

Message from the CEO

Major progress has been made in reforms to maximize corporate value.

We will accelerate our journey toward becoming a “Leading Global 3PL Company.”

September 2026
Representative Director,
President and CEO




Becoming a “Leading Global 3PL Company”

Two Strengths Developed Through Our Overseas Business

Since establishing its first overseas branch in 1976, the LOGISTEED Group has built its overseas business foundation in tandem with the overseas expansion of the Hitachi Group, its former parent company, and has expanded its business through numerous M&As. As a result, revenues from our overseas business, which were approximately ¥2.5 billion at the time, grew to ¥449.3 billion in FY2025, while the overseas ratio rose to 45%. This remarkable growth has been driven by two key factors. The first is that, as with our 3PL business in Japan, we have expanded overseas the high-quality, meticulous logistics services developed through our business with the Hitachi Group, building strong relationships of trust with customers as a key strength. The second is that we have developed the ability to consistently execute successful M&As as a key strength. In particular, overseas group companies with competitively advantaged business models and, like us, a reputation for high quality,

such as J.P. Holding Company in the United States, which joined the Group in 2009, and Mars Logistics Group in Turkey, which joined the Group in 2013, are driving the growth of our overseas business. I am confident that these two strengths form an important management foundation for becoming a “Leading Global 3PL Company.”

Three Priority Measures Toward Becoming a “Leading Global 3PL Company”

The LOGISTEED Group formulated “LOGISTEED2030” in FY2022 and set out its vision of becoming a “Leading Global 3PL Company” (FY2030 revenues: ¥1.5 trillion; CO₂: reduce by 50%; overseas ratio: over 50%). In 2023, we delisted and changed our trade name to “LOGISTEED” and, in partnership with Kohlberg Kravis Roberts & Co. L.P. (“KKR”), began management reforms aimed at relisting and becoming a “Leading Global 3PL Company.”

Over the approximately three years since then, we have achieved steady growth, including an approximately 20% expansion in our overseas business over the three-year period, while rapidly implementing various measures to achieve further growth and improve capital efficiency, such as topline expansion measures, M&A, our asset-light strategy (▶ P68), and minimum cash

operations. Building on these achievements, the LOGISTEED Group will focus on the following priority measures toward relisting and becoming a “Leading Global 3PL Company.”

The first is to strengthen our organization and human resources to further expand our overseas business. To maximize synergies through One LOGISTEED, as part of the organizational restructuring in FY2024, we appointed a non-Japanese executive to lead our overseas business and also strengthened the non-Japanese personnel supporting this effort in our freight forwarding business and finance functions. However, because further expansion of this human resources foundation is essential to becoming a “Leading Global 3PL Company,” in FY2025 we also increased non-Japanese personnel in IT and ocean freight forwarding. The second is to expand the pool of human resources capable of bridging our Japanese and overseas businesses. Although we have strengthened this capability to a certain extent, including by establishing a CMO*1 position spanning both Japan and overseas businesses during the FY2024 organizational restructuring, many customers of our 3PL business in Japan are now accelerating their global expansion, making it necessary to further expand this pool of bridging talent. We are therefore stepping up efforts to identify young talent, systematically develop human resources, and recruit external talent.

The third is to enhance global benchmarking. Relisting is a “boarding pass” that will enable the LOGISTEED Group to take a major leap forward as a “Leading Global 3PL Company.” To achieve this, we must ensure that overseas investors fully understand the LOGISTEED Group’s strengths and raise KPIs, including capital efficiency, to levels on par with global benchmarks. We will also strive to maximize our valuation multiple in order to bring our partnership with KKR to fruition, while focusing on strengthening the foundation for further growth after relisting.

*1 CMO stands for Chief Marketing Officer.

Initiatives under the Mid-term Management Plan “LOGISTEED2027”

Progress in Improving Capital Efficiency and Profitability

In FY2025, the first year of the Mid-term Management Plan “LOGISTEED2027,” both revenues and operating income reached record highs, supported by the full-year contribution of ALPS LOGISTICS, which joined the Group in October 2024, and synergies with the company that exceeded expectations. Against this backdrop, particularly notable achievements as we look toward becoming a

“Leading Global 3PL Company” were improvements in capital efficiency, including Tangible ROIC*2, and profitability, including the operating income margin. In FY2025, both Tangible ROIC and the operating income margin reached levels above Japanese benchmarks and came within sight of global benchmarks. In the Japan business, this reflected not only the aforementioned synergies with ALPS LOGISTICS, but also the success of group-wide cost structure reform and business resilience initiatives, including the reconfiguration of the business portfolios of group companies. In the overseas business, the introduction of a unified freight forwarding system and the aforementioned appointment of non-Japanese personnel also contributed. In addition, progress in streamlining the corporate division and advancing the asset-light strategy has resulted in the LOGISTEED Group’s operating income margin maintaining a consistent upward trend since its delisting, both company-wide and in the Japan and overseas businesses.*3 I am confident that these achievements will provide strong momentum for our efforts to maximize the valuation multiple ahead of relisting and further enhance corporate value thereafter.

*2 Tangible ROIC is calculated based on tangible invested capital at fiscal year-end, excluding lease liabilities.
*3 FY2023 - FY2025

The Unique “Strong P/L” Framework Accelerating Corporate Value Enhancement in Alignment with B/S Management

One more FY2025 achievement I would like to highlight is that the “Strong P/L” approach has steadily taken root and delivered significant results in improving ROIC. Although many companies in recent years have mapped out pathways to enhancing corporate value, few explain them in an integrated manner together with the roles of individual departments and the creation of environmental and social value. I believe the LOGISTEED Group’s “Strong P/L” approach is unique in that it visualizes these relationships and promotes the approach as the cornerstone of the Mid-term Management Plan. Through this unique framework, the LOGISTEED Group links the creation of economic value to the enhancement of sustainability as a whole, including corporate governance, and to the realization of LOGISTEED WAY. The idea behind my conception of “Strong P/L” was my desire to enable each employee to understand how their work is connected to enhancing corporate value. Enhancing corporate value cannot be achieved by specific divisions alone. Every employee has a role to play. However, employees cannot take initiative unless they can see how their work contributes to the Company’s performance. Traditionally, indicators such as revenues and operating income have tended to be regarded as the responsibility of business divisions. In reality, however, profit is generated through the cumulative efforts of all corporate activities.

Message from the CEO

Diagram of the "Strong P/L" Concept



General administrative divisions and the corporate divisions also contribute to generating and increasing profit through greater operational efficiency and various cost reductions. In other words, every employee in every division contributes to enhancing corporate value. The starting point for "Strong P/L" was my desire to present this relationship in an easy-to-understand manner. By applying a job-based approach to the P/L, we systematized the roles of all employees in enhancing corporate value. Establishing and embedding this as a common framework that can be shared and promoted throughout the LOGISTEED Group, and thereby contributing to improved ROIC in alignment with B/S management, was a major achievement in FY2025. Today, when formulating plans for the next fiscal year, each division develops and discusses its plans from the perspective of "Strong P/L." Going forward, we will accelerate the enhancement of corporate value by focusing company-wide efforts on "Strong P/L" initiatives.

Business Environment

At present, uncertainty in the business environment surrounding the LOGISTEED Group is increasing further due to heightened geopolitical risks and increasing protectionism, as well as supply chain disruptions, labor shortages, and rising costs. Because we operate globally, these factors pose downside risks to our business growth. We therefore intend to minimize their impact and turn them into opportunities by responding swiftly and flexibly to change. In the logistics industry, further consolidation is expected both in Japan and overseas, as logistics companies expand their 3PL businesses and major Japanese companies accelerate cross-border M&A. Even amid this business environment, we will remain prepared to respond agilely to various risks and steadily advance toward maximizing corporate value and becoming a "Leading Global 3PL Company." Geopolitical risks, in particular, have begun to

materialize in some areas as weaker logistics demand, with customer supply chains slowing due to soaring naphtha prices and other factors following the Iran crisis. Furthermore, the risk is increasing that various costs will rise further and customer and consumer activity will slow. We therefore intend to minimize the impact of these risks and turn them into opportunities by leveraging the following two sources of "resilience" as unique strengths. The first source of resilience is the optimal mix of 3PL and freight forwarding in our business portfolio. Approximately 70% of our revenues come from the 3PL business and approximately 30% from the freight forwarding business. The 3PL business is based on a regionally self-contained model, while the freight forwarding business primarily consists of cross-border transactions spanning countries and regions. Consequently, when geopolitical and tariff risks are elevated, as they have been in recent years, a higher proportion of 3PL business in the portfolio increases the likelihood of stable earnings growth. FY2025 followed precisely this pattern. While many logistics companies struggled to grow their earnings, we achieved record-high results, as noted above. The second source of resilience is our broad and stable customer portfolio. Through transactions with a wide range of customers, primarily in the 3PL business, we now have approximately 20,000 customers. At the same time, our dependence on any single customer is low, and no customer accounts for more than 5% of total revenues. Moreover, the average length of our business relationships with our top 60 customers by transaction value is 35 years, reflecting the long-term relationships of trust we have built. This customer base contributes to our resilience to changes in the business environment. During the global financial crisis of 2008, for example, handling

volumes for electronics products and other goods declined sharply, while demand in essential sectors that support people's daily lives, such as daily necessities, remained relatively stable and helped underpin the business as a whole. In addition, our customer contract retention rate has remained at an exceptionally high 99% in recent years. The continued confidence and trust placed in us by our customers is another major strength of the LOGISTEED Group.

