FY 2026/9 Q1 Financial Results

February 13, 2026

RECOMM Co., Ltd.

TSE Standard (3323)

Contents

FY 2026/9 Q1 financial results summary

FY 2026/9 Q1 financial actual results summary

Item (Unit: million yen)	Previous FY (same period)	Current FY (Q1)	Change	YoY
Revenue	3,222	2,949	- 273	91.5%
Operating profit (loss)	46	- 70	- 116	—
Profit (loss) before tax	38	- 74	- 112	—
Net income (loss) attributable to owners of the Parent	27	- 37	- 64	—
*EBITDA (*)	91	- 14	- 105	—

[Summary]

- Revenue decreased and a loss was recorded because of delayed delivery of core products while orders remained solid with the order backlog reaching a record high of 1,280 million yen.

Reclassification of reportable segments and transparency assurance

To enhance organizational efficiency, the reportable segments have been partially reclassified as follows:

Former segment	New segment
Domestic solutions (including former DX business)	Domestic solutions
BPR business	DX Business (BPR business + former DX business)

Impact on results for the previous period (first quarter of the previous year): Figures for the previous period have been restated under the new segment classifications following the change in reportable segments.

Segment (Unit: million yen)	Revenue	Profit (Segment profit)
Domestic solutions businesses	- 3	+ 20
DX business (former BPR)	+ 3	- 20

FY 2026/9 Q1 Financial Results Summary (by Segment)

Item (Unit: million yen)	Previous FY (same period)	Current period	Change	YoY
Revenue	3,222	2,949	- 273	91.5%
Overseas solutions businesses	2,049	1,896	- 153	92.5%
Domestic solutions businesses	995	925	- 70	93.0%
DX business	176	126	- 50	71.8%
Segment profit	46	- 70	- 116	-
Overseas solutions businesses	81	42	- 39	52.4%
Domestic solutions business (new segment figures)	14	42	+ 28	305.8%
DX Business (new segment figures)	- 15	- 5	+ 10	-
Adjustments *	- 32	- 150	- 118	-

* Adjustments: Adjustments to segment profit include elimination of transactions between segments and Company-wide costs not allocated to individual reportable segments.

Strategic investment: Investment in human capital

Account title (Unit: million yen)	Previous FY (same period)	Current period	Change
Recruiting expenses (senior executives)	2	14	+ 12
Training expenses for AI utilization (company-wide education)	9	36	+ 26

Improvement in the human resources system for enhancing the management base

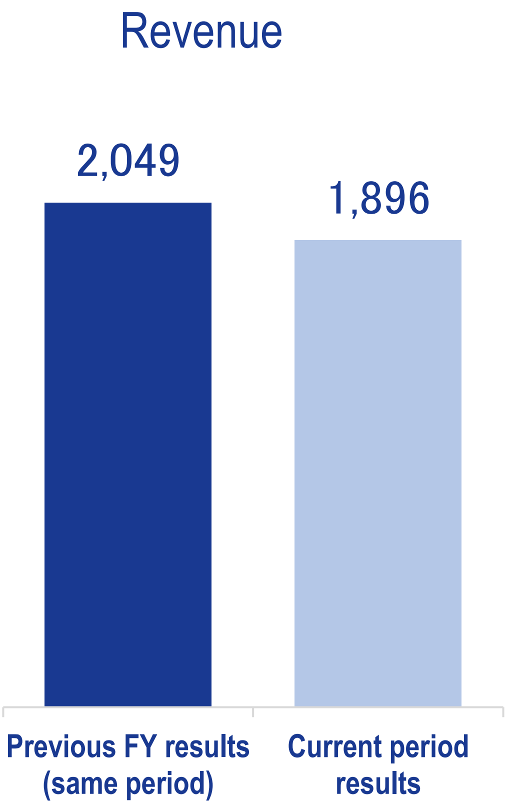
Appointed three senior executives to strengthen the management structure and accelerate growth.

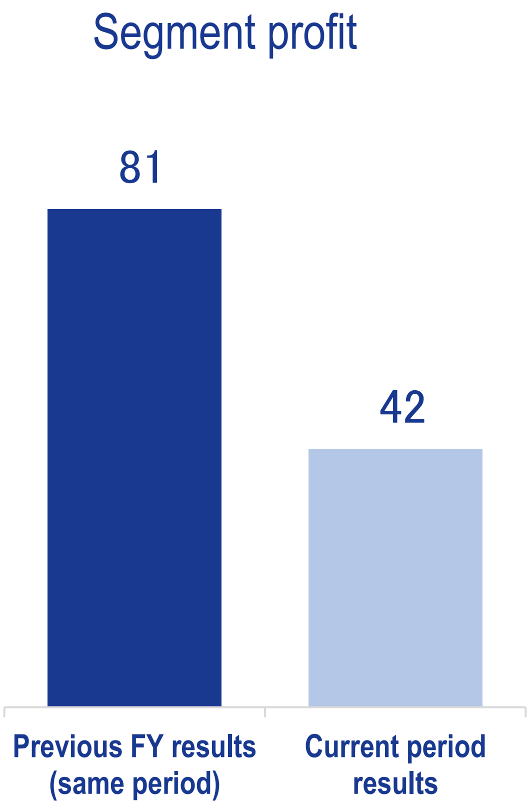
Significant improvement in company-wide productivity through AI utilization

Completed AI training for all employees in the first quarter and initiated the development of a scalable and repeatable growth foundation through the standardization and automation of operations, resulting in lower dependence on human resources.

FY 2026/9 Q1 financial results (overseas solutions business)

Item (Unit: million yen)	Previous FY (same period)	Current period	Change	YoY
Revenue	2,049	1,896	- 153	92.5%
Segment profit	81	42	- 39	52.4%



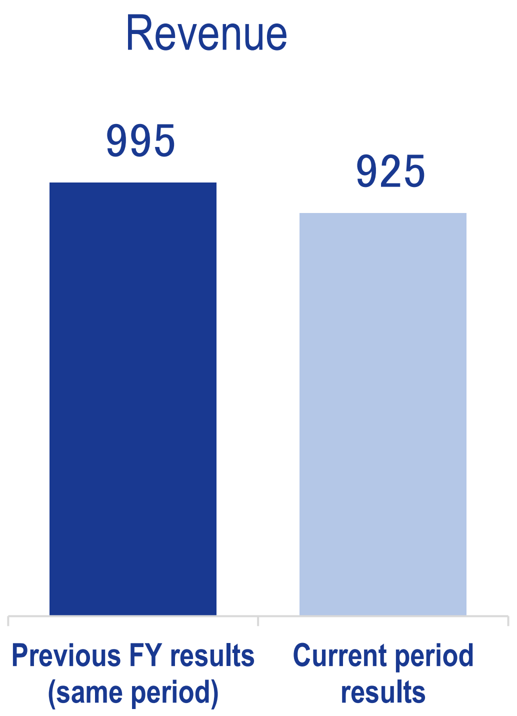


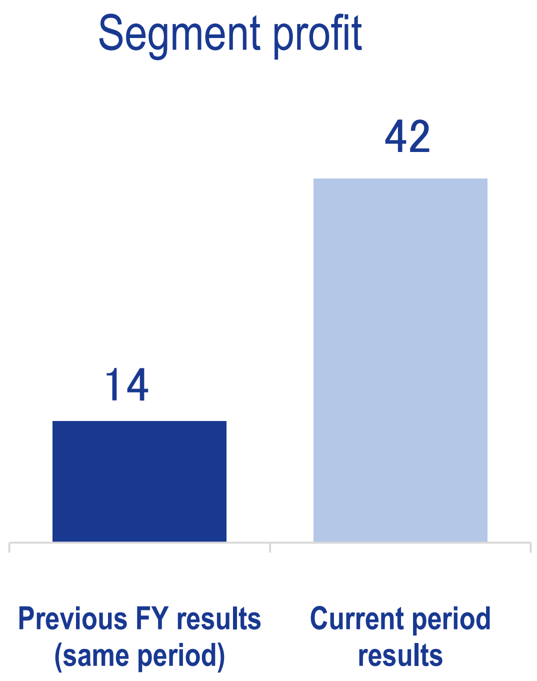
- Total orders received reached a record high of 3,180 million yen; however, due to delivery delays for certain products, including AI servers and air conditioners, 1,280 million yenwill be deferred to the second quarter and beyond.

Country (Unit: million yen)	Amount	Main products
Singapore	1,140	AI servers
Thailand	63	Air conditioners
Vietnam	**49**	Air conditioners and heat-shielding paint
India, Indonesia, and China	**32**	Air conditioners and LED
Total (as of December 31)	1,284	

FY 2026/9 Q1 financial results (domestic solutions business)

Item (Unit: million yen)	Previous FY (same period)	Current period	Change	YoY
Revenue (new segment figures)	995	925	- 70	93.0%
Segment profit (new segment figures)	14	42	+ 28	305.8%

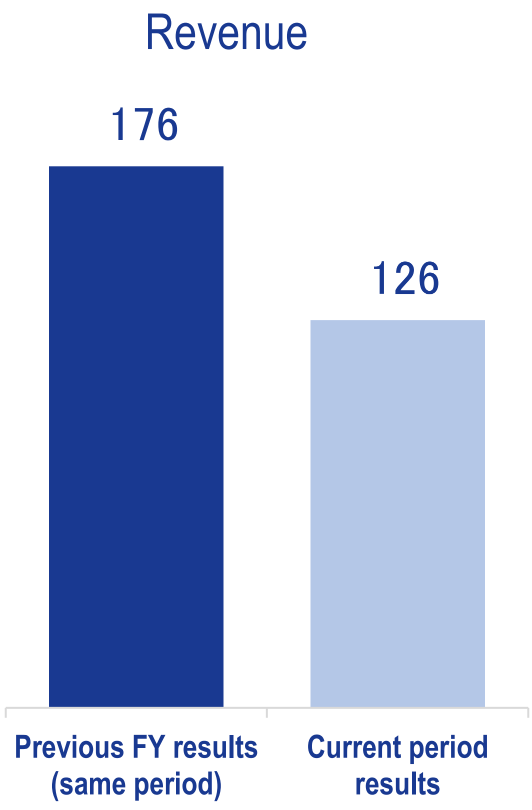


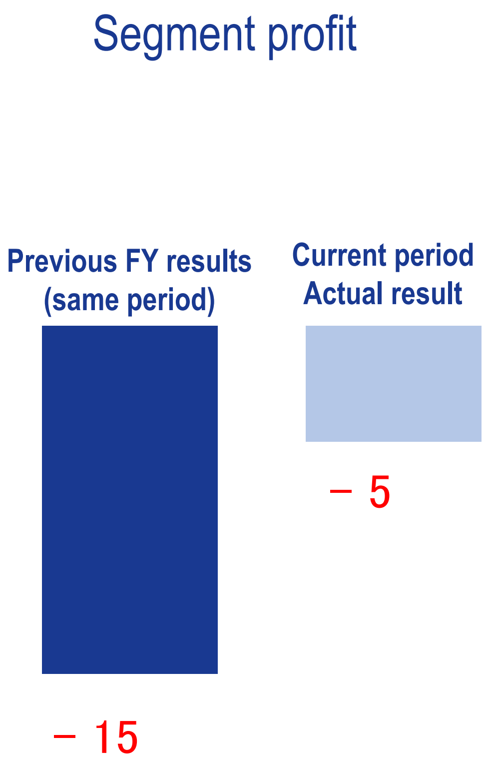


- Decrease in sales due to lower IT equipment sales, primarily in direct sales channels.
- Segment profit increased due to a higher sales mix of high-margin security products, including UTM, as well as a significant reduction in selling and general administrative expenses driven by synergies from the integration of group companies.

