

Note: This translation is an English translation of the original Notice of Convocation of the 84th Ordinary General Meeting of Shareholders in Japanese. In the event of any discrepancy, the original Japanese version shall prevail.

To Shareholders:

Ticker Code: 9364
June 7, 2023

Kamigumi Co., Ltd.
4-1-11, Hamabe-dori, Chuo-ku, Kobe

**Notice of Convocation of the 84th Ordinary General Meeting
of Shareholders of Kamigumi Co., Ltd.**

We are pleased to inform you that the 84th Ordinary General Meeting of Shareholders will be held as stated below. When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters subject to electronic provision measures) in electronic format, and posts it on the following websites. Please access one of them to review the information.

[The company's website]
<https://www.kamigumi.co.jp/english/ir/shareholders/>

[Website for the Informational Materials for a General Shareholders Meeting]
<https://d.sokai.jp/9364/teiji/> (in Japanese)

[TSE website (Listed Company Search)*]
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show> (in Japanese)

*(Access the TSE website by using the internet address shown above, enter "Kamigumi" in "Issue name (company name)" or the Company's ticker code "9364" in "Code," and click "Search." Then, select "Basic information" and "Documents for public inspection/PR information" in sequence. Under "Filed information available for public inspection," click "Click here for access" under "[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].")

If you are unable to attend the meeting, please study the attached Reference Documents for the General Meeting of Shareholders for the 84th Ordinary General Meeting of Shareholders and review the "Guide for Exercising Voting Rights" described on pages 18 and then exercise your voting rights via the Internet, etc. or in writing by 5 p.m. on Wednesday, June 28, 2023.

Yours faithfully,

Yoshihiro Fukai
President & Representative Director

Details

1. Date and Time: June 29, 2023, Thursday, at 10:00 a.m.
2. Place: Hotel Okura Kobe,
Heian Room on 1st Floor,
2-1, Hatoba-cho, Chuo-ku, Kobe

3. Agenda:

Matters to be Reported:

- Item 1. Report on the Business Report, Consolidated Financial Statements, and Non-Consolidated Financial Statements for the 84th fiscal term (April 1, 2022 - March 31, 2023)
- Item 2. Report of the audit of the consolidated financial statements by the Independent Auditors and the Audit & Supervisory Board for the 84th fiscal term (April 1, 2022 - March 31, 2023)

Matters to be Resolved:

- Item 1. Appropriation of Surplus
- Item 2. Partial Amendments of the Articles of Incorporation
- Item 3. Election of Eight (8) Directors
- Item 4. Election of One (1) Substitute Audit & Supervisory Board Member

4. Determination for Convocation

Please refer to [Guide for Exercising Voting Rights] (page 18).

- a. When you attend the Meeting, please kindly submit the enclosed voting rights exercise form at the reception desk.
- b. If revisions to the matters subject to electronic provision measures arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on each of the websites listed on the previous page.
- c. For this year's Meeting of Shareholders, paper-based documents stating matters subject to electronic provision measures will be delivered to all shareholders regardless of whether they have made a request for delivery of such documents. However, among the matters subject to electronic provision measures, the following is excluded from the documents in accordance with the provisions of the laws and regulations and Paragraph 2 of Article 17 of the Articles of Incorporation of the Company.
 - 1) "Framework to secure appropriateness of operations"
 - 2) "Consolidated Statements of Changes in Net Assets" and "Notes to Consolidated Financial Statements"
 - 3) "Non-Consolidated Statements of Changes in Net Assets" and "Notes to Non-Consolidated Financial Statements"Therefore, the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements stated in the documents are a part of those which have been audited by Independent Auditors and audit & supervisory board members when creating the Independent Auditors' Report and the Report of the Audit & Supervisory Board, respectively.

Reference Documents for the General Meeting of Shareholders

Matters for Resolution and Reference

Item 1. Appropriation of Surplus

We propose to appropriate surplus as follows:

Items on term-end dividend

Based on our policy on distributing profit to shareholders, the Company proposes to pay a fiscal term-end dividend of ¥50.0 per share for the fiscal term under review, targeted at a consolidated dividend payout ratio of 40%.

Accordingly, full-year dividends including a mid-term dividend of ¥40.0 per share will amount to ¥90.0 per share, which is a ¥17.0 increase from a year earlier.

- (1) Type of dividend property: money
- (2) Allotment of dividend property and its total amount
¥50.0 per common share of the Company
In this case, the total dividend amount is ¥5,503,478,750.
- (3) Effective date of dividends from surplus
June 30, 2023

Policy on Shareholder Returns

The Company aims to sustainably improve corporate value while considering the optimal capital structure. Our basic policy is to continue stably distributing profit to shareholders after securing internal reserves for growth investment in order to expand profits and strengthen our corporate base. The Company treats dividends as the basis for shareholder returns and determines such payment based on the targeted consolidated dividend payout ratio. The Company, in addition to that, may also purchase treasury stock if that is judged to be necessary and appropriate after considering the state of cash flow, capital efficiency and other pertinent matters.

In order to further enhance shareholder returns and improve capital efficiency, during the medium-term management plan currently underway (the final year being the fiscal term ending March 31, 2025), the Company will distribute profits to shareholders with a consolidated dividend payout ratio of 40% and a total return payout ratio of 90%.

(Reference: Trends of Dividends and Consolidated Dividend Payout Ratio)

(Yen)

	80 th Fiscal Term	81 st Fiscal Term	82 nd Fiscal Term	83 rd Fiscal Term	84 th Fiscal Term (fiscal term under review)	85 th Fiscal Term (forecast)
Mid-term dividend	22.0	23.0	23.0	27.0	40.0	45.0
Term-end dividend	23.0	23.0	27.0	46.0	50.0	45.0
Full-year dividend	45.0	46.0	50.0	73.0	90.0	90.0
Payout ratio	29.6%	29.7%	32.7%	40.5%	40.8%	40.9%

Item 2. Partial Amendments of the Articles of Incorporation

1. Reasoning for Amendments

1. In order to pursue the “separation of management and execution” through improving the efficiency of the Board of Directors and delegating authority to executive officers, etc., aiming at achieving further corporate growth, it was resolved to revise the corporate governance structure of the Company at the meeting of the Board of Directors held on February 10, 2023. As part of the above measure, following a significant change in the management system from April 1, 2023, which includes enhancing the executive officer system and optimizing the structure of the Board of Directors, the Articles of Incorporation of the Company are being amended as below.

(1) New establishment of provisions for executive officers

In addition to the existing employed executive officers, a system of “delegated executive officers” with managerial responsibility is established, and their authorities are delegated from the Board of Directors. They take the role of business execution to achieve strategic goals with large authority and responsibility.

Following this enhancement of the executive officer system, the Articles of Incorporation are being amended to formally stipulate provisions for executive officers.

In addition, election of the president from executive officers is being made possible, thus enabling the agile formulation and transition of the management system.

(2) Amendments to the provisions for directors with titles

In accordance with the above enhancement of the executive officer system, existing duties and ranks of directors and executive officers, which previously had some duplication, are being sorted out, limiting the duties and ranks for directors only to the chairman and the president. Following this revision, provisions for directors with titles are being amended.

2. Furthermore, in accordance with the above changes, necessary amendments are being made as follows.

(1) Amendment to the provisions for the convener and the chairman of the Board of Directors

In order to ensure a flexible management of the meetings of the Board of Directors, the existing Articles of Incorporation are being amended and enable other directors than the chairman to convene and chair the meetings of the Board of Directors.

(2) Amendment to the provisions for the minutes of the meetings of the Board of Directors and the Audit & Supervisory Board

In order to enable computerization of the minutes of the meetings of the Board of Directors and the Audit & Supervisory Board, the Articles of Incorporation are being amended to refer to electronic signatures for the minutes in the related provisions.

2. Details of Amendments
The details of amendments are as follows:

(Proposed amendments are underlined.)

Current Provisions of Articles	Proposed Amendments
<p>Article 1 to Article 20. (Omitted)</p> <p>CHAPTER IV. DIRECTORS AND AUDIT & SUPERVISORY BOARD MEMBERS</p> <p>Article 21 to Article 24. (Omitted) (Directors with Titles)</p> <p>Article 25. The Board of <u>of</u> Directors may, by its resolution, elect one (1) Chairman, one (1) President, <u>one (1) Vice-President, and one (1) or more Senior Managing Directors and Managing Directors</u> from among the Directors.</p> <p><u>(Duties of Directors with Titles)</u></p> <p><u>Article 26.</u></p> <ol style="list-style-type: none"> <u>1. The Chairman shall administer overall affairs of the Company.</u> <u>2. The President shall execute and preside over general affairs of the Company.</u> <u>3. The Vice-President, Senior Managing Directors and Managing Directors shall assist the President. In the event that the position of President is vacant or the President is unable to execute his or her duties owing to extraordinary circumstances, one of them shall serve as substitute, in accordance with an order previously determined by the Board of Directors.</u> <p>(Newly established)</p>	<p>Article 1 to Article 20. (Unchanged)</p> <p>CHAPTER IV. DIRECTORS, AUDIT & SUPERVISORY BOARD MEMBERS <u>and Executive Officers</u></p> <p>Article 21 to Article 24. (Unchanged) (Directors with Titles)</p> <p>Article 25. The Board of Directors may, by <u>its</u> resolution, elect one (1) Chairman and one (1) President from among the Directors.</p> <p>(Deleted)</p> <p><u>(Executive Officers and Executive Officers with titles)</u></p> <p><u>Article 26.</u></p> <ol style="list-style-type: none"> <u>1. The Board of Directors may, by its resolution, elect Executive Officers and assign the execution of a portion of the Company's operations to them.</u> <u>2. The Board of Directors may, by its resolution, elect one (1) President from among the Executive Officers, and may elect Executive Officers with titles.</u>

Current Provisions of Articles	Proposed Amendments
<p>Article 27 to Article 30. (Omitted)</p> <p>CHAPTER V. THE BOARD OF DIRECTORS AND AUDIT & SUPERVISORY BOARD</p> <p>Article 31 to Article 32. (Omitted) (Convener and Chairman of Meetings of the Board of Directors)</p> <p>Article 33.</p> <ol style="list-style-type: none"> 1. Meetings of the Board of Directors shall be convened and chaired by <u>the Chairman of the board.</u> 2. In the event that the position of <u>Chairman of the board</u> is vacant or <u>the Chairman of the board</u> is unable to convene and chair a meeting owing to extraordinary circumstances, one of the other Directors shall convene and chair the meeting in accordance with an order previously determined by the Board of Directors. 	<p>Article 27 to Article 30. (Unchanged)</p> <p>CHAPTER V. THE BOARD OF DIRECTORS AND AUDIT & SUPERVISORY BOARD</p> <p>Article 31 to Article 32. (Unchanged) (Convener and Chairman of Meetings of the Board of Directors)</p> <p>Article 33.</p> <ol style="list-style-type: none"> 1. Meetings of the Board of Directors shall be convened and chaired by <u>a Director selected by the Board of Directors in advance, unless otherwise provided by applicable laws and regulations.</u> 2. In the event that <u>the position of the Director as set forth above</u> is vacant or <u>the Director as set forth above</u> is unable to convene and chair a meeting owing to extraordinary circumstances, one of the other Directors shall convene and chair the meeting in accordance with an order previously determined by the Board of Directors.
<p>Article 34 to Article 35. (Omitted) (Minutes)</p> <p>Article 36.</p> <ol style="list-style-type: none"> 1. The substance of the proceedings of meetings of the Board of Directors of the Company and the results thereof, as well as other matters provided for in applicable laws and regulations, shall be entered or recorded in the minutes, and the Directors and the Audit & Supervisory Board Members present shall inscribe their names and <u>affix their seals thereon.</u> 2. The substance of the proceedings of meetings of the Audit & Supervisory Board of the Company and the results thereof, as well as other matters provided for in applicable laws and regulations, shall be entered or recorded in the minutes, and the Audit & Supervisory Board Members present shall inscribe their names and <u>affix their seals thereon.</u> 	<p>Article 34 to Article 35. (Unchanged) (Minutes)</p> <p>Article 36.</p> <ol style="list-style-type: none"> 1. The substance of the proceedings of meetings of the Board of Directors of the Company and the results thereof, as well as other matters provided for in applicable laws and regulations, shall be entered or recorded in the minutes, and the Directors and the Audit & Supervisory Board Members present shall inscribe their names and <u>affix their seals thereon, or put their electronic signatures thereon.</u> 2. The substance of the proceedings of meetings of the Audit & Supervisory Board of the Company and the results thereof, as well as other matters provided for in applicable laws and regulations, shall be entered or recorded in the minutes, and the Audit & Supervisory Board Members present shall inscribe their names and <u>affix their seals thereon, or put their electronic signatures thereon.</u>
<p>Article 37 to Article 41. (Omitted)</p>	<p>Article 37 to Article 41. (Unchanged)</p>

Item 3. Election of Eight (8) Directors

At the conclusion of this Ordinary General Meeting of Shareholders, the term of office of all twelve (12) directors will expire.

