

Message from the CEO

Against a backdrop of drastic change in our environment, we strive to maximize corporate value in anticipation of relisting and become a "Leading Global 3PL Company."

September 2025

Yasuo Nakatani

Representative Director,
Executive Chairman,
President and CEO




Looking Back on Mid-term Management Plan "LOGISTEED2024"

Record performance in FY2024 and a target of ¥1 trillion in revenues in FY2025

FY2024 was the final year of the Mid-term Management Plan "LOGISTEED2024" begun in FY2022. Looking back, the past three years have been a very important period for us to lay a foundation for new growth. In FY2022, the first year under the plan, the COVID-19 pandemic was continuing and LOGISTEED achieved record results as the industry overall benefited from the so-called "freight forwarding bubble." It was at this time that 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" in future. In FY2024, our revenues of ¥910.7 billion and adjusted operating income of ¥48.5 billion were both record highs, as key strategies such as topline expansion measures, M&A, asset-light (▶P70) strategy, and minimum cash operations were all successful, and the consolidation of ALPS LOGISTICS also made a partial contribution. And in FY2025, we aim to achieve revenues of over ¥1 trillion, mainly as a result of the full-year contribution of ALPS

LOGISTICS, as we steadily advance our management reforms to become a "Leading Global 3PL Company."

Organic growth also contributing to topline expansion. Challenges in freight forwarding business

The organic portion of FY2024 revenues (that is, excluding the contribution of ALPS LOGISTICS) was ¥850 billion, which is more than ¥100 billion greater than in FY2021, the year before the start of the Mid-term Management Plan. There are two main reasons for this, the first of which is the strengthening of our overseas business. In Europe, Cyber Freight International Holding B.V. and Van den Bos & van Daalen Materieel B.V. were consolidated in November 2022 and August 2023, respectively. In Asia, we established the Mumbai Logistics Center in India in February 2024, and Theparak Logistics Center near Bangkok, Thailand in January 2025. This series of investments has borne fruit, with overseas business revenues growing significantly from ¥268.7 billion in FY2021 to ¥362.3 billion (excluding ALPS LOGISTICS) in FY2024. The second reason is the renewed growth of the domestic 3PL business. Due in part to the effects of the aforementioned topline expansion measures and other factors, revenues are on an upward trend even excluding the contribution of ALPS LOGISTICS. On the other hand,

the freight forwarding business, after a period of growth during the COVID-19 pandemic followed by a time of sluggishness, remains a challenge, and we continue to focus on strengthening its competitiveness.

Investing in Smart Logistics and solidifying ESG management base

We made steady progress over the past three years on priority measures intended to improve ROIC and solidify the management base, namely "Evolve Smart Logistics" and "Solidify ESG management base." First, in our quest to "Evolve Smart Logistics," as the Japanese logistics industry faces such challenges as labor shortages and rising labor costs, we further promoted automation and labor-saving measures. These included the introduction of autonomous mobile collaborative robots developed in-house. We also focused on investing in high value-added areas such as hazardous materials warehouses and medical DCs. We will continue to promote such investments to improve ROIC.

We also made clear progress on "Solidify ESG management base," which will lead to medium- to long-term improvements in corporate value and is closely related to the company's future path to relisting and becoming a global enterprise. Specifically, as overseas revenues have been increasing, we have expanded the scope of our medium- to long-term environmental targets to include global operations and Scope 3 emissions and submitted a letter of commitment to obtain SBT certification as we advance ESG management. For the sake of safety and security, we have established the Centralized Safety and Quality Control Center, while SSCV-Safety, our unique safety operations management solution, has received numerous awards in Japan and we are increasingly being recognized for such initiatives. We will continue to pursue further quality improvements and enhancement of our unique characteristics to improve our corporate value over the medium to long term.