FY 2026/9 Q1 financial results (DX business)

Item (Unit: million yen)	Previous FY (same period)	Current period	Change	YoY
Revenue (new segment figures)	176	126	- 50	71.8%
Segment profit (new segment figures)	- 15	- 5	+ 10	-





- Revenue decreased this period, reflecting a reversal of the temporary increase in the previous period driven by additional orders at domestic centers and large-scale spot projects; however, losses were contained due to lower outsourcing expenses.

Balance Sheet

Item (Unit: million yen)	Previous consolidated fiscal year September 30, 2025	Current consolidated fiscal year December 31, 2025	Change
Current assets	8,178	8,832	+ 654
Non-current assets	4,525	4,724	+ 199
Total assets	12,703	13,557	+ 853
Current liabilities	5,369	5,928	+ 559
Non-current liabilities	1,924	1,888	- 36
Total liabilities	7,294	7,817	+ 522
Equity attributable to owners of the Parent	5,054	5,392	+ 338
Non-controlling interests	354	347	- 7
Total equity	5,409	5,739	+ 330
Total liabilities and equity	12,703	13,557	+ 853

Total assets: 13,557 million yen Up 853 million yen

The main factors for the increase include: an increase of 257 million yen in cash and financial assets, an increase of 486 million yen in inventories of Malaysian and Singaporean subsidiaries with higher sales, and an increase of 191 million yen in shares of affiliated companies, property, plant and equipment, and goodwill.

Total liabilities: 7,817 million yen Up 522 million yen

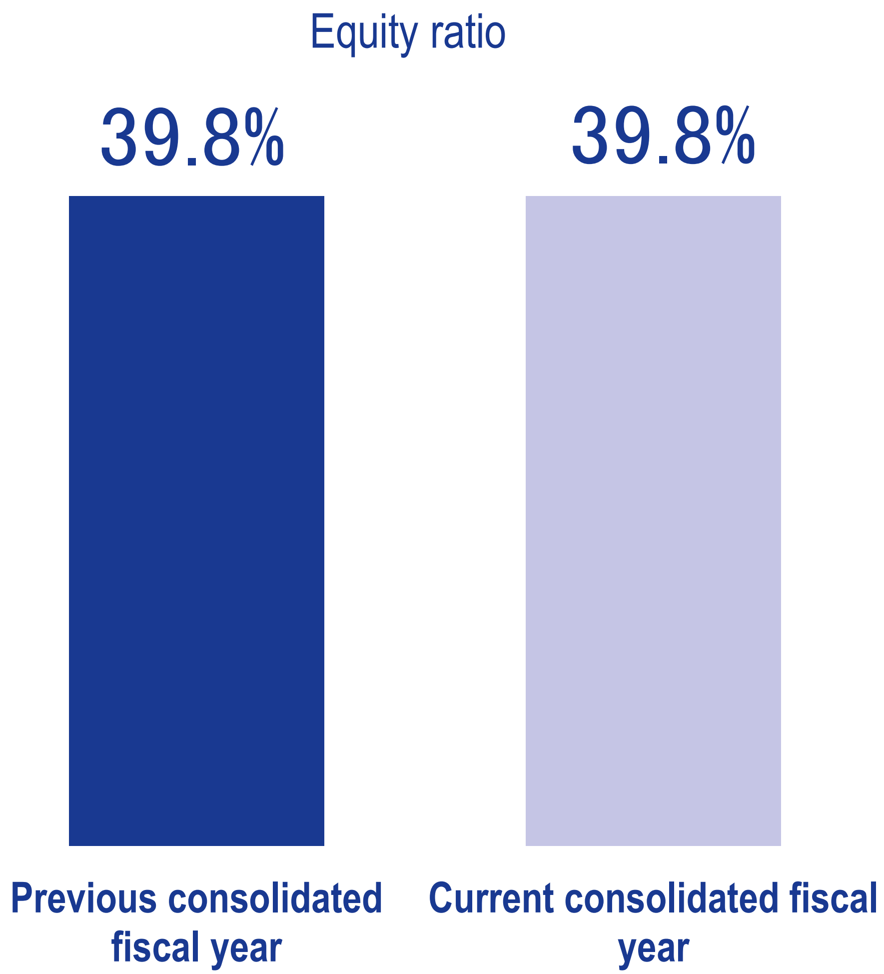
The main factors include: an increase of 822 million yen in interest-bearing liabilities due to borrowings for business activities and new M&A investment activities, and a decrease of 201 million yen in trade and other payables.

Total equity: 5,739 million yen Up 330 million yen

The main factors include: an increase of 455 million yen in other components of equity and a decrease of 118 million yen in retained earnings due to the quarterly loss and the payment of dividends.

Financial standing: Equity ratio, Statements of Cash Flows

Equity ratio: 39.8%



Secured funds for business and new M&A investment activities via increased short-term borrowings (+765 million yen)

Item (Unit: million yen)	Previous consolidated fiscal year From October 1, 2024 to December 31, 2024	Current consolidated fiscal year From October 1, 2025 to December 31, 2025	Change
Cash flow from/used in operating activities	- 239	- 386	- 147
Cash flow from/used in investing activities	- 52	- 160	- 108
Cash flow from/used in financing activities	+ 186	+ 560	+ 374
Change in cash and cash equivalents	- 42	+ 95	+ 137
Ending balance of cash and cash equivalents	2,933	2,776	- 157

Topics

Topic (i): Completion of conversion of Singapore-based Lumitron into a subsidiary

Overview of Lumitron

Item	Details
Target company	Lumitron Pte. Limited (Singapore)
Business description:	Lighting equipment wholesale, lighting control system design support, construction work contracting
Established	Dec. 1981
Share capital	1,100,000 SGD
Representative	Executive Director Nicholas Khee Yew Chong
Ownership ratio to be acquired	80%（1,760,000 shares）

Investment purposes

- Establishment of a new base in Singapore and development of a five-major-base structure in ASEAN (Malaysia, Thailand, Vietnam, Indonesia, and Singapore)
- Entry into the lighting solution market for government and private sector customers
- Creating synergy by combining the customer network and the group’s distribution network
- Strengthening the foundation for expansion into IoT lighting and smart building areas

Key features of Lumitron

✓ Long-established lighting equipment wholesaler (founded in 1981)
✓ Major clients: Government facilities, medical institutions, and large-scale private-sector projects
✓ Market share in Singapore: Approx. 5%

Examples of past projects

SINGAPORE SPORTS HUB

STATE COURTS SINGAPORE

HOLLAND VILLAGE

Universal Studio / Sports Hub / State Court / One Holland Village and others

To be consolidated in Q2 of FY2026
Accelerating the promotion of “Global specialized trading company vision”!

Topic (ii): Completion of the acquisition of Yugenkaisya Kawahara Jimuki located in Iwate as a consolidated subsidiary

Overview of Kawahara Jimuki

Item	Details
Name	Yugen Kaisha Kawahara Jimuki
Address	2-14-4 Kita Matsuzono, Morioka-shi, Iwate prefecture
Representative	Representative director Yasuhiro Kawahara
Business description	Sales, leasing, rental and maintenance of office equipment and office supplies
Established	May, 1980
Share capital	3,000 thousand yen
Ownership ratio of shares to be acquired	100%

List of major clients

Ricoh, PLUS, ASKUL, and others

Investment purposes

- A part of the management strategy to realize regrowth in domestic solutions businesses
- Acquisition of the customer base, including public offices, construction, and medical and welfare facilities of the acquired company conducting sales activities as one of the top dealers of Ricoh mainly in Iwate Prefecture for 45 years
- Synergy between IT Solutions of the Group and the local network of Kawahara Jimuki
- Business expansion through cross selling and improvement in the marketing capability and the ability to respond to customers
- Strengthening the brand and competitiveness through building of community-based sales and maintenance systems in Iwate prefecture

To be consolidated in Q2 of FY2026
Generating the Group synergy in the customer base of Tohoku district!

A self-developed agent that automatically executes and completes all tasks

Financial agent
Financial document review | Financial statement analysis

Human resources agent
Recruitment document screening | Employee attendance management

Marketing agent
Social media monitoring and analysis | Automated proposal creation

Manufacturing management agent
Supplier qualification review | Production planning

AI platform

E-Commerce agent
Management data analysis | Prospect acquisition

Logistics agent
Logistics management | Liability analysis and processing

Public safety agent
Document organization & analysis | Automated breaking report generation

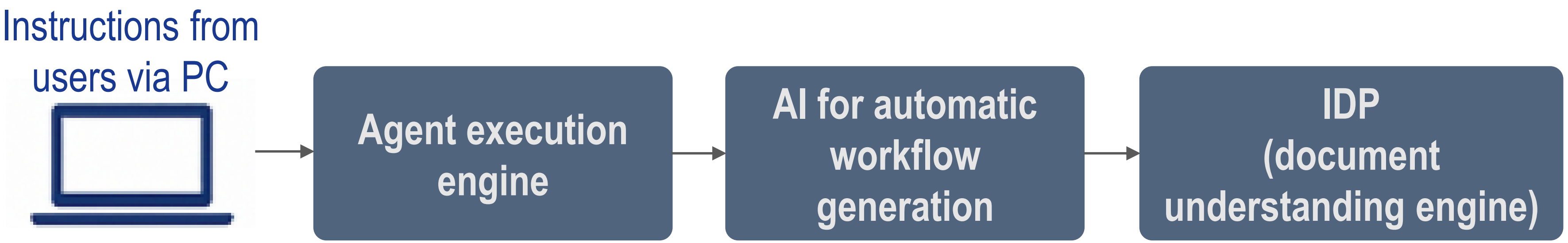
Digital communications agent
AI customer support | Responsibility judgment report generation

AI Agent Architecture

Components

1	**Agent execution engine**	An **orchestrator** that understands user instructions and executes tasks
2	**AI for automatic workflow generation**	Automatically generates the **steps to be performed** based on instructions
3	**IDP (document understanding engine)**	**Reads documents and images** to extract required data
4	**Connectivity layer (API/RPA/MCP)**	Serves as the **operational limbs for each system**
5	**Administration console**	A screen for **managing and monitoring the entire system**

Each component collaborates to function as an “AI assistant”, serving as operational limbs



AI agent competitive advantage (i)

Integration of RPA and OCR functions

RPA		AI-OCR
Automation of PC	+	Character recognition and data extraction

The integration of these functions enables the seamless completion of a series of tasks, such as reading paper invoices and automatically entering data into the accounting system.

AI agent competitive advantage (ii)

Supports three languages: Japanese, Chinese, English

- Japanese
- Chinese
- English

This enables rapid deployment across all regions where RECOMM has overseas bases (China, ASEAN, India).

Development company overview: Real Intelligent Technology (Intelligence Indeed)

Hangzhou Real Intelligent Technology Co., Ltd.（Intelligence Indeed）

INTELLIGENCE INDEED

A Chinese AI unicorn and one of the top companies in the RPA industry, developing technology that integrates AI and RPA and driving digital transformation across various industries through full automation.

Company information

Established:	2018
Head Office:	Hangzhou, China
Branch Office:	Beijing, Shanghai, Shenzhen, Tokyo, KL (Malaysia)
Office:	(China) Jiangsu, Shandong, Fujian
Number of staff:	About 400 (with approximately 68% engineers)

中国移动 China Mobile International · 中国电信 CHINA TELECOM · CVTE Dream·Future · 华夏银行 HUAXIA BANK · SUNVALLEY

Sole agency in Japan

Intelligence Indeed RECOMM Co., Ltd.

