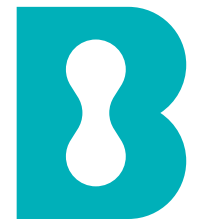


Fiscal Year 2023 Financial Results Briefing Materials

May 10, 2024

Business Engineering Corporation



B-EN-G

Business Engineering for Growth

Today's Agenda

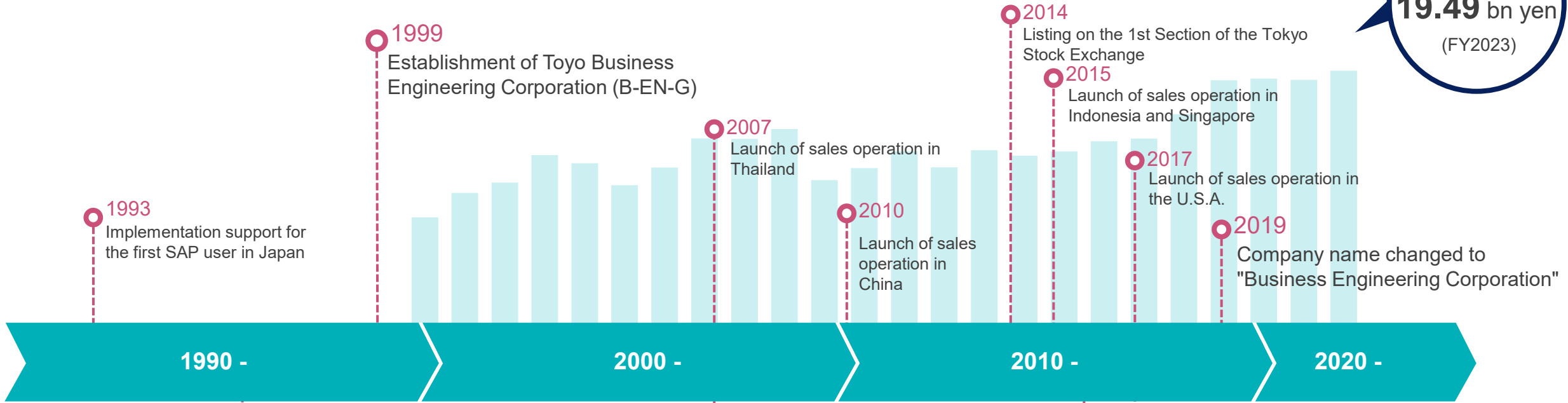
1. About the Company
2. Summary of FY2023 Financial Results
3. Earnings Forecast for FY2024
4. Earnings Forecast for First Half of FY2024
5. Management Vision 2026 Strategy

1. About the Company

History

Providing "IT for Manufacturing"
by leveraging our extensive knowledge of the manufacturing industry
for over 20 years since the Company's establishment.

Consolidated
Net Sales
19.49 bn yen
(FY2023)



Business locations : (Domestic) Tokyo Head Office, Kansai Branch, Chubu Office (Overseas) Thailand, China, Singapore, Indonesia, U.S.A.	Capital : 697.6 million yen Number of employees : 699 (consolidated, as of March 2024)
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B-EN-G's Business | Three Business Segments

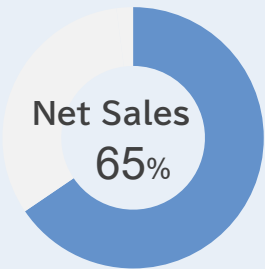
Expanding business in three segments to realize "IT for Manufacturing"

Solutions Business

SI business based on SAP and other third-party package products



Ratio to total segments*



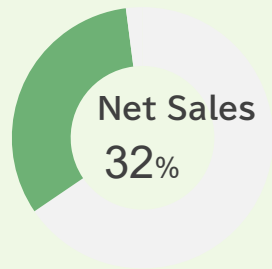
System integration based on extensive knowledge of and experience in the manufacturing industry

Products Business

Development, sales, and implementation business of in-house developed packages mainly for the "mcframe" series



Ratio to total segments*

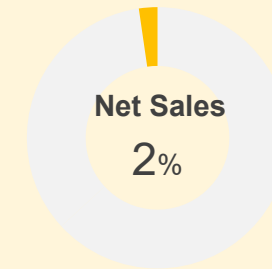


Highly profitable license sales, developed in-house with know-how cultivated over many years

Systems Support Business

Post-system introduction operation and maintenance services and system development

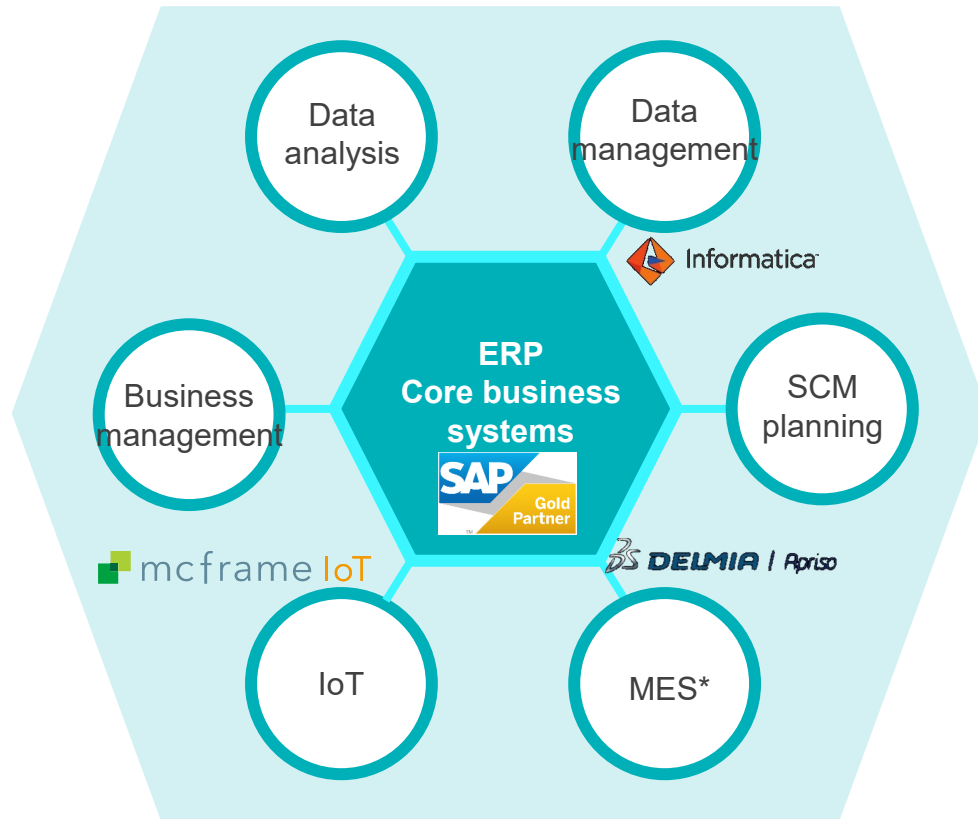
Ratio to total segments*



Operation and maintenance services to utilize system after delivery

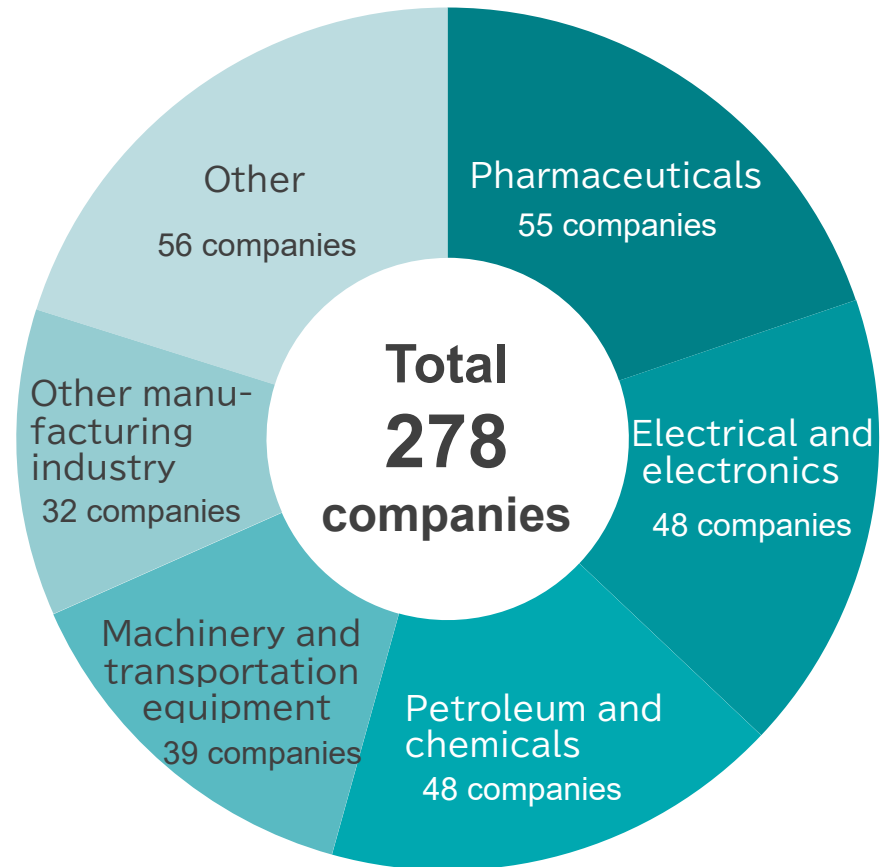
B-EN-G's Business | Solutions Business

Promoting our solution-centric business focused on ERP and core systems combined with peripheral products; realizing "DX for Manufacturing"



