speed.

FY2025 results and progress

- **Sustaining double digit growth and significantly improving profit**
  We have reliably captured flourishing DX demand and maintained strong growth with orders received of 15.3 billion yen (up 13% year on year) and net sales of 15.58 billion yen (up 18.5% year on year).
- **Reaping the rewards of high value-added project management**
  Through thorough quality control, we have kept unprofitable projects to zero and significantly expanded operating profits by 31% year on year to 4.75 billion yen. We have thus dramatically shifted to a highly profitable business structure.
- **Establishing a strong recurring revenue platform**
  The development of our operations and maintenance and global business models has grown steadily through an end-to-end partnership structure that goes beyond system implementation.
- **Material outcomes from cutting-edge data utilization and ecosystems**
  We have significantly expanded our service portfolio by establishing a solution to identify the root causes of quality defects using causal inference, as well as through our investment in and receipt of the first orders for our cloud-based MES, BatchLine.

Net sales, operating profit and operating profit margin



FY2026 business overview and strategies

- **Deepening the value proposition from the perspective of digital transformation**
  Through the launch of the Simple Diagnostic Service for Data Management Maturity and the building of a cutting-edge generative AI architecture, we are accelerating the transformation of our clients towards data-driven management.
- **Enhancing holistic client lifecycle support**
  We are promoting the development of advanced integration solutions for SAP and mcframe, as well as client proposal activities using "GROW with SAP."
- **Improving global project execution capability**
  We are further deepening our ecosystem with overseas partners and providing a high-quality and consistent service even in complex global roll out projects.
- **Fostering an organizational culture that continues to take on challenges**
  We are consolidating the application of "new role challenges" and "an internal hiring system," supporting the autonomous career formation of our team members, and forming highly agile teams that continue to adapt to change.

Examples of Value Co-Creation with Clients | Murata Machinery, Ltd.



Murata Machinery Pursues Renewal of Export Operations Systems Through the "Bottom-Up" Approach, Achieving Operational Efficiency Gains in Excess of 10% Using Business b-ridge

Murata Machinery is a world leader in the cutting-edge automation and labor-saving systems that underpin logistics and manufacturing workplaces. In revising their export operations systems in line with an overhaul of their core systems, they adopted Business b-ridge as a solution. By putting in place a "business department-led" development structure that avoids just handing everything off to the IT department and tying together complex business processes that span multiple business units, Murata Machinery achieved both company-wide operational streamlining and a "self-sustaining digital transformation (DX)" on the ground.

Murata Machinery's Global Strategy to Support the World Through Leading Automation Technology

Murata Machinery, Ltd. is a global company engaged in multiple businesses, beginning with its legacy textiles machinery, and spanning logistics systems, transport systems for semiconductor factories, and machine tools. The majority of the companies it sells to are overseas businesses. In response to rapidly increasing international demand, the company has recently seen its business supporting global production infrastructure perform strongly, particularly in areas such as clean factory automation (CFA) and logistics and automation (L&A).

As the company worked to launch a project to implement a company-wide ERP system, it came up against the challenge of renewing its old export operations system, which had been developed in-house from scratch over some 20 years. Although they originally hoped to continue using the existing system, the IT department clearly stated that scratch development had to be abandoned due to system aging and a reduction in personnel; therefore, they decided to explore a new sustainable framework for the system.



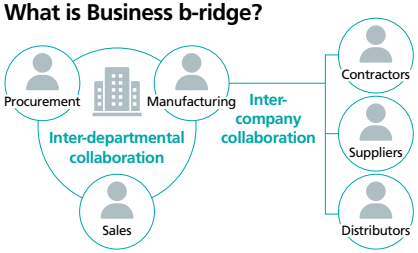
Implementing Business b-ridge and Practicing "Bottom-Up Development" to Bridge the Divide Between Four Business Units

In the process of doing so, Murata Machinery began considering systems with the implementation of off-the-shelf package software as its first option. However, they ran into the limitation that doing so would entail many compromises in respect to recreating their specific records and in terms of their operating requirements. As export sales were booming and the associated work burden was increasing across business units, momentum in favor of renewal towards a new system that did not depend on the legacy system was gathering pace.

It was in this context that the company decided to adopt Business b-ridge, which allowed them to freely develop on the cloud and manage data centrally without developing systems themselves from scratch. Of particular note was that when Murata Machinery determined at the specification design stage that it would be impractical to standardize processes across all business units, they changed course to a policy of splitting work across three development structures without fixing an across-the-board standard, and flexibly developing add-ons that fit with the specific requirements of each of the four business units.

The new system, which went online in February 2025, eliminated transferring mistakes by linking data and better surfaced operations, thus achieving an efficiency improvement across company-wide export operations of 10% or more as described in the headline. Precisely this process of having people on the ground complete the development of 30 types of records starting from zero knowledge, without simply handing the work off to an outside party, and updating DX attitudes centering on the leadership class, represents a model case of value co-creation that could not be replicated elsewhere.

What is Business b-ridge?



- Freely defining data and processes
- Available to external users
- Flexibly linking to other systems
- Automatic logging of operational history

Client Feedback

While we incurred additional costs in the process of development, I believe costs were kept down considerably compared to developing with a package, not to mention developing from scratch. Thus, in the end, I really felt that introducing Business b-ridge was the right choice. Even in developing records, managing to complete some 30 types in one business unit starting from zero knowledge gave us significant confidence. I feel the experience we gained through this project has significantly updated attitudes towards DX on the ground.



Shintaro Ohashi
Senior Manager,
Strategic Planning Department,
Textile Machinery Division,
Murata Machinery, Ltd.

Examples of Value Co-Creation with Clients | Towa Denki Company Limited



"Data is a Key Asset": Towa Denki Changes Course Towards Autonomous Data Management

Towa Denki has developed a global business as a specialist electronics trading company. Based on its belief that it is data that is the source of its competitiveness, Towa Denki brought in B-EN-G's Data Utilization Advisory service for the first time in Japan. This service goes beyond mere system building, instead pursuing transformation toward a data-driven corporate culture and enabling clients to autonomously pioneer the future.

Towa Denki's Mission to Support Global Manufacturing and a Sustainable Society as a Specialist Electronics Trading Company

Towa Denki is a specialist electronics trading company supporting technological transformation across a wide range of fields, including domestic electronic appliances, automotive, electronic components and green energy. The company boasts 25 locations across 10 countries, mainly in Asia, supplying essential materials and components in collaboration with over 1,500 suppliers. Towa Denki goes beyond the bounds of the typical trading company to support its clients in all aspects through "total product management (TPM)," a comprehensive approach encompassing seven domains ranging from marketing to logistics. Contributing to the sustainable development of society by supplying solutions to challenges such as realizing carbon neutrality while maintaining the steady supply of components amid an uncertain environment has become Towa Denki's key mission.



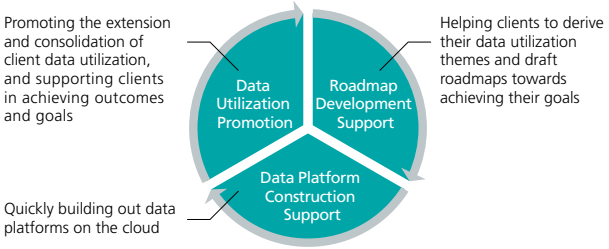
Utilizing Data by Starting Small: Continuous Partnership to Accelerate Digital Transformation (DX) for SMEs

Amid a rapidly changing business environment, Towa Denki analyzed the massive amounts of data spread throughout the organization from multiple angles and went in search of a system that could help them take the next step. Towa Denki's President Ishii defines data as a "key corporate asset." Even when facing cost and resource challenges common to medium-sized enterprises, Towa Denki resolved to transform in the direction of data management that maximizes the latent potential within the organization without compromising for the sake of the present.

In response to these ambitions, B-EN-G put forward a roadmap for extending Towa Denki's capabilities in stages through the use of cloud platforms such as Azure and Power BI. Not wanting to make massive upfront investments all at once, Towa Denki strategically opted to "start small" in a way that fosters their platform in line with the speed at which their company was growing. This allowed them to quickly achieve automation of drafting management decision-making materials at practical cost.

B-EN-G worked alongside Towa Denki to support them with a focus on sharing know-how and transferring skills so that, in future, the company could make use of data independently. Through this project, Towa Denki officers engaged in the work gradually built up greater know-how as they worked together hands-on with B-EN-G to develop reports. Leveraging IT as a strategic asset and fostering a "data-driven" culture that quickly makes data-informed decisions is developing into a firm foundation supporting sustainable growth at Towa Denki.

Data Utilization Advisory Service



Client Feedback

We believe that data is a key corporate asset and that making effective use of it directly contributes to competitiveness. B-EN-G's proposals allowed a medium-sized company like ours to "start small" from a practical cost level. I also felt their side-by-side support in addressing our challenges helped build systems that could collect know-how for us internally. I hope to continue working with them in future to build up a data-driven corporate culture.

Terukazu Ishii
Representative Director President
Towa Denki Company Limited

Strategy and Progress of Each Business

Product Business



Yusuke Sato
Managing Director and
Division General Manager,
Product Business Division

Vision

Using advanced technologies and epoch-making ideas to provide products and services to assist customers' transformations

We develop and sell in-house products including mcframe series, GLASIAOUS and Business b-ridge. We have provided deep support to the manufacturing sector through a powerful ecosystem formed with our business partners, centered on our core product, mcframe, which has entered into its 30th year. Going forward, we will lead new value creation and transformation in global manufacturing by integrating AI and next-generation SaaS technologies, based on factory floor insights developed over many years.

Provide products and services to support manufacturers competing domestically and globally

Through an on-premise and SaaS dual strategy, we are responding optimally to the diverse DX needs of our customers. We are also driving increased value-adds in products through the development of next-generation applications that incorporate AI technology, including mcframe Alchemist. We provide a platform for sustainable manufacturing in the global market through support for the circular economy and coordination with overseas subsidiaries and partners.

Major products

mcframe
Domestic ERP/production control package for the manufacturing industry. mcframe supports standardization and DX in manufacturing operations through the integration of production, sales, inventory and cost management.

GLASIAOUS
A management control cloud for global companies. GLASIAOUS supports standardization at overseas locations and visualization of management by integrating accounting, sales and purchasing operations.

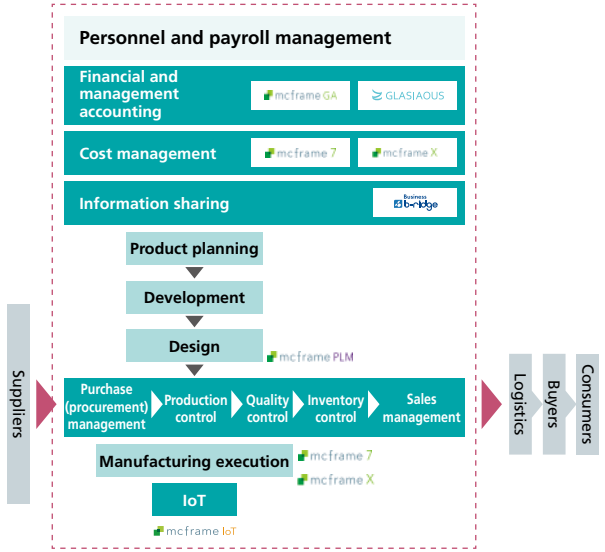
Business b-ridge
A cloud platform that digitizes inter-departmental and cross-company operations. Business b-ridge surfaces and streamlines operations centered on paper documents and Excel through a no-code approach.

Supporting manufacturers in a multifaceted manner

Realizing supply chain management that includes purchasing, production, sales and cost management, the mcframe series of products including mcframe 7 are a digital platform enabling manufacturers to manage all operations and information relating to manufacturing. We build ecosystems through robust collaborative frameworks with business partners and close collaboration with customers via user communities. We thus produce products aligned to market needs and sustainably evolve our business by reflecting on-the-ground feedback quickly in our product development.

We also offer in-house products such as GLASIAOUS for providing SaaS-type global accounting services and Business b-ridge which facilitates inter-business cooperation as we support globally active Japanese manufacturers in a multifaceted manner.

Domains covered by our products



Strategy and Progress of Each Business

Awareness of the business environment and priority measures

Business environment

The move away from legacy systems and the conversion to SaaS models is intensifying in the domestic manufacturing industry, as is investment into operational streamlining using AI. There is also growing demand for renewal of systems from an environmental perspective in the form of increasing the resilience of supply chains and addressing the circular economy.

Priority measures

- **Pursuing both on-premises and SaaS businesses**
  While continuing to deploy mcframe 7, an on-premises product, we will operate a SaaS business with mcframe X at full scale to expand the Product Business.
- **Improve product strategies and our product development system**
  We will bolster our development system for formulating product strategies and developing mcframe 7 and mcframe X in parallel, with a view toward providing globally available products and services.
- **Offer products and services for achieving sustainability**
  We develop and expand products and services that support the sustainability activities of manufacturers.
- **Develop human resources and design an organization to realize the vision of the Product Business**
  We will strengthen efforts to develop human resources to realize the vision of the Product Business and to design an organization that serves as the foundation of the above efforts.

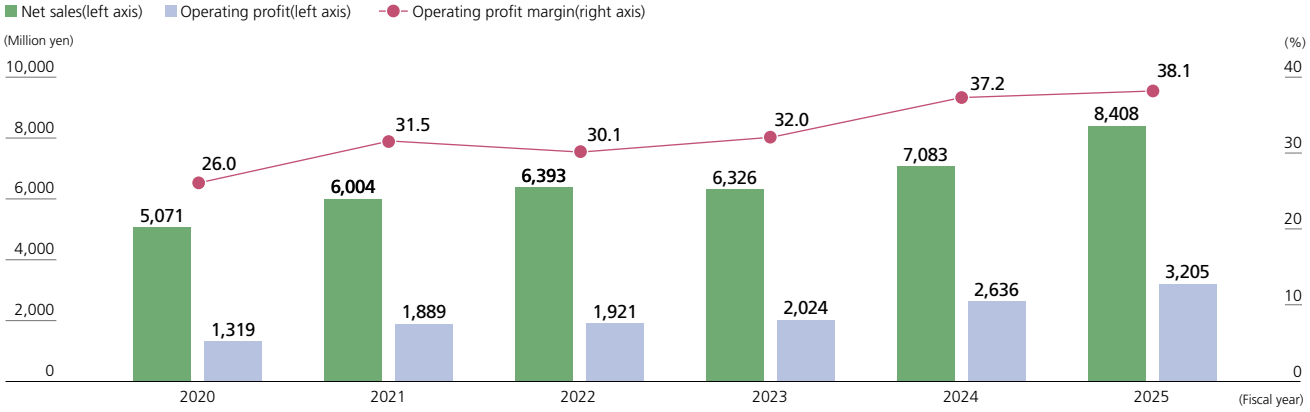
FY2025 results and progress

- **Achieved our best ever results**
  We achieved growth well in excess of what was planned, with full-year net sales of 8.41 billion yen (up 18.7% year on year) and operating profit of 3.21 billion yen (up 21.6% year on year).
- **Growth of license sales**
  Introductions and sales by business partners remained strong, and we achieved our highest ever license sales of 6.18 billion yen.
- **Deployment of next-generation SaaS**
  We accelerated the deployment of mcframe X, the SaaS edition in the mcframe series, and it is steadily gaining a foothold in the market.
- **Expanding global group accounting**
  GLASIAOUS has now been implemented at over 1,900 companies. We are actively advancing the improvement of features such as the provision of AI-OCR using AI.