RECOMM × INTELLIGENCE INDEED

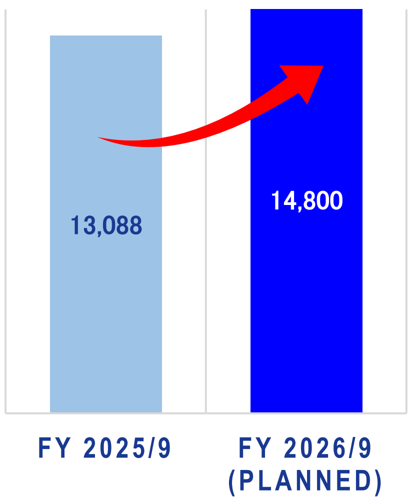
Established: April 06, 2023
Share capital: 30 million yen
Address: 12th Floor, Aioi Nissay Dowa Insurance Shinjuku Building, 3-25-3 Yoyogi, Shibuya-ku, Tokyo

FY 2026/9
Full-year plan and dividend forecasts

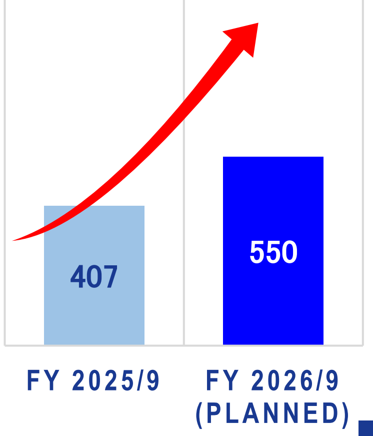
Record sales for the second consecutive year and the highest operating profit after COVID-19

Item (Unit: million yen)	FY 2025/9 (Actual)	FY 2026/9 (plan)			YoY
		1H	2H	Full year	
Revenue	13,088	7,000	7,800	14,800	113.1%
Operating profit	407	180	370	550	135.1%
Profit before tax	447	180	380	560	125.3%
Net income attributable to owners of the Parent	196	100	220	320	162.7%
EBITDA	614	248	509	757	123.3%

REVENUE



OPERATING PROFIT



FY 2026/9 plan (by segment)

Item (Unit: million yen)	Previous period actual	First-half plan	Second-half plan	Current period plan	YoY
Revenue	13,088	7,000	7,800	14,800	113.1%
Overseas solutions businesses	8,418	4,471	5,028	9,499	112.9%
Domestic solutions businesses (new segment figures)	4,032	2,250	2,441	4,691	116.3%
DX Business (new segment figures)	597	280	331	611	102.3%
Segment profit	407	180	370	550	135.1%
Overseas solutions businesses	485	222	330	552	113.8%
Domestic solutions businesses (new segment figures)	182	179	171	350	192.3%
DX Business (new segment figures)	- 14	20	29	49	-
Adjustments (new segment figures)	- 246	- 240	- 160	- 400	-

FY 2026/9 plan (overseas solutions business)

Item (Unit: million yen)	Previous period actual	Current period (plan)			YoY
		1H	2H	Full year	
Revenue	8,418	4,471	5,028	9,499	112.9%
Segment profit	486	222	330	552	113.8%

<Measures for achieving full-year plan>

- Strengthening sales of SPACECOOL → Expanding sales target through expansion of the product lineup
- Strengthening sales of AI servers → Increasing the ratio of new orders received by strengthening the support system through an increase in engineers
- Complete PMI of Lumitron and early maximization of group synergy
- Bringing new employees up early by achieving the plan for increasing sales staff (up 25% from the end of previous period) and promotion of sales DX

FY 2026/9 plan (domestic solutions business)

Item (Unit: million yen)	Previous period actual	Current period (plan)			YoY
		1H	2H	Full year	
Revenue (new segment figures)	4,032	2,250	2,441	4,691	116.3%
Segment profit (new segment figures)	182	179	171	350	192.3%

<Measures for achieving full-year plan>

- Bringing new employees up early by achieving the plan for increasing sales staff (up 40% from the end of previous period) and promotion of sales DX
- Expanding sales area through Kawahara Jimuki and store opening of franchises
- Complete PMI of Kawahara Jimuki and early maximization of group synergy
- Strengthening sales of the wholesale channel by expanding the product lineup

FY 2026/9 plan (DX business)

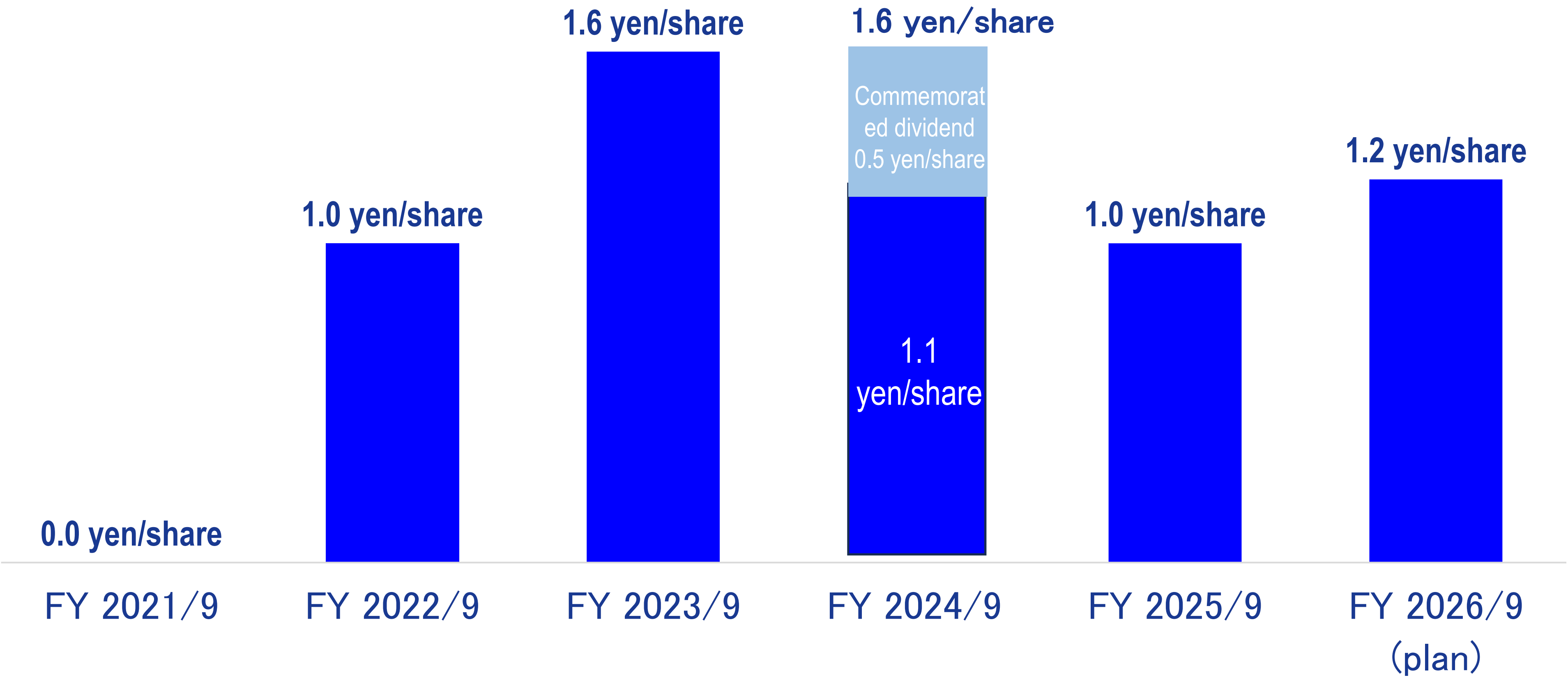
Item (Unit: million yen)	Previous period actual	Current period (plan)			YoY
		1H	2H	Full year	
Revenue (new segment figures)	597	280	331	611	102.3%
Segment profit (new segment figures)	(14)	20	29	49	-

<Measures for achieving full-year plan>

- Enhancing AI agent sales through a bundled proposal of AI agent and BPO services, leveraging internal use cases
- Reducing selling and administrative expenses through internal digital transformation
- Improving profitability in domestic and Myanmar centers by driving optimization of allocation of contracted services

Basic policy: Paying performance-based dividend with the standard of payout ratio of 30%

