

2030 Vision, the Medium-Term Management Plan (FY2021-FY2025)

May 20, 2021



I. 2030 Vision

II. Medium-Term Management Plan (FY2021-FY2025)

III. Changing the Company Name

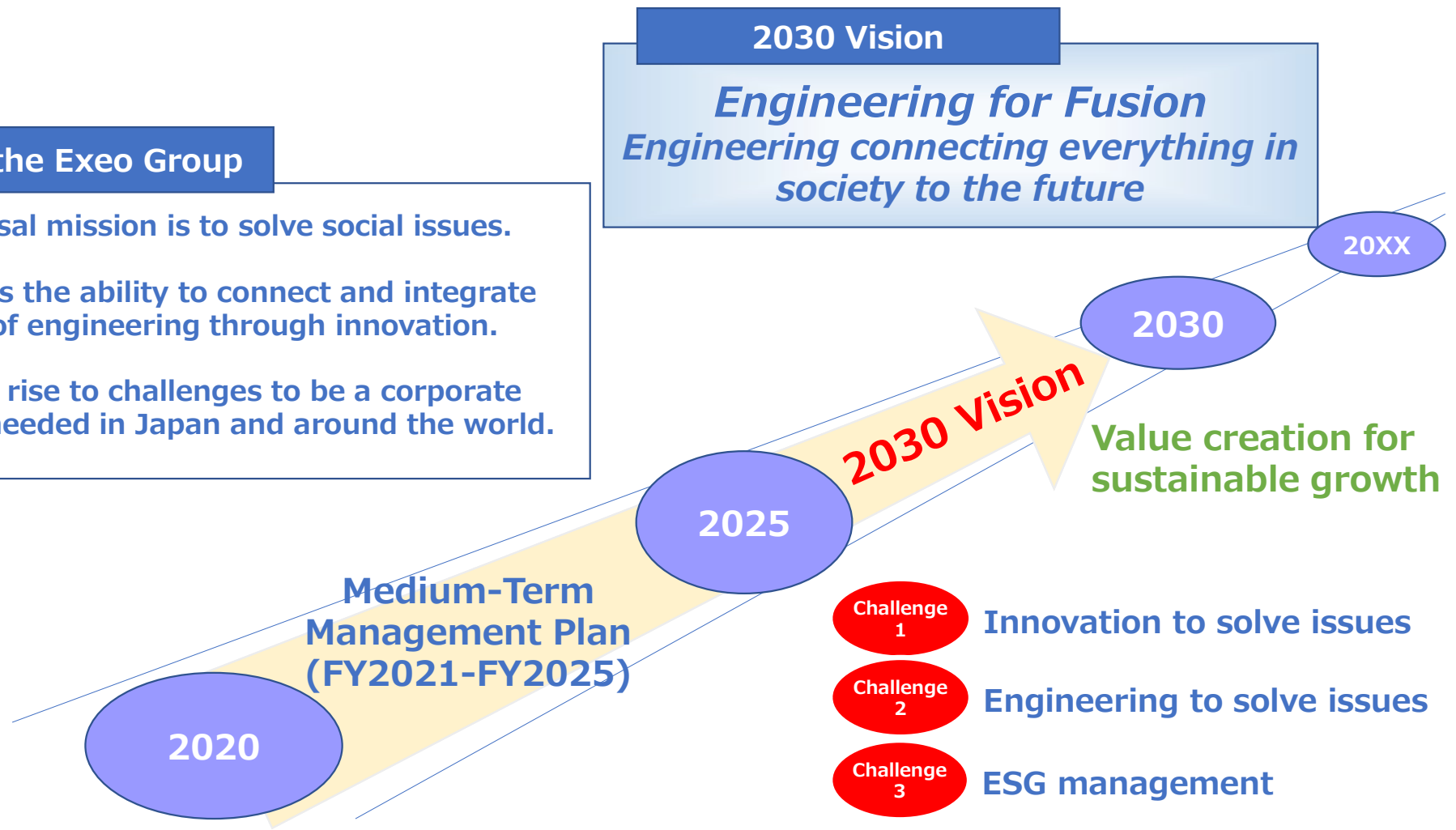
2030 Vision

Vision of the Exeo Group

- Exeo's universal mission is to solve social issues.
- The Group has the ability to connect and integrate diverse types of engineering through innovation.
- Our goal is to rise to challenges to be a corporate group that is needed in Japan and around the world.