*Manufacturing Execution System

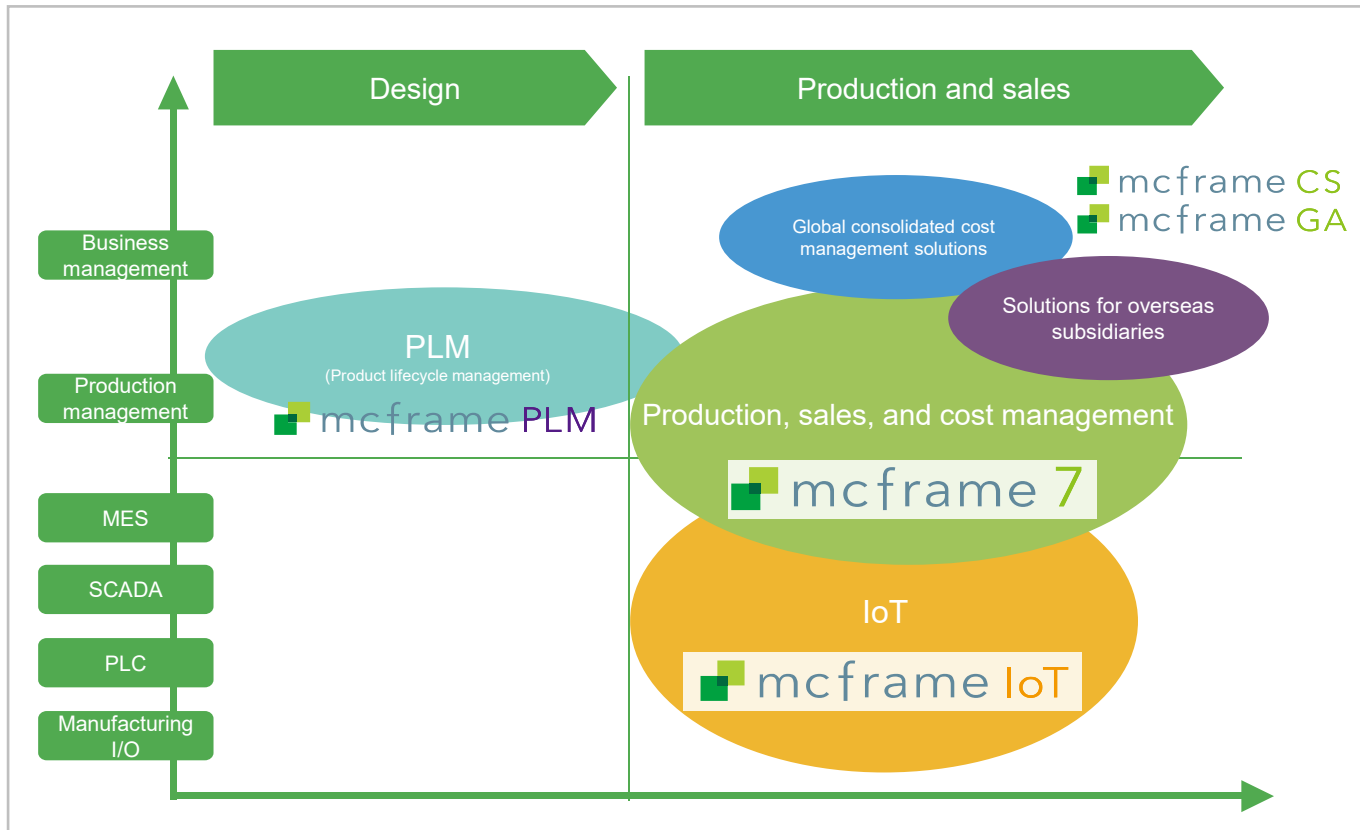
User companies by industry (as of March 31, 2024)



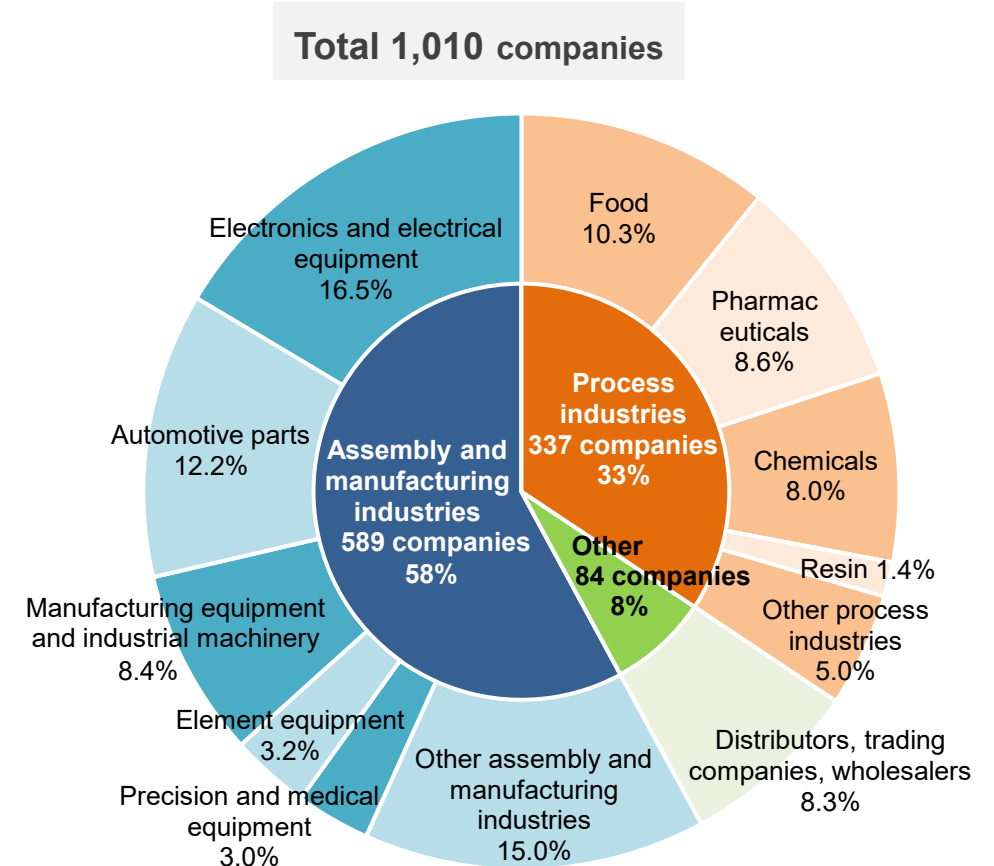
B-EN-G's Business | Products Business

Realization of "Monozukuri* Digitalization" that integrates the engineering chain and the supply chain centered on the "mcframe" solution for the manufacturing industry.

*Monozukuri: manufacturing in Japanese



User companies by industry (as of March 31, 2024)>



2. Summary of FY2023 Financial Results

Key Points of FY2023 Financial Results

Business Environment

- Moderate economic recovery in Japan, including improved corporate earnings and favorable business sentiment, despite some weakness
- Strong manufacturer investments in information technology amid rising DX needs

Summary of Financial Results

- Orders received/net sales Both record highs
 - Operating profit
 - Ordinary profit
 - Current net profit
- } Record highs for 8th consecutive fiscal year
- Planned dividend 78 yen per share
(9th consecutive year of increased dividends)
(78 yen = 2 yen per share increase vs. previous forecast of 76 yen)

Summary of Profit and Loss (YoY)

(Million yen)	FY2023	FY2022	Change (Change %)
Net sales	19,493	18,506	+986 (+5.3%)
Gross profit	7,852	6,994	+857
Gross profit ratio	(40.3%)	(37.8%)	(+12.3%)
Operating profit	3,885	3,246	+639
Operating profit ratio	(19.9%)	(17.5%)	(+19.7%)
Ordinary profit	3,877	3,250	+627
Ordinary profit ratio	(19.9%)	(17.6%)	(+19.3%)
Current net profit	2,625	2,328	+297
Profit ratio	(13.5%)	(12.6%)	(+12.8%)
Orders received	19,955	19,216	+739 (+3.8%)
Dividends (non-consolidated)	78.0 yen	64.0 yen	+14.0 yen
ROE	25.9%	27.8%	(-1.9%)

Both sales and profits significantly exceeded previous year's figures

Solutions Business: Profit increase due to higher sales and improved project profitability

