KURIYAMA

Medium-term Management Plan

KURIYAMA MANAGEMANT PLAN

March 12, 2025

01 Overview

- Management Plan Structure
- Long-term Vision: *KURIYAMA MANAGEMENT PLAN 2039*
- External Environment and Major Initiatives
- Targeted Direction and Basic Strategy
- Where We Aim to Be in 2030
- Group Consolidated Financial Targets by 2030
- Overview of Medium-term Management Plan (FYE12/2025–12/2027)
- Segment Performance Targets in *KMP Action 1*

01 Overview
02 Business Strategy
03 Financial Strategy
04 Strengthening the Management Base

KURIYAMA

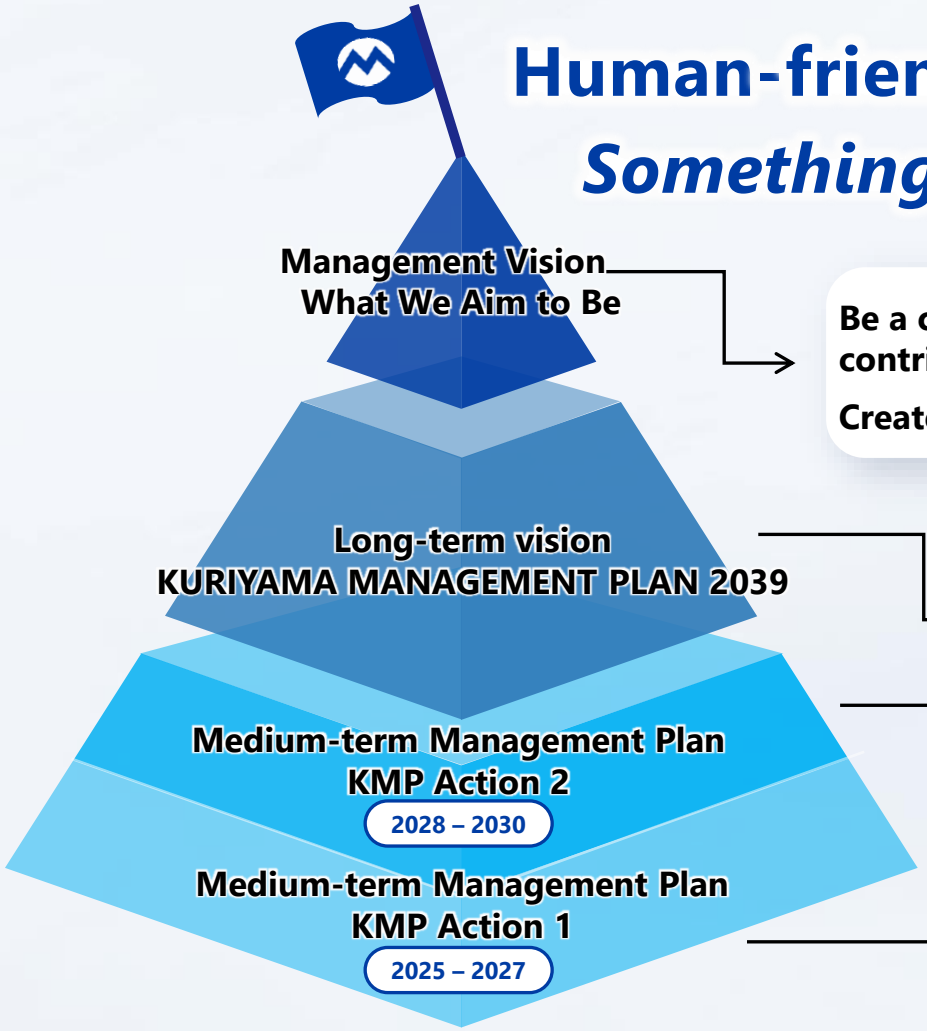
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Management Plan Structure

Our new corporate slogan aiming for a 100-year company

Human-friendly and earth-friendly
Something that only we can do

Be Active



Be a company that grasps the needs of its customers and contributes to building a sustainable society

Create prosperous future of success and mutual growth for all

Provide trust and satisfaction to customers around the world by seeking innovation in products and services that transcends business and organizational boundaries, developing and utilizing outstanding human resources, and pursuing sustainability

Period for Accelerating Growth

Period for Strengthening Foundation

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Looking ahead to 2039, our 100th anniversary, we execute the Kuriyama Management Plan to

Achieve sustainable growth

Maximize our corporate value in 2039

Connecting the World, Envisioning the Future

Action 5 **(2037–2039)**

Action 4 **(2034–2036)**

Action 3 **(2031–2033)**

Medium-term Management Plan *KMP Action 1*

Strengthening Foundation

2025 ▷▷▷ 2027

Medium-term Management Plan *KMP Action 2*

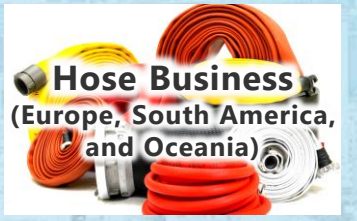
Accelerating Growth

2028 ▷▷▷ 2030

KURIYAMA MANAGEMENT PLAN2039

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External Environment and Major Initiatives

	External environment	Initiatives
	Increasing urbanization expected with population growth in both developed and developing countries	Supply sensor, rubber and plastic products that contribute to technological innovation for the agricultural machinery, construction machinery and commercial vehicle markets
	Infrastructure renovation and enhancement of disaster prevention centers expected due to increased safety awareness in Japan	Supply construction materials related to new construction and renovation of educational and railroad facilities
	Growth expected in regions with growing populations, due to increased consumption and economic activities	Provide a stable supply of hoses to a wide variety of fields in North America, including beverage, civil engineering and construction, and agriculture
		Expand into untapped regions developing their economy and supply high-quality hoses

Aiming for social contribution and sustainable growth based on essential businesses that are indispensable to people's lives

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Targeted Direction and Basic Strategy

Industrial Products Business

Targeted direction

Achieve further growth in agricultural machinery, construction machinery and commercial vehicle markets

Basic strategy

- Strengthen manufacturing capabilities through aggressive investment
- Develop environmental technologies to open up new markets

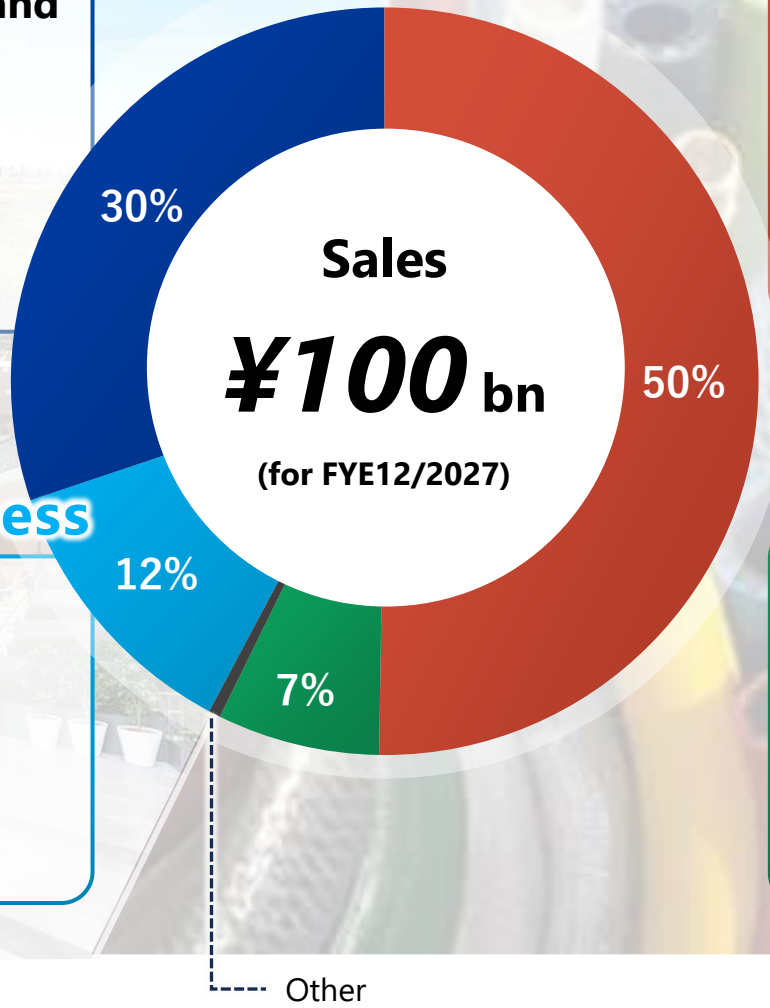
Hose Business (North America)

Targeted direction

Pursue superiority in the North American market

Basic strategy

- Strengthen logistics capabilities throughout North America
- Expand local production for local consumption through a flexible production system



Sports Facility & Construction Products Business

Targeted direction

Form a strong revenue base

Basic strategy

- Increase the ratio of construction orders
- Promote comprehensive proposals across markets

Hose Business(Europe, South America, Oceania)

