

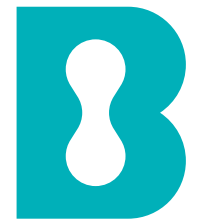
Growth strategy

BE 2030

May 13, 2025

Business Engineering Corporation

Securities Code : 4828 TSE Prime



B-EN-G

Business Engineering for Growth

Introduction | About BE 2030

■ What is BE 2030?

We are announcing our growth strategy BE 2030, which represents B-EN-G's vision and targets for FY 2030 (ending March 2031).

■ Purpose and objectives of BE 2030

- In August 2021, with a final year of FY2026 (fiscal year ending March 2027), we formulated our management plan, Management Vision 2026. As we achieved our profit targets ahead of schedule and to reflect changes in our business environment, in November 2023, we announced Management Vision 2026 Strategy Revision.
- As our earnings forecast for FY2025 indicates we will achieve our revised targets ahead of schedule, we are now publishing our direction towards 2030 as BE 2030.
We will continue the qualitative initiatives of Management Vision 2026.

■ Business segments in BE 2030

This document uses different business segments from our previous disclosures.

		BE 2030 business segments			
		Systems integration Business	License Business	Global Business	New Business & Others
Disclosed segments	Solutions Business	●			●
	Products Business		●	●	
	Systems support	●			

Management Vision 2026 Targets and Review

Strong DX demand drove earnings expansion, achieving targets ahead of schedule.
Qualitative initiatives of Management Vision 2026 continue.

(Consolidated)	FY2020 Results	Management Vision 2026 FY2026 Target (Aug 2021)	Management Vision 2026 Revision FY2026 Target (Nov 2023)	FY2024 Results
Net sales	17.7 bil. yen	22.0 bil. yen	22.0 bil. yen	20.7 bil. yen
Operating profit	1.9 bil. yen	3.2 bil. yen	4.8 bil. yen	4.67 bil. yen
Net profit	1.28 bil. yen	2.11 bil. yen	3.2 bil. yen	3.33 bil. yen

Achievements from Management Vision 2026

Profitability improved dramatically compared to FY2020, achieving initial profit targets ahead of schedule.