Products Business: License sales growth

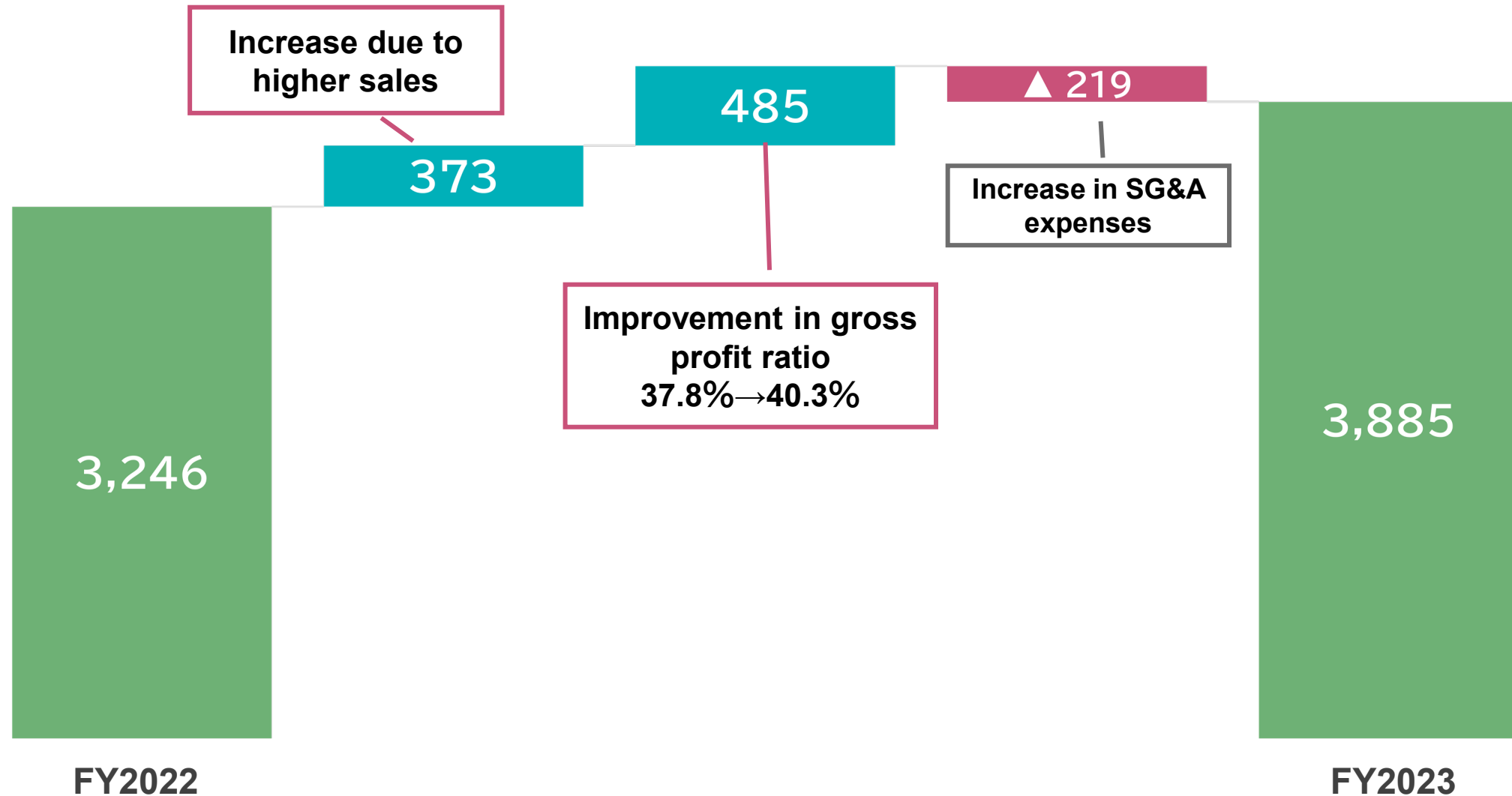
System Support Business: Improved profitability

Note: All amounts in this material are rounded down to the nearest million yen.

"Profit attributable to owners of parent (Quarterly profit)" is presented as "Current net profit."

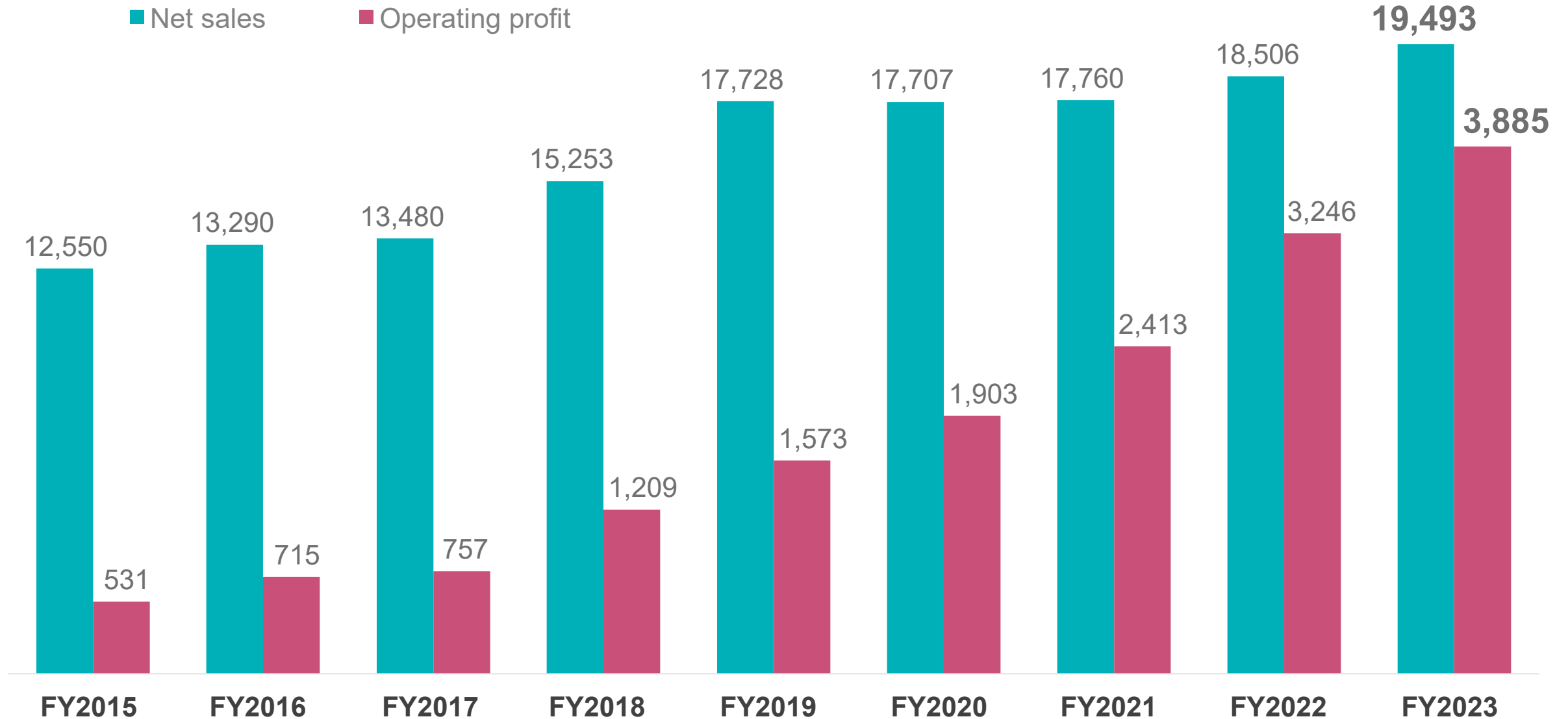
Analysis of Changes in Operating Profit (YoY)

(Million yen)



Net Sales and Operating Profit

(Million yen)

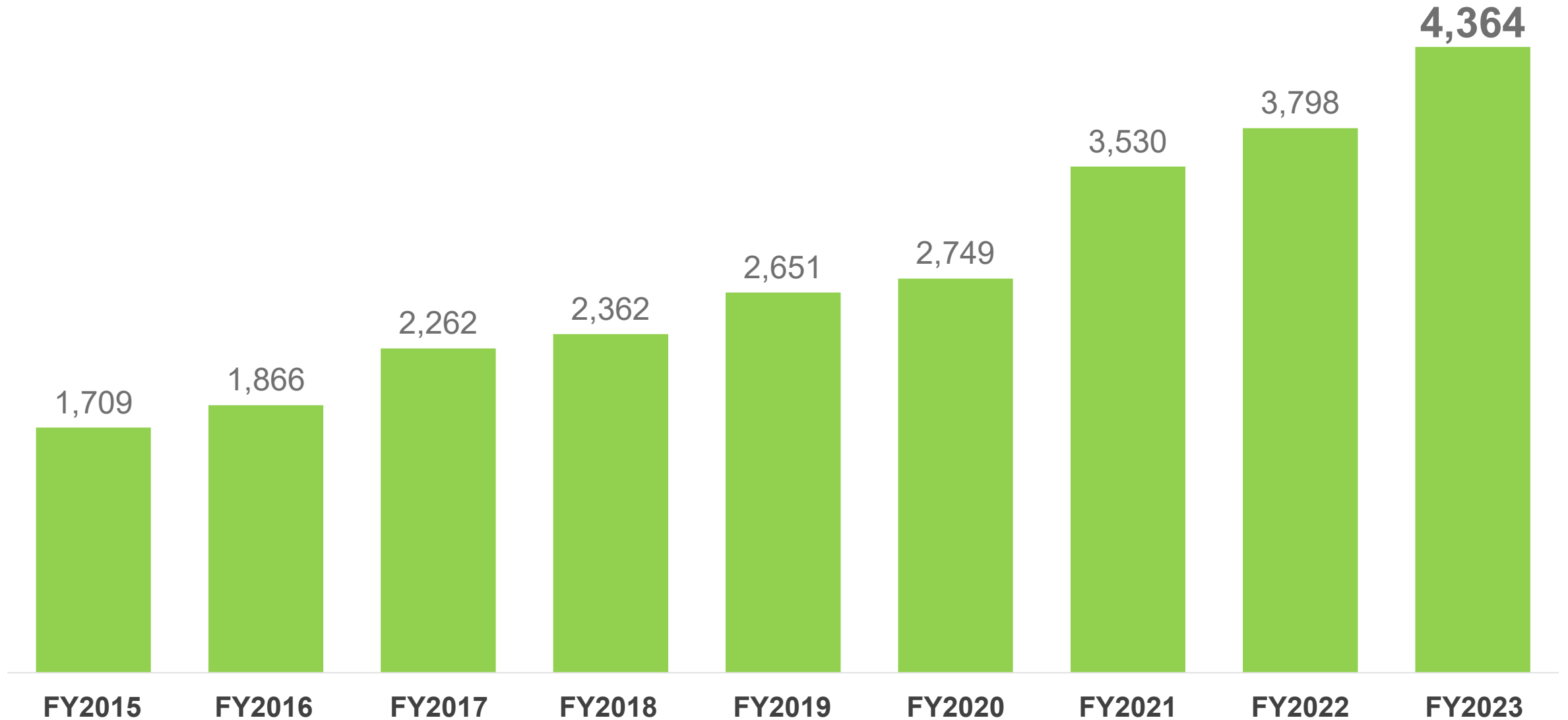


*Results for FY2019 and earlier are before the retrospective application of the Accounting Standard for Revenue Recognition.