Progress also made in structural reforms seeking to achieve global standards and relisting

We also made significant progress implementing structural reforms to transform the company into a global enterprise and get relisted. First, in FY2024 we reorganized our organizational structure into the Japan Company, the International Company, and the Corporate Function, which supports the first two, and appointed a top executive to each of them. The sales organization serves as a link between the two companies, bridging customers in Japan and overseas while deploying know-how across the organization. Now, more than a year later, the companies are working together to deepen collaboration, create synergies, and expand the seamless delivery of value to customers. In addition, the

executive officer structure headed up by three executive vice presidents has been redesigned to be flat and fully job-based to clarify each person's respective role. In future, we intend to expand the job-based system from managers to employees. Then, to improve capital efficiency in anticipation of relisting, we made progress on our asset-light strategy and minimum cash operations mentioned above. We are proud of our ability to complete the liquidation of 34 logistics centers in Japan in one year under our asset-light strategy, generating approximately ¥230 billion, which helped us to acquire ALPS LOGISTICS. We believe this will be a driving force for the implementation of the new Mid-term Management Plan and our relisting. As for minimum cash operations, we have been able to reduce the minimum required cash and deposits by practicing thorough cash visibility and control by the head office, and I am confident that this will be a major step toward greater capital efficiency in the future.

New Mid-term Management Plan "LOGISTEED2027"

Seeing relisting as a "boarding pass" to be recognized as a "Leading Global 3PL Company"

As we move forward with our new Mid-term Management Plan "LOGISTEED2027," we are aware of growing uncertainties in the business environment, such as increasing protectionism, supply chain restructuring, labor shortages, and rising costs. At the same time, we are aware of the potential for rapid industry restructuring in light of large-scale M&A activity in the logistics industry, both in Japan and overseas. Particularly in the context of industry restructuring in Japan, where shareholders are increasingly demanding greater capital efficiency, we intend to continue focusing on our asset-light strategy and bring out its true value. Under the new Mid-term Management Plan "LOGISTEED2027," we will strive to enhance our corporate value, seeing relisting as a "boarding pass" to be recognized as a "Leading Global 3PL Company" as called for in "LOGISTEED2030."

Strongly promoting three pillars and seven priority measures for topline expansion

Following the basic policy outlined above, "LOGISTEED2027" will focus on three pillars and seven priority measures to strengthen our business base and achieve revenues of ¥1.5 trillion and an overseas ratio of at least 50% as called for in "LOGISTEED2030." First, the three pillars are "Group-wide cost structure reform and reinforcement of operational robustness" by the Japan Company, "Business expansion through group-wide collaboration focused on industry sectors, service lines, and regions" by the International Company, and "Execution of structural reform" by the Corporate Function. These will be strongly promoted under

Message from the CEO

Our Future Vision

LOGISTEED2027

Strengthen business foundations ahead of re-listing
and LOGISTEED2030

Priority Measures

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
(LOGISTEED2024)

Mid-term
Management Plan
(LOGISTEED2027)

And go further
LOGISTEED
2030
Becoming a
"Leading Global
3PL Company"

- Revenues ¥1.5trillion
- CO₂ Reduce by 50%
- Overseas ratio Over 50%

Corporate
Vision

Corporate
Philosophy

the leadership and responsibility of the executive vice presidents heading up the divisions. The units will moreover pursue topline expansion by seamlessly linking the Japan Company and International Company. The Corporate Function will support both companies efficiently and steadily. Based on this, we will focus on seven specific priority measures: "Achieve organic growth as the overwhelming No.1 in Japan's 3PL market" "Achieve business expansion and enhance profitability through automation, labor-saving, and DX initiatives (utilizing AI)" "Achieve robust overseas business foundation through a consistent global strategy" "Establish a foundation for growth through PMI* and inorganic initiatives," "Achieve cash flow generation and capital efficiency on par with leading global logistics companies" "Implement industry-leading ESG management initiatives" and "Develop an organization and structure to realize LOGISTEED2030." All of these are based on the framework of what we have been working on for some time, and our main focus will be to ensure that they continue to be promoted as priority measures to enhance corporate value.

*Post Merger Integration

Circulation of economic, environmental, and
social value through "Strong P/L"

In addition, we will enhance economic value by clarifying where the activities of individual departments contribute to P/L, from revenues to net income, and by making sure that each department, such as sales, Gemba sites, and management, recognizes its expected roles and carries them out. We will then create environmental and social value by investing part of the economic value we generate in decarbonization and collaborative innovation with partners and will further enhance each value by putting these into circulation. As the cornerstone of LOGISTEED2027, "Strong P/L" is a strategy for continuing to enhance corporate value through the circulation of economic, environmental, and social value. We intend to fulfill the requirements for relisting by steadily implementing the three pillars, seven priority measures, and "Strong P/L."

