

The background of the slide is a dynamic, high-speed photograph of a dark-colored sports car, likely a Ferrari, driving on a road. The car is in the lower-left foreground, angled towards the viewer. The background is heavily blurred with horizontal streaks of light and color, creating a sense of rapid motion. The overall color palette is dominated by blues, whites, and greys, with some red accents from the car's body and wheels.

Mid-Term Management Plan (FY2024-FY2026) UPGRADE SPK!

Management philosophy

Sincerity, **P**assion, **K**indness

Management policy

- Good for all three sides
- Save and make an effort
- Enterprising spirit

It has been 107 years since **SPK** was established.
We are an auto parts trading company that
inherits “the spirit of Omi merchants” .

- 1 . SPK VISION2030
- 2 . Review of the previous Med-term Management Plan
- 3 . Overview of the new Med-term Management Plan
- 4 . Business strategy
- 5 . Promoting human capital and ESG management
- 6 . Cash allocation (2024-2026)
- 7 . Initiatives to improve corporate value
- 8 . Dividend policy and shareholder returns
- 9 . Towards the destination of VISION2030

To Be a Global General Trading Company of Mobility Business!



1. SPK VISION2030



■ The Journey to VISION2030

Previous Med-term Management Plan

LAUNCH FOR THE FUTURE !

- Active promotion of core parts business
- Launch of global brand products
- M&A for new mobility business
- Building a new headquarters for the first time in 60 years, etc

2020
SPK

2018-2020
SPK EVOLUTION
(Preparing to realize VISION)

2021-2023
1st Cycle

2024-2026
2nd Cycle

2027-2029
3rd Cycle

2030

SPK

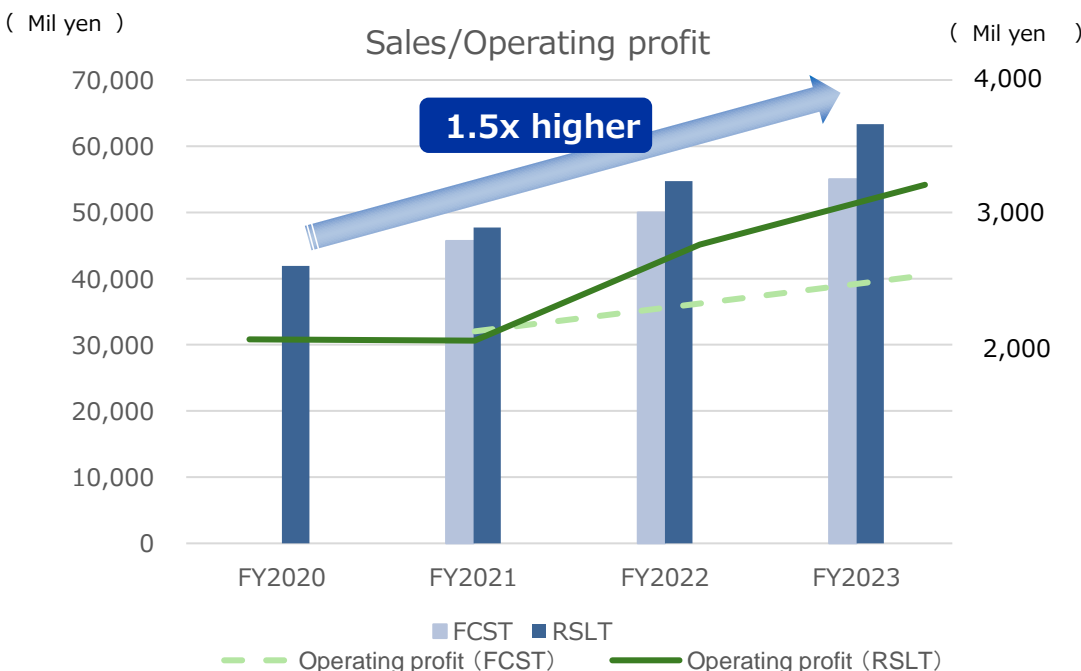
To Be a Global General Trading Company of Mobility Business!

We will continue to grow with our current parts distribution business at the core, and **by 2030** we will evolve into a **"Global Corporate Group in the Mobility Business"** that provides all kinds of value to mobility societies and users around the world.

2. Review of the previous medium-term management plan

- “Launch for the Future” achieved significantly more than planned.
- In the final year, both sales and operating profit were **1.5x higher** than in FY2020.