Sales of mcframe Licenses

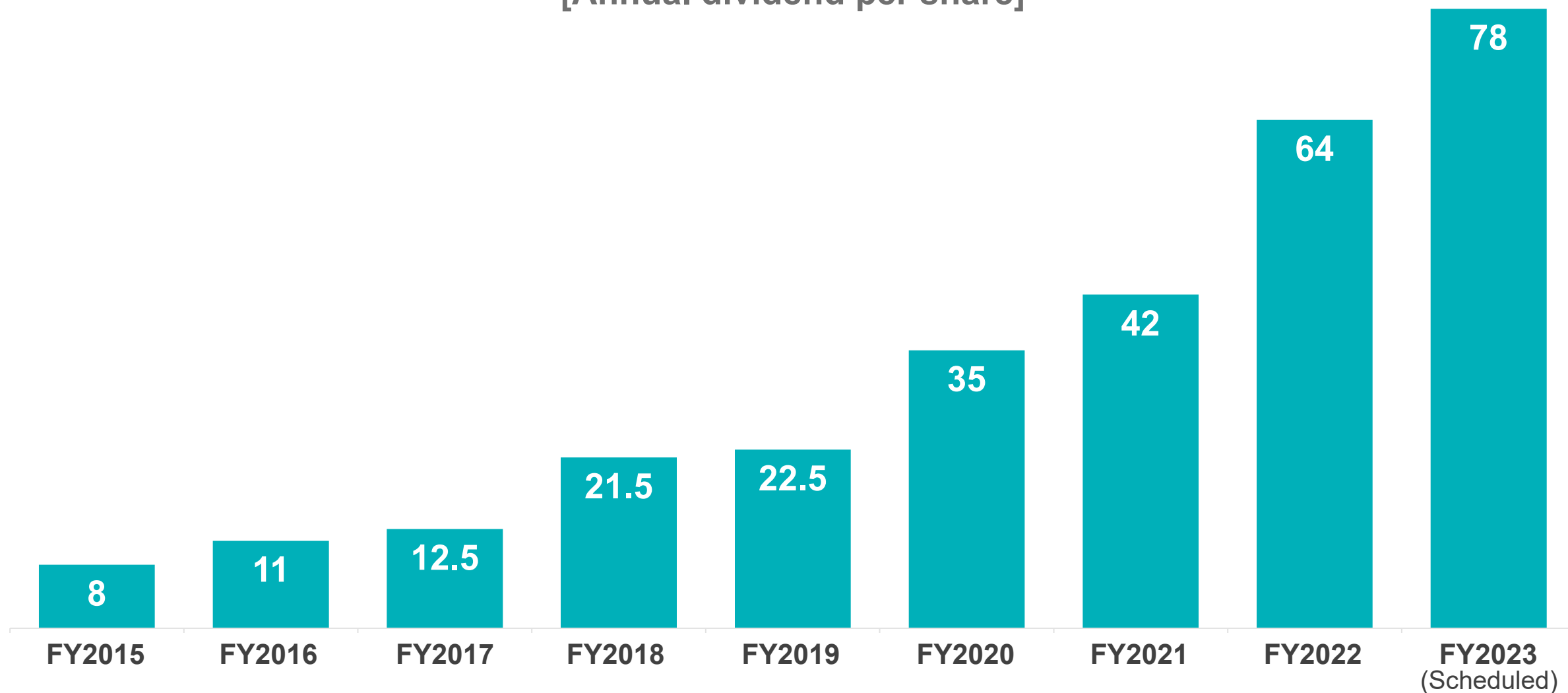
(Million yen)



Dividends

[Annual dividend per share]

(yen)

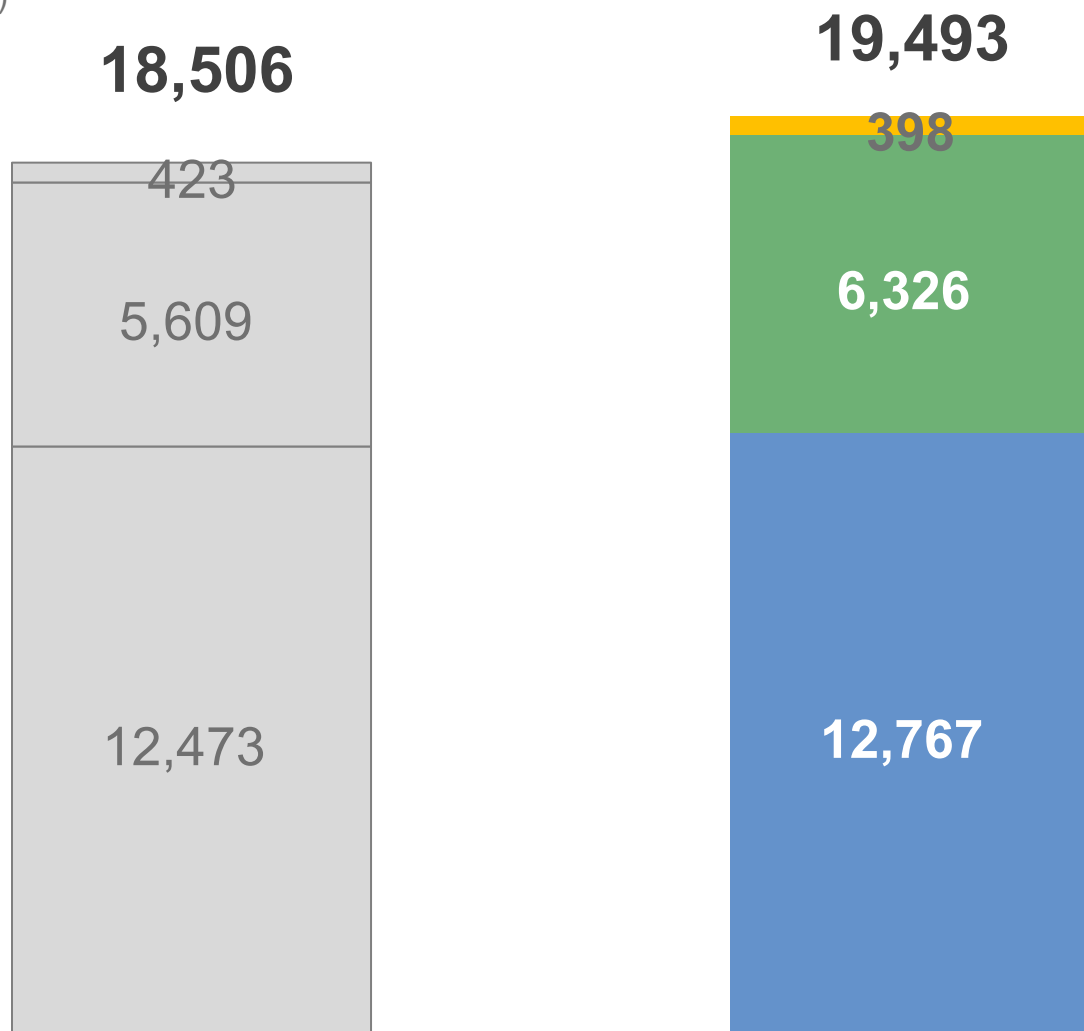


Note: Figures for FY2021 and earlier are restated to reflect the 2-for-1 stock split on June 1, 2022.



Summary of Net Sales (YoY)

(Million yen)



Record high net sales, +5.3% YoY overall

System Support Business -5.9%

Products Business +12.8%
From growth in license sales

Solutions Business +2.4%
From acquiring additional orders by existing clients

FY2022

FY2023



Summary of Orders Received (YoY)

(Million yen)