Accordingly, shareholders are requested to approve a decrease in the number of directors by four (4) in order to build a more efficient management system following the revision of the corporate governance structure, and approve the appointment of eight (8) directors (including three (3) external directors).

The candidates for directors are as follows:

Candidate Number	Name	Current position and areas of responsibility at the Company	Number of attendance to meetings of the Board of Directors
1	Yoshihiro Fukai	President & Representative Director President & Chief Executive Officer <input type="checkbox"/> Reappointment	16/16
2	Norihito Tahara	Representative Director Senior Managing Executive Officer Responsible for Sales (East & Central Japan) <input type="checkbox"/> Reappointment	16/16
3	Toshihiro Horiuchi	Representative Director Managing Executive Officer Responsible for Corporate Management <input type="checkbox"/> Reappointment	16/16
4	Katsumi Murakami	Representative Director Managing Executive Officer Responsible for Sales (West Japan and Kyushu region) <input type="checkbox"/> Reappointment	16/16
5	Koichi Hiramatsu	Director & Managing Executive Officer Responsible for Sales (Metal & Energy Related Business) <input type="checkbox"/> Reappointment	16/16
6	Nobuko Ishibashi	External Director <input type="checkbox"/> Reappointment <input type="checkbox"/> External <input type="checkbox"/> Independent	14/16
7	Osamu Hosaka	External Director <input type="checkbox"/> Reappointment <input type="checkbox"/> External <input type="checkbox"/> Independent	13/13
8	Harumi Matsumura	External Director <input type="checkbox"/> Reappointment <input type="checkbox"/> External <input type="checkbox"/> Independent	13/13

- Notes: 1. As Directors Osamu Hosaka and Harumi Matsumura were newly appointed directors in the middle of the fiscal term under review, the above numbers of attendances and meetings held are for meetings of the Board of Directors held on and after the date of their assumption of June 29, 2022.
2. In addition to the number of meetings of the Board of Directors held above, there were two (2) resolutions in writing which deemed that the meeting of the Board of Directors was held, in accordance with the provisions of Article 370 of the Companies Act and Article 35 of the Articles of Incorporation of the Company.

Candidate Number	Name (Date of Birth)	Career Summary (Position and areas of responsibility at the Company, and significant concurrent positions outside the Company)		Number of shares owned	Attendance to meetings of the Board of Directors
1	Yoshihiro Fukai (September 14, 1954) Reappointment	Apr. 1977 Apr. 2002 Jun. 2003 Apr. 2006 Apr. 2010 Apr. 2011 Apr. 2012 Apr. 2023	Joined Kamigumi Co., Ltd. Executive Officer & General Manager of Kashima Branch In charge of Hitachinaka Branch Director & General Manager of Tokyo Branch In charge of Hitachinaka Branch Managing Director Director & Managing Executive Officer Director & Senior Managing Executive Officer President & Representative Director President & Representative Director President & Chief Executive Officer (incumbent)	47,045	16/16 (100%)
[Reasons for appointment as director] Yoshihiro Fukai is an expert in the Company's core businesses, including Port & Harbor Transportation and international intermodal transport. He has been working to expand the business operations of the Group by supervising executive officers as President & Representative Director and Chief Operating Officer since April 2012, and both management and execution of business as President & Chief Executive Officer since April 2023. He is proposed again as a candidate for director because he continues to be indispensable for managing the Company and implementing its business strategy.					
2	Norihito Tahara (November 5, 1958) Reappointment	Apr. 1982 Apr. 2009 Jun. 2011 Apr. 2013 Apr. 2018 Jun. 2020 Apr. 2023	Joined Kamigumi Co., Ltd. Executive Officer & General Manager of Nagoya Branch Director & Executive Officer General Manager of Nagoya Branch Director & Managing Executive Officer Representative & Managing Director Managing Executive Officer Representative & Senior Managing Director Senior Managing Executive Officer Representative Director Senior Managing Executive Officer Responsible for Sales (East & Central Japan) (incumbent)	22,686	16/16 (100%)
[Reasons for appointment as director] Norihito Tahara is an expert in third-party logistics (3PL) businesses and has focused on expanding the business operations of the Group as the director having control over Port & Harbor businesses in the East Japan and Central Japan regions, overseas businesses and international distribution businesses. He is proposed again as a candidate for director because of his appropriate decision-making at meetings of the Board of Directors and proper monitoring of the execution of duties by directors.					

Candidate Number	Name (Date of Birth)	Career Summary (Position and areas of responsibility at the Company, and significant concurrent positions outside the Company)		Number of shares owned	Attendance to meetings of the Board of Directors
3	Toshihiro Horiuchi (June 15, 1954) Reappointment	Apr. 1977	Joined Kamigumi Co., Ltd.	24,914	16/16 (100%)
		Apr. 2010	Executive Officer & General Manager of Management & Planning Dept. & Task force team		
Jun. 2012	Managing Executive Officer Manager of Administration Dept. & Manager of Secretarial Dept. & Task force team				
Jun. 2013	Director & Managing Executive Officer				
Jun. 2020	Representative & Managing Director Managing Executive Officer				
Apr. 2023	Representative Director Managing Executive Officer Responsible for Corporate Management (incumbent)				
[Reasons for appointment as director] Toshihiro Horiuchi has been involved in the Port & Harbor Transportation and Overseas businesses, as well as taking responsibility for the Management & Planning Dept. and Administration Dept. He has focused on enhancement and reinforcement of the internal control system since he took responsibility for the Administration Dept. in June 2020. He is proposed again as a candidate for director because of his appropriate decision-making at meetings of the Board of Directors and proper monitoring of the execution of duties by directors.					
4	Katsumi Murakami (January 10, 1955) Reappointment	Apr. 1977	Joined Kamigumi Co., Ltd.	20,786	16/16 (100%)
		Apr. 2012	Executive Officer In charge of Tokyo and Yokohama Branches		
Jun. 2013	Director & Executive Officer In charge of East Japan & Hokkaido region, Sales & Marketing HQ				
Jun. 2014	Director & Managing Executive Officer				
Jun. 2020	Representative & Managing Director Managing Executive Officer				
Apr. 2023	Representative Director Managing Executive Officer Responsible for Sales (West Japan) (incumbent)				
[Reasons for appointment as director] Katsumi Murakami is familiar with the Port & Harbor Transportation, Vegetable & Fruits, and Feed businesses, as well as operations of other businesses. He has exercised control over the Port & Harbor businesses of West Japan and Kyushu regions and the Vegetable & Fruits business, and has focused on expanding the business operations of the Group. He is proposed again as a candidate for director because of his appropriate decision-making at meetings of the Board of Directors and proper monitoring of the execution of duties by directors.					

Candidate Number	Name (Date of Birth)	Career Summary (Position and areas of responsibility at the Company, and significant concurrent positions outside the Company)		Number of shares owned	Attendance to meetings of the Board of Directors
5	Koichi Hiramatsu (July 1, 1956) Reappointment	Apr. 1981	Joined Kamigumi Co., Ltd.	15,454	16/16 (100%)
		Oct. 2008	General Manager of Tokai Branch		
		Oct. 2013	General Manager of Fukuyama Branch		
		Apr. 2014	Executive Officer		
		Jun. 2020	General Manager of Fukuyama Branch		
			Director & Executive Officer		
			Director responsible for Metal Business,		
		Apr. 2023	Director & Managing Executive Officer		
			Responsible for Sales (Metal & Energy		
			Related Business) (incumbent)		
<p>[Reasons for appointment as director]</p> <p>Koichi Hiramatsu has been involved in the metal business for many years and has broad insights into the business. He has exercised control over the Metal Business, Heavy Cargo & Energy Transportation related businesses and has focused on expanding operations of the Company since June 2020. He is proposed again as a candidate for director because of his appropriate decision-making at meetings of the Board of Directors and proper monitoring of the execution of duties by directors.</p>					

Candidate Number	Name (Date of Birth)	Career Summary (Position and areas of responsibility at the Company, and significant concurrent positions outside the Company)		Number of shares owned	Attendance to meetings of the Board of Directors
6	Nobuko Ishibashi (June 12, 1961) Reappointment External director candidate Independent officer	Apr. 1989 Oct. 1995 Oct. 2004 Jun. 2015 Jun. 2019 Jun. 2020 Jun. 2022	Registered as an attorney at law Established joint legal office Iguchi & Ishibashi Law Office (Presently Kobe City Law Office) Representative Lawyer, Kobe City Law Office (incumbent) External Director, Kansai Urban Banking Corporation (Presently Kansai Mirai Bank, Limited) External Director (incumbent) External Director serving as an Audit & Supervisory Committee Member, Fukuoka Financial Group, Inc. (incumbent) External Director of the Board, Takamatsu Construction Group Co., Ltd. (incumbent)	1,810	14/16 (87.5%)
<p><Significant concurrent positions outside the Company></p> <ul style="list-style-type: none"> • Kobe City Law Office Representative Lawyer • Fukuoka Financial Group, Inc. External Director serving as an Audit & Supervisory Committee Member • Takamatsu Construction Group Co., Ltd. External Director of the Board 					
<p>[Reasons for appointment as external director and a summary of expected roles]</p> <p>Nobuko Ishibashi was appointed as a candidate for external director because she has made a significant contribution to secure the lawfulness and appropriateness of decision making at meetings of the Board of Directors by giving necessary advice and advanced proposals from time to time from a professional point of view as a lawyer on overall corporate legal affairs including the Companies Act. If the election of Nobuko Ishibashi is approved, the Company expects her to serve as a legal professional continuously by providing appropriate advice on legal matters and monitoring the Company's management from an objective viewpoint that is independent of the management executing business.</p> <p>While she has no direct corporate management experience other than service as an external officer, the Company believes, based on the reasons above, that she will be able to continue to appropriately perform her duties as an external director. She will have served as an external director of the Company for four years up until the time of the conclusion of this Ordinary General Meeting of Shareholders.</p> <p>[Items on independence]</p> <p>The Company has no transaction relationships with Fukuoka Financial Group, Inc., and Takamatsu Construction Group Co., Ltd. where Nobuko Ishibashi serves as external director serving as an audit & supervisory committee member and external auditor, respectively. Also, there is no transaction relationship between the Company and Kobe City Law Office which she is a member of. Furthermore, she is an attorney at law, but the Company has no transaction relationships with her including consignment of legal services. From the above, she satisfies the standards for independence stipulated by the Company.</p> <p>The Company has appointed her as an independent officer provided for by Tokyo Stock Exchange, Inc. and registered this at the Exchange. The Company will continue to designate her as an independent officer if she is reelected as originally proposed.</p>					