Priority Measures for FY2026 and Beyond

Given the business environment and our ability to respond to risks described above, FY2026 will be a critically important year as we prepare for relisting in FY2027. We will therefore steadily implement the priority measures set forth in the Mid-term Management Plan "LOGISTEED2027." Specifically, we will continue to focus on "Strong P/L" initiatives while accelerating efforts to maximize profit and our valuation multiple, including by more rigorously examining the return on investment of individual projects. We will also pursue synergies in Japan and overseas with JAPAN POST, with which we entered into a capital and business alliance in October 2025, while accelerating collaboration in the overseas freight forwarding and 3PL businesses. In Japan, we will continue to maximize synergies with ALPS LOGISTICS. At the same time, as we determine what value the LOGISTEED Group can provide for collaboration with the 3PL business of JAPAN POST, we will clarify specific directions for creating synergies and expand opportunities for collaboration that leverage the strengths of both companies. Overseas, we will complete the implementation of the aforementioned unified freight forwarding system so that its benefits begin to materialize in FY2027. In our collaboration

with Toll Holdings of the JAPAN POST Group, we will pursue synergies in the freight forwarding business and the 3PL business in Asia. We will also accelerate collaboration while giving due consideration to competition laws and other relevant regulations, with a view to a structure involving an equity investment by the LOGISTEED Group.

Reinforcing Corporate Governance

Transitioning to a Management Structure Centered on the Holding Company and Appointing a Board Director with Experience at a Leading Global Logistics Company

Since going private in 2023, the LOGISTEED Group has maintained governance standards equivalent to those of a listed company. Guided by LOGISTEED WAY, including our Corporate Philosophy, we have ensured the effectiveness of governance aimed at maximizing corporate value by maintaining a Board of Directors in which Non-Executive Directors constitute a majority. Against this backdrop, in April of this year, we transitioned to a management structure centered on LOGISTEED Holdings to combine swift decision-making with disciplined management amid rapid changes in the business environment. Under the new structure, the Board of Directors is responsible for determining Group-wide management policies and important matters, as well as overseeing and monitoring business execution. We also appointed Detlef Trefzger, who has extensive management experience at one of the world's leading logistics companies, as a Non-Executive Director. With this new structure and LOGISTEED WAY as our foundation, and guided by the strategies, measures, and principles described above, we will strive to maximize corporate value and become a "Leading Global 3PL Company."

What We Want to Communicate to Our Stakeholders

Through the continued practice of LOGISTEED WAY, the LOGISTEED Group aims to become a company with a recognized presence in the global market, while using our strong 3PL business base in Japan as a platform for growth. As part of our efforts toward relisting, we are giving this vision more concrete form and working to maximize corporate value while pursuing the ideal form of a global company. However, what is essential to achieving these goals is the steady execution of our day-to-day business activities. We believe that diligently practicing LOGISTEED WAY, pursuing safety, quality, and productivity, and thoroughly implementing "Strong P/L" will lead to sustainable growth. Above all, I am confident that continuing to hone the strengths the LOGISTEED Group has developed over the years will enable us to grow into a company with a strong global presence. You can expect the LOGISTEED Group to continue working toward relisting and becoming a "Leading Global 3PL Company," both of which are now within sight, and beyond that, to maximize corporate value.



Message from the CFO

Under “Strong P/L” and B/S management aimed at maximizing corporate value, we will pursue a financial capital strategy that takes a comprehensive view of all forms of capital.

Executive Officer, CFO
General Manager,
Financial Strategy Headquarters
Hideo Nakamoto

“Strong P/L” That Connects All Business Activities to the Enhancement of Corporate Value



consolidating overseas funds and strengthening working capital management, thereby reinforcing the foundation for higher ROIC. In addition, we reviewed the method used to determine lease terms, reducing lease liabilities by approximately ¥160 billion. In FY2025, these measures to strengthen the B/S combined effectively with the improvement in the P/L resulting from record-high profits. Consequently, Tangible ROIC, a metric used globally for peer comparisons, reached the mid-30% range. This established our advantage over Japanese benchmarks and brought us closer to a level comparable with global benchmarks. I believe our efforts to improve capital efficiency in order to maximize our valuation multiple ahead of relisting and to maximize corporate value thereafter are making steady progress. From FY2026 onward, we will continue minimum cash operations and our asset-light strategy. At the same time, by more rigorously pursuing return on investment based on “Strong P/L,” we will focus on maintaining and strengthening a lean and robust financial structure in preparation for relisting. When undertaking new M&A for further growth, we will emphasize the acquisition candidate’s cash-generation capabilities, its potential for post-acquisition deleveraging, and its contribution to improved capital efficiency. In this way, we will maximize corporate value while achieving both expansion in scale and higher capital efficiency.

Initiatives Based on the ROIC Tree to Enhance Corporate Value

Progress in Topline Expansion and Further Enhancement of Added Value
We also made steady progress in FY2025 on initiatives based on the ROIC tree, which incorporates the key action items to be undertaken at each Gemba site to enhance corporate value. First, under the action item “Grow topline,” while many

logistics companies struggled due to the impact of U.S. tariff policies and other factors, our growth was driven by the steady progress of PMI with the ALPS LOGISTICS Group, revenue growth through the “100-day plan” and other initiatives, and the expansion of our intermodal business in Europe. In particular, Mars Logistics Group in Turkey has maintained strong growth since joining the LOGISTEED Group through M&A and achieved double-digit growth again in FY2025. In sales and marketing activities, in addition to promoting the Global Account Program (GAP), stable performance in the 3PL business, which accounts for approximately 70% of the LOGISTEED Group’s revenues, enabled us to maintain solid results even amid a challenging market environment. To strengthen the freight forwarding business, a challenge in recent years, the implementation of a unified forwarding system is providing greater visibility into transactions by group and lane, promoting operational efficiency and greater use of our global network. Going forward, we will leverage this to expand synergies with the ALPS LOGISTICS Group and collaboration and synergies with the JAPAN POST Group. Next, under the action item “Further improve productivity and added value,” we will accelerate cost structure reform, operational consolidation, the promotion of internal DX, and the use of new technologies. As part of this effort, we will consolidate routine accounting operations at Japanese group companies and establish FP&A* functions in each organization to enhance management capabilities, accelerate business growth, and further improve operational efficiency. In strengthening our FP&A functions, we are leveraging the expertise in managing profitability by logistics center and the know-how for improving profitability in close coordination with Gemba sites that the LOGISTEED Group has cultivated through its 3PL business in Japan, while also strengthening our overseas finance organizations. In investment management, we are also working to

The Mid-term Management Plan “LOGISTEED2027” and “Strong P/L” Achievements and Challenges in the First Year

Steadily Translating Record-high Performance into the Maximization of Corporate Value
In FY2025, the first year of the Mid-term Management Plan “LOGISTEED2027,” we made progress in a range of areas under our financial capital strategy centered on “Strong P/L.” First, in terms of economic value, PMI initiatives such as collaborative innovation and cost reductions following the addition of ALPS LOGISTICS to the LOGISTEED Group progressed in FY2025, while we also achieved organic growth in our businesses both in Japan and overseas. As a result, revenues, operating income, and the operating income margin all reached record highs. In particular, the operating income margin reached a level exceeding not only Japanese benchmarks but also global benchmarks, including those of major U.S. 3PL companies. I believe this reflects the results of steadily acquiring new customers and retaining existing customers based on “Strong P/L,” while improving efficiency and minimizing loss costs

across all organizations, including Gemba sites and general administrative divisions. In addition, by generating economic value while closely linking and aligning our business activities with the material issues of “contribute to decarbonized society,” “contribute to recycling-oriented society,” “build and evolve resilient, sustainable logistics services,” “secure diverse human resources to support growth,” “step up DX,” and “establish business models through collaborative innovation,” I believe we were able to maximize our corporate value, including environmental and social value.

Strengthening B/S Management
FY2025 was a year in which we further advanced our asset-light strategy (▶ P68) under B/S management. For assets held by the ALPS LOGISTICS Group, we pursued sale-and-leaseback transactions and the sale of a group company’s head office building. As a result, we improved the fixed asset turnover ratio and used the proceeds from these sales to repay debt. The repayment of more than ¥80 billion in debt through the expansion of operating cash flow generated by the record-high profits described above and the advancement of the asset-light strategy contributed significantly to the improvement of our B/S in FY2025. We also further enhanced cash management by

Message from the CFO

further improve investment efficiency by utilizing our existing phase-gate process. We are currently focusing on raising the knowledge and skill levels of individual employees by developing a skill matrix and expanding training programs to develop the human resources responsible for these FP&A functions. We also plan to strengthen initiatives to assign FP&A personnel to each major division and provide support from a financial perspective in areas such as resource allocation, sharing knowledge about customer industries and sectors, and pricing strategies. Finally, under the action item “Improve cash conversion cycle,” we will continue our existing efforts to “collect trade receivables early,” “reduce inventories,” “set appropriate payment terms for trade payables,” and “acquire advances received.” Since FY2025, we have placed particular emphasis on the “free cash flow conversion ratio” and focused on cash flow management from the perspective of how effectively we convert the profits we generate into cash.

* Financial Planning & Analysis: The work of financial decision-making and management by developing financial plans and performing analysis

Focusing on a Financial Capital Strategy That Takes a Comprehensive View of Human, Organizational, and Intellectual Capital to Maximize Corporate Value

Regarding investment in the human capital responsible for carrying out all the action items in the ROIC tree described above, our fundamental premise is that human capital is the source of the Company’s growth. Nearly two years have passed since I assumed my position, and what has impressed me most about the LOGISTEED Group’s human resources is their strong execution capabilities. Many employees work tenaciously toward achieving goals and see tasks through to completion, which I regard as a major strength of the LOGISTEED Group. Under “Strong P/L,” the LOGISTEED Group is working to improve operational efficiency, secure and develop human resources, promote DE&I, and further improve productivity and added value. These achievements are underpinned by the daily challenges and growth of each employee. I believe that accumulating experiences of accomplishing something, no matter