FY2022



FY2023

**Record high orders received,
+3.8% YoY overall**

**System Support Business
+29.3%**

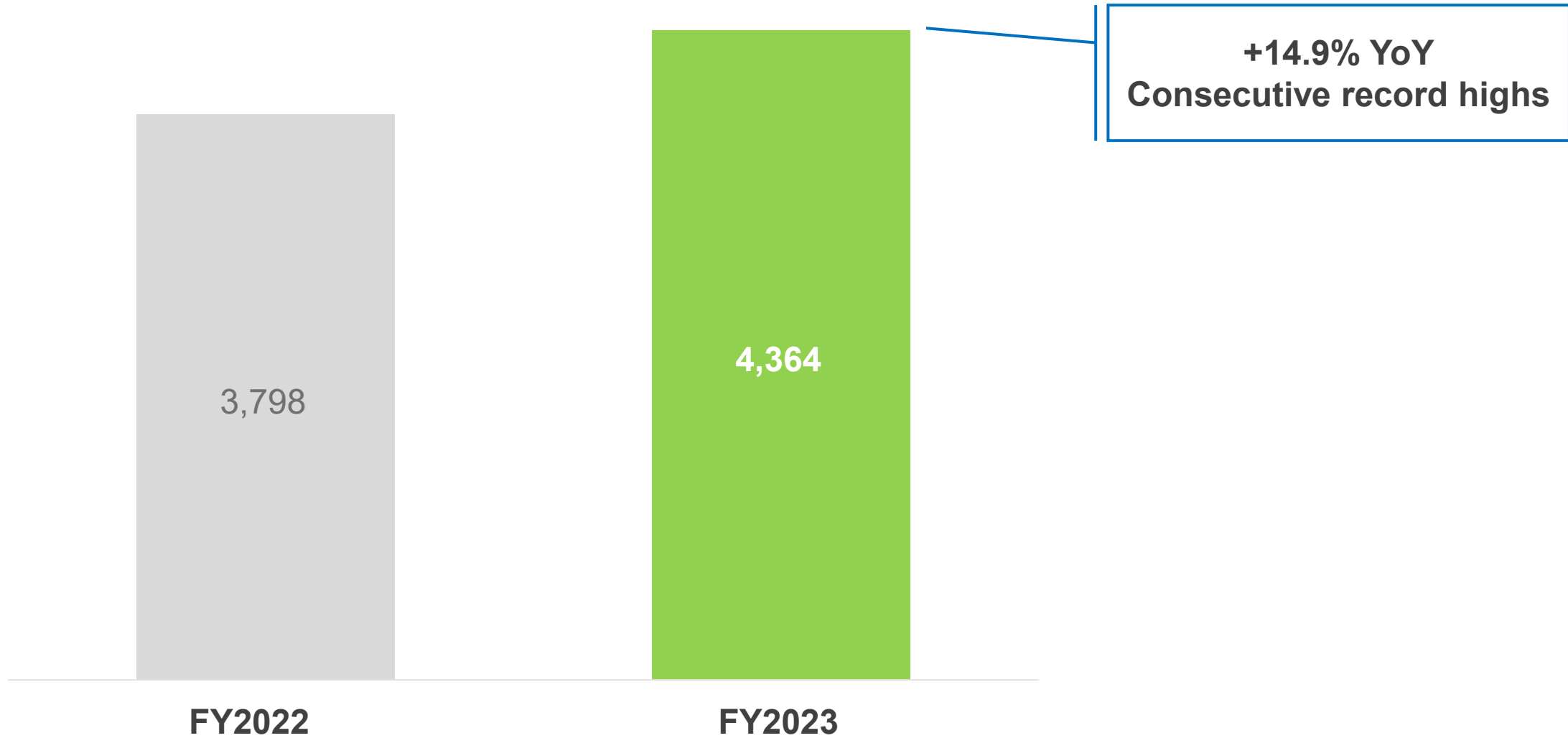
Products Business +8.5%
From growth in license sales

**Solutions Business
+0.9%**
From acquiring additional orders by
existing clients



Summary of Sales of mcframe License (YoY)

(Million yen)



Summary of Balance Sheet (YoY) | Assets

(Million yen)	End of FY2023 (March 31, 2024)	End of FY2022 (March 31, 2023)	Change
Cash and deposits	8,381	6,966	+1,414
Notes and accounts receivable - trade, and contract assets	3,526	3,261	+265
Work in process	9	2	+6
Other current assets	665	591	+74
Total current assets	12,583	10,821	+1,761
(component ratio)	(80.1%)	(80.7%)	
Property, plant and equipment	169	130	+39
Intangible assets	1,627	1,347	+280
Investments and other assets	1,337	1,108	+228
Total non-current assets	3,135	2,587	+548
(component ratio)	(19.9%)	(19.3%)	
Total assets	15,718	13,408	+2,309
(component ratio)	(100.0%)	(100.0%)	

Increase in
software

Increase in
investment
securities

Summary of Balance Sheet (YoY) | Liabilities and Net assets

(Million yen)	End of FY2023 (March 31, 2024)	End of FY2022 (March 31, 2023)	Change
Outstanding account	1,229	1,189	+39
Short-term borrowings	100	100	-
Other current liabilities	3,423	2,831	+591
Total current liabilities	4,752	4,121	+631
Total fixed liabilities	15	0	+15
Total liabilities	4,767	4,121	+646
(component ratio)	(30.3%)	(30.7%)	
Share capital	697	697	-
Capital surplus	565	565	-
Retained earnings	9,759	8,033	+1,725
Treasury shares	-81	0	-80
Accumulated other comprehensive income	9	-9	+18
Total net assets	10,950	9,287	+1,633
(component ratio)	(69.7%)	(69.3%)	
Total liabilities and net assets	15,718	13,408	+2,309
(component ratio)	(100.0%)	(100.0%)	

Summary of Cash Flows (YoY)

(Million yen)	FY2023	FY2022	Change
Cash flows from operating activities	3,553	3,278	+274
Cash flows from investing activities	-1,127	-696	-431
Cash flows from financing activities	-1,003	-549	-454
Effect of exchange rate change on cash and cash equivalents	-7	-11	+4
Net increase (decrease) in cash and cash equivalents	1,414	2,021	-606
Cash and cash equivalents at beginning of period	6,966	4,945	+2,021
Cash and cash equivalents at end of period	8,381	6,966	+1,414

Increase due to development of software and acquisition of investment securities

3. Earnings Forecast for FY2024

Key Points of the Earnings and Dividend Forecast for FY2024

Overview of business environment

Ongoing strong investments in information technology by the manufacturing sector amid firm DX needs

Overview of earnings forecast

Forecasting higher sales and profit for first half and full year:

Net sales: +5.2%; Operating profit: +8.1% (full year)

Expecting steady progress toward FY2026 medium-term targets (net sales of 22 bil. & operating profit of 4.8 bil.)

Dividend forecast

Expecting dividends of 84 yen per share for FY2024 (+6 yen YoY)

Forecast of Profit and Loss (YoY)

(Million yen)	FY2024 Forecast	FY2023 Results	Change (Change %)
Net sales	20,500	19,493	+1,006 (+5.2%)
Gross profit	8,400	7,852	+547
Gross profit ratio	(41.0%)	(40.3%)	(+7.0%)
Operating profit	4,200	3,885	+314
Operating profit ratio	(20.5%)	(19.9%)	(+8.1%)
Ordinary profit	4,200	3,877	+322
Ordinary profit ratio	(20.5%)	(19.9%)	(+8.3%)
Current net profit	2,850	2,625	+224
Profit ratio	(13.9%)	(13.5%)	(+8.5%)
Orders received	21,000	19,955	+1,044 (+5.2%)
Dividends (non-consolidated)	84.0 yen	78.0 yen	+6.0 yen
ROE	24.0%	25.9%	-1.9%

Expecting higher sales and profits

Net sales and orders received to exceed 20 bil. yen for the first time

Steady progress expected toward FY2026 targets

Note: Target values based on Nov. 12, 2023 announcement of revised Management Vision (Targets: Net sales of 22 bil. yen, operating profit of 4.8 bil. yen)

Securing a degree of higher operating profit while still expanding growth investments launched in FY2023

Allocation of Management Resources (FY2024)

Allocating management resources to the following areas to achieve quantitative management targets and desired medium- to long-term capital efficiency

(Planned investments: FY2024 to FY2026)

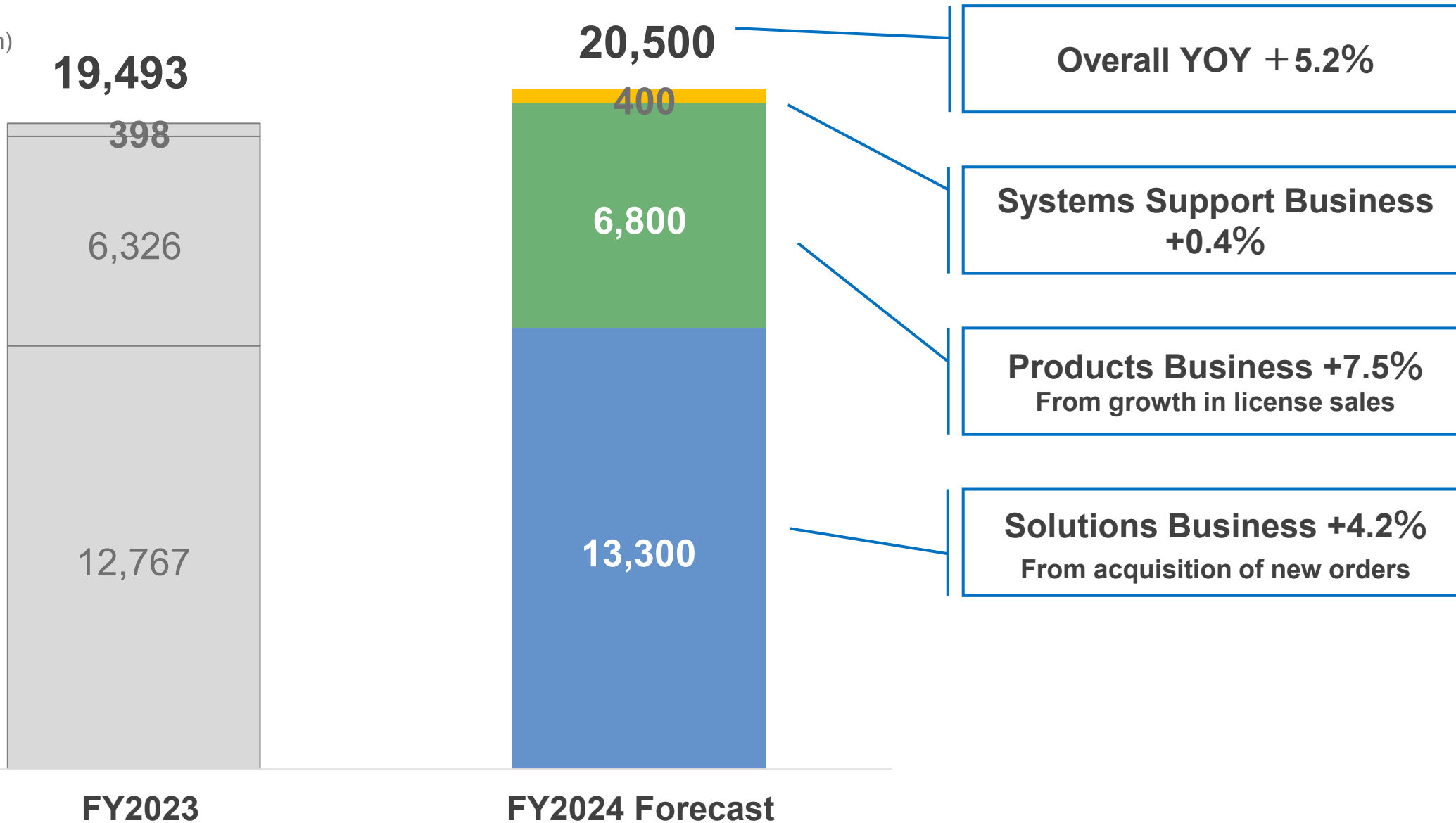
<p>Investment in software, R&D, and business development</p>	<ul style="list-style-type: none"> Supporting shift of existing products to SaaS Building new products/services to drive DX for transformation (e.g., data-centric business) Next-generation technology surveys <p>Accelerating investment in mcframe X</p>	<p>3.5 to 4.5 bil. yen</p> <p>Of which, FY2024 = 1.3 bil. yen</p>
<p>Investment in human resources</p>	<ul style="list-style-type: none"> Establishing of systems aimed at strengthening education and human resources Expanding systems to improve employee engagement and facilitate diverse work styles Revising salary levels Strengthening recruitment strategies <p>Increasing hiring headcount Enhancing employee education</p> <p>Revising salary levels/supplementing cost of living increases</p>	<p>2.0 to 2.5 bil. yen*</p> <p>Of which, FY2024 = 0.6 bil. yen</p>
<p>Investment in business foundations</p>	<ul style="list-style-type: none"> Developing a foundation for SaaS business promotion Internal digital transformation to support new business Investing to advance sustainability Improving working environments <p>Improving working environments (expanding office floor space/renovating offices)</p>	<p>0.6 to 1.0 bil. yen</p> <p>Of which, FY2024 = 0.3 bil. yen</p>
<p>Investment in M&A</p>	<ul style="list-style-type: none"> M&A investments for business expansion/collaboration M&A investments for new business creation 	

