

**Report of Business Operations for the 61st Business Period  
(Business Period ended October 2025) (Attachment to the  
Notification and Invitation to the 61st Regular General Meeting  
of the Shareholders)** From November 1, 2024 to October 31, 2025

**1. Analysis of Operating Results and Financial Position**

**(1) Analysis of Operating Results**

**a) Summary of consolidated fiscal year operating results** (From November 1, 2024 to October 31, 2025)

During the fiscal year under review, Japan's economy showed a moderate recovery trend against the backdrop of improvements in the employment and income environment. However, the economic outlook remains uncertain mainly due to continued price hikes, geopolitical risks, and the impact of U.S. trade policy.

In the construction industry in which the Group is involved, public sector investment remained firm, and private sector construction investment also picked up against the backdrop of firm corporate earnings. On the other hand, the environment surrounding the industry remains challenging due to persistently high construction material prices and a prolonged shortage of skilled construction workers.

In such circumstances, the Group is working towards the realization of the Medium-Term Management Plan "Progress 65" (FY2025-FY2029) by steadily implementing three key measures: "Growth strategies and improvement of capital efficiency," "Enhancement of DX strategies" and "Sustainability initiatives," while striving to expand a sustainable earnings base.

Consequently, in the fiscal year ended October 31, 2025, the Group reported net sales of ¥213,266 million, an increase of 2.9% year on year. On the earnings front, operating profit was ¥17,369 million, an increase of 19.2% year on year, ordinary profit was ¥17,951 million, an increase of 18.0% year on year, and profit attributable to owners of parent was ¥10,977 million, an increase of 21.8% year on year.

Results for each of the Company's business segments were as follows.

**b) Summary of consolidated operating results by business segment**

**[Construction Equipment Rental Business]**

In the business related to the Construction Equipment Rental Division, which is

Kanamoto's core business, rental demand for construction equipment remained firm due to ongoing public works and progress in urban redevelopment projects, although demand trends differed by region.

In addition, the Group promoted the development of systems that will lead to further business growth by improving operational efficiency and sophisticating sales processes to increase profitability, as well as optimizing sales tools to meet customer needs.

As a result, sales by region in this business were up 5.2% in the Hokkaido Region, down 4.6% in the Tohoku Region, up 6.2% in the Kanto & Koushinetsu Region, up 8.0% in the Nishi-nihon Region, and up 2.4% in the Kyushu & Okinawa Region.

Used construction equipment sales increased 7.8% year on year, as Kanamoto proceeded with sales in accordance with the initial plan while carrying out the extension of the rental equipment operation period.

Reflecting these factors, the Group posted net sales in the business related to the Construction Equipment Rental Division of ¥190,225 million, an increase of 3.3% year on year, and operating profit of ¥15,860 million, an increase of 22.6% year on year.

#### **[Other Businesses]**

In the Group's other businesses, net sales was ¥23,040 million, a decrease of 0.0% year on year, and operating profit was ¥941 million, a decrease of 13.6% year on year, as the Steel Product Sales Business, the Information Products Rental Business and the Welfare-related Business were generally in line with forecasts, although there were differences by business.

(Millions of yen)

Segment	60th Business Period Business Period ended October 2024	61st Business Period Business Period ended October 2025	Change from prior year (%)
Construction Equipment Rental Business	184,177	190,225	3.3
Other Businesses	23,041	23,040	-0.0
Total	207,218	213,266	2.9

## **(2) Financing activities**

### **1) Funds Procurement**

Funds procurement through capital increase or the issuance of corporate bonds has not been performed during the current consolidated fiscal year.

### **2) Capital investment**

Capital investment implemented by the Kanamoto Group during the current consolidated fiscal year totaled ¥32,266 million. This included purchases of rental equipment of ¥27,911 million, and investments in assets used by the group, including the establishment, relocation and expansion of branches, of ¥4,354 million.

#### **< Main branches newly established in the Corporate Group >**

During the consolidated fiscal year under review, Kanamoto newly opened 4 branches .

Kanamoto Co., Ltd.

New branches:     Kagoshima Branch (Kagoshima City, Kagoshima)  
                              Tsukuba Branch (Tsukuba City, Ibaraki)  
                              Nishiaizu Branch (Yama County, Fukushima)  
                              Shimukappu Equipment Center (Yufutsu County, Hokkaido)

Closed branches: Musashimurayama Brach (Musashimurayama City, Tokyo)  
                              Kushirohigashi Brach (Kushiro City, Hokkaido)  
                              Muroran Branch (Muroran City, Hokkaido)  
                              Ofunato Branch (Ofunato City, Iwate)  
                              Oga Branch (Oga City, Akita)  
                              Kesenuma Branch (Kesenuma City, Miyagi)  
                              Marumori Branch (Igu County, Miyagi)

### **3) Transfer, absorption, division or new establishment of businesses**

The Company had no material items to report.

### **4) Receipt of businesses from other companies**

The Company had no material items to report

### **5) Succession to rights and obligations concerning the businesses of other corporations etc. by absorption and merger or absorption and division**

The Company had no material items to report

### **6) Acquisition or disposal of shares, other equity or subscription rights to shares of other companies**

The Company had no material items to report

### (3) Financial position and profit and loss in the current business period and three immediately prior business periods

(Millions of yen except per share data, which are in yen)

Category	58th Business Period (Business Period ended October 2022)	59th Business Period (Business Period ended October 2023)	60th Business Period (Business Period ended October 2024)	61st Business Period (current consolidated fiscal year) (Business Period ended October 2025)
Net sales	188,028	197,481	207,218	213,266
Ordinary income	13,780	12,488	15,218	17,951
Profit attributable to owners of parent	8,345	6,721	9,013	10,977
Net income per share	224.64	185.40	253.72	314.15
Total assets	305,320	316,440	322,853	324,088
Net assets	140,611	143,677	149,713	157,463
Net assets per share	3,571.98	3,729.73	3,950.40	4,227.68

### (4) Issues to be Addressed by the Company

In the construction equipment rental business, which is a core business of the Kanamoto Group, it is important to select rental assets that match the characteristics of sales areas and customers' needs. Based on the collected data, the Company must build an asset portfolio structure aimed at maximizing operational efficiency and establish a strong earnings structure with a detailed operation. In addition, the Company also needs to aspire to be a "true general construction equipment rental company" that provides one-stop and comprehensive customer service, not just rental of goods. Moreover, the Company recognizes that improving the profit structure in order to respond to rising procurement costs, a steep increase in personnel expenses and other matters is an urgent issue.

### **1) Growth strategies and improvement of capital efficiency**

We aim for “improved efficiency” and “improved productivity” of rental assets in the construction equipment rental business.