Mil yen	FY2020	FY2021		FY2022		FY2023	
	RSLT	FCST	RSLT	FCST	RSLT	FCST	RSLT
SALES	41,902	45,700	47,686	50,000	54,695	55,000	63,302
OPERATING PROFIT	2,044	2,100	2,034	2,300	2,720	2,500	3,145
MARGIN	4.9%	4.6%	4.3%	4.6%	5.0%	4.5%	5.0%



- Amid the COVID-19 pandemic and industry changes, we achieved record sales and profits thanks to the weaker yen and business expansion.
- Rapid growth has exposed issues such as organizational structure weaknesses, human resource shortages, capital reinforcement, stock price measures, etc.



VISION2030
2nd Cycle(2024-2026)

「UPGRADE SPK !」

Upgrade SPK in 3years
To the next leap forward

3. Overview of the new Med-term Management Plan

VISION2030 2nd Cycle

UPGRADE SPK !

Over the 3years starting in fiscal 2024,
We will maintain sustainable growth
while upgrading our organization and structure
to withstand further growth.

- Organizational reorganization of global management
- Business restructuring and system reinforcement
- Facilities and systems for new product and business development
- Cross-group promotion of ESG
- Finance, capital, and stock price strategies
that support activities

2030
SPK

To Be a Global
General Trading
Company of Mobility
Business!

2027~2029
3rd Cycle

2024~2026
2nd Cycle

2021~2023
1st Cycle

2020

SPK

2018~2020
SPK EVOLUTION
(Preparing to realize
VISION2030)

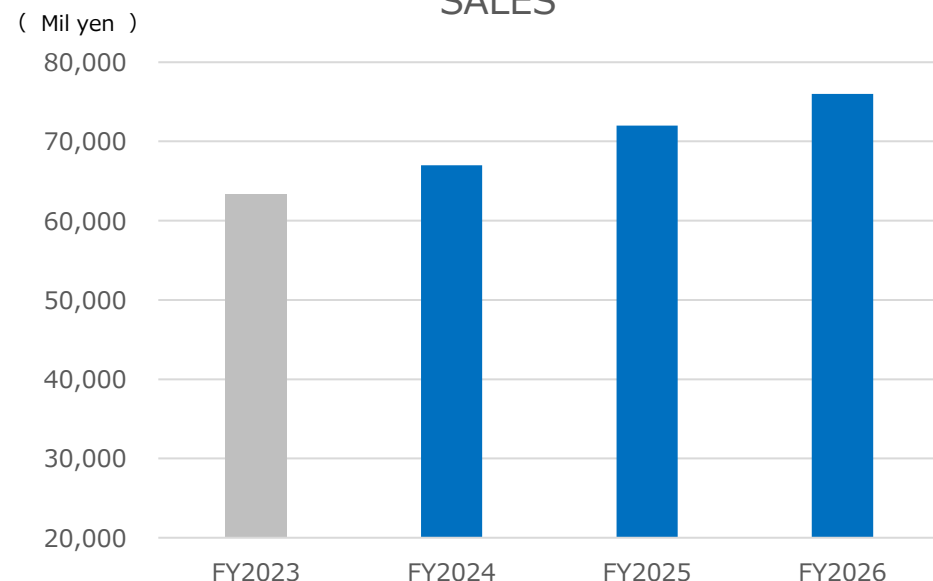
Previous Med-term
Management Plan
LAUNCH FOR THE FUTURE !
【Completion】

3. Overview of the new Med-term Management Plan

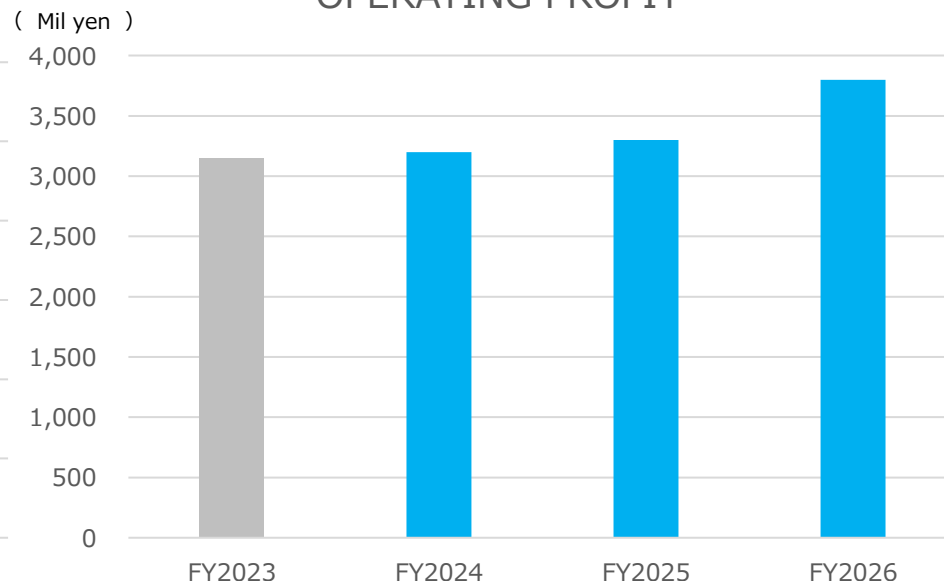
■ Achieve steady increases in sales and profits while Strengthening our foundation for the future