Targeted direction

Tap into frontier areas

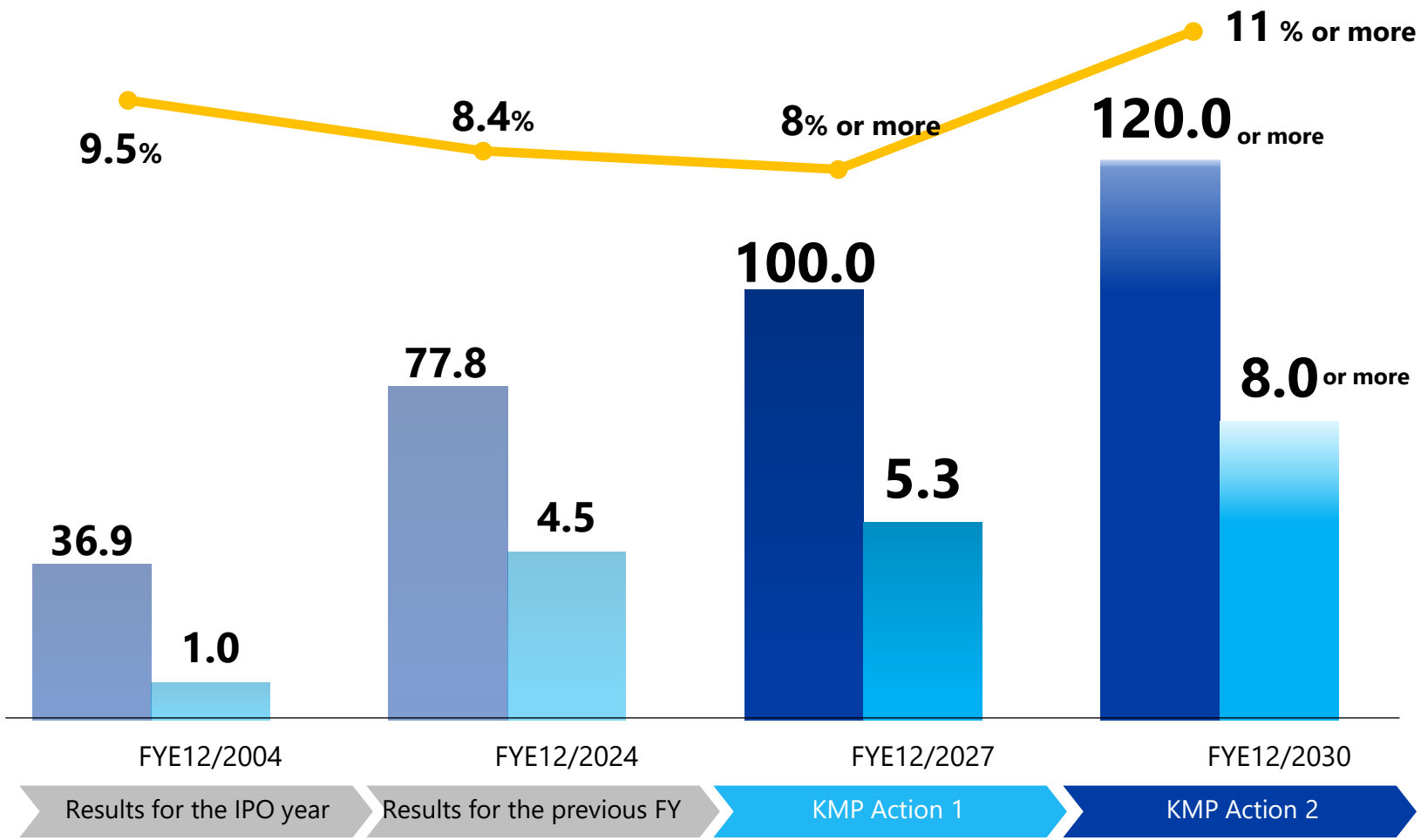
Basic strategy

- Expand sales channels into untapped markets
- Gain cost competitiveness by improving factory utilization ratio

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Achieve sustainable growth by positioning the next three years as a period of *strengthening the foundation* and the following three years as a period of *accelerating growth*

(Billions of yen, unless otherwise stated)



Exchange rate	(Unit: JPY)
2024 (Actual)	USD=151 CAD=110 EUR=163 AUD=99 RMB=21
2025 and beyond (Forecast)	**USD=150 CAD=107 EUR=157 AUD=100 RMB=20**

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Group Consolidated Financial Targets by 2030

(Billions of yen, unless otherwise stated)

		KMP Action 1				KMP Action2	
	FYE12/2024	FYE12/2025	Change	FYE12/2027	2024–2027 CAGR	FYE12/2030	
Sales	77.8	90.0	+15.5%	100.0	+8.6%	120.0 or more	
Operating income	4.53	4.0	-11.9%	5.3	+5.3%	8.0 or more	
Profit attributable to owners of parent	3.54	3.6	+1.5%	4.2	+5.8%	6.0 or more	
ROE	8.4%	7.7%		8.0% or more		11.0% or more	
Capex	3.03	3-year total: 20.0 or more				3-year total: 20.0 or more	
Dividend payout ratio	30%	Aim for 30% or more				30% or more	Aim for further expansion
DOE*	3.0%	Aim for 3.0% or more				3.0% or more	

* Dividends paid / Shareholders' equity (Net assets excluding other components of equity, including foreign currency translation adjustments, valuation difference on available-for-sale securities, etc.)

Exchange rate Unit: JPY		
2024 (Actual)	USD=151, CAD=110, EUR=163, AUD=99, RMB=21	
2025 and beyond (Forecast)	**USD=150, CAD=107, EUR=157, AUD=100, RMB=20**	

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Overview of Overall Medium-term Management Plan (FYE12/2025–2027)

Medium-term Management Plan

KMP Action 1

Achieve PBR over 1x at the earliest possible stage



01 Business strategy

[Industrial Products Business]
Achieve further growth in agricultural machinery, construction machinery and commercial vehicle markets

[Sports Facility & Construction Products Business]
Form a strong revenue base

[Hose: North American Business]
Pursue superiority in the North American market

[Hose: European, South American, and Oceanian Business]
Tap into frontier areas



02 Financial strategy

- **Strengthen return on capital**
- **Optimize capital allocation**
- **Enhance shareholder returns**



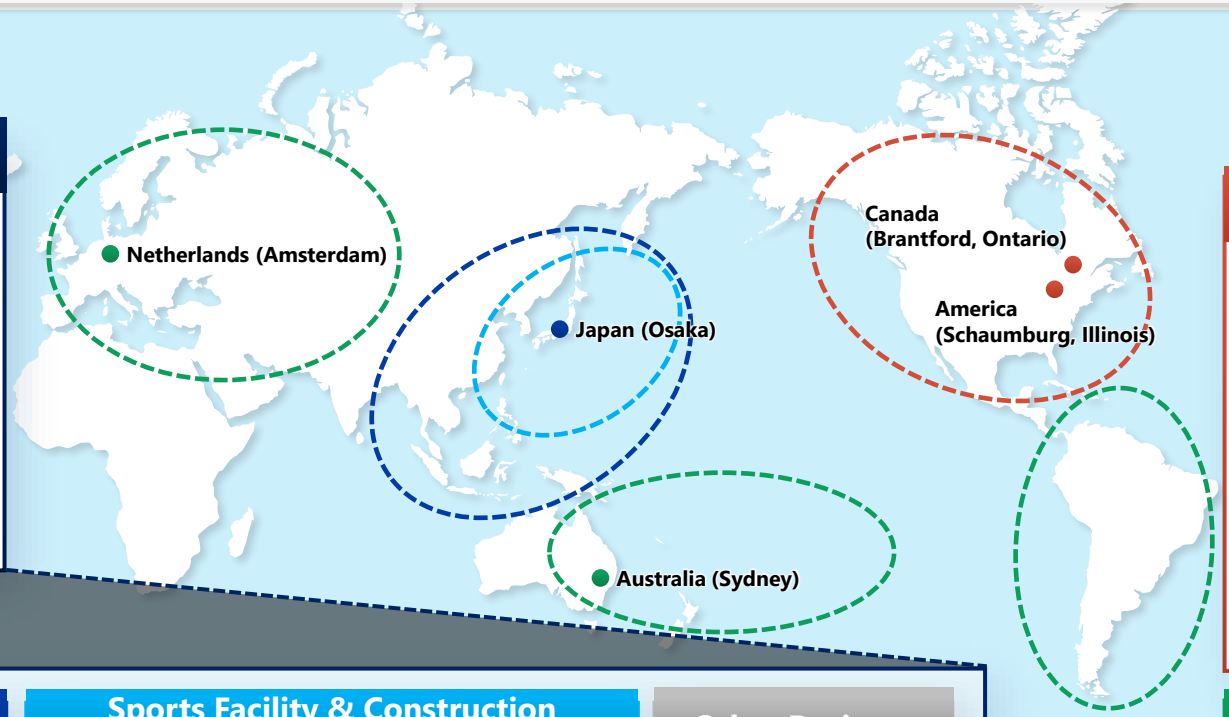
03 Strengthening the management base

- **Promote R&D**
- **Promote digital transformation (DX) reform**
- **Strengthen human capital**
- **Enhance governance**

Enhance IR activities

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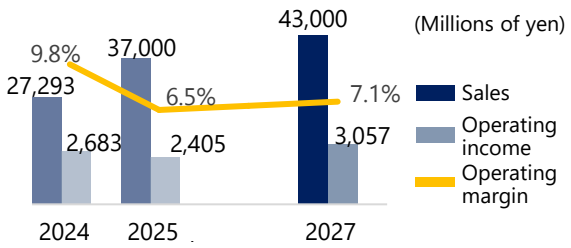
Segment Performance Targets in *KMP Action 1*



Asian Business

(Billions of yen, unless otherwise stated)

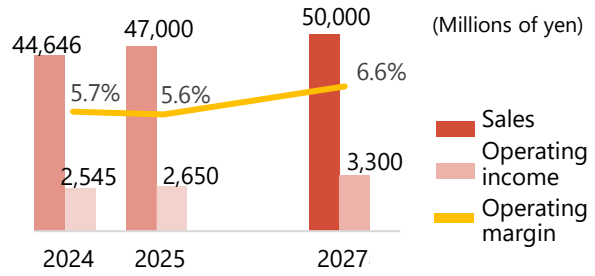
FYE12/2027	Sales	Operating income	Operating margin
	43.0	**3.05**	**7.1**%



North American Business

(Billions of yen, unless otherwise stated)

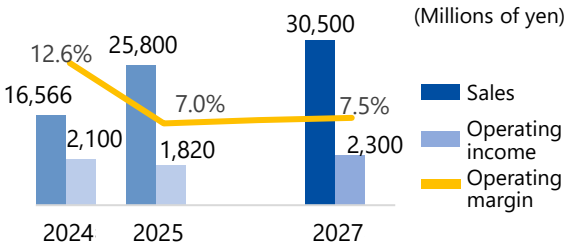
FYE12/2027	Sales	Operating income	Operating margin
	50.0	**3.3**	**6.6**%



Industrial Products Business

(Billions of yen, unless otherwise stated)

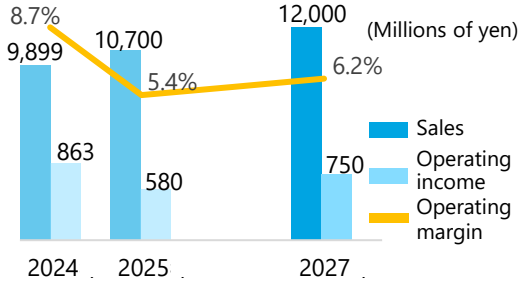
FYE12/2027	Sales	Operating income	Operating margin
	30.5	**2.30**	**7.5**%



Sports Facility & Construction Products Business

(Billions of yen, unless otherwise stated)

FYE12/2027	Sales	Operating income	Operating margin
	12.0	**0.75**	**6.2**%



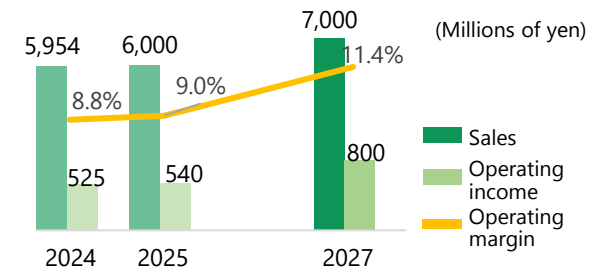
Other Business

FYE12/2027	
Sales	¥0.5 bn
Operating income	¥7.0 mn
Operating margin	1.4%

European, South American, and Oceanian Business

(Billions of yen, unless otherwise stated)

FYE12/2027	Sales	Operating income	Operating margin
	7.0	**0.8**	**11.4**%



● indicate the core operating companies.