For “improved efficiency,” we will work to reduce amortization costs through appropriate purchasing of rental assets and adopting a long-life approach in managing assets as well as to strengthen area marketing and management of rental items. Next, for “improved productivity,” we will strive to improve the utilization rates of rental items and raise the rental unit prices to an appropriate level.

In the area of growth strategy, while promoting efforts to strengthen the sales foundation through the type of organic expansion we have achieved so far, we will take appropriate measures to implement effective M&A projects that will contribute to widening the range of business areas and enhancing our solution capabilities.

In addition, at each overseas business location, the Group will strive to create a stronger underpinning for revenue in overseas businesses through strengthening the sales structure, including partner strategies, and giving utmost attention to asset and revenue management. The Group aims to continue to further enhance overseas businesses as future growth engines.

### **2) Strengthening human resources training, and also Kanamoto Group alliances**

In the construction equipment rental industry, intensifying competition between companies could lead to a trend of mergers and acquisitions due to a further increase in distinction and selection. The Company will make efforts to enhance investment in human capital and develop employees with the knowledge and skills appropriate for a leader in the construction equipment rental industry, and we will work to develop human resources that can adapt to business expansion in Japan and overseas. Furthermore, in order to expand business areas deemed essential for the vision of a general rental company, we will strive to strengthen collaboration between group companies and build stronger relationships with alliance partners, thereby creating stronger synergies within the Kanamoto Group.

### **3) Deepening asset strategies**

As part of efforts to introduce rental assets, while prioritizing market needs, we will provide ICT equipment that conforms to i-Construction 2.0 standard promoted by the Ministry of Land, Infrastructure, Transport and Tourism, and strengthen development of safety systems and remote management systems that utilize digital technology, thereby achieving safer and more efficient operation. Additionally, while paying ample consideration to future marketability and profitability, we will decide on the line-up of assets that should be introduced and the appropriate numbers of each. Furthermore, in order to improve the operational efficiency of assets, we will further strengthen

collaborative structures within the Group introducing rental assets, we give top priority to market needs, but in recent years the particulars of domestic construction demand, such as ICT techniques, are changing, and therefore we ultimately determine the composition of the assets to be introduced and appropriate amount thereof by thoroughly examining the market and earnings characteristics not only at present, but also looking forward.

To improve operational efficiency of assets, the Group will work to further strengthen systems for collaborative cohesion within the Group.

#### **4) Optimizing maintenance costs**

One of the most essential aspect of the construction equipment rental business are our measures to maintain and enhance the value of our rental assets. As part of these measures, we strive to strengthen employee education, streamline operating processes and reduce costs of consumables through private brands. Such efforts allow us to improve the cost structure and achieve greater optimization with the aim of reducing the cost ratio.

#### **5) Enhancement of DX strategies**

We are taking steps to improve management's visualization through BI tools for the Group's performance indicators, as well as introduce online ordering systems and promote their use to customers. Through our utilization of RPA, BI, generative AI and the like, we are both streamlining business processes and improving visualization with the aim of putting in place a "data-driven management" that allows each manager to make decisions grounded on actual data.

#### **6) Contribution to a sustainable society**

We will continue to contribute to the environment and other initiatives through the rental business, which is a sharing economy, and by promoting human rights and investment in human capital both in Japan and overseas, we will develop our sustainable corporate activities and raise the level of our contribution to society.

### **(5) Main businesses (As of October 31, 2025)**

Activities	Main products and services
Construction Equipment Rental Businesses	Rental and sale of equipment and instruments for use in construction, temporary materials for construction use, safety products for the construction industry, measuring instrument and modular housing units for temporary use

Other Businesses	Sale of steel products such as steel bar, steel plate and round bar, contract construction, rental and sale of computers and computer peripheral equipment. Rental and sales of social-welfare-service and nursing-care equipment
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## (6) Main offices of the Kanamoto Group (As of October 31, 2025)

### 1) Main offices and facilities

Kanamoto's Head Office and Operations Control Headquarters are located in Chuo-ku in Sapporo, Hokkaido, and the Company's Business Coordination Headquarters is located in Minato-ku in Tokyo.

The number of branches in each of the Company's operating regions is shown below.

### ■Number of offices by region (excluding non-operating divisions)

	Region	Construction Equipment Rental Business		Other Businesses	
		Kanamoto	Consolidated subsidiaries	Kanamoto	Consolidated subsidiaries
Japan	Hokkaido	73	26	2	0
	Tohoku	53	31	0	0
	Kanto	44	31	1	5
	Chubu	22	11	0	0
	Kinki	8	16	0	9
	Chugoku	3	4	0	11
	Shikoku	4	1	0	2
	Kyushu	5	78	0	27
Overseas	China	0	3	0	0
	Australia	0	11	0	0
Total		424		57	

### 2) Number of Kanamoto Group employees

	Number of employees
Construction Equipment Rental Business	3,356
Other Businesses	375
All companies (shared)	202
Total	3,933

Notes : 1. Figures are the number of full-time employees and do not include directors,

temporary or part-time employees.

2. The number of employees increased by 41 compared to the end of the previous fiscal year.
3. Employees designated as "All companies (shared)" are individuals affiliated with management departments who cannot be classified in a specific segment.

### 3) Number of Kanamoto employees

Number of employees	Change compared with end of prior fiscal year	Average age	Average length of service
2,001	+6	40.5	13.2 years

Note : Figures are the number of full-time employees and do not include temporary or part-time employees.

## (7) Important parent company affiliates and subsidiary companies

### 1) Parent company affiliates

The Company had no items to report.

### 2) Subsidiaries

Company name	Capital (Millions of yen)	Kanamoto's ownership (%)	Main activities
Assist Co., Ltd.	136	100.0	Rental and sale of furniture, fixtures and safety products
Kanatech Co., Ltd.	100	100.0	Design and rental and sale of modular housing units for temporary use
Kanki Co., Ltd.	99	100.0	Rental and sale of construction equipment
KG Flowtechno Co., Ltd.	20	100.0	Developing a business in the rental and design, manufacture and sale of specialized equipment used for projects such as ground improvement work and the construction of underground structures
CENTRAL Co., Ltd.	410	100.0	Rental and sales of construction machinery, equipment, temporary house
SOOKI HOLDINGS Co., Ltd.	1	100.0	Holding Company
Toyo Industry Co., Ltd.	31	100.0	Shield tunneling method-related peripheral equipment rentals and sales
NISHIKEN CO., LTD.	1,139	84.5	Rental and sales of construction machinery, temporary materials for construction use,



			social-welfare-service and nursing-care equipment
Unite Co., Ltd.	1,144	66.9	Rental and sale of road construction equipment, road construction works
Kanamoto (China) Investment Co., Ltd.	2,376	100.0	Rental and sale of construction equipment
Kanamoto Australia Holdings Pty Ltd	5,687	100.0	Holding Company

Notes : There are no specified wholly-owned subsidiaries as of the end of this fiscal year.