Domestic 3PL business: accelerating creation of
synergy with ALPS LOGISTICS

Since the domestic 3PL business is the root of our strength, we will ensure that it is on a renewed growth trajectory. In particular, ALPS LOGISTICS, which became a consolidated subsidiary in October 2024, has much in common with us. For example, both have expertise in manufacturing logistics as part of their DNA and the

consumer logistics and retail-related businesses both account for about 20% of revenues. Also, the two have a similar history as listed companies. Therefore, we are currently focusing on joint projects such as cross-selling, pricing, transportation, and freight forwarding to maximize synergies. In addition, ALPS LOGISTICS complements our electronic components-related business, which had been a weak point for us but is now a new strength. We also expect synergies by linking our product logistics to the new subsidiary's procurement logistics, as well as streamlining effects from the integration of our warehouse management systems. By accelerating these efforts in parallel with PMI, we will maximize synergies and achieve a quick return on investment.

Overseas 3PL business: a focus on growth
markets

In our overseas 3PL business, we will leverage our meticulous service to expand our bases in the growing market of India and expand our cold chain business in Southeast Asia. We will also focus on strengthening and expanding intermodal business throughout Europe and acquiring major non-Japanese customers.

Freight forwarding business: expanding global
network and standardizing systems

In the freight forwarding business, an area that we are building up, we will continue to expand our global network through overseas M&A and also accelerate our push for efficiency through standardization and unification of systems that we started in FY2024. In addition, since strong governance is also necessary for goals like enhancing freight competitiveness, we are vastly reinforcing this area by appointing experienced

human resources from outside and establishing headquarters specializing in freight forwarding.

Initiatives on Material Issues

Connecting material issues initiatives with "Strong P/L"

Under our initiatives on material issues, we will continue to work on three Focus Areas: contribute to decarbonized/recycling-oriented society, build and evolve resilient, sustainable logistics services, and create new values through collaborative innovation. For our effort to contribute to decarbonized/recycling-oriented society, we are proceeding as planned to reduce CO₂ emissions in Japan, with an eye to creating environmental, social, and economic value by fulfilling our social responsibility as a logistics provider. Furthermore, as I mentioned previously, we are changing our medium- to long-term targets to be global. Intermodal transportation in Turkey and shared milkruns in North America help our customers to decarbonize and are growth drivers that create significant economic value. As for our quest to build and evolve resilient, sustainable logistics services, we will continue to promote automation and manpower saving at logistics centers to achieve "unstoppable logistics" and thereby create social value. Finally, to create new values through collaborative innovation, we aim to create new economic value through the promotion of DE&I and collaborative innovation activities with various partners. Since these initiatives on material issues contribute to the creation and circulation of environmental, social, and economic value, we will strive to enhance corporate value by promoting them as initiatives that lead to "Strong P/L" as described earlier.

Diagram of the "Strong P/L" Concept



What We Want to Communicate to Our Stakeholders

As I have been saying up to now, the new Mid-term Management Plan "LOGISTEED2027" is a clear expression of our will and strategy to increase corporate value with the aim of relisting. We understand that investors in Japan and overseas expect the LOGISTEED Group to raise our corporate value to a higher level by FY2027. By following through on the measures set forth in the new Mid-term Management Plan over the next three years, we will not only meet the requirements for relisting but also maximize our corporate value. In addition, industry restructuring may happen faster than anticipated, but we will continue to follow our proactive approach, which is part of our DNA. We will move with agility and act ahead of others while closely monitoring changes in the business environment. In a drastically changing environment, you can expect to see the LOGISTEED's relisting, and beyond that, our continuing efforts to maximize our corporate value and become a "Leading Global 3PL Company."



Message from the CFO



We are working to further develop ROIC management and practice "Strong P/L" to maximize corporate value.