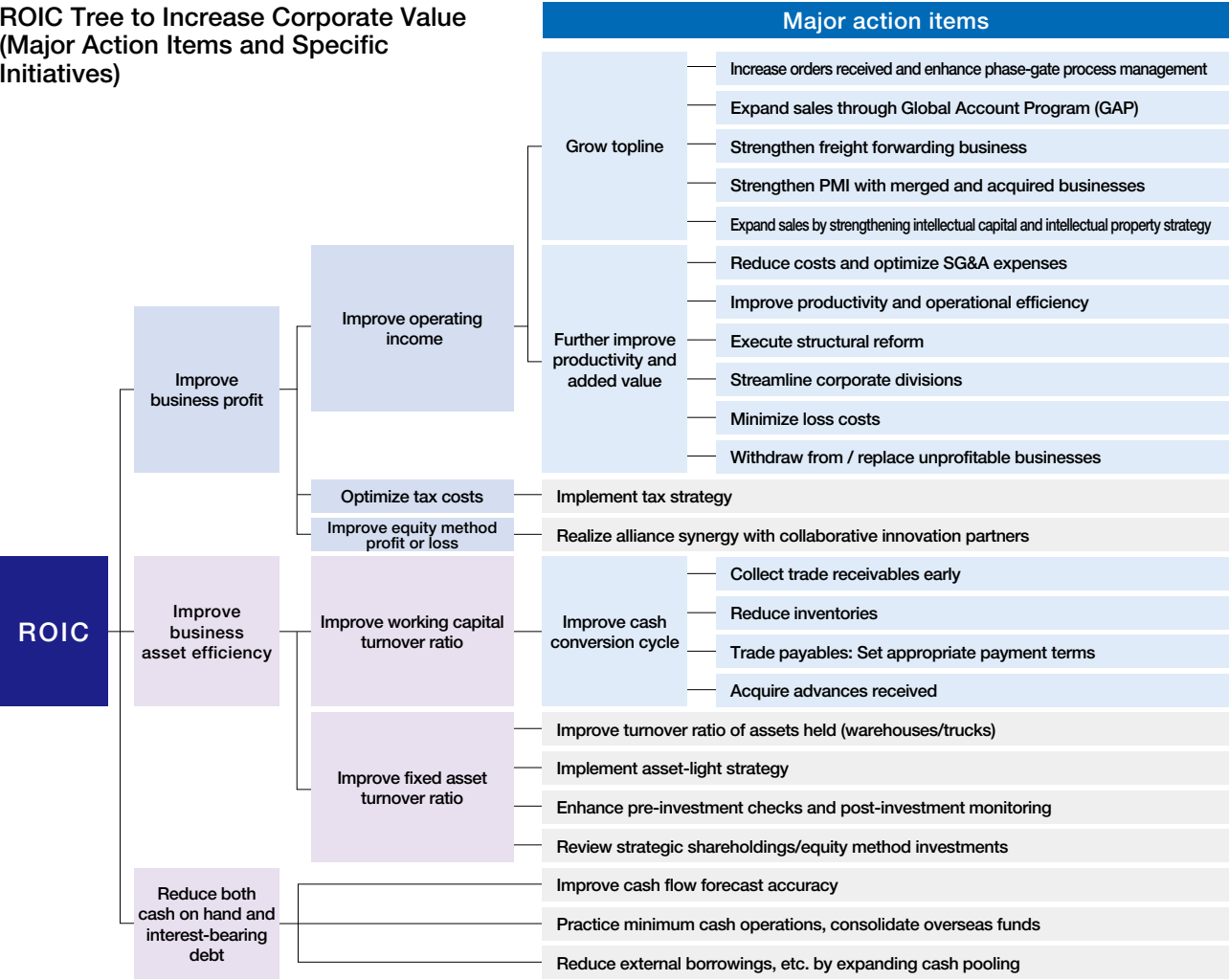
how small, and working with a sense of fulfillment ultimately lead to corporate growth. Accordingly, in investing in human capital, we place importance on creating an environment in which each employee can fully demonstrate their abilities and achieve self-realization. By creating such an environment, we aim to further accelerate business growth. I have also come to appreciate the strength of our organizational capital, which is closely linked to human capital. I believe the LOGISTEED Group’s overall execution capabilities are underpinned by the strength of its organizational capital, namely, its organizational ability to bring together the capabilities of individual human resources toward a common goal. As one example, to systematically enhance sustainability, one of the LOGISTEED Group’s strengths, we will actively provide young human resources with opportunities to gain experience and extend initiatives throughout every Gemba site to pass on individual knowledge as organizational knowledge. In addition, underlying the LOGISTEED Group’s competitiveness is its accumulation of intellectual capital,

including intellectual property cultivated as a leading company in logistics DX. By continuing to further hone this strength, I believe we can continue to enhance our advantages in productivity and added value. Further investing to hone these strengths in human, organizational, and intellectual capital will be important not only for maximizing our valuation multiple ahead of relisting, but also for sustainable growth and the enhancement of corporate value thereafter. As CFO, I will strive to maximize corporate value by taking an integrated view of financial, human, organizational, and intellectual capital and promoting the development of mechanisms through which each form of capital interacts with and reinforces the others.

Focusing on Expanding Global Human Resources with a View to “LOGISTEED2030”

As one of the long-term themes of these initiatives, going forward, I will also support, in my capacity as CFO, the expansion of global human resources with a view to achieving the target of an overseas ratio of over 50% set out in “LOGISTEED2030.” Specifically, I believe it is important not only to develop Japanese human resources who can perform effectively in overseas locations and global environments, but also to accelerate the development of human resources who can lead the LOGISTEED Group as a whole based on their own capabilities and achievements, regardless of the country or region in which they are based. People are the driving force behind business growth, and to support the future growth of our overseas business in particular, it is essential to develop people capable of fulfilling these roles regardless of nationality. Furthermore, to continue successfully executing overseas M&A, we need to develop and secure global human resources across a broad range of levels, not just management. In FY2025, we expanded our pool of senior non-Japanese personnel, centered on the non-Japanese executive leading our overseas business. Going forward, we intend to broaden our global human resources base across an even wider range of levels. To that end, both developing existing human resources and recruiting external talent are important. By combining these two approaches, I intend, as CFO, to lead and support investment in human capital that will underpin global growth toward the ambitious goal of an overseas ratio exceeding 50%. We invite you to follow the LOGISTEED Group’s efforts to maximize corporate value through financial and capital strategies that take a comprehensive view of all forms of capital.

ROIC Tree to Increase Corporate Value (Major Action Items and Specific Initiatives)



Specific Initiatives
• Develop and deepen white-space opportunities with existing customers • Implement a unified forwarding system • Implement the 100-day plan with the ALPS LOGISTICS Group • Expand logistics DX and solution proposals (RCS, SCDOS and EcoLogiPortal, SSCV, etc.)
• Implement the SG&A expense reduction project and promote workforce mobility within the LOGISTEED Group • Promote automation, labor-saving, and internal DX • Promote VC activities and measures to improve employee engagement • Strategically integrate Japanese and overseas companies and businesses (including freight forwarding functions) • Consolidate back-office functions and deploy FP&A functions • Promote “Strong P/L” in budget formulation
• Collect fees for IGS (Intra Group Service) • Promote joint initiatives with collaborative innovation partners
• Reduce long-outstanding receivables • Negotiate payment terms for existing and new transactions • Manage the free cash flow conversion ratio
• Promote sale-and-leaseback transactions throughout the LOGISTEED Group • Promote sales of fixed assets • Review the Business Investment Planning Regulations
• Consolidate funds from overseas • Centrally manage Group funds and financial risks through TMS • Promote the use of leases and carefully select investments

Messages from Non-Executive Directors



Building on the Results of Transformation to Further Enhance Corporate Value

Results of Reforms Since Going Private

I have served as a non-executive director since the Company was known as Hitachi Transport System and have witnessed its transformation from its time as a listed company, through its transition to private ownership, to the present day. Looking back over the approximately three years since the Company was unlisted, the LOGISTEED Group has advanced three major reforms. The first is the asset-light strategy (▶ P68). While further enhancing our true assets—our solution capabilities, which are the source of our competitiveness, and "Gemba" Power and human resources that support them—we substantially reduced fixed assets and improved our cash generation capabilities. I view this as more than a simple review of assets. It represented a transformation into a management model capable of continuously enhancing corporate value. The second is the rigorous implementation of the 100-Day Plan. For the themes agreed upon with KKR, we have utilized the progress management methods employed in VC activities (▶ P68), with each Gemba site pursuing operational improvements while accumulating small successes. Sharing these achievements throughout the Company has also become a powerful driving force for embedding reform across the entire organization. The third is the advancement of cash flow management. In addition to implementing the asset-light strategy, the Board of Directors has continuously discussed EBITDA and multiples with a view to enhancing corporate value in the future. Furthermore, through the widespread adoption of

minimum cash operations and an emphasis on the free cash flow conversion ratio, our management has evolved and become more robust. This series of initiatives has steadily strengthened our management foundation for maximizing corporate value. I am confident that by sustaining and further developing the results of these reforms after relisting, we can raise the LOGISTEED Group's corporate value to an even higher level.

Further Enhancing Corporate Value

One of the key drivers of growth toward relisting and the subsequent enhancement of corporate value is the pursuit of strategic M&A. To date, the LOGISTEED Group has expanded its top line and strengthened profitability through M&A. Going forward, I believe it is important to steadily execute M&A that contributes to enhancing corporate value over the medium to long term, thereby further strengthening our competitiveness and growth potential. Providing new services and value is another important growth driver. By leveraging the strengths we have cultivated in areas such as 3PL and freight forwarding, we believe it is important to create further growth opportunities by expanding the scope of business with existing customers, including key accounts, and developing new customers in Japan and overseas. Further productivity improvements are also essential. By leveraging our technological capabilities, one of our strengths, we have worked with materials handling equipment manufacturers and system vendors to maximize the capabilities of both hardware and software. We are also steadily achieving productivity improvements by optimizing overall operations through measures such as the introduction of RCS (▶ P32). Going forward, I believe we should deepen these initiatives while thoroughly implementing phase-gate process management and minimizing loss costs to further strengthen our competitiveness. In the area of governance, we are also continuing to further enhance the CEO succession plan, including the development of next-generation leaders. The foundation for sustainable growth is the trust we build not only with shareholders, but also with employees, customers, partner companies, local communities, global environment, and all other stakeholders. As a non-executive director, I will continue to fulfill my monitoring role with this perspective firmly in mind and contribute to the further enhancement of the LOGISTEED Group's corporate value.