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02 Business Strategy

- Business Environment : Industrial Products Business
  : Sports Facility & Construction Products Business
  : Hose Business (North American Business / European, South American, and Oceanian Business)
- Business Strategy : Industrial Products Business
  : Sports Facility & Construction Products Business
  : Hose Business (North American Business)
  : Hose Business (European, South American, and Oceanian Business)
- Topics : Industrial Products Business *Maximizing M&A Effects (Synergies with Mitoyo Co., Ltd.)*
  : Sports Facility & Construction Products Business *Initiatives to Increase Construction Order Ratio*
  : Hose Business *Evolution of the U.S. Logistics Platform*
  : Hose Business *Development of Production System in North America*
  : R&D *Creation of Added Value by Kuriyama R&D Inc.*
- *「KMP Action 1」* Investment Policy

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04 Strengthening the Management Base

KURIYAMA

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Business Environment: Industrial Products Business

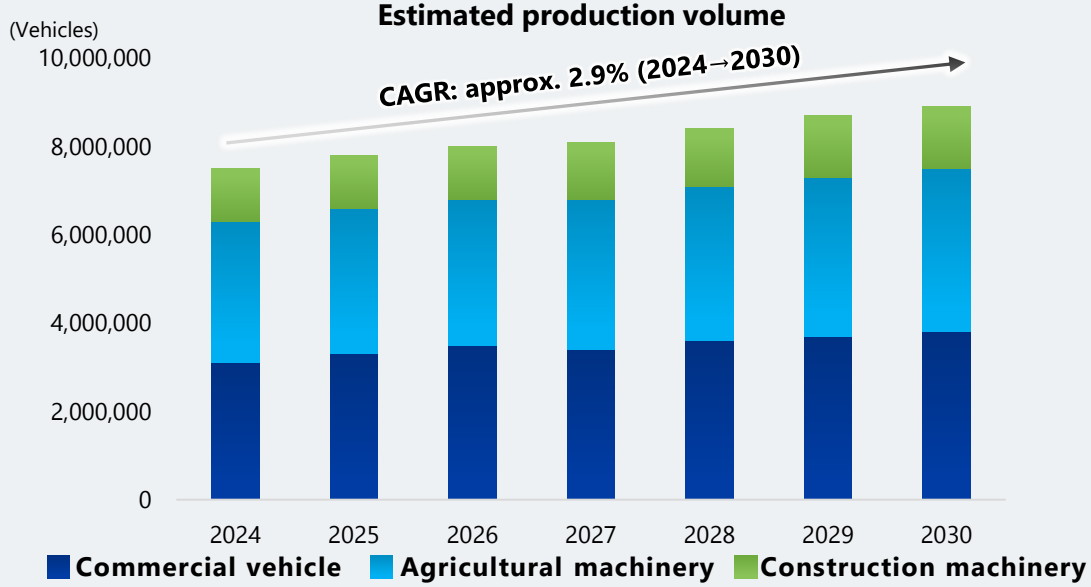
Business outline

A global Tier1 supplier to agricultural machinery, construction machinery and commercial vehicle manufacturers offering products and services with safety, high quality, and advanced technology

External conditions

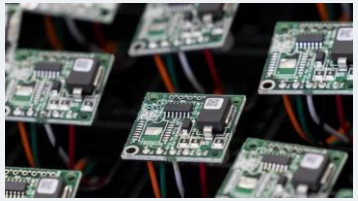
- Demand expected to grow for agricultural machinery, construction machinery and commercial vehicle as the global population increases
- Environmental technology market expected to continue its growth with tightening environmental regulations
- Supply chain expected to be more difficult to maintain due to population decline in Japan

Estimated production volume



Source: Our estimates based on various data

Core products





Our advantages

Kuriyama

- Advanced sensor technology
  - Only manufacturer in Japan and world's first proprietary technology
- Trusted relationship cultivated through years of experience
  - Business channels with major agricultural machinery, construction machinery, and commercial vehicle manufacturers in Japan
  - Commercial channels with shipbuilding and heavy industry sectors

Mitoyo

- Sales channels to the automotive and commercial vehicle markets
- Development and manufacturing capabilities for rubber and plastic products in Japan and Southeast Asia

Core essential businesses

(Businesses that we consider essential to society)

- Agricultural machinery
- Construction machinery
- Commercial vehicle

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Business Environment: Sports Facility & Construction Products Business

Business outline

A comprehensive manufacturer of flooring materials that handles everything in development, sales, and installation of world-standard, proven overseas products and our own original products

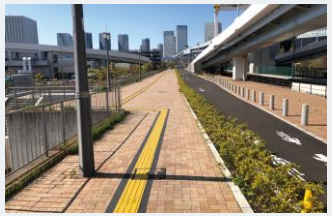
External conditions

- ☑ Demand expected to increase due to measures to address aging infrastructure facilities, etc., as part of efforts to strengthen national resilience
  - The ratio of facilities that are 50 years old to increase in the civil engineering field
  - The demand for the use of educational facilities such as gymnasiums as local disaster prevention centers to expand
  - The number of platform doors to increase as safety measures at train stations
- ☑ Demand expected to grow for ecology-conscious products in a trend toward greater emphasis on sustainability
- ☑ Labor shortage occurring due to declining population

Core products







Our advantages

- Product lineup enabling comprehensive proposals that are not restricted to any one field
- Expertise-based construction know-how
- Competitive product features and international brand value
- Sales channels with partner companies cultivated through years of experience
- Human resources capable of generating ideas for improving products and constructions based on their extensive careers, and the development capabilities to achieve them

Core essential businesses (Businesses that we consider essential to society)

Educational facilities

Railway facilities

Roads and bridges

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Business Environment: Hose Business
(North American Business/European, South American, and Oceanian Business)

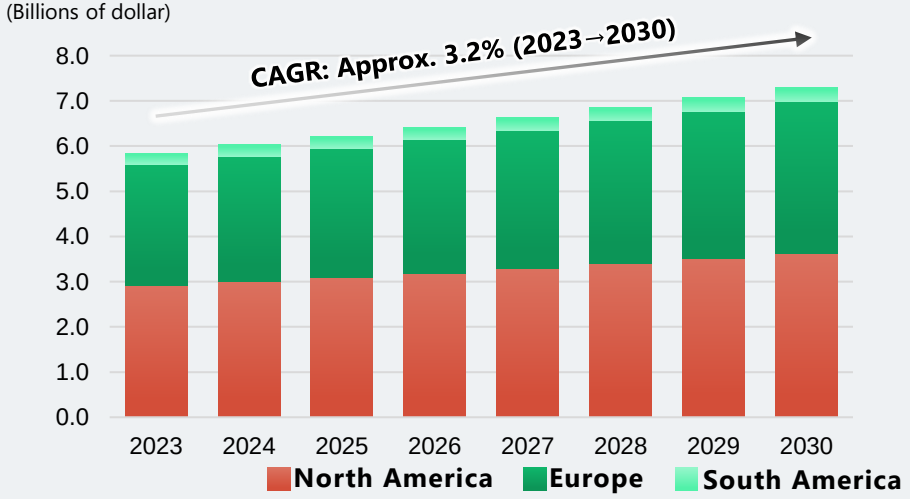
Business outline

An industrial hose manufacturer that boasts industry-leading technology and diverse product line, that supplies over 8,500 types of hose-related products to a wide range of industrial fields

External conditions

- The market expected to maintain steady growth against the backdrop of economic growth in various countries
- The needs for disaster prevention and mitigation expected to increase due to climate change
- The re-evaluation of supply and demand balance of the global economy and regional competitiveness expected to progress

Industrial hose market size



Source: Our estimated based on Global industrial hose market.

Core products







Our advantages

North America

- Industry-leading technology and diverse product line that we provide to various industrial fields
- Five manufacturing bases in the United States and Canada and a logistics network covering the entire North American region
- A wide-ranging distributor network of over 2,000 companies
- Localized management system developed over more than 50 years of history

Europe, South America, and Oceania

- Manufacturing capacity for highly durable rubber and TPU layflat hose products fitting for long distance transportation and large diameters
- The only manufacturer to manufacture firefighting hoses and nozzles in-house in Europe area
- Trust and proven track record of supplying high quality hoses in Europe for over 60 years

Core essential businesses

(Businesses that we consider essential to society)

- Beverage
- Agriculture
- Civil engineering and construction

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Business Strategy: Industrial Products Business

Targeted direction

Achieve further growth in agricultural machinery, construction machinery and commercial vehicle markets

Basic strategy 1 Strengthen manufacturing capabilities through aggressive investment

Basic strategy 2 Develop environmental technologies to open up new markets

KPIs (FY2027)



Sales
¥30.5 bn
(184.1% compared to FY2024)



Operating income
¥2.3 bn
(109.5% compared to FY2024)



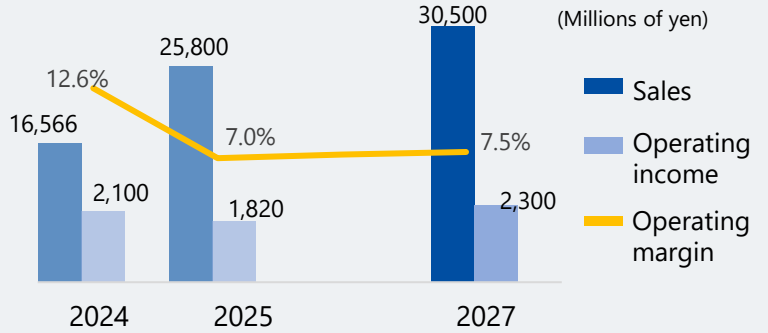
Investment plan
¥8.5 bn or more
(Three years to FY2027)

Priority measures

Common		● Maximize value chain through M&A synergies
Agricultural machinery, construction machinery and commercial vehicle	Overseas	● Strengthen supply chain management in North America and Asia ● Cultivate new markets by developing Japan-origin business model in North America ● Develop new functional sensors ● Develop new products through synergy with North American Hose business
	Japan	● Strengthen superiority by improving performance of urea water quality sensors ● Expand sales ratio of in-house products ● Improve logistics functions by consolidating warehouses
Ships and others		● Expand market share in the ship flooring materials field