Hideo Nakamoto

Executive Officer, CFO
General Manager,
Financial Strategy Office

Maximizing Corporate Value from the Perspective of Shareholders and Investors

Using knowledge and experience gained from both foreign global enterprises and Japanese companies

In my 37-year career, I spent 33 years in finance at foreign global enterprises, and the last four years as CFO and CHRO at Japanese companies. At a foreign global enterprise, I was involved in FP&A*, where I had to make decisions quickly based on detailed project analysis, including return on investment. I also gained experience in making decisions from a bird's eye view of the company as a whole, while respecting each individual human resource and working with sales, Gemba sites, human resources, and other departments. I was also able to make good use of this experience in my recent work as CFO and CHRO of a Japanese company. Having become CFO of the LOGISTEED Group in September 2024, I will fully utilize my experience and knowledge to contribute to maximizing our corporate value with a view to relisting and becoming a "Leading Global 3PL Company." I believe that the finance department should act as shareholders' eyes and ears and its role is to maximize shareholder value. Since business comes with

challenges, one of our roles is to work closely with the business divisions to meet those challenges and help the company grow and sometimes be tough internally. I am determined to make good use of the capital entrusted to us by our shareholders and borrowed from financial institutions to create sustainable results.

I also believe that human resources should be at the heart of company management. A business produces the greatest results when each employee reaches their maximum potential and these potentials are gathered into one. For that reason, I recognize that another important part of my role is to establish mechanisms to maximize employee performance and invest in human capital.

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

Continuing and further developing minimum cash operations and asset-light strategy

I believe that the minimum cash operations and asset-light strategy implemented over the past two years have been very appropriate, as they are financial capital strategies essential for the LOGISTEED Group to compete with major foreign logistics companies. At the same time, I have been impressed by the remarkable results achieved by all employees working together on these measures, and I regard the LOGISTEED Group as

a very viable organization. I believe that carefully maintaining these two strategies and further strengthening them is a necessary precondition for relisting.

It is also important to achieve profitability and capital efficiency on a level with major foreign logistics companies in order to increase corporate value after relisting. To do that, we will further strengthen cash management through minimum cash operations by fully deploying the Treasury Management System (TMS), which centrally manages funds and financial risks for the entire LOGISTEED Group, and also by consolidating overseas funds, strengthening stagnation management, and curbing the worsening of payment terms. In addition, we will further develop our asset-light strategy by liquidating our own assets and reviewing our strategic shareholdings across the entire LOGISTEED Group, including ALPS LOGISTICS.

New Mid-term Management Plan "LOGISTEED2027"

A focus on "Strong P/L" initiatives

Under the new Mid-term Management Plan "LOGISTEED2027" that took effect from FY2025, the three pillars of our strategy are "group-wide cost structure reform and business resilience" by the Japan Company, "Business expansion through group-wide collaboration based on industry, service, and region" by the International Company, and "Implementation of structural reform" by the Corporate Function. These initiatives will be supported by a financial capital strategy centered on "Strong P/L."

"Strong P/L" is an initiative to clarify which part of the P/L is impacted by the activities of each department, including management departments, by setting action items to improve revenues (top line) and profit at each stage (gross profit, operating income, income before

income taxes, and net income) in income statements, so that each employee can play an active role and consciously contribute to business performance (that is, create economic value). As the cornerstone of LOGISTEED2027, this is a strategy to improve corporate value through a cycle of economic value, environmental value, and social value. The "Strong P/L" approach is itself an easy-to-understand summary of the P/L elements of the ROIC tree. It incorporates what we have long been doing as ROIC management into each business, each stage of profit, and each employee's role. Therefore, people in all departments and positions can contribute to business profit, which is the numerator of ROIC. For example, sales personnel can help improve ROIC by expanding the range of business commissioned to us by existing customers or by developing new customers. Gemba site warehouse operations personnel can help improve ROIC by efficiently performing warehouse operations and increasing productivity. These can lead to higher gross profit margins, and implementing tax strategies developed by the financial division to optimize the effective tax rate on a global basis can also help improve ROIC. Moreover, IT and technology departments can contribute by streamlining warehouse operations with DX and advancing automated equipment. Since all employees are involved in some aspect of P/L in this way, the LOGISTEED Group aims to make the "Strong P/L" approach permeate all departments, including sales, Gemba sites, and management, so that all employees can contribute to business performance.