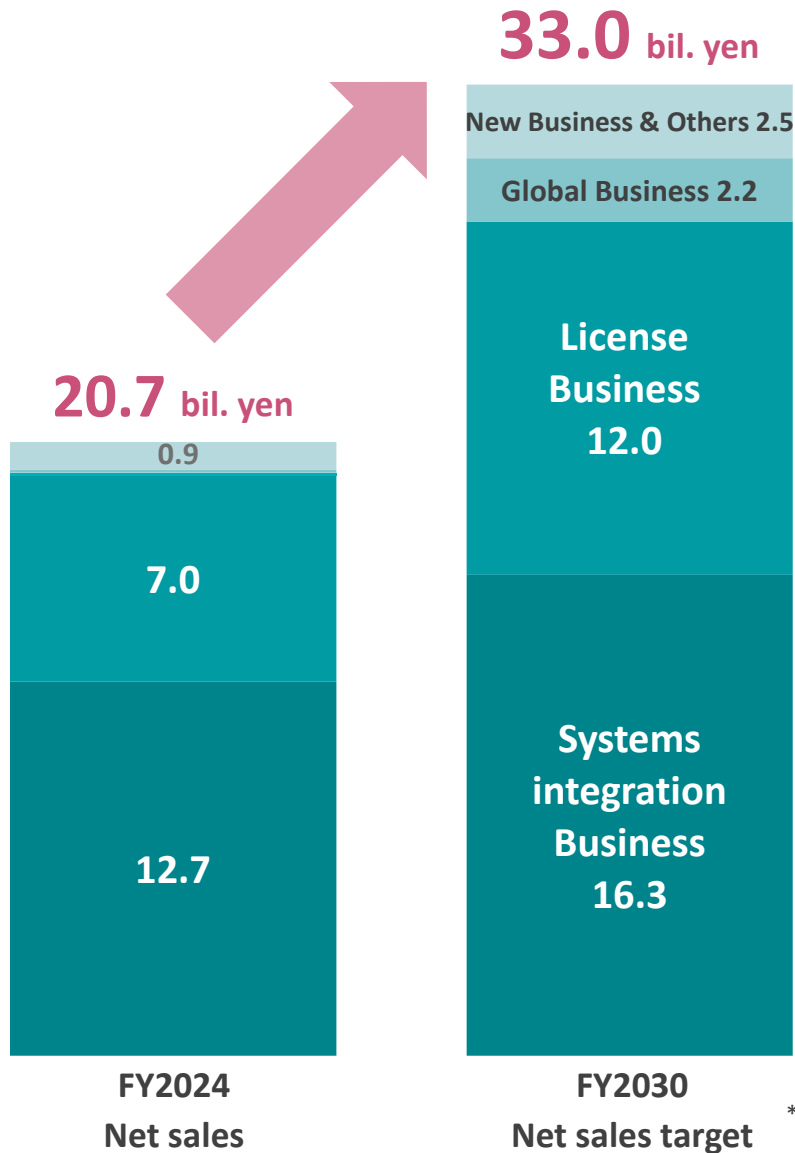
Achievements

- The Products Business simultaneously accelerated growth while maintaining profitability, a challenging management combination
- The Solutions Business established a stable growth model based on client trust, significantly improving profitability
- We strategically strengthened our global expansion, particularly expanding our client base in Asian markets

	FY2020 Results	FY2024 Results	Management Vision 2026 Final Year FY2026 Target
Net sales (bil. yen)	17.7	20.7	22.0
CAGR	—	+4.1%	+3.7%
Operating profit (bil. yen)	1.9	4.67	4.80
Operating profit margin	10.7%	22.5%	21.8%
CAGR	—	+25.2%	+16.7%
Net profit (bil. yen)	1.28	3.33	3.20
ROE	22.7%	27.4%	—

This execution capability, strength of achievement, and growth trajectory provide strong momentum for our next targets, BE 2030.

BE 2030 | Our Future Vision



Net sales 33.0 bil. yen	Operating profit 10.0 bil. yen	ROE 20% or higher
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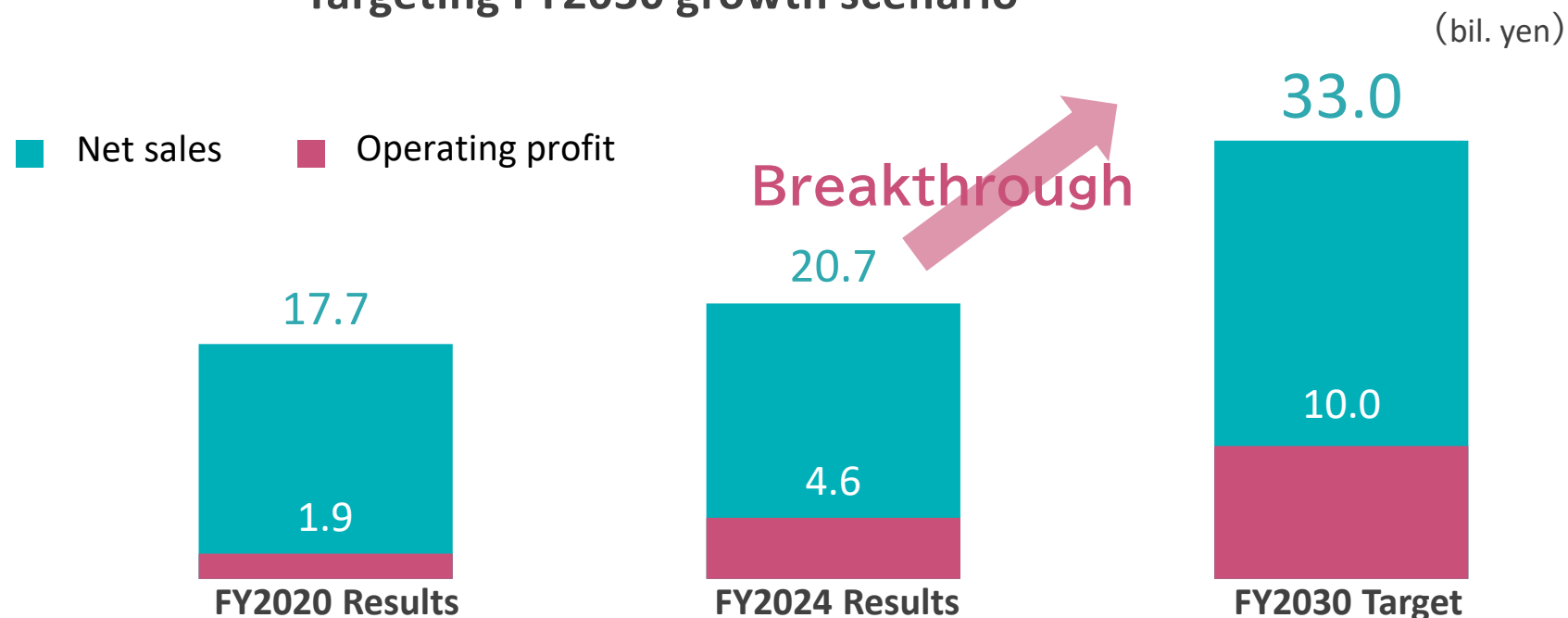
This plan does not include earnings from inorganic growth such as M&A