Growth trends from 2024 to 2027

Sales CAGR: +22.5%



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Business Strategy: Sports Facility & Construction Products Business

Targeted direction

Form a strong revenue base

Basic strategy 1 Increase the ratio of construction orders

Basic strategy 2 Promote comprehensive proposals across markets

KPIs (FY2027)



Sales
¥12.0 bn
(121.2% compared to FY2024)



Operating income
¥0.75 bn
(86.9% compared to FY2024)



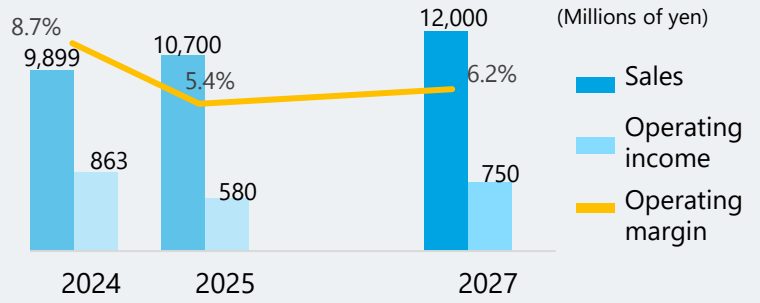
Investment plan
¥1.0 bn or more
(Three years to FY2027)

Priority measures

Common	● Integrate all segments and make comprehensive proposals ● Use PR media to increase awareness of commercial products
Sports	● Strengthen creative collaboration relationships with overseas suppliers and improve our superiority ● Take advantage of our market share to incorporate peripheral products ● Enter new sports field
Construction	● Develop new products with superior workability ● Deepen marketing and promote product enhancement by utilizing R&D functions ● Establish a new construction method that realizes labor saving ● Expand the distributor business

Growth trends from 2024 to 2027

Sales CAGR: +6.6%



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Business Strategy: Hose Business (North American Business)

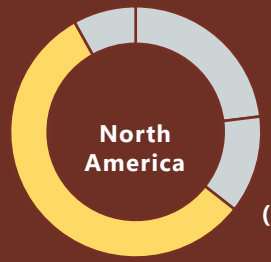
Targeted direction

Pursue superiority in the North American market

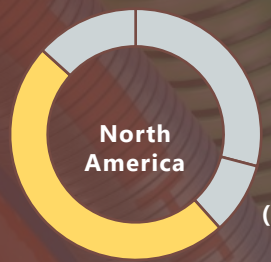
Basic strategy 1 Strengthen logistics capabilities throughout North America

Basic strategy 2 Expand local production for local consumption through a flexible production system

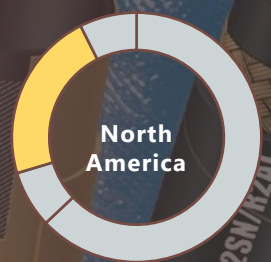
KPIs (FY2027)



Sales
¥50.0 bn
(111.9% compared to FY2024)



Operating income
¥3.3 bn
(129.6% compared to FY2024)



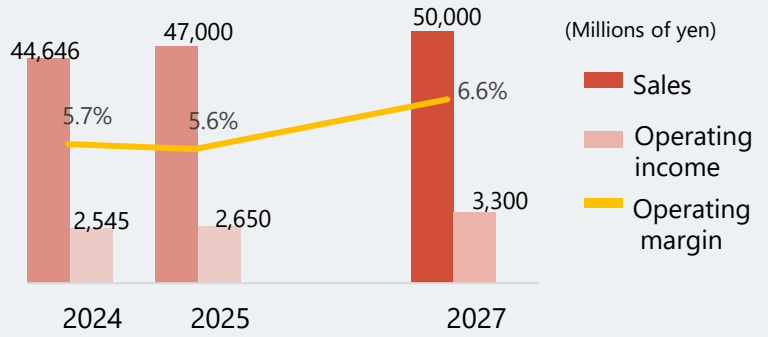
Investment plan
¥3.0 bn or more
(Three years to FY2027)

Priority measures

U.S.	● Improve logistics efficiency centered on the central distribution center ● Strengthen production capacity and expand range of products to handle ● Promote automation using digital tools ● Examine creative collaboration system, incl. M&A
Canada	● Deepen the Canadian market by strengthening logistics and sales functions ● Develop new functional products and recycling technology ● Increase manufacturing lines ● Strengthen inspection and assembling functions
Mexico	● Increase procurement capabilities through supply chain development ● Examine insourcing based on an approach focused on *local production for local consumption*

Growth trends from 2024 to 2027

Sales CAGR: +3.8%



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Business Strategy: Hose Business (European, South American, and Oceanian Business)

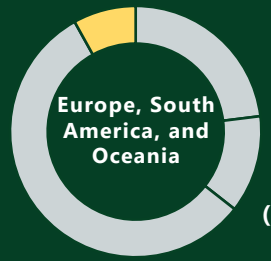
Targeted direction

Tap into frontier areas

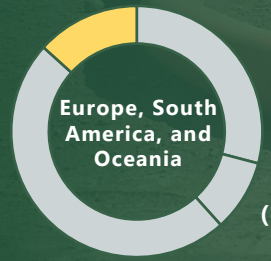
Basic strategy 1 Expand sales channels into untapped markets

Basic strategy 2 Gain cost competitiveness by improving factory utilization ratio

KPIs (FY2027)



Sales
¥7.0 bn
(117.5% compared to FY2024)



Operating income
¥0.80 bn
(152.3% compared to FY2024)



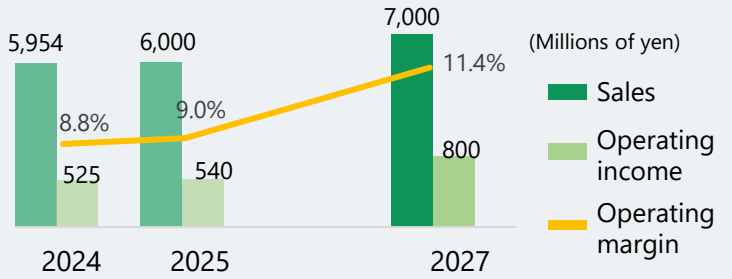
Investment plan
¥1.0 bn or more
(Three years to FY2027)

Priority measures

Europe and South America	● Expand sales channels to untapped markets in Europe region, the Middle East, and South America ● Improve profitability by reforming production and development systems ● Allocate management resources optimally according to business environment ● Cultivate markets by expanding sales of Group products in North America
Oceania	● Expand the lineup of high-quality hoses that meet the specific needs of each region ● Enhance logistics network and customer service through creative collaboration with local businesses ● Create added value by introducing processing and assembling technologies

Growth trends from 2024 to 2027

Sales CAGR: +5.5%



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We aim to expand the manufacturer function and develop into a business with manufacturing and distribution functions on a global basis by complementing each other's value chain.

KURIYAMA MITOYO

Strength

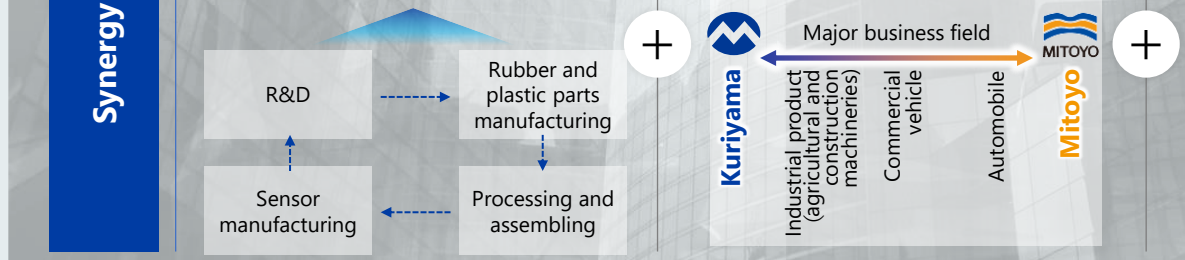
- Know-how to develop functional parts based on SUN-A Corporation's sensor technology
- Sales channels to agricultural machinery, construction machinery and commercial vehicle markets
- Global procurement and logistics network

- Technologies to manufacture and develop rubber and plastic parts and hose assemblies
- Sales channels to the automotive and commercial vehicle markets
- Manufacturing capabilities for rubber and plastic products in Japan and Southeast Asia

Synergy effects

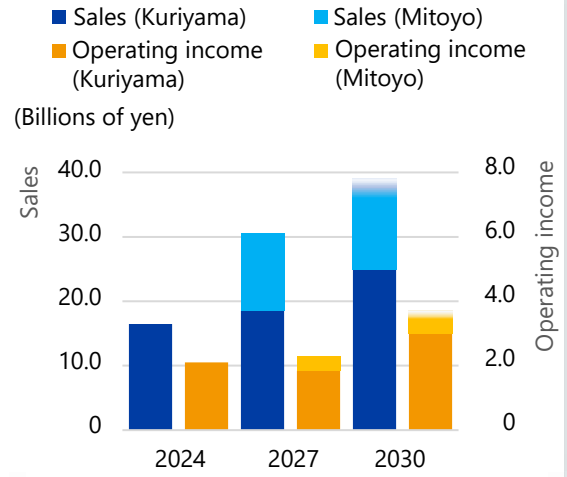
Exchange of human resources and integration of human networks

Development & manufacturing	Sales & marketing	Logistics
Promote development of new function and high value-added products	**Enhance access to new market areas**	**Improve domestic and international logistics capacity**

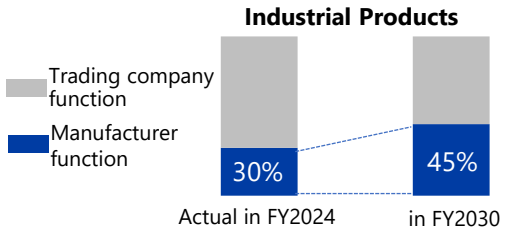


		Kuriyama	Mitoyo
Japan	Kanto Dist.	●	●
	Kansai Dist.	●	
	Kyushu Dist.	●	●
Asia	China	●	●
	Thailand	●	●
	Malaysia		●
The West	North America	●	
	Europe	●	

Growth potential after M&A



Ratio of manufacturer function and trading company function



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We ensure our competitive advantage and form a solid revenue base by raising the ratio of construction orders for our products.