2030 Vision

*Engineering for Fusion
Engineering connecting everything in
society to the future*



Into an Age of Revolutionary Change

Drastic social and economic change is occurring around the world. The entire world is facing the unprecedented crisis of the COVID-19 pandemic. At the same time, people's awareness of human rights issues, including diversity and race problems, has increased, and environmental issues have become a common challenge faced by all. In this environment, technological innovation has the power to radically change every business. While some businesses will decline, some new services will be able to quickly expand globally. Social awareness of the issues the world is facing is changing as the SDGs become widely known around the world.

◆ Social issues

Environmental destruction, depletion of resources

- Global warming and climate change due to CO₂ emissions
- The effects of microplastics on ecosystems
- The depletion of resources associated with economic growth

Aging infrastructure and natural threats

- Renovation of aging infrastructure
- Preparation for frequent natural disasters
- Response to the new normal created by the COVID-19 pandemic

Depopulation and hollowing-out due to a declining population

- Declining birthrate and aging population, evident decline of the working-age population
- Depopulation and aging in rural areas
- Hollowing-out and the decline of cities

◆ Changes in industry and society

Rapid technological innovation

- Development of information and communications technology, including the change from 5G to 6G
- Changes in everyday life due to AI and robotics
- Signs of a new society due to DX (Society 5.0)

Change from goods to experiential services

- Change of services from ownership to use, such as XaaS
- Providing added value through digital services
- Changing the business model to create new businesses

Changes in social awareness

- Increasing awareness of human rights, including LGBTQ rights
- Progress in diversity and inclusion
- SDGs and ESG as essential indicators

Roles of the Exeo Group as the world moves toward 2030

To achieve the Group's vision of society in 2030, the Group will create a solution innovation cycle in engineering and will expand engineering into new fields.

Vision of society in 2030

Carbon-neutral society

- The sophistication of resource recycling and energy
- Enhancement of renewable energy plants and zero waste gases

A smart society where people live healthy and vibrant lives

- Smart cities, buildings and homes using advanced communications
- Medical, government and social systems for an aging society

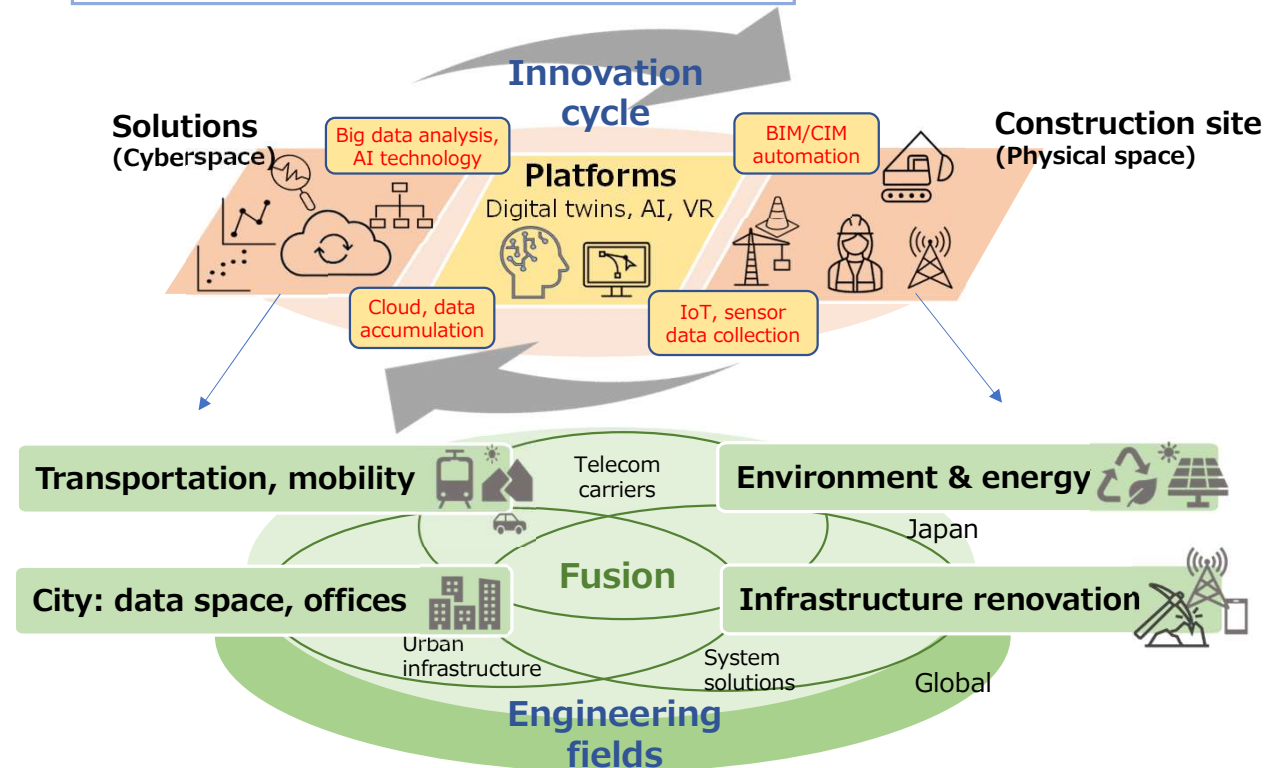
Global society where diversity is enjoyed