FY2026 business overview and strategies

- **Next-generation value creation through integration of AI technology**
  We are continuously evolving our proprietary products through the use of new technologies and thus establishing a resilient edge in the market.
- **Sustainable growth of the client base through a dual strategy**
  By combining stable deployment of the established mcframe 7 with the deployment of the subscription model mcframe X, we are seeking to sustainably grow our license business.
- **Establishing a strong ecosystem and driving a partnership strategy**
  We are deepening our collaboration systems with domestic and international partners, driving expansion of our sales network and reinforcement of our sales capabilities. We are also establishing an ecosystem made up of users, partners and B-EN-G, centered on our products.
- **Deploying new solutions that capture green transformation (GX)**
  We are deploying applications that holistically support circular economy businesses in the manufacturing sector, including product planning and 4R process management, thus capturing environmental investment needs.

Net sales, operating profit and operating profit margin





Developing Next-Generation Water Infrastructure: A Co-Creative DX Initiative of TAKEMURA SEISAKUSYO and B-EN-G

TAKEMURA SEISAKUSYO is the leading manufacturer of freeze-protection valves, which support the lives of people in cold regions. Under the strong leadership of President Takemura, the company has promoted "overall optimization" digital transformation (DX) with the aim of meeting the challenges of a changing business environment such as declining population. Let's take a look at how the company used renewal of its systems as an opportunity to engage in co-creation that managed to evolve the company from a tradition-bound manufacturing industry towards a "value-creation business" that could create its own future.

TAKEMURA SEISAKUSYO's Social Role in Protecting the Lives of People in Cold Climates with Freeze-Protection Valves

TAKEMURA SEISAKUSYO, with its head office in Nagano Prefecture, has continued to support the lives of people living in cold climates for 75 years since its founding through its freeze-protection valves, which prevent water pipes from freezing in winter. Under a philosophy of "be useful," the company engages fully in faithfully manufacturing products that continue to function out of sight underground. Today, however, they are faced with crisis as Japan's declining population shrinks their market. To meet this social challenge and contribute to the next generation of water infrastructure, moving on from conventional, department-level optimization to transform the organization itself has become an urgent task.



B-EN-G's Approach to Addressing "Person-dependent" Work Together with the Client and Finding Solutions

The issues TAKEMURA SEISAKUSYO was coming up against were the operational barriers and data discontinuities between departments that arose behind the scenes of the company's stable growth, as well as a process of "personalization" that led to operations depending on the experience of specific people on the ground. President Takemura decided to address these issues by performing a "zero reset" on their existing operating rules and rebuilding ideal processes from scratch, rather than simply renewing existing systems. They thus took on the challenge of a fundamental transformation that had in its sights the transformation of the company's very culture.

They chose mcframe X, a cloud ERP for the manufacturing industry in Japan, as the tool for pursuing this transformation. The real goal, however, was not just to introduce a system, but to unite the whole company and change it into an organization that could create the future. B-EN-G worked with its partners to build a "trinity" structure to present a system wherein people on the ground could improve systems themselves through a no-code approach. The approach was thorough in fostering continuous partnership to maximize the agency of people on the ground.



These efforts resulted in a dramatic closing of the gap between sales and manufacturing, establishing a management platform that was optimized overall on the basis of real-time information sharing. Achieving "independent DX" that could continue to produce improvements once started under the leadership of people on the ground represents a real-world realization of B-EN-G's purpose of "engineering value-creating businesses." Combining traditional engineering with the power of digital technology has allowed TAKEMURA SEISAKUSYO to continue to evolve into a company that can bring about change for itself.

Client Feedback

This project was intended to create a culture and platform for continuing transformation of our company, rather than to be a simple system renewal. Forming a trinity with B-EN-G and KISSEI COMTEC, the project created an orientation wherein people on the ground thought and took action for themselves, helping to get things moving. Leveraging the ever-evolving mcframe X, we are continuing on this journey of transformation.

Katsutoshi Takemura
President and Representative Director
TAKEMURA SEISAKUSYO CO., LTD.

System Support Business



Kenji Shimura
Representative Director and President, Business System Services Corporation

Vision

Continuously grow as a company with strengths in maintenance operations, stay close to our customers, and become a trusted partner supporting their success

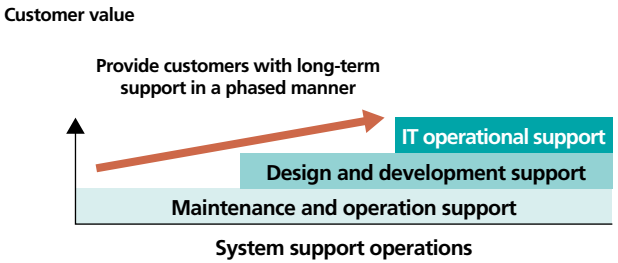
With ERP maintenance operations as its core, the System Support Business supports customers throughout the lifecycle of their system. In the current fiscal year, we have put forward a basic policy of "Shift and Grow." Through this policy, we are driving mutually reinforcing growth through support for design and development based on an understanding of our clients, while shifting in the form of the stable operation and expansion of license maintenance. In doing so, we aspire to act as a partner that continues to support DX at our clients from the closest distance possible.

Supporting customer growth through defensive DX

As different industries face calls for digital transformation, the drive for "defensive DX" aimed at streamlining operations has become the essential foundation for sustainable corporate growth. We reliably maintain and develop stable operations centered on ERP, by making full use of our knowledge and know-how of the use of IT built up over many years of providing system support. We aspire to support customers' digital transformations over the long term and thus grow together by going beyond merely stabilizing operations to gradually extend our domain of support from design and development support to IT operations outsourcing.

Working alongside customers to steadily drive their DX forward

To adapt to the changes in our customers' business environments, we are flexibly extending the domains in which we provide support to include design and development and IT operations, in addition to maintenance and operations, and promoting our customers' use of ERP. We are also reliably supplementing IT resources customers lack through the use of generative AI and improvements to alliances, thus driving their digital transformation.



Awareness of the business environment and priority measures

- **Enhancement of AMS*projects with SAP at their core and improvements to the revenue base**
  We flexibly support the transformation of client operations by enhancing and streamlining operations and maintenance (AMS) services through the sharing of intellectual property and by using cutting-edge AI technology. Through the steady expansion of the scope of existing maintenance and promotion of transition of new systems, we aim to secure steady long-term revenue for the business and shift to a higher profit model.
  * AMS: Application management services, which involve undertaking system operation and maintenance.
- **Expansion of the mcframe business and fostering talent across multiple locations**
  By working closely with the Product Business Division, we are steadily involving mcframe in further upstream processes and upgrading infrastructure. We are upskilling our engineers and promoting the development of a multi-location system, including Akita Branch, thus seeking to strengthen our support provision capabilities and expand our business.

FY2026 business overview and strategies

- **Expanding comprehensive projects throughout the system lifecycle**
  By building strong relationships with clients and raising the gross profit margins of comprehensive projects to our current target of 80%, we are securing stable revenues and profit growth.
- **Improving profit margin and extending scope in the mcframe business**
  In addition to operation and maintenance, we will also participate in development domains to drive improvements in profit margin.
- **Phased entry into expansion solutions product maintenance**
  We will establish a maintenance framework for the expansion solutions offered by our solution business and take on the challenges of upstream domains.
- **Employee development and human resources acquisition**
  We will secure mobilization capacity through role-level skill enhancement and diverse recruitment.

Global Expansion

We are moving to the next phase of growth, which starts from the consolidation of our global strategy, in pursuit of BE 2030. By continuing to improve the system of local subsidiaries and alliances with local partners, we are intensifying the development of local companies in developing Asian countries, in addition to supporting Japanese companies. We are thus aiming to expand overseas markets and achieve our net sales target of 2.2 billion yen on a consolidated basis in FY2030.

Business Engineering's global structure

With locations across five countries overseas, B-EN-G has built a local structure of over 300 people, including business partners. From FY2026, we will consolidate our overseas subsidiaries and actively pursue the establishment of resilient global management foundations as a single group.

China
B-EN-G local subsidiary plus 6 partners
95

Thailand
B-EN-G local subsidiary plus 3 partners
75

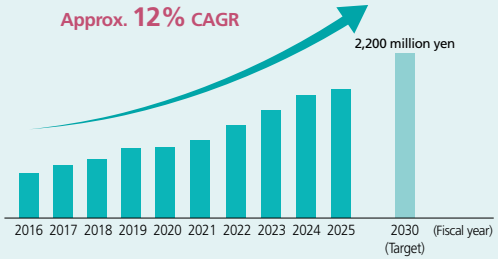
USA
B-EN-G local subsidiary plus 2 partners
10

Indonesia
B-EN-G local subsidiary plus 2 partners
38

Singapore and others
B-EN-G local subsidiary plus 3 partners
47

Vietnam/Philippines
2 partners
37

Total sales trend of all overseas subsidiaries



Domestic earnings base + Overseas growth engine

- Positioning mcframe as the core product driving overseas growth
- Accelerating expansion to local companies in addition to Japanese-affiliated clients
- Continuing to strengthen our local partner network and overseas subsidiary structure

●Consolidation of all overseas subsidiaries from FY26
*Only the USA subsidiary was consolidated in FY25

Why is Business Engineering accelerating its overseas expansion?

B-EN-G has established a concentrated leading position in the medium-sized manufacturing market in Asian countries where major ERP vendors are yet to enter. We combine high profitability with stable revenue through a model that sells our proprietary product, mcframe, as a product that supports each country's tax systems and that provides comprehensive implementation support.

1 Strategic positioning — Where we compete

Focusing on the mid-sized manufacturing market in emerging Asian economies, where major ERP vendors have not actively entered.

2 Flexible localization — What we sell

Deploying our proprietary product mcframe, designed for multi-language, multi-currency, and country-specific tax compliance, in a globally usable form.

3 Vertically integrated model — How we earn

Integrating license sales and implementation support through overseas subsidiaries. Capturing both the high margins of product sales and the stable earnings of implementation support simultaneously.

Offering a high-quality service that cannot be copied by competitors and earning a strong reputation among many clients

Taking advantage of the client base and partner network we have developed to date, as well as the strengths of our products, we are developing genuine sales to local companies. We will also significantly expand into global markets by establishing new locations beyond ASEAN and moving into new countries.

Case **Ajinomoto Thailand - Supporting the Renewal of a Data-Driven Management Platform**

Originally, Ajinomoto Thailand's cost data would be aggregated by each department and then pass through multiple procedures to be processed by the company's systems, so monthly closing would take 1-2 weeks. Due to the increased complexity of these systems, the company also experienced issues in conducting adequate cost analysis and forecasting based on the trends in raw material price changes.

To address such issues, Ajinomoto Thailand took the opportunity of an SAP upgrade to implement mcframe 7 PCM as a cost management platform, improving its cost variance analysis, budgeting and future simulation features. By building an analysis platform in Azure, they also promoted enhancements to their data utilization. The company is presently launching similar systems in Indonesia and Malaysia, helping drive data-driven management across ASEAN.



Launching orishia, a DX Brand for Workers on the Ground

Digitization has dramatically evolved the way office work is conducted and value is produced. There are, however, still places where the power of this technology is yet to penetrate. One such place is the factory floor. The B-EN-G Group is helping to improve the sustainable capacity of the factory floor through orishia, our new digital transformation (DX) brand.



A DX Solution Brand for Workers on the Ground Born from the Idea of "Weaving Together" People, Information and Technology

orishia seeks to transform the massive amounts of data produced on the factory floor into an asset for companies and into valuable wisdom for workers. Getting the most out of each person on the ground increases what can be achieved on the factory floor.

Acquiring and Learning

Efficiently Passing on Factory Floor Knowledge
- Interactive learning materials making use of on the ground video
- Immersive, experiential education through VR
- Integrated management from creation and distribution of learning materials to learning progress

Putting into practice

Supporting Factory Floor Work Through Knowledge and Experience
- Displaying work instructions and procedures using smart glasses
- Real-time work support from remote locations
- Communication between workers on the ground

orishia CORE
A technology platform concept connecting factory floor data

Analyzing and improving

Deriving Challenges and Proposals for Improvement from the Data
- Compound analysis of diverse on the ground data
- Extracting insights from the data
- Automated proposals for improvement and feedback to multiple domains

Recording

Converting Physical Spaces and Work into Data
- Automatic recording of factory floor data through cameras and sensors
- Automatic linking of work details with workers, times and locations
- Automatic generation of work reports

Going from the Domain of "Acquiring and Learning" to Beginning to Provide Products, and Expanding Solutions

orishia works by dividing the factory floor cycle into four domains – "acquiring and learning," "putting into practice," "recording" and "analyzing and improving" – centered around the technology platform concept, CORE, which connects factory floor data.

Of these, from the "acquiring and learning" domain, in which we seek to efficiently pass on factory floor knowledge, we have begun to provide products such as interactive learning materials that make use of video and VR experiential learning materials. Following on from this, we have also begun to provide work support (putting into practice) using technologies such as smart glasses. Going forward, we are providing long-term support in the form of automatically acquiring (recording) data using cameras and sensors, gradually expanding our solutions in the direction of compound analysis of diverse data (analyzing), and a digital shift on the factory floor.

Foundations Supporting Growth

37 Sustainability Strategy
38 Materiality
39 Response to Climate Change
40 Respect for Human Rights
41 Diversity and Equal Opportunity, Realization of Diversity, Equity, and Inclusion
42 Human Resources Strategy

Sustainability Strategy

The B-EN-G Group is committed to promoting sustainability under its basic policies and organizational framework, and is working together with stakeholders to achieve the Group's Purpose while ensuring sustainability. We also identify important (material) issues that we should particularly prioritize, set actions and goals (KPIs) for these, and work to resolve specific social issues.

Basic Stance on Sustainability

In 1999, B-EN-G was established to provide manufacturers and many other companies with indirect support in their use of information systems. Since then, we have continued to help businesses in Japan and beyond use information systems.

The Group's corporate philosophy reads: As a professional group that puts customer satisfaction first, we contribute to society through the creation of new value. Accordingly, we have been offering the value provided by engineering that is unique to us for the creation of the mechanisms that corporate customers need for their provision of products and services to society. Essentially, humans support this value. We are convinced that the Group can create the value it provides in a situation where our diverse personnel develop and exert their potential in an environment that is easy to work in.

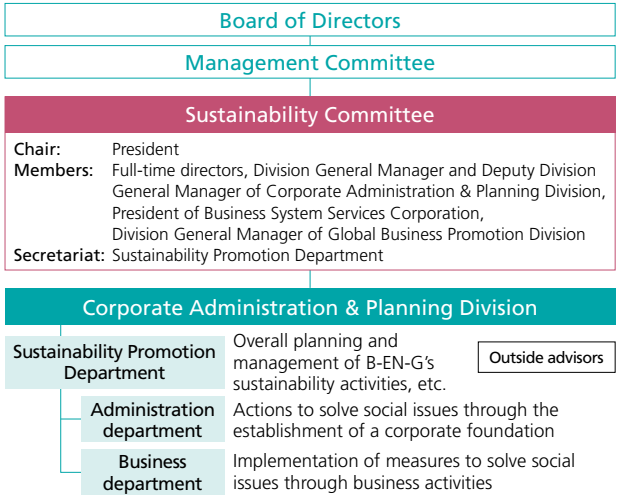
The Group believes that the synergy between personnel working energetically, products and services providing new value, and corporate operations that earn the trust of society will help the Group fulfill its Purpose and aid the development of a sustainable society. To achieve these goals, the Group works to address various sustainability themes, with consideration for the characteristics of its business.