Sales efficiency

■Deepen Functionality

Increase product competitiveness and superiority through R&D

■ Attract customers through web marketing

Post videos of conversations with sponsors and other videos on the Company's website

Collaboration with partners

■Strengthen relationships

Increase joint order taking with partner companies that handle peripheral parts and materials

■Enhance construction system

Standardize work to secure workers

Improvement of workability

■Streamline construction process

Advance development and construction methods for new products to reduce labor and shorten construction periods

Construction process efficiency →

Digitalize construction management

Develop products

Improve construction method

Optimization of human resource training and staffing

■Enhance the training system

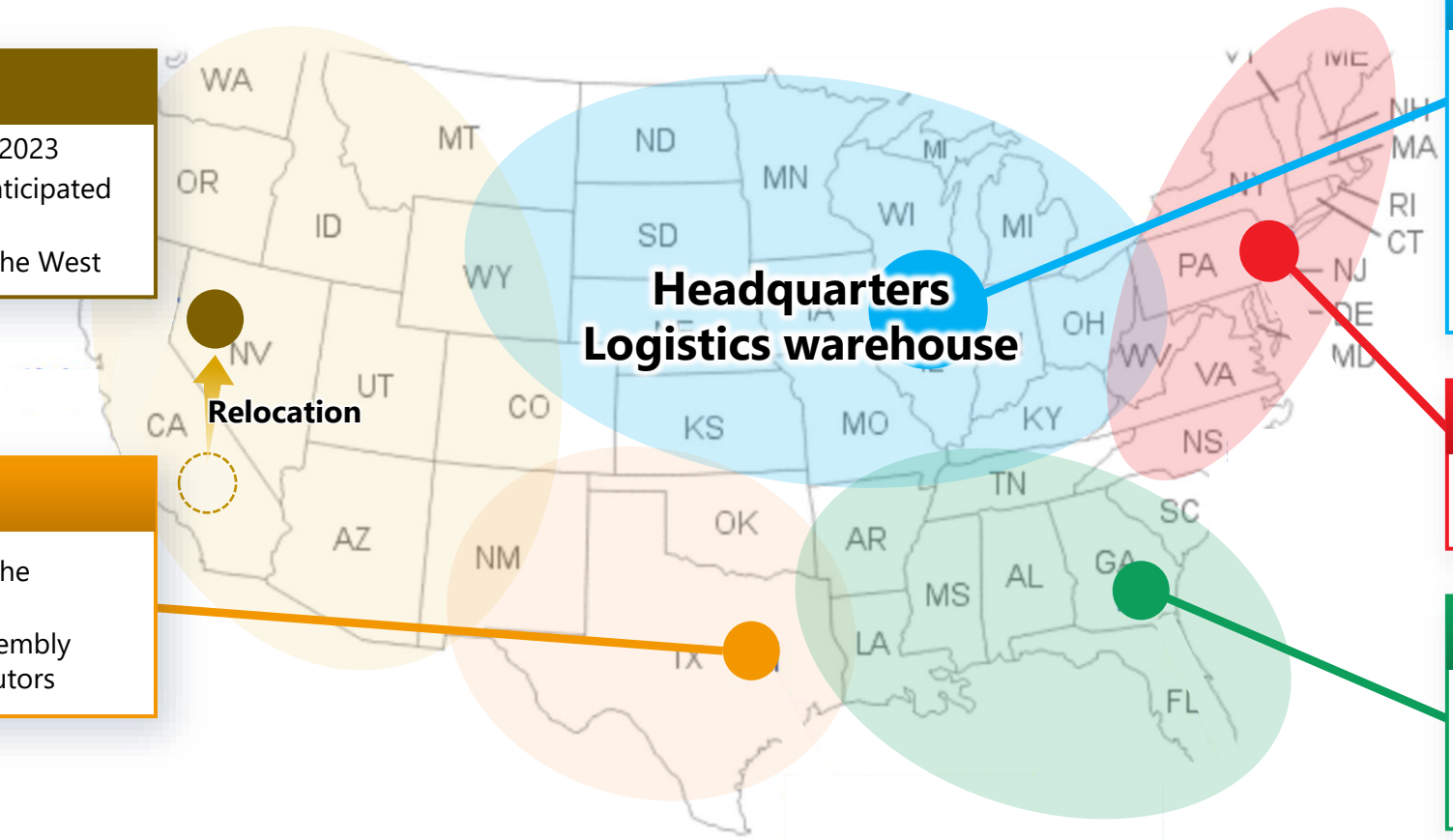
Cultivate all-round players aiming for multi-skilled human resources

■Optimize staffing human resources

Reallocate workers flexibly to meet localized construction demand

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We enhance competitive advantage in the U.S. market by enhancing customer service through appropriate inventory management and placement.



Reno, Nevada

- Moved from California in 2023
- Planning expansion for anticipated business growth
- Logistics base located in the West

Houston, Texas

- Logistics base located in the Southwest
- Equipped with a hose assembly training center for distributors

Huntley, Illinois

- Expanded to approx. 30,000 m^2 (330,000 sqf) in 2024
- Logistics base located in the Midwest
- Serving as a central distribution center for efficient distribution to branch warehouses throughout North America

New Egypt, New Jersey

- Planning relocation and expansion
- Logistics base located in the East

Atlanta, Georgia

- Logistics base located in the Southeast, where the U.S. manufacturing industry is concentrated

Advance logistics platform ▶▶▶ **Improve customer satisfaction** **Increase delivery efficiency** **Optimize inventory holdings**

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Topics: Hose Business *Development of Production System in North America*

We promote QCD improvements in the North American Hose business by establishing a production system that meets current trends and market needs.

United States

Kuri Tec Manufacturing, Inc.

Site area:	Approx. 15,000 m^2 (162,000 sqf)
Location:	Williamsport, Indiana
Main functions:	• Manufacture of plastic hoses • Manufacture of metal hoses • Logistics hub



Shift production as needed

Canada



Kuriyama Canada, Inc.

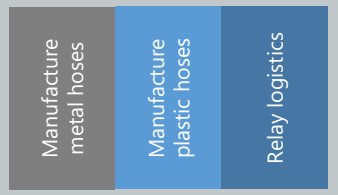
Site area:	Approx. 12,000 m^2 (139,000 sqf)
Location:	Brantford, Ontario
Main functions:	• Manufacture of raw material compounds • Manufacture of plastic hoses • Assembling of hoses and fitting • R&D • Distribution within Canada

Increase the production lines for plastic hoses

to promote local production for local consumption in the U.S.

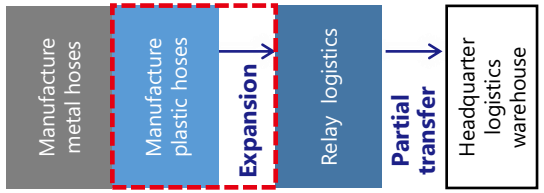
Before

Also used for a storage function in logistics



After

Reinforce manufacturing functions

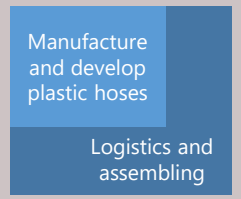


Transfer the *logistics and assembling* functions to the new site

to enhance the *manufacturing and development* functions

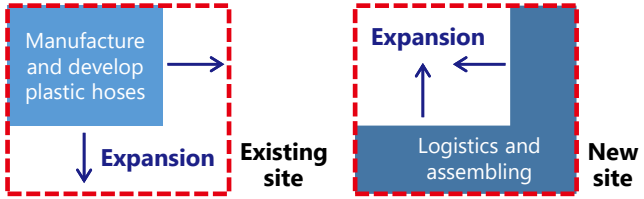
Before

Split operations in the same building



After

Dedicate to the respective roles



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Topics: R&D *Creation of Added Value by Kuriyama R&D Inc.*

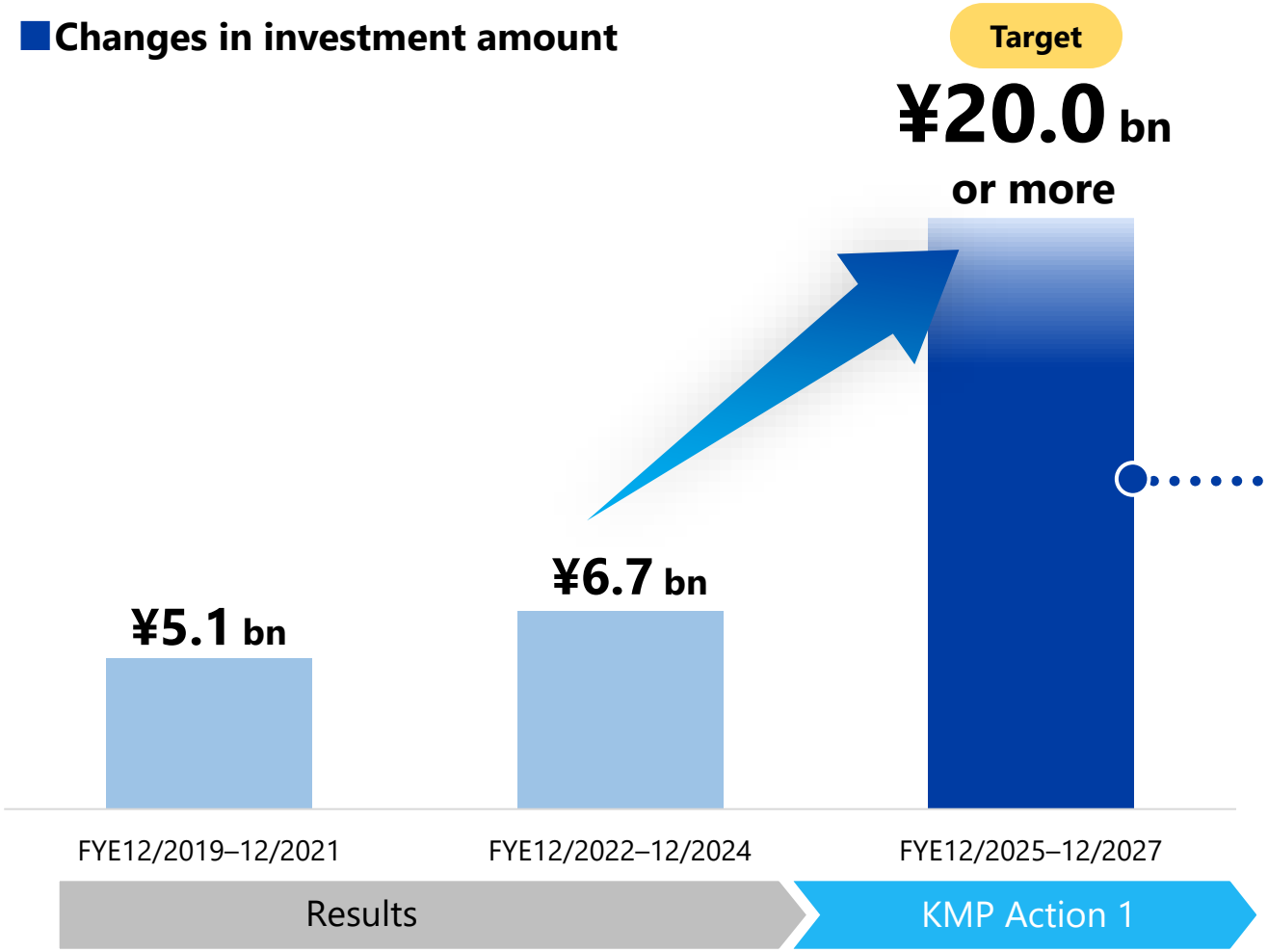
As a R&D platform, we consolidate information, technologies, human resources and intellectual property across business categories to achieve the development of new products and functionality.