#### **(8) Primary lenders and amount of borrowing (As of October 31, 2025)**

Financial institution	Loan balance (Millions of yen)
MUFG Bank, Ltd.	6,946
North Pacific Bank, Ltd.	6,705
The 77 Bank, Ltd.	5,490
The Hokkaido Bank, Ltd.	4,780
JA - Hokkaido Shinren	4,540
Mizuho Bank, Ltd.	2,918
The Norinchukin Bank	2,370
Daishi Hokuetsu Bank, Ltd.	1,610
Aomori Michinoku Bank, Ltd.	1,495
THE NISHI-NIPPON CITY BANK, LTD.	1,490

#### **(9) Basic Policy Concerning Distribution of Earnings and Dividends for the Consolidated Fiscal Year under Review and Next Consolidated Fiscal Year**

Distribution of earnings to shareholders is a key management issue. The dividend policy of Kanamoto is to provide shareholders with a consistent and stable dividend regardless of the business environment. Furthermore, the Company aims to pay progressive dividends that include profit distribution in line with earnings performance. Moreover, it is the basic policy of Kanamoto to sufficiently build up its retained earnings, which is essential for strengthening financial position and to implement aggressive business expansion.

The year-end dividend for the fiscal year ended October 31, 2025, will be ¥50.00 per share and an annual dividend of ¥95 per share (which includes an interim dividend of ¥45).

Furthermore, the Company aims to allocate retained earnings to capital investments, including facilities investment for rental equipment and other assets. Note that the company is putting a share buyback program into place to facilitate the flexible implementation of capital policies.

## **(10) Summary of other important matters concerning the corporate group**

There are no material events that should be reported.

## **2. Matters Concerning the Company's Stock**

### **Summary of Common Stock (As of October 31, 2025)**

**1) Total number of shares authorized                      130,000,000 shares**

**2) Shares issued and outstanding                      38,742,241 shares**  
**(including 3,917,064 shares of treasury stock)**

**3) Number of shareholders                                      7,117**

### **4) Principal shareholders (ten largest)**

Shareholder name	Number of shares held (Thousand shares)	Percentage of total (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	3,733	10.72
Custody Bank of Japan, Ltd. (Trust account)	2,217	6.37
STATE STREET BANK AND TRUST COMPANY 505223	1,174	3.37
ORIX Corporation	960	2.76
Kanamoto Capital Company	915	2.63
The Hokkaido Bank, Ltd.	888	2.55
North Pacific Bank, Ltd.	763	2.19
Ueda Yagi Tanshi Co., Ltd.	700	2.01
Tokio Marine & Nichido Fire Insurance Co., Ltd.	668	1.92
SMBC Nikko Securities Inc.	666	1.91

Notes : 1. Percentage of total is calculated excluding treasury shares (3,917 thousand shares).

2. The Company holds treasury share numbering 3,917 thousand shares. However, the Company is excluded from the above list of Principal shareholders.

**5) Status of shares granted to officers of the Company as compensation for their execution of duties during the fiscal year under review**

The Company had no material items to report.

**6) Other important matters concerning stocks**

Pursuant to a resolution made at the Board of Directors meeting held on December 6, 2024, the Company acquired 637,300 shares of treasury stock through buying on the market during the period from December 9, 2024 to August 29, 2025.

Also, Pursuant to a resolution made at the Board of Directors meeting held on December 5, 2025, the Company will acquire up to 900,000 shares of treasury stock at a total cost of no more than ¥3.0 billion between December 8, 2025 and June 30, 2026 through buying on the market in order to increase shareholders' value.

**3. Matters Concerning Stock Acquisition Rights etc.**

The Company had no material items to report.

**4. Matters Concerning Company Directors (As of October 31, 2025)**

**(1) Summary of directors and auditors**

Name	Gender	Position and duties	Main concurrent positions at other entities
Kanchu Kanamoto	Male	Chairman of the Board and Representative Director	Chairman of the Board, Kanamoto (China) Investment Co., Ltd.
Tetsuo Kanamoto	Male	President and CEO, Corporate Officer; General Manager, Business Coordination Headquarters	President and Representative Director, Toyo Industry Co., Ltd. Chairman of the Board and Representative Director, Unite Co., Ltd. Chairman of the Board and Representative Director, KG Flowtechno Co., Ltd. President and Representative Director, Soki Holdings Co., Ltd.

			Chairman of the Board and Representative Director, Kanki Co., Ltd.
Tatsuo Kanamoto	Male	Director, Corporate Officer; Manager in charge of Steel Sales Division	
Kazunori Hashiguchi	Male	Director, Corporate Officer; Division Manager, Human Resources Division; General Manager, Business Development Office	
Akira Sannomiya	Male	Director, Corporate Officer; Division Manager, Business Administration Division; and Division Manager, Used Products Sales Division	President and Representative Director, Kanatech Co., Ltd.
Jun Watanabe	Male	Director, Corporate Officer; Division Manager, Customer Specific Equipment Sales Division; and General Manager New Products Office	President and Representative Director, KG Flowtechno Co., Ltd.
Shun Hirose	Male	Director, Corporate Officer; Division Manager, Accounting Division; and General Manager, Public Relations Office; serving concurrently as Manager, Bill Collection Center	
Hideaki Yamashita	Male	Director, Corporate Officer; Division Manager, Overseas Business Division	
Eiji Arita	Male	Director (Outside Director)	
Motoki Yonekawa	Male	Director (Outside Director)	
Ayako Tabata	Female	Director (Outside Director)	Lawyer
Tetsuya Okawa	Male	Director (Outside Director)	Lawyer
Naomi	Female	Director (Outside Director)	

Shibuya			
Eichu Kanamoto	Male	Standing Corporate Auditor	
Naoyuki Yokota	Male	Standing Corporate Auditor	
Noriaki Ikushima	Male	Auditor (Outside Auditor)	
Yasushi Ishiwaka	Male	Auditor (Outside Auditor)	Certified public accountant
Iwao Takeuchi	Male	Auditor (Outside Auditor)	

Notes: 1. Directors Eiji Arita, Motoki Yonekawa, Ayako Tabata, Tetsuya Okawa and Naomi Shibuya are Outside Directors.

2. Corporate Auditors Noriaki Ikushima, Yasushi Ishiwaka and Iwao Takeuchi are Outside Corporate Auditors.

3. Corporate Auditor Naoyuki Yokota and Corporate Auditor Iwao Takeuchi has many years of experience in the banking business, and has considerable knowledge of finance and accounting.