New Business & Others	2.5 bil. yen	<ul style="list-style-type: none"> Expanding data utilization and DcX business Expanding user co-creation business Business development & service provision in new fields
Global Business*	2.2 bil. yen	<ul style="list-style-type: none"> Expanding license sales & implementation support by overseas subsidiaries Establishing new overseas locations
License Business	12.0 bil. yen	<ul style="list-style-type: none"> Establishing position as de facto standard for manufacturing through hybrid offering of existing mcframe + cloud products (mcframe X)
Systems integration Business	16.3 bil. yen	<ul style="list-style-type: none"> Stable and robust revenue base through continuous customer problem-solving with SAP + extended solutions and maintenance services

*FY2024 Global net sales are for US subsidiary only. Total overseas subsidiaries' consolidated sales for FY2024 are approximately 0.9 bil. yen.

BE 2030 | Growth Scenario

Targeting FY2030 growth scenario

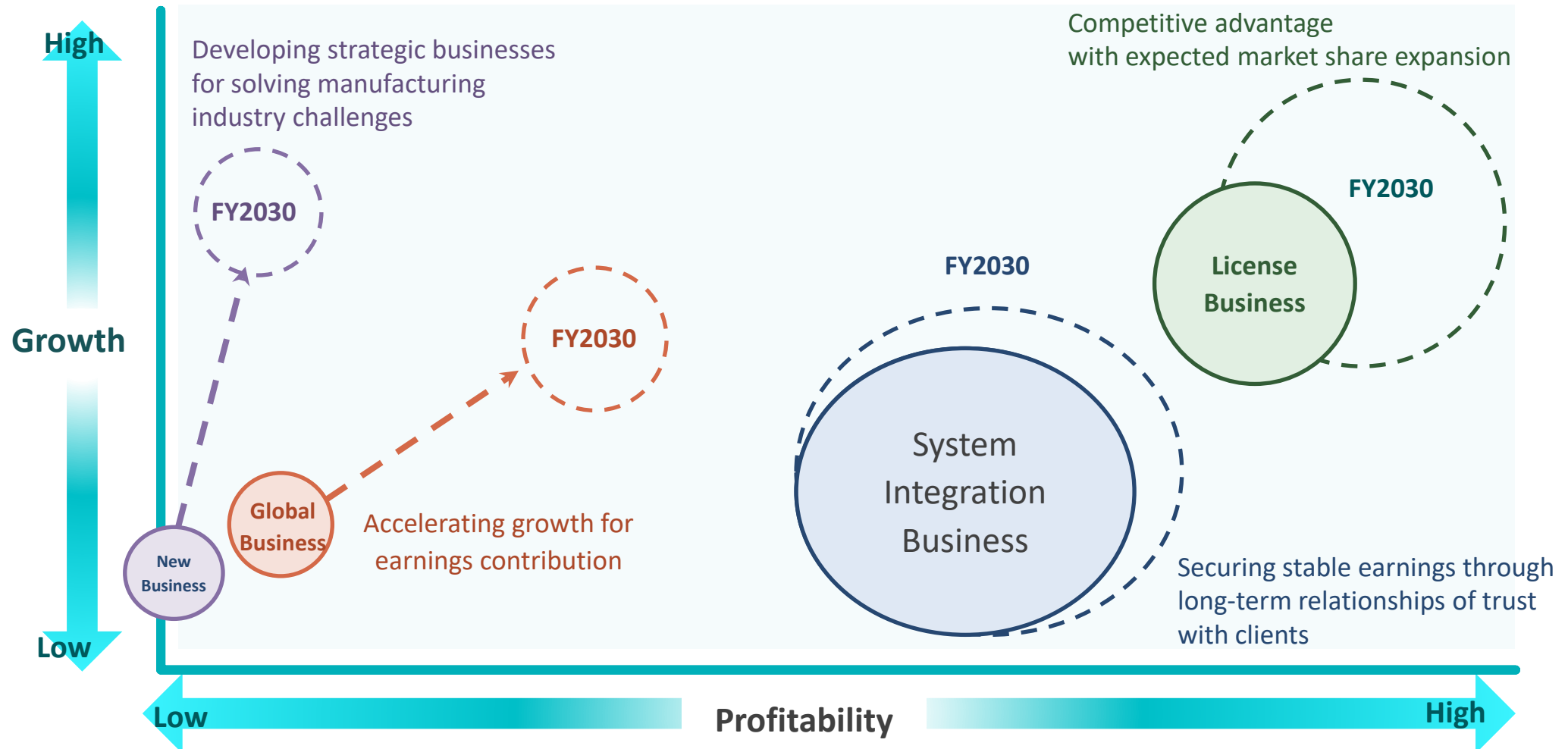


Net sales (bil. yen)	17.7	20.7	33.0
CAGR	—	+4.1%	+ 8.0%
Operating profit (bil. yen)	1.90	4.67	10.0
Operating profit margin	10.7%	22.5%	30.3%
CAGR	—	+ 25.2%	+13.5%
Net profit (bil. yen)	1.28	3.33	6.60
ROE	22.7%	27.4%	25.0%

BE 2030 | Growth Scenario

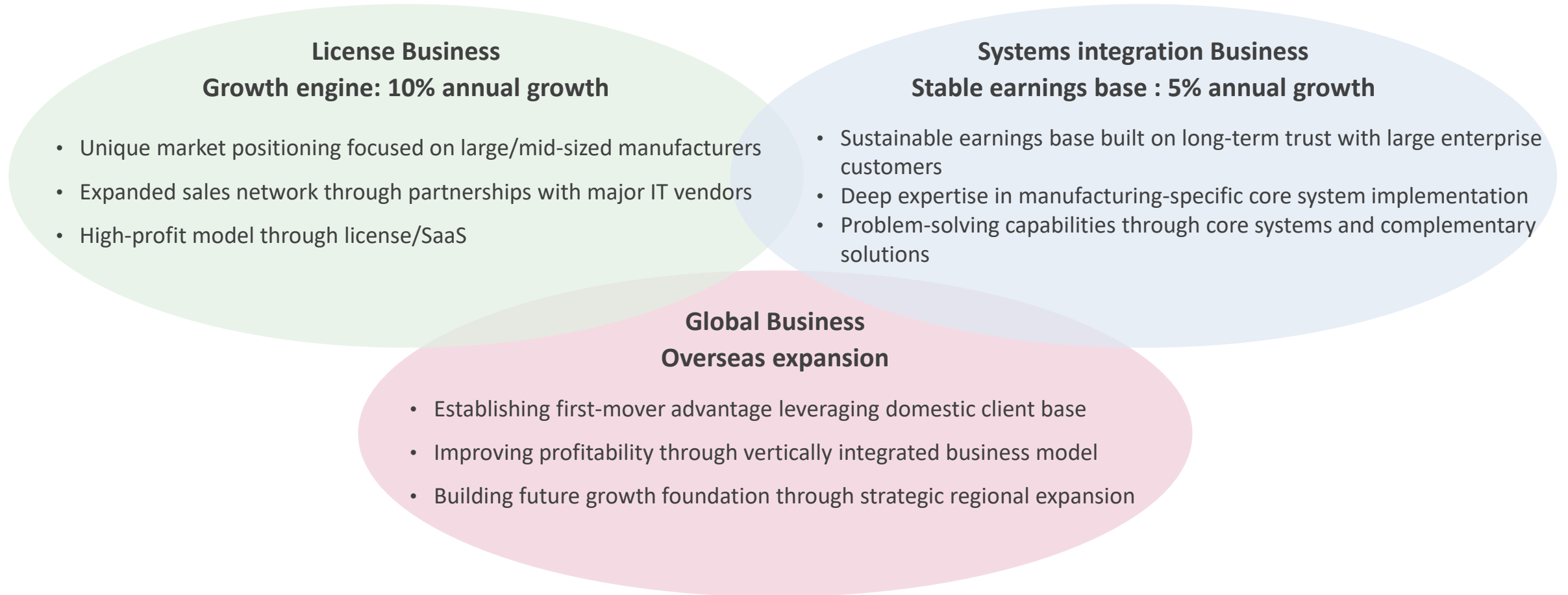
Our portfolio, leveraging the strengths of each business