ROIC management that encourages taking new challenges with a vision in mind

Along with our "Strong P/L" efforts, we will also further strengthen ROIC management, which has been a focus since 2018. While we will continue to invest in warehouse facilities for business growth and actively invest in IT and DX for automation and labor savings, we will carefully

Diagram of the "Strong P/L" Concept



Message from the CFO

select investments by closely examining their contribution to profits and return on investment, as measured by ROIC. This will position us to achieve profitability comparable to major foreign logistics companies. As part of this effort, we are taking such steps as training managers to increase understanding of the ROIC tree, ROIC calculation methods, and the "Strong P/L" approach so that these become more firmly entrenched.

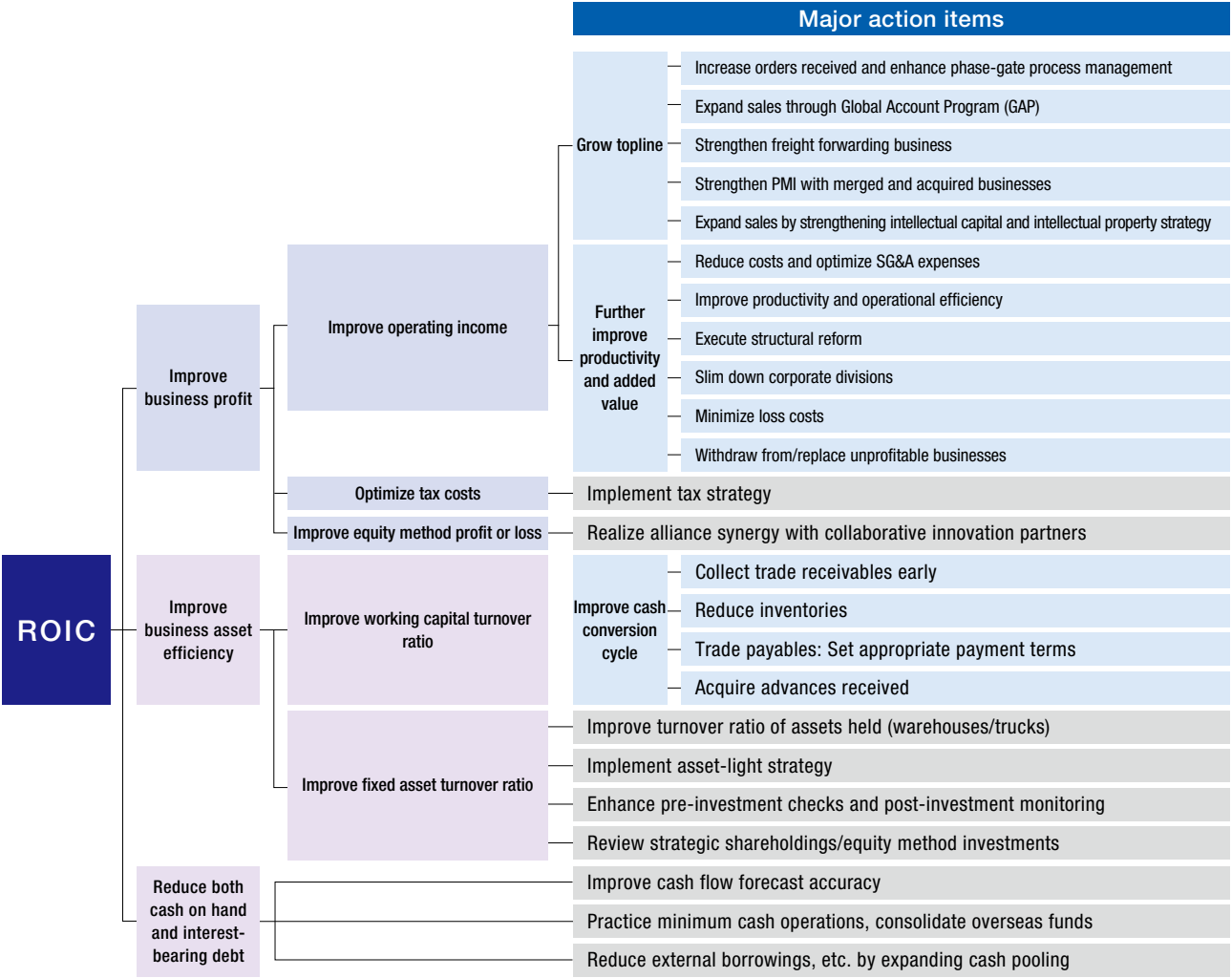
Maximizing Corporate Value

A focus on maximizing value creation capabilities, based on "Strong P/L" and ROIC tree

