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Company name: TACHIBANA ELETECH CO., LTD.  
 Representative: Hisanobu Nunoyama, President, CEO  
 (Securities code: 8159; TSE Prime Market)  
 Inquiries: Yoshinori Matsuura, Director, Operating Officer;  
 In charge of Finance & Administration  
 (Telephone: +81-6-6539-2718)

## Action to Implement Management that is Conscious of Cost of Capital and Stock Price

TACHIBANA ELETECH CO., LTD. (the “Company”) hereby announces that, at the meeting of the Board of Directors held on August 6, 2025, it made the following decisions on the subject matter above after due deliberation.

### 1. Assessment of the Current Situation

Of the indicators related to the Company’s stock price, the price-to-book (P/B) ratio remains below 1, hovering at 0.63 as of March 31, 2025, and 0.75 as of July 31, 2025.

Similarly, the price-to-earnings (P/E) ratio stood at 8.02 as of March 31, 2025. Although it improved somewhat afterward, it remained low at 11.93 as of July 31, 2025, indicating that the Company’s stock is undervalued in the market.

The Company believes this is due to: 1. a decline in profit compared to the previous year, when record sales and profits were reported, 2. relatively low liquidity of the stock, and 3. limited recognition within the B2B industry.

Meanwhile, the Company’s stock price has been on an upward trend, rising to ¥2,862 as of July 31, 2025, from ¥2,403 at the end of the previous fiscal year (March 31, 2025). We intend to enhance our corporate value by continuing to implement the measures outlined below.

### (1) Trends in the Tachibana Group’s performance vis-à-vis its management indicators (Consolidated)

	FY2020 (2021/3)	FY2021 (2022/3)	FY2022 (2023/3)	FY2023 (2024/3)	FY2024 (2025/3)
Net sales (million yen)	161,440	193,431	227,266	231,042	220,112
Operating profit (million yen)	4,033	6,710	10,316	10,764	8,222
Ordinary profit (million yen)	4,388	7,412	11,001	11,866	8,690
Profit attributable to owners of parent (million yen)	3,457	5,144	7,841	8,471	7,046

(2) Trends in the Company's stock price analytical indicators

	FY2020 (2021/3)	FY2021 (2022/3)	FY2022 (2023/3)	FY2023 (2024/3)	FY2024 (2025/3)
Profit per share (yen)	137	204	314	347	300
Annual dividends per share (yen)	37	60	90	100	100
Net assets per share (yen)	2,980	3,092	3,389	3,861	4,134
Stock price as of March 31 (closing price) (yen)	1,614	1,647	1,989	3,235	2,403
Payout ratio (yen)	27.0%	29.4%	28.7%	28.8%	33.4%
Dividend yield (yen)	2.29%	3.64%	4.52%	3.09%	4.16%
P/B ratio (PBR) (times)	0.56	0.53	0.59	0.87	0.63
P/E ratio (PER) (times)	11.78	8.07	6.34	9.32	8.02

## 2. Policies and Targets

To reach our target P/B ratio of over 1, we will accelerate business growth by implementing the initiatives outlined in the medium/long-term management plan, NEW C.C.J 2200 (NCCJ), and by building a robust DX (digital transformation) platform to befit a truly global technology-driven trading company. We will also enhance capital efficiency and increase shareholder returns through treasury stock acquisitions, while engaging in proactive disclosure and positive IR activities.

As we develop the next medium/long-term management plan, we intend to deepen discussions on strategic investments and capital policy aimed at sustaining business growth.

(1) Ensure stable business growth and improve profitability by implementing the measures outlined in NCCJ and building a DX platform

- We will strengthen our solution-proposal capabilities as a technology-driven trading company that customers will choose in the society of the future.
- We will reduce dependence on specific individuals and improve profitability by introducing automation systems through the unification of corporate information and operational standardization.
- We will accelerate our global reach in a bid to become the leading technology-driven trading company supporting the industrial ecosystem in Asia, while also expanding into the fast-growing Indian market.

(2) Increase stock liquidity

- We will strive to increase the liquidity of our stock by continuing to reduce cross-shareholdings, with the aim of boosting trading volume in the stock market.

(3) Enhance capital efficiency and increase shareholder returns by acquiring treasury stock

- During the fiscal year ending March 31, 2026 (from May 2025 to March 2026), we will acquire 1,000,000 shares of our treasury stock, in addition to the 2,000,000 shares acquired over the past two years.
- We aim for a total payout ratio of 50% or higher on a fiscal-year basis for the same period.

(4) Conduct positive IR activities

- We will focus our IR efforts on both individual and institutional investors.
- For individual investors, we will continue holding both in-person and online briefings. For institutional investors, we will highlight the Company's strengths by providing more opportunities for dialogue.
- We will also ensure that comments and other input gathered through dialogue are appropriately communicated to management and reflected in our activities.

(5) Proactively engage in communication with stakeholders

- To provide a clearer understanding of our solution business initiatives, we have recently uploaded customer interview videos on our corporate website, where we actively promote our products.
- We also share updates on sustainability initiatives and trade show participation as part of our PR efforts.
- We aim to improve the quality of our integrated reports by making them a tool stakeholders can use to gain a comprehensive understanding of our corporate value.
- By continuing to proactively communicate with stakeholders as described above, we will strive to deepen their understanding of our business model and strengths as a technology-driven trading company.