4. Corporate Auditor Yasushi Ishiwaka is a certified public accountant with considerable knowledge of finance and accounting.

5. The Company has notified the Tokyo Stock Exchange and Sapporo Securities Exchange, the exchanges on which Kanamoto's shares are listed, of the positions of directors Eiji Arita, Motoki Yonekawa, Ayako Tabata, Tetsuya Okawa and Naomi Shibuya as "independent officers" as provided by the rules, etc., of both exchanges.

6. The Company has notified the Tokyo Stock Exchange and Sapporo Securities Exchange, the exchanges on which Kanamoto's shares are listed, of the positions of Corporate Auditors Noriaki Ikushima, Yasushi Ishiwaka and Iwao Takeuchi as "independent officers" as provided by the rules, etc., of both exchanges.

7. Based on the provision of Article 427 paragraph 1 of the Companies Act, the Company has entered agreements with its outside directors and auditors that limits their liability for compensation for damages under Article 423 paragraph 1 of the same law. The amount of the limit on the liability for compensation for damages based on said agreement is the amount provided by the law.

## **(2) Summary of the directors and officers liability insurance policy**

The Company and certain subsidiaries has entered into a directors and officers liability insurance policy as provided for in Article 430-3 paragraph (1) of the Companies Act with an insurance company.

### **1) Scope of insureds**

The Company's and certain subsidiaries directors, auditors and corporate officers

### **2) Summary of insurance policy terms**

The insurance policy covers losses that may arise when the insured assumes liability incurred in the course of the performance of duties or receives claims related to the pursuit of such liability. However, certain reasons, such as claims for damages pertaining to intentional violations of laws, will not be covered so as not to impair the appropriateness of the performance of duties by the insured. The full amount of the insurance premiums is borne by the Company.

## **(3) Total remuneration and other amounts paid to Directors and Auditors**

### **1) Total amount of remuneration for the fiscal year under review**

Classification	Number of compensated individuals	Compensation amount (Millions of yen)	Remuneration by type (Millions of yen)	
			Basic reward	Non-monetary remuneration, etc.
Director	11(3)	138 (5)	122 (5)	16(—)
Auditor (Outside Auditor)	5(3)	32 (5)	32 (5)	—(—)
Total	16(6)	170(10)	154(10)	16(—)

Notes : 1. Three Directors (Outside Directors) who received no remuneration are not included in the compensated individuals indicated above.

2. Total compensation paid to Directors does not include ¥75 million equivalent to the employee salary portion (including bonuses) paid to Directors serving concurrently as employees.

### **2) Matters concerning non-monetary remuneration, etc.**

The Company has introduced a restricted share-based remuneration plan for directors (excluding outside directors; hereinafter, the "Eligible Directors") with the aim of

providing an incentive to sustainably increase the corporate value, and further promote shared value with shareholders. Eligible Directors shall, pursuant to a resolution of the Board of Directors of the Company, make contributions in-kind of all of the monetary remuneration claims received to have common shares of the Company issued or disposed of. The total amount of these monetary remuneration claims shall be no more than ¥100 million per year, and the total number of common shares of the Company to be issued or disposed of through this plan shall be no more than 50,000 shares per year. In addition, the Restriction Period shall be the period specified by the Board of Directors of the Company within the range of three to 30 years from the day on which the Eligible Director receives the allotment of shares, and in case that an Eligible Director retires from the position specified by the Board of Directors of the Company before the expiration of the Restriction Period, upon such retirement, the Company shall acquire the allotted shares without contribution unless that retirement was due to the expiration of the Eligible Director's term of office, death, or other justifiable reason.

### **3) Matters concerning the resolution of the General Meeting of the Shareholders on remuneration, etc. for directors and auditors**

At the 26th Regular General Meeting of the Shareholders held on January 24, 1991, it was resolved that remuneration paid to directors shall be no more than ¥240 million per year (excluding salaries and bonuses received as an employee). The number of directors at the conclusion of the said Regular General Meeting of the Shareholders was nine. Furthermore, at the 56th Regular General Meeting of the Shareholders held on January 28, 2021, it was resolved that, separately from the above-mentioned annual remuneration, restricted share-based remuneration for directors (excluding outside directors) shall be no more than ¥100 million per year. The number of directors at the conclusion of the said Regular General Meeting of the Shareholders was nine.

At the 42nd Regular General Meeting of the Shareholders held on January 26, 2007, it was resolved that remuneration paid to auditors shall be no more than ¥50 million per year. The number of auditors at the conclusion of the said Regular General Meeting of the Shareholders was two.

### **4) Matters concerning the policy for determining details of remuneration, etc. for individual directors**

Many directors of the Company concurrently serve as corporate officers. Directors' remuneration is a fixed amount paid in respect of management decision-making and the performance of supervisory functions, while corporate officers' remuneration is paid based on an assessment of business performance. Since a certain portion of the remuneration is linked to business performance and therefore functions as an

incentive, directors' remuneration and corporate officers' remuneration are considered on a clearly separate basis.

Remuneration for outside directors shall be a fixed amount in light of their roles and independent position.

Remuneration for directors is entrusted solely to the President and CEO according to a resolution of the Board of Directors and is determined based on an evaluation of each director within the remuneration limits decided at the General Meeting of the Shareholders.

On November 1, 2025, the Company established the Nomination and Compensation Committee as an advisory body to the Board of Directors. The committee is mostly made up of independent outside directors. Regarding the compensation, etc. for directors on and after that date, the Board of Directors has resolved to adopt a policy where the Nomination and Compensation Committee will determine a compensation proposal, and the final decision will be made by a resolution of the Board of Directors.

#### **5) Matters concerning delegation of the determination of the details of remuneration, etc. for individual directors**

Based on a resolution of the Board of Directors, the individual remuneration amount is delegated to the President and CEO Tetsuo Kanamoto. The reason for this delegation is that the Company has judged the President and CEO as appropriate to conduct evaluations of the departments that each director is in charge of while considering the Company's overall performance.

The Board of Directors has judged that individual remuneration, etc. are in accordance with the determination policy.

#### **(4) Matters concerning Outside Directors**

##### **1) Concurrent posts held by Company executives including positions at other companies**

The Company had no material items to report.

##### **2) Concurrent service as an outside director at other companies**

The Company had no material items to report.

##### **3) Relationships with specified related parties including main customers**

The Company had no material items to report.