Business segment	Descriptions and objectives of R&D
Industrial Products Business	 ■ **Develop products through innovation of elemental technologies** Gain advantages in agricultural machinery, construction machinery and commercial vehicle markets  ■ **Verify product functionality** Establish global supply system Promote group synergy
Sports Facility & Construction Products Business	 ■ **Verify performance of flooring materials** Improve customer satisfaction and brand strength  ■ **Analyze verification data** Maintain quality and improve performance Realize energy and labor savings in construction work
Hose Business	 ■ **Develop new products that satisfy distinct local needs** Accelerate global expansion

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In KMP Action 1,
we promote to strengthen the foundation through investment, and link it to KMP Action 2 aiming to accelerate growth.

■Changes in investment amount



Major investments

Industrial Products Business
Group Mitoyo Co., Ltd. and create synergies

Hose Business
Expand distribution and manufacturing functions in North America

R&D
Promote R&D functions to create technologies, products, and human resources

Management base
Invest in DX reform and human capital enhancement

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03 Financial Strategy

- Achieving Management with Conscious of Capital Cost and Stock Price (Current Analysis & Action Plan)
- ROE and Cost of Equity
- Capital Allocation
- Shareholder Return Policy

01 Overview
02 Business Strategy
03 Financial Strategy
04 Strengthening the Management Base

KURIYAMA

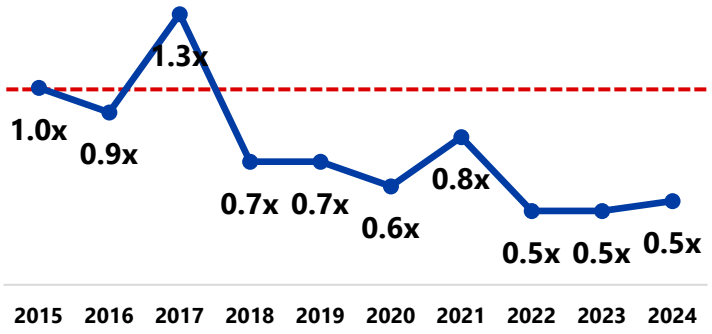
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Achieving Management Conscious of Capital Cost and Stock Price (Current Analysis & Action Plan)

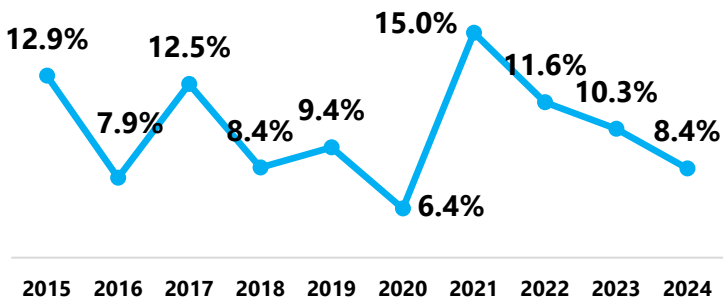
- **PBR is continuously below 1x. ROE has averaged about 10% over the past 10 years but is trending downward. PER is low.**
- **We aim to quickly raise PBR above 1x through *steady implementation of the business strategy in the Medium-term Management Plan*, incl. enhancement of return on capital; *enhancement of shareholder returns* based on stability and continuity; and *strengthening of investor relations activities* through timely and appropriate information disclosure and careful dialogue.**

Changes in PBR = **Changes in ROE** × **Changes in PER**

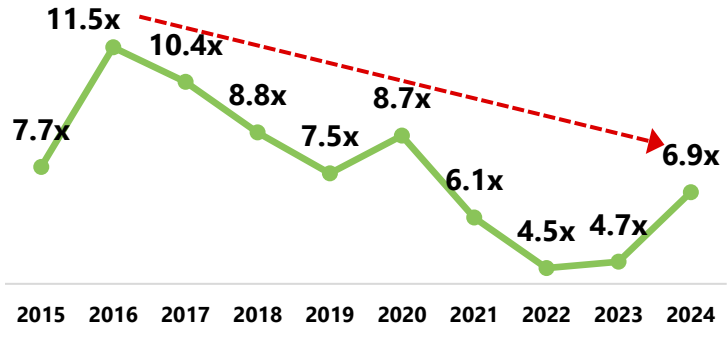
Continued to be below 1x



Median over the past 10 years: 9.9%



Low level



Measures to be taken

Steadily implement business strategy in the MTMP

Raise return on capital

- Strengthen profitability and foster growth expectation by steady implementation of the business strategy
- Strengthen the foundation and accelerate growth by investing in growth, incl. M&A
- Support return on capital and financial stability at the same time

Enhance shareholder returns

Achieve stable and consistent shareholder returns

- Aim to further increase shareholder returns while adhering to stable and consistent shareholder returns

Enhance IR activities

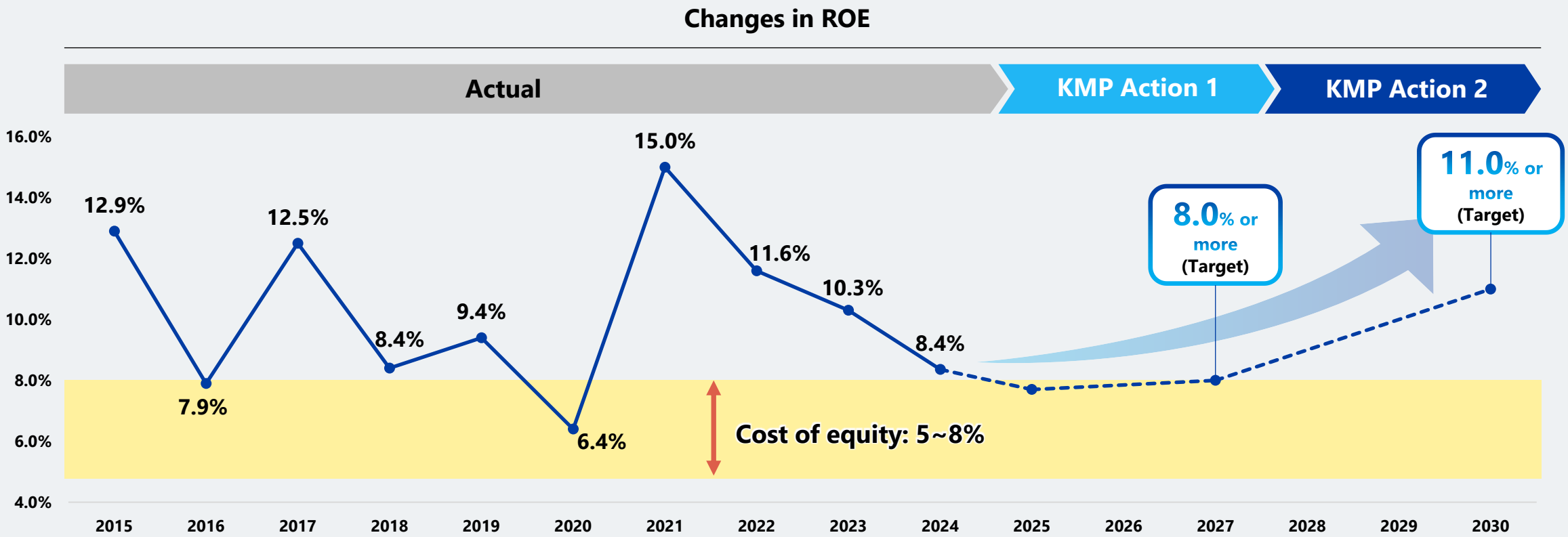
Promote information disclosure and dialogue, and increase loyal shareholders

- Disclose information in timely and appropriate manner
- Continue careful dialogue through briefings for individual and institutional investors and one-on-one meetings
- Increase loyal shareholders by introducing a shareholder incentive program to reward medium- to long-term shareholders

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ROE and Cost of Equity

- **With the recognition that our cost of equity is within the range of 5% to 8%, ROE has generally been above the cost of equity.**
- **We will reverse the downtrend of ROE by improving return on capital through steady implementation of the business strategy and appropriate control of net asset.**



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Capital Allocation

- **Under KMP Action 1, we actively allocate funds from operating cash flow (CF), borrowings, and cash and deposits to growth investments.**
- **We enhance shareholder returns by comprehensively considering business performance, financial position, investment plan, and other factors.**

KMP Action 1 (FY2025–FY2027)

Cash inflows

Utilization of cash and deposit/Sale of securities
¥4.0–9.0 bn

Borrowings
¥2.0–3.0 bn

Three-year cumulative total of CF from operations
¥14.0–16.0 bn

Cash outflows

Growth investment

Strategic investment
¥6.0–10.0 bn



- Grouped Mitoyo Co., Ltd.
- Strategic investment incl. M&A

Business investment
¥6.0–7.0 bn



- Investment contributing to growth in industrial products (for manufacturers of agricultural machinery, construction machinery, and commercial vehicle) and industrial hoses (North American Business)

Strengthening the management base
¥4.5–6.0 bn



- Investment in R&D, DX, and human capital that are the source of our corporate value

Shareholder returns
¥3.5–5.0 bn



- Aiming for a dividend payout ratio of at least 30% and DOE of at least 3.0% under KMP Action 1
- Enriching shareholder returns by comprehensively considering business performance, financial position, investment plans, etc.

We assume that investment effects will be manifested in KMP Action 2.