Size of circle: Net sales



Our Business Model

2 earnings pillars for sustainable growth and global expansion



Client base and expertise cultivated through license & Systems integration businesses drive global expansion

Our Business | License Business

Establishing overwhelming dominance as de facto standard in supply chain management

Growth engine: 10% annual growth

Strategic market positioning

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 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 target customer base

Accelerating growth momentum through cloud product offerings



Our Business | Systems integration Business

Stable growth model based on long-term customer trust

Stable earnings base: 5% annual growth

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

Deeply exploring client challenges and developing new solutions to solve them



Our Business | Global Expansion

Establishing competitive advantage through unique business model in emerging Asian markets

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

Expanding global business through strengthening of existing locations and development of new locations



Our Business | New Business Development

Leveraging 25+ years of manufacturing digitalization experience to develop 4 strategic businesses

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

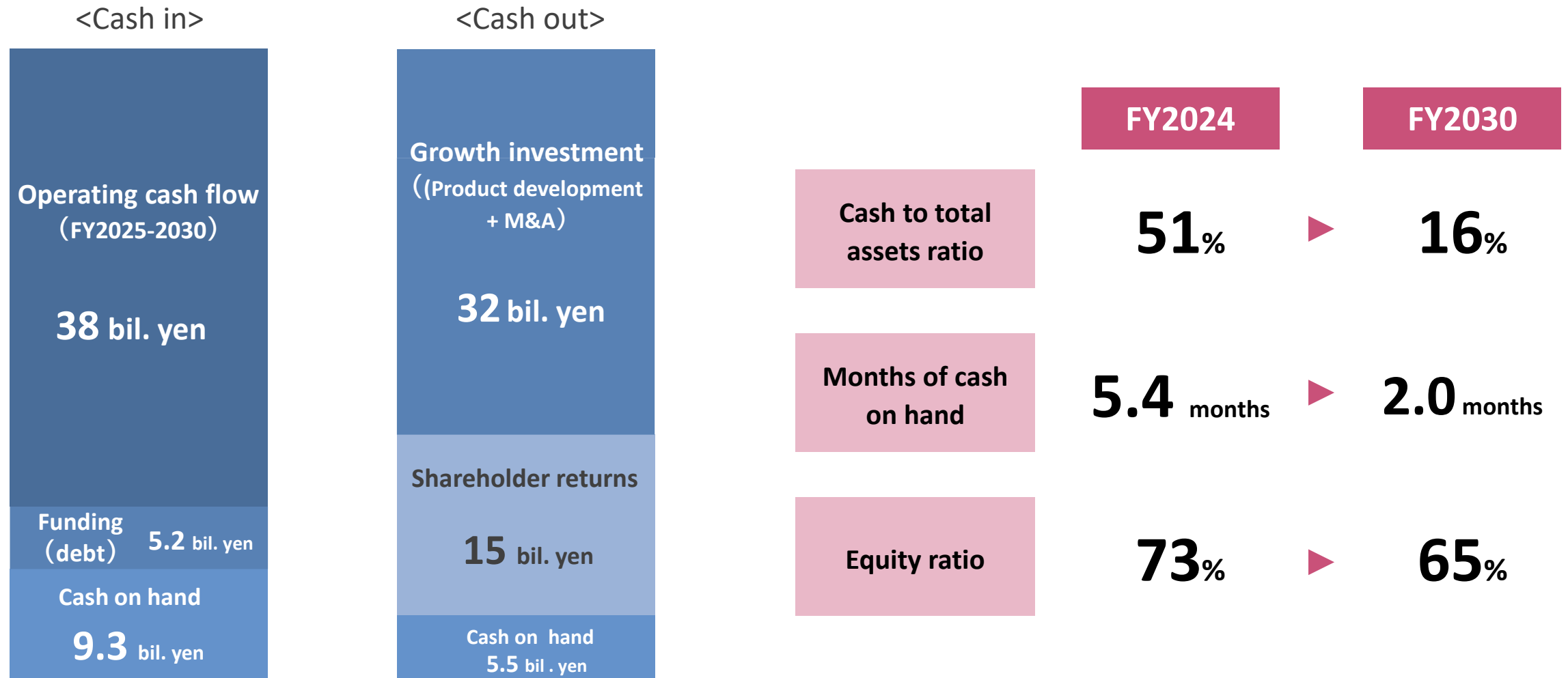
Providing unique value in the evolving life science domain, balancing regulatory compliance and quality improvement