#### 4) Activities during the current fiscal year

Classification	Name	Activities
Director	Eiji Arita	Attended all of the five Board of Directors meetings held during the fiscal year and appropriately contributed the necessary advice and proposals.
Director	Motoki Yonekawa	Attended all of the five Board of Directors meetings held during the fiscal year and appropriately contributed the necessary advice and proposals.
Director	Ayako Tabata	Attended all of the five Board of Directors meetings held during the fiscal year and appropriately contributed the necessary advice and proposals.
Director	Tetsuya Okawa	Attended all of the five Board of Directors meetings held during the fiscal year and appropriately contributed the necessary advice and proposals.
Director	Naomi Shibuya	After inauguration attended all of the four Board of Directors meetings held during the fiscal year and appropriately contributed the necessary advice and proposals.
Auditor	Noriaki Ikushima	Attended all of the five Board of Directors meetings and all of the eight Board of Corporate Auditors meetings held during the fiscal year, and appropriately contributed the necessary advice and proposals based on his experience involvement in administration and management through his participation in municipal government.
Auditor	Yasushi Ishiwaka	Attended all of the five Board of Directors meetings and all of the eight Board of Corporate Auditors meetings held during the fiscal year, and appropriately contributed the necessary advice and proposals based mainly on his expert perspective as a certified public accountant.
Auditor	Iwao Takeuchi	Attended all of the five Board of Directors meetings and all of the eight Board of Corporate Auditors meetings held during the fiscal year, and appropriately contributed the necessary advice and proposals based on his many years of employment and experience at financial institutions.

Note : In addition to the above, to achieve more rapid decision-making the Company implemented resolutions in writing 3 times based on the provision of Article 370 of the Companies Act.

## 5. Matters Concerning Independent Auditors

### (1) Name

## (2) Amount of compensation and other benefits

	Amount paid (Millions of yen)
Amount paid for compensation etc. as independent auditors pertaining to the current fiscal year	54
Total amount of cash and other financial interests Kanamoto and its subsidiary companies will pay to the Company's independent auditors	75

- Notes :
1. The amount of compensation and other benefits pertaining to the current fiscal year is reported in these total amounts because the amounts of the audit fees etc. for audits based on the Companies Act and audits based on the Financial Instruments and Exchange Act are not classified separately and cannot be substantively classified in the audit agreement between the Company and its independent auditors.
  2. The Board of Corporate Auditors comprehensively examined the details of audit plans by the accounting auditor, the status of its execution of duties in accounting and others audit, as well as referring to past remuneration of the accounting auditor before agreeing on the remuneration amount, etc. for the accounting auditor.
  3. In addition to the above, the fees paid for audit certification services for the Company include an additional fee of 1 million yen in the fiscal year under review related to the previous fiscal year.

## (3) Details of Non-audit Duties

The Company had no material items to report.

## (4) Policy for deciding on dismissal or refusal of reappointment

If the Board of Corporate Auditors judges that the accounting auditor falls under any of the items in Article 340, paragraph (1) of the Companies Act, and that there is no prospect of improvement, the Audit Committee shall dismiss the accounting auditor by unanimous decision.

Furthermore, the Board of Corporate Auditors shall decide whether to dismiss or refuse to reappoint the accounting auditor in cases that the Board of Corporate Auditors judges that the above action is needed, such as when it is recognized that audits cannot be conducted appropriately due to the occurrence of events that harm the competence and independence of the accounting auditor.

## **6. System and Operating Status for Ensuring Appropriate Business Operations**

### **(1) System for Ensuring Appropriate Business Operations**

Pursuant to the Board of Directors meeting held on January 28, 2021, the Company has resolved to partially revise its "Basic Policy on Establishment of an Internal Control System." In conjunction with this, the Company has revised its matters concerning individuals requested by the auditors to assist with auditors' activities. A summary of the Company's decisions concerning the above revisions is provided below.

#### **1) System to ensure directors and employees comply with laws and the Articles of Incorporation in the execution of their duties**

Kanamoto Company, Ltd. and its subsidiaries have prepared Ethics Guidelines as part of the corporate philosophy, and use these as the Company standard for compliance. Under the Compliance Committee chaired by Kanamoto's president, the Company has disseminated these Guidelines throughout the Company and established a system for compliance with laws and the Ethics Guidelines, and has prepared a handbook summarizing Kanamoto's corporate philosophy and employee conduct standards, which it distributes to all executives and regular employees to increase compliance awareness. As a consultation and reporting system, Kanamoto also has set up in-house and external compliance hotlines, and created a system to resolve problems quickly when consultations or reports are received directly from employees and other individuals, while strictly observing confidentiality and ensuring that individuals who report problems do not suffer any disadvantages. Furthermore, the Company has established a Legal Section reporting directly to the president, to act as an advisory panel for important legal issues, and a system to enable the Company to give proper legal consideration to all decision making.

#### **2) System for preserving and managing information concerning the execution of directors' duties**

Kanamoto retains documents and various information in accordance with laws and ordinances and its internally established document administration regulations and document retention rules. Information is controlled in accordance with internal information management regulations and general data management rules, and personal data are administered in accordance with personal data protection rules and the Company's personal data protection manual.

#### **3) Rules and other systems concerning management of loss risk**

Kanamoto and its subsidiaries have established mechanisms to recognize and evaluate risks related to the business activities of each division, and prepared systems to avoid such risks. This has created a system capable of clarifying the authority and responsibilities of each division, supervising risk management conditions throughout the organization under the Board of Directors and discovering new risks. If unforeseen circumstances have occurred that will have a serious effect on the Company operations, or if there is concern such circumstances might occur, the Company and its subsidiaries will respond appropriately, and take measures to prevent a recurrence, based on its Emergency Response Manual (Contingency Plan).

#### **4) System for ensuring efficient execution of directors' duties**

In addition to its regular Board of Directors meetings, Kanamoto and its subsidiaries hold extraordinary Board of Directors meetings from time to time as necessary to decide important matters and to make flexible decisions concerning the execution and supervision of management strategies and the Company's business plans. The Company's Board of Directors receives reports on important matters including the financial condition and other matters of the Company's subsidiaries. For its management plan, the Company establishes budgets for the next business fiscal year and medium-term future, which gives the managers of each division the Company's overall objectives based on specific numerical targets. Each division sets division-wide objectives, and executes progress management and specific measures aimed at achieving its goals. Kanamoto has also introduced the corporate officer system to accelerate management decision-making and clarify supervisory authority and responsibility for plan execution, and each corporate officer is responsible for achieving the management plan approved by the Board of Directors. To respond quickly to the severe pace of change in its management environment, the Company has also shortened the directors' term of office to one year.

#### **5) System to ensure appropriate activities at Kanamoto and within the corporate group comprised of the parent company and subsidiaries**

To apply Kanamoto's Ethics Guidelines correspondingly to each company in the Kanamoto Group, the Company has decided to enlarge the scope of the Compliance Committee and the consultation and reporting system to every group firm, to ensure the effectiveness of business activities is as extensive as possible.