Sustainability Governance and Risk Management

The B-EN-G Group has established a sustainability promotion structure centered on its Sustainability Committee. The Sustainability Committee ascertains risks and opportunities related to sustainability, in addition to setting policies and identifying important issues, and promotes activities aimed at appropriate disclosure.

The committee seeks to coordinate these activities with the company-wide risk management system and suitably manage their impacts on management. It regularly reports the status of its activities to the Board of Directors and works to increase their effectiveness under the governance structure.

Sustainability Promotion Structure



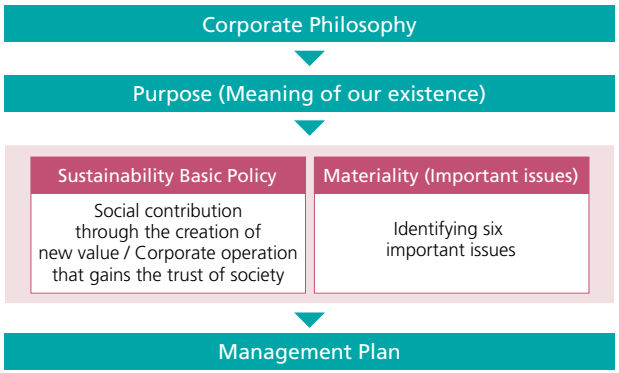
Sustainability Strategy

The Group considers the risks and opportunities associated with sustainability to be important matters in terms of our management strategy that affect our business model and medium- to long-term corporate value. We seek to combine addressing social issues and sustainable growth by reflecting these risks and opportunities in our management plan and identification of materiality, and incorporating this into specific action guidelines and policies.

We are also promoting efforts to increase strategic resilience in response to the changing business environment. We cover our approach to human capital under the "Human Resources Strategy" section and our unique technological strengths and views, including intellectual capital, under "Business Strength."

▶ P.42 Human Resource Strategy ▶ P.13 Business Strength

Overview of Sustainability Strategy



Materiality

We have identified six important issues (materiality) with the aim of combining contributing to a sustainable society and improving corporate value over the medium to long term. We disclose the major initiatives, opportunities and risks in each of these themes, as well as the targets set for achieving these (KPIs) and our achievements.

Materiality Identification Process

We selected social issues that are important to the Group's corporate activities. In this process, we referenced international guidelines and valued the degree of significance of the issues to society and stakeholders. We see the relationship between the materiality and the idea superior to it, such as the Corporate Philosophy and the Purpose, as an indicator in our assessment of its importance to the Group. The materiality is reviewed regularly. We work intensively on it to fulfill the Purpose.

STEP 1 Establishment of a study team to identify materiality
Establishment of an internal cross-departmental team of members selected from business units and the administrative department to comprehensively study the businesses of the B-EN-G Group as a whole

STEP 2 Identification of sustainability issues
Selection of major issues affecting businesses using value chain mapping and other methods to create a long list

STEP 3 Identification and organization of issues and assessment of their importance
Organization of the selected issues and assessment of their relationship to business and their importance to society using external indicators

STEP 4 Discussion by the Sustainability Committee
Discussion of the details of issues and assessment of their importance at committee meetings

STEP 5 Board of Directors' approval
External disclosure of the issues after approval by the Board of Directors

Materiality	Materiality themes	Main initiatives	Opportunities	Risks	KPIs and Achievements
Providing value to society using IT We use IT to increase the number of value-creating businesses around the world, providing new value to society. We also provide products and solutions that enable customers to focus on activities that create added value by streamlining existing operations using IT.	Improving efficiency and productivity through digitalization	• Standardization and automation of operational processes through renewal of core systems such as ERP • Developing next-generation talent who can lead DX and fostering an organizational culture that can accept transformation	●		**Net sales (Transformation-oriented DX)** Results 23.1 billion yen (2025) Target 21.0 billion yen (end of 2026)
	Providing products and solutions that achieve creative, high-value-added manufacturing	• Developing and delivering next-generation manufacturing technology through the use of accumulated data • Delivering new value and new solutions through co-creation with clients using IT	●		
	Providing safe, reliable products and services	• Building digital traceability spanning all areas of the supply chain • Completing the implementation of high-quality systems through unique project management standards	●	●	**Net sales (Transformation-oriented DX)** Results 1.3 billion yen (2025) Target 1.0 billion yen (end of 2026)
	Rapid response to the transformation of industrial business models through technological innovation	• Building a flexible and rapid service delivery system through the proactive use of cloud computing technology • Implementing cutting-edge products and services (AI, XR, IoT)	●	●	
Realizing a sustainable society We always approach business management from a long-term perspective for the realization of a sustainable society. We also promote businesses with the goal of stably and permanently developing regions and industries in Japan and abroad.	Establishment of highly reliable supply chains and the stable supply of products	• Helping build digital platforms that improve the resilience of supply chains • Helping build flexible global supply chain platforms that address geopolitical risk	●	●	
	Response to labor and personnel shortage issues and human resource utilization	• Paving the way for digital succession of mature skills through the use of VR and other technologies and establishing efficient training systems • Acquiring talent with diverse expertise and enhancing reskilling to support continuous growth	●	●	**Net sales (To overseas customers)** Results 3.52 billion yen (2025) Target 3.5 billion yen (end of 2026)
	Development of regional areas and developing countries	• Providing highly trusted services by strengthening global governance • Contributing to solving issues in regional societies using IT through collaboration with local partners	●	●	
	Promotion of sustainable business	• Establishing a highly profitable business model through the maximization of business synergies • Continuous partnership to support the lasting evolution of client business models	●	●	
Responding to the global environment and climate change We will protect the global environment and promote business in a way that does not place burdens on the earth. We also conduct business with the goal of protecting and effectively utilizing scarce resources.	Response to climate change	• Providing solutions to address climate change for the manufacturing industry • Cutting our own greenhouse gas emissions and expanding our disclosure of climate change information	●	●	**GHG emissions (Scope 1 and 2)** Results 453t-CO_2e (2025) Target 300t-CO_2e or less (end of 2026)
	Protection of the global environment and resources	• Reducing the use of paper resources and lowering environmental burden through support for digitization of forms and other documents • Reduction in defect rate through use of production control and facilities monitoring systems and minimization of resource usage	●	●	
Creating new value through partnerships and collaboration We strive to achieve mutual growth by establishing a high degree of trust with all of our stakeholders. We aim to create innovation in society through collaboration with partners and synergy.	Establishing a high degree of trust with stakeholders and emphasizing partnerships	• Improving the quality of products and services through collaboration with our user community and partners • Thoroughly ensuring fair and honest dealings with our business partners • Highly transparent information disclosure	●	●	**Appropriate disclosure of financial and non-financial information** Results Disclosed (2025) Target Ongoing disclosure (end of 2026)
Establishing and maintaining a foundation as a company that fulfills its social responsibilities We strive to fulfill our responsibilities as an established company that is a part of society, and to develop and maintain a foundation as a company that provides added value to society.	Response to security risks and information protection	• Maintaining and improving external certifications such as ISMS, thorough information security training for all employees • Ensuring zero major incidents and legal violations		●	**Number of major incidents and/or legal violations** Results 0 incidents (2025) Target Maintaining 0 incidents (end of 2026)
	Fair market competition and marketing activities	• Ensuring compliance with the Code of Conduct and establishment of compliance awareness to drive good-faith business activities • Maintaining a sound and transparent business relationship framework, including the prevention of bribery and prohibition of relations with anti-social forces		●	
	Strengthening corporate governance	• Maintaining transparency and objectivity in management and continuously evaluating the effectiveness of the Board of Directors • Putting in place decision-making structures that support increasing corporate value over the medium to long term	●	●	
Creating a safe, secure and rewarding work environment We strive to create an environment where employees who support our business can work safely and healthily. We also respect the human rights of all stakeholders, including employees, and work to realize a society that is free of discrimination.	Respect for human rights	• Continuously conducting human rights due diligence based on international standards • Identifying and evaluating human rights risks and operating effective mechanisms for their redress		●	**Engagement Score (Company-wide)** Results 74 (2025) Target Maintaining a score of 70 or higher (end of 2026)
	Diversity and equal opportunity, realization of diversity and inclusion	• Expanding systems for supporting diverse human resources • Building inclusive organizations that allow individuals to fully express their expertise and abilities	●	●	
	Realization of a safe and secure working environment and healthy work styles	• Establishing flexible workstyles and strategically promoting health and productivity management • Continuously measuring employee engagement and improving the workplace environment through dialogue	●	●	

Response to Climate Change

The B-EN-G Group views maintenance of the global environment as a key platform for supporting sustainable growth. Responding to climate change is thus an important issue that ties in not only to risk reduction but also to creating opportunities for revenue. We therefore aim to realize a sustainable society and improve corporate value by both moving forward with reductions to our own GHG emissions, and supporting decarbonization of our clients in manufacturing and the entire supply chain through the use of IT to provide value.

Basic Approach

The B-EN-G Group considers action on environmental issues, such as climate change, as one of its important issues. We make analyses based on the framework recommended by TCFD and disclose the impact of climate change on our business operations. See here for information on our Environmental Policy.

WEB Environmental Policy

Information Disclosure in Line with the TCFD Recommendations

Governance and Risk Management

We recognize that addressing issues related to climate change is an important management issue that not only reduces risk but also leads to revenue opportunities. On this basis, the Risk Management Committee, chaired by the President, evaluates and manages the risks and opportunities anticipated to stem from climate change. Additionally, the Sustainability Committee monitors the details of our response to climate change-related risks, and reports the results to the Board of Directors, which oversees them.

Strategy

We have identified the risks and opportunities, as well as the degree of impacts from climate change in our business by performing scenario analysis using the scenarios published by institutions such as the IEA and the IPCC. We use two scenarios in this analysis, which assume average temperature rises of 1.5°C and 4°C above pre-industrial levels, respectively.

Indicators and targets

The B-EN-G Group aims to reduce its GHG emissions (Scope 1 and 2) by over 50% compared to FY2022 levels by FY2030 on the way to achieving carbon neutrality by 2050. We are also strongly driving support for decarbonization among our clients in manufacturing and across the entire supply chain, and contributing to the transformation towards more sustainable manufacturing with the power of IT, through provision of tools such as mcframe 7 CFP, which achieves per-product emissions management.

Greenhouse gas emissions (Scope 1 and 2) reduction targets

Item	Medium-term target	Long-term target
Scope 1, 2	Reduce emissions by at least 50% versus the FY2022 level by 2030.	Achieve Scope 1 and 2 carbon neutrality by 2050.

Changes in the B-EN-G Group greenhouse gas emissions

(Unit: t-CO_2e)

Actual GHG emissions		FY2023	FY2024	FY2025
Scope 1, 2		454	457	453
Scope3		7,149	10,907	12,251
	Category 1	5,920	9,678	11,114
	Category 2	337	219	127
	Category 3	286	285	278
	Category 6	420	530	540
	Category 7	145	150	150
	Category 15	41	45	42
Scope1+2+3		7,603	11,364	12,704

Note: Scope 3 emissions are calculated by multiplying the procurement price by the intensity specified by the Ministry of the Environment. In this formula, emissions increase in proportion to an increase in the amount of action.

Product presentation: mcframe 7 CFP

The B-EN-G Group offers mcframe 7 CFP, a product which can precisely calculate per-product CO_2 emissions by leveraging the cost management knowledge we have developed over many years. mcframe 7 CFP links factory floor results data and thus manages to visualize emissions in line with the real state of the product taking into account factors such as yield rates. This is how we harness IT to support decarbonization across our clients' entire supply chains and the transformation toward more sustainable manufacturing.

mcframe 7 CFP

QCD × Green

A solution that understands CO_2 emissions on a product-by-product basis to encourage emissions reduction activities

CFP management	PLM and IoT	Production and cost management	Life cycle
Visualization of expected and actual carbon footprints	Understanding of environmental costs in the planning and design stages and measuring and monitoring them using IoT technologies	Optimizing the balance between QCD and environmental counter-measure costs	Understanding of environmental costs including after-sales services (use and disposal)

WEB mcframe 7 CFP (Japanese only)

Respect for Human Rights

The B-EN-G Group, as a member of international society, supports Respect for Fundamental Human Rights and Diversity in its Code of Conduct. The Company performed assessments of impacts on human rights based on the UN Guiding Principles on Business and Human Rights, and has identified areas related to prevention of harassment and protection of personal information as "risks to be focused on." Based on risks specific to the IT industry, the B-EN-G Group is promoting ongoing awareness raising and corrective measures, and contributing to the realization of a society in which human dignity is protected.

Basic Approach

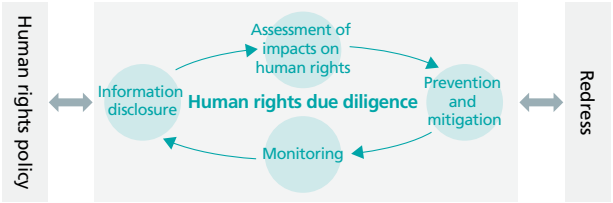
The B-EN-G Group, as a member of international society, supports Respect for Fundamental Human Rights and Diversity in its Code of Conduct in all of its business activities. The Group respects fundamental human rights and does not discriminate on the basis of race, ethnicity, nationality, belief, religion, gender, age or disability. The Group also complies with the laws and regulations of relevant countries and regions. We are constantly conscious of individual dignity, and do not engage in acts contrary to public order and morality, acts of violence, intimidation or sexual harassment. See here for information on our Human Rights Policy.

WEB Human Rights Policy

Initiatives to Ensure Respect for Human Rights

Human rights due diligence

To identify human rights risks and adverse impacts on human rights within our own business activities and value chain, we engage in continuous human rights due diligence. Working in coordination with relevant departments, we perform risk analyses and assessments, and consider and implement appropriate response measures.



Assessment of impacts on human rights

The Group conducted a human rights impact assessment to identify and evaluate negative impacts on human rights in our business activities, based on the UN Guiding Principles on Business and Human Rights.

As part of this assessment, we used a risk assessment form issued by GCNJ (Global Compact Network Japan) to analyze and evaluate 26 human rights risk items along the two axes of "risk importance" and "likelihood of occurrence." As a result, we identified the following two risks as human rights risks we should pay special attention to.

We believe these risks include aspects that arise from workstyles and customs specific to the IT and systems integrator industries.

Human rights risks to focus on

- Power harassment
- Privacy rights (leaking of personal information)

The B-EN-G Group has put in place specific measures to prevent and reduce the human rights risks identified based on the results of this assessment, and we are constantly monitoring them.

Human rights education

The Group regularly holds Group human rights training seeking to foster awareness of human rights among all employees. We have also incorporated basic knowledge of human rights and compliance with the Code of Conduct into our annual compliance training, and we perform company-wide understanding checks (see P. 54 "Compliance" for the results of compliance training).