With Relisting as a Milestone, Management, Employees, and Shareholders Will Pursue Sustainable Enhancement of Corporate Value with a Shared Vision

Evolving into a Truly Global Company

In the course of repeated dialogue with the Company's management beginning several years before the tender offer in 2022, I highly regarded the Company's "Gemba" Power in international logistics and its strong customer base from the standpoint of an investment firm. I also believed that it had the potential to grow into a company with a significant presence not only in Japan, but also throughout Asia and ultimately worldwide. That conviction has remained unchanged since I became a non-executive director and began observing the business and management from a closer perspective. The growth strategy developed together with the executive team, led by the CEO, has been translated into concrete measures and is being steadily implemented. I regard this as progress toward first establishing a solid position in Asia on the path to becoming a truly global logistics company from Japan. The greatest achievement among these growth initiatives has been the improvement in capital efficiency and corporate value through the asset-light strategy. In Japan's logistics industry, it was generally believed that owning assets contributed to added value for customers. The Company, however, changed this way of thinking and made a decisive shift toward management focused on capital efficiency. The Company also designated not only profit, but also ROIC and cash generation capabilities as key KPIs. The

Board of Directors has monitored progress against these KPIs and supported the executive team's PDCA cycle, which has also helped improve capital efficiency. In parallel, the Company has diligently implemented various measures, including the 100-Day Plan. Steadily realizing the benefits of these initiatives represents a highly significant achievement for the LOGISTEED Group. From an organizational perspective, cross-group collaboration, including collaboration with the head office, has been strengthened under the "One LOGISTEED", advancing global management that integrates operations in Japan and overseas. Previously, companies acquired overseas existed as separate "points." By connecting organically and functioning as "lines," they have evolved into a structure capable of fully realizing acquisition synergies. In the automotive sector, for example, cross-regional discussions are underway regarding collaboration among group companies, including the horizontal rollout of solutions and the sharing of knowledge and sales pipelines. The LOGISTEED Group is also steadily building the foundation for becoming a truly global company by appointing a new non-Japanese non-executive director and executive officers and having them participate in management meetings.

Relisting Is a Milestone, Not the Destination — Aiming Even Higher

As we work toward relisting, in addition to the initiatives described above, we will solidify our position as one of Asia's leading international logistics companies by further developing markets in each country and strengthening global collaboration across industries, services, and regions. However, relisting is merely an important milestone toward our next stage of growth. To continue sustainably enhancing corporate value after relisting, we must increase employee engagement and foster a culture in which management and employees look to the future from the same perspective as shareholders. As part of this effort, the LOGISTEED Group has introduced a new incentive structure for employees at the managerial level and above. I expect this framework to function even more effectively after relisting and become further embedded as a corporate culture in which the entire LOGISTEED Group works toward the shared goal of enhancing corporate value.



Message from the Newly Appointed Non-Executive Director

As a newly appointed non-executive director, it is my pleasure to comment on LOGISTEED, a company with over 75 years of success in the logistics market especially in Asia. I have known LOGISTEED for more than a decade as a highly respected market player that focuses on customer-centric logistics solutions and high quality, sustainable operations. LOGISTEED's unique solutioning and technology expertise have led to a seamless integration with its customers' value chains. On this basis, the Company grew with the successful expansion of its customers' businesses and has shaped the state of the art of the Asian logistics industry.

After starting my career at Siemens AG, I have been active in the global logistics and supply chain industry in executive roles for more than three decades. As CEO of the Kuehne+Nagel Group (2013 - 2022), I have shaped the group's strategic direction by emphasizing customer focus and leveraging the innovation strength worldwide. With data, technology and sustainable logistics solutions, the Company has evolved into a global industry leader, creating value for customers along and beyond supply chains. I believe in the importance of leadership grounded in authenticity, respect, and trust, empowered by motivated experts and collaborating teams. Logistics and supply chain solutions can be seen as the blood vessel system of the global, regional, and local economies. Its

unique importance became very visible during recent crises, especially the COVID-19 pandemic. This importance will further increase. As a non-executive director, it is my ambition to contribute to shaping an efficient, effective, and sustainable logistics industry, leveraging technology, data, and people to build sustainable and low-carbon logistics solutions for customers and society. With our broad experience and diverse expertise, it is our role as the Board of Directors to support and guide the executive team in formulating and executing growth strategies, inspiring our LOGISTEED teammates and exciting our customers.

Mid-term Management Plan "LOGISTEED2027"

Mid-term Management Plan Overview

With the aim of becoming "The Most Preferred Global Supply Chain Solutions Provider," the LOGISTEED Group is executing the Mid-term Management Plan "LOGISTEED2027," which started in FY2025, and will strive to address the challenges and create value through various collaborative innovations to achieve sustainable growth. In addition, we will proceed with further strengthening our management and business foundations with an eye toward our relisting and the subsequent "LOGISTEED2030".

LOGISTEED2027

Priority Measures Strengthen business foundations ahead of relisting and LOGISTEED2030

1. Achieve organic growth as the overwhelming No.1 in Japan's 3PL market
2. Achieve business expansion and enhance profitability through automation, labor-saving, and DX initiatives (utilizing AI)
3. Achieve robust overseas business foundation through a consistent global strategy
4. Establish a foundation for growth through PMI and inorganic initiatives
5. Achieve cash flow generation and capital efficiency on par with leading global logistics companies
6. Implement industry-leading ESG management initiatives
7. Develop an organization and structure to realize LOGISTEED2030

Mid-term Management Plan
(LOGISTEED2027)

The LOGISTEED Group delivers high-quality services that will help make the world a better place for people and nature for generations to come.

Corporate Philosophy

Corporate Vision

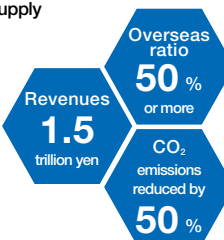
The Most Preferred Global Supply Chain Solutions Provider

LOGISTEED 2030
Becoming a "Leading Global 3PL Company"

LOGISTEED2030 Challenge global competition through collaborative innovation with partners to enhance capability

Realizing our "Future Vision" by way of solid partnerships

1. High value-added solutions to optimize the entire SCM
2. Improve customer convenience and efficiency through DX
3. Enhance overseas value chain with a consistent approach
4. Engage actively in projects to make advance investment
5. Promote strategic M&As
6. Solidify position as a platform provider
7. Solidify ESG management base



Progress of Priority Measures

Priority Measures 1 Achieve organic growth as the overwhelming No.1 in Japan's 3PL market

To realize LOGISTEED2030, the LOGISTEED Group will leverage the know-how and accumulated data cultivated across the group to achieve further organic growth as the No. 1 3PL company in Japan.

Establish a structure for stronger group collaboration and grow topline

We are promoting the strengthening of group-wide collaboration by cross-functionally connecting our Japan and overseas regional operations with our 3PL and forwarding product lines. By sharing and leveraging customer information within the LOGISTEED Group, we are making timely and coordinated proposals for supply chain optimization and advancement, without being constrained by region or domain. As part of this, we have appointed dedicated personnel who work across regions and product lines to promote the strengthening of customer relationships, the acceleration of integrated solution proposals, and the formulation of account strategies. In addition, we are promoting the creation of new business opportunities with existing and new customers, leading to topline growth. Going forward, we will continue to strive to improve the value provided to our customers and optimize the entire supply chain, while working on logistics efficiency.

Solution case studies for FY2025 - Providing end-to-end support for customer logistics, from planning and strategy review to operations and improvement -

Customer industry	Solutions	Key KPI Performance	Results
Restaurant chain company	Comprehensive management of five logistics centers across Japan using our Logistics Management System (LMS)	Domestic logistics revenues	7.7% (3-year CAGR)
Integrated energy company	Providing order management operations and strategic review for supply chain optimization planning and execution Comprehensive management of multiple logistics providers	Domestic logistics adjusted operating income	12.7% (3-year CAGR)

Priority Measures 2 Achieve business expansion and enhance profitability through automation, labor-saving, and DX initiatives (utilizing AI)

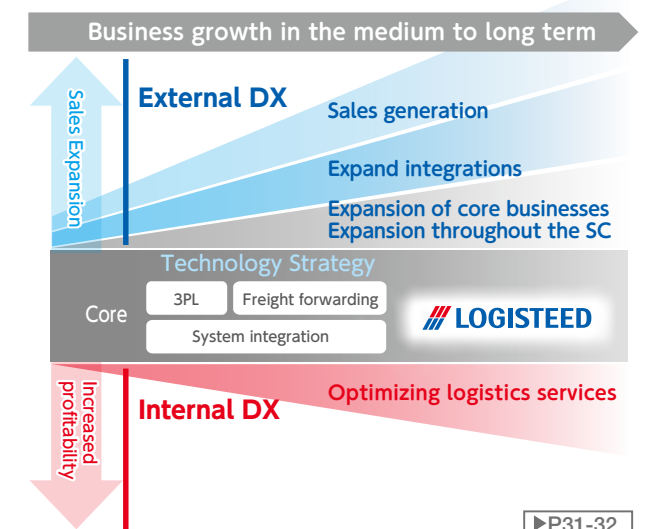
Leveraging our technological capabilities, underpinned by deep expertise and a wealth of data, one of our core strengths, we will integrate cutting-edge technologies such as generative AI to advance automation, labor saving, and DX to unlock new growth opportunities and enhance profitability.

Deploy integrated logistics DX solutions

Leveraging extensive SCM expertise and data analytics, we provide services that combine consulting and solutions. We can support the optimization of the entire supply chain from the planning stage tailored to customer needs. In addition, we are actively promoting automation and labor saving, and are implementing initiatives such as improving equipment utilization rates by reviewing equipment specifications and operating environments, and reducing man-hours through thorough personnel management.