Mil yen	FY2023	FY2024	FY2025	FY2026
	RSLT	FCST	FCST	FCST
SALES	63,302	67,000	72,000	76,000
OPERATING PROFIT	3,145	3,200	3,300	3,800
MARGIN	5.0%	4.8%	4.6%	5.0%

SALES



OPERATING PROFIT



4. Business strategy

① Initiatives of each Sales Division

1. Domestic Sales Division

- **Expand product lineup to open up markets in mature markets**
 - ✓ Global brand “GSPEK” new product introduction and supply service upgrade.



- **Large-scale investment for business and system restructuring**
 - ✓ Improving efficiency and service throughout the supply chain from manufacturer to repair shop.
- **Organizational and logistics reorganization to achieve sustainable growth**
 - ✓ Reorganization of sales, operations, and planning departments.
 - ✓ Improving efficiency and solving problems by reorganizing logistics bases.

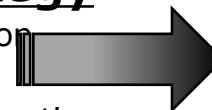
Offensive Strategy

New products
Strengthening to market changes
Strong supply chain



Defensive Strategy

Internal reorganization
Logistics efficiency
Business system reconstruction



To become a Global General
Trading Company of
Mobility Business

**Create a new
mobility
business**

4. Business strategy

① Initiatives of each Sales Division

2. Overseas Business Division

- **Upgrade overseas local business development**

- ✓ Establish a control system for priority areas (North America, ASEAN, Europe).
- ✓ Creation of local business in the Latin American market.
- ✓ Development and sales expansion of global brand “GSPEK” PB products.



- **Expand business areas to aftermarket and value chain**

- ✓ Initiatives in e-commerce, maintenance retail, etc.
in line with local circumstances.

- **Strengthen global business development structure, including M&A**



4. Business strategy

① Initiatives of each Sales Division

3. Machinery Equipment Division

● Upgrade of OEM global sales system

- ✓ Strengthen base structure in North America, ASEAN, and Europe and expand transactions between each base.
- ✓ Strengthen services through a dedicated sales organization for each OEM customer.

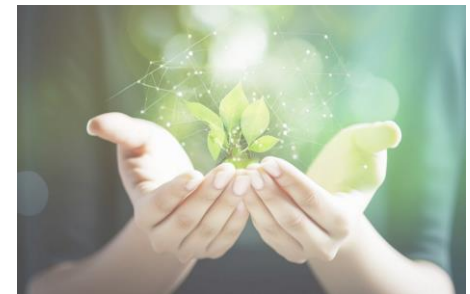


● Promote product mix reform

- ✓ Develop high-value products that are decarbonized and realize safety and security.

● Restructure of business and service structure

- ✓ Realization business flow reform and efficiency with new business system.
- ✓ Enhance quality control organization and strengthen overseas supplier management system.



4. Business strategy

① Initiatives of each Sales Division

4. CUSPA Division

- **Expansion of customized brands**

- ✓ Provide information on the appeal of automobile customization by aligning our own brands with top domestic and domestic brands.
- ✓ A wide variety of brand development .

- **Creation of new business**

- ✓ New business development in the fields of e-commerce, e-sports, and automobile customization.

- **Motorsport activity upgrades**

- ✓ Support motorsports activities of Daihatsu and other car manufacturers.

- **Strengthen detailing business**

- ✓ Expand the car wrapping business and opening a new wrapping school.



4. Business strategy

② Reinforce core business and promote new mobility business

SPK

SPK2030 Positioning of New Mobility Business



4. Business strategy

③ “UPGRADE SPK!” Priority Strategy

R&D, DX, ESG, New Businesses:
Strong promotion across the entire company

Establishment of R&D office

R&D

- Establish R&D offices in Tokyo and Osaka.
- Introduce development test equipment.
- Develop attractive products and businesses.
- Prevent market defects.