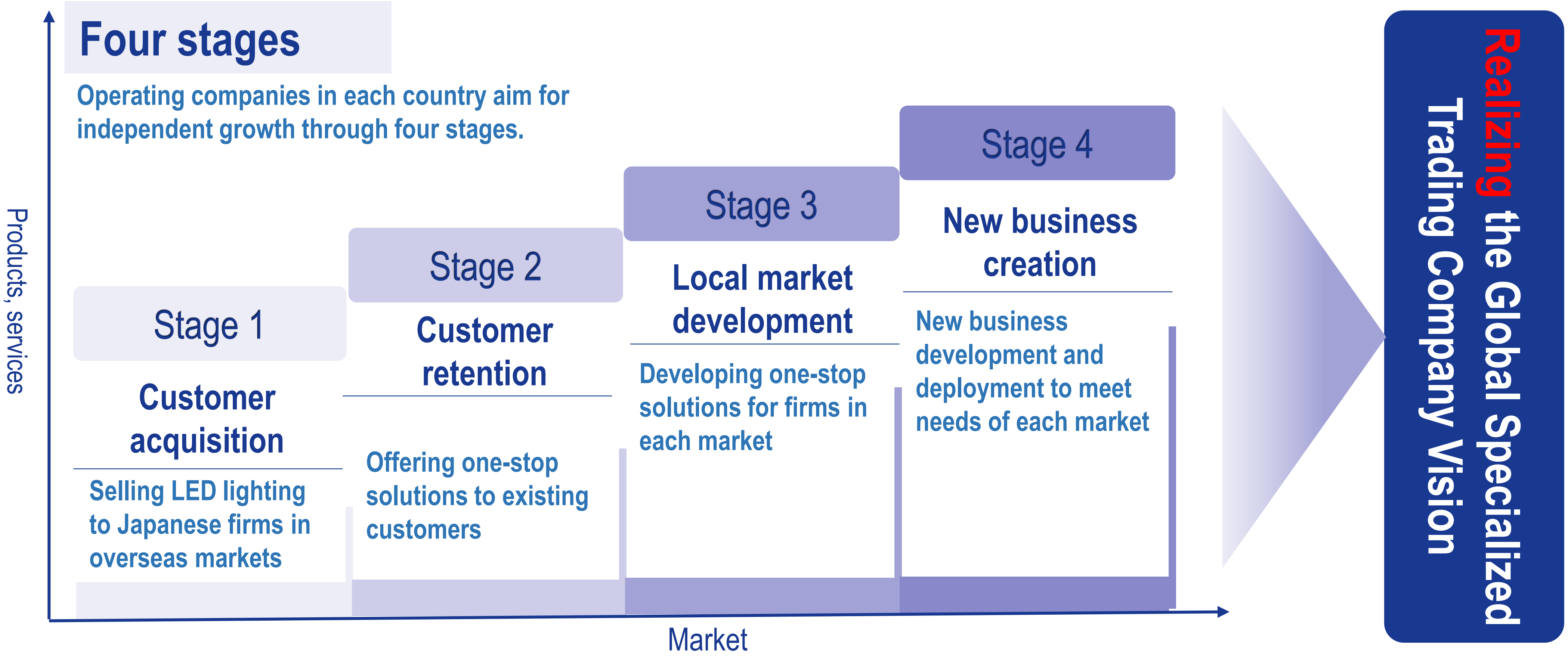
Dividend: 1.2 yen



Growth strategy

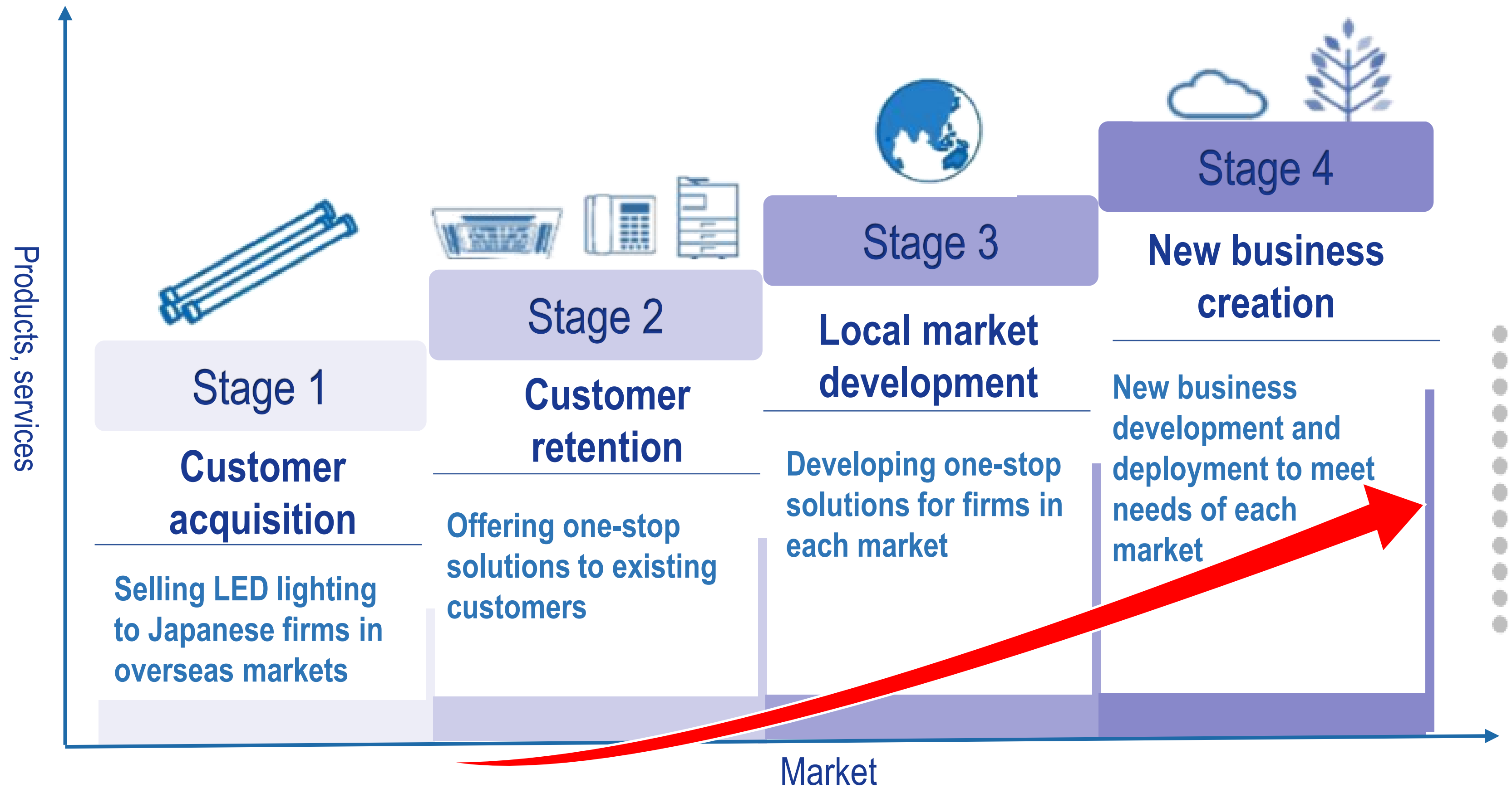
Basic strategy: Global specialized trading company vision

Global specialized trading company vision: Accelerating global business growth by proposing solutions to global customers based on state-of-the-art products and services and our strengths in direct marketing!



Global specialized trading company vision: Stage by country

Accelerating global deployment by advancing to higher business stages in each country



India China	Vietnam Thailand Indonesia	Malaysia Singapore	-

Global specialized trading company vision: Status of progress of cross-border M&As

September 2023
SLWE joins the Recomm Group
Entry into the local electrical parts market in Malaysia

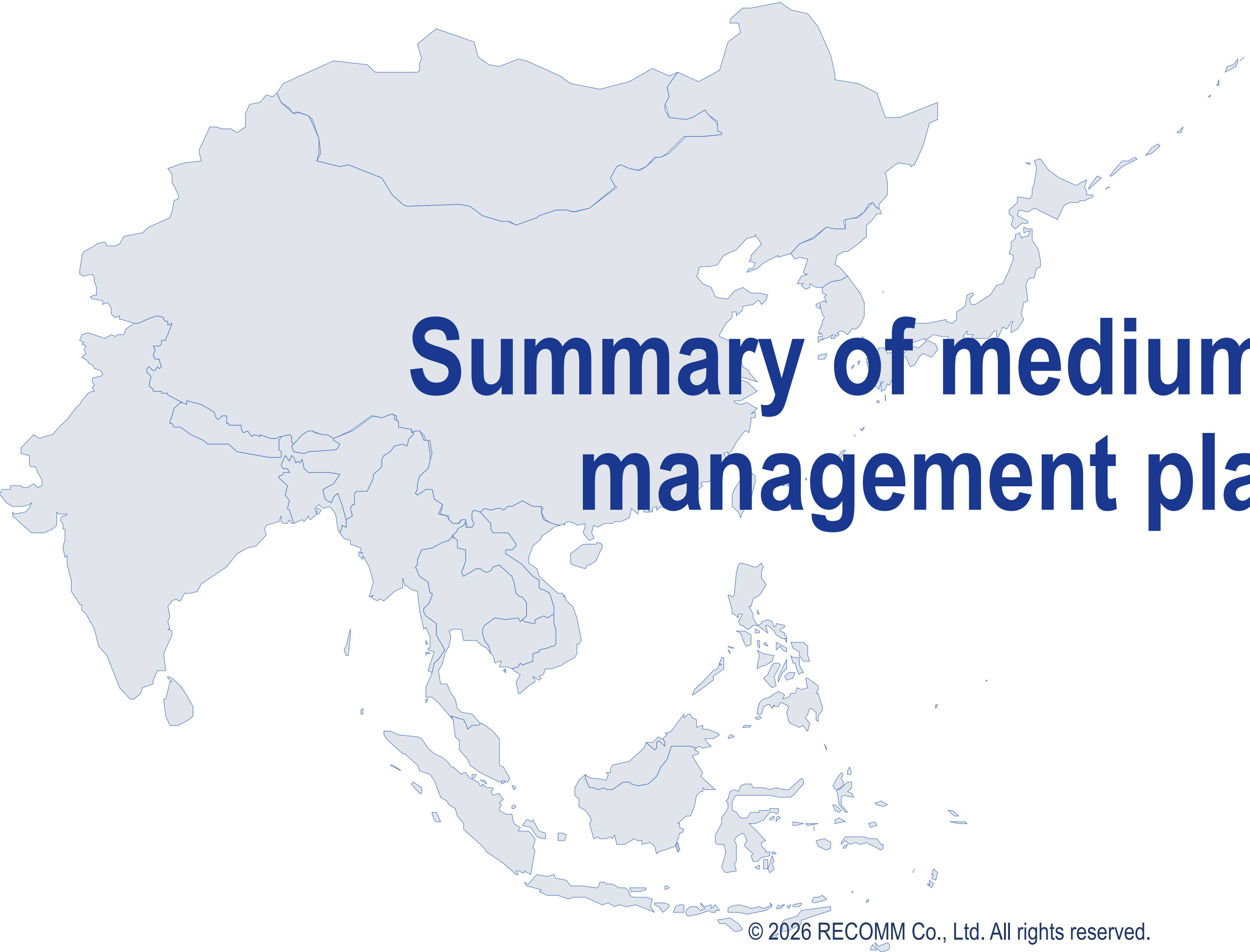
Jan. 2026
Lumitron joins the Recomm Group
Entry into the local lighting market in Singapore

October 2021
SLWL joins the Recomm Group
Entry into the local LED market in Malaysia

July 2024
TAKNET joins the Recomm Group
Entry into the local AI server market in Singapore

June 2021
Acquired 30% of the shares of stock in Greentech International Pte. Ltd., making it an equity-method affiliate
Indirect entry to the Singapore market

- Stage 1
- Stage 2
- Stage 3



Summary of medium-term management plan

FY 2027/9 targets

Sales CAGR	Operating margin	ROE
20% or more	10% or more	20% or more

Priority items in the medium-term management plan

Sales DX

Promoting digital transformation (DX) of sales through sales activities based on a customer relationship management (CRM) system

M&A

Transplanting sales DX to new Group firms added through M&As

Growing Groupwide earnings foundations

Priority initiatives by individual business

Overseas solutions businesses

- National human resource development
- More precise targeting of customers of companies in each market
- Generating synergies with M&A subsidiaries in overseas markets

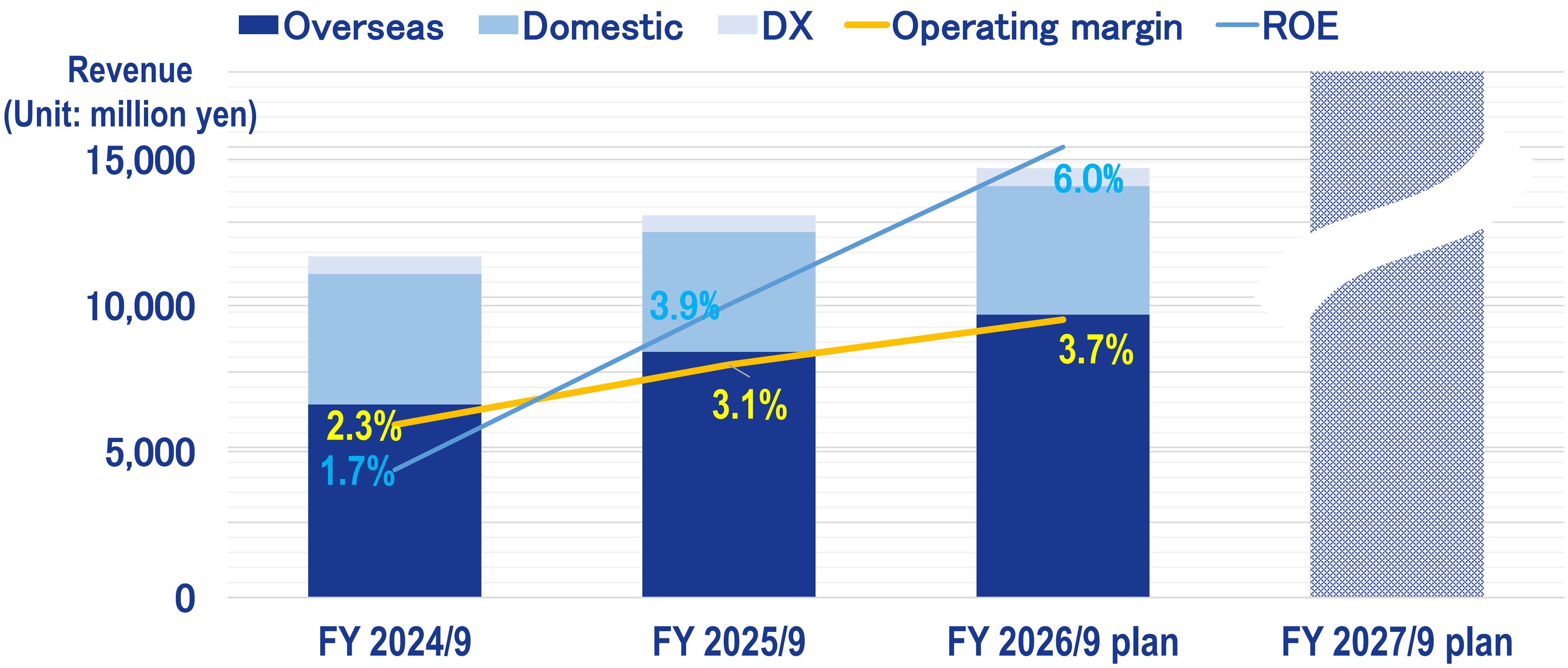
Domestic solutions businesses

- Strengthening new customer acquisition
- Increasing percentage of stock (fixed-price) business sales
- Increasing customer satisfaction

DX business

- Establishment of new development sales methods specializing in specific industries
- Offering comprehensive solutions combining RPA and BPO services