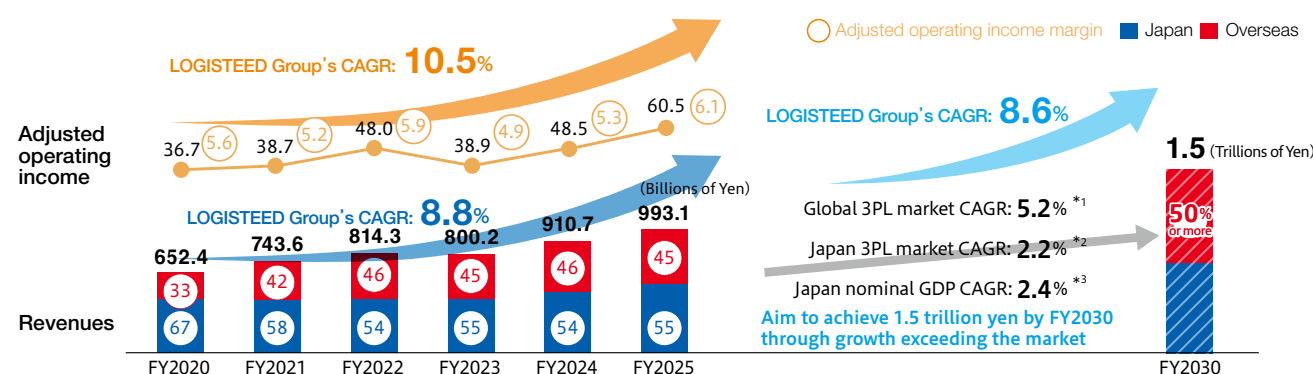
Employ data-driven management through the standardization of supply chain-wide data and KPIs by developing a data platform

We are advancing the integration of forwarding systems, the consolidation of business KPIs, and the standardization of corporate operations to build a global operational data platform that includes sales information, and to move toward data-driven management and business operations based on unified KPIs. In addition, we are promoting business reform through the use of AI, contributing to improved profitability and topline growth.



Business performance trends

Revenues grew from 652.4 billion yen in FY2020 to 993.1 billion yen in FY2025, with a CAGR of 8.8%. To achieve revenues of 1.5 trillion yen in FY2030, we aim to further enhance corporate value from FY2025 onward, targeting a CAGR of 8.6%, which exceeds the growth rates of the global 3PL market, the Japan 3PL market, and Japan nominal GDP.



Source:
^{*1} Global Information, Inc. "Third-Party Logistics (3PL) - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2025-2030)"
^{*2} Global Information, Inc. "Japan Third-Party Logistics (3PL) - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2025-2030)"
^{*3} Calculated by the Company based on the IMF World Economic Outlook Database

Transition of the Management Structure

The LOGISTEED Group transitioned to a management structure centered on LOGISTEED Holdings, effective April 1, 2026. Through this, we will enhance the autonomy of operating companies centered on LOGISTEED, further strengthen group-wide strategy and governance, and work toward medium- to long-term growth and the sustainable improvement of corporate value.

Key KPI Performance	Results
Labor-savings (cumulative)	485 people
Benefits from Gemba improvements (cumulative)	669 million yen

Priority Measures 3 Achieve robust overseas business foundation through a consistent global strategy

Strengthen global networks and expand forwarding and transportation businesses

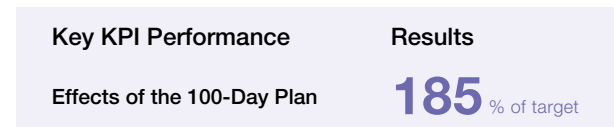


A discussion at the Expanded Global Business Meeting 2025

Priority Measures 4 Establish a foundation for growth through PMI and inorganic initiatives

- Realize synergies through the formulation and implementation of the 100-Day Plan post-M&A

ALPS LOGISTICS location in Japan



Capital and business alliance with JAPAN POST

Priority Measures 5 Achieve cash flow generation and capital efficiency on par with global logistics companies

- Improve ROE and ROIC through an asset-light (► P68) strategy

■ Optimize management through the promotion of shared services and internal DX

Key KPI Performance	Results	*Figures in parentheses are percentages
Adjusted operating income	60.5	billion yen (6.1%)
EBITDA	145.6	billion yen (14.7%)
ROIC	5.1	%
Tangible ROIC	34.2	%

▶P21-24

Priority Measures 6 Implement industry-leading ESG management initiatives

■ Build organizational and human resources strengths to succeed in Japan and expand internationally

- Implement initiatives for the use of safety technology and quality improvement

Vehicle equipped
with A-CAM

A-CAM conceptual diagram

■ **Revise decarbonization targets in line with international standards and execute sustainability initiatives** —

Key KPI Performance	Results
Revision of CO ₂ emission reduction targets	Establishment of new KPIs based on SBT standards
Benchmark score clear rate by country for sustainable engagement scores	58%

*SBT initiative (SBTi): An international initiative jointly operated by four organizations—CDP, the United Nations Global Compact (UNGC), the World Resources Institute (WRI), and the World Wide Fund for Nature (WWF)—that independently assesses corporate greenhouse gas reduction targets.

Priority Measures 7 Develop an organization and structure to realize LOGISTEED2030

- Build a proactive organizational framework

- April 2025: Integration of LOGISTEED Collaborix into LOGISTEED East Japan
- April 2026: Integration of LOGISTEED East Japan Distribution Services into LOGISTEED East Japan
- April 2026: Integration of the forwarding functions of ALPS LOGISTICS into LOGISTEED Express

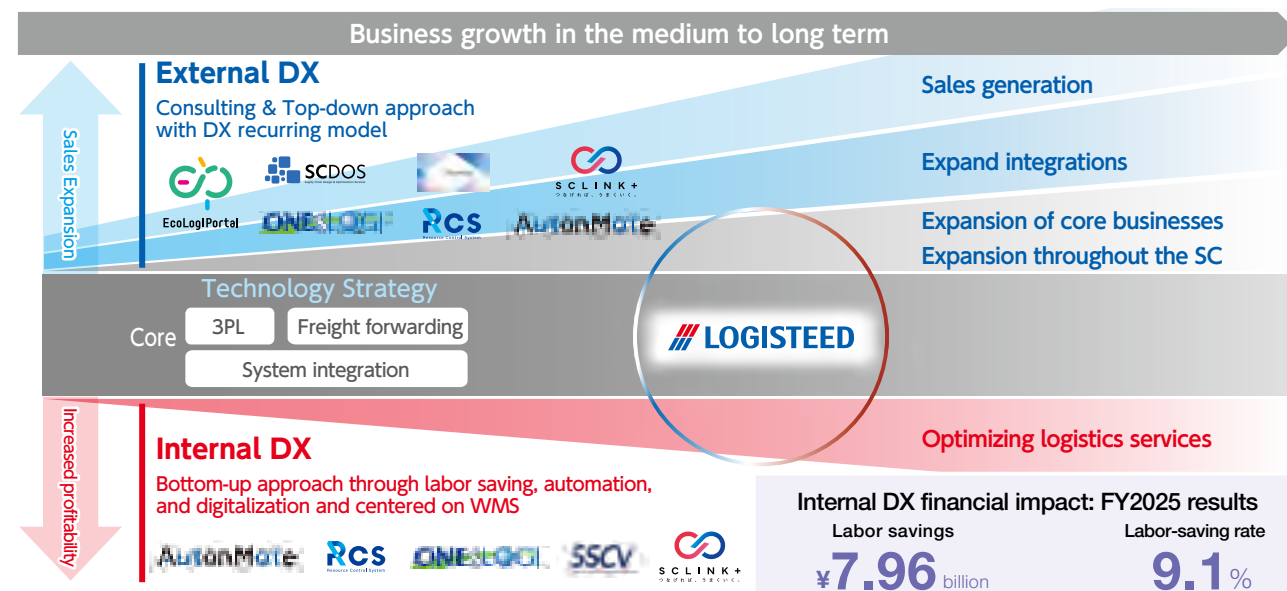
Moving forward, we will continue to promote streamlining and strengthen our business foundation through the renewal of our organization and systems, as well as the integration and reorganization of overlapping functions. By optimizing our organization, we will build the organizational structure and systems necessary to realize LOGISTEED2030 and thereby enhance our corporate value.

LOGISTEED Group's Approach to DX

Realizing optimization of the entire supply chain through DX based on Gemba site data

Overall Picture of DX Initiatives

The LOGISTEED Group has leveraged its extensive knowledge accumulated over the years to provide various services that contribute to solving social issues by visualizing, analyzing, and improving Gemba site operations through digital transformation (DX). While continuously advancing external DX, we are also advancing internal DX to establish data-driven management globally within the LOGISTEED Group, aiming to create further synergies as a group.



External DX - Solution Introduction -

Optimization of supply chain and logistics: SCDOS

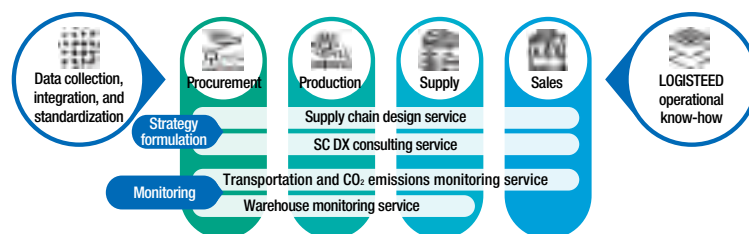
SCDOS supports the optimization and advancement of customers' supply chains by offering simulation-driven strategic planning that reflects business strategies and changes in the external environment, and comprehensive evaluation and analysis capabilities to assess outcomes after execution, contributing to the acceleration of customers' supply chain transformation.

*1 Average of SC network optimization simulation using SC design, one of the available strategic planning tools

SC costs
10 to 20% DOWN*

Recent Topics

- Projects implementing SC design and SC controls: Over **500** (of which, over 50 were overseas projects)
- Launched logistics DX consulting services for CLO (▶ P68) organizations that promote logistics operational efficiency and optimization



Enhancement of the sustainability of transport and delivery operations: SSCV

SSCV is a transportation digital platform comprising Smart (efficiency), Safety, and Vehicle (fleet management) modules, contributing to sustainable logistics by addressing transportation-related social and business challenges, enhancing transportation value, and fostering new business creation.