*Investment in human resources is calculated as the portion of increased personnel expenses (amount exceeding the FY2023 value) plus total education expenses



Forecast of Net Sales (YoY)

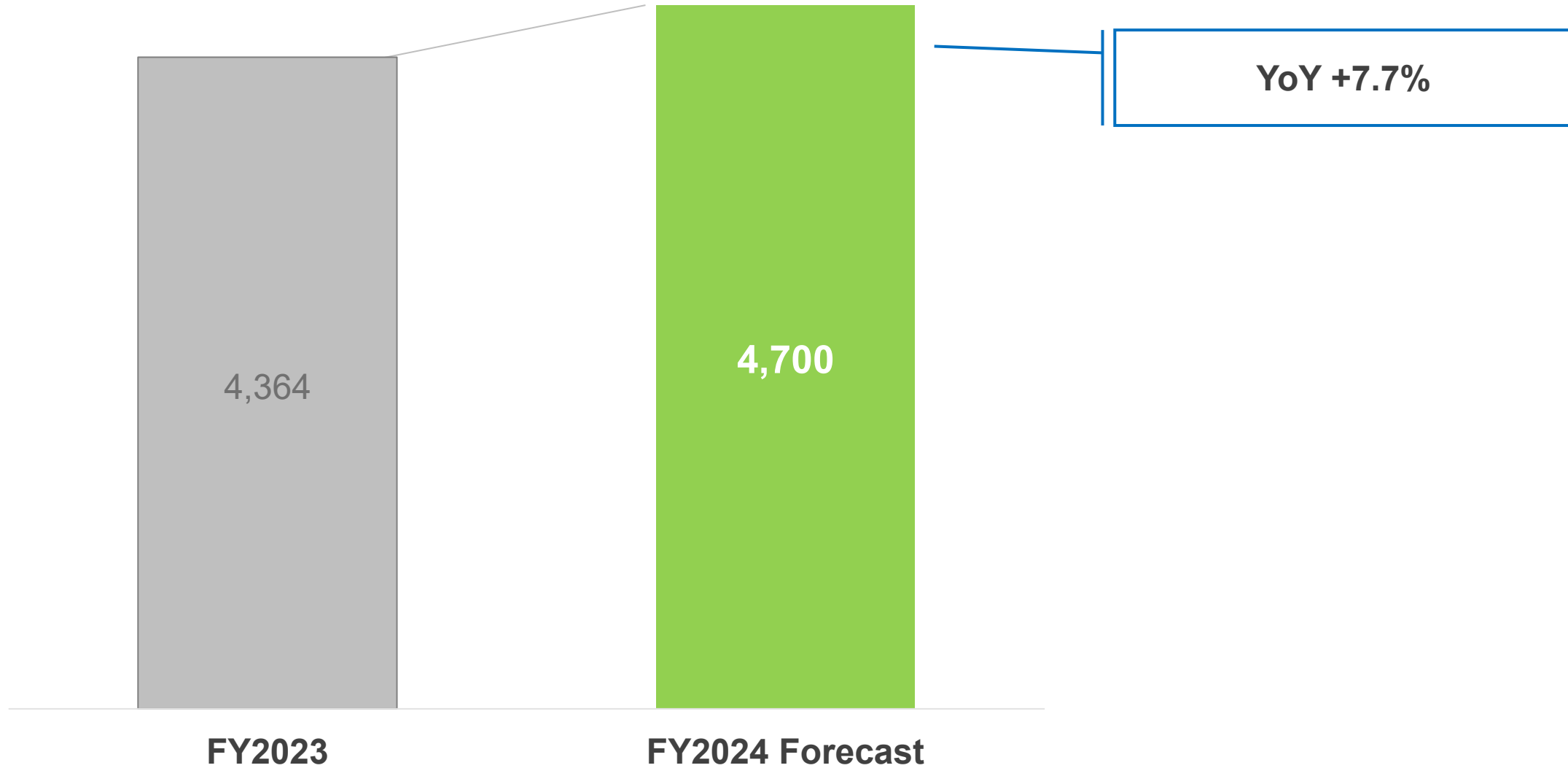
(Million yen)



Forecast of Sales of mcframe License (YoY)



(Million yen)



4. Earnings Forecast for First Half of FY2024

Forecast of Profit and Loss for the First Half (YoY)

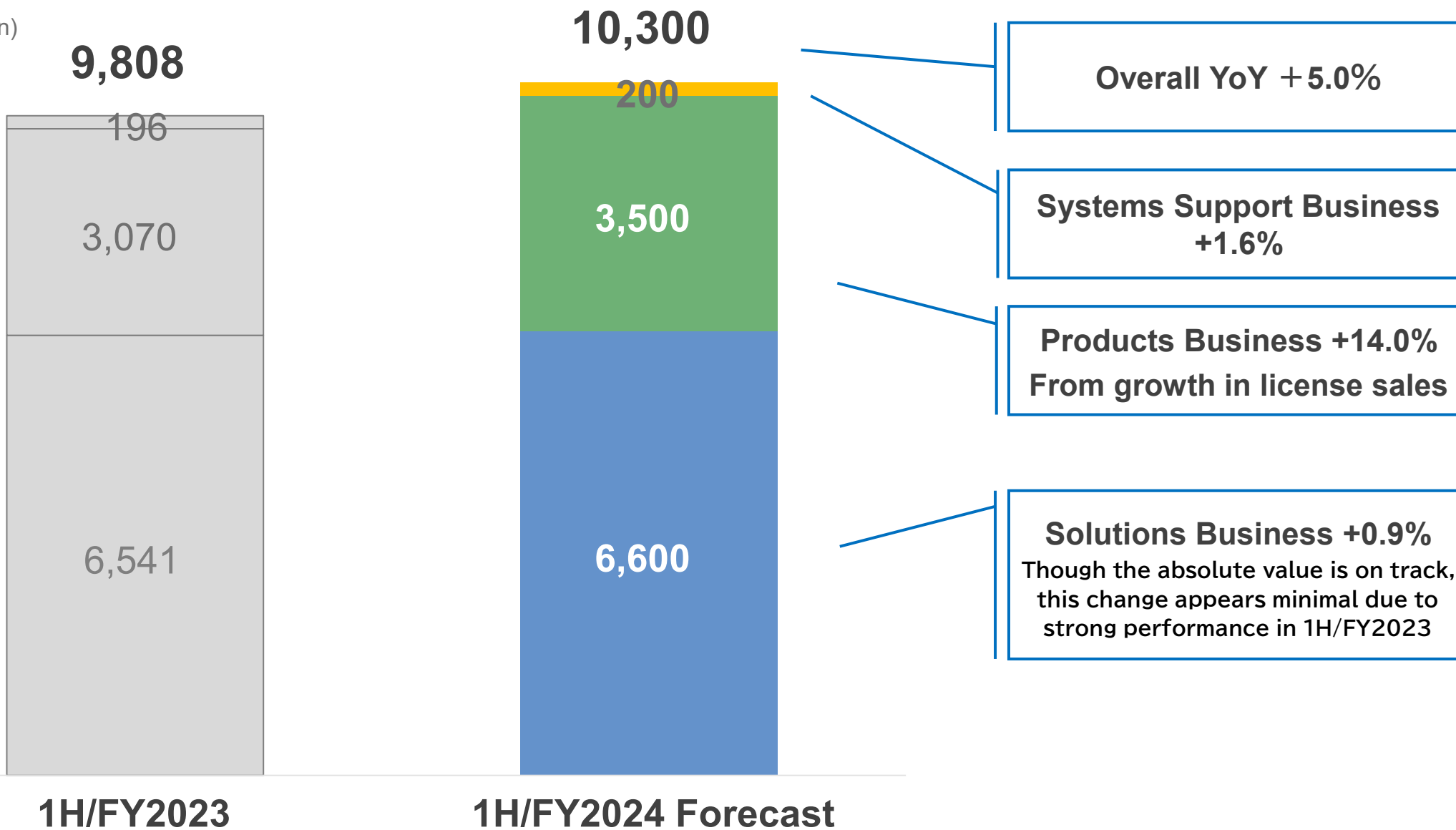
(Million yen)	1H/FY2024 Forecast	1H/FY2023 Results	Change (Change %)
Net sales	10,300	9,808	+491 (+5.0%)
Gross profit	4,250	4,060	+189
Gross profit ratio	(41.3%)	(41.4%)	(+4.7%)
Operating profit	2,150	2,114	+35
Operating profit ratio	(20.9%)	(21.6%)	(+1.7%)
Ordinary profit	2,150	2,126	+23
Ordinary profit ratio	(20.9%)	(21.7%)	(+1.1%)
Current net profit	1,470	1,443	+26
Profit ratio	(14.3%)	(14.7%)	(+1.8%)
Orders received	10,500	9,820	+679 (+6.9%)