- Workstyle reforms that consider globalization and diversity
- Development of communications infrastructure in APAC

Society without poverty or inequality

- Education solutions for equal opportunities in education
- Digitalization of industry to eliminate inequalities in industry

Roles of the Exeo Group



Fields We Aim to Contribute to by 2030

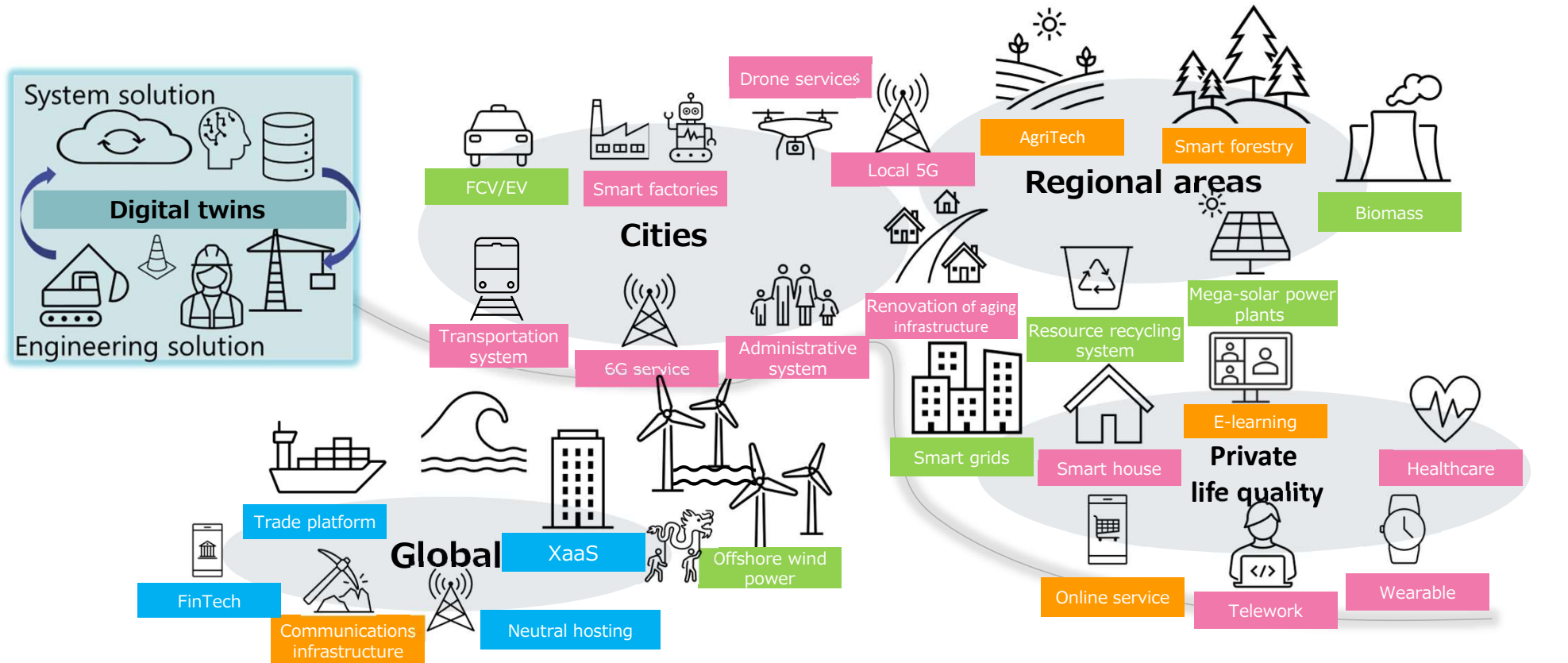
Our Vision of Society in 2030

Carbon-neutral society