In addition to this, we are promoting the creation of a workplace environment in which each person is granted respect as an individual by properly conducting specialized training in response to specific issues.

Outcomes of power harassment training for new graduate and mid-career hires

Fiscal year implemented	Number of participants	Targets
FY2025	44	New graduate and mid-career hires
FY2024	53	New graduate and mid-career hires
FY2023	51	New graduate and mid-career hires

Hotline for consultations about human rights issues

The compliance hotline for all group employees, temporary employees, and resident partners accepts reports and offers consultations regarding human rights issues. It provides end-to-end support following consultations by confirming the facts of any incident, resolving issues, considering measures to prevent recurrence, and following up after the event. The hotline protects the privacy of and treats fairly all participants, including the persons responsible for acts as well as complainants.

Diversity and Equal Opportunity, Realization of Diversity, Equity, and Inclusion

The B-EN-G Group puts the focus on "new value" born of the resonance of diverse perspectives aiming to achieve our purpose. Protecting physical and mental health, putting in place an environment of well-being that respects the individual and promoting DE&I are essential platforms underpinning sustainable growth. In this section we will report on specific policies and activities aimed at deepening health and productivity management and fostering an inclusive organizational culture.

Promoting diversity, equity, and inclusion

The B-EN-G Group's creation of new value is supported by its irreplaceable people. We are promoting the creation of a workplace environment where all employees treat each other with understanding, can express their abilities in their own way and experience psychological safety. To realize the Group's philosophy of contributing to society through the creation of new value, we will advance diversity-oriented management which enables the individual characteristics of each employee to be our strength and achievements.

The foundation of such diversity management is the physical and mental health of our employees. We view the promotion of health and productivity management and DE&I as inseparable, and we aim to sustainably increase corporate value through the putting in place of an environment that aims to achieve well-being that lets everyone continue to work with vitality.

Diversity & Inclusion Policy in B-EN-G Group



Diversity education

All employees of B-EN-G are required to receive unconscious bias training at sessions which are held periodically.

Unconscious bias training outcomes

Fiscal year implemented	Number of participants	Targets
FY2025	71	New graduate and mid-career hires
FY2024	*Not held in FY2024 due to Group human rights training	
FY2023	61	New graduate and mid-career hires
FY2022	248	Young to mid-career employees

Heartful Diversity Club

We have DE&I club activities that aim to promote DE&I internally and to deepen friendships among colleagues. The club invites external presenters for events such as D&I and LGBTQ lectures, and sign-language courses, and participates in practical and experience-based courses aimed at developing supporters for persons with disabilities held by Chiyoda Ward.

Active participation of women

We position increasing the percentage of our entire workforce and people in managerial-level positions who are women as important issues to achieve gender equality. We not only promote career support through trainings for women in management so that female employees can enjoy long careers as professionals, but we also have held training to improve literacy about women's health issues targeting all employees, including male employees, and fostered a workplace environment with high psychological safety. We treat diverse perspectives as a source of value creation, and have thus accelerated the creation of an organization in which each person can thrive.

Promotion of health and productivity management

We promote company-wide health and productivity management in which industrial health staff and the health insurance association collaborate based on a system headed by the president. We are engaged in a number of approaches from different angles. For example, in addition to support for physical health such as education and online yoga courses through health portal site PepUp, we have put in place a health consultation office staffed by industrial physicians and public health nurses, while also promoting internal exchanges. We are thus focused on achieving well-being for all employees that allows them to continue to express their abilities to the fullest at every life stage.

Sports events for people with disabilities

We hold events in which employees can take part in sports together with people with disabilities such as our hansa sailing event and our blind soccer event with the aim of promoting understanding of DE&I. Through experiences in which people pursue the same goal while respecting each other's individuality, these events help foster an inclusive organizational culture.



Hansa Sailing Event

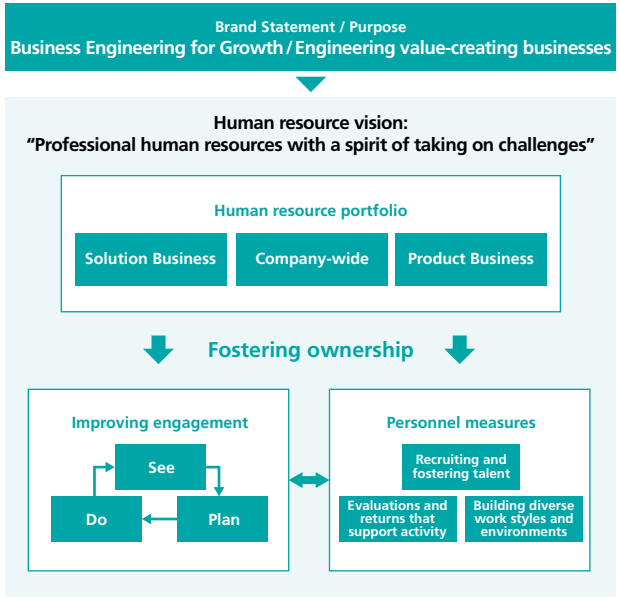
Human Resources Strategy

The B-EN-G Group, in seeking to fulfill its Purpose, believes that human capital is the core of its business operations. We aim to improve corporate value over the medium to long term by fostering an organizational culture where each and every employee grows as a professional who "can understand the essence of a problem and build effective businesses," and continually takes on challenges on their own initiative. In this section, we will report on specific strategies we employ based on the human capital value enhancement model to do everything from recruiting and developing talent to improving engagement.

Promoting human capital management

The B-EN-G Group positions human capital management as the "foundation for increasing the effectiveness of management strategy," and is working to improve how we build our talent portfolio in coordination with the Medium-Term Management Plan. This is contributing to the Group fulfilling its business goals and sustainably increasing its corporate value by promoting the recruitment and retention of exceptional talent aligned to our brand concept and through the maximization of talent value.

Human capital value enhancement model



Talent portfolio

To execute our business strategy, we have formulated and operated a talent portfolio made up from three layers: "Company-wide," "Solution Business," and "Product Business."

Under the company-wide layer, we promote the succession of global talent encompassing role rotation and overseas locations with the aim of fostering the next generation of leaders. In the Solution Business, core themes include improving client service directors (CSD) and data analysis talent, who work in depth alongside clients. In the Product Business, we focus on putting in place attractive career paths that offer developers the chance to continue taking on new challenges.

Incorporating this talent vision into career maps and evaluation systems in concrete ways has allowed us to establish effective talent management, while obtaining buy-in from people on the ground.

Improving engagement

We define employee engagement as employees' ability to find meaning and satisfaction in their jobs and to spontaneously contribute to the development of employees and the organization based on their understanding of their organization's strategies and goals, and we undertake various activities to further improve it. These activities are undertaken using a Plan-Do-See cycle.

Principles of the actions

- Build an organization that enables each individual employee to work energetically.
- Involve all organizations.
- Engage in ongoing actions. Do not make actions one-time events.
- Make actions permanent and autonomous.
- Place importance on processes for improvement.

See

Since FY2019, B-EN-G has conducted monthly engagement surveys targeting all employees. The results of these surveys are reported to the Executive Committee every month, and, following discussions informed by the Company's business situation and various initiatives, contribute to follow-up on the ground. We also foster a culture that allows each workplace in the Company to take on issues for itself and seek improvement by disclosing each department's score to all employees.

The overall score is at 74P as of March 2026, which is in the top 10% for companies of the same scale and sector. Looking at the results per segment, while we are strong in terms of "interpersonal relations (77P)," "support (75P)" and "organizational culture (75P)," we see room for improvement in "personal growth (69P)" and "approval (71P)." We have also, independently, added questions about "psychological safety" and "putting into practice of feedback," thus quantifying and monitoring the effects of various initiatives.

Plan
We have put forward "fostering a culture of feedback" built on the foundation of positive interpersonal relations developed through our activities to date as a key theme in pursuit of addressing the issues set through the surveys. We are thus seeking to switch from the previous management model of feedback to a bidirectional model that supports future growth. By constantly expressing a spirit of gratitude to the team members around us and giving each other feedback about things we have noticed or points where we can improve that are useful for improving the value we provide, we aim to develop individuals, teams and organizations, and make B-EN-G a company where "professional talent with a spirit of taking on challenges" works energetically under our brand statement "Business Engineering for Growth."

Do
All employees across the Company study to improve their "coachability," which represents the feedback skills to promote growth in others and the ability to turn advice from others into growth, with the aim of fostering a feedback culture through company-wide initiatives. We also focus on making improving engagement something that goes beyond initiatives carried out by the HR department, with each employee, including line leaders, encouraged to "take ownership" of engagement for themselves. Each department publishes its own activity plans and outcomes for the whole company to see and takes responsibility for confronting issues in its own workplace. We are increasing our executive capacity as an organization in this area through the combination of creating such company-wide foundations and a wide variety of bottom-up activities.

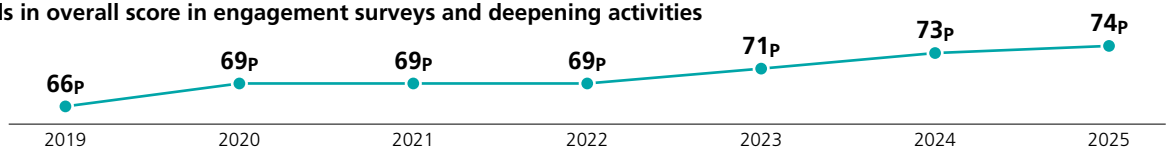
Personnel measures

In seeking to achieve our management strategy BE 2030, we deploy concrete initiatives that form a consistent story all the way through from recruiting and developing talent to establishing the workplace environment. In doing so, we aim to maximize the value of our human capital and establish ourselves as a professional body that consistently takes on challenges.

Recruiting and fostering talent
In FY2025, we hired (non-consolidated) 22 new graduates (against a KPI of 15-25) and 28 mid-career professionals and employees with disabilities. We fostered greater buy-in to the brand by focusing on improving our onboarding process through alignment between recruiting and training. We also promoted an environment that facilitates self-directed learning, job rotation, and skill and career development aligned to the Company's business plan. We thus provided powerful support for the growth of individuals with the aim of realizing the talent vision we pursue.

Required qualities
The B-EN-G Group wants professional human resources with a spirit of taking on challenges, and who combine leadership with high-level expertise and problem-solving capabilities. We place importance on talent who autonomously continue to take on the challenge of creating value for society and our clients, while valuing willpower built on a foundation of language and dialogue skills.

Trends in overall score in engagement surveys and deepening activities



Creating the foundations for improving engagement
- Beginning to conduct monthly engagement surveys
- Improving dialogue and identifying issues in each department

Encouraging employees to take ownership over improving engagement
- Publishing survey results from each department company-wide
- Formulating and publishing engagement improvement activities in each department

Fostering a culture of feedback
- Feedback training for all employees
- Launching a survey on feedback practices

Skill development subjects

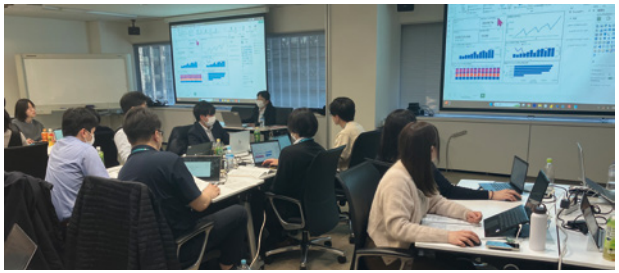
Problem-solving capability	Discover and analyze customer issues and propose solutions
Leadership	Establish a vision and a goal, involve surrounding people and function as a catalyst for change
Expertise (technical strength)	Excellent capabilities, knowledge and practical skills in specific domains and fields

Readiness for global jobs (language skills) and communication skills

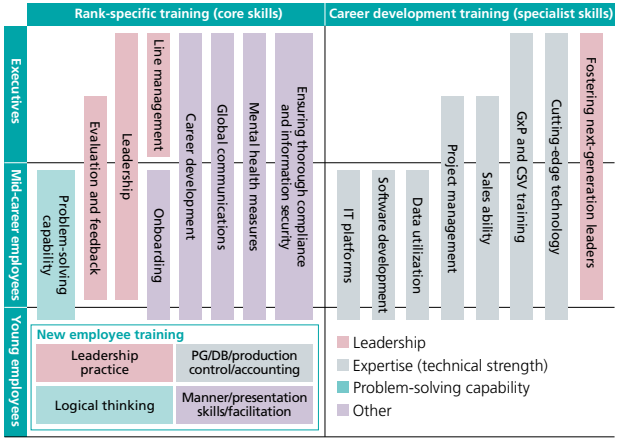
Rank-specific training (examples)
New employee training (e.g., business manners, presentation, Java/database, production management), problem solving training, leadership training, new line manager development training, 360-degree diagnosis training, global human resource development, mid-career recruit follow-up training, diversity training, compliance training, mental health course, and youth workshops

Career development training (examples)
Testing techniques course, software engineering course (requirement definition and design), database training, security course for engineers, data analysis course, project management training, business strategy formulation training, development of human resources in digital businesses, workshops by the president, and short-term programs at graduate schools

Human resources development costs per employee (non-consolidated)	FY2023	FY2024	FY2025
	113 thousand yen	111 thousand yen	140 thousand yen


A data analysis training conducted by external instructors

Education system (FY2026)



Supporting self-development

B-EN-G supports autonomous learning by taking on the costs of acquiring qualifications (examination fees, costs of educational materials). We also regularly hold in-house expert seminars on security and AI. In particular, we have held AI seminars both company-wide and in each department, garnering strong interest. Beyond this, we are putting in place a learning environment with elevated expertise and accelerating the development of digital talent in response to the interests of individuals.

Career support program

We have established a wide variety of systems with the aim of supporting autonomous career development by employees. Through annual career-planning interviews, the aspirations of individuals are reflected in the assignments and trainings to which they are assigned. We also encourage employees to put themselves forward for challenges through a "position matching" system of internal recruiting. This system saw 35 applications for 63 positions, with 6 employees moving as a result in FY2025. Through these efforts, we seek to ensure that we have the right people in the right roles, and to fully activate our organization.

Evaluations and returns that support activity

B-EN-G encourages each and every employee to take on the challenge of pursuing growth for themselves by suitably returning to employees the outcomes of their activities as professionals. These efforts are centered on a remuneration system comprised of "role grade evaluation" based on contribution responsibility and "performance evaluation" aligned with management strategy. We are also actively working to raise salary standards by implementing base-up and salary increase rates in excess of market standards, with the aim of securing exceptional talent.

In FY2026, we carried out our most broad-ranging ever increase to pay and conditions, with the aim of achieving the greatest ever returns for employees relative to accumulated outcomes to date. In line with this, we also expanded investment into younger employees, including broad-ranging increases to new graduate salaries. We are strongly driving the recruitment and retention of talent who can support sustained growth and the creation of an organization marked by a sense of ownership.

HR system

Based on a philosophy that "employee growth is company growth," our HR system operates on the twin axes of "role grade evaluation" based on contribution responsibility and "performance evaluation" aligned with management strategy. For performance evaluation, we introduced the Balanced Scorecard (BSC), and tie individual targets to the Medium-Term Management Plan. By appropriately evaluating and rewarding employees for taking on challenges and producing outcomes as professionals, this system powerfully promotes autonomous growth.