*2 SSCV-Safety implementation effects

Near misses
98% DOWN*

Recent Topics

- Received Ministry of Land, Infrastructure, Transport and Tourism certification as a "device contributing to the prevention of overwork driving in FY2025" and as "pre- and post-work automatic roll call equipment."
- Awarded the Minister of Land, Infrastructure, Transport and Tourism Commendation for Excellence in Transport Safety Management in FY2024.
- Awarded the Gold Prize at the Safety Driving Award 2024, sponsored by Nikkei Business.
- Awarded the "Best Logistics Improvement Award" at the All-Japan Logistics Improvement Case Study Conference 2025, organized by the Japan Institute of Logistics Systems and the Japan Logistics Qualification Society.

Optimization of logistic center operations: RCS (WCS and WES)

RCS consists of optimization solutions for equipment management (RCS-Automation) and workforce management (RCS-Workforce), alongside a solution that constructs a virtual space using acquired warehouse operational data to conduct resource optimization simulations (RCS-Simulation). By doing so, we aim to establish an improvement cycle that accumulates and utilizes best practices in the virtual space and deploys higher-level best practices in the physical space, leading to the constant overall optimization of warehouse operations.

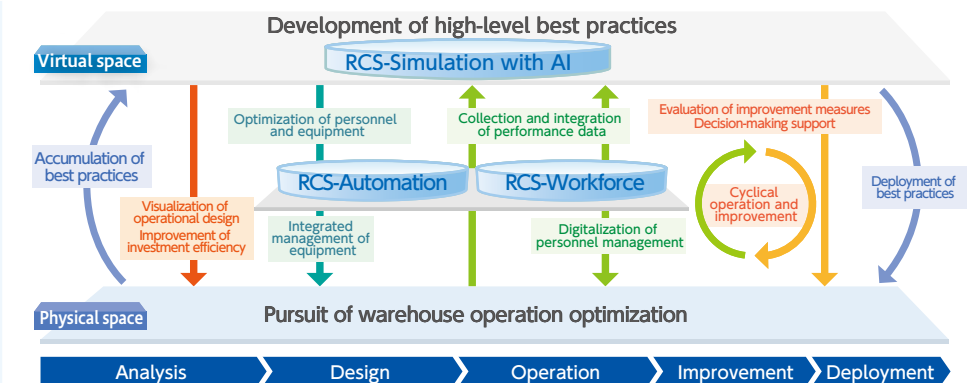
RCS
Resource Control System

Human resources management administrative man-hours
85% DOWN*

*3 Effects of implementing RCS-Workforce

Recent Topics

- No. of projects introduced: Approx. **160** (cumulative)
- Continuously expanding and deploying RCS-Automation's functionality, including support for a broader range of equipment.
- Promoting the deployment of RCS-Workforce and integrating site-level insights to advance data-driven human resource management and foster continuous improvement across our operations.

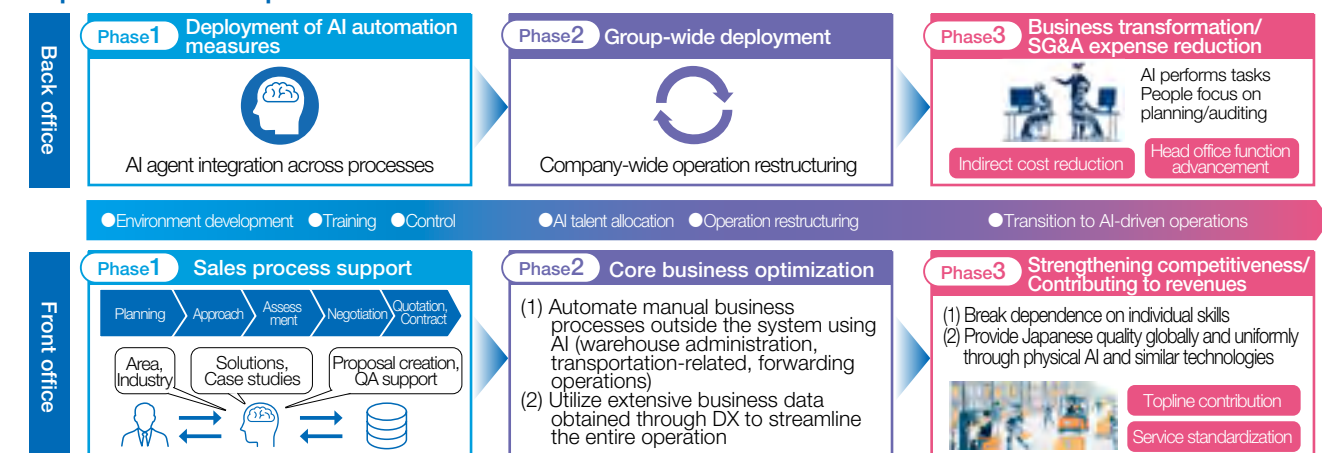


Business Transformation Through AI Utilization

By accelerating AI utilization through group-wide, we will continue to strengthen our ability to provide individually optimized solutions for our customers. As a pioneer in logistics DX, we will connect Gemba sites with management, promoting the creation of new value that fuses "Gemba" Power with digital capabilities.



AI promotion roadmap



Message from the officer in charge

The LOGISTEED Group promotes supply chain transformation starting from logistics by fusing the on-site expertise we have cultivated over many years with advanced technologies such as AI and quantum computing. In particular, we are accelerating the use of AI to provide end-to-end support from the visualization and analysis of on-site operations to enhancing decision-making, thereby advancing our customers' supply chain reforms and evolving from a business customers choose into an indispensable partner. We will continue to contribute to solving social issues and improving corporate value over the medium to long term through logistics DX solutions.

LOGISTEED, Ltd.
Executive Officer, CDXO
General Manager, Logistics
DX Solution Management
Headquarters

Yutaka Haga



Initiatives for Human Capital

For details, please visit our website. [Human Resource Management https://logisteed-holdings.com/en/csr/social/human-resources/](https://logisteed-holdings.com/en/csr/social/human-resources/)

The LOGISTEED Group is accelerating its transformation to drive business growth in the global logistics market beyond Japan. The most important foundation underpinning this growth is our human resources. We believe that the cumulative efforts of each employee—maintaining a high level of engagement, thinking independently without being bound by precedent, taking on challenges, and continuing to grow—will lead to further enhancement of corporate value. To create this virtuous cycle, the LOGISTEED Group is promoting human capital initiatives aligned with its management strategy.

Message

Building an Organization and Human Resources That Succeed in Japan and Expand Internationally

Executive Officer, CHRO
General Manager, Human Resources &
General Affairs Headquarters
Tsukasa Kudo



Aiming to Become a “Leading Global 3PL Company”

The LOGISTEED Group formulated “LOGISTEED2030” in FY2022 as its medium- to long-term vision, thereby clarifying its global growth strategy. By FY2030, we aim to achieve revenues of 1.5 trillion yen and an overseas ratio of 50% or more and become a “Leading Global 3PL Company.”

To achieve this vision, in FY2024 we reorganized our management structure into three divisions: the Japan Company, International Company, and Corporate Function, and appointed a non-Japanese executive as president of the International Company. We also established several global leadership positions within the International Company and appointed non-Japanese personnel to these roles, while assigning experienced local business leaders in each region. Furthermore, to enable the corporate division to provide even stronger support for our growth as a global logistics company, we brought in people with extensive global business experience to serve as CFO and CHRO. In FY2026, we appointed a non-Japanese executive based overseas who has extensive management experience at one of the world’s leading logistics companies as a Non-Executive Director, thereby evolving our Board structure to incorporate a more global strategic perspective. Through these initiatives, we have steadily strengthened the management foundation supporting global growth. With this foundation in place, we believe there are three main human resources challenges and directions for action, as outlined below.

Management Challenges and Directions for Human Resources Initiatives

(1) Developing Human Resources to Succeed in Japan and Expand Internationally

The LOGISTEED Group has grown as a pioneer of the 3PL business in Japan. In light of intensifying market competition in recent years, we aim to remain the company customers choose as Japan’s leading 3PL provider by delivering even higher value-added services and improving productivity. On that foundation, we seek to grow into a “Leading Global 3PL Company” by maintaining and strengthening our base in Japan, expanding our business in overseas markets, and pursuing a strategy of succeeding in Japan and expanding internationally.

To execute this strategy sustainably, we need a system that continuously develops management talent capable of leading the business, whether in Japan or overseas. The LOGISTEED Group has established succession plans covering positions from the general manager level and above at LOGISTEED to presidents of major overseas group companies, and is progressively selecting and developing the next generation of leaders.

Succession Plans for Management Positions at the General Manager Level and Above

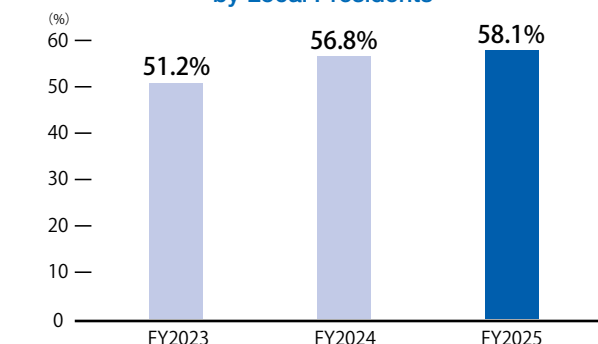
Our approach to succession for management positions is not merely intended to prepare for unexpected personnel changes, but to build a human resources foundation that supports our medium- to long-term growth strategy. For positions at the general manager level and above, we are clarifying the required roles and qualifications, identifying successor candidates, and formulating

development plans. To implement these efforts, we use Talent Review Meetings, at which management reviews human resources, to assess the current status of our human resources and evaluate their future potential. By redefining position requirements from the perspective of business growth rather than relying solely on the views of current position holders, and specifying the experience and capabilities required of successors, we are transforming succession from a process dependent on individual judgment into a system operated continuously by the organization.

Succession Plans for Key Overseas Positions

With a view to global business expansion, we are also rolling out succession plans for key positions, including presidents of overseas group companies. For overseas group companies, we identify candidates who could become successors within three to five years and develop them in stages. For key positions at overseas group companies, in addition to assigning Japanese expatriates to provide strong support for Japanese customers expanding overseas, we proactively appoint local talent with a deep understanding of local business environments and market characteristics. By placing the right people in the right positions from a job-based perspective, we will further strengthen the competitiveness of our overseas business.