A smart society where people live healthy and vibrant lives

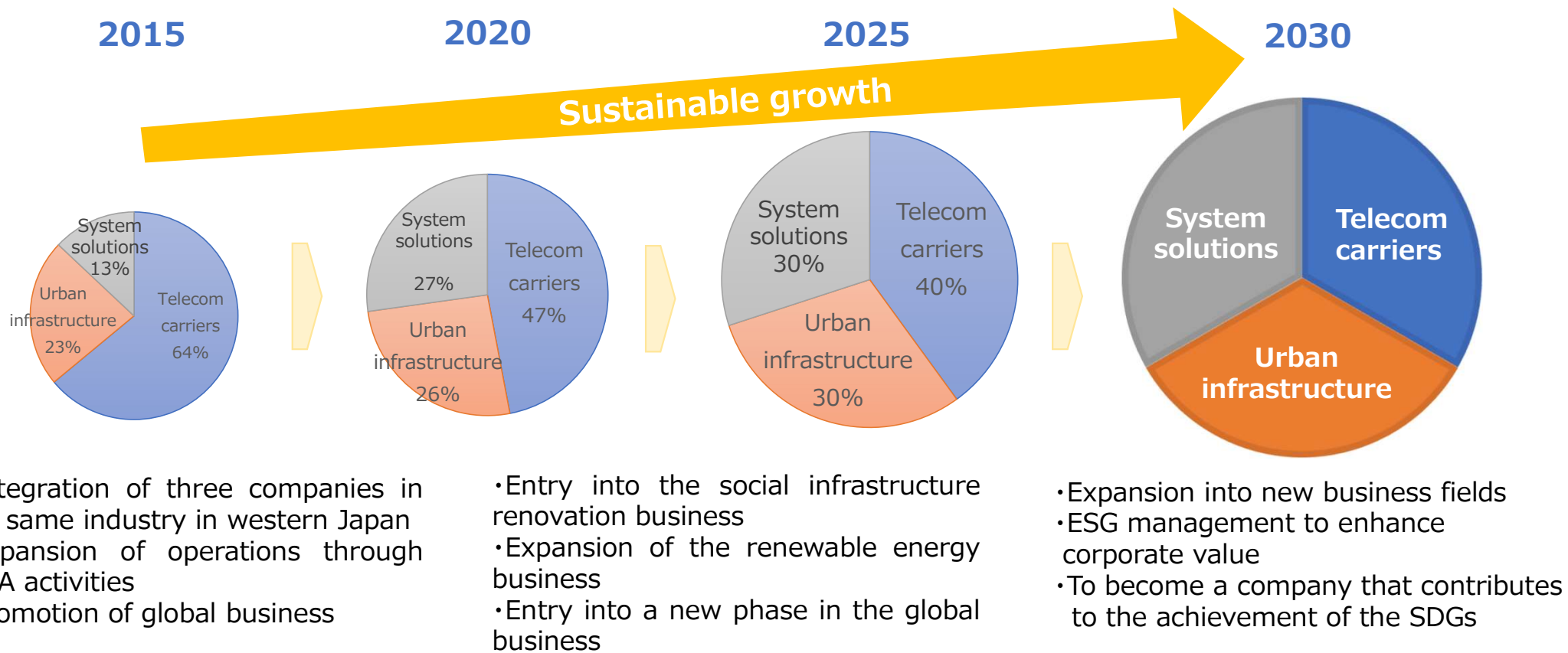
Global society where diversity is enjoyed

Society without poverty or inequality



Target Business Portfolio in 2030

To build a robust management foundation that is less affected by the economy and social conditions, Exeo will expand Urban Infrastructure and System-Solutions to make sales in each of its segment almost equal in FY2030.