Candidate Number	Name (Date of Birth)	Career Summary (Position and areas of responsibility at the Company, and significant concurrent positions outside the Company)		Number of shares owned	Attendance to meetings of the Board of Directors
7	<p>Osamu Hosaka (September 28, 1957) Reappointment</p> <p>External director candidate</p> <p>Independent officer</p>	<p>Mar. 1980</p> <p>Aug. 2006</p> <p>Dec. 2010</p> <p>Jul. 2012</p> <p>Aug. 2014</p> <p>Apr. 2016</p> <p>Mar. 2022</p> <p>Jun. 2022</p>	<p>Joined the Japan Ground Self-Defense Force</p> <p>Director of Equipment Planning Department, Ground Material Control Demand, Japan Ground Self-Defense Force</p> <p>Transport School Director, Japan Ground Self-Defense Force</p> <p>Tohoku Supply Director, Japan Ground Self-Defense Force</p> <p>Retired the Japan Ground Self-Defense Force</p> <p>Advisor, Government Business Division, Nippon Express Co., Ltd.</p> <p>Advisor, Yutaka Shipping K.K. (incumbent)</p> <p>External Director (incumbent)</p>	262	13/13 (100%)
<p><Significant concurrent positions outside the Company></p> <ul style="list-style-type: none"> Yutaka Shipping K.K. Advisor <p>[Reasons for appointment as external director and a summary of expected roles] Osamu Hosaka was appointed as a candidate for external director because the Company wishes to take advantage of his wealth of experience and depth of insights primarily in the fields of supply and transportation gained as upper management in the Japan Ground Self-Defense Force for the Company's management. If the election of Osamu Hosaka is approved, the Company expects him to serve by providing continuously appropriate advice on matters related to business operations, safety and quality and monitoring the Company's management from an objective viewpoint that is independent of the management executing business. While he has no direct corporate management experience, the Company believes, based on the reasons above, that he will be able to continue to appropriately perform his duties as an external director. He will have served as an external director of the Company for one year up until the time of the conclusion of this Ordinary General Meeting of Shareholders.</p> <p>[Items on independence] The Company pays shipping fees based on freight contracts to Nippon Express Co., Ltd., for which Osamu Hosaka served as an advisor until March 2022, but the transaction amounts are less than 1% of the company's consolidated sales for any of the past three years, and so this will create no special interests. Additionally, the Company has no business relationship with Yutaka Shipping K.K., for which he serves as an advisor. From the above, he satisfies the standards for independence stipulated by the Company. The Company has appointed him as an independent officer provided for by Tokyo Stock Exchange, Inc. and registered this at the Exchange. The Company will continue to designate him as an independent officer if he is reelected as originally proposed.</p>					

Candidate Number	Name (Date of Birth)	Career Summary (Position and areas of responsibility at the Company, and significant concurrent positions outside the Company)		Number of shares owned	Attendance to meetings of the Board of Directors
8	<p>Harumi Matsumura (March 25, 1954) Reappointment</p> <p>External director candidate</p> <p>Independent officer</p>	<p>Apr. 1976</p> <p>Jun. 2004</p> <p>Jul. 2011</p> <p>Nov. 2016</p> <p>Jul. 2019</p> <p>Jun. 2022</p>	<p>Joined The Seibu Department Stores, Ltd. (Presently Sogo & Seibu Co., Ltd.)</p> <p>Representative Director, Henri Charpentier Co., Ltd. (Presently SUZETTE Co. Ltd.)</p> <p>Senior Executive Officer, Public Affairs, Advertisement, and Environmental Strategy, JS Group Corporation (Presently LIXIL Corporation)</p> <p>Senior Executive Officer, Public Affairs and Advertisement, and CSR and Environmental Strategy, LIXIL Corporation</p> <p>Executive Officer and Senior Managing Director, Human Resources and General Affairs, Housing & Services Business, LIXIL Group Corporation (Presently LIXIL Corporation)</p> <p>Director, Senior Managing Officer, CHRO and CRE Divisions, LIXIL Corporation</p> <p>Outside Director, Rock Field Co., Ltd. (incumbent)</p> <p>External Director (incumbent)</p> <p><Significant concurrent positions outside the Company></p> <ul style="list-style-type: none"> • Rock Field Co., Ltd. Outside Director 	262	13/13 (100%)
<p>[Reasons for appointment as external director and a summary of expected roles]</p> <p>Harumi Matsumura was appointed as a candidate for external director because the Company wishes to take advantage of her wealth of experience and depth of insights in the management of confectionary and housing equipment manufacturers for the Company's management. If the election of Harumi Matsumura is approved, the Company expects her to serve by providing continuously appropriate advice utilizing her abundant knowledge of corporate management and monitoring the Company's management from an objective viewpoint that is independent of the management executing business.</p> <p>She will have served as an external director of the Company for one year up until the time of the conclusion of this Ordinary General Meeting of Shareholders.</p> <p>[Items on independence]</p> <p>The Company has no transaction relationships with Rock Field Co., Ltd., where Harumi Matsumura serves as outside director. From the above, she satisfies the standards for independence stipulated by the Company. Accordingly, the Company will designate her as an independent officer in accordance with the regulations of Tokyo Stock Exchange Inc., and register this at the Exchange if she is elected as originally proposed. Company has appointed her as an independent officer provided for by Tokyo Stock Exchange, Inc. and registered this at the Exchange. The Company will continue to designate her as an independent officer if she is reelected as originally proposed.</p>					

- Notes:
1. There are no conflicts of interests between any candidate for Director and the Company.
 2. The number of shares owned by each candidate for Director includes shares they own through Kamigumi Officers Shareholding Association.
 3. Harumi Matsumura will assume the role of external company auditor for The Hiroshima Bank, Ltd. upon the resolution of its Annual Shareholders Meeting to be held in June 2023.
 4. The Company has concluded with Nobuko Ishibashi, Osamu Hosaka and Harumi Matsumura a contract for limitation of liability for damages described in Article 423, paragraph (1) of the Companies Act to limit the amount of liability to the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act, and if they are reelected as originally proposed, the Company will renew the said contract for limitation of liability for damages.
 5. The Company 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, thereby covering losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties, or receipt of claims pertaining to the pursuit of such liability. Each candidate will be included as an insured under this insurance policy.
In addition, the Company plans to renew the insurance policy under the same terms and conditions at the time of the next renewal.
 6. Nobuko Ishibashi uses her maiden name Ishibashi for her business; her married name is Iguchi.

Item 4. Election of One (1) Substitute Audit & Supervisory Board Member

In preparation for the occurrence of a shortage in the number of audit & supervisory board members governed by laws and regulations, shareholders are requested to approve the appointment of one (1) substitute audit & supervisory board member.

The candidate is proposed as a substitute for standing audit & supervisory board member.

This item was approved in advance by the Audit & Supervisory Board.

The candidate for substitute audit & supervisory board member is as follows:

Name (Date of Birth)	Career Summary and significant concurrent positions outside the Company		Number of shares owned
Keigo Akita (August 13, 1958)	Apr. 1981	Joined Kamigumi Co., Ltd.	7,420
	Apr. 2014	Executive Officer & General Manager of Human Resources Dept.	
	Dec. 2014	Executive Officer Director of Corporate Management Div. & General Manager of Human Resources Dept.	
	Apr. 2016	Executive Officer General Manager of Human Resources Dept.	
	Apr. 2020	Executive Officer General Manager of Internal Audit Dept. In charge of Risk Management Dept., Safety & Quality Assurance Dept.	
	Apr. 2021	General Manager of Management & Planning Dept. General Manager of Safety & Quality Assurance Dept.	
	Apr. 2022	President and Representative Director, Pit Corporation (incumbent)	
	[Reasons for appointment as substitute audit & supervisory board member] Keigo Akita has held key positions in the administration as an executive officer of the Company and been working to promote work-style reforms as well as to maintain and develop internal control. He is proposed as a candidate for substitute audit & supervisory board member because we believe that he will be able to adequately perform the duties of a successor to a standing audit & supervisory board member in the event that such a position becomes vacant, with his experience gained from his past service.		

- Notes: 1. There are no conflicts of interests between the candidate for substitute audit & supervisory board member and the Company.
2. The number of shares owned by the candidate for substitute audit & supervisory board member includes shares he owns through Kamigumi Officers Shareholding Association.
3. The Company 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, thereby covering losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties, or receipt of claims pertaining to the pursuit of such liability. In the event that Keigo Akita is appointed as a standing audit & supervisory board member, he will be included as an insured under this insurance policy.
- In addition, the Company plans to renew the insurance policy under the same terms and conditions at the time of the next renewal.

(Reference) Standards for the Independence of External Officers

The Company stipulates the standards for the independence of external directors and audit & supervisory board members (“External Officers”) as follows. When an External Officer (including a candidate) falls under any the following items, he/she is deemed not to have sufficiently satisfied the requirements for independence of the Company.

1. He/she currently serves or has previously served in the last ten years as a person who has executed business of the Company or its consolidated subsidiary.
2. He/she currently falls under any of the following items from (1) to (6), or has fallen under such items in the last three years:
 - (1) a business partner or a person who executing business of such business partner in which the amount of the transactions with the Company for one fiscal term exceeds 2% of the consolidated net sales of the Company or the business partner
 - (2) a major shareholder of the Company holding over 5% of the ownership of the Company or a person who executing business of such shareholder
 - (3) a major creditor of the Company or a person who executing business of such creditor
 - (4) a person who has received annual donations of over 10 million yen from the Company or belongs to an organization that has received annual donations of over 10 million yen from the Company
 - (5) a lawyer, certified public accountant, certified tax accountant, or consultant who has received remuneration of over 10 million yen (other than officers’ compensation) from the Company (if it is a judicial person and other similar organization, a person who belongs to the organization in which compensation provided from the Company exceeds 2% of the annual revenue of the organization)
 - (6) When a person who executing the Company’s business concurrently serves as a director of other company, a person who executing business of the other company
3. Spouse or relative within the second degree of kinship of a person described in 1. and 2. above.

(Reference) Skill Matrix for Directors and Audit & Supervisory Board Members

In light of the role that Directors and Audit & Supervisory Board Members should play, the Company has defined the areas of expertise that Directors and Audit & Supervisory Board Members should have.

If the proposals for the appointment of Directors and Audit & Supervisory Board Members are approved at this Ordinary General Meeting of Shareholders, the skill matrix for Directors and Audit & Supervisory Board Members, will be as follows:

Category	Name	Position	Independence	Expected knowledge and experience							
				Corporate management / Business strategies	Business operations / Industry Experience	Finance/ Accounting	Personnel / HR Development	Legal affairs / Risk management	ESG/ Sustainability	Safety/ Quality	Global
Directors	Yoshihiro Fukai	President & Representative Director		●	●			●	●		
	Norihito Tahara	Representative Director		●	●						●
	Toshihiro Horiuchi	Representative Director		●	●	●	●		●	●	
	Katsumi Murakami	Representative Director		●	●					●	
	Koichi Hiramatsu	Director			●					●	
	Nobuko Ishibashi	External Director	●					●	●		
	Osamu Hosaka	External Director	●		●					●	
	Harumi Matsumura	External Director	●	●			●		●		
Audit & Supervisory Board Members	Kuniharu Sacki	Audit & Supervisory Board Member (Full-time)			●		●	●		●	
	Takumi Nakao	External Audit & Supervisory Board Member	●			●		●			
	Ai Kuroda	External Audit & Supervisory Board Member	●			●		●			
	Tomokazu Hideshima	External Audit & Supervisory Board Member	●			●		●			

Guide for Exercising Voting Rights

The ability to vote at the General Meeting of Shareholders is an important right of shareholders.

Please exercise your voting rights taking the above-mentioned General Meeting of Shareholders reference documentation into account.

1. Exercise of Voting Rights via the Internet, etc.

When you exercise your voting rights on the Internet, please carefully review the guide below.