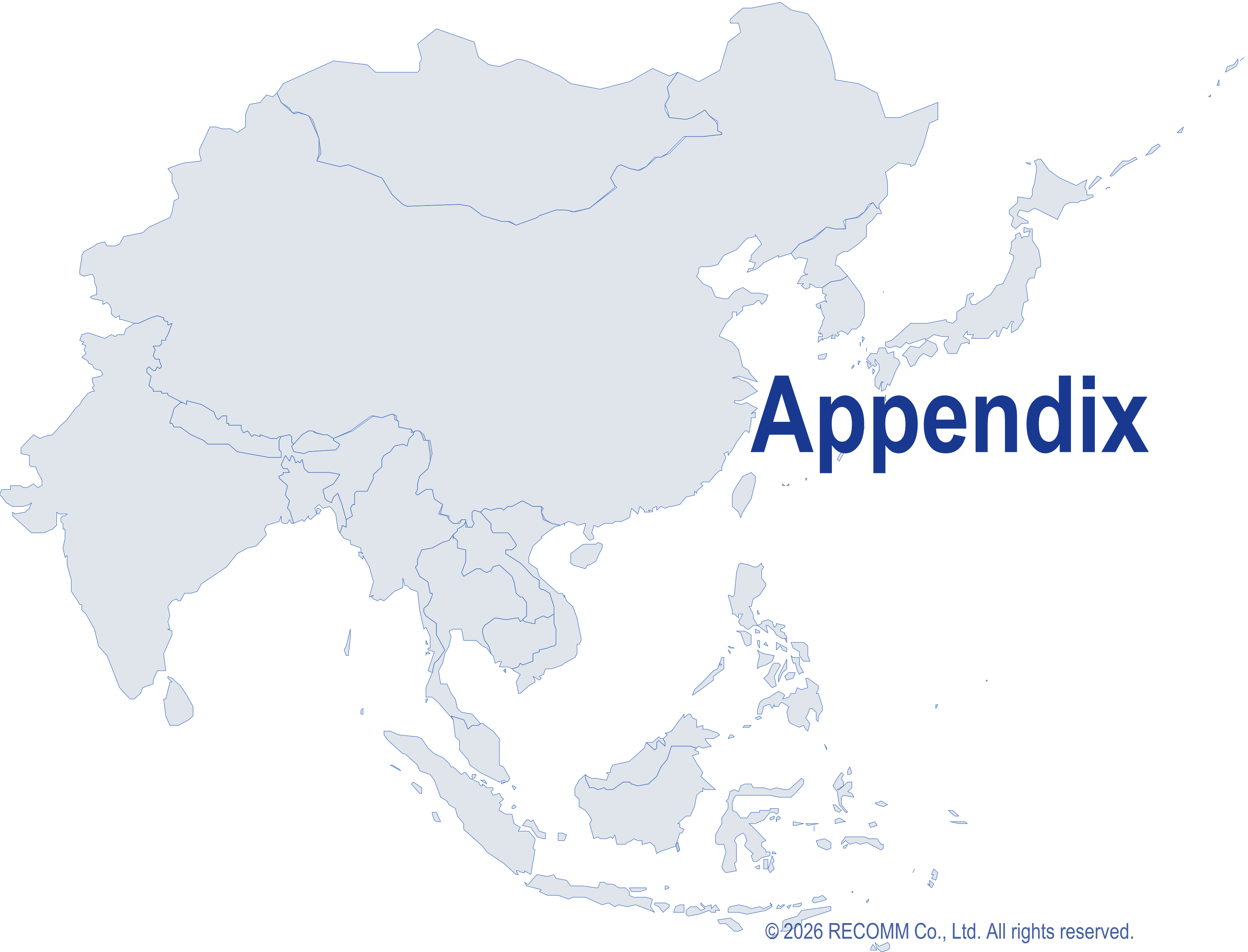
Road map of the medium-term management plan



CAGR*	14.5%	17.3%	12.3%	20% (goal)
Operating margin	2.3%	3.1%	3.7%	10% (goal)
ROE	1.6%	3.9%	6.0%	20% or more (goal)

CAGR calculation: Revenue CAGR over the past three years

Becoming a global leading B2B solutions provider group



Appendix

Company overview

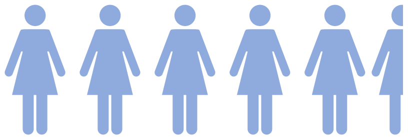
Company name	RECOMM Co., Ltd. (RECOMM CO., LTD.)
Established	September 30, 1994
Shares listed	May 26, 2004 TSE Standard: Securities code 3323
Address	25-3 Yoyogi 3-chome, Shibuya-ku, Tokyo
Representative	Hidehiro Ito, President and Group CEO
Business description	Overseas solutions businesses, domestic solutions businesses, DX business
Total shares issued and outstanding	82,670,255 shares (as of December 31, 2025)
Shareholders	21,894 (as of September 30, 2025)
Share capital	2,449 million yen (as of December 31, 2025)
Number of employees	442 (consolidated, as of December 31, 2025)

Characteristics of employees

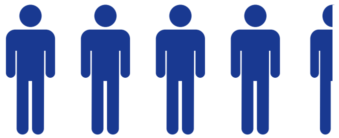
As of December 31, 2025

Gender

Female 51%



Male 49%



Ratio of nationalities

Foreign nationalities 64%

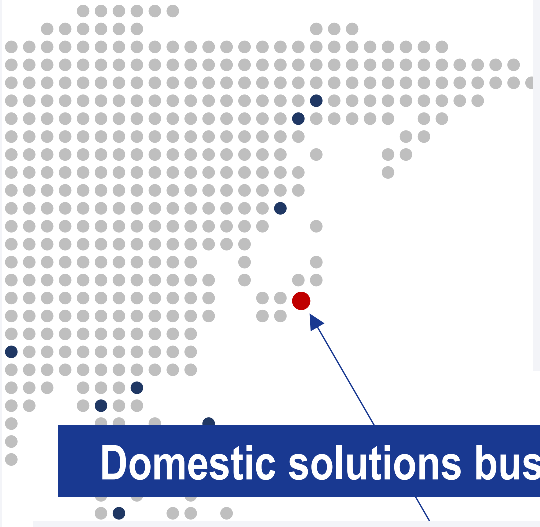
Japanese 36%

Operating companies in individual businesses

The Group consists of seven operating companies in Japan and 17 overseas in three businesses (as of December 31, 2025)

Overseas solutions businesses

Overseas: 16 facilities in eight countries



- RECOMM Business Solutions (Dalian) *1
- RECOMM Business Solutions (Shanghai)
- Vietnam RECOMM (Ho Chi Minh City, Hanoi)
- RECOMM Business Solutions (Asia) * Thailand
- RECOMM Business Solutions (Thailand)
- RECOMM Business Solutions (Malaysia)
- Sin Lian Wah Lighting Sdn. Bhd. (Malaysia)
- Sin Lian Wah Electric Sdn. Bhd. (Malaysia)
- Intelligence Indeed Malaysia Sdn. Bhd. (Malaysia) *2
- RECOMM Business Solutions (Indonesia)
- RECOMM Business Solutions (India)
- Greentech International Pte. Ltd. (Singapore) *2
- TAKNET SYSTEMS PTE LTD. (Singapore)
- Lumitron Pte. Ltd (Singapore) [NEW]

DX business

- RECOMM Business Solutions (Dalian) *1
- RECOMM Tengyuan Business Solutions (Dalian)
- RECOMM Business Solutions (Changchun)
- Myanmar RECOMM
- RECOMM BPO (Japan)

Domestic solutions businesses

- RECOMM Japan
- Venustech Japan
- RECOMM IE Partner
- Intelligence Indeed Recomm *2
- RECOMM DX Solutions
- Kawahara Jimuki [NEW]

Domestic: 21 branches, 5 sales offices, service & support center

Tohoku region:
Aomori Sales Office

Kanto region:
Tokyo Branch No.1
Tokyo Branch No.2
Tochigi Branch
Gunma Branch
Saitama West Sales Office
Toshima Branch
Chiyoda Branch
Hachioji Branch
Service & support center

Chubu region:
Nagano Branch
Nagano South Branch
Shizuoka Branch
Nagoya Branch I
Nagoya Branch II
Nagoya East Sales Office

Kinki region:
Osaka Branch
Green Innovation Osaka Branch
Kobe Branch

Chugoku-Shikoku region:
Matsue Branch
Shunan Branch

Kyushu region:
Kitakyushu Branch
Kurume Branch
Oita Sales Office
Yatsushiro Sales Office

Okinawa region:
Okinawa Branch
Naha Branch

*1: RECOMM Business Solutions (Dalian) operates in both the overseas solutions and DX businesses.
*2: Equity-method affiliate

RECOMM by the numbers

Established year

1994

Began the first sales franchise business in the industry

Listing year

2004

Listed on the Osaka Securities Exchange Hercules Market

Year of listing by Chinese subsidiary

2018

Shares of subsidiary Dalian RECOMM listed on the OTC market in China

Actual result of M&As

25

domestic and overseas acquisitions and sales

Recent cross-border M&A results of overseas subsidiaries

Revenue

13 billion yen

FY 2025/9 consolidated settlement of accounts

Operating profit

400 million yen

FY 2025/9 consolidated settlement of accounts

Number of domestic facilities

7 companies

Supporting SMEs across Japan through a network of 7 companies, 21 branches, 5 sales offices, and service & support center

Number of overseas facilities

8 countries, 17 companies

Overseas expansion in China, Southeast Asia, and India

Company History

RECOMM

1994
- Established to sell and maintain telecommunications devices and office equipment

1995
- Became the first in Japan to seek franchisees in the sales franchise business

1999
- Launched RET'S NET hosting services

Ret's Copy

2000
- Launched RET'S COPY fixed-price maintenance service for digital multi-function printers

2003
- Establishment of a call center in Dalian, China
  First entry to China market

2004
- Shares listed on the Hercules Market of the Osaka Securities Exchange (now the Standard Market of the Tokyo Stock Exchange)

2005
- Opened a document management center and began office equipment sales in Dalian, China

2009
- Accepted BPO service contracts in Dalian, China
  Full-fledged launch of the BPO business

2012
- BPO center opened in Changchun, China

2013
- BPO sales began in Japan

2014
- Launched Rentia, our brand of LED lighting
- BPO center opened in Myanmar

2015
- Company established in Japan to develop and sell security products as a joint venture with Venustech of China

2016
- Began the sales of LED lighting and etc. in Shanghai, China.
  "Full-fledged launch of overseas corporate sales"
- Launched the PPS power distribution business

2017
- Began the sales of LED lighting, commercial air conditioners, etc. in Vietnam

2018
- Began the sales of LED lighting, commercial air conditioners etc. in Malaysia
- Began the sales of LED lighting, commercial air conditioners etc. in Myanmar
- Began the sales of LED lighting, commercial air conditioners etc. in India

2018
- Shares of Chinese subsidiary listed on the OTC market in China
  "The Group's second IPO"

2019
- Shares in subsidiaries in Thailand, Indonesia, and the Philippines acquired from FT Group Co., Ltd.
- New global headquarters established in Malaysia

2020
- Began sales of ReSPR antiviral equipment (acquired exclusive sales rights in seven overseas markets)

2021
- Acquired shares in Sin Lian Wah Lighting of Malaysia
  "Full-fledged launch of businesses in local markets overseas"

RoboWorker

2023
- Intelligence Indeed RECOMM Co., Ltd., established as a Japanese joint venture with Intelligence Indeed of China; wholly owned subsidiary RECOMM DX Solutions Co., Ltd. established as a sales company
- Began the sales of Robo Worker (AI-RPA)
- Acquired 100% of the shares of stock in Sin Lian Wah Electric Sdn Bhd of Malaysia, making it a subsidiary

2024
- Acquired 65% of the shares of stock in TAKNET SYSTEMS PTE. LTD., an AI server company in Singapore, making it a subsidiary

2026
- Acquired 100% of the shares of Yugen Kaisha Kawahara Jimuki, an Iwate-based office equipment sales company, making it a subsidiary.
- Acquired 80% of the shares of Lumitron Pte. Ltd., a Singapore-based lighting equipment wholesaler, making it a subsidiary.