Percentage of Overseas Group Companies Headed by Local Presidents



Selecting and Developing High-Potential Talent to Broaden the Management Talent Pipeline

To ensure stable succession for management positions, it is essential to systematically develop talent from the level immediately below. The LOGISTEED Group selects high-potential (HIPO) talent in Japan and overseas and provides development opportunities tailored to their roles and stages of growth. At Talent Review Meetings, we also discuss potential future management talent and identify manager-level employees with a view to their eventual appointment to management positions. Going forward, rather than limiting development to individual overseas group companies or divisions, we will continue to broaden our management talent pipeline through Group-wide development opportunities and assignments.

Our Approach to Developing Young Talent for the Future and Supporting Career Development

To support these initiatives over the medium to long term,

we are also working to systematically develop employees from an early stage in their careers. With a view to developing future management talent, we will establish a framework under which young employees systematically gain a combination of practical experience at Gemba sites, in sales, and overseas, thereby cultivating the broad perspective and judgment required of future leaders. In their subsequent careers, we will support career development aligned with each individual’s aspirations, aptitudes, and direction for growth, whether they seek to deepen their expertise in a specific field or leverage diverse experience to assume management roles. From FY2026 onward, we aim to further clarify this career development framework and reflect it in personnel assignments and development measures, thereby realizing human resource management that enables the talent supporting the Company’s growth to develop progressively while building experience and expertise.

Securing Frontline Personnel

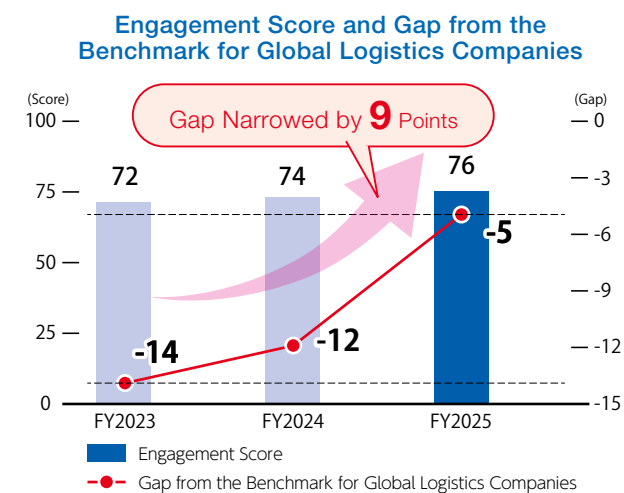
Alongside the development of future management and leadership talent, we also regard the stable recruitment and retention of frontline personnel, including warehouse workers and drivers at logistics centers, as an important management challenge. In response to environmental changes such as increasingly diverse work styles and labor shortages, the LOGISTEED Group is expanding spot work opportunities that enable people to make use of their spare time nationwide, while also launching new initiatives to employ foreign drivers. By pursuing both the development of management talent and the strengthening of the human resources foundation supporting Gemba site operations, we are working to secure a stable operational structure that underpins our business activities.

(2) Employee Growth Through Greater Job Satisfaction and Fulfillment

The LOGISTEED Group places importance on creating an environment in which every employee can grow while experiencing job satisfaction and fulfillment. In particular, centered on a cycle of improving employee engagement, we are implementing multifaceted initiatives, including Gemba site-driven operational improvements, self-exploration workshops, and the strengthening of middle management.



Initiatives for Human Capital



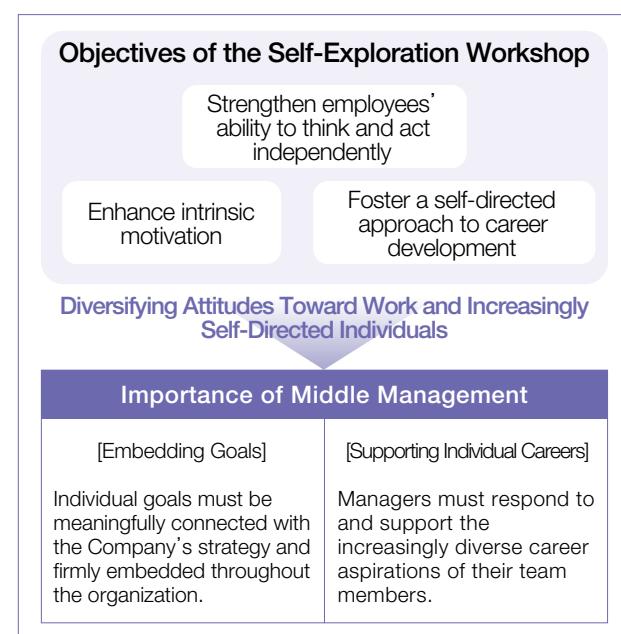
■ Cycle for Improving Engagement and Initiatives to Address Key Issues

The LOGISTEED Group has conducted an engagement survey annually since FY2021, and in FY2025 expanded its scope to cover consolidated operations in Japan and overseas. As we seek to grow into a global logistics company originating in Japan, we also place importance on global standards when selecting benchmarks. Over the past two years, the gap between the Group-wide engagement score and the benchmark for global logistics companies has narrowed by nine points, improving to just five points in FY2025. As a global logistics company originating in Japan, we are steadily approaching global standards.

At the same time, differences remain among divisions and organizational levels. Going forward, we will focus more firmly on embedding engagement improvement throughout the organization through dialogue and operational improvement initiatives at the Gemba site.

■ Rolling Out the “My Compass” Workshop

We are rolling out the “My Compass” self-exploration



workshop to help employees grow into people who think and act independently.

The workshop is designed to help each employee recognize their own values and the meaning and fulfillment they derive from their work, while enhancing their initiative and motivation for autonomous growth. It consists of three stages: (1) Individual: understanding one's own values; (2) Organization: articulating the values the organization considers important; and (3) Connecting the Individual and the Organization: linking individual values with the organization's direction, led primarily by division heads. Through these processes, we provide employees with opportunities to deepen their self-understanding and proactively consider how they can contribute within the organization, thereby fostering a sense of ownership over their careers.

■ Strengthening Middle Management to Empower Diverse Talent and Self-Directed Individuals

To respond to increasingly diverse attitudes toward work and the growing number of self-directed individuals, we are also focusing on strengthening middle management. Middle managers are expected to connect individual goals with the Company's strategy and support the increasingly diverse careers of their team members. The LOGISTEED Group is systematizing training for middle managers and aims to invigorate the entire organization by strengthening management capabilities.

(3) Initiatives to Embed Corporate Culture

The LOGISTEED Group places importance on embedding the success factors set forth in LOGISTEED WAY as a corporate culture in which every employee puts them into practice in their daily work and continues to lead proactive improvement. To achieve this, we are advancing initiatives centered on the direct involvement of management and Gemba site-driven improvement activities.

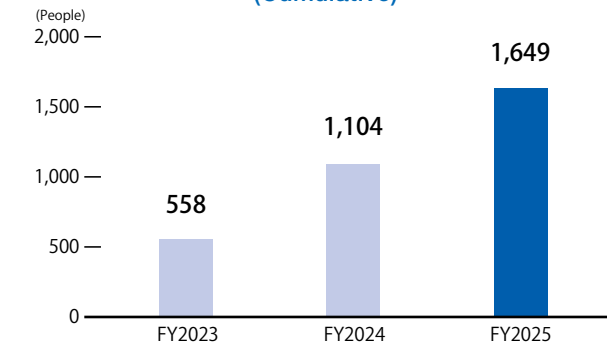
■ Embedding a Corporate Culture Based on LOGISTEED WAY

LOGISTEED WAY systematically defines how the LOGISTEED Group should be and the path it should take. We believe that sustainable growth is driven by every employee understanding the WAY, thinking and acting independently, and translating their actions into improvement. We are therefore creating mechanisms that connect LOGISTEED WAY with day-to-day operations and improvement activities and encourage proactive action, rather than allowing it to remain merely a slogan.

■ Corporate Culture Embodied by Management and Direct Dialogue with Employees

We believe that embedding corporate culture requires management to embody LOGISTEED WAY and communicate their thoughts and perspectives directly to employees. Since FY2023, we have continuously held the “LOGISTEED WAY Course” at locations in Japan and

Number of Participants in LOGISTEED WAY Course (Cumulative)



overseas, where members of management at the executive level speak about the meaning and value of the WAY through their own experiences and perspectives. Through this direct dialogue, we create opportunities for participants to renew their awareness of LOGISTEED WAY and reflect on it in relation to their own actions. In particular, to embed LOGISTEED WAY throughout overseas group companies, we are advancing initiatives to share the values common to the LOGISTEED Group while taking regional and cultural differences into account.

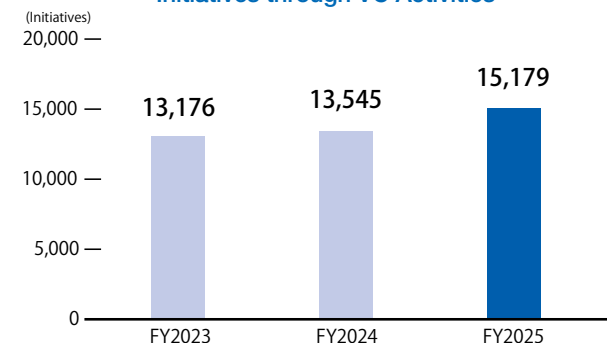
■ Embedding and Expanding the Culture through VC Activities (▶ P68) and the VC Awards

The LOGISTEED Group promotes Value Change & Creation (VC) activities throughout the Group as an initiative that translates the practice of LOGISTEED WAY into concrete action. These activities provide a framework that encourages every employee to proactively undertake Gemba site-driven operational improvements, with the aim of making individual work practices more efficient and improving productivity throughout the organization by sharing examples of improvement.