Voting rights may be exercised until 5:00 p.m. on June 28, 2023 (Wednesday), but shareholders are requested to do so as early as possible.

2. Exercise of Voting Rights in Writing

Please indicate your votes for or against the Items on the enclosed Voting Rights Exercise Form and return it to the Company (no stamps needed) no later than 5:00 p.m., Wednesday, June 28, 2023.

QR Code Scanning Method

You can log in to the Web site for the Exercise of Voting Rights without entering the Log-in ID or Temporary Password which are printed on the Voting Rights Exercise Form.

1. Scan the QR code displayed on the enclosed Voting Rights Exercise Form.

* QR code is a registered trademark of Denso Wave Incorporated.

2. Please follow the instructions on the screen and indicate your approval or disapproval.

You can only log in using the QR code once.

To re-exercise your voting rights, or to exercise your voting rights without using the QR code, please confirm the “Log-in ID/Temporary Password Entry Method” described below.

Log-in ID/Temporary Password Entry Method

Web site for the Exercise of Voting Rights: <https://evote.tr.mufg.jp/>

1. Access the Web site for the Exercise of Voting Rights.

2. Enter the “Log-in ID/ Temporary Password,” which are printed on the enclosed Voting Rights Exercise Form, and click the “Log-in” button.

3. Enter the “New Password” and click the “Send” button to register your new password.

4. Please follow the instructions on the screen and indicate your approval or disapproval.

If having exercised voting rights both in writing and via the Internet, the vote cast via the Internet shall be deemed valid.

If having voted multiple times via the Internet, the last vote cast shall be deemed valid.

**For Inquiries about the System Environment,
etc.**

Please use the contact number to the right if you have any difficulties when voting by the Internet, etc. using a personal computer or smartphone.

**Transfer Agent (“Help Desk”),
Mitsubishi UFJ Trust and Banking Corporation
Phone: 0120-173-027, toll free (Japan only)
Available from 9:00 a.m. to 9:00 p.m. (Japan Time)**

Use of Electronic voting platform (To institutional shareholders)

An electronic voting platform (TSE Platform) operated by ICJ Inc. can be used as a mean to exercise voting rights.

Business Report

(From April 1, 2022 to March 31, 2023)

1. Current Status of the Group

(1) Business Situation for the Current Fiscal Term

i) Progress and Results of Business

Japan's economy has been showing signs of recovery at a moderate pace due to the normalization of business activities during the fiscal term under review. However, the future is uncertain because of an increase in consumer prices due to a surge in energy and raw material prices caused by the situation in Ukraine, etc., and tighter monetary policies worldwide, among other factors.

In the distribution services industry, while the handling of export and import cargo is on a weak note, the business environment remains facing tough conditions due to soaring electricity and fuel prices, etc.

Under these circumstances, the Group sought to strengthen its business infrastructure and provide service as a company that supports logistical infrastructure toward achieving the goals of the Medium-Term Management Plan, such as by constructing new facilities of a multipurpose distribution center in Tokyo and a refrigerated warehouse in Kobe, as well as by launching a new business of silo storage and transportation of fuels for eco-friendly biomass power plants.

As a result, the Group recorded ¥274,139 million in net sales, a 4.8% year-on-year increase, in the fiscal term under review due to an increase in port & harbor transportation, etc. In terms of profit, operating profit amounted to ¥31,580 million, up 10.7% year on year, and recurring profit stood at ¥35,064 million, up 13.6% year on year, due to an increase in dividend income and share of profit of entities accounted for using equity method. Profit attributable to owners of parent grew 18.0% from the previous fiscal term to ¥24,620 million.

The following provides an overview of our businesses by segment.

(Logistics Business)

(Port & harbor transportation, warehousing, domestic transportation, factory cargo handling, international transportation, logistics and others.)

In port & harbor transportation, the volume of stored cargo increased, with the start of operation of the new warehouse, as well as that of export and import operations and automobile-related cargo. In factory cargo handling, the amount of in-house transportation increased.

As a result, net sales increased 4.7% year on year to ¥243,322 million and segment profit increased 13.4% year on year to ¥28,174 million.

(Other Businesses)

(Heavy cargo transportation, construction, other.)

In heavy cargo transportation and construction, the handling of heavy cargo transportation and installation decreased. In other areas, the amount of new vehicles being prepared increased as did sales of fuels and steels.

In Other Businesses, net sales increased 4.0% year on year to ¥33,240 million.

On the other hand, with a significant influence of lower profit in heavy cargo transportation and construction, segment profit decreased 8.0% year on year to ¥3,388 million.

ii) Progress of Medium-Term Management Plan

The main points of progress of the Medium-Term Management Plan during the year ended March 31, 2023, the third year of the plan, are as follows. The entire Group has been steadily working together as one toward achieving the goals.

*Please access the Company's website to see the details of the Medium-Term Management Plan.

(the Company's website: <https://www.kamigumi.co.jp/english/ir/midtermbusiness>)

[Quantitative goals]

Item	Indicators	Fiscal term ended March 31, 2023 (Results)	Fiscal term ending March 31, 2025 (Planned)
Performance Goals	Net Sales	¥274,100 million	¥310,000 million
	Operating Profit	¥31,500 million	¥33,000 million
	Recurring Profit	¥35,000 million	¥35,000 million
Capital policy	Debt finance	¥20,000 million (Accumulated total)	¥30,000 million over (Three-year total)
	Investment Amount	¥19,100 million (Accumulated total)	¥72,000 million over (Three-year total)
	Consolidated payout ratio	40.8%	40%
	Acquire treasury stock	¥12,200 million (Accumulated total)	¥30,000 million over (Three-year total)
	Total payout ratio	90.3%	90%
	ROE	6.7%	6.5%

Note: The above figures of debt financing, investment and purchase of treasury stocks are their accumulated amounts from the year ended March 31, 2023, to the year ending March 31, 2025.

[Qualitative goals]

Key Strategy	Major Initiatives in the Fiscal Year
1. Strengthening Core Businesses	<ul style="list-style-type: none"> Gradual introduction of hybrid RTGs with remote control Construction of new logistics facilities (Tokyo: New multipurpose distribution center, Kobe: Refrigerated warehouse) Enhancement of the functions of feed grain silos
2. Strengthening Profitability of Overseas Businesses	<ul style="list-style-type: none"> Promotion of participation in the projects of power plants and exporting train vehicles in ASEAN countries Expansion of forwarding services for the automobile industry
3. Exploration of New Businesses	<ul style="list-style-type: none"> Receipt of orders for projects of transportation and storage of fuels for domestic biomass power plants Promotion of handling of a large-scale transportation project of wind power plant equipment Formulation of 3PL business structure to coherently handle steps from import to domestic distribution through a capital and business alliance with AZ-COM MARUWA Holdings Inc.
4. Initiatives to Secure and Develop Human Resources	<ul style="list-style-type: none"> Promotion of revisions to the personnel system toward developing robust human resources and an organization that support the Company Consideration toward the expansion of education and training opportunities
5. Strengthening Business through DX	<ul style="list-style-type: none"> Introduction of automated guided vehicles (AGVs), etc. for handling work in warehouses Promotion of linking with external platforms aiming at raising overall logistics efficiency

iii) Capital Investment

Capital investment for the fiscal term under review totaled ¥16,959 million, which was primarily allocated for the construction of logistics facilities such as the previously mentioned a multipurpose distribution center in Tokyo and a refrigerated warehouse in Kobe, as well as purchase of vehicles, cargo handling devices, etc.

iv) Fund Raising

The Company raised ¥20,000 million, for necessary funding for the Group, as long-term borrowings from a financial institution during the fiscal term under review.

(2) Issues to be Faced

The global economy is experiencing a normalization of business activities after the COVID-19 pandemic. However, the future remains uncertain because of geopolitical risks surrounding Ukraine, Taiwan, etc., which require continuous vigilance, and those of an economic slowdown due to interest rate hikes by central banks in the U.S. and Europe.

Circumstances surrounding the Group include continuously rising costs due to the soaring prices of resources such as crude oil and a pressing need to address the chronic shortage of labor force. They indicate that the economic environment will continue to face many issues and that there is a need to formulate a business strategy with a view to long-term changes.

Under these circumstances, the Group, which is in the fourth year of the Medium-Term Management Plan, continues to focus on the following priority measures.

Efforts in the fourth year of the Medium-Term Management Plan

The year ending March 31, 2024, is expected to face intensifying market competition following the normalization of the economy, with measures against COVID-19 reaching a milestone. It is a period when the efforts made under the Medium-Term Management Plan in the past three years will bear fruit, as well as when a foothold is secured for achieving goals for the final year of the Plan.

1. Efforts to strengthen businesses in consideration of the capital efficiency

[Strengthening Core Businesses]

Strengthening functions of warehouses and silos is promoted toward the expansion of handling feed grains. In addition, response to expanding demand for cargo handling is carried out in light of the increase in steel plate production due to the completion of repairing a shaft furnace of a steel manufacturer and a recovery in automobile production.

[Strengthening Profitability of Overseas Businesses]

Strengthening forwarding business toward an increase in demand for the transportation of finished vehicles, which is expected due to a recovery in semiconductor production, and participation in the international terminal business in ASEAN countries are considered.

[Exploration of New Businesses]

More energy is put into the expansion of transportation and storage businesses for fuel for biomass power plants. Also, participation in offshore wind power projects is actively promoted.

In addition, selecting and concentrating investment capital will be carefully considered, from the viewpoint of the cost of capital, as demand for investments in various fields is predicted, such as reignited large-scale projects that stalled under the COVID-19 pandemic, construction of new warehouses, etc., efforts toward carbon neutral ports (CNP) and expansion of forwarding business in other countries.

2. Formulation of Foundation for Growth

[Initiative to Secure and Develop Human Resources]

In a rapidly changing environment, such as globalization, a labor force decrease and technology advancement, revisions to the personnel system and transformation of the organization were implemented to develop new human resources that open up a new era.

Going forward, human resource development through expanding training programs will be promoted, as well as the implementation of work-style reforms to build a workplace where a wide variety of human resources can exercise their abilities.

[Strengthening Business through DX]

Aiming at the unification of IT and business, every effort is made to promote company-wide initiatives to significantly transform the whole concept of the existing logistics business, going beyond saving labor and improving efficiency, through mechanization and digitalization of logistics.

More efficient operation in each warehouse is promoted through expanding the introduction of automatic sorters, AGVs, etc. In addition, in container terminals, remote-controlled RTGs are introduced to reinforce the capacity of cargo handling, responding to an increase in loading and unloading cargo to and from container ships that are growing in size amid the shortage of workers. Also, to avoid congestion in terminals, curbing wait times of vehicles and improving the efficiency of their dispatchment are promoted in a company-wide manner with the use of the truck reservation management system.

Furthermore, as part of the digitalization of logistics, various procedures are digitalized through proactively participating in the global platform for export and import, leading to strengthening competitiveness and creating new business opportunities.

Revision of the corporate governance structure

In order to enable the development of business strategies from a more panoramic perspective and their strong execution, we have implemented the following measures since April 1, 2023, accelerating the “separation of management and execution.”

1. Enhancement of the executive officer system

In addition to the existing employed executive officers, a system of “delegated executive officers” with managerial responsibility is established, whose authorities are delegated from the Board of Directors. They take the role of business execution to achieve strategic goals with large authority and responsibility.

2. Optimization of the structure of the Board of Directors

In the backdrop to the delegation of authority stated in 1. above, the number of members of the Board of Directors is being reduced to 8 from 12, with one-third or more of the directors being external directors, enabling the development of business strategies from a more panoramic and practical perspective and the oversight of their execution from an objective point of view.

3. Establishment of the “advisory committee for nomination and remuneration”

In order to enhance the independence, objectivity and accountability of the functions of the Board of Directors related to nomination of directors and decision on their remuneration, etc., the “advisory committee for nomination and remuneration,” which consists mainly of external directors, is established under the Board of Directors.