In addition, in accordance with the provisions of the Financial Instruments and Exchange Act, the Company and its affiliates maintain an excellent management environment, and work to strengthen company-wide internal controls, internal controls pertaining to settlement of accounts financial reports and operating process control activities, create internal control systems that enable the Company to make proper and

effective assessments and conduct appropriate operations. Furthermore, under Kanamoto's internal management system concerning financial reporting, each organization (individual) has affirmed the following roles.

[1] Managers have the final responsibility for all of the organization's activities, and prepare and implement internal controls based on this basic policy.

[2] The Board of Directors has supervisory responsibility for the preparation and operation of the managers' internal controls, and monitors and supervises managers to ensure the financial reporting and internal controls are executed properly.

[3] The auditors monitor and verify the financial reporting and preparation and operation of the internal controls from an independent standpoint.

[4] The Internal Control and Auditing Office objectively evaluates from an independent standpoint, the effectiveness of the internal controls related to financial reporting at Kanamoto and its affiliated companies on behalf of the Company's managers in accordance with the audit rules, and when necessary makes proposals concerning improvements and corrections and reports to the managers and Board of Directors.

#### **6) Matters concerning individuals requested by the auditors to assist with auditors' activities**

With regard to employees to assist auditors in their activities, the Company will appoint audit staff to provide operational assistance upon request of auditors. With regard to the matters designated by auditors to be provided assistance for, the management authority for the nominated employees will be transferred to the auditors, and the employees will not receive instructions or orders from the Company's directors, thereby ensuring the effectiveness of instructions from auditors.

#### **7) Matters related to the independence of employees in the preceding paragraph from directors**

Personnel matters for employees assigned to audit activities (appointments, transfers and evaluations) will have the consent of the auditors.

#### **8) System for directors and employees to report to the auditors, other systems concerning reports to auditors, and other systems to ensure audits are performed effectively**

To perform audits of the directors, the Company's auditors attend the meetings of the Board of Directors, and also attend important meetings and committees, in order to understand other important decisions and the circumstances of execution of the Company's business activities. If the directors and employees of Kanamoto and its subsidiaries discover facts that might cause the Company considerable harm, they are to report immediately to the auditors. The standing auditors will circulate a report and

request for managerial decision, and if necessary can request explanations from the directors and employees. Those who reported to the auditors shall not be treated unfavorably on the grounds of giving such report.

The auditors also meet regularly with the president and representative director, to exchange opinions concerning issues the Company should address and important audit matters. After audits are completed, the Internal Control and Auditing Office promptly submits an Auditors' Report concerning the audit results to the president and representative director and the auditors.

The auditors and the Internal Control and Auditing Office also exchange information and cooperate in other ways with outside specialists, including the accounting auditors and the Company's attorneys.

#### **9) Matters regarding policies related to processing of expenses or liabilities arising from the execution of auditors' duties**

In regards to procedures for prepayment or reimbursement of expenses arising from execution of auditors' duties and processing of expenses or liabilities arising from execution of auditors' duties, such expenses or liabilities are accounted for upon requests made by the auditors, except where the requests cannot be considered necessary for the execution of auditors' duties.

#### **10) System for eliminating antisocial forces**

In its Ethics Guidelines, Kanamoto has adopted a resolute stance and set forth provisions to block all transactions and relationships with antisocial forces, individuals and groups that threaten the order and safety of society and the stable operation of firms. In addition to gathering information from specialized external agencies and other sources at an internal division, the Company works to educate employees through programs such as internal training. Moreover, in an emergency the Company will cooperate with the police authorities having jurisdiction, its advising attorney and other institutions and individuals, to organizationally block and eliminate unwarranted demands from antisocial elements.

### **(2) Operating Effectiveness of Internal Controls**

In accordance with the provisions prescribed by laws and regulations, Kanamoto and its subsidiaries evaluate the design and operating effectiveness of internal controls for each period and have the accounting auditor conduct audits on the appropriateness.

In addition, for the purpose of maintaining and enhancing the level of control, the Internal Control and Auditing Office conducts audits of Kanamoto and its affiliated companies for each period, and when necessary, reports to the managers, Board of Directors, Board of Auditors and Internal Control Committee.

## **7. Kanamoto's Basic Policy Concerning Dividends**

The Company had no applicable items to report.

# *Consolidated Financial Statements*

*61st Business Period*  
*From November 1, 2024*  
*to October 31, 2025*

*Kanamoto Co., Ltd.*



## Consolidated Balance Sheet

(As of October 31, 2025)

( Millions of Yen)

Classification	Amount	Classification	Amount
<b>(Assets)</b>		<b>(Liabilities)</b>	
<b>Current assets</b>	<b>130,835</b>	<b>Current liabilities</b>	<b>84,965</b>
Cash and deposits	61,110	Notes and accounts payable - trade	13,251
Notes and accounts receivable - trade and contract asset	40,670	Electronically recorded obligations-operating	17,892
Electronically recorded monetary claims - operating	10,012	Short-term loans payable	17,690
Merchandise and finished goods	1,217	Lease liabilities	1,699
Raw materials and supplies	1,650	Income taxes payable	3,469
Construction machine parts	12,996	Provision for bonuses	1,851
Other	3,402	Accounts payable - other	23,519
Allowance for doubtful accounts	—225	Other	5,592
		<b>Non-current liabilities</b>	<b>81,659</b>
<b>Total non-current assets</b>	<b>193,253</b>	Long-term borrowings	37,418
<b>Property, plant and equipment</b>	<b>170,668</b>	Lease liabilities	3,298
Rental equipment, net	106,187	Long-term accounts payable-other	37,689
Buildings and structures, net	20,861	Retirement benefit liability	345
Machinery, equipment and vehicles, net	2,354	Asset retirement obligations	726
Tools, furniture and fixtures	739	Deferred tax liabilities	2,040
Land	40,046	Other	141
Lease assets	161	<b>Total Liabilities</b>	<b>166,625</b>
Construction in progress	316	<b>(Net Assets)</b>	
<b>Intangible assets</b>	<b>3,888</b>	<b>Shareholders' equity</b>	<b>139,891</b>
Goodwill	1,897	Share capital	17,829
Customer relationship	1,073	Capital surplus	19,680
Other	917	Retained earnings	111,992
<b>Investments and other assets</b>	<b>18,696</b>	Treasury shares	—9,610
Investment securities	13,719	<b>Accumulated other comprehensive income</b>	<b>7,337</b>
Deferred tax assets	1,301	Valuation difference on available-for-sale securities	4,824
Long-term loans receivable	1,341	Foreign currency translation adjustment	2,545
Other	2,602	Remeasurements of defined benefit plans	—31
Allowance for doubtful accounts	—266	<b>Non-controlling interests</b>	<b>10,233</b>
		<b>Total Net Assets</b>	<b>157,463</b>
<b>Total Assets</b>	<b>322,853</b>	<b>Total liabilities and net assets</b>	<b>324,088</b>