Employee stock incentive system

We have introduced a stock incentive system targeting all employees with the aim of achieving our Purpose. Having employees themselves adopt a shareholder perspective fosters a greater sense of ownership in management. This fosters a greater desire for increasing corporate value and sustainable growth over the medium to long term.

Building diverse work styles and environments

We have established an environment that respects diverse lifestyles so that employees can continue to take on challenges autonomously. Flexible working formats and generous support for life events increase psychological safety among employees and support sustainable individual career formation and organizational value creation.

Telecommuting

In addition to hybrid working arrangements, we also give employees the option of fully working from home in response to circumstances such as relocation. This helps employees flexibly continue their careers without being affected by life events.

B-Work Life Balance system (choosing work styles)

We have established an environment where employees can choose reduced working hours or to be exempted from overtime work in response to individual needs. This promotes optimized work styles aligned to each employee's life stage.

Childcare support systems

We have established our own support systems well above legally mandated standards to help employees balance career development with life-stage changes. Specifically, we support employees both economically and in terms of time by providing 20 days of special paid leave during pregnancy, full salary during the period of leave before and after pregnancy, and 5 days of paid childbirth leave that can be used by employees when their spouse gives birth. We have already been recognized for such efforts to actively promote the taking of childcare leave by male employees, having acquired Platinum Kurumin Plus certification and TOKYO Papa Childcare Leave Promotion Company (Bronze) certification. In February 2026, B-EN-G was selected as a Parental Leave Support Partner company by the Tokyo Metropolitan Government. We are thus aligning our systems and culture to drive the creation of an environment where everyone, male or female, can make the most of their abilities.

Corporate Governance

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Toward Fulfilling "BE 2030"
—The Role of the Board of Directors in Securing Next-Stage Growth

What role should the Board of Directors play in order to further strengthen the “earning power” of the Company amid recent strong performance? What direction should the Company pursue as part of the BE 2030 growth strategy, and what challenges come with that? Four outside directors spoke to us about these questions, each coming from their own domain of expertise.

— This fiscal year’s net sales and operating profit are B-EN-G’s highest ever, and net profit has increased for ten years in a row. Could you share your thoughts on what sort of “earning power” that B-EN-G will need going forward?

Akai: ROE and ROIC are at exceptionally high levels, but investment is key to keeping this good performance going. In particular, the Company needs to advance its investment strategy with a sense of urgency and speed when it comes to product development, improving its personnel, M&A and alliances. Recognizing that it would be difficult for the Company to continue succeeding on all fronts while going it alone, I believe it is important to figure out how we can find companies that have strengths and growth potential that B-EN-G lacks, and how we can coordinate effectively with them.



Shimizu: B-EN-G boasts talent who can not only provide detailed support to customers centered on production management systems, but who can also take on deep problem solving for customers that goes beyond the bounds of typical IT consulting. B-EN-G's customers are often highly specialized and develop their businesses in ways that are highly specific to them. It is one of B-EN-G’s strengths that we can build close relationships with such customers while sharing a focus on manufacturing.

We are also strongly focused on building an “adjacent-expansion” business model that leverages the diverse experiences our company has accumulated to date and gradually expands from our existing businesses into adjacent domains, such as products, markets, and clients. Building a highly robust growth model has become the driver for us to balance appropriate risk taking, earning power and medium- to long-term growth. Thanks to strong earnings over recent years, we have maintained sound fiscal foundations and taken on challenges such as establishing a specialist M&A organization. The fact that leadership understands what sort of “adjacent expansion” contributes to the success of M&A deals is also a major strength, I believe.

Kitamura: I do not believe that the Company’s strong results will continue if things remain as they are. The License Business is in the process of transitioning to a SaaS business model. In the System Integration Business, we have built strong relationships of trust with clients by working closely alongside them and providing generous support, but there are limits to how much we can improve profitability (ROIC) through the traditional labor-intensive SI model. A key challenge for our sustainable growth going forward is how to successfully get our SaaS transformation or global expansion on track.

We are currently making steady progress on transitioning to a SaaS model, but with the recent rise of generative AI, the simplistic idea that converting to SaaS will enable you to grow and increase the share price is no longer necessarily the case. Can we establish a SaaS/revenue model that is unique to B-EN-G, and can we export that to overseas manufacturing sectors? That

is, I believe, both our challenge and our greatest opportunity.
Miyoshi: I believe securing and developing talent is a primary challenge B-EN-G must meet to adapt to rapid changes in the business environment. Going forward, the Company will need to develop talent capable of adapting to globalization and the shift to AI, in addition to advancing efforts to improve employee conditions and engagement scores. I believe such efforts to secure and develop leading talent will contribute to the "earning power," which will improve the quality of client services.
Kitamura: Regarding AI, if the Company stops at adopting a SaaS business model of simply storing and analyzing data, then there is a risk it will be replaced by AI. With that said, B-EN-G's specialty is in the domains connecting the real world of the manufacturing floor with the digital world. My understanding is that B-EN-G's greatest mission is to ensure reliable manufacturing operations day by day, so the emergence of AI in itself will not supplant B-EN-G's business.

The world of manufacturing operations is, originally, one that excels in "steadily running things that have been set." It has thus struggled to adapt to environmental changes and times of emergency. By adding the element of AI, however, which can perform broad-ranging analysis in a short span of time in place of people, combining reliability with flexibility goes from being difficult to possible. What is being replaced by AI is strictly just the analytical domain. I believe this presents opportunities in the domain of operations, which will be made more flexible.
Akai: The streamlining and analysis enabled by AI are in themselves wonderful things. But manufacturing is a diverse industry and the management accounting and cost management methods in demand on the user side are by no means uniform. I believe B-EN-G could further expand its business model with a proposal-based approach in the form of cost-management proposals or strategic management accounting.

— To adapt to changes of the era, companies are called on to engage in agile and bold decision making. Given this, could you tell us about how you engage with the executive side?

Miyoshi: The Audit & Supervisory Committee receives ad hoc reports such as reports on site visits and interviews with the executive side, including for both domestic and international subsidiaries, centered on standing Audit and Supervisory Committee members, in addition to regular reports from internal audit departments, the staff of which hold specialist qualifications. Information about the handling of internal reporting is also shared with us as appropriate. Outside directors and the executive side also engage in lively discussions on a variety of themes at Board of Directors meetings, so the executive side engages sincerely with the views of outside directors and responds appropriately. I thus believe that internal control structures are functioning effectively.
Kitamura: I am very impressed with the attitude and approach of the Board of Directors. B-EN-G is working on consolidating its overseas operations in accounting terms from this fiscal year and is making initial efforts to develop as a genuinely global company. An issue that has arisen in this context is that Japanese governance is very "people-centered," while Asian and Western norms are premised on "rules and systems-based governance." Since this difference can become a weakness for companies, I hope to provide thorough support in working through the issue.
Shimizu: Following overseas consolidation, the Company needs to focus on the monitoring of its overseas locations, and this has been discussed at the Board of Directors. In terms of the scale of the Company, it is not easy to put in place systems on the same level as those of a large company, but we will continue to discuss how to address this in specific terms going forward. Our Board of Directors is also skilled in time management and schedule coordination, so even discussions over complex themes arrive at a conclusion after about three meetings. We are also provided with opportunities for team members outside of the Board of Directors to report as appropriate, depending on the theme, while properly receiving reports on executive affairs and allocating sufficient time to leadership decision making. On this point, I thus believe that the effectiveness of the Board of Directors is suitably high, including in terms of efficient meeting operations.
Akai: Overseas expansion is essential for the growth of B-EN-G. However, we need to proceed carefully, taking into holistic consideration the securing of resources for such efforts, whether we have the human resources, whether there are political and economic risks, and whether the projects are feasible. Firstly, I think the Company should adopt the strategy of improving its foundations in countries that it has already entered, then gradually deploying mcframe, which it developed, into neighboring countries, so that it does not overly disperse its strategic resources.

— Has the effectiveness of the Board of Directors in terms of fulfilling the BE 2030 growth strategy improved?

Kitamura: The governance structures of B-EN-G have reached a certain level. Over the past year, we have contributed to improving capital efficiency and enhanced our communications with investors. At the same time, I believe we have not yet fully communicated a specific vision for "next-stage growth," even as we aim to realize BE 2030. The recent poor stock performance is a sign that what is good about our business model and strategy has not gotten through to investors and shareholders. Going forward, I believe we should do a better job of conveying our approach and the details of BE 2030.
Miyoshi: B-EN-G's Board of Directors engages seriously and in good faith with the various views it receives at the evaluation of its effectiveness, which is conducted annually. This is contributing to its steady improvement. On a positive note, it is promptly and properly enacting the policies it needs, beginning with the promotion of human capital management, which has led to the effectiveness of its governance being at a very high level.

On the other hand, achieving global expansion, defining concrete plans for new businesses, and promoting active participation by women remain key challenges for the future. The Company has made efforts to improve overall awareness around improving the ratio of women in management in particular, with it establishing opportunities for networking among female executives who have served as role models to date and women managers and employees. I think the Company should make further efforts going forward to improve the ratio of women in management across the group by, for example, improving opportunities for networking with overseas subsidiaries where the ratio of women in management is high.
Akai: The role of the Outside Director is, conceptually, one that goes beyond merely supervisory functions to exert a sort of

"healthy pressure" as described in the Corporate Governance Code. I believe it is the role of Outside Directors to push leadership in matters such as M&A and exiting unprofitable businesses, even as these are difficult decisions and much to consider before making them.

Shimizu: What I view as a challenge is the transition of the management structure to the next generation. Many of the current executives have been with the Company since its founding. While the sense of security that comes from them having the experience of overcoming the major transformations we have gone through to date is a strength, passing leadership on to the next generation is something that requires careful discussion. Candidates for future executives need to have a deep understanding of not only our unique business model, but also the corporate culture B-EN-G has developed. I think the question of how to deepen discussions about fostering and selecting next-generation leaders is going to be a key theme for the Nomination Advisory Committee.

— Could you tell us about what an ideal Board of Directors would be for you and what you expect going forward?

Shimizu: From my perspective, I feel B-EN-G has a strong sense of "partnering" with customers. B-EN-G manages to see ten steps ahead and guide customers that far, while showing customers only half a step of the path they are on. I am very impressed by this sort of partnership. I believe it is an aspect of B-EN-G's corporate culture that should be protected and developed going forward.

Of course, if the external market environment changes then there will be things the Company needs to adjust strategically, but it is important to ask how we can preserve what lies at the heart of the Company. Even as business strategies or structures change, the corporate culture that a company has built up endures. That is something that is challenging to do, even if it seems simple at first glance.

Kitamura: Over the past decade, B-EN-G has grown steadily, but there is no guarantee that growth will continue in a straight line in future. In that light, it is important for B-EN-G to meet precisely and even exceed the expectations and wishes of shareholders and customers. You could say that this is our mission as directors, as part of the leadership team.

Key to future growth is also the question of how we can understand the dramatic changes in the technological and business environment brought about by AI, and how we can turn AI into an ally to grow the business. I believe, through these efforts, B-EN-G can be a solid platform that will expand the strengths of the Japanese manufacturing sector to overseas markets. I want the Company to forcefully pursue efforts to increase value in society and in people's lives in order to fulfill its purpose of "engineering value-creating businesses."

Akai: For the Company, how we can improve corporate value is also a key challenge. To develop new businesses or to expand globally naturally requires cash for investment. To that end, it is also important to consider how we can not only maintain the "rates" of financial indicators such as ROE and ROIC at high levels, but also increase the "values" such as net sales, operating profit, and market share. What we need to grow in future is to generate the amount of cash needed and to invest it efficiently.

At the same time, beyond share price and cash, we also need the support of a wide array of stakeholders in order to achieve sustainable growth. B-EN-G is implementing treatment and conditions that will raise the motivation of employees on the basis of such support. In addition, by building relationships of trust with business partners and improving connections with society, beginning with efforts to improve customer satisfaction scores, I believe the Company is achieving autonomous and stable growth.

Miyoshi: Of course, what underpins B-EN-G's success is the trust of our customers. Our business partners have also played an important role in selling mcframe, the ERP package we developed, and that relationship of trust is very important as well. In addition to improving technical cooperation, building a transparent, fair, open and diverse corporate culture at B-EN-G will be an important foundation for further deepening such trusted relationships.

We are working to establish these in the form of a Code of Conduct and make this culture permeate throughout the Company by, for example, having top leadership themselves repeatedly put the message forward. It is a credit to the Company that it holds regular discussions between leadership and employees where views are exchanged freely. In addition, its thoroughly established "Bad News First" (reporting bad news as quickly as possible) policy is an approach that has proved effective, having helped build an open and sound organization. I hope, going forward, B-EN-G continues to actively promote effective policies that allow us to earn the trust of customers, business partners, shareholders and society at large.



List of Directors



Masakazu Haneda

Representative Director, President and CEO

Career Profile

April 1999 Joined the Company
April 2006 Division General Manager, Products Business Division, B-EN-G
June 2010 Director, B-EN-G
June 2015 Managing Director, B-EN-G
April 2020 Representative Director, President, B-EN-G (present)



Shigeaki Betsunou

Representative Director, Senior Managing Director and CFO, Division General Manager, Corporate Administration & Planning Division

Career Profile

September 1999 Joined the Company
June 2013 Director, B-EN-G
June 2019 Managing Director, B-EN-G
April 2020 Division General Manager, Corporate Administration & Planning Division, B-EN-G (present)
June 2022 Representative Director, Senior Managing Director, B-EN-G (present)



Atsushi Nakano

Managing Director and CTO, Division General Manager, Solutions Business Division

Career Profile

April 1999 Joined the Company
June 2015 Director, B-EN-G Division General Manager, Products Business Division, B-EN-G
June 2022 Managing Director, B-EN-G (present)
April 2024 Division General Manager, Solutions Business Division, B-EN-G (present)



Yusuke Sato

Managing Director, Division General Manager, Products Business Division, Director in Charge of Business Development Division and Director in Charge of Kansai Region Management Division

Career Profile

July 2000 Joined the Company
April 2019 Division General Manager, Solutions Business Division, B-EN-G
June 2019 Director, B-EN-G
April 2024 Division General Manager, Products Business Division, B-EN-G (present)
June 2024 Managing Director, B-EN-G (present)



Toshiyuki Irimajiri

Director, Deputy Division General Manager, Products Business Division and Director in Charge of Global Business Promotion Division

Career Profile

April 2000 Joined the Company
April 2021 Deputy Division General Manager, Products Business Division(present), Chief General Manager, Systems Development Division, B-EN-G
June 2023 Director, B-EN-G (present)
April 2024 Director in Charge of Global Business Promotion Division, B-EN-G (present)



Yumiko Miyazawa

Director, Deputy Division General Manager, Solutions Business Division and Director in Charge of Business Innovation Division

Career Profile

January 2000 Joined the Company
April 2019 Deputy Division General Manager, Solutions Business Division, B-EN-G (present)
June 2023 Director, B-EN-G (present)
April 2024 Director in Charge of Marketing Planning Division, B-EN-G
April 2026 Director in Charge of Business Innovation Division, B-EN-G (present)



Hiroshi Shimizu

Outside Director Independent

Important concurrently held positions

Professor, Graduate School of Management of Technology, Nippon Institute of Technology

Career Profile

October 1990 Joined Arthur D. Little Japan, Inc.
April 2010 Professor, Graduate School of Management of Technology, Nippon Institute of Technology (present)
June 2011 Outside Director, B-EN-G (present)
April 2015 Senior Advisor, Arthur D. Little Japan, Inc.