Under the corporate governance structure established through the above measures, key initiatives in the Medium-Term Management Plan are strongly promoted toward definitely achieving the business performance goals.

(3) Assets and Profit and Loss

Item	81 st Fiscal Term (Ended March 2020)	82 nd Fiscal Term (Ended March 2021)	83 rd Fiscal Term (Ended March 2022)	84 th Fiscal Term (Consolidated fiscal term under review) (Ended March 2023)
Net Sales (¥ mil.)	278,815	239,314	261,681	274,139
Recurring Profit (¥ mil.)	26,407	26,184	30,875	35,064
Profit attributable to owners of parent (¥ mil.)	18,378	17,932	20,861	24,620
Basic earnings per share (¥)	155.06	152.97	180.14	220.69
Total Assets (¥ mil.)	400,057	415,539	434,734	456,038
Total Net Assets (¥ mil.)	337,744	352,408	367,917	373,005
Total Net Assets per Share (¥)	2,849.94	3,017.22	3,193.03	3,372.82

Note: The Company has adopted the “Accounting Standard for Revenue Recognition,” (ASBJ Statement No. 29), etc. as of the beginning of the fiscal term ended March 31, 2022 (83rd Fiscal Term). Figures of Assets and Profit and Loss in the fiscal term ended March 31, 2021 (82nd Fiscal Term) represent the amount adjusted retroactively based on the said accounting standard, etc.

(4) Principal Subsidiaries (As of March 31, 2023)

Company's Name	Capital	Percentage of Investment by the Company	Principal Business
	Million yen	%	
Kamigumi Land Transport Co., Ltd.	150	100.00	Land transportation
Kamigumi Marine Transport Co., Ltd.	200	95.00	Marine transportation
Kamigumi Air Service Co., Ltd.	100	100.00	Air freight forwarding
Izumi Sangyo Co., Ltd.	20	100.00	On-Site Factory operations
Kamix Corp.	164	100.00	Selling and Leasing
Oita Koun Co., Ltd.	40	100.00	Harbor transportation
Iwagawa Jozo Co., Ltd.	10	100.00 (100.00)	Manufacturer and wholesaler of alcoholic beverages
MB Service Japan Co., Ltd.	301	66.60	Imported vehicle preparation
Japan Port Industry Co., Ltd.	500	70.00	Refrigerated warehouse business
	Million HK\$		
Kamigumi (Hong Kong) Co., Ltd.	55	100.00	Integrated logistics
	Million RMB		
Kamigumi International Forwarding (Shanghai) Co., Ltd.	29	100.00 (100.00)	Integrated logistics
	Million MYR		
Kamigumi Global Solutions Malaysia Sdn. Bhd.	32	100.00	Warehouse and Cargo transport business and Logistics business

Note: A parenthetic figure for Percentage of Investment by the Company is an indirect ownership percentage (inclusive).

(5) Principal Business (As of March 31, 2023)

Segment	Principal Business
Logistics Business	Port & harbor transportation, Warehousing, Domestic transportation, Factory cargo handling, International transportation, logistics and others.
Other Businesses	Heavy cargo transportation, Construction, other.

(6) Principal Offices (As of March 31, 2023)

i) Domestic Principal Offices

Kamigumi Co., Ltd.	Registered Head Office	4-1-11, Hamabe-dori, Chuo-ku, Kobe	
	Tokyo Head Office	3-7-11, Shibaura, Minato-ku, Tokyo	
	Main Branch	Nagoya Main Branch (Nagoya), Kyushu Main Branch (Fukuoka)	
	Divisions/Departments etc.	Overseas Business Headquarters (Tokyo) Sales & Marketing HQ (Tokyo) International Distribution Division (Tokyo) Port & Harbor Transportation Division (Kobe) Heavy Cargo & Energy Transportation Division (Kobe) Rice Division (Tokyo) Vegetable & Fruits Division (Tokyo) Feed & Grain Division (Tokyo) Sunny Place Real Estate (Kobe)	
	Branches	Tokyo, Kashima, Yokohama, Niigata, Tomakomai, Hamaoka, Toyokawa, Tokai, Nagoya, Osaka, Kobe, Hirohata, Tamashima, Fukuyama, Minooki, Tokuyama, Sakaiminato, Moji, Yahata, Fukuoka, Oita, Kagoshima, Shibushi	
Subsidiaries	Kamigumi Land Transport Co., Ltd. (Kobe) Kamigumi Marine Transport Co., Ltd. (Kobe) Kamigumi Air Service Co., Ltd. (Tokyo) Izumi Sangyo Co., Ltd. (Osaka) Kamix Corp. (Kobe) Oita Koun Co., Ltd. (Oita Prefecture) Iwagawa Jozo Co., Ltd. (Kagoshima Prefecture) Kamitsu Unyu Co., Ltd. (Hyogo Prefecture) MB Service Japan Co., Ltd. (Ibaraki Prefecture) Japan Port Industry Co., Ltd. (Kobe) MCKG Port Holding Co., Ltd. (Kobe)	Affiliates	Kamitsu Koun Co., Ltd. (Kobe) CHUO KOUN CO., LTD. (Kobe) Kobe Mega Container Terminal Co., Ltd. (Kobe) Tokachi Grain Center Co., Ltd. (Hokkaido) Kobe Port International Distribution Center Co., Ltd. (Kobe) PIT Co., Ltd. (Kobe) Sunny Place Farm Company Inc. (Oita Prefecture) Mizuho Shoji Co., Ltd. (Osaka) KLKG Holdings Co., Ltd. (Tokyo)

Notes: 1. The Company dissolved the Nagoya Main Branch, the Kyushu Main Branch and the Sales & Marketing HQ on March 31, 2023.

2. The Company integrated the Sakaiminato Branch into the Osaka Branch and changed it to the Sakaiminato Sub Branch on April 1, 2023. In addition, the Kagoshima Branch was integrated into the Shibushi Branch, changing to the Kagoshima Sub Branch on the same day.

ii) Overseas Principal Offices

Kamigumi Co., Ltd.	Representative offices	Beijing Office (China)
Subsidiaries	Kamigumi (Hong Kong) Co., Ltd. (Hong Kong) Kamigumi Singapore Pte. Ltd. (Singapore) Kamigumi International Forwarding (Shanghai) Co., Ltd. (China) Kamigumi International Forwarding (Shenzhen) Co., Ltd. (China) Kamigumi (Taiwan) Co., Ltd. (Taiwan) Kamigumi (Vietnam) Co., Ltd. (Vietnam) PT. Kamigumi Indonesia (Indonesia) Kamigumi-EFR Logistics (Myanmar) Co., Ltd. (Myanmar) PT. Kamigumi Logistics Indonesia (Indonesia) Kamigumi Global Solutions Malaysia Sdn. Bhd. (Malaysia) Kamigumi Mexico S.A. de C.V. (Mexico) Kamigumi USA Inc. (USA) Thilawa Multipurpose International Terminal Co., Ltd. (Myanmar)	
Affiliates	Eastern Sea Laem Chabang Terminal Co., Ltd. (Thailand) Kamigumi (Malaysia) Sdn. Bhd. (Malaysia) Thai Logistics Service Co., Ltd. (Thailand) Shanghai Kamigumi Logistic Service Co., Ltd. (China) Toyotsu Kamigumi Logistics (Changshu) Co., Ltd. (China) Thilawa Global Logistics Co., Ltd. (Myanmar) International Bulk Terminal (Thilawa) Co., Ltd. (Myanmar) APM Terminals Valencia, S.A. (Spain) Kamigumi KSL Tunnelling JV Pte. Ltd. (Singapore)	

- Notes: 1. The Company dissolved the Yangon Office on December 7, 2022.
 2. The Company liquidated Kamigumi Middle East L.L.C. on October 28, 2022.

(7) Employees (As of March 31, 2023)

i) Employees of the Group

Segment	Number of Employees	Increase or decrease from the end of the 83 rd fiscal term
Logistics Business	3,761	Decrease by 54
Other Businesses	304	Decrease by 2
Administration Operations	141	Increase by 1
Total	4,206	Decrease by 55

- Notes: 1. The number of employees is the number of persons at work which excludes the number of persons seconded from the Group to outside and includes the number of persons seconded from outside to the Group.
 2. The number of employees above does not include temporary employees.

ii) Employees of the Company

Number of Employees	Increase or decrease over the Previous Term	Average Age (years)	Average Length of Service (years)
3,674	Decrease by 45	40.5	16.4

- Notes: 1. The number of employees is the number of persons at work which excludes the number of persons seconded from the Company to outside and includes the number of persons seconded from outside to the Company.
 2. The number of employees above does not include temporary employees.

(8) Principal Lender (As of March 31, 2023)

Lender	Lending amount
Sumitomo Mitsui Banking Corporation	¥20,000 million

(9) Other Important Matters Regarding the Current Status of the Group

The Company concluded a basic agreement of capital and business alliance with Maruwa Unyu Kikan Co., Ltd. (presently AZ-COM MARUWA Holdings Inc.) on September 16, 2022.

2. Current Status of the Company

(1) Shares Outstanding (As of March 31, 2023)

i) Total number of shares authorized to be issued	250,000,000
ii) Number of shares issued	116,376,837
iii) Number of shareholders	7,320
iv) Major shareholders (the top 10)	

Shareholders' Name	Number of Shares	Ratio of Shareholding
	Thousand shares	%
The Master Trust Bank of Japan, Ltd. (Trust Account)	14,248	12.94
Custody Bank of Japan, Ltd. (Trust Account)	7,412	6.73
Kamigumi Customers and Subcontractors Shareholding Association	7,347	6.67
Kamigumi Employees Shareholding Association	3,345	3.03
National Mutual Insurance Federation of Agricultural Cooperatives	2,772	2.51
The Murao Educational Foundation	2,456	2.23
Nippon Life Insurance Company	2,271	2.06
Sumitomo Life Insurance Company	2,250	2.04
State Street Bank And Trust Company 505103	2,144	1.94
Aioi Nissay Dowa Insurance Co., Ltd.	2,021	1.83

Notes: 1. The Company canceled treasury stocks in accordance with a resolution passed at a meeting of the Board of Directors held on May 13, 2022 and November 11, 2022. As a result, the aggregate number of shares issued decreased 11,120,000 shares from 127,496,837 shares outstanding at the end of the previous fiscal term.

2. Number of shares less than one thousand is rounded down to the nearest thousand.

3. While holding 6,307 thousand shares of treasury stocks, the Company is not included in the above-mentioned major shareholders. The ratio of shareholding is calculated by deducting treasury stocks and rounding down a number to two (2) decimal places.

v) Shares granted to corporate officers of the Company during the current fiscal term as compensation for the execution of duties

	Number of Shares	Number of eligible persons
	Shares	
Director (exclude External Director)	5,504	8
External Director	-	-
Audit & Supervisory Board Member	-	-

Note: Details of stock compensation of the Company are described in 2. (2) vi) "Remuneration, etc. paid to directors and audit & supervisory board members" (pages 37).