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Shareholder Return Policy

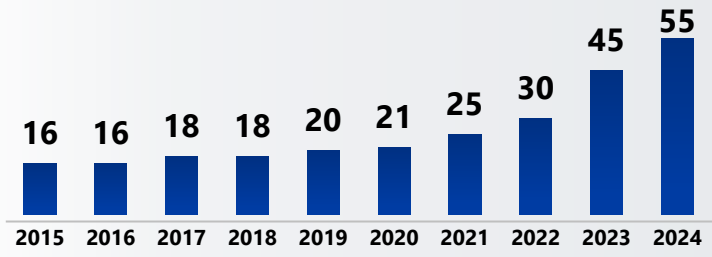
- **KMP Action1: We aim to achieve stable and consistent shareholder returns by *strengthening the foundation* for the next stage of growth.**
- **KMP Action2: We aim to further enhance shareholder returns by *accelerating growth* through manifesting investment effects.**

Shareholder return policy

Actual

Annual dividend per share*1

No dividend cuts since listing (maintained or increased)



Future dividend payments

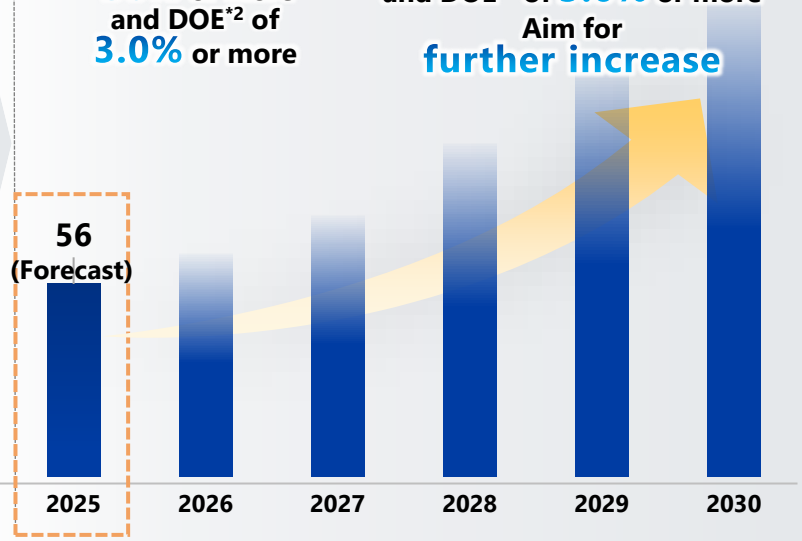
KMP Action 1

Aim for a dividend payout ratio of **30%** or more and DOE*2 of **3.0%** or more

KMP Action 2

The dividend payout ratio of **30%** or more and DOE*2 of **3.0%** or more

Aim for **further increase**



IR topic

Resumption of shareholder benefits

- **Reward medium- to long-term shareholders**
- **Increase loyal shareholders**

Reason of the resumption:

We intend to increase the appeal of investment and encourage more shareholders to hold our shares continuously over the medium to long term.

# of shares	Holding period	QUO Card
200 or more	1y or more	¥1,000
	3y or more	¥2,000
1,000 or more	1y or more	¥2,000
	3y or more	¥4,000
2,000 or more	1y or more	¥4,000
	3y or more	¥8,000

*1: On January 1, 2019, we executed a 2-for-1 stock split for each share of common stock. For side-by-side comparison, dividends per share after the stock split are shown for 2019 and before.

*2: Dividends paid / Shareholders' equity (Net assets excluding other components of equity, including foreign currency translation adjustments, valuation difference on available-for-sale securities, etc.)

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04 Strengthening the Management Base

- Summary
- Promotion of R&D
- Promotion of DX Reform
- Enhancement of Human Capital and Governance

01 Overview
02 Business Strategy
03 Financial Strategy
04 Strengthening the Management Base

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Strengthening the Management Base: Summary

Be *a company that is unceasingly develops*

by leveraging diverse human resources and coordinating their functions

Promote R&D

- Achieve a global platform for information, technology, human resources, and intellectual property
- Promote the inheritance of technology and the conveyance of knowledge to the next generation

Promote DX Reform

- Promote DX literacy and mindset education for Group employees
- Pursue automation and efficiency in sales, manufacturing, and logistics through DCM and SCM reforms

Enhance human capital

- Develop global human resources by enriching Kuriyama Global Challenge (KGC) project
- Boost engagement by introducing Restricted Stock (RS) Grant Program for employees

Enhance governance

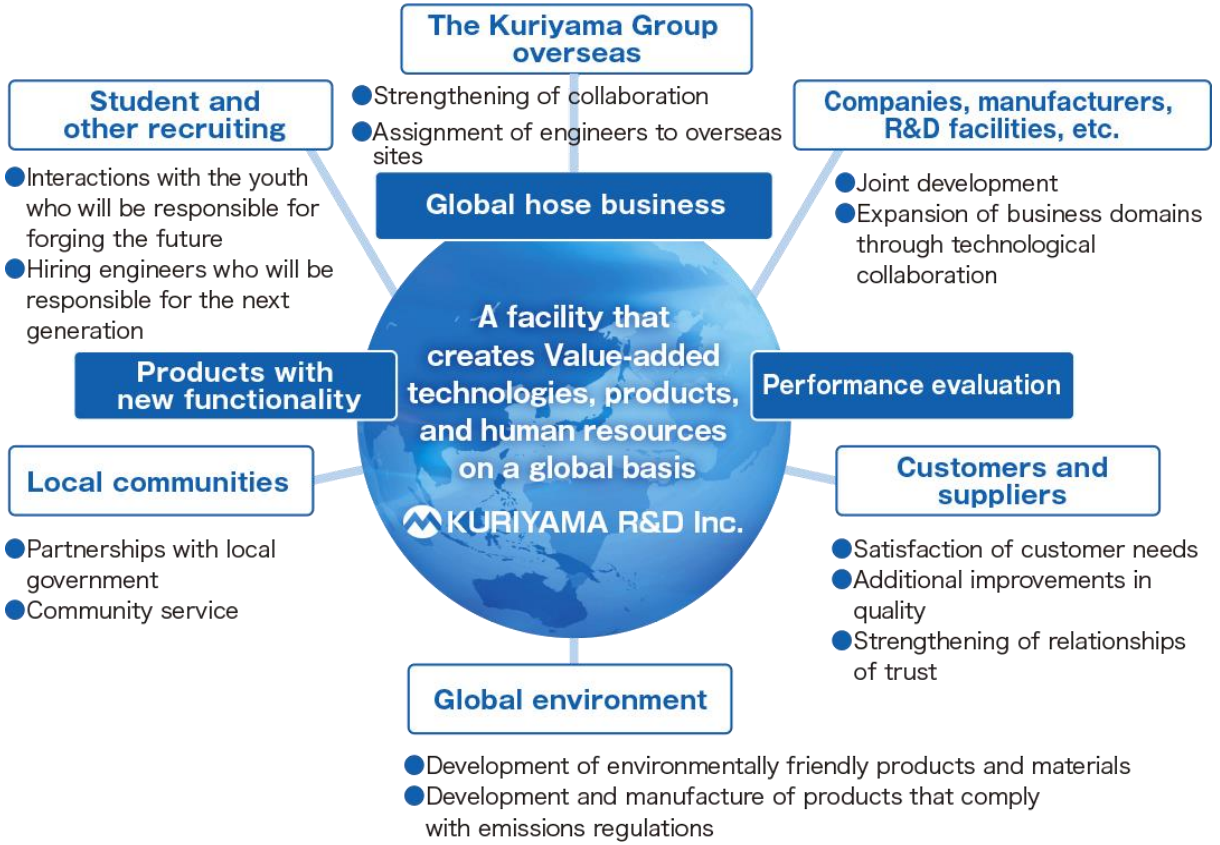
- Consider introducing an executive compensation system linked to progress in the Medium-term Management Plan
- Appoint outside directors with knowledge of management, finance, legal affairs, etc.

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Kuriyama R＆D Inc. takes the lead in promotion of the inheritance of technology to the next generation and R&D activities

Concept of Kuriyama R＆D

- **Train engineers and create a network base of engineers within the group**
- **Establish a R&D organization for integrating technologies and developing new products and materials**
- **Create and manage the Kuriyama Group's intellectual property**
- **Enrich our various testing and inspection functions**



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Strengthening the Management Base: Promotion of DX Reform

Aim to create new value
by using digital technology to understand the true needs of customers,

Raise corporate value

Increase profitability

■Themes to be addressed

Human resources and organization	Training and recruitment of DX human resources, and establishing an organization adapted to DX
Sales	DCM (demand chain management) reform
Manufacturing, operations, and logistics	SCM (supply chain management) reform
Collaboration	Strengthening collaboration between DCM reform and SCM reform

Actions taken in Japan and globally

Initiatives by 2024

- Established DX Promotion Team
- Created company-wide DX vision and strategy
- Introduced pilot AI (ChatGPT)

Initiatives in KMP Action1

- Continue digital and information security education
- Introduce SFA* on a trial basis to achieve automation and efficiency
- Adopt performance visualization tools to realize data-driven management
- Maintain DX certification (acquired in January 2025)
- Use cutting-edge technologies:
  use ChatGPT in unique way, promote inter-group information sharing through use of AI avatars, use real-time translation, and introduce AI meeting minutes on a trial basis

* SFA: Sales Force Automation, a system for automating and streamlining sales department operations.

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Build a human resources foundation that contributes to the enhancement of corporate value by proactively invest in human capital and strengthen governance





	Objectives	Measures
Human resources development	**Increase engagement (willingness to contribute to the organization)**	• Introduce a stock grant program for employees • Promote dialogue with employees • Pursue a human resource system that executes management strategies • Increase recruitment • Enhance training programs • Enrich Kuriyama Global Challenge (KGC) project
	Develop global human resources	
Improvement of working environment, DX in HR	**Reform working practices**	• Reform HR system (wages, grading, evaluation) • Promote Health and Productivity Management • Promote childcare leave • Improve and enhance office environment • Strengthen support for employees who live alone • Sophisticate human resource data • Improve efficiency of personnel-related administrative work • Use assets effectively
	Improve and enhance the workplace environment (incl. welfare benefits)	
	Implement DX in HR	
Strengthening governance	**Strengthen corporate governance**	• Ensure diversity of officers (appointment of non-Japanese and female officers, and outside directors with expertise in management, finance, and legal affairs) • Consider introduction of the executive compensation system linked to the progress of Medium-term Management Plan
	Enhance information disclosure	• Hold briefings for individual investors and engage in active dialogue with institutional investors • Disclose IR materials in English

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05 Supplementary Material

- Company Overview : About Kuriyama
  : Group Organization
  : History
  : Performance Track Record

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Company Overview: About Kuriyama

Based on a long track record of achievement and trust, we develop *essential business* globally and from variety of perspectives, that are indispensable for our safe and secure lifestyles and the smooth functioning of society

Kuriyama in numbers

Year of foundation

1939

2025 is the 86th year since the founding

Number of Group Companies (of which overseas subsidiaries)

Consolidated subsidiaries, 2nd tier subsidiaries, and associates

32 (24) companies

Operating business in 11 countries incl. Japan

Consolidated sales for FY2024 (of which overseas sales ratio)

¥77.8 bn (68.1%*)

Promoting global expansion

* Incl. overseas sales in the Asian Business.