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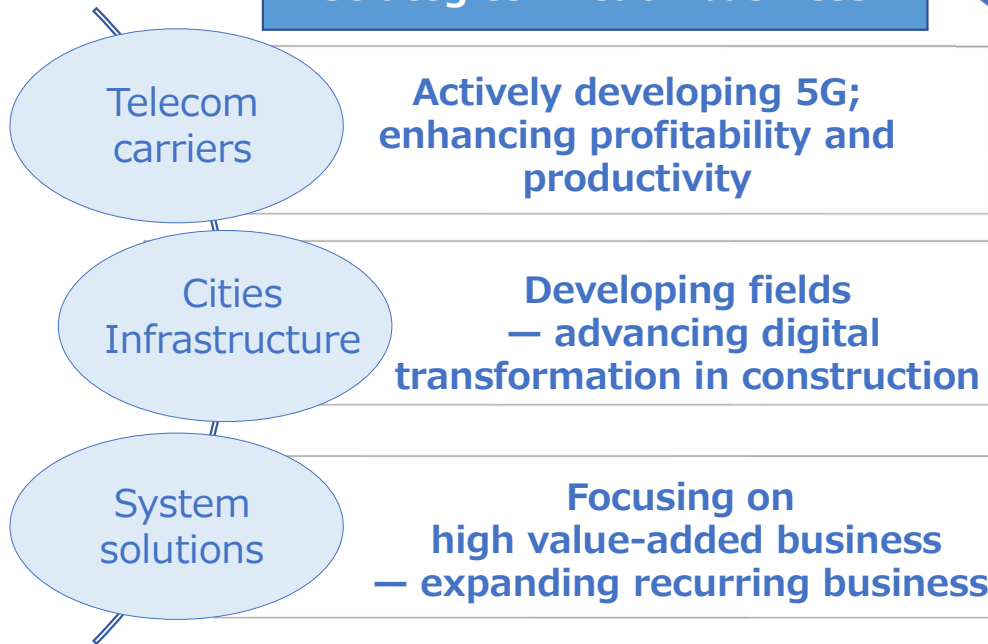
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Targets in the Medium-Term Management Plan

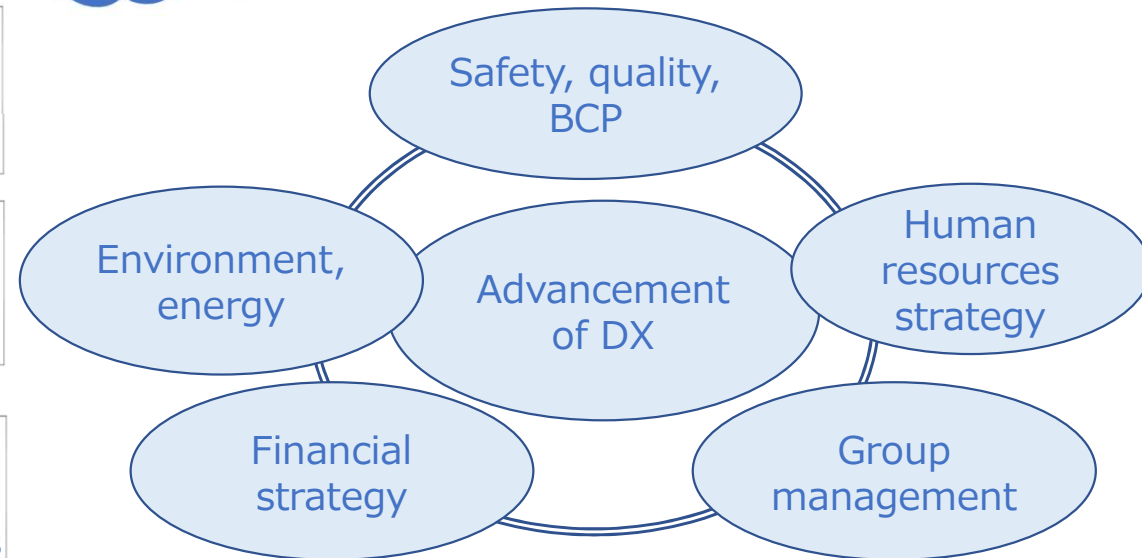
FY2025 Results targets

- Net sales: ¥630.0 billion
- Operating profit: ¥47.0 billion (7.5%)
- ROE: 9.0% or more
- EPS: ¥280 or more