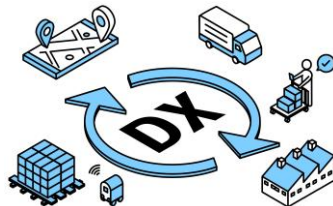
Promotion of IT and DX

Renewal of business and logistics systems

- Achieve operational efficiency and work system reform with DX.

Build a sales front system

- Further improve convenience for customers.



ESG

Expansion sales of rebuilt/CASE products

- Promote a decarbonized society by rebuild products.
- Development of auto driving and EV products.

Support the shortage of human resources at maintenance factories



Promotion of new business

Establishment of a heritage center

- Open a simulator lab and showroom to expand new mobility businesses such as e-motorsports.

Business expansion including M&A



4. Business strategy

④ Challenge of new mobility business

- A simulator lab was opened at the SPK Heritage Center in April 2024. We have received many inquiries from a wide variety of companies and organizations, including major car manufacturers and university research.
- Expected to be used in a wide range of applications such as e-sports, automobile development, and simulation.



5. Promoting human capital and ESG management

Achieve sustainable management by focusing on ESG

Promotion of a decarbonized society

Efforts towards decarbonization

- Environmental measures such as solar power generation panels.

Climate change risks and adaptation

- Realization of TCFD recommendation scenario : Net zero GHG emissions on a consolidated basis in 2050.
(Scope 1, 2)



Human capital management

Human capital and health management

- Build a healthy and rewarding work environment.

Maximize the value of human capital

- Develop and promoting diverse human resources to secure human resources.



Reinforce corporate functions

Governance

Reorganize Management dept

- Governance and group support. Reinforce control of each region.

Internal control/ risk management

- Reinforce general controls and risk management.



IR








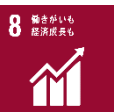


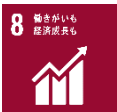

Reinforce IR department

- Broadly disseminate SPK's vision to stakeholders.
- Feedback on the content of IR/SR activities and share awareness.



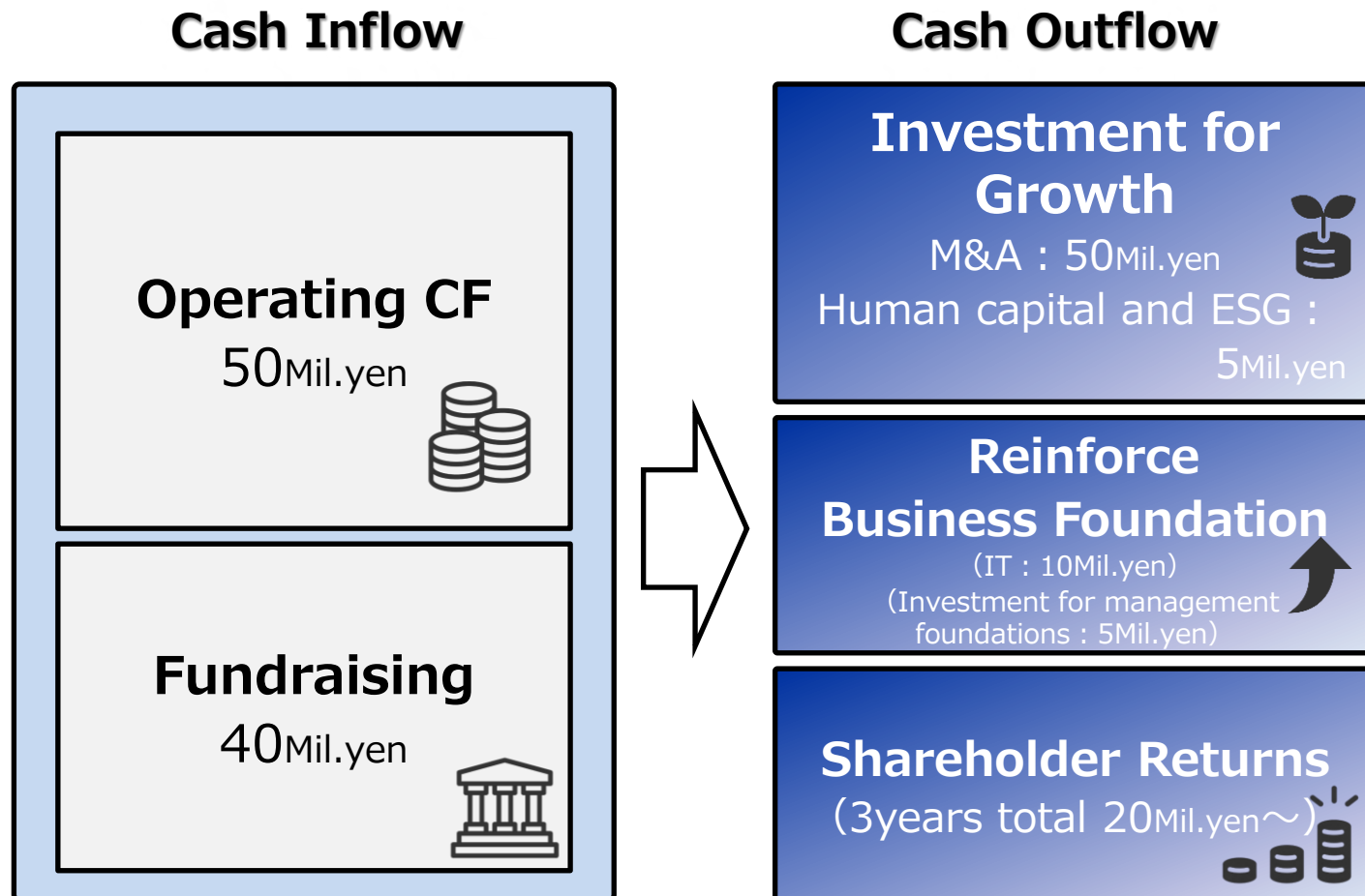
5. Promoting human capital and ESG management