Masahito Kitamura

Outside Director Independent

Important concurrently held positions

Professor, School of Business Administration, Kansai University of International Studies

Career Profile

April 1982 Joined Olympus Optical Co., Ltd. (current Olympus Corporation)
April 2019 Executive Officer, Vice President, Chief Information Security Officer, Olympus Corporation (retired in March 2021)
April 2022 Professor, School of Business Administration, Kansai University of International Studies (present)
June 2023 Outside Director, B-EN-G (present)



Takako Miyoshi

Outside Director
Independent Audit & Supervisory Committee Member

Important concurrently held positions

- Partner, Okamura Law Office
- Outside Audit & Supervisory Board Member, Toyo Engineering Corporation

Career Profile

October 2001 Registered as attorney (Dai-ichi Tokyo Bar Association)
January 2011 Partner, Okamura Law Office (present)
June 2023 Outside Audit & Supervisory Board Member, Toyo Engineering Corporation (present)
June 2024 Outside Director (Audit & Supervisory Committee Member), B-EN-G (present)



Hitoshi Akai

Outside Director
Independent Audit & Supervisory Committee Member

Important concurrently held positions

- Advisor, LOTTE CO., LTD.

Career Profile

April 1987 Joined LOTTE CO., LTD.
January 2009 General Manager, Accounting Department, LOTTE CO., LTD.
January 2009 Accounting Department, in charge of accounting, LOTTE HOLDINGS CO., LTD.
June 2017 Director, Managing Executive Officer, LOTTE CO., LTD.
April 2024 Advisor, LOTTE CO., LTD. (present)
June 2026 Outside Director (Audit & Supervisory Committee Member), B-EN-G (present)



Hirofumi Otsuka

Director
Standing Audit & Supervisory Committee Member

Career Profile

April 1999 Joined the Company
April 2012 Chairman, Toyo Business Engineering (Shanghai) Co., Ltd.
June 2015 Deputy Division General Manager, Products Business Division, B-EN-G
April 2018 Deputy Division General Manager, Solutions Business Division, B-EN-G
June 2020 Director (Standing Audit & Supervisory Committee Member), B-EN-G (present)

*The list of directors is current as of June 19, 2026.

Skills Matrix

	Reasons for Appointment	Skills Matrix					Attendance at Meetings of the Board of Directors			
		Corporate Management	IT and Technology	Global	Finance and Accounting	Risk Management and Legal Affairs	Board of Directors	Audit & Supervisory Committee	Nomination Advisory Committee	Remuneration Advisory Committee
Masakazu Haneda	He possesses extensive experience in the Company's operations, particularly in businesses relating to our proprietary products, and has deep insight into the industry sectors in which we operate. We have appointed him based on our judgment that he can effectively leverage these capabilities in managing the Company.	●	●	●			14/14	—	3/3	5/5
Shigeaki Betsunou	He has been involved in businesses providing IT services primarily using third-party products for many years. Since April 2019, he has served as the officer in charge of our corporate division, possessing extensive experience and deep insight across a wide range of fields. We have appointed him based on our judgment that he can effectively leverage these capabilities in managing the Company.			●	●	●	14/14	—	—	5/5
Atsushi Nakano	He has been involved in businesses relating to our proprietary products for many years, and is highly knowledgeable about the industry sectors in which we operate. We have appointed him based on our judgment that he can effectively leverage his proven track record and expertise in managing the Company.		●	●			13/14	—	—	—
Yusuke Sato	He has been involved in businesses providing IT services primarily using third-party products and in corporate planning for many years, and is highly knowledgeable about the industry sectors in which we operate. We have appointed him based on our judgment that he can effectively leverage his proven track record and expertise in managing the Company.		●	●			14/14	—	—	—
Toshiyuki Irimajiri	He has been involved in businesses relating to our proprietary products for many years, and is highly knowledgeable about the industry sectors in which we operate. We have appointed him based on our judgment that he can effectively leverage his proven track record and expertise in managing the Company.		●	●			14/14	—	—	—
Yumiko Miyazawa	She has been involved in businesses providing IT services primarily using third-party products for many years, and is highly knowledgeable about the industry sectors in which we operate. We have appointed her based on our judgment that she can effectively leverage her proven track record and expertise in managing the Company.		●	●			14/14	—	—	—
Hiroshi Shimizu	He possesses extensive experience in strategic consulting services primarily targeting the manufacturing industry, which is the Company's key customer base, along with deep insight into business strategy. We have appointed him based on our judgment that we can expect him to leverage these strengths to provide advice and appropriate oversight for the Company's management from a broad-ranging, medium- to long-term perspective.	●	●	●			14/14	—	3/3	5/5
Masahito Kitamura	He possesses extensive experience and deep insight in management and IT at Olympus Corporation, along with experience in building global systems. We have appointed him based on our judgment that we can expect him to leverage these strengths to provide advice and appropriate oversight for the Company's management from a broad-ranging, medium- to long-term perspective.	●	●	●			14/14	—	3/3	5/5
Takako Miyoshi	She possesses professional expertise and extensive experience in corporate legal affairs cultivated through her career as an attorney. We have appointed her based on our judgment that we can expect her to leverage these strengths to provide advice and appropriate oversight and auditing for the Company's management from an impartial and objective perspective.					●	14/14	12/12	3/3	5/5
Hitoshi Akai	He possesses extensive experience and strong expertise in corporate management and finance and accounting at LOTTE Group. We have appointed him based on our judgment that we can expect him to leverage these strengths to provide advice and appropriate oversight and auditing for the Company's management from a broad-ranging, medium- to long-term perspective.	●			●	●	—	—	—	—
Hirofumi Otsuka	He possesses extensive knowledge of the Company's diverse business fields and has been involved in the management of overseas subsidiaries. We have appointed him based on our judgment that he can effectively leverage these capabilities in oversight and auditing of the Company's management.	●	●	●			14/14	12/12	—	—

* Experience and expertise in the skill matrix are indicated with circles for up to three areas of experience and expertise held by each individual.
* Attendance records reflect attendance during each term of office in FY2025 (the fiscal year ended March 31, 2026).

Corporate Governance

Our basic policy is to strengthen our supervisory functions and efficiency of management and to ensure thorough compliance. Having adopted the Audit & Supervisory Committee system, we improve transparency in management by incorporating objective viewpoints from outside directors. We are working to continuously improve our governance structures in order to earn the trust of diverse stakeholders and improve corporate value over the medium to long term.

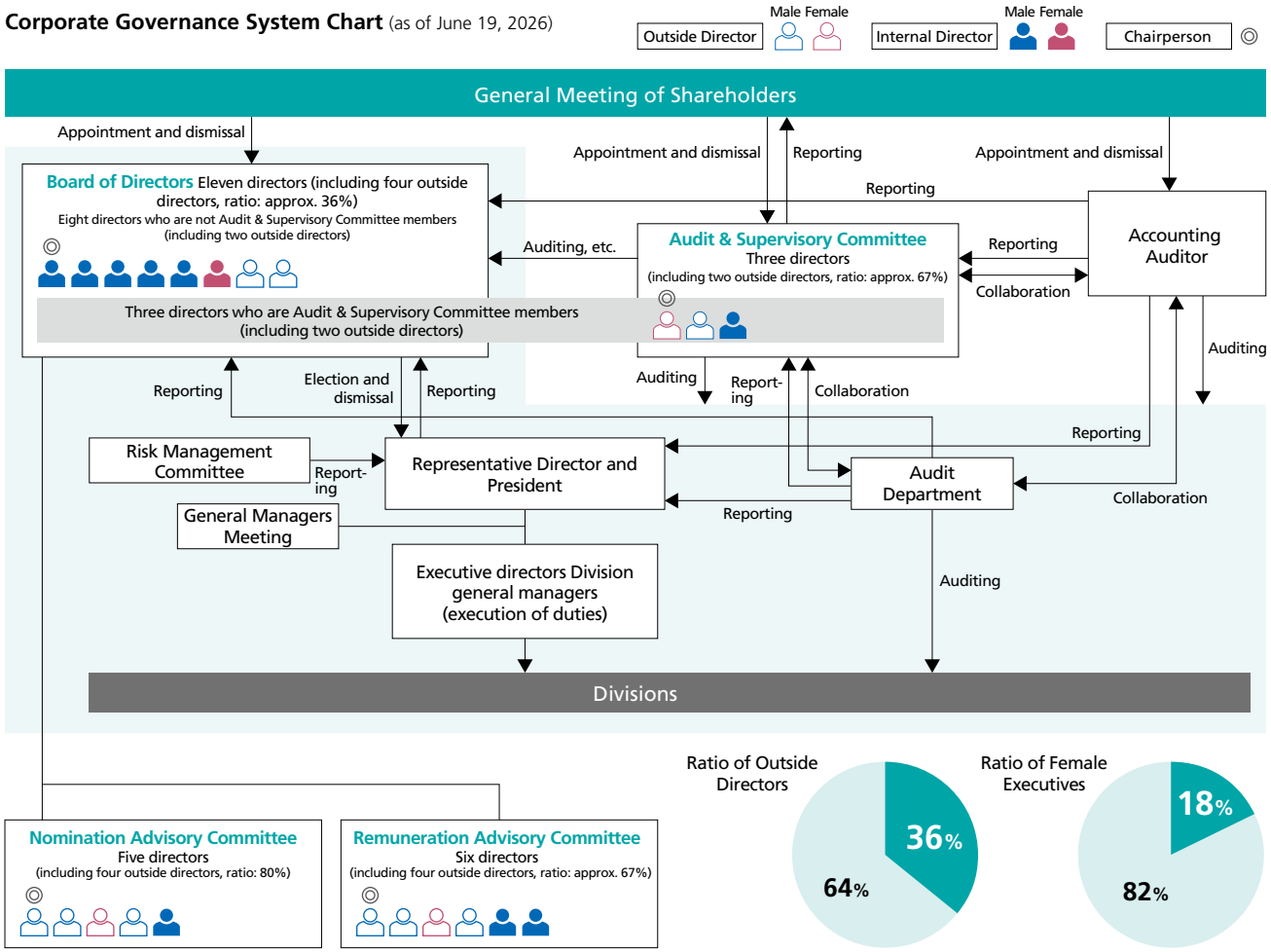
Strengthening corporate governance

Our basic policy is to strive to strengthen our supervisory functions and efficiency of management and to reinforce our compliance system. To this end, we have adopted an Audit & Supervisory Committee system, and through the appointment of multiple outside directors and directors who are Audit & Supervisory Committee members with voting rights at meetings of the Board of Directors, we are working to strengthen the supervisory functions that our directors fulfill in the execution of their duties. Through continuous efforts to improve corporate governance, we strive to enhance the transparency of management, earn the trust of our stakeholders, including our shareholders, investors, customers, business partners, local communities, and employees (including the employees of Group companies), and to enhance our corporate value over the medium to long term.

Basic Policy of Corporate Governance

1. We respect the rights of shareholders and ensure equality.
2. We consider the interests of our shareholders, customers, business partners, local communities, employees and other stakeholders, and we strive to appropriately collaborate with them.
3. We appropriately disclose company information and ensure transparency.
4. We fulfill the roles and duties that directors, including directors who are also Audit & Supervisory Committee members, are expected to fulfill, and work to improve the Company's supervisory functions and the efficiency of its management.
5. We will engage in constructive dialogue with shareholders whose investment policies are aligned with the interests of other shareholders over the medium to long term.

Corporate Governance System Chart (as of June 19, 2026)



Activities of the Board of Directors and Committees

Board of Directors 14 meetings in fiscal 2025

Chairperson **Masakazu Haneda,** Representative Director, President & CEO

Functions

- Decision on the execution of company business
- Supervision of directors' execution of business duties
- Election and dismissal of representative directors

Main agenda

Items stipulated in laws, regulations and the articles of incorporation, execution of material corporate business and material management matters under the regulations of the Board of Directors, assessment of the effectiveness of the Board of Directors and the verification and consideration of cross-shareholdings

Audit & Supervisory Committee 12 meetings in fiscal 2025

Chairperson **Takako Miyoshi,** Outside Director (Audit & Supervisory Committee Member)

Functions

- Auditing directors' execution of their duties

Main agenda

Status of the construction and operation of the internal control system, priority audit items, the appropriateness of accounting auditors' auditing methods and results and opinions on the nomination and remuneration of directors, excluding directors who are also Audit & Supervisory Committee members

Nomination Advisory Committee 3 meetings in fiscal 2025

Chairperson **Hiroshi Shimizu,** Outside Director

Functions

- Ensuring the transparency of the process of nominating director candidates for and the election and dismissal of representative directors and other executive directors

Main agenda

Nomination of director candidates, including directors who will also be Audit & Supervisory Committee members, election of representative directors and other executive directors and the development of executives

Remuneration Advisory Committee 5 meetings in fiscal 2025

Chairperson **Hiroshi Shimizu,** Outside Director

Functions

- Ensuring the transparency of the director remuneration system and the process for determining remuneration

Main agenda

Details about remuneration, etc. for individual directors, excluding directors who are also Audit & Supervisory Committee members and the director remuneration system

*The Chairperson of the Board of Directors and the Chairpersons of the various committees are current as of June 19, 2026.
*FY2025 or fiscal 2025 refers to the fiscal year ended March 31, 2026.

Evaluation of Effectiveness of the Board of Directors and Director Compensation

Overview of the findings of the analysis and assessment of the effectiveness of the Board of Directors

To bolster the Board of Directors in its fulfillment of its functions, all directors, including directors who are Audit & Supervisory Committee members, conducted a self-assessment (in a questionnaire format). The Board of Directors discusses the findings to analyze and assess its effectiveness annually. The 2025 status is as shown below.

In November 2025, we conducted a survey of all directors, asking questions mainly in the categories of "progress towards meeting targets you became aware of through effectiveness evaluation in the previous year," "Board of Directors agenda," "exchange of views," "information acquisition and support structures," and "executive training." Discussions were held at the Board of Directors meeting held in December 2025 based on the results of the survey of directors. This confirmed there were no particular problem points in the effectiveness of the Board of Directors, even beyond the scope of the evaluation items for this year. We thus concluded that the effectiveness of the Board of Directors has been ensured.

We also confirmed future targets aimed at further improving the effectiveness of the Board of Directors overall, focusing on human capital management, global expansion, securing opportunities for discussion pertaining to new businesses and other matters, and further improving systems for providing information.

We will continue to work to continually improve the functions of the Board of Directors based on the assessment results.

Policy for the determination of remuneration, etc. for directors

1. Basic policy regarding remuneration, etc. for directors

Our basic policy regarding remuneration, etc. for directors is to ensure that the remuneration, etc. is appropriate for the roles and duties the director fulfills and it is determined according to a system under which the remuneration, etc. for fulltime directors, excluding outside directors and directors who are also Audit & Supervisory Committee members, reflects the medium-and long-term financial results of the Company and shareholder value.

To ensure the transparency of the director remuneration system and the process of determining their remuneration, etc., the Remuneration Advisory Committee has been established. A majority of its members shall be outside directors and it shall be chaired by an outside director. It shall submit reports to the Board of Directors after it deliberates policies regarding the determination of remuneration, etc. for individual directors and other matters related to remuneration, etc. for directors and the Board of Directors shall make decisions regarding these matters.