(2) Situation of Corporate Officers

i) Situation of Directors and Audit & Supervisory Board Members (As of March 31, 2023)

Name	Title	Areas of responsibility at the Company and significant concurrent positions outside the Company
Masami Kubo	Chairman & Representative Director	Chief Executive Officer Chairman of the board Aomi Cargo Distribution Center Co., Ltd. Chairman & Representative Director World Cargo Distribution Center Co., Ltd. Chairman & Representative Director Nippon Koun Shinko Co., Ltd. President & Representative Director The Japan Harbor Transportation Association Chairman Hyogo Harbor Transportation Association Chairman Sunnypier Health Insurance Association Head Director
Yoshihiro Fukai	President & Representative Director	Chief Operating Officer
Norihito Tahara	Representative & Senior Managing Director	Senior Managing Executive Officer Director responsible for International Distribution Div., Feed & Grain Div., Rice Div. Director responsible for East Japan/Hokkaido region, Sales & Marketing HQ
Toshihiro Horiuchi	Representative & Managing Director	Managing Executive Officer Director responsible for Administration Dept., Safety & Health
Katsumi Murakami	Representative & Managing Director	Managing Executive Officer General Manager of Kyushu Main Branch Director responsible for Vegetable & Fruits Div. Director responsible for West Japan/Kyushu region, Sales & Marketing HQ
Koichi Hiramatsu	Director	Executive Officer Director responsible for Metal Business, Heavy Cargo & Energy Transportation Div. Vice Director responsible for Safety & Health
Yukihiro Nagata	Director	Executive Officer Director responsible for Overseas Business HQ Director responsible for Port & Harbor Transportation Div., Sales & Marketing HQ Kamix Corp. President & Representative Director Kobe Port International Distribution Center Co., Ltd. President & Representative Director

Name	Title	Areas of responsibility at the Company and significant concurrent positions outside the Company
Kazuhisa Shiino	Director	Executive Officer General Manager of Nagoya Main Branch Director responsible for Chukyo region, Sales & Marketing HQ In charge of Tokuyama Branch
Nobuko Ishibashi	Director	Attorney at law Kobe City Law Office Representative Lawyer Fukuoka Financial Group, Inc. External Director serving as an Audit & Supervisory Committee Member Takamatsu Construction Group Co., Ltd. External Director of the Board
Mitsuo Suzuki	Director	Tokio Marine & Nichido Fire Insurance Co., Ltd. Advisor Japan Automobile Safety Accessory Association President
Osamu Hosaka	Director	Yutaka Shipping K.K. Advisor
Harumi Matsumura	Director	Rock Field Co., Ltd. Outside Director
Yasuo Kobayashi	Standing Audit & Supervisory Board Member (Full-time)	–
Takumi Nakao	Audit & Supervisory Board Member	Attorney at law Yodoyabashi & Yamagami Legal Professional Corporation Advisor Kobe University Executive Director
Ai Kuroda	Audit & Supervisory Board Member	Attorney at law Japan Association of Arbitrators Director Osaka Bar Association Vice President
Tomokazu Hideshima	Audit & Supervisory Board Member	Certified Tax Accountant

- Notes: 1. Directors Nobuko Ishibashi, Mitsuo Suzuki, Osamu Hosaka and Harumi Matsumura are the external directors. The Company has designated them the independent officers in accordance with the regulations of Tokyo Stock Exchange, Inc. and registered therein.
2. Audit & Supervisory Board members Takumi Nakao, Ai Kuroda and Tomokazu Hideshima are the external audit & supervisory board members. The Company has designated those three (3) audit & supervisory board members the independent officers in accordance with the regulations of Tokyo Stock Exchange, Inc. and registered therein.
3. Audit & Supervisory Board member Tomokazu Hideshima is Certified Tax Accountant and has considerable insight in the areas of tax and accounting.

ii) Directors and Audit & Supervisory Board Members who assumed office or retired during the fiscal term under review

1) Assumption

Name	Position at the Company upon assumption	Areas of responsibility at the Company and significant concurrent positions outside the Company upon assumption	Date of assumption
Osamu Hosaka	Director	Yutaka Shipping K.K. Advisor	June 29, 2022
Harumi Matsumura	Director	Rock Field Co., Ltd. Outside Director	June 29, 2022
Tomokazu Hideshima	Audit & Supervisory Board Member	Certified Tax Accountant	June 29, 2022

Notes: 1. Directors Osamu Hosaka and Harumi Matsumura are the external directors.

2. Audit & Supervisory Board member Tomokazu Hideshima is the external audit & supervisory board member.

2) Retirement

Name	Position at the Company upon retirement	Areas of responsibility at the Company and significant concurrent positions outside the Company upon retirement	Date of retirement
Katsumasa Muneyoshi	Audit & Supervisory Board Member	Certified Tax Accountant Kansai Gaidai University Auditor F&M CO., LTD. External Director and Audit & Supervisory Committee Member Kanai Holdings Co., Ltd. External Audit & Supervisory Board Member Kanai Juyo Kogyo Co., Ltd. External Audit & Supervisory Board Member CHO SHINYAKU Co., Ltd. External Director	June 29, 2022
Yasuo Kobayashi	Standing Audit & Supervisory Board Member (Full-time)	—	March 31, 2023

Notes: 1. Audit & Supervisory Board Member Katsumasa Muneyoshi retired from office due to the expiration of his terms of office. He is a certified tax accountant and had considerable insight in the areas of tax and accounting.

2. Audit & Supervisory Board Member Yasuo Kobayashi retired from office due to resignation. Following his resignation, Substitute Audit & Supervisory Board Member Kuniharu Saeki, who was elected as such at the 83rd Ordinary General Meeting of Shareholders held on June 29, 2022, and fulfills the necessary requirements, assumed the office of Standing Audit & Supervisory Board Member (Full-time) on April 1, 2023.

3. Audit & Supervisory Board member Katsumasa Muneyoshi was the external audit & supervisory board member.

iii) Changes in status of significant concurrent positions outside the Company by Directors and Audit & Supervisory Board Members during the fiscal term under review

Name	Position at the Company	New title	Former title	Date of change
Nobuko Ishibashi	Director	Kobe City Law Office Representative Lawyer Fukuoka Financial Group, Inc. External Director serving as an Audit & Supervisory Committee Member Takamatsu Construction Group Co., Ltd. External Director of the Board	Kobe City Law Office Representative Lawyer Fukuoka Financial Group, Inc. External Director serving as an Audit & Supervisory Committee Member Takamatsu Construction Group Co., Ltd. External Auditor of the Board	June 22, 2022
Takumi Nakao	Audit & Supervisory Board Member	Yodoyabashi & Yamagami Legal Professional Corporation Advisor	Yodoyabashi & Yamagami Legal Professional Corporation Advisor Kobe University Executive Director	March 31, 2023
Ai Kuroda	Audit & Supervisory Board Member	Japan Association of Arbitrators Director	Japan Association of Arbitrators Director Osaka Bar Association Vice President	March 31, 2023

iv) Change of title and charge of Directors after the fiscal term under review

Name	New title	Former title	Date of change
Masami Kubo	Director Chairman of the Board	Chairman & Representative Director Chief Executive Officer Chairman of the board	April 1, 2023
Yoshihiro Fukai	President & Representative Director President & Chief Executive Officer	President & Representative Director Chief Operating Officer	April 1, 2023
Norihito Tahara	Representative Director Senior Managing Executive Officer Responsible for Sales (East & Central Japan)	Representative & Senior Managing Director Senior Managing Executive Officer Director responsible for International Distribution Div., Feed & Grain Div., Rice Div. Director responsible for East Japan/Hokkaido region, Sales & Marketing HQ	April 1, 2023
Toshihiro Horiuchi	Representative Director Managing Executive Officer Responsible for Corporate Management	Representative & Managing Director Managing Executive Officer Director responsible for Administration Dept., Safety & Health	April 1, 2023
Katsumi Murakami	Representative Director Managing Executive Officer Responsible for Sales (West Japan)	Representative & Managing Director Managing Executive Officer General Manager of Kyushu Main Branch Director responsible for Vegetable & Fruits Div. Director responsible for West Japan/Kyushu region, Sales & Marketing HQ	April 1, 2023
Koichi Hiramatsu	Director & Managing Executive Officer Responsible for Sales (Metal & Energy Related Business)	Director & Executive Officer Director responsible for Metal Business, Heavy Cargo & Energy Transportation Div. Vice Director responsible for Safety & Health	April 1, 2023
Yukihiro Nagata	Director & Managing Executive Officer President of Global Business Area / Port & Terminal Business Area President of Kamix corp.	Director & Executive Officer Director responsible for Overseas Business HQ Director responsible for Port & Harbor Transportation Div., Sales & Marketing HQ President of Kamix Corp.	April 1, 2023

Name	New title	Former title	Date of change
Kazuhisa Shiino	Director & Managing Executive Officer President of International Logistics Business Area / Harbor Transport Business Area (East & Central Japan)	Director & Executive Officer General Manager of Nagoya Main Branch Director responsible for Chukyo region, Sales & Marketing HQ In charge of Tokuyama Branch	April 1, 2023

(Reference) Situation of Executive Officers (As of April 1, 2023)

Name	Title	Positions of responsibility
*Yoshihiro Fukai	President	Chief Executive Officer
*Norihito Tahara	Senior Managing Executive Officer	Responsible for Sales (East & Central Japan)
*Toshihiro Horiuchi	Managing Executive Officer	Responsible for Corporate Management
*Katsumi Murakami	Managing Executive Officer	Responsible for Sales (West Japan)
*Koichi Hiramatsu	Managing Executive Officer	Responsible for Sales (Metal & Energy Related Business)
*Yukihiro Nagata	Managing Executive Officer	President of Global Business Area / Port & Terminal Business Area President of Kamix Corp.
*Kazuhisa Shiino	Managing Executive Officer	President of International Logistics Business Area / Harbor Transport Business Area (East & Central Japan)
Satoru Kunieda	Executive Officer	President of Sustainable & Corporate Planning Area Manager of Corporate Sustainability Sect.
Kazuya Maeda	Senior Corporate Officer	Vice President of Global Business Area / International Logistics Business Area Manager of International Logistics Div.
Yasuhiro Kishino	Senior Corporate Officer	General Manager of Financial HQ Manager of Financial Management Dept. / IR, SR Sect.
Mitsuhiko Hase	Senior Corporate Officer	Vice President of Harbor Transport Business Area (West Japan)
Kohei Mori	Senior Corporate Officer	Vice President of Harbor Transport Business Area (East Japan) Manager of Tokyo Branch
Hiroyoshi Matsuzaki	Senior Corporate Officer	Vice President of Metal & Energy Related Business Area
Kazuhiro Yasuda	Corporate Officer	Manager of Kobe Branch
Kazuhiko Matsuo	Corporate Officer	Manager of Oita Branch
Yoshiyuki Hamada	Corporate Officer	Manager of Nagoya Branch
Seiji Ozoe	Corporate Officer	General Manager of Global Business HQ.
Masatoki Shimonishi	Corporate Officer	Manager of Yokohama Branch
Hidemasa Maeda	Corporate Officer	Manager of Osaka Branch President of Izumi Sangyo Co., Ltd.
Toshiyuki Ueda	Corporate Officer	Manager of Heavy Cargo & Energy Transport Div.
Atsushi Sasaki	Corporate Officer	Manager of Fukuoka Branch
Yasunari Tanaka	Corporate Officer	Manager of Human Resources Dept.
Ikuo Maruyama	Corporate Officer	Manager of Information Systems Dept. / Digital-Transformation Promotion Sect.
Takaki Sora	Corporate Officer	Vice Manager of Tokyo Branch
Kenji Miura	Corporate Officer	General Manager of Fruits & Vegetables Business HQ.

Note: Executive Officers with “*” concurrently serve as Director.

v) Outline, etc. of directors and officers liability insurance policy

The Company has concluded a directors and officers liability insurance policy with an insurance company as prescribed in paragraph (1) of Article 430-3 of the Companies Act, which includes as insured persons directors and audit & supervisory board members (including those who were in office during the fiscal term under review) of the Company and the Company’s principal subsidiaries listed in 1. (6) “Principal Offices” (pages 26). The Company pays all insurance premiums.

In brief, under the insurance policy, the insurance company covers for damages that may be incurred by the insured in connection with the execution of their duties or by receiving a claim to pursue their liability.

However, in order not to diminish the appropriateness of the execution of duties by the insured, the insurance policy includes certain exclusions that apply to exclude coverage for damages arising from an act of an insured person knowing that the act is unlawful.

In addition, the insurance policy is renewed every year and the Company plans to renew it under the same terms and conditions at the time of next renewal.