- Through a mobility business considerate of the future and the environment, we aim to achieve both a decarbonized society and sustainable growth that emphasizes human capital.

Field	Content	Contribution to SDGs
E	【Realize a prosperous decarbonized society】 <ul style="list-style-type: none"> Check all products from an environmental perspective. Expand rebuilt and recycled product lineup. Promote decarbonization across the group. (Solar panels, etc.) 	     
S	【Aim to be a global company where employees can find fulfillment】 <ul style="list-style-type: none"> Human Capital Management. Promote work system reform. 	    
G	【Corporate governance】 <ul style="list-style-type: none"> Strengthen governance and compliance systems. Planned training of management talent. Enhance communication with stakeholders. 	   

6. Cash allocation (2024-2026)

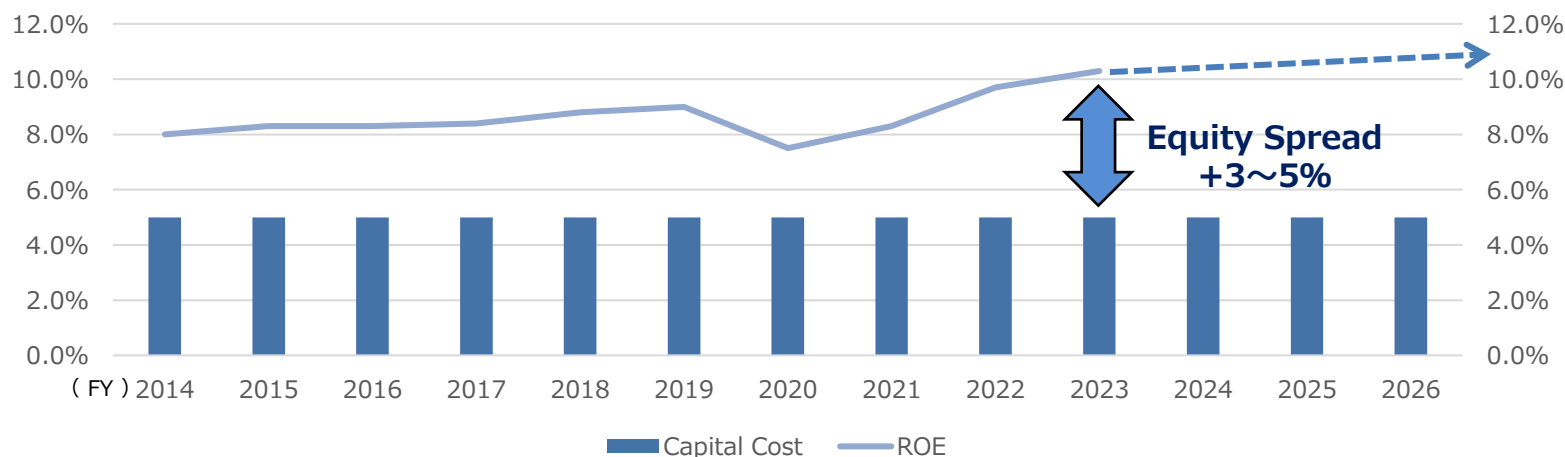
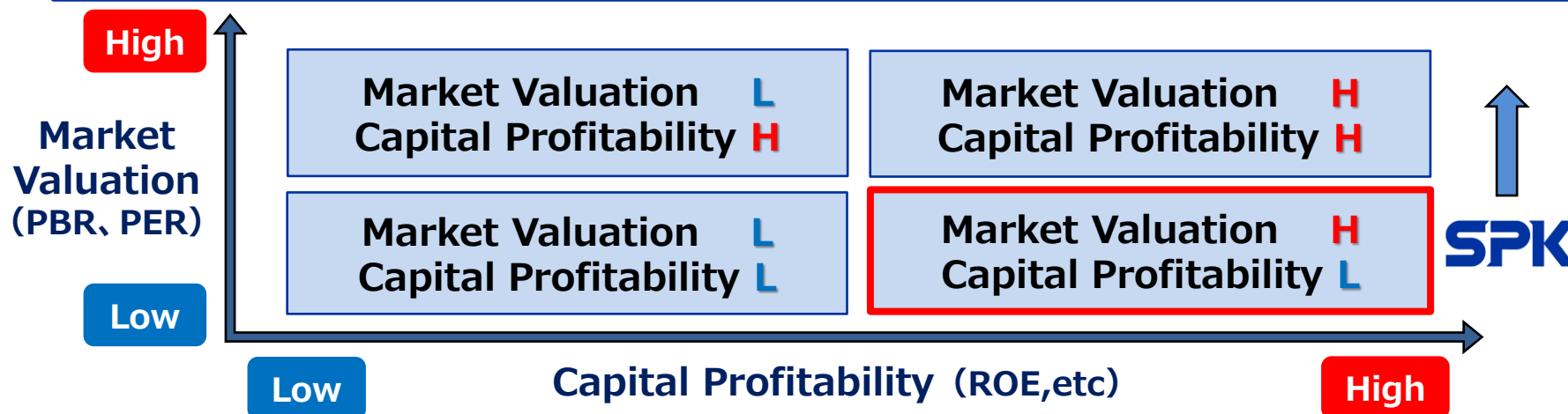
- In order to lay the foundation for a leap forward in the 3rd Cycle by making full use of business revenue and fund raising, we will strengthen our management and business foundations and make bold investments for growth while striving for solid shareholder returns.



7. Initiatives to improve corporate value

【Current situation】

- Our ROE is over 8%, and has exceeded 10% in recent times, but PER is below 10x, and the company is not being valued sufficiently in the market.
- We estimate our capital cost to be around 5%, our ROE is consistently higher, and our Equity Spread is +3~5%.



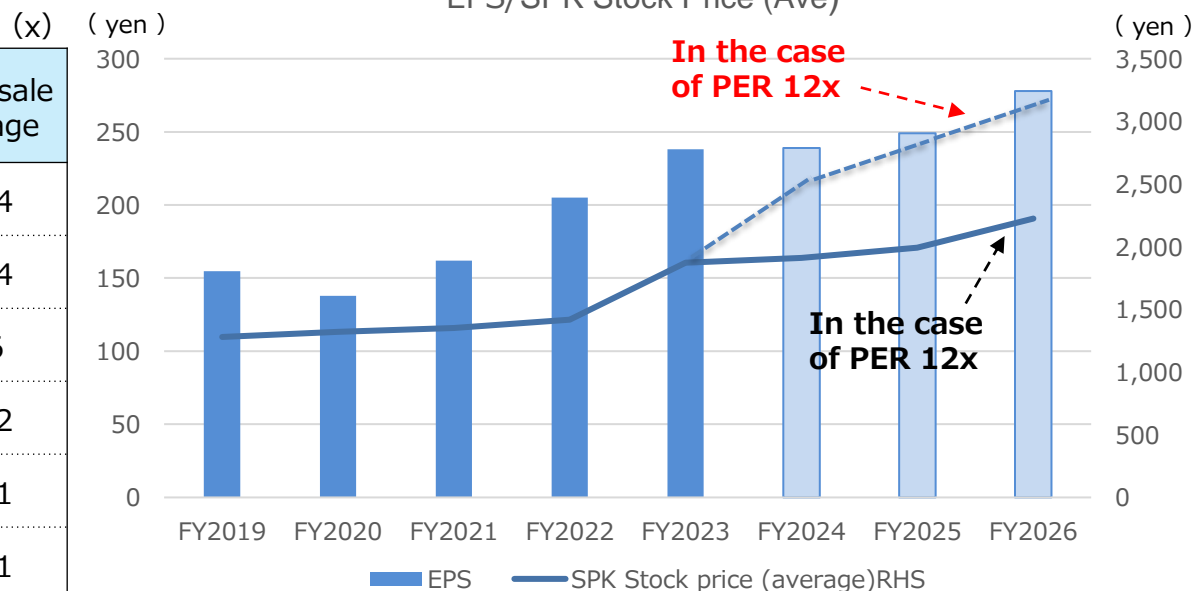
7. Initiatives to improve corporate value