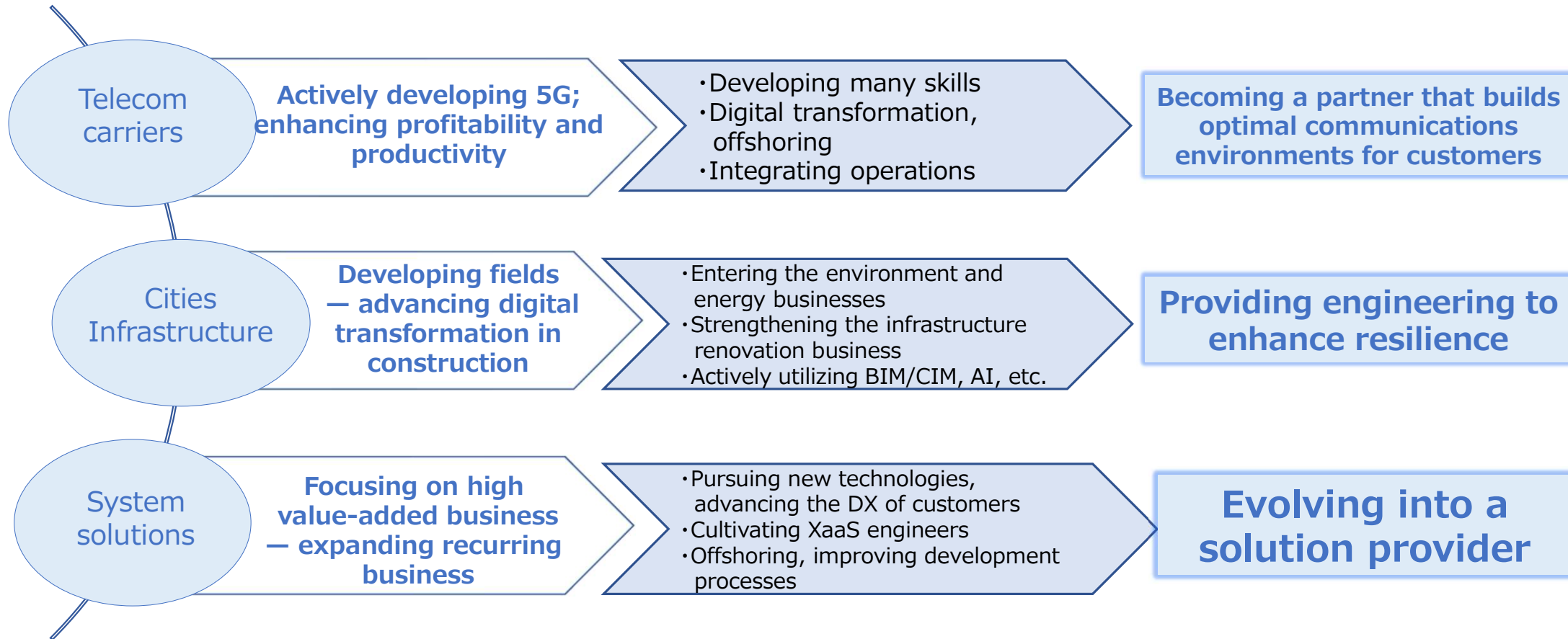
Strategies in each business



Business foundation

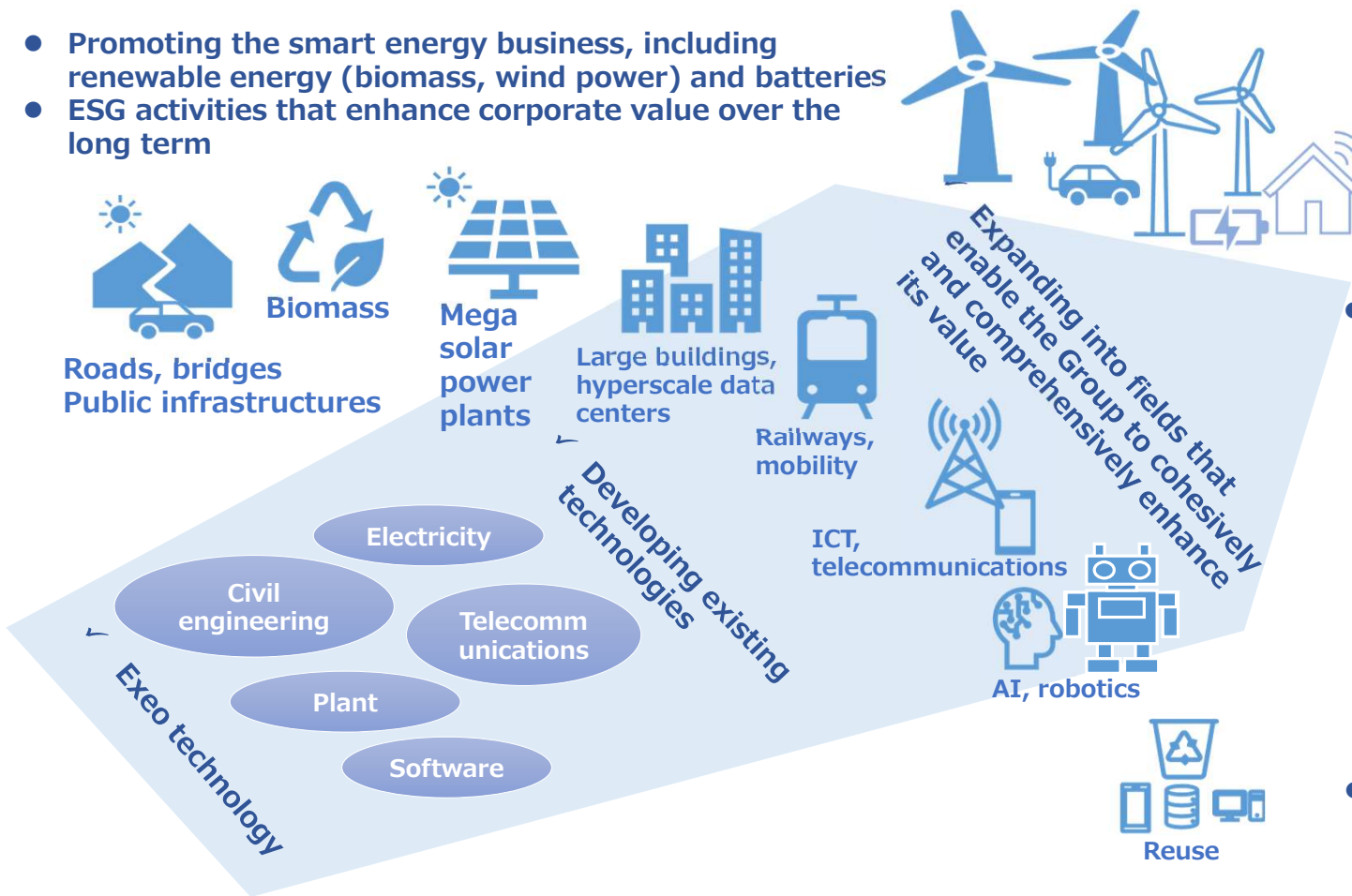


Strategies in Each Segment



Strategies in Each Segment: Image of Growth Strategies

- Promoting the smart energy business, including renewable energy (biomass, wind power) and batteries
- ESG activities that enhance corporate value over the long term



- Development of entire buildings, urban redevelopment, maintenance
- Strengthening collaboration with developers



- Active initiatives for 5G development
- Local 5G
- MEC (mobile edge computing)
- IoT, etc.

Business foundation

Safety, quality, BCP



- ✓ Using the evolution of technologies DX, AI, IoT, VR/AR, digital twin, etc.
- ✓ Enhancing power through ideas and added value
- ✓ Adapting to change in the environment



Kururinpa



EneCompo

Human resources strategy



- ✓ Enhancing adaptability to enable human resources to adapt to changes in the business environment
- ✓ Increasing labor productivity
- ✓ Developing a culture where diverse values are respected
- ✓ Responding to new ways of working in the new normal created by the COVID-19 pandemic

Group management



- ✓ Flexible and agile Group management
- ✓ Synergies utilizing the Group's strengths

Environment, energy



- ✓ Active contribution to environment-related business
- ✓ Promotion of the use of renewable energy
- ✓ Reducing the Company's CO2 emissions
- ✓ Promoting energy-saving activities



ZEB-certified Office



Mega solar power plants

Financial strategy



















- ✓ Achieving a stable financial base
- ✓ Active investment for growth
- ✓ Stable and flexible shareholder returns

Advancement of DX



- ✓ Strengthening the management foundation through digitalization
- ✓ Creating new value through solutions

ESG Goals

| | Challenges to address | Related SDGs |
|--------------------|---|--|
| Environment | <ul style="list-style-type: none"> ■ Shift to renewable energy ■ Initiatives toward decarbonization, reduction of CO₂ emissions ■ Contribution to a resource recycling-oriented society ■ Use of environmentally friendly green products |       |
| Social | <ul style="list-style-type: none"> ■ Contributing to local communities ■ Ensuring safety and quality in business ■ Promotion of Diversity & Inclusion ■ Driving work style reforms |       |
| Governance | <ul style="list-style-type: none"> ■ Achieving transparent management ■ Ensuring strict compliance ■ Ensuring thorough risk management |     |