- vi) Remuneration, etc. paid to directors and audit & supervisory board members
 1) Item on policy concerning the determination of terms of remuneration, etc. of individual directors

i. Method of determining the policy

The Company resolved the policy concerning the determination of terms of remuneration, etc. for individual directors at a meeting of the Board of Directors held on February 12, 2021. In determining the policy, the Board of Directors carefully deliberated the terms in consideration of the objective opinions of two external directors.

ii. Outline of terms of the policy

As a basic policy, remuneration of individual directors shall be determined in consideration of the level of the Company's business performance, social conditions, and levels of remuneration at other companies, in addition to their positions and responsibilities. Remuneration of directors, excluding external directors, shall consist of monthly basic compensation (cash compensation) and medium- and long-term compensation (stock compensation). Remuneration of external directors shall consist only of monthly basic compensation (cash compensation) in the light of the role of chiefly monitoring and auditing management business execution from an objective standpoint.

Monthly basic compensation (cash compensation) shall consist of fixed salary (basic compensation based on each director's position and responsibilities) and variable salary (performance-linked compensation to be paid in accordance with certain performance indicators), while only fixed salary shall be paid to external directors in the light of the nature of their duties.

Monthly basic compensation (cash compensation), both fixed and variable salaries, shall be paid on a certain date each month, and medium- and long-term compensation (stock compensation) shall be paid on a certain date each year based on a resolution of the Board of Directors.

iii. Reason for the Board of Directors' judgment that terms of remuneration, etc. of individual directors for the fiscal term under review comply with the policy

The Company has formulated officers' compensation rules in line with the policy concerning the determination of terms of remuneration, etc. of individual directors based on resolutions of the Board of Directors, and calculated remuneration, etc. of individual directors for the fiscal term under review based on the rules; therefore, the Company judges that the terms of remuneration, etc. comply with the said policy.

2) Total amount of compensation, etc. for the fiscal term under review

Title	Number	Total compensation, etc.	Total amount of compensation, etc. by type		
			monthly basic compensation (cash compensation)		medium- and long-term compensation (stock compensation)
			fixed salary	variable salary	
			basic compensation	performance-linked compensation	non-monetary compensation
Director (external)	12 (4)	¥465 million (¥25 million)	¥284 million (¥25 million)	¥166 million (-)	¥14 million (-)
Audit & Supervisory Board Member (external)	5 (4)	¥28 million (¥18 million)	¥28 million (¥18 million)	-	-
Total (external officer)	17 (8)	¥493 million (¥43 million)	¥312 million (¥43 million)	¥166 million (-)	¥14 million (-)

Notes: 1. Amounts shown are rounded down to the nearest million yen.

2. The numbers above include one external audit & supervisory board member who retired at the time of the conclusion of the 83rd Ordinary General Meeting of Shareholders held on June 29, 2022, and one standing audit & supervisory board member who resigned on March 31, 2023.

3. The amount of cash compensation paid to directors was determined to be up to 600 million yen (of which the amount of annual compensation to external directors is up to 50 million yen), based on a resolution passed at the 81st Ordinary General Meeting of Shareholders held on June 26, 2020 (the said amount does not include the salaries as employee of the directors who also serve as employees.). The number of directors at the time of the conclusion of the said Ordinary General Meeting of Shareholders was 10 (of whom external directors totaled two).

In addition to the aforementioned amount of cash compensation, the maximum amount of stock compensation (remuneration from restricted stocks) to be granted to directors (excluding external directors) was determined to be 30 million yen per year and the maximum number of shares to be granted was determined to be 12,000

shares, based on a resolution passed at the 80th Ordinary General Meeting of Shareholders held on June 27, 2019. The number of directors (excluding external directors) at the time of the conclusion of the said Ordinary General Meeting of Shareholders was seven.

The amount of cash compensation paid to audit & supervisory board members was determined to be up to 60 million yen per year, based on a resolution passed at the 81st Ordinary General Meeting of Shareholders held on June 26, 2020. The number of audit & supervisory board members at the time of the conclusion of the said Ordinary General Meeting of Shareholders was four.

4. The amount of performance-linked compensation of the Company shall be calculated by multiplying basic salary determined based on position and responsibilities of a director (excluding external directors), and levels of remuneration at other companies by a coefficient based on performance indicators of the previous fiscal year. Performance indicators that serve as a base for calculating the coefficient shall be determined in advance to ensure that the compensation serves as a strong incentive to achieve specific management goals for the purpose of sustainable and medium-to-long-term enhancement of our corporate value. For the fiscal term under review, the Company adopted consolidated operating profit as performance indicators concerning compensation. Consolidated operating profit in the previous fiscal term was 28,524 million yen.

5. The Company grants restricted stock compensation as non-monetary compensation (stock compensation) to directors (excluding external directors).

The transfer restricted period shall be a period ranging from three years to 30 years from the granting date, predetermined by the Board of Directors of the Company. In the event that the Company is unable to fulfill performance requirements predetermined by the Board of Directors, such as the level of consolidated net sales, the Company shall rightfully acquire all or part of the stocks granted to these individuals at no charge.

vii) Items on external officers

1) Status of concurrent position at other companies, etc. by external officers

Title	Name	Companies, etc. where concurrent position is performed	Details of concurrent position
Director	Nobuko Ishibashi	Kobe City Law Office Fukuoka Financial Group, Inc. Takamatsu Construction Group Co., Ltd.	Representative Lawyer External Director serving as an Audit & Supervisory Committee Member External Director of the Board
Director	Mitsuo Suzuki	Tokio Marine & Nichido Fire Insurance Co., Ltd. Japan Automobile Safety Accessory Association	Advisor President
Director	Osamu Hosaka	Yutaka Shipping K.K.	Advisor
Director	Harumi Matsumura	Rock Field Co., Ltd.	Outside Director
Audit & Supervisory Board Member	Takumi Nakao	Yodoyabashi & Yamagami Legal Professional Corporation Kobe University	Advisor Executive Director
Audit & Supervisory Board Member	Ai Kuroda	Japan Association of Arbitrators Osaka Bar Association	Director Vice President

- Notes: 1. The Company has transaction relationships under an insurance contract with Tokio Marine & Nichido Fire Insurance Co., Ltd., where Mitsuo Suzuki serves as advisor. However, the transaction amount accounted for less than 1% of that company's consolidated net sales in each of the past three fiscal terms, and does not constitute any special conflict of interests. Tokio Marine & Nichido Fire Insurance Co., Ltd. holds stocks of the Company, but its investment ratio is less than 5% and it is not a large shareholder of the Company.
2. There is no trading and other important relationship between the Company and other companies where concurrent positions are performed.

2) Principal activities during the fiscal term under review

- Attendance to meetings of the Board of Directors and Audit & Supervisory Board

Title	Name	Meeting of the Board of Directors		Meeting of the Audit & Supervisory Board	
		Number of attendances	Percentage of attendance	Number of attendances	Percentage of attendance
Director	Nobuko Ishibashi	14/16	87.5%	–	–
Director	Mitsuo Suzuki	16/16	100%	–	–
Director	Osamu Hosaka	13/13	100%	–	–
Director	Harumi Matsumura	13/13	100%	–	–
Audit & Supervisory Board Member	Takumi Nakao	16/16	100%	11/11	100%
Audit & Supervisory Board Member	Ai Kuroda	13/16	81.3%	9/11	81.8%
Audit & Supervisory Board Member	Tomokazu Hideshima	13/13	100%	8/8	100%

Notes: 1. As Directors Osamu Hosaka and Harumi Matsumura were newly appointed directors in the middle of the fiscal term under review, the above numbers of attendances and meetings held are for meetings of the Board of Directors held on and after the date of their assumption of June 29, 2022.

2. As an Audit & Supervisory Board Member Tomokazu Hideshima was newly appointed audit & supervisory board member in the middle of the fiscal term under review, the above numbers of attendances and meetings held are for meetings of the Board of Directors and meetings of the Audit & Supervisory Board held on and after the date of his assumption of June 29, 2022.

3. In addition to the number of meetings of the Board of Directors held above, there were two (2) resolutions in writing which deemed that the meeting of the Board of Directors was held, in accordance with the provisions of Article 370 of the Companies Act and Article 35 of the Articles of Incorporation of the Company.

- Statements at meetings of the Board of Directors and Audit & Supervisory Board, and outline of duties concerning expected roles of external directors (Director Nobuko Ishibashi)

She expressed her opinions from a professional point of view as a lawyer on overall corporate legal affairs including the Companies Act, and gave necessary advice from time to time on matters that required consideration with legal knowledge, in particular items such as concluding important contracts and revisions to internal rules. Therefore, she played an appropriate role in securing the lawfulness and appropriateness of decision making at meetings of the Board of Directors.

(Director Mitsuo Suzuki)

He expressed his opinions from a professional point of view based on his involvement in the public administration of the police for many years, and gave necessary advice from time to time on matters that required consideration with legal knowledge and from the viewpoint of organizational administration, such as item regarding reforms to internal systems. Therefore, he played an appropriate role in securing the lawfulness and appropriateness of decision making at meetings of the Board of Directors.

(Director Osamu Hosaka)

He expressed his opinions from a professional point of view through his long experience engaged in the stable operation of supply and transportation plans for goods as upper management in the Japan Ground Self-Defense Force and through his experience of working at peer companies. He gave the necessary advice from time to time on matters related to business operations as well as safety and quality. Therefore, he played an appropriate role in securing the lawfulness and appropriateness of decision-making at meetings of the Board of Directors.

(Director Harumi Matsumura)

She gave practical advice on matters related to business strategy and human resource development, ESG and sustainability based on her extensive knowledge and experience acquired as business manager. Therefore, she played an appropriate role in securing the lawfulness and appropriateness of decision-making at meetings of the Board of Directors.

(Audit & Supervisory Board Member Takumi Nakao)

He expressed his opinions from a professional point of view through his long experience in prosecutorial administration as an attorney at law, and gave advice and advanced proposals to secure lawfulness and appropriateness of decision making at the meetings of the Board of Directors. He also made necessary statements mainly from a professional point of view through his long experience in the prosecution administration from time to time at the meetings of the Audit & Supervisory Board.

(Audit & Supervisory Board Member Ai Kuroda)

She expressed her opinions from a professional point of view as a lawyer on overall corporate legal affairs including the Companies Act and based on her work experience at the law firm overseas, and gave advice and advanced proposals to secure lawfulness and appropriateness of decision making at the meetings of the Board of Directors. She also made necessary statements from a professional point of view through her experience in overall corporate legal affairs including the Companies Act from time to time at the meetings of the Audit & Supervisory Board.

(Audit & Supervisory Board Member Tomokazu Hideshima)

He expressed his opinions from a professional point of view through his long experience in tax affairs administration as a Certified Tax Accountant, and gave advice and advanced proposals to secure lawfulness and appropriateness of decision making at the meetings of the Board of Directors. He also made necessary statements mainly from a professional point of view through his long experience in the tax affairs administration from time to time at the meetings of the Audit & Supervisory Board.

3) Outline of contracts for limitation of liability

The external director and external audit & supervisory board member of the Company concluded a contract with the Company for limitation of liability for damages described in paragraph (1) of Article 423 of the Companies Act pursuant to the provisions of paragraph (1) of Article 427 of the Act. The maximum liability for damages of the external director and external audit & supervisory board member under the contract is the amount of the minimum liability stipulated in paragraph (1) of Article 425 of the Companies Act as set forth in paragraph 2 of Article 29 of the Articles of Incorporation.

- (3) Independent Auditors
- i) Name: Shinyo Audit Corporation
- ii) Amount of compensation, etc.

Item	Amount of compensation, etc.
Amount of compensation, etc. to be paid to independent auditors for the fiscal term under review	¥40 million
Total amount of money and other property interests to be paid by the Company and its subsidiaries to independent auditors	¥48 million

Notes: 1. In the audit agreement between the Company and independent auditors, the amount of audit compensation, etc. for audit under the Companies Act is not clearly distinguished and cannot be substantially distinguished from the one under the Financial Instruments and Exchange Law. Therefore, the total amount is described as the amount of compensation, etc. for the fiscal term under review.