Initiatives

- Cash allocation based on capital cost.
- Executive compensation that leads to increased corporate value in the medium to long term.
- Strengthen IR and feedback to management.

JPX Prime Market PER Comparison

	SPK	Prime Market Average	Wholesale Average
2021/9	17.6	27.1	17.4
2022/3	8.2	22.0	15.4
2022/9	17.0	14.2	9.6
2023/3	8.4	14.8	11.2
2023/9	14.6	15.7	11.1
2024/3	8.7	18.3	12.1
AVE	12.4	18.7	12.8



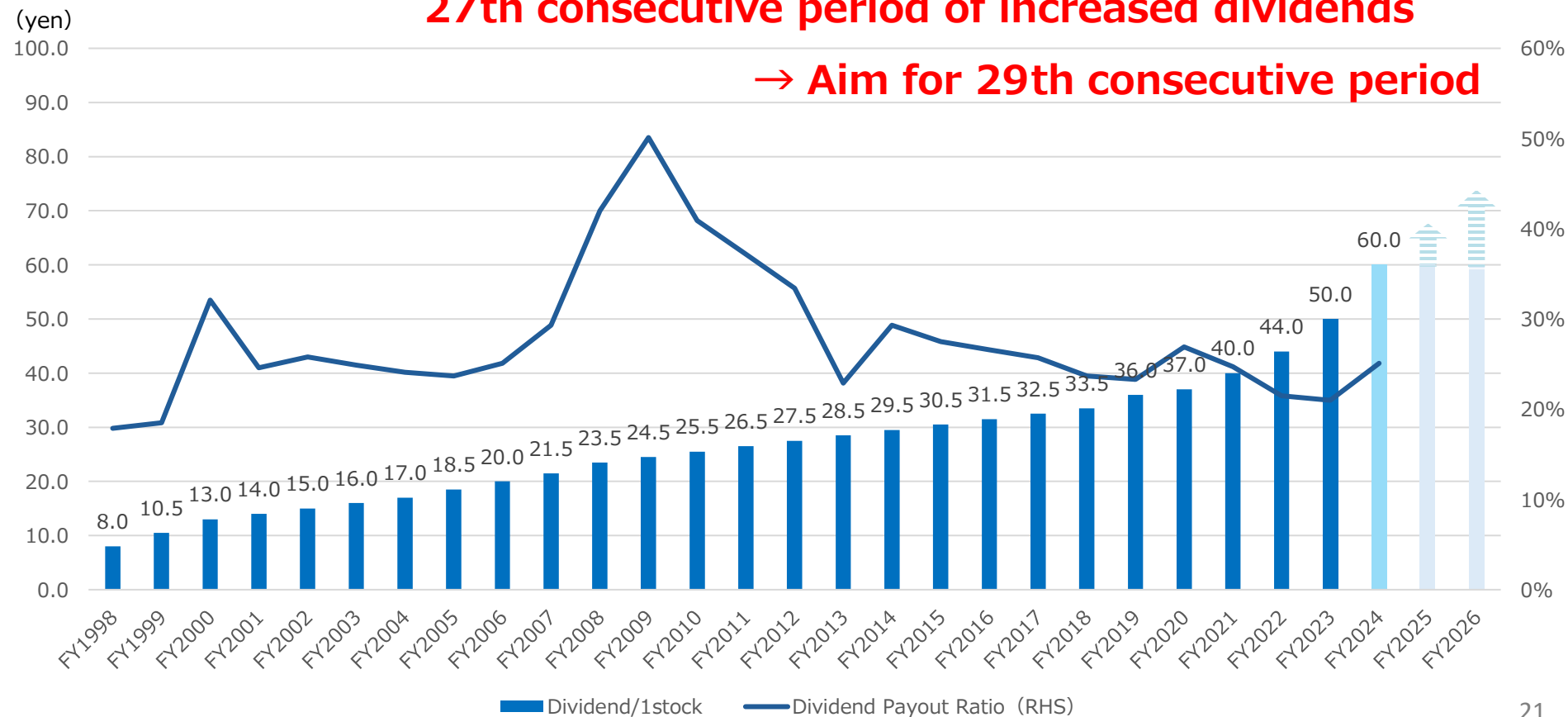