Business overview (product lineup)

A comprehensive producer of **optimal office environments**

We offer the following product lineup as a B2B solutions provider.

IT solutions

Provision of **IT devices** and **cybersecurity** services for corporate users
Installation construction and maintenance contracting

IT devices

Cybersecurity

Installation construction and maintenance

Internet connection

Carbon-neutral solutions

Helping corporate customers to achieve carbon neutrality and cut costs, by providing **highly energy-efficient products and services**

LED lighting

Commercial air conditioners

Radiative cooling materials

Air purifiers

Digital transformation solutions

Promoting corporate **digital transformation (DX)** and providing **business restructuring solutions** through such means as BPO centers and business automation tools

RoboWorker
AI-RPA
AI agent

BPO services

Ret's OCR
AI-OCR

Ret's Eye
Business visualization tools

Comfortable working environments, cost savings ⟷ **More efficient office work**

Our competitive advantages

Global one-stop solutions

- Advancing into eight countries overseas
- Offering consistent products and services in every country
- BPO contracting also available in addition to IT devices and eco products

Direct sales abilities

- Deploying direct sales overseas as well as in Japan

A corporate culture that continues to adapt to the changing times

- The first sales franchise business in the industry
- First in the industry to sell copiers with fixed-rate maintenance services
- First in Japan to open an outbound offshore call center
- First in Japan to open a BPO center in Myanmar
- The only non-manufacturer company in Japan to list parent and subsidiary shares in Japan and China
- The world's first RPA service with embedded generative AI

Deepening relations of trust with customers and building long-lasting partnerships through direct transactions

Sensitive to customer needs

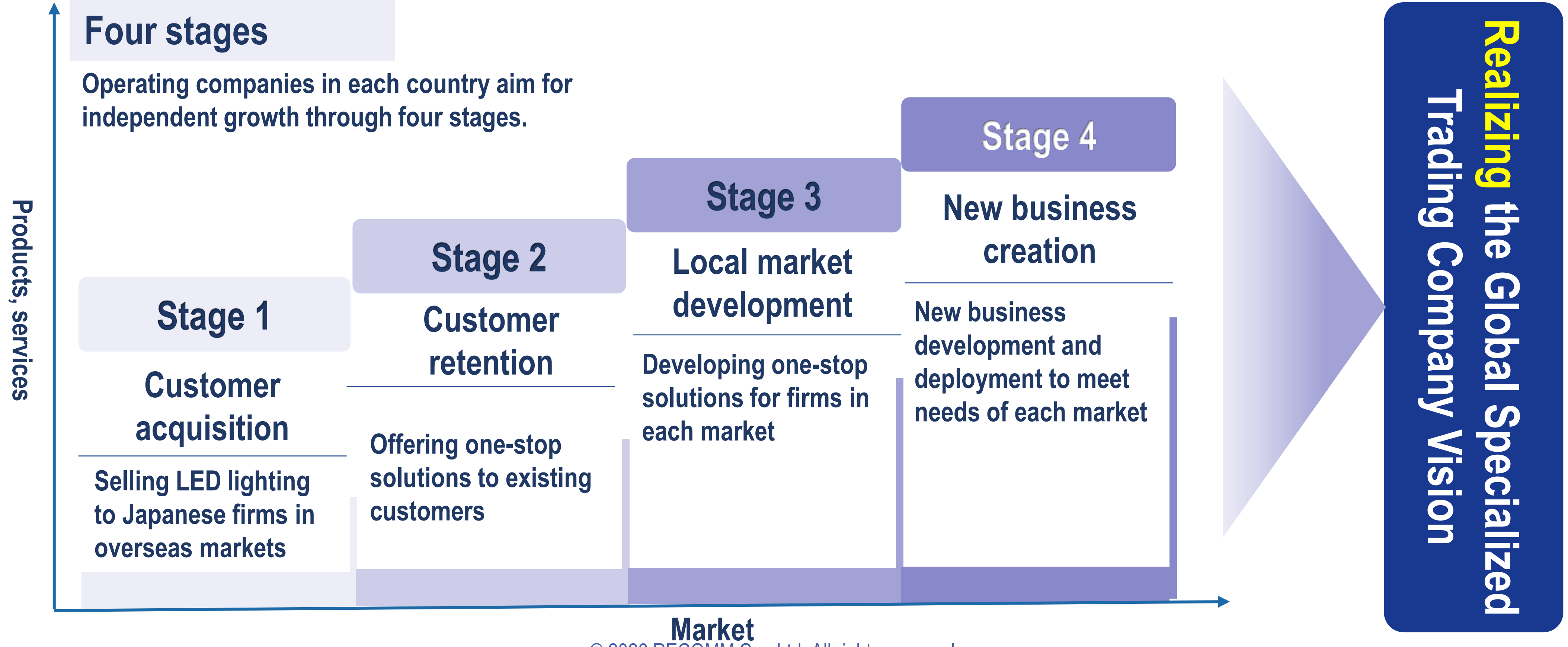
Proposing optimal solutions

2025-2027 Medium-Term management plan

Basic strategy

Basic strategy: Global specialized trading company vision

Global specialized trading company vision: Accelerating global business growth by proposing solutions to global customers based on state-of-the-art products and services and our strengths in direct marketing!



Goals

- We will do business aiming to achieve the following three targets by FY 2027/9.

Sales CAGR	Operating margin	ROE
20% or more	10% or more	20% or more

Review of the previous medium-term management plan and identification of issues

- **Assessed the outcomes of priority strategies in the previous medium-term management plan and identified current issues.**

Assessment of results of priority strategies

Product and service development	Overseas	Enhancing current stage and moving to next stage (Building up sales to LED customers)	△
	Overseas	Enhancing current stage and moving to next stage (Local firm development)	×
	Stock	Creating new maintenance services and subscription models through establishment of a stock business promotion section	△
Customer acquisition	Overseas	Development of global strategic products	×
	DX promotion	DX promotion support using BPR analysis	△
	DX promotion	Advancement of BPR business operations through DX	
	Decarbonization	Introducing high-performance energy-saving products under our own Rentia brand of LED lighting	○
	Decarbonization	Expanding the lineup of products to promote decarbonization	△
Partner development (including M&As), facility development	Overseas	Growing strategic partnerships	○
	DX	BPR business development in China	×

Issues

✓ **Difficulty of balancing new customer acquisition and new product development**

└Impossible to make time available for development without increasing productivity

✓ **Low productivity per salesperson**

└Inability to generate results exceeding labor input in labor-intensive sales activities

✓ **Difficulty of hiring salespersons**

└Not easy to fill vacancies due to external environmental conditions

✓ **(Overseas) Not enough brands targeting local firms**

└Brand-building activities are essential, but it is hard enough just to devote time to sales

Basic Policy of new Medium-Term Management Plan

- **Determined the basic policy based on the identified current issues.**
  We will address delays in product and service development and customer acquisition, which was the main reasons we failed to achieve the previous Medium-Term Management Plan's target sales CAGR of 31.3%, by accelerating growth based on establishment of systems not dependent on human resources (digital transformation of sales).

Basic policy	Vision: sales DX × M&A

- ✓ **Executing data-driven approaches** by improving existing sales to build a base of customer data
- ✓ Aiming to **realize sales much more efficient** than traditional sales through sales DX
- ✓ Also increasing value of new Group firms added through M&As by **transplanting sales DX** to them
- ✓ **Realizing sustained growth** through both improving RECOMM itself and accelerating M&As

Concrete efforts to formulate the new Medium-Term Management Plan

- We will build a structure able to achieve efficient sales activities even with limited staff through sales DX. We also will transplant this system to M&As to increase their value. (* The aim is to achieve massive business growth in a short time using both sales DX and M&As.)

▶Vision for sustained business growth (* Business growth by fusing sales DX and M&As)

*Items in red are not yet final or involve issues

Sales DX × **M&A**

Phase 1: Short-term growth targets

Phase2: Medium-Term targets

Advancing existing businesses

Sales data integration × Deep understanding of customers × Data-driven approach

Building up sales skills and putting them to use right away

Improving solutions proposed

Successful case studies by industry × Proposal scenarios by industry × Front-end products & Back-end products & Stock products

Approaches to make proposals more efficient

Establishing an influential sales style

Downloadable content & Web marketing (branding) × Inside sales & Field sales × Data utilization & Marketing automation

Realizing sales that are not labor intensive

Business reorganization through M&As

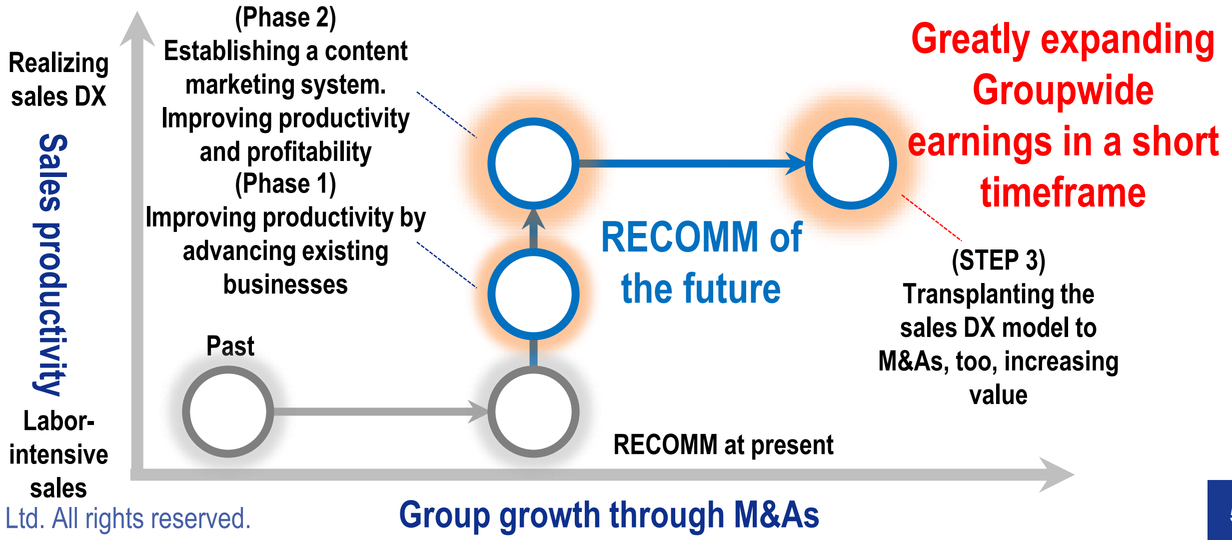
Domestic M&As × Overseas M&A

Pursuing synergies through reorganization

▶Scenarios for business growth through DX × M&A

- Realizing sales DX within RECOMM (improving productivity and profitability)
- Increasing value of M&As (transplanting sales DX model to M&As too)
- Growing Groupwide earnings foundations (as sources of further M&As and partnership development)

Toward sustained growth of more than 20%/year

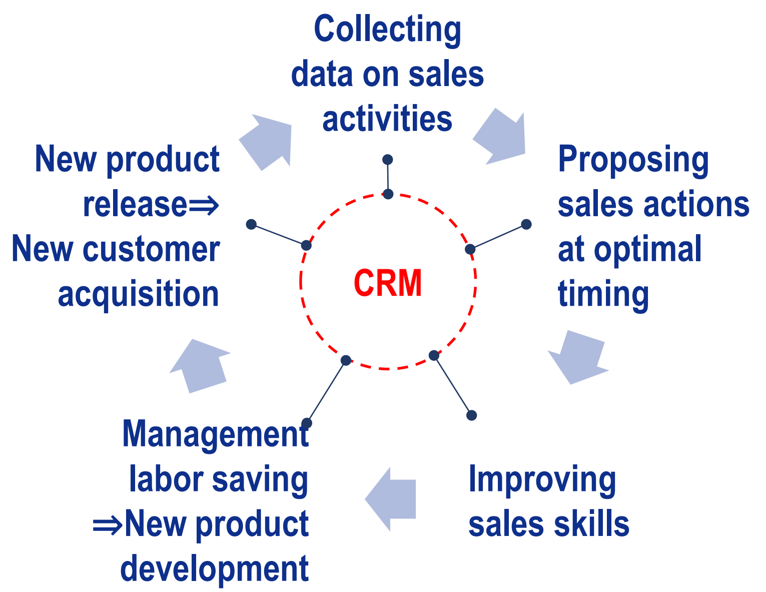


Specific three-year sales DX plan

- We will link data to the CRM system in a short timeframe and thoroughly implement sales based on the system.
- The aim is to improve all three aspects of sales, human resource development, and product development through sales activities based on customer information.