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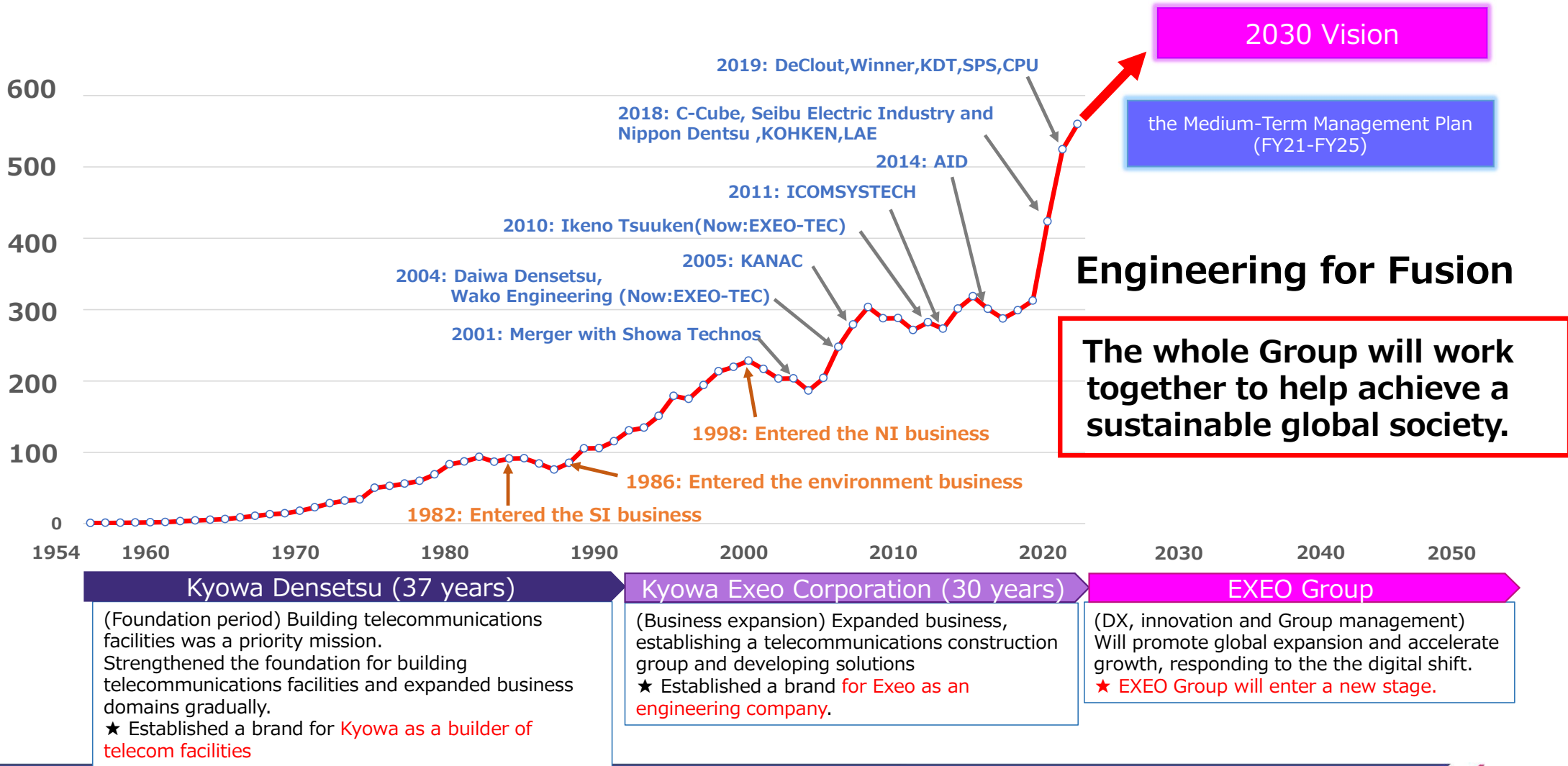
From Kyowa Exeo Corporation to EXEO Group

Kyowa Exeo Corporation will change its name to express its aspiration to create new value, bringing together the Group companies' management resources and technologies as the core company of the Group to achieve substantial growth.

- New business name: EXEO Group, Inc.
- Date of change: October 1, 2021

The name of the business will change following the passing of a resolution at a shareholders' meeting, which is necessary for the name to be changed.

Corporate History and Future Development



Engineering for Fusion

Connecting our world - to all our tomorrows