In addition, we will work to maximize corporate value with a view to relisting, with two core stories in particular: maximizing value creation capabilities (maximizing value provided and the ability to generate cash) and pursuing sustainability and strengthening the foundation for value creation (reducing future capital costs). Regarding the first, maximizing value creation

capabilities, we will first expand and strengthen our business globally, including in Japan, with topline expansion as our chief goal. Specifically, in addition to maximizing synergy by firmly executing PMI with ALPS LOGISTICS, expanding business in the growing markets of India and Southeast Asia, and strengthening and expanding intermodal transportation business throughout Europe, we will enhance the freight forwarding business's use of our global network by unifying systems across the globe. In addition, we will work to reduce expenses to reform our cost structure and make our business more resilient. We will also work to consolidate operations and deploy DX, new technologies, and the like throughout the LOGISTEED Group, and quickly deploy successful examples across the organization. Additionally, the entire LOGISTEED Group will work together to promote these initiatives to maximize the value provided and the ability to generate cash as action items for each employee based on the "Strong P/L" and ROIC tree mentioned above.

Key action items in the ROIC tree to increase corporate value



Sustainability initiatives to reduce cost of capital

As for the second theme, pursuing sustainability and strengthening the foundation for value creation, our efforts here will bear fruit in the form of reduced capital costs in the future, not just when we are relisted some years from now. This will help us to maximize corporate value. Therefore, we will financially support various initiatives on material issues. Specifically, we will make the environmental investment necessary for the material issue "contribute to decarbonized/recycling-oriented society," the capital investment needed to achieve "build and evolve resilient, sustainable logistics services" and "step up DX," and the human capital investment necessary to "secure diverse human resources to support growth." We will make these investments in a timely, appropriate, and flexible manner, while keeping an eye on the group-wide cash allocation strategy and investment portfolio. Regarding human capital investment in particular, we will actively utilize tools like generative AI to increase productivity with DX and enable employees to focus on more value-added and creative work. We will also prioritize investments to keep our employees up-to-date with the latest digital literacy, given the rapid pace of technological advancement. In addition, various methods have evolved in recent years in finance, the area that supports these investment strategies. Thus, we will redefine the skills required for the financial capital strategies of the LOGISTEED Group as it aims to maximize corporate value in anticipation of relisting and become a "Leading Global 3PL Company." We will also establish a training system that will enable us to continually brush up our skills.

Further enhancement of corporate value through a virtuous cycle centered on human resources

As I noted previously, in my career I have consistently valued human resources and focused on FP&A operations. As such, I intend to lead the LOGISTEED Group's financial capital strategy by making full use of the knowledge and ideas I have developed regarding both human and financial capital. In this context, I believe it is important to create an environment where every employee can feel that they have accomplished something, no matter how small, every day, and feel the joy of achieving things with their colleagues. We will aim to be a company where employees build up small successes from the early stages of their employment and people can enjoy self-realization despite the rigors of the job. By doing so, we will accelerate the growth of our business, which in turn will attract good human resources in a virtuous cycle that will help to maximize corporate value. Also to maximize corporate value, we will focus on communication with capital markets and other stakeholders. Besides those I have described so far, the LOGISTEED Group is also pursuing a variety of other initiatives, and I consider it very important to publicize these initiatives in turn. Specifically, while we take pride in being a leading company in the 3PL industry in Japan, we do not rest on our laurels. Instead, we focus constantly on proactive investment in DX and creating a comfortable working environment for our employees. We are confident that by informing our stakeholders of these latest efforts and helping them understand these, they will decide that ours is a company worth investing in. And we will focus our efforts on the new Mid-term Management Plan and increase the topline, ROIC, and ROE to ensure that we always meet those expectations.