2. Remuneration, etc. for full-time directors (excluding outside directors and directors who are also Audit & Supervisory Committee members, hereinafter the same applies)

Remuneration, etc. for full-time directors shall consist of annual base remuneration (fixed remuneration), bonuses and stock remuneration (non-monetary remuneration). Base remuneration shall be determined in overall consideration of the director's position, duties, level of contribution to financial results and other matters, while bonuses shall be determined in consideration of the consolidated financial results for the relevant fiscal year. Both shall be paid following a resolution of the Board of Directors within the limit on director remuneration adopted by resolution at a General Meeting of Shareholders. Stock remuneration shall be paid according to the director's position and other factors. It shall be paid in accordance with the regulations formulated by the Board of Directors within the limits for the stock remuneration program set by resolution of the Board of Directors.

3. Remuneration, etc. for outside directors (excluding those who are also Audit & Supervisory Committee members, hereinafter the same applies)

Remuneration, etc. for outside directors shall consist solely of base remuneration based on their duties. The president shall draft a plan for the base remuneration for individual outside directors within the limit on director remuneration adopted by resolution at a General Meeting of Shareholders. The plan shall be discussed by the Remuneration Advisory Committee. Based on reports from this committee, the Board of Directors shall determine the remuneration, etc. for outside directors, which shall be paid each month during their term of office.

4. Remuneration, etc. for Audit & Supervisory Committee members

Remuneration, etc. for directors who are Audit & Supervisory Committee members shall consist solely of base remuneration based on their duties. The base remuneration for directors who are Audit & Supervisory Committee members shall be determined following consultation with them within the limit on remuneration adopted by resolution at a General Meeting of Shareholders and be paid each month during their term of office.

Breakdown of amount of remuneration, etc. for directors

It was decided at the 37th Annual General Meeting of Shareholders held on June 22, 2016 that the annual amount of remuneration for directors (excluding directors who are Audit & Supervisory Committee members) would be up to 360 million yen (with up to 60 million yen for outside directors). It was also decided at the 37th Annual General Meeting of Shareholders held on June 22, 2016 that the annual amount of remuneration for directors who are Audit & Supervisory Committee members would be up to 60 million yen.

Separate to the above, it was decided at the 44th Annual General Meeting of Shareholders held on June 23, 2023 to introduce a stock-based remuneration system for directors (excluding outside directors and directors who are Audit & Supervisory Committee members).

Amount of remuneration, etc. for directors

Officer category	Total amount of remuneration (thousands of yen)	Total amount by type of remuneration (thousands of yen)				Number of grantees
		Base remuneration (fixed remuneration)	Bonus	Performance-linked compensation	Stock-based compensation	
Directors (excluding Audit & Supervisory Committee members) (outside directors)	196,705 (13,200)	123,416 (13,200)	51,800 (–)	–	21,489 (–)	8 (2)
Directors (Audit & Supervisory Committee members) (outside directors)	31,472 (13,200)	31,472 (13,200)	–	–	–	3 (2)

(Notes) 1. The amount of remuneration for directors (excluding Audit & Supervisory Committee members) does not include employee salaries of directors serving concurrently as employees.

2. The amount of the aforementioned stock-based remuneration is stated as the expense recognized in the current fiscal year pertaining to the stock delivery trust.

Compliance

The B-EN-G Group has established its Code of Conduct regarding compliance with ethics, laws and regulations to be adhered to by its officers and employees and the Group regularly provides compliance training to its officers and employees to ensure rigid compliance.

Code of Conduct

The B-EN-G Group's officers and employees will act in accordance with the following five items in all corporate activities, strive to improve corporate value through the implementation of our basic philosophy and code of conduct, and work hard to contribute to the development of society.

1. Earning Customer Trust

We recognize that "contributing to the success of our customers" is the origin of our corporate activities, and with pride as professionals, we strive to provide high-quality products and services that put customer satisfaction first.

2. Contribution to Society

We contribute to society by creating new value, and as members of society, we contribute to environmental conservation and the creation of a sustainable society.

3. Legal Compliance with Fair and Transparent Business Activities

We comply with domestic and international laws and contracts, and conduct fair and transparent business activities with high ethical standards. Furthermore, we have no relationship with anti-social forces.

4. Respect for Fundamental Human Rights and Diversity

We respect basic human rights and diversity, do not engage in unfair treatment or discrimination and strive to create a comfortable working environment.

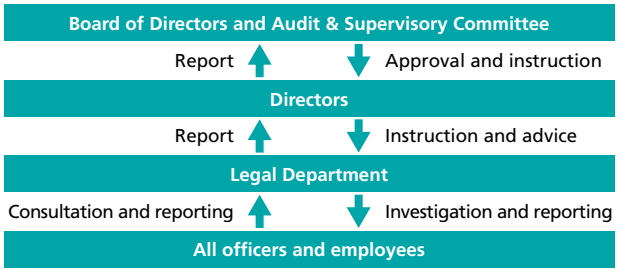
5. Protection of Intellectual Property and Information

We respect intellectual property rights, strive to appropriately preserve and manage the information we handle and do not use it improperly.

Compliance Promotion System

Regarding compliance with laws, regulations and equivalent matters, we have established the Compliance Code of Conduct to clearly define the rules regarding compliance. We have established the Legal Department as the organization responsible for compliance. We are constructing a framework for promoting compliance. When any director learns any material facts regarding compliance, such as facts about the violation of any law, regulation or the articles of incorporation, the director is to report them to the Board of Directors and to the Audit & Supervisory Committee without delay.

Compliance Promotion System Chart



Compliance Training

To ensure the understanding and adherence to the Code of Conduct and Compliance Standards and the proper execution of duties, we provide regular education and training to directors and employees through e-learning and group training sessions.

Compliance Training (Human Rights, Code of Conduct, Compliance)

Fiscal year of implementation	Number of participants	Targets
FY2025	730	B-EN-G, B-SERV employees
FY2024	713	B-EN-G, B-SERV employees
FY2023	692	B-EN-G, B-SERV employees
FY2022	677	B-EN-G, B-SERV employees

Whistleblowing System

We have established a whistleblowing system that is accessible to every officer, employee and other personnel of the Group or any of its corporate partners in accordance with the Whistleblowing Regulations in an effort to deter, quickly discover, correct and prevent the recurrence of any misconduct. For example, we commission an outside lawyer to act as a whistleblowing contact. We also ensure the confidentiality of whistleblowers and prohibit the disadvantageous treatment of them.

The number of reports or consultations made to the whistleblowing hotline	1 (FY2025)

Risk Management

The B-EN-G Group pursues risk management that seeks to accurately ascertain the diverse risks impacting management and thus minimize losses and improve predictability. Under a system headed by the President, we operate a company-wide risk evaluation process and strive to secure stability in management.

In this section, we report on our responses to major risks such as system development risks, in addition to our risk management structure.

Risk Management Promotion Framework

To properly manage and take practical actions to address the many different risks surrounding our and our subsidiaries' businesses, we have created a risk management promotion framework, including the establishment of the Risk Management Committee, in accordance with the Risk Management Regulations. The Risk Management Committee is chaired by the President and its members are full-time directors. It understands risks and studies measures to address them. It also gives instructions on the handling of risks and checks the status of risk management.

Risk Management Process

Based on our risk management regulations, we conduct comprehensive risk assessments for B-EN-G and its subsidiaries, while also identifying and reviewing areas for improvement. When conducting risk assessments, we identify risks and their risk factors (potential risk factors the Company may face), evaluate them according to specific criteria based on their likelihood of occurrence and impact, and map them onto a risk map. Through this risk assessment process, we strive to appropriately assess and manage risks relating to management and business execution.

Business and Other Risks

The risks that may significantly impact the Group's business results and its financial position and may influence investors' decision making include the following.

1. Risks related to changes in the business environment
2. Risks related to system development
3. Risks related to technological innovation
4. Risks related to information security
5. Relationships with key business partners
6. Risks related to securing human resources
7. Investment-related risks
8. Risks arising from large disasters and similar events
9. Compliance-related risks

In its meeting in fiscal 2025, the Risk Management Committee reviewed risk assessment as well as risk factors and their possibility of occurrence. In addition, it examined the state of risk-reducing initiatives. Given the recent increase in information security threats, we have worked to further improve our information security measures.

The matters stated above are only specific examples of major possible risks related to the Group's businesses and others. The risks the Group faces are not limited to these risks.

↗ WEB **Business and Other Risks**

Initiatives to Address System Development Risks

We have adopted a quality policy to address system development risks, one of the identified business and other risks. We are working to continuously improve our quality management system. We are certified to ISO9001, the international quality management system (QMS) standard.

Certification type
Quality management system

Certification number
JUSE-RA-1803

Certified organization
Business Engineering Corporation
Solutions Business Division (Solutions Business Promotion Division, Digital Business Division, Digital SCM Division, Digital Life Science Division, Digital Enterprise Division), Corporate Administration & Planning Division (Quality Management Department)

Applicable standards
JIS Q 9001:2025
(ISO 9001:2015+Amd 1:2024)

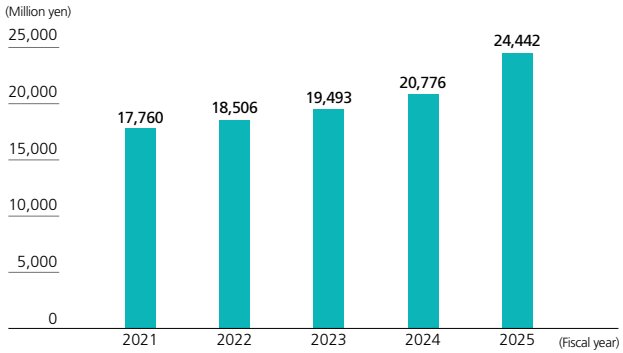
Certification range
Consulting, planning, design and development of information systems

Examination and certification agency
Union of Japanese Scientists and Engineers ISO Center

↗ WEB **Third-party certification concerning management system**

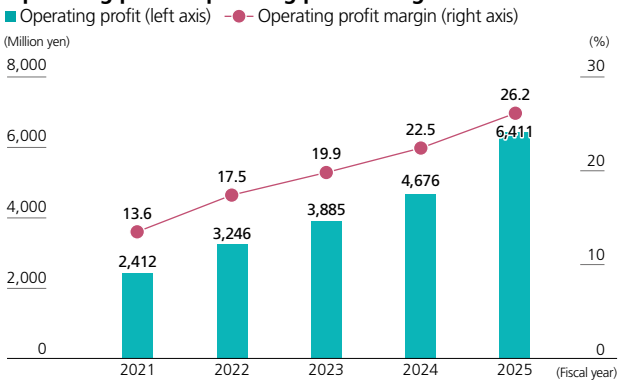
Financial Highlights (Trends in Key Financial Indicators)

Net sales



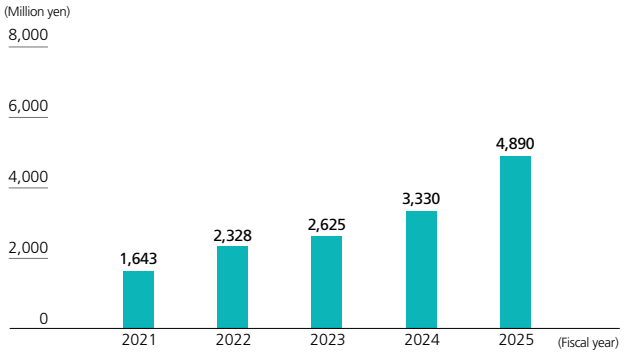
Net sales grew for the fifth consecutive fiscal year amid steady expansion in investment in IT. Net sales amounted to 24,442 million yen for the fiscal year ended March 31, 2026 (up 17.6% year on year), marking a record high for the fourth consecutive fiscal year. Orders received remained at a high level of 24,585 million yen.

Operating profit/Operating profit margin



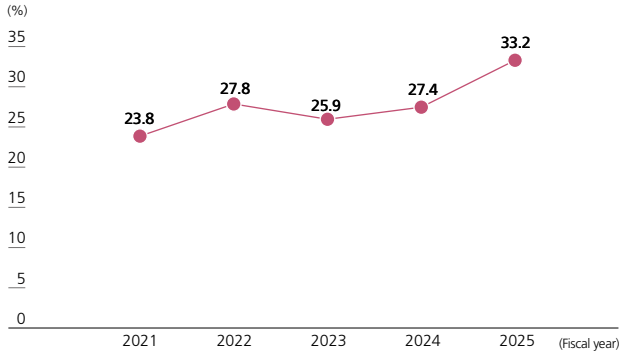
Improvements in project profitability in addition to sales growth contributed to operating profit growing steadily. Operating profit amounted to 6,411 million yen (up 37.1% year on year, with operating profit margin at 26.2%), marking a record high for the fourth consecutive fiscal year.

Profit attributable to owners of parent



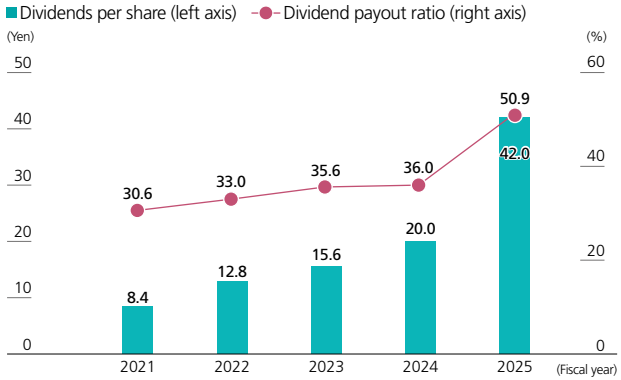
Profit attributable to owners of parent amounted to 4,890 million yen (up 46.8% year on year). Not only did the Company achieve increased revenue and profit, but it also achieved major increased profits thanks to the contributions of gain on sale of investment securities and temporary reduction in tax burden.

ROE



Return on equity (ROE) reached 33.2% for the fiscal year ended March 31, 2026 thanks to improvements in profit and capital efficiency. This increased 5.8 points from 27.4% in the previous fiscal year, maintaining a level well in excess of the 20% ROE set forth in the BE 2030 growth strategy.

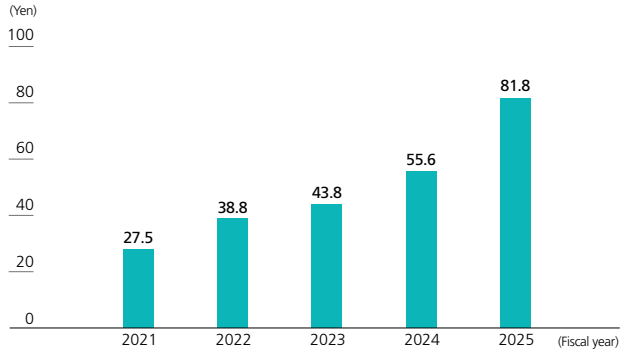
Shareholder returns



The consolidated dividend payout ratio was revised to a policy of over 50% from fiscal 2025. In response to increased net profit, the dividend payout ratio reached 50.9% for the fiscal year ended March 31, 2026, with annual dividends increasing for the 11th consecutive fiscal year and achieving their highest level ever.

* Figures are adjusted for the stock split.