Expecting higher net sales mainly due to license sales

Though the absolute value is on track for operating profit, the expected change appears minimal due to strong performance in 1H/FY2023

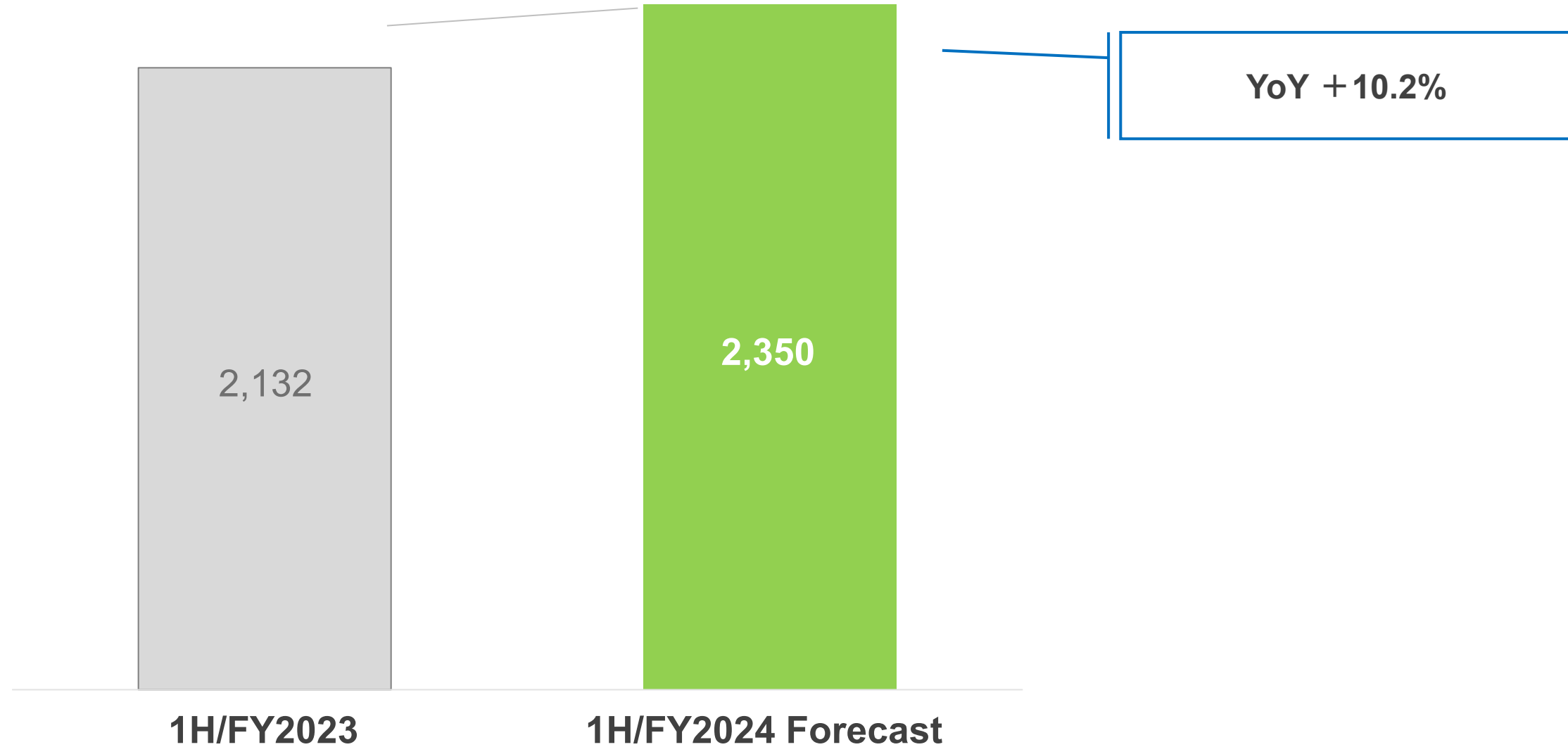
Forecast of Net Sales for the First Half (YoY)

(Million yen)



Forecast of mcframe License Sales for the First Half (YoY)

(Million yen)



5. Management Vision 2026 Strategy

Changes in Environment × Strengths of B-EN-G = Strategy for 2026

Developing products and services that leverage our strengths in response to changes in the environment

Changes in the environment





Digital transformation	Innovation of business models in manufacturing	Globalization	Bringing about a sustainable society (Sustainability)
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B-EN-G's strengths

Achievements in IT support services in manufacturing industry	Further evolution of in-house software functionality and performance	Relationships of trust with customers	Achievements in global development
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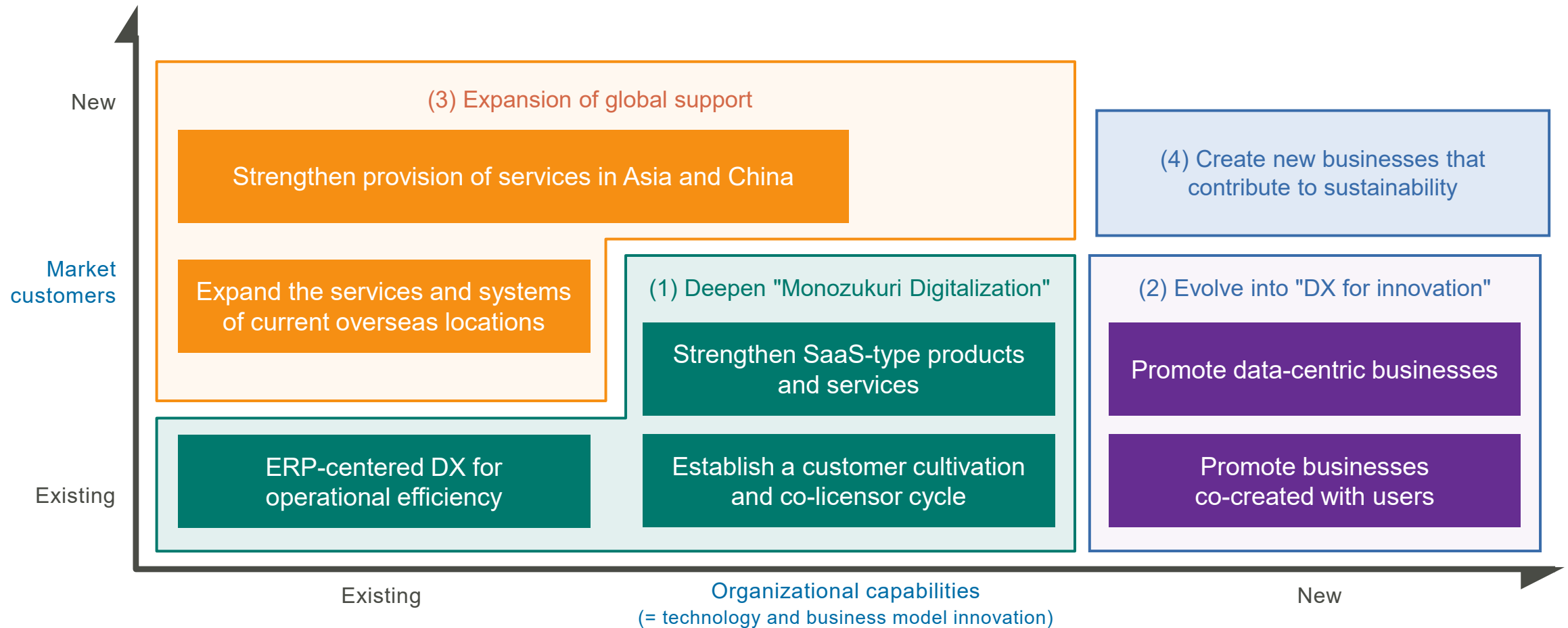
<p>(1) Deepen "Monozukuri Digitalization*" </p> <p>We will promote DX for efficient operations with Monozukuri Digitalization*, and strive to provide optimal products and services.</p>	<p>(2) Evolve into "DX for innovation**" </p> <p>While supporting innovation in business models for customers, we will work on our own business innovation through creation of new types of business.</p>	<p>(3) Expansion of global support </p> <p>We continuously reinforce global development for the Japanese manufacturing industry to expand our own businesses.</p>	<p>(4) Contribute to sustainability </p> <p>We will help realize a sustainable society by leveraging our strengths to solve social issues.</p>
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*Monozukuri Digitalization: To realize efficiency by digitalizing operations related to "Monozukuri (manufacturing in Japanese)," leading to business innovation.