Target : PER 12x or more

8. Dividend policy and shareholder returns

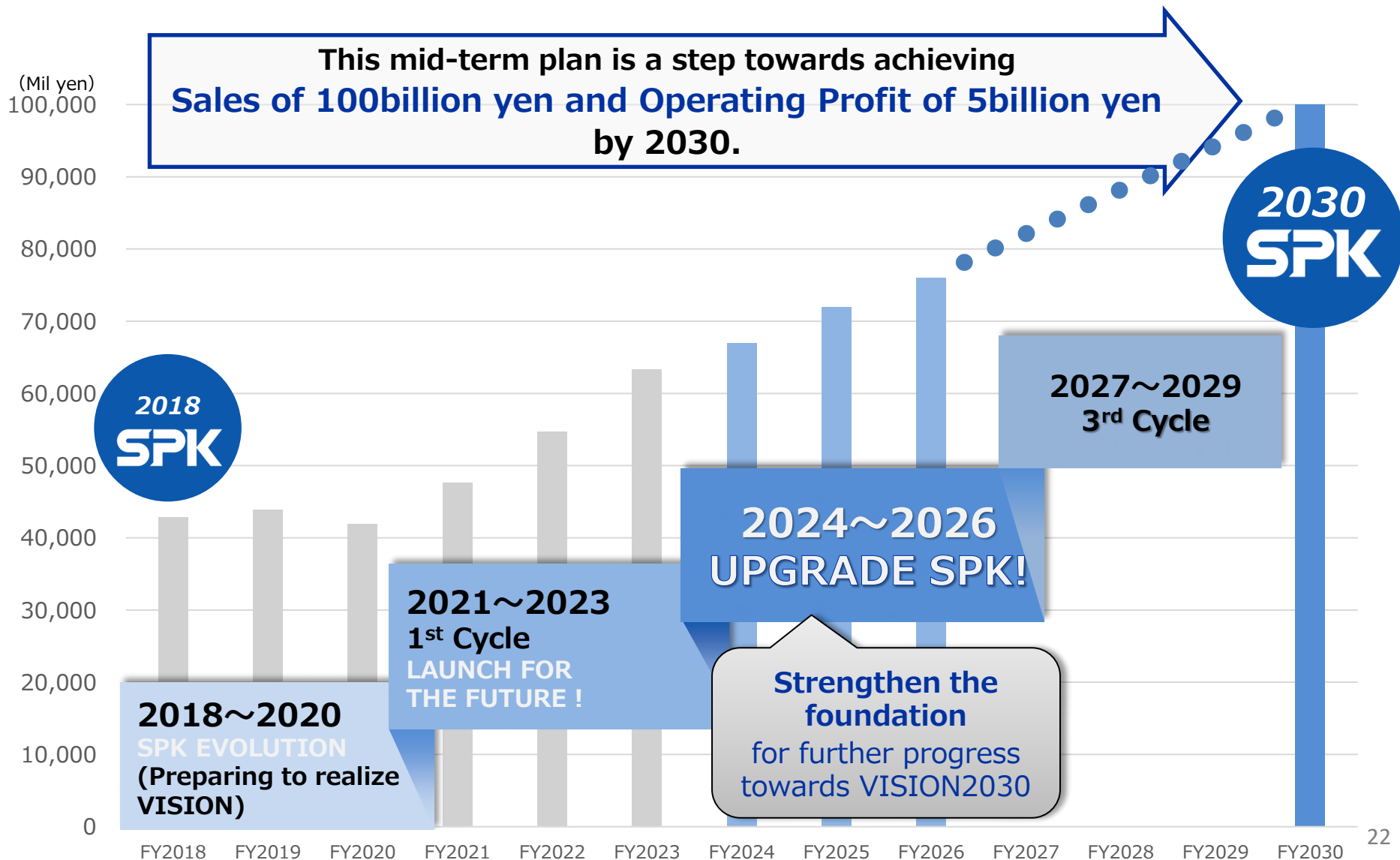
- 29th consecutive years of dividend increases and progressive dividend increases according to business performance.
- PBR 1x or more

27th consecutive period of increased dividends

→ Aim for 29th consecutive period



9. Towards the destination of VISION2030



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