# **Consolidated Statement of Income**

(From November 1, 2024 to October 31, 2025)

(Millions of Yen)

Classification	Amount	
<b>Net sales</b>		<b>213,266</b>
<b>Cost of sales</b>		<b>148,199</b>
<b>Gross profit</b>		<b>65,067</b>
<b>Selling, general and administrative expenses</b>		<b>47,698</b>
<b>Operating profit</b>		<b>17,369</b>
<b>Non-operating income</b>		<b>1,225</b>
Interest income and dividends	510	
Insurance claim income	82	
Rent income	70	
Temporary transfer charges income	61	
Foreign exchange gains	103	
Reversal of allowance for doubtful accounts	85	
Other	310	
<b>Non-operating expenses</b>		<b>643</b>
Interest expenses	270	
Loss on cancellation of lease	34	
Waste disposal costs	88	
Other	249	
<b>Ordinary profit</b>		<b>17,951</b>
<b>Extraordinary income</b>		<b>39</b>
Gain on sale of fixed assets	28	
Loss on Sales of Investment Securities	10	
<b>Extraordinary loss</b>		<b>728</b>
Impairment losses	188	
Loss on sale and retirement of noncurrent assets	512	
Loss on liquidation of subsidiaries/affiliates	27	
<b>Profit before income taxes</b>		<b>17,262</b>
Income taxes-current	5,828	
Income taxes-deferred	−305	<b>5,522</b>
<b>Income before minority interests</b>		<b>11,740</b>
Minority interests in income		762
<b>Profit attributable to owners of parent</b>		<b>10,977</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**  
Fiscal year ended October 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	17,829	19,546	104,177	−7,670	133,883
Changes during period					
Dividends of surplus			−3,162		−3,162
Profit attributable to owners of parent			10,977		10,977
Change in ownership interest of parent due to transactions with non-controlling interests		117			117
Purchase of treasury shares				−1,999	−1,999
Restricted stock compensation		17		59	76
Net changes in items other than shareholders' equity					
Total changes during period	−	134	7,815	−1,940	6,008
Balance at end of period	17,829	19,680	111,992	−9,610	139,891

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	3,586	0	2,576	−37	6,125	9,705	149,713
Changes during period							
Dividends of surplus							−3,162
Profit attributable to owners of parent							10,977
Change in ownership interest of parent due to transactions with non-controlling interests							117
Purchase of treasury shares							−1,999
Restricted stock compensation							76
Net changes in items other than shareholders' equity	1,238	−0	−31	6	1,212	528	1,740
Total changes during period	1,238	−0	−31	6	1,212	528	7,749
Balance at end of period	4,824	−	2,545	−31	7,337	10,233	157,463

*Non-Consolidated  
Financial Statements*

*61st Business Period  
From November 1, 2024  
to October 31, 2025*

*Kanamoto Co., Ltd.*

## Balance Sheet

(As of October 31, 2025)

( Million of Yen)

Classification	Amount	Classification	Amount
(Assets)		(Liabilities)	
<b>Current assets</b>	<b>79,183</b>	<b>Current liabilities</b>	<b>59,024</b>
Cash and deposits	29,439	Notes payable-trade	1,385
Notes and accounts receivable - trade and contract asset	26,634	Electronically recorded obligations-operating	14,050
Electronically recorded monetary claims – operating	7,487	Accounts payable-trade	7,486
Merchandise and finished goods	361	Short-term loans payable	13,536
Raw materials and supplies	998	Income taxes payable	2,157
Construction machine parts	10,319	Provision for bonuses	886
Prepaid expenses	587	Accounts payable-other	16,836
Short-term loans receivable	2,861	Accrued expenses	537
Other	534	Notes payable-facilities	22
Allowance for doubtful accounts	-39	Electronically recorded obligations-facilities	663
		Other	1,462
<b>Noncurrent assets</b>	<b>151,780</b>	<b>Noncurrent liabilities</b>	<b>58,295</b>
<b>Property, plant and equipment</b>	<b>109,962</b>	Long-term borrowings	29,133
Rental equipment, net	60,147	Long-term accounts payable-other	28,684
Buildings, net	11,111	Deferred tax liabilities	107
Structures, net	2,223	Asset retirement obligations	369
Machinery and equipment, net	1,180	<b>Total Liabilities</b>	<b>117,319</b>
Vehicles and delivery equipment	145		
Tools, furniture and fixtures	311	<b>(Net Assets)</b>	
Land	34,629	<b>Shareholders' equity</b>	<b>109,083</b>
Construction in progress	212	<b>Share capital</b>	<b>17,829</b>
<b>Intangible assets</b>	<b>211</b>	<b>Capital surplus</b>	<b>19,383</b>
Software	161	Legal capital surplus	18,950
Telephone subscription right	17	Other capital surplus	433
Other	32	<b>Retained earnings</b>	<b>81,480</b>
<b>Investments and other assets</b>	<b>41,606</b>	Legal retained earnings	1,375
Investment securities	9,038	Other retained earnings	80,105
Stocks of subsidiaries and affiliates	28,896	Reserve for advanced depreciation of noncurrent assets	22
Investments in capital	11	General reserve	62,731
Long-term loans receivable	3,025	Retained earnings brought forward	17,350
Other	1,294	<b>Treasury stock</b>	<b>-9,610</b>
Allowance for doubtful accounts	-658	<b>Valuation and translation adjustments</b>	<b>4,561</b>
		Valuation difference on available-for-sale securities	4,561
		<b>Total Net Assets</b>	<b>113,644</b>
<b>Total Assets</b>	<b>230,964</b>	<b>Liabilities and Total Net Assets</b>	<b>230,964</b>

## **Statement of Income**

(From November 1, 2024 to October 31, 2025)

(Million of Yen)