Business outline and sales composition

Asian Business / Industrial Products Business

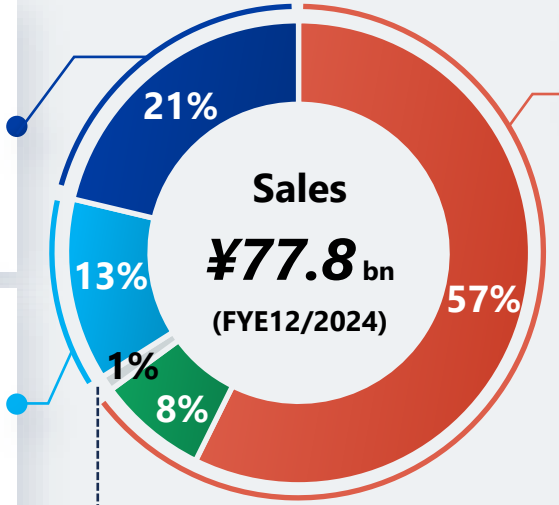
Manufacturing and sales of rubber and plastic products, urea SCR-related products, etc. for agricultural machinery, construction machinery, commercial vehicle, ship, and plant



Asian Business / Sports Facility & Construction Products Business

Sales and installation of sports facility materials, flooring materials and tiles for railway facilities and commercial facilities





Hose Business (North American Business)

Manufacturing and sales of industrial hoses and fittings

For beverage, civil engineering, agriculture, mining, oil, gas, and others



Hose Business (European, South American, and Oceanian Business)

Manufacturing and sales of layflat hoses and fittings, and fire hoses and nozzles

For fire fighting, agriculture, oil, gas and others



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Company Overview: Group Organization

KURIYAMA HOLDINGS CORPORATION

Core operating companies

KURIYAMA JAPAN CORPORATION
(Established in 2012)



12 associates

Kuriyama of America, Inc.
(Established in 1968)



7 manufacturing/ sales companies

Kuriyama Canada, Inc.
(Established in 1984)



2 manufacturing/ sales companies

Kuriyama Europe Cooperatief U.A.
(Established in 2015)



2 manufacturing/ sales companies

Kuriyama Australia Pty Ltd.
(Established in 2024)



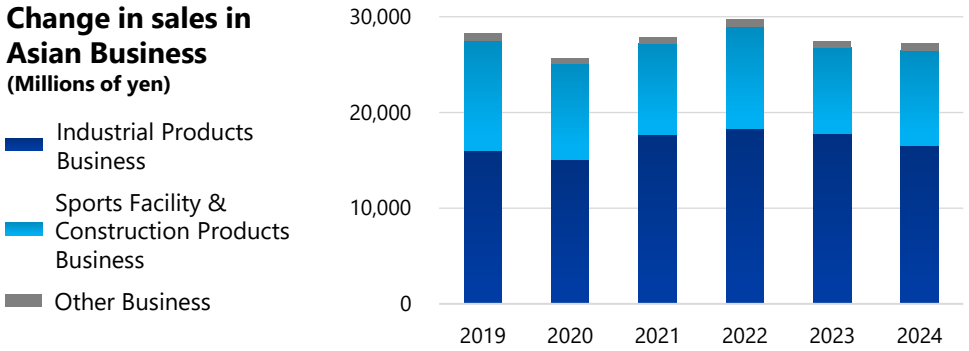
KURIYAMA R&D Inc.
(Established in 1996 and reorganized in 2024)



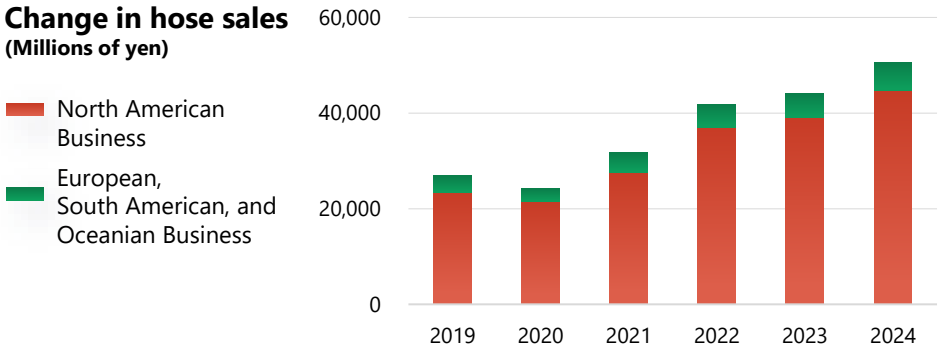
Business

- **Asian Business** (Industrial Products Business / Sports Facility & Construction Products Business)
- **Hose Business** (North American Business)
- **Hose Business** (European, South American, and Oceanian Business)
- **R&D and inspection**

Change in sales in Asian Business
(Millions of yen)



Change in hose sales
(Millions of yen)



Associates

Ohji Rubber & Chemicals Co., Ltd.
(Established in 1957)
2 manufacturing/ sales companies

Business

Asian Business (Industrial products)

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Company Overview: History

1939 Established

Started with *rubber*

Yoshio Kuriyama established the company as a wholesaler of rubber products in Osaka.



1948 Entered overseas market

Launched an export business

Kuriyama exports to sell Japanese rubber and plastic products to overseas.



1957 Increased import transactions led to expansion into sports facility & construction product field

Expanded handling areas with increased import transactions



Started to manufacture rubber products



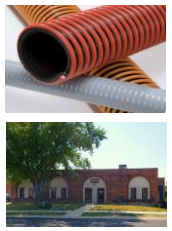
1968 Launched Hose business

Entered the U.S. market and started sales of rubber and plastic products



1978 Launched Hose business

Began manufacturing plastic hoses in the U.S.



1981 Evolved into a tile manufacturer

Import business led the Company into the sports market

Kuriyama started sales of European sports flooring materials in Japan.



1984 Expanded into Canada

Began manufacturing and selling plastic hoses in Canada



2004 Evolved into a tile manufacturer

Started development of original tiles

Kuriyama established a tile manufacturing plant in China to develop and manufacture original flooring materials.



2007 Expanded into Canada

Expanded Hose business in North America

Kuriyama expanded production and sales bases through a series of M&A deals in North America.



2012 Bolstered manufacturing capabilities in the industrial field

Grouped a sensor manufacturing company that contributes to emission regulations

Kuriyama grouped SUN-A Corporation, which develops, manufactures, and sells urea quality sensors and other types of sensors.



2015 Transitioned to a holding company structure

Expanded into Europe and South America

Grouped a European hose manufacturer

Kuriyama grouped the manufacturer and distributor of lay-flat hoses based in Spain and Argentina.



2024 Reorganized R&D facilities

Established the Group's comprehensive R&D facility

The facility promotes development as a base for creating value-added technology, products and human resources on a global basis.



2025 Entered Oceania

Established a hose sales company in Australia

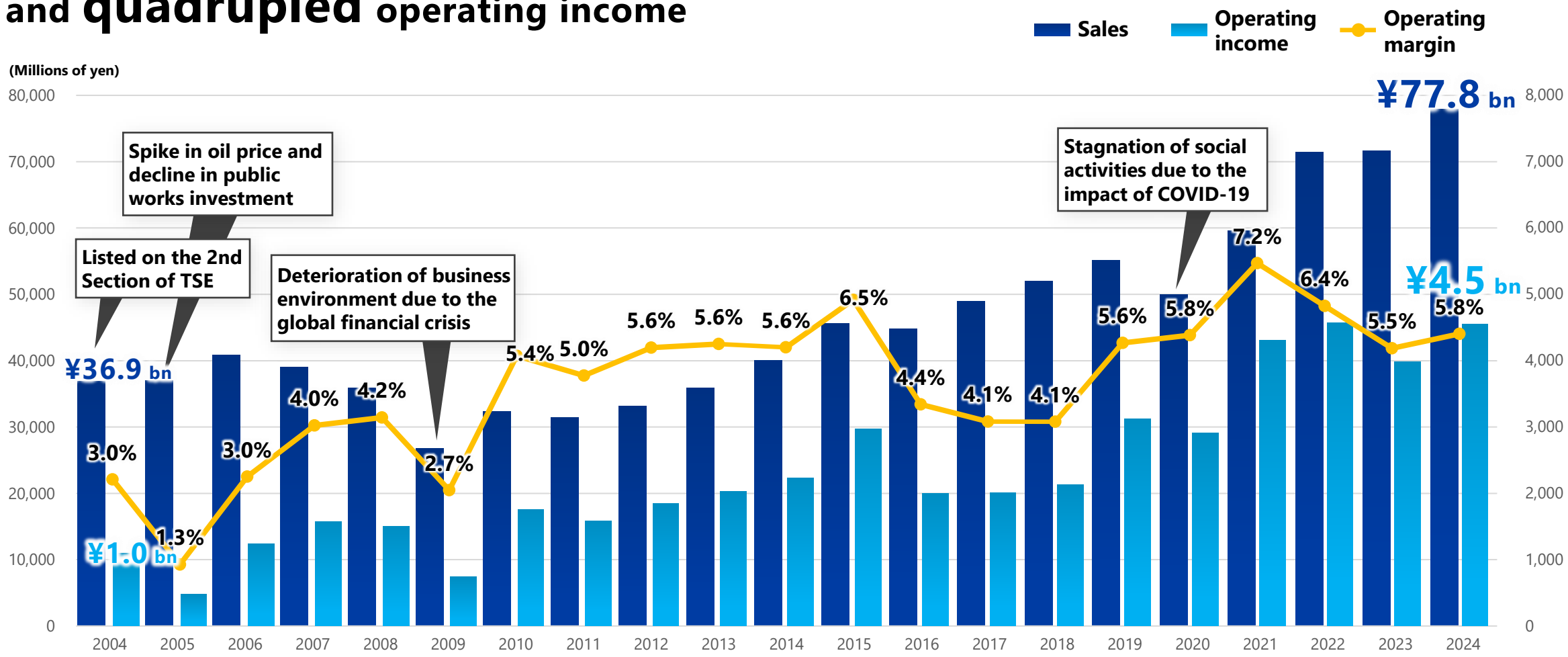




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Company Overview: Performance Track Record

In the 20 years since listing, we **doubled** sales, and **quadrupled** operating income



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