Developing as a key business pillar that leverages synergies with existing businesses to drive next-generation growth



Capital Allocation

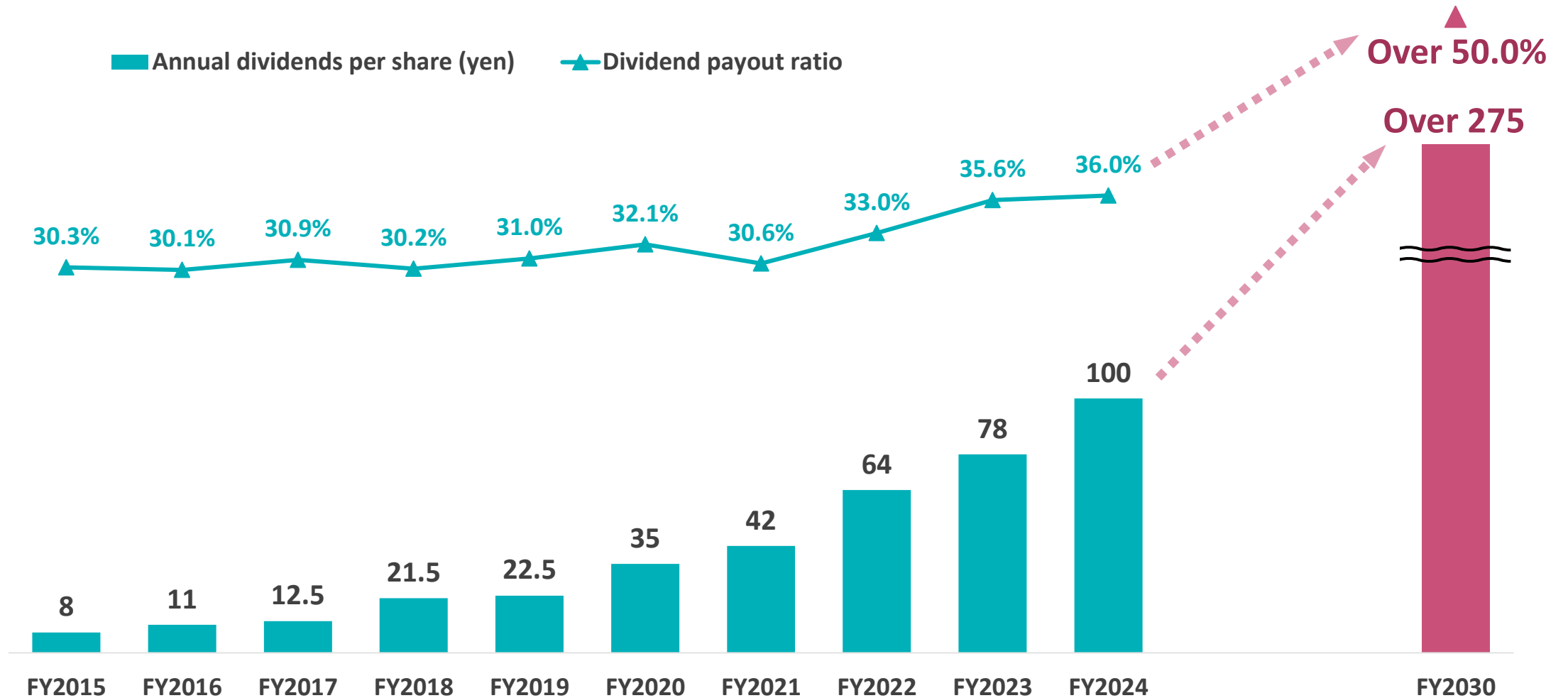
Promoting resource allocation for both growth investment (product development and M&A) and shareholder returns to achieve FY2030 targets.



Shareholder Returns

Progressive dividend* with consolidated payout ratio exceeding 50% in the medium to long term.