Case Study Presenters at an Internal Event to Promote kintone Adoption

Trend in the Number of Operational Improvement Initiatives through VC Activities



VC Award Improvement Case Exhibition

To further advance VC activities, we are also using generative AI, RPA, and no-code tools such as kintone* to digitally support operational improvements proactively undertaken by employees based on initiatives originating at Gemba sites.

* kintone is a registered trademark of Cybozu, Inc.

We established the VC Awards to recognize these Gemba site-driven improvement activities and have held them annually since FY2019. The VC Awards provide an opportunity to widely share outstanding initiatives throughout the LOGISTEED Group, while encouraging every employee to take on challenges proactively and contributing to the development of a corporate culture of continuous improvement.

VC activities are also steadily expanding beyond Japan to overseas sites. The bottom-up improvement mindset of accumulating small improvements and creating value from Gemba sites is already taking root as part of the LOGISTEED Group's culture.

Going forward, we will continue to pursue the practice of LOGISTEED WAY and VC activities in tandem, aiming to embed a corporate culture in which every employee continues to proactively take on the challenge of creating value.

Aligning the Growth of Diverse Individuals with the Growth of the Company and Its Businesses

We aim to create an organization in which employees with diverse backgrounds and values take pride in and find fulfillment in their work and continue to grow with high levels of engagement. We believe that the accumulation of such individual growth will lead to the sustainable growth of the Company and its businesses.

What matters is continually ensuring that individual growth and the growth of the Company and its businesses move in the same direction. Each employee thinks independently and takes on challenges, and the resulting achievements contribute to value creation by the organization. We believe that creating this virtuous cycle is the mission of the Human Resources Division and the role I must fulfill as CHRO. Succeeding in Japan and growing globally—this will be achieved through the strength of our organization and human resources.

We will continue investing in human resources and fostering our corporate culture to create an organization in which every employee remains highly engaged and continues to grow together with the Company, thereby contributing to the LOGISTEED Group's sustainable value creation.

Initiatives for Intellectual Capital

-Governance of intellectual property and intangible assets to maximize corporate value-

For details, please visit our website. Intellectual property <https://logisteed-holdings.com/en/csr/governance/ip/>

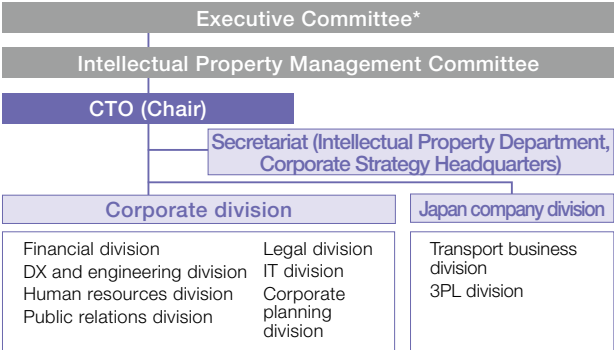
Steps toward sustainable value creation by utilizing intellectual capital as management resources

Basic Principle and Policy

The LOGISTEED Group recognizes that logistics is an important form of infrastructure in society. In order to fulfill its role as a platform underpinning socio-economic activities, the LOGISTEED Group actively takes on the challenge of addressing various issues and promotes innovation. In this context, the LOGISTEED Group considers intellectual property to be a source of business competitiveness, and aims to achieve sustainable growth and maintain competitiveness through the acquisition, protection, and management of intellectual property rights.

Structure and Strategy for Promoting Intellectual Property Management

The LOGISTEED Group positions intellectual property as one of our important management resources. We have established an Intellectual Property Management Committee as a decision-making body regarding intellectual property strategy and intellectual property management, and we promote intellectual property activities across the group. Regarding the intellectual property of third parties, we thoroughly ensure appropriate handling and protection in accordance with laws, regulations, and contracts, based on the LOGISTEED Group Code of Conduct. At the same time, we conduct regular compliance training for employees as a foundation to support sincere and fair business activities.



*The structure below the Executive Committee is established at LOGISTEED, the core company.

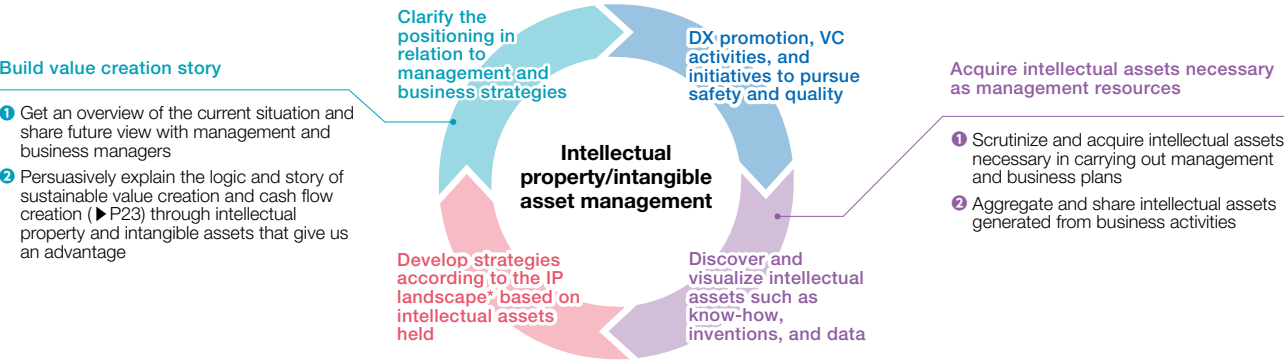
Strengthening of intellectual capital/intellectual property rights strategy

For technical achievements generated from the introduction of groundbreaking technologies and development projects, we formulate intellectual property strategies for each business unit and either keep them confidential as know-how or file for patent applications to secure rights. We position both successes and failures, including the countermeasures taken, as experience, and making repeated decisions based on knowledge and data leads to high productivity. The process of filing and securing patent rights is an important step in visualizing technical achievements, and the numbers of patents acquired (number of registrations) and held are positioned as essential quantitative indicators (KPIs) for measuring innovation results.

	FY2023	FY2024	FY2025	FY2026 (Target)
No. of registered patents	30	29	33	30
No. of patents held	138	171	207	237
No. of inventors submitting patent applications	23	29	20	30
No. of specialized and compliance training sessions held	3	3	5	4

Achievements made through intellectual capital/intellectual property rights processes

The LOGISTEED Group's intellectual property strategy is a measure to promote differentiation from competitors and visualize our strengths, aligning the direction of the entire group to lead to the creation of shared value. In strategy formulation, we analyze business models and market environments from a medium- to long-term perspective, starting with contributions to customers and society along with the maximization of provided value, and consider the necessary patent portfolio based on potential issues and future risks. This process fosters motivation to grow and a challenging spirit among human resources, promotes the conversion of tacit knowledge into explicit knowledge as well as its internal sharing, and contributes to productivity improvement.



*IP landscape: In developing management or business strategies, (1) conducting analyses that incorporate intellectual property information into management and business data, and (2) sharing the resulting overview of the current situation and future prospects with management and business managers

Ensuring logistics resilience and sustainability through patents for automation and labor-saving technologies

Even as the social environment and customer needs change rapidly, logistics requires a stable response. In recent years, economic trends and supply chain risks have become difficult to foresee, and the logistics industry also faces the challenge of a serious labor shortage. Amidst increasing uncertainty, investment in automated equipment carries risks, and technological progress also makes investment decisions difficult. Even under these circumstances, the LOGISTEED Group has set clear goals for automation and labor-saving, and has continuously proceeded with the introduction of automated equipment. Our group's strength goes beyond mere equipment introduction. The LOGISTEED Group was an early adopter of an automated guided vehicle (AGV)-type robot sorter, shown in the figure below. Furthermore, through pre-implementation verification and adjustment, we incorporate Gemba site know-how, develop tools to enhance standard specifications to suit Gemba sites, and integrate them into the system. For example, we have developed visualization tools that allow Gemba site staff to intuitively grasp the system's decision-making content, and have incorporated logic to avoid congestion during the sorting chute allocation and operation stages to reduce AGV congestion, which causes a decline in operating rates, thereby building a mechanism that maximizes the capabilities of both Gemba site staff and equipment. In introducing automated equipment, our group utilizes the 3PL data, insights, and know-how we have accumulated over many years, while also ensuring flexibility to reflect the different judgment criteria of each site and maintaining versatility. The LOGISTEED Group is actively pursuing patent applications and acquisitions for proprietary technologies related to automation and labor saving. Even amidst concerns about labor shortages, we are working to improve ROI and enhancing contract retention rate in our 3PL business by providing high-quality services that are difficult for other companies to achieve.

Improving Efficiency in the Pre-Sorting Process

- Aim to equalize the workload of each induction point and efficiently allocate chute positions (patent pending).
- Enable exception handling when the number of sorting destinations exceeds the number of chutes (patent pending).



Visualization of Work Status

- Visualizing the volume allocated to chutes as a heat map makes it possible to predict and understand the congestion status of robots (patent pending).



Visualizing congestion status by coloring each chute based on volume

Improving Usefulness and Practicality

- Display the work progress of the entire warehouse and individual input productivity (patent pending).
- Display status information for all packages for the day (unconfirmed, confirmed, in progress, completed, etc.; patent pending).
- Control AGV departure times for each induction point (patent pending).

Improving Operating Rate

- Control AGVs to travel on routes that avoid congestion, improving sorting efficiency (registered: Patent No. 7787332).
- Detect when storage bins are full and issue warnings according to the amount of cargo inside (patent pending).

Turning know-how cultivated through verification into intellectual property, and solving social issues together with partners

The LOGISTEED Group is advancing initiatives to improve business value while providing solutions that are considerate of society and the environment. Since it is difficult for our group alone to realize solutions that include hardware, we are working to create new value by collaborating with partner companies that share our vision. Our development of a remote forklift operation system for logistics warehouses leverages the LOGISTEED Group's intellectual property, including knowledge gained through repeated verification of remote forklift operations and know-how cultivated through technical verification. Our group will continue to contribute to solving social issues on an even broader scale by sharing our unique knowledge and Gemba site data with business partners to expand the scope of their application.



Remote forklift-specific interface that allows intuitive operation of driving and cargo handling using wide-angle camera video and augmented reality guide lines

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