**DX: Digital transformation

Evolution of B-EN-G's Business Fields (Business Portfolio)

We will continuously evolve from our existing businesses into new business fields and aim for the next stage of growth.



Four Pillars | (1) Deepen "Monozukuri Digitalization"

Promote operational efficiency in the manufacturing industry and support **IT infrastructure building** to shift to **"DX for innovation."**

Promote operational efficiency DX

Support IT infrastructure building to shift to "DX for innovation"

mframe license sales: +14.9% YoY

Strengthen SaaS-type products and services

Provide products and services that allow a choice between ownership or subscription depending on what is convenient for users

mframe X: Significantly expanded functionality
Release of GLASIAOUS Copilot (AI-based support function)

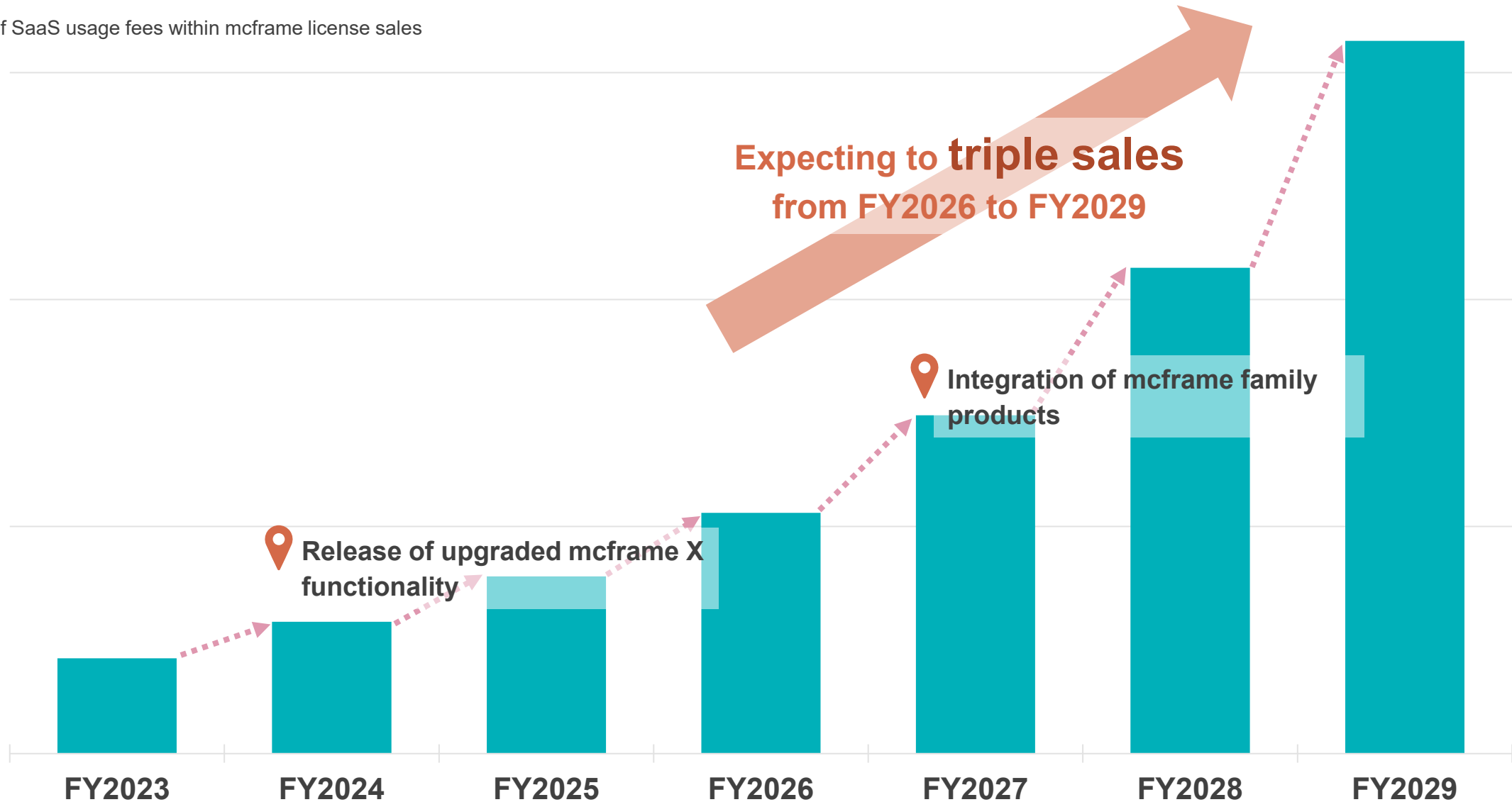
Establish a customer cultivation and co-licensor cycle

Establish a cycle using ongoing relationships with customers and solution-providing licensors to create further business

Operate communities for our product's users, promote customer success activities
Advance business through partnerships with licensors

SaaS Business Sales Plan

*Total of SaaS usage fees within mcframe license sales



Four Pillars | (2) Evolve into "DX for Innovation"

While supporting the innovation of business models and the development of innovative services in the manufacturing industry, we will work on **our own business innovation** through **creation of new types of business**.

Promote data-centric businesses

Promote businesses that use and maximize the value of data obtained from systems

Data-utilizing businesses:
Steadily advance commercialization into viable businesses

Promote co-creation businesses with users

Promote business that creates new value through new co-creation relationships with users

Tackle new medical technologies and pharmaceutical manufacturing processes

Four Pillars | (3) Expansion of Global Support

We will continuously reinforce supporting the global development for the Japanese manufacturing industry, and will support the **development of global SCM** in the manufacturing industry.

Expand the services and systems of current overseas locations

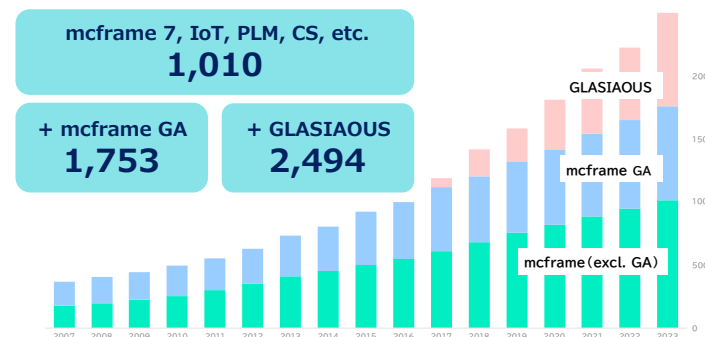
Expand the systems of current overseas locations and overseas partners

Make additional investment in our Philippine partner company (N-PAX)
Invest in our Vietnam partner company (AIT)

Strengthen the provision of services in Asia, including China

Enhance our support for global penetration of the Japanese manufacturing industry with a focus on Asia, including China

Steadily add new overseas clients implementing our services



Four Pillars | (4) Contribute to Sustainability

We will help **realize a sustainable society** by leveraging our strengths to solve social issues.

Solve social issues through business

Help realize a sustainable society through our business activities, which have positive impact on society

mcframe CFP: Publish implementation case studies

Solve social issues through non-revenue generating activities

Advance solutions to social issues through activities of high social significance, regardless of whether or not they are directly linked to profits

Dispatch accounting instructors to an Indonesian vocational high school and conduct relief activities for the Noto Peninsula disaster area

Solve social issues through building a corporate foundation

Contribute to the sustainability of society by building a socially responsible corporate foundation

Establish the Sustainability Promotion Dept., disclose materiality, set greenhouse gas reduction targets, join the UN Global Compact

Basic Capital Policy

ROE

10%+ or more

Target: Given cost of capital, achieve ROE exceeding 10% in the medium to long term

Shareholder return

Pay progressive dividends at payout ratio of 35% or more

Basic policy to pay progressive dividends* with a consolidated dividend payout ratio exceeding 35% over the medium to long term

*Progressive dividend: Consistently maintaining or increasing dividend levels, without reducing dividends, over the long term

Basic capital policy

At B-EN-G, we believe that sustainable growth is necessary to enhance shareholder value over the medium to long term. Therefore, our basic policy is to maintain an appropriate level of shareholders' equity to ensure a sound financial base that enables us to invest for growth and provides risk tolerance.

We consider return on equity (ROE) a key management indicator and have announced targets for this indicator with the aim of effectively utilize shareholders' equity and to return profits to shareholders while comprehensively incorporating financial soundness and other factors.

Our policy is to return profits to shareholders through the payment of dividends in comprehensive consideration of outlooks for our business environment and business performance, as well as our financial position and other factors. It is also our basic policy to provide a progressive dividend with a consolidated dividend payout ratio exceeding 35% over the medium to long term.

Dividends are to be paid twice annually, with one interim dividend and one year-end dividend.

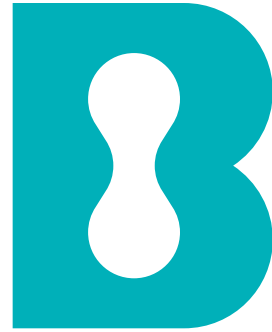
Management Vision 2026 Targets

(Consolidated)	FY2020 Results
Net sales	17.7 bil. yen
Operating profit	1.9 bil. yen
Current net profit	1.28 bil. yen



FY2026 Targets	
Before revision	After revision
22.0 bil. yen	22.0 bil. yen
3.2 bil. yen	4.8 bil. yen
2.11 bil. yen	3.2 bil. yen

Note: Figures for FY2020 are after retrospective application of the Accounting Standard for Revenue Recognition.



B-EN-G

Business Engineering for Growth

Disclaimer

The forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to our company and certain assumptions that our company considers reasonable. Actual results may differ significantly due to a variety of factors.