*Progressive dividend: Long-term commitment to no dividend reduction, maintaining or increasing dividends



※ Results prior to FY2021 represent actual dividend amounts after adjustment for the stock split on June 1, 2022.

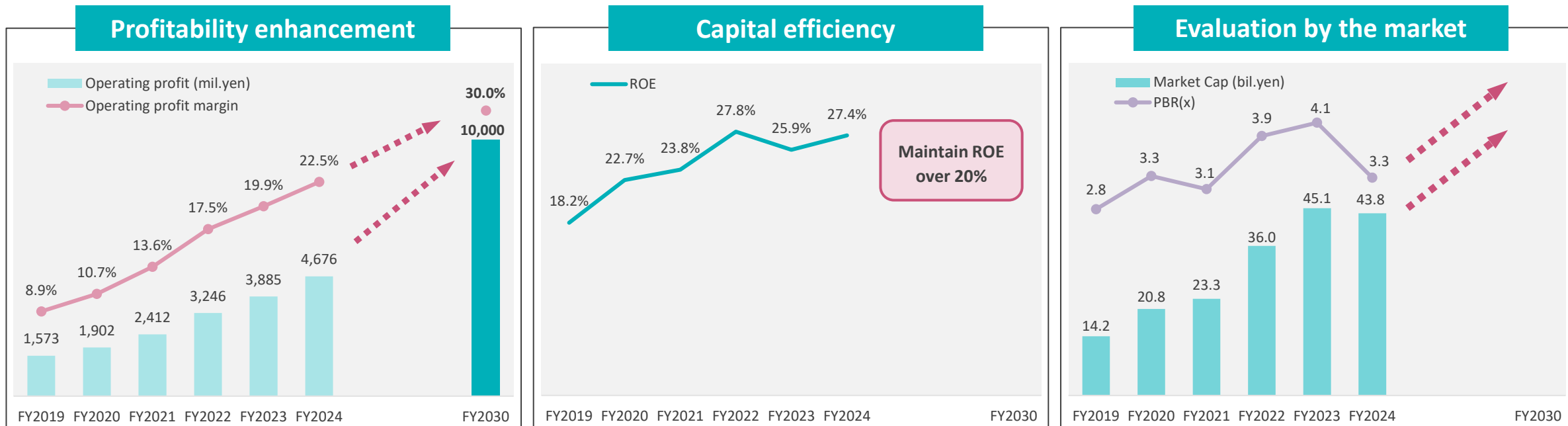


Financial Policy and M&A Policy

Financial Policy	Cash on hand	Maintain approximately <u>2 months</u> of sales as a guideline
	Funding	Consider borrowing while maintaining financial soundness with equity ratio of <u>50% or more</u>
	Investment decisions	Evaluate investments for returns exceeding latest cost of capital
M&A Policy	Basic policy	Contribute to business expansion and sustainable corporate growth, with thorough discussion of effects on each business
	M&A targets	<ul style="list-style-type: none">• Systems integration: Expand client base and solution portfolio• License & Global: Expand sales channels and product lineup• New Businesses: Acquire new technologies, knowledge, and know-how
	Financial criteria & governance	<ul style="list-style-type: none">• Funding: Considering cost of capital, source in order of free cash flow, then borrowing,• Regular monitoring of M&A synergy creation against planned values• Consider divestment/sale if planned synergies or investment returns are not achieved within planned period

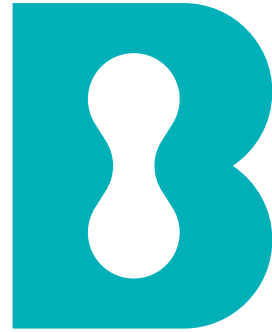
Capital Cost-Conscious Management

Pursuing further corporate value enhancement through BE 2030 growth strategy execution and capital cost/stock price conscious management.



Measures for maintaining capital efficiency and enhancing corporate value

- Steady execution of business strategies aimed at achieving BE 2030 targets
- Strategic resource allocation balancing growth investments (R&D, business development, human resources, business infrastructure, M&A) and shareholder returns
- Enhanced investment appeal through progressive dividends and consolidated dividend payout ratio exceeding 50% in the medium to long term
- Appropriate corporate value assessment through proactive IR activities and constructive dialogue with investors



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< Forward-Looking Statements >

- This document contains forward-looking statements, including performance forecasts, based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ materially from these projections due to various factors.
- This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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