Overview of Companywide sales DX promotion based on the CRM system

Virtuous cycle generated by sales DX based on CRM use



Impacting not only sales but also enhancement of product development through the thorough use of CRM

Management improvement effects

Positive effects on management

Increasing rate of successfully receiving

- ✓ Sales staff able to approach customers at the customers' desired timing
- ✓ Fully able to visit customers at the timing of the replacement

Accelerating human resource development

- ✓ Data-driven sales enables even younger sales staff to take action to increase the rates of successfully receiving orders
- ✓ Quickly putting human resources to effective use

Improving new product development

- ✓ Improving development abilities by securing the time needed for new product development
- ✓ Shifting the focus of managers, which has been consumed by management tasks, toward new product development

Companywide impact

Impacts on individual businesses

Improving performance of domestic businesses

- ✓ Promoting optimal sales activities and accelerating human resource development to secure new customers by developing new products and services
- ✓ Building new stock models and increasing the percentage of stock businesses, controlling separation rates, and increasing the rate of product adoption per customer

Improving performance of overseas businesses

- ✓ Accelerating human resource development can be expected to impact the acquisition of customer firms in overseas markets by training national human resources
- ✓ Also expected to impact product development

New customer acquisition in the DX business

- ✓ Efficient new customer acquisition can be expected in the DX business based on customer data from other RECOMM businesses units.

Priority measures in domestic businesses

- In domestic businesses, we will develop new businesses, increase the percentage of stock business sales, and increase customer satisfaction.

Priority measures in domestic businesses

New development

- Direct-sales customer acquisition
- Agent development

To acquire new customers, it will be essential to develop new products with high market growth potential

- Carbon-neutral solutions
- Cost-saving solutions
- Cybersecurity solutions
- Business productivity improvement solutions etc.

Increasing percentage of stock business sales

- Expanding stock services
- Establishing stock business sales growth plans

Expanding stock services

- Introducing new stock products and services
- Helping to increase numbers of customers by providing them with added value

Establishing stock business sales growth plans

- Quickly launching sales methods and models
- Incorporation into HR evaluation systems

Increasing customer satisfaction

- Strengthening service and support structures
- Accelerating visitation maintenance

Enhancing Service and Support Center structure

- Establishing a remote maintenance structure through customer-dedicated sites
- Expanding time available for services by providing the latest information, posting FAQs, and linking to other information

Accelerating visitation maintenance

- Using DX to manage actions by technical staff and advance customer service at centers

Main policy on domestic businesses

Shifting toward stock-based business models with more solid revenue bases
⇒ Deploying measures to secure new customers and increase customer satisfaction

Priority measures in overseas businesses

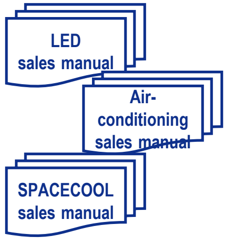
- We will target firms in each market through development of national human resources and more precise marketing.
- We will accelerate strategies by developing human resources capable of communicating the high quality of RECOMM

National human resource development

Past three years	Next three years
Ability in demand Accurately communicating high-performance Japanese products to Japan-affiliated firms in the local market	Vision of needed human resources Those able to communicate product appeal accurately in the local languages

[National human-resource development cycle]

Gathering knowledge	Absorbing knowledge	Giving it a try	Improvement
Concentration of sales knowledge accumulated since our founding and sales methods of ideal sales staff	**Absorbing** verbalized **methods and knowledge** through various methods	**Trying out** absorbed methods and knowledge in the actual sales field	Evaluating efforts made based on **clear standards**, and making improvements
Product-specific sales manuals	**Overseas training trips** Sending sales staff for training in benchmark markets for each product	**On-the-job training (OJT)** Supporting experienced senior colleagues in actual customer sales	**Setting up action standards based on CRM** Implementing actions proposed using CRM



Through the cycle of regular training, OJT, and improvements, building a system for more efficient development of national human resources

More precise targeting of firms in each market

Required quality level (H – L)

Target allocation illustration	Target customers	Target priority	
H: Japan-affiliated firms	Japan-affiliated firms	○	Sales will continue
National 3	Leading firms trading with Japan-affiliated firms	○	Priority target: Sales will be promoted to build up case studies
National 2	National firms more sensitive to quality	△	Active development will be promoted based on the above case studies
L: National 1	National firms looking for low-priced products above all	×	Not targeted

Priority measures at overseas M&As

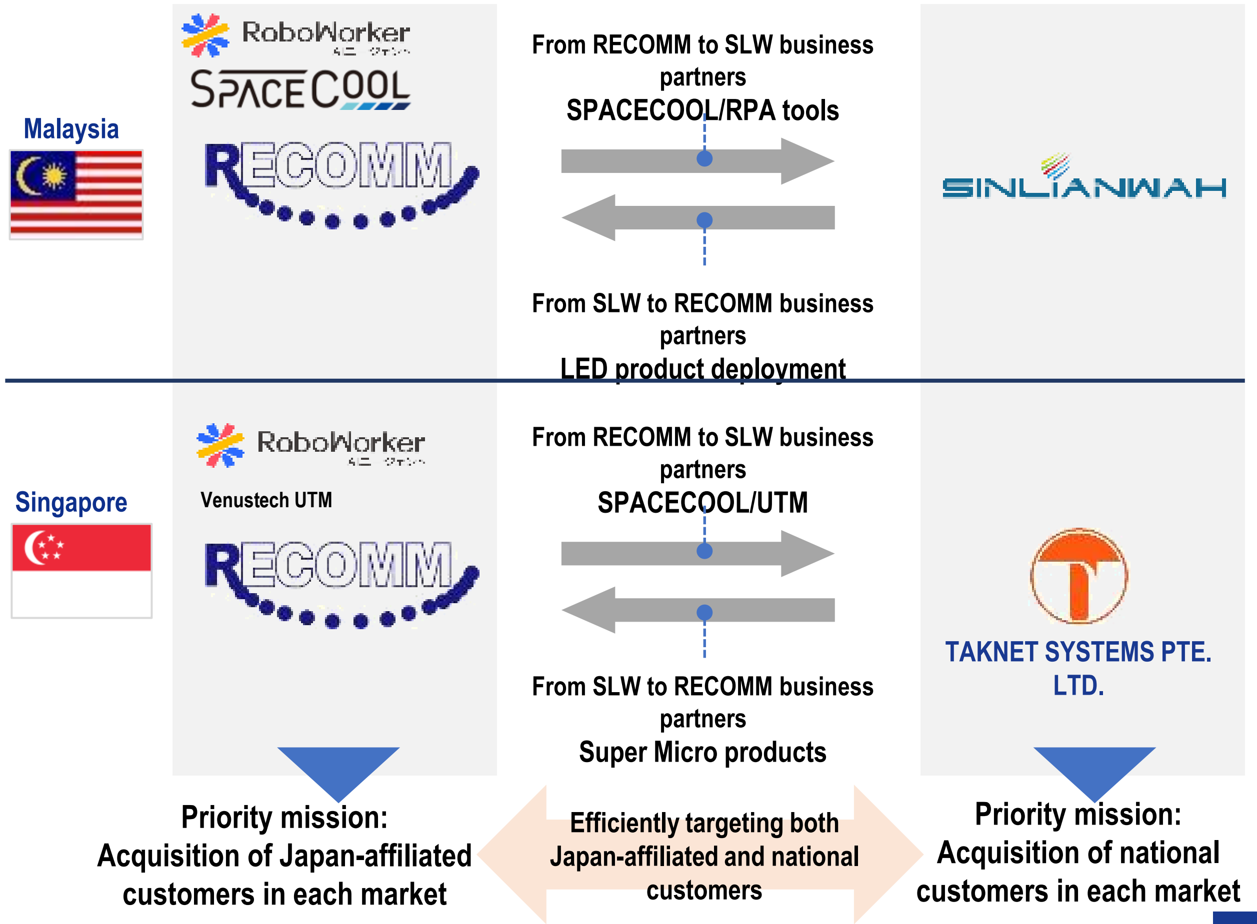
- We will aim to improve business results further through synergies leveraging the advantages of M&As and RECOMM.
- The RECOMM Group will promote the acquisition of customer firms in each market via local Japan-affiliated firms and M&As.

Illustration of generating synergies through our businesses and M&As

		Products	
		RECOMM	M&As
Channels	RECOMM	Further growth in market share through sales DX	Deployment of M&A products through RECOMM channels
Channels	M&As	Deployment of RECOMM products through M&A channels	Installation of the RECOMM sales DX model ⇓ Further growth in market share

Synergy generation

Strategic synergy generation scenarios (exs.)



Priority measures in the DX business (RPA)

- We will promote solutions matched to industry needs through both RPA and BPO based on more precise targeting.
- We also will promote market development leveraging BPR proposals by combining both BPO and RPA.

Main strategic policies

RPA

Proposal scenarios for major firms

Replacement proposals & adoption service proposals

Proposal scenarios for second-tier firms and SMEs

Bundle development by industry & proposal scenario development

Bundle content
- AI agent
- Products for each industry

BPO

Targeting policy

- Industries with chronic labor shortages (small-scale, disported industries)
- Industries in which business systems have been adopted with large shares
- Analog industries still using paper in many operations
- Industries whose market growth potential continues to increase
- Industries with points of contact with RECOMM

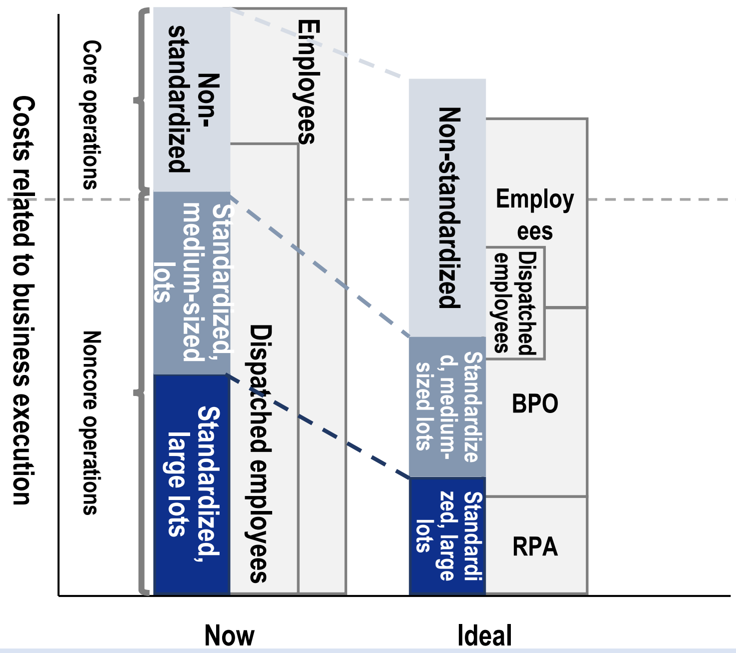
Target industries:
(i) Healthcare and welfare domain

(ii) Residential real-estate domain (including remodeling)

Illustration of service provision combining RPA and BPO

Accelerating BPR proposals combining RPA and BPO

Cutting total costs
Developing an environment for concentrating on core operations (development, sales, planning, etc.)