Earnings per share (EPS)



Earnings per share (EPS) reached 81.8 yen for the fiscal year ended March 31, 2026 as a result of increased revenue and profit. This is a 47.0% increase from 55.6 yen in the previous fiscal year, reflecting the stock split (1 to 5) on January 1, 2026.

* Figures are adjusted for the stock split.

Financial Data

(Million yen)		FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
		FYE March 2016	FYE March 2017	FYE March 2018	FYE March 2019	FYE March 2020	FYE March 2021	FYE March 2022	FYE March 2023	FYE March 2024	FYE March 2025	FYE March 2026
Operating results	Net sales	12,549	13,289	13,479	15,253	18,016	17,707	17,760	18,506	19,493	20,776	24,442
	Gross profit	3,591	4,034	4,074	4,721	5,223	5,435	5,882	6,994	7,852	9,091	11,156
	Operating profit	531	715	757	1,208	1,580	1,902	2,412	3,246	3,885	4,676	6,411
	Ordinary profit	528	712	722	1,202	1,584	1,895	2,443	3,250	3,877	4,679	6,435
	Profit attributable to owners of parent	316	438	484	804	857	1,288	1,643	2,328	2,625	3,330	4,890
	Selling, general and administrative expenses	3,060	3,318	3,317	3,512	3,643	3,532	3,469	3,748	3,967	4,415	4,744
	EBITDA	1,153	1,278	1,536	2,030	2,425	2,622	3,104	3,946	4,588	5,502	7,344
Financial position	Total assets	6,185	6,668	7,080	8,100	8,598	10,481	11,491	13,408	15,718	18,451	21,526
	Net assets	3,334	3,670	3,058	4,372	5,037	6,312	7,475	9,287	10,950	13,384	16,071
	Equity capital	3,334	3,670	3,058	4,372	5,037	6,312	7,475	9,287	10,950	13,384	16,071
	Interest-bearing debt	500	500	1,420	304	100	470	100	100	100	100	100
	Retained earnings	2,210	2,547	2,882	3,532	4,096	5,191	6,251	8,033	9,759	12,034	15,293
Cash flow	Cash flows from operating activities	669	1,235	941	2,157	2,088	2,539	2,287	3,278	3,553	3,522	5,906
	Cash flows from investing activities	(692)	(851)	(805)	(1,065)	(773)	(817)	(713)	(696)	(1,127)	(1,476)	(1,116)
	Cash flows from financing activities	(83)	(101)	(207)	(556)	(416)	196	(701)	(549)	(1,003)	(1,065)	(1,997)
	Free cash flow	(23)	384	136	1,092	1,315	1,721	1,573	2,581	2,425	2,046	4,790
	Cash and cash equivalents at end of period	518	800	727	1,261	2,159	4,078	4,945	6,966	8,381	9,347	12,141
Per-share information	Cash dividends*	1.6 yen	2.2 yen	2.6 yen	4.4 yen	4.5 yen	7.0 yen	8.4 yen	12.8 yen	15.6 yen	20.0 yen	42.0 yen
	Dividend payout ratio	30.3%	30.1%	30.9%	30.2%	31.0%	32.1%	30.6%	33.0%	35.6%	36.0%	50.9%
	Earnings per share (EPS)*	5.3 yen	7.3 yen	8.1 yen	14.2 yen	14.6 yen	21.8 yen	27.5 yen	38.8 yen	43.8 yen	55.6 yen	81.8 yen
	Book value per share (BPS)*	55.6 yen	61.2 yen	56.0 yen	74.7 yen	85.5 yen	106.2 yen	124.6 yen	154.8 yen	182.9 yen	223.6 yen	269.4 yen
Main business indicators	Gross profit margin	28.6%	30.4%	30.2%	31.0%	29.0%	30.7%	33.1%	37.8%	40.3%	43.8%	45.6%
	Operating profit margin	4.2%	5.4%	5.6%	7.9%	8.8%	10.7%	13.6%	17.5%	19.9%	22.5%	26.2%
	Ordinary profit margin	4.2%	5.4%	5.4%	7.9%	8.8%	10.7%	13.8%	17.6%	19.9%	22.5%	26.3%
	EBITDA margin	9.2%	9.6%	11.4%	13.3%	13.5%	14.8%	17.5%	21.3%	23.5%	26.5%	30.0%
	Return on invested capital (ROIC)	8.1%	11.1%	11.3%	17.1%	18.7%	19.4%	21.3%	24.7%	23.8%	25.0%	29.0%
	Return on equity (ROE)	9.8%	12.5%	14.4%	21.7%	18.2%	22.7%	23.8%	27.8%	25.9%	27.4%	33.2%
	Return on assets (ROA)	5.1%	6.6%	6.8%	9.9%	10.0%	12.3%	14.3%	17.4%	16.7%	18.1%	22.7%
	Equity ratio	53.9%	55.0%	43.2%	54.0%	58.6%	60.2%	65.1%	69.3%	69.7%	72.5%	74.7%

* Figures are adjusted for the stock split.

Non-financial Data

Governance

		FY2022	FY2023	FY2024	FY2025
Number of directors	Total	10	11	11	11
	Female (ratio)	0(0%)	1(9%)	2(18%)	2(18%)
Number of whistleblowing reports and consultations	Number of reports and consultations (cases)	1	5	1	1

Environment (Consolidated)

			FY2022	FY2023	FY2024	FY2025
GHG emissions (t-CO_2e)	Scope 1, Scope 2	Scope 1	0.70	0.13	0	0
		Scope 2 (on a market basis)	722.94	453.86	456.98	453.26
		Scope 2 (on a location basis)	718.90	716.33	706.74	703.50
		Scope 1 and Scope 2 total (on a market basis)	723.64	453.99	456.98	453.26
	Scope 3	Total	6,698.84	7,149.32	10,906.95	12,250.50
		Category 1 Purchased goods and services	5,890.90	5,919.86	9,678.28	11,114.44
		Category 2 (Capital goods)	74.08	337.42	218.75	126.83
		Category 3 Fuel- and energy-related activities	277.69	285.76	285.20	278.13
		Category 6, Business travel	333.13	420.38	529.76	539.85
		Category 7, Employee commuting	108.87	144.66	149.98	149.39
		Category 15, Investments and loans	14.17	41.24	44.98	41.86
	Emission intensity (GHG emissions per net sales) (t-CO_2e/million yen)		0.039	0.023	0.022	0.019
Energy consumption	Power consumption (MWh)		748.50	770.50	778.91	805.29

* Greenhouse gas (GHG) emissions are certified by a third party.

Social (Non-consolidated; Number of employees: Consolidated)

			FY2022	FY2023	FY2024	FY2025
Number of employees	Total		684	699	719	748
	Male (ratio)		542(79.2%)	543(77.7%)	551(76.6%)	567(75.8%)
	Female (ratio)		142(20.8%)	156(22.3%)	168(23.4%)	181(24.2%)
Employment-related	Average age		41.1	40.7	40.3	40.3
	Average years of service		11.2	11.2	11.1	11.1
	Average annual salary (thousand yen)		8,296	7,854	8,085	9,149
	Year-on-year change in average annual salary (%)		9.0	(5.3)	2.9	13.2
	Wage gap between men and women (%)		77.1	76.6	77.4	77.7
	Turnover ratio*1 (%)		3.9	4.8	2.9	3.3
	Number of new graduate hires		21	23	20	22
	Number of mid-career hires		23	26	28	28
	Percentage of employees with disabilities (%)		2.07	2.38	2.30	2.48
Active participation of female employees	Percentage of female employees in managerial positions (%)		6.3	4.4	4.4	5.2
Ease of working	Percentage of childcare leave taken	Male (%)	27.3	62.5	90.9	92.3
		Female (%)	— *2	100	300	100
	Percentage of employees who return to work from childcare leave	Male (%)	100	100	100	100
		Female (%)	100	100	100	100
	Percentage of employees doing remote working (%)		46	38	34	34
Human resources development	Human resources development time per employee (hours)		65.4	64.1	60.9	50.3
	Human resources development training costs per employee (thousand yen)		130	113	111	140

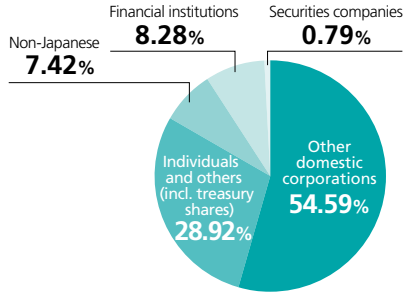
* 1 Turnover ratio is calculated excluding mandatory retirement.
* 2 The female childcare leave uptake rate for FY2022 is shown as "—" because no female employees gave birth during the fiscal year.

Share Information

Stock-Related Information (as of March 31, 2026)

Total number of authorized shares	240,000,000 shares
Total number of shares issued	60,000,000 shares
Number of shareholders	9,070
Listed stock exchange	Tokyo Stock Exchange Prime Market
Stock code	4828
Administrator of the register of shareholders	Sumitomo Mitsui Trust Bank, Limited 1-4-1 Marunouchi, Chiyoda-ku, Tokyo

Shareholders composition by type



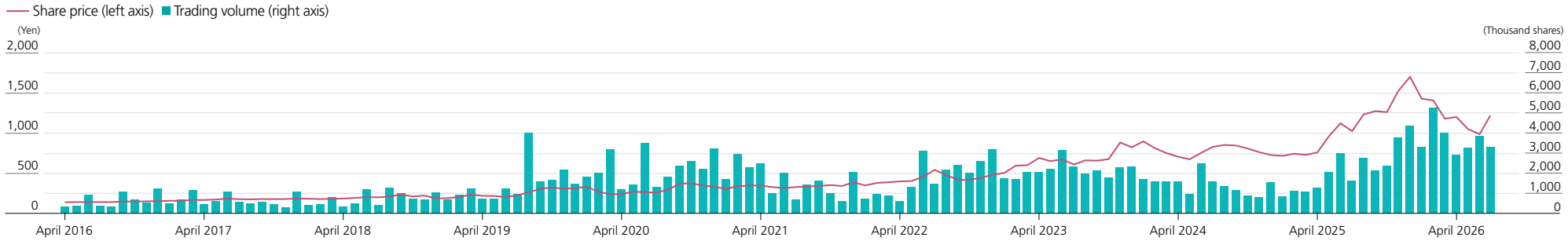
Major Shareholders (as of March 31, 2026)

Name	Number of shares owned (shares)	Ratio (%) of the number of owned shares to the total number of outstanding shares (excluding treasury shares)
ZUKEN Inc.	12,600,000	21.00
MITANI SANGYO Co., Ltd.	6,870,000	11.45
WingArc1st Inc.	4,800,000	8.00
INTEC Inc.	3,600,000	6.00
Canon IT Solutions Inc.	3,600,000	6.00
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,355,000	5.59
STATE STREET BANK AND TRUST COMPANY 505038	1,003,000	1.67
Custody Bank of Japan, Ltd. (Trust Account)	884,000	1.47
KISSEI COMTEC Co., Ltd.	540,000	0.90
STATE STREET BANK AND TRUST COMPANY 505001	443,700	0.73
Total	37,695,700	62.82

IR Activities (Fiscal year ended March 31, 2026)

Number of individual IR and small meetings held 145

Share Price and Trading Volume Trends (as of July 31, 2026)



* Share prices and trading volumes are adjusted for the stock split.

Corporate Information

Corporate Profile

Corporate name
Business Engineering Corporation

Head office
KDDI Otemachi Building, 1-8-1 Otemachi,
Chiyoda-ku, Tokyo 100-0004

Launch of the business
April 1, 1999

Share capital
697.60 million yen

Number of employees
Consolidated: 748
Non-consolidated: 580(as of March 31, 2026)

Organization chart
WEB Organization Chart

Offices
Kansai Office

Group companies
- Business System Services Corporation (B-SERV)
- Business Engineering America, Inc.
- 毕恩吉商务信息系统工程(上海)有限公司
  (Toyo Business Engineering(Shanghai) Co., Ltd.)
- Toyo Business Engineering(Thailand) Co., Ltd.
- PT. Toyo Business Engineering Indonesia
- Toyo Business Engineering Singapore Pte. Ltd.
- Toyo Business Engineering Holding(Thailand) Co., Ltd.

Initiatives We Support, External Evaluation and Inclusion in Indices

Initiatives we support

UNGC (United Nations Global Compact)
In April 2024, the Group signed the United Nations Global Compact (UNGC), also joining the local network, Global Compact Network Japan (GCNJ). As a signatory, we support 10 principles in four areas of Human Rights, Labor, Environment, Anti-corruption and carry out activities in these areas aimed at achieving a sustainable society.

JCI (Japan Climate Initiative)
The B-EN-G Group takes part in the Japan Climate Initiative (JCI), a domestic network made up of companies and local governments pursuing the realization of a decarbonized society. We agree with the JCI Declaration to take action to achieve a decarbonized society, and we are advancing efforts to contribute to climate change measures and reduce greenhouse gas emissions.

CP (Circular Partners)
The B-EN-G Group takes part in Circular Partners (CP), a public-private-academic partnership aiming to realize the circular economy. We are partnering broadly with member companies and local governments, advancing efforts to promote resource recycling throughout the life cycle and build sustainable business models.

Third-party evaluation and third-party certification

CDP (Carbon Disclosure Project)
CDP is an international nonprofit organization that encourages the disclosure of environmental information. B-EN-G earned a B rating in the 2025 climate change assessment.

Great Place to Work® certification
The Great Place to Work® certification is a global certification system for recognizing companies that have exceptional workplace cultures. We have been continuously certified through the GPTW Japan survey since fiscal 2025.

Platinum Kurumin Plus
Platinum Kurumin Plus is a certification system for companies that support both work and childcare and work and infertility treatment at a high level. B-EN-G has received this certification and established an environment where diverse employees can be fully active.

Nikkei General Sustainability Survey - Smart Work Management
Smart Work Management is a survey that evaluates leading companies that increase productivity and corporate value through better use of human resources and human capital investment. B-EN-G has received a 3-star rating, receiving particularly high marks in “employment of human resources.”

TOKYO Papa Childcare Leave Promotion Company (Bronze)
TOKYO Papa is a system through which the Tokyo Metropolitan Government registers and certifies companies that actively promote the taking of childcare leave by male employees. We have achieved a take-up rate of over 50%, receiving this certification in 2024.

Digital Transformation Certification
Digital Transformation Certification is a system under which the Japanese government certifies companies that are deemed to comply with the Digital Governance Code and are ready to promote digital transformation. We have acquired this certification as a leading platform for digital transformation.

PrivacyMark
PrivacyMark is a system for evaluating and recognizing companies that have put in place proper systems for protecting personal information. B-EN-G acquired this certification and strives to operate safely on the basis of strict information management.

Quality Management System [ISO9001]
Our Solution Business Division (excluding the Sales Division) and our Quality Management Department are certified to ISO9001, the international quality management system (QMS) standard.

Inclusion in indices

S&P/JPX Carbon Efficient Index
S&P/JPX Carbon Efficient Index is a stock index targeting stocks that excel in disclosure of environmental information and carbon efficiency. B-EN-G has been recognized for its environmental management efforts and has thus been incorporated into the index.



Business Engineering Corporation

KDDI Otemachi Building, 1-8-1 Otemachi, Chiyoda-ku, Tokyo 100-0004
https://www.b-en-g.co.jp/en

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