Classification	Amount	
<b>Net sales</b>		<b>131,511</b>
<b>Cost of sales</b>		<b>95,877</b>
<b>Gross profit</b>		<b>35,634</b>
<b>Selling, general and administrative expenses</b>		<b>25,354</b>
<b>Operating income</b>		<b>10,279</b>
<b>Non-operating income</b>		<b>1,867</b>
Interest income and dividends	589	
Rent income	356	
Temporary transfer charges income	271	
Foreign exchange gain	103	
Reversal of allowance for doubtful accounts	283	
Other	262	
<b>Non-operating expenses</b>		<b>469</b>
Interest expenses	214	
Provision of allowance for doubtful accounts	3	
Other	252	
<b>Ordinary income</b>		<b>11,677</b>
<b>Extraordinary income</b>		<b>18</b>
Gain on sales of noncurrent assets	18	
<b>Extraordinary loss</b>		<b>321</b>
Loss on sales and retirement of noncurrent assets	321	
<b>Income before income taxes</b>		<b>11,374</b>
Income taxes-current	3,458	
Income taxes-deferred	-164	3,293
<b>Net income</b>		<b>8,080</b>

## Statement of Changes in Net Assets

(From November 1, 2024 to October 31, 2025)

(Million of Yen)

	Shareholders' equity								
	Capital stock	Capital surplus			Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			Total retained earnings
						Reserve for advanced depreciation of noncurrent assets	General reserve	Retained earnings brought forward	
Balance at beginning of current period	17,829	18,950	415	19,366	1,375	22	62,731	12,431	76,561
Changes of items during period									
Dividends of surplus				—				-3,162	-3,162
Reversal of reserve for advanced depreciation of noncurrent assets				—		-0		0	—
Profit				—				8,080	8,080
Acquisition of treasury stock				—					—
Transfer-restricted stock-based compensation			17	17					—
Net changes of items other than shareholders' equity				—					—
Total changes of items during period	—	—	17	17	—	-0	—	4,919	4,919
Balance at end of current period	17,829	18,950	433	19,383	1,375	22	62,731	17,350	81,480

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of current period	-7,670	106,088	3,467	3,467	109,555
Changes of items during period					
Dividends of surplus		-3,162			-3,162
Reversal of reserve for advanced depreciation of noncurrent assets		—		—	—
Profit		8,080		—	8,080
Acquisition of treasury stock	-1,999	-1,999		—	-1,999
Transfer-restricted stock-based compensation	59	76		—	76
Net changes of items other than shareholders' equity		—	1,093	1,093	1,093
Total changes of items during period	-1,940	2,995	1,093	1,093	4,088
Balance at end of current period	-9,610	109,083	4,561	4,561	113,644

## **Audit Report**

The Board of Corporate Auditors has received the audit reports prepared by each of the Corporate Auditors concerning the business performance of the Directors during the 61st Business Period from November 1, 2024 through October 31, 2025. After discussing the audit results based on the reports, we have prepared this Audit Report and report as follows as the consensus of opinion of the Board of Corporate Auditors.

1. Procedures and details of the audits by the Corporate Auditors and the Board of Corporate Auditors

(1) The Board of Corporate Auditors establishes the audit policies, audit plans and other matters, and receives reports concerning the implementation of audits and the audit result from each of the Corporate Auditors as well as reports from the Directors and the Accounting Auditor concerning the execution of their duties, and requests explanations as necessary.

(2) In addition to communicating with the Directors, the internal audit division, employees and other individuals in accordance with the standards for Corporate Auditors and audits provided by the Board of Corporate Auditors and in compliance with the audit policy and audit plan, and gathering information and striving to improve the audit environment, each Corporate Auditor performed audits according to the following procedures:

(i) Each Corporate Auditor attended the Board of Directors meetings and other important meetings, received reports from Directors, employees and other individuals on their execution of duties and requested explanations from the Directors, other employees and other individuals when necessary as well as reviewed documents concerning matters such as important decisions and conducted inspections of the business and financial condition at the Company's Head Office and main branches. With respect to subsidiaries, each Corporate Auditor communicated and exchanged information with the Directors and Corporate Auditors of such subsidiaries and received business reports therefrom as necessary.

(ii) Each Corporate Auditor regularly received reports from the Company's Directors and employees, and requested explanations and clarified opinions when necessary, regarding the contents of Board of Director resolutions concerning the establishment of the organization provided in Article 100 paragraph (1) and paragraph (3) of the Ordinance for Enforcement of the Companies Act, and the status of operation of the organization (internal controls system) that has been established based on said resolutions, as the organization necessary to ensure that the Directors comply with laws and the Company's Articles of Incorporation in the execution of their duties as described in the Report of Business Operations and to ensure the appropriateness of other operations of the corporate group, which consists of a stock company and the subsidiaries thereof.

(iii) Each Corporate Auditor monitored and verified whether or not the Accounting Auditor performed audits properly while maintaining an independent position as well as received reports from the Accounting Auditor on the execution of duties thereby and requested explanations when necessary. Each Corporate Auditor was also notified by the Accounting Auditor that the System for Securing the Proper Performance of Duties (matters listed in the items of Article 131 of the Ordinance on Company Accounting) was developed in accordance with the Standards for Quality Control of Audits (Business Accounting Council), and requested explanations as necessary.

Based on the above procedures, the Board of Corporate Auditors reviewed the Report of Business Operations and the supporting schedules, the Non-Consolidated Financial Statements (Balance Sheet, Statement of Income, Statement of Changes in Net Assets and Notes to the Financial Statements) and the supporting schedules and the Consolidated Financial Statements (Consolidated Balance Sheet, Consolidated Statement of Income, Consolidated Statement of Changes in Net Assets and Notes to the Consolidated Financial Statements) for the business period.



## 2. Result of audit

### (1) Audit result of the Report of Business Operations, etc.

(i) The Report of Business Operations and its supporting schedules fairly represent the condition of the Company in accordance with the laws of Japan and the Articles of Incorporation of the Company.

(ii) We have determined that there was no serious occurrence of improper activity or violation of laws or the Company's Articles of Incorporation by any of the Directors in carrying out the duties and responsibilities of their office.

(iii) In our opinion, the details of the Board of Directors resolutions concerning the internal controls system are appropriate. We also have determined that there are no matters that should be highlighted as a concern with regard to the information contained in the Report of Business Operations and the Directors in carrying out their duties concerning the internal controls system.

### (2) Non-Consolidated Financial statement and audit result of the supporting schedules

In our opinion, the audit procedures and audit results received from the Accounting Auditor Ernst & Young ShinNihon LLC are appropriate.

### (3) Audit result of consolidated financial statements

In our opinion, the audit procedures and audit results received from the Accounting Auditor Ernst & Young ShinNihon LLC are appropriate.

December 24, 2025

Kanamoto Co., Ltd.

The Board of Corporate Auditors

Standing Corporate Auditor	Eichu Kanamoto	Seal
Standing Corporate Auditor	Naoyuki Yokota	Seal
Outside Corporate Auditor	Noriaki Ikushima	Seal
Outside Corporate Auditor	Yasushi Ishiwaka	Seal
Outside Corporate Auditor	Iwao Takeuchi	Seal