Differentiation from the competition

Creating successful case studies in individual industries through comprehensive proposals of BPO and RPA solutions ⇒ Deploying successful case studies horizontally in market development

Priority measures in administrative sections

- We will improve productivity by revising the workflows in existing businesses and eliminating waste in operations.
- We will shift toward administrative sections that generate profits by promoting management through optimized operations and staff numbers.

Formulating improvement plans for existing businesses

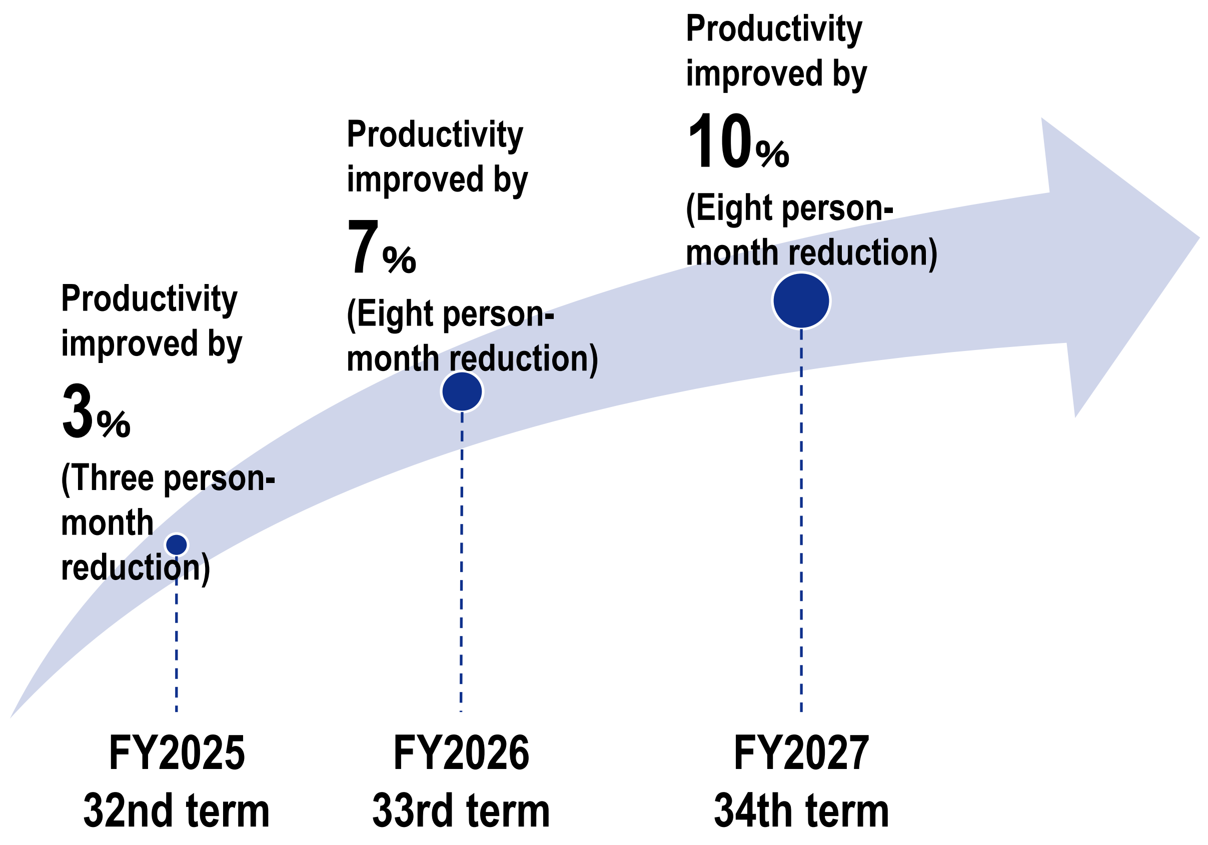
Existing businesses → Optimization → Optimized businesses

Studying optimization from the following perspectives

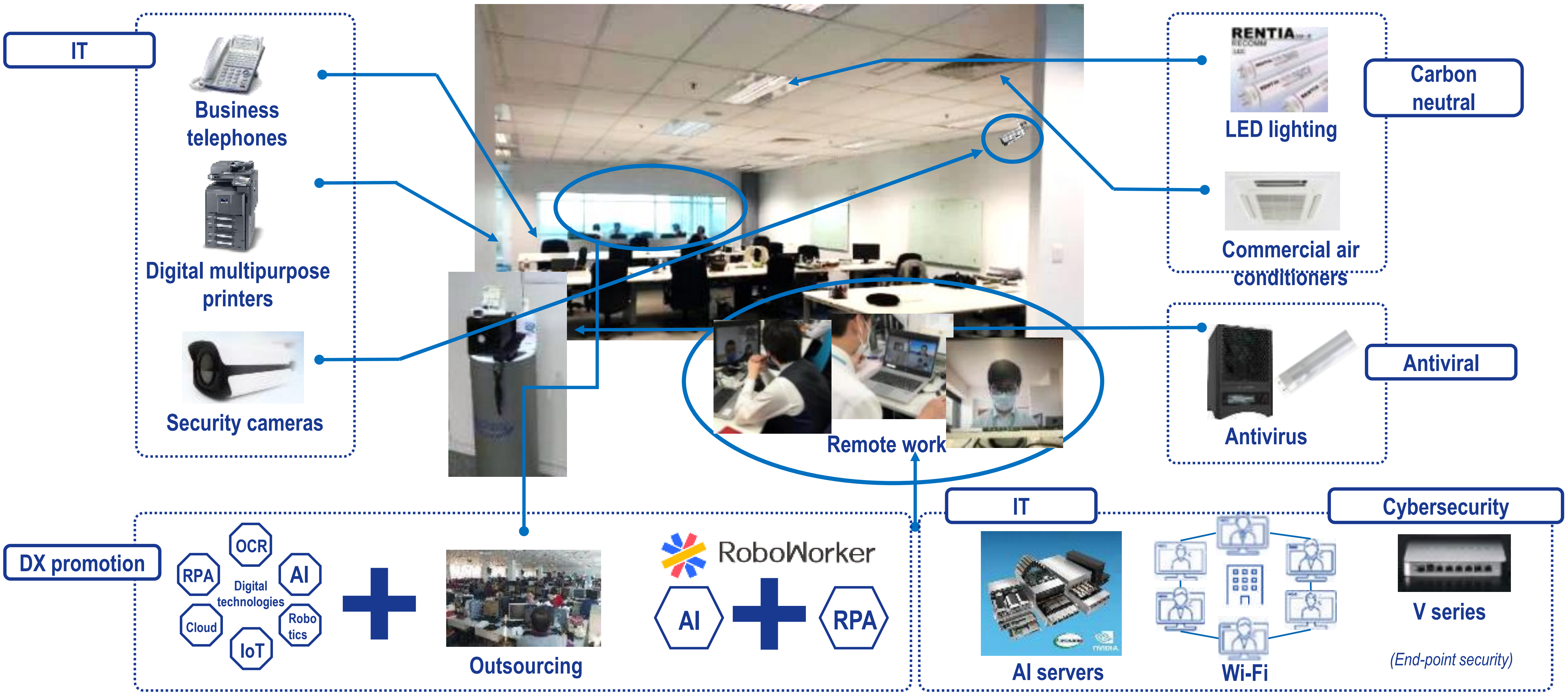
Eliminate	Combine	Rearrange	Simplify
Can it be eliminated?	Can they be combined?	Can it be rearranged?	Can it be simplified?
✓ Reconsidering business objectives ✓ Identifying unneeded operations	✓ Consolidation of similar businesses ✓ Considering division of complex businesses	✓ Rearrangement of work procedures, sites, staff	✓ Developing work patterns ✓ Automation, labor saving

Formulating improvement plans to sort out existing businesses and optimize each

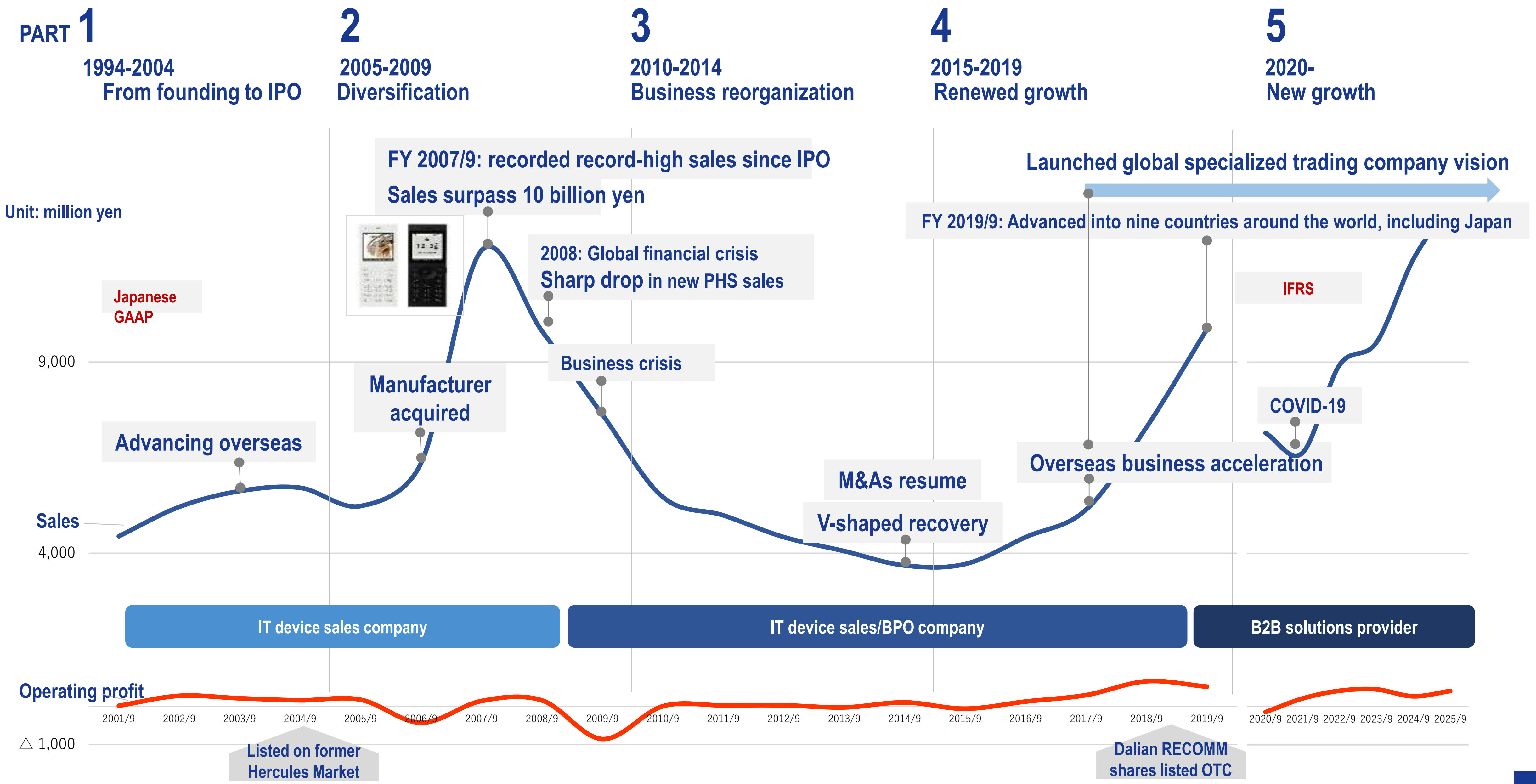
Improvement targets



Business model: One-stop provider of five solutions from IT to carbon neutrality, DX, security, and anti-infection



Evolution from a sales company to a B2B solutions provider



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