2. Audit & Supervisory Board verifies and examines the contents of the audit plan for the fiscal term under review, such as the audit hours, the personnel allocation plan, the status of execution of duties by the Independent Auditor and the grounds for calculation of compensation estimates, etc., taking into consideration an analysis and evaluation of audit performance for the previous fiscal term. As a result, the Audit & Supervisory Board approves the compensation paid to the independent auditor and other necessary matters pursuant to paragraph (1) of Article 399 of the Companies Act.
3. Among principal subsidiaries, subsidiaries located in foreign countries have received audits by certified public accountants or an audit firm other than the independent auditors of the Company.

- iii) Policy on how to determine dismissal or nonreappointment of independent auditors

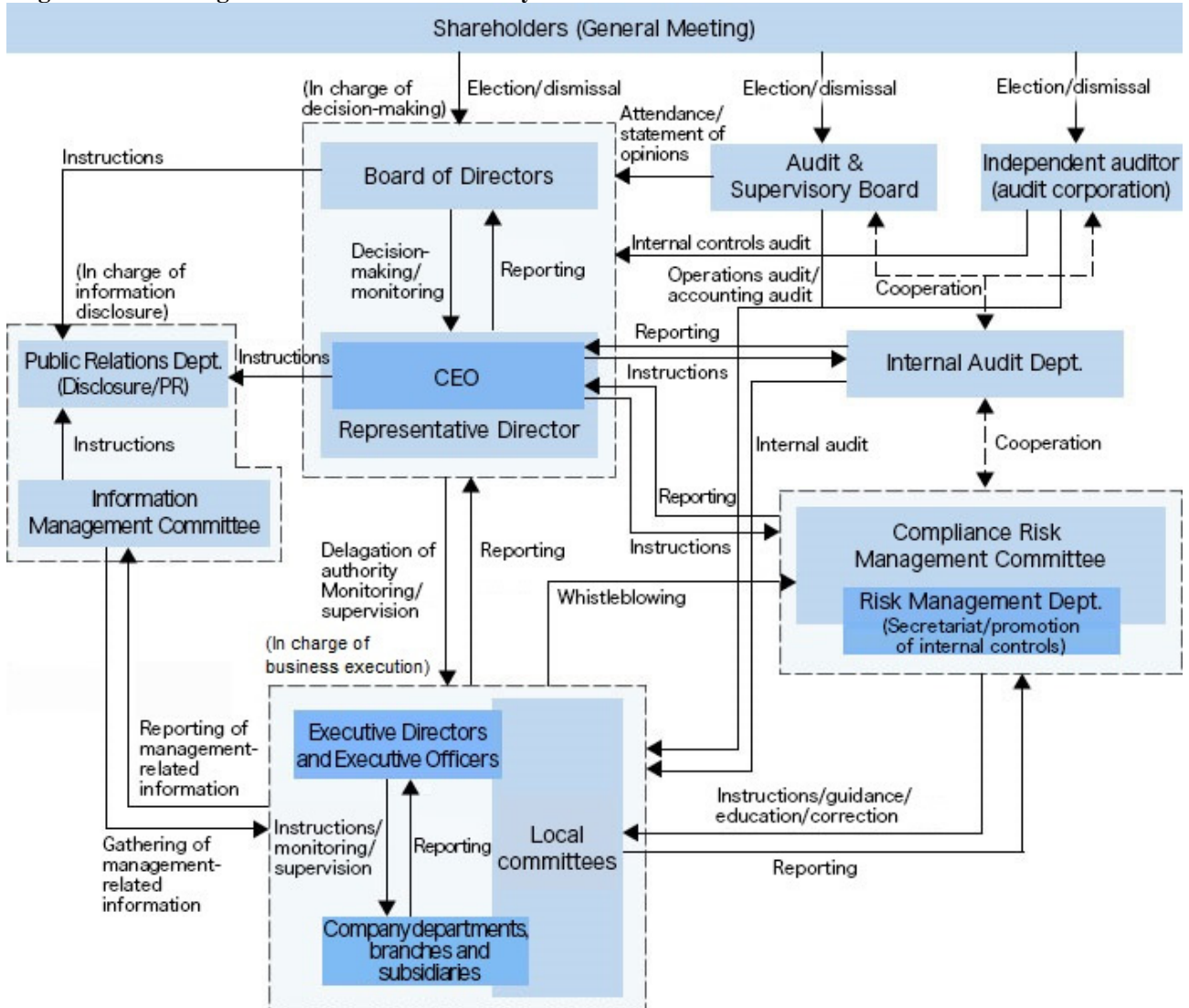
If the independent auditor infringes professional duties, fails to perform duties, or performs inappropriate actions as an independent auditor, and the Audit & Supervisory Board deems that such could cause a substantial impediment as the Company's independent auditor, the Audit & Supervisory Board will, pursuant to the provisions of paragraph (1) of Article 340 of the Companies Act, dismiss the independent auditor by the unanimous consent of all audit & supervisory board members. In this case, the audit & supervisory board member chosen by the Audit & Supervisory Board will declare the dismissal of the independent auditor and the reason for the dismissal at the first general meeting of shareholders convoked after the dismissal. If the independent auditor is deemed to have difficulty in properly executing its duties, or a change of independent auditor is deemed reasonable to further enhance the appropriateness of audits, the Audit & Supervisory Board will determine the contents of the item for electing a new independent auditor, as well as dismissal and nonreappointment of the current independent auditor.

(4) Basic Outlook on Corporate Governance

We strive to enhance and strengthen corporate governance based on a policy that emphasizes efficient management systems, stable and long-term growth founded on swift, appropriate decision-making and execution, and the interests of diverse stakeholders, including shareholders.

To ensure Kamigumi and its Group member companies are managed in accordance with laws and regulations under consolidated management and as part of our good-faith efforts to fulfill our corporate social responsibilities, we have developed an internal control system that addresses various business management risks.

Organizational Diagram for Internal Control System



Consolidated Balance Sheet

(Million yen)

	As of March 31, 2023	(Reference) As of March 31, 2022		As of March 31, 2023	(Reference) As of March 31, 2022
<Assets>			<Liabilities>		
Current assets	132,587	111,904	Current liabilities	42,906	46,631
Cash and deposits	65,680	45,897	Notes payable and trade accounts payable	25,831	27,107
Notes receivable, trade accounts receivable, and contract assets	48,371	47,075	Income taxes payable	5,760	5,817
Electronically recorded monetary claims-operating	1,004	748	Allowance for employees' bonuses	180	177
Marketable securities	10,600	10,500	Other current liabilities	11,133	13,528
Inventories	816	764	Fixed liabilities	40,127	20,185
Other current assets	6,173	6,975	Long-term borrowings	20,000	-
Allowance for doubtful accounts	(58)	(56)	Deferred tax liabilities	542	468
Fixed assets	323,451	322,829	Allowance for retirement benefits for directors and audit & supervisory board members	75	66
<Tangible fixed assets>	229,737	232,086	Accrued expenses for overhaul of vessels	27	20
Buildings and structures	106,864	104,779	Liabilities for employees' severance and retirement benefits	18,312	18,324
Machinery and equipment	18,444	17,455	Provision for loss on business of subsidiaries and associates	267	267
Land	100,227	100,265	Other fixed liabilities	901	1,038
Construction in progress	2,244	8,149	Total liabilities	83,033	66,816
Other fixed assets	1,955	1,435	<Net assets>		
<Intangible fixed assets>	6,586	6,649	Shareholders' equity	358,055	355,390
<Investments and long-term receivable>	87,126	84,094	Capital stock	31,642	31,642
Investment securities	78,441	75,101	Additional paid-in capital	26,854	26,854
Long-term loan receivable	93	43	Retained earnings	313,851	321,928
Deferred tax assets	1,610	2,328	Treasury stock	(14,292)	(25,034)
Other investments	7,299	6,937	Accumulated other comprehensive income	13,189	10,750
Allowance for doubtful accounts	(317)	(316)	Differences in valuation of available-for-sale securities	12,146	10,708
			Foreign currency translation adjustment	724	336
			Accumulated adjustment for employees' severance and retirement benefits	318	(294)
			Non-controlling interests	1,760	1,776
			Total net assets	373,005	367,917
Total assets	456,038	434,734	Total liabilities and net assets	456,038	434,734

Note: Figures of less than one million yen have been omitted.

Consolidated Statement of Income

(Million yen)

	From April 1, 2022 to March 31, 2023	(Reference) From April 1, 2021 to March 31, 2022
Net sales	274,139	261,681
Cost of sales	222,787	213,736
Gross profit	51,352	47,944
Selling, general and administrative expenses	19,771	19,420
Operating profit:	31,580	28,524
Non-operating revenues:	3,564	2,425
Interests and dividend income	1,696	976
Equity in gain of affiliates	1,269	837
Other non-operating revenues	598	612
Non-operating expenses:	80	74
Interest expenses	18	–
Other non-operating expenses	61	74
Recurring profit:	35,064	30,875
Non-recurring income:	494	1,142
Gain on sales of fixed assets	57	252
Gain on sales of investment securities	256	627
Subsidy income	181	262
Non-recurring losses:	600	1,726
Loss on sales and retirement of fixed assets	376	814
Loss on valuation of investment securities	–	1
Loss on valuation of shares of subsidiaries and associates	224	641
Provision for loss on business of subsidiaries and associates	–	267
Profit before income taxes:	34,958	30,291
Corporation, inhabitant, and enterprise taxes	10,420	9,792
Deferred tax expenses	(84)	(227)
Profit	24,623	20,726
Profit (loss) attributable to non-controlling interests	3	(134)
Profit attributable to owners of parent	24,620	20,861

Note: Figures of less than one million yen have been omitted.

Non-Consolidated Balance Sheet

(Million yen)

	As of March 31, 2023	(Reference) As of March 31, 2022		As of March 31, 2023	(Reference) As of March 31, 2022
<Assets>			<Liabilities>		
Current assets	119,230	100,540	Current liabilities	38,756	42,416
Cash and deposits	58,123	39,460	Trade accounts payable	21,645	23,267
Notes receivable	210	569	Other accounts payable	4,479	4,713
Electronically recorded monetary claims-operating	977	740	Accrued expenses	4,117	4,463
Trade accounts receivable and contract assets	43,312	42,426	Income taxes payable	5,437	5,502
Marketable securities	10,600	10,500	Other current liabilities	3,075	4,469
Supplies	160	145	Fixed liabilities	39,023	18,258
Short-term loan receivable	4,130	4,225	Long-term borrowings	20,000	-
Other current assets	1,765	2,520	Allowance for employees' severance and retirement benefits	18,031	17,221
Allowance for doubtful accounts	(49)	(48)	Provision for loss on business of subsidiaries and associates	267	267
Fixed assets	321,191	319,563	Other fixed liabilities	724	768
<Tangible fixed assets>	214,002	218,472	Total liabilities	77,779	60,674
Buildings	87,986	90,410	<Net assets>		
Structures	8,236	8,936	Shareholders' equity	352,002	350,205
Machinery and equipment	14,431	14,645	Capital stock	31,642	31,642
Vehicles	1,907	1,171	Additional paid-in capital	26,854	26,854
Tools and fixtures	1,414	705	Capital reserve	26,854	26,854
Land	97,874	97,910	Retained earnings	307,798	316,744
Construction in progress	2,151	4,693	Legal retained earnings	5,978	5,978
<Intangible fixed assets>	6,540	6,578	Other retained earnings	301,820	310,766
Leaseholds	6,172	6,172	Reserve for employees' severance and retirement benefits	800	800
Other intangible fixed assets	368	406	Reserve for cash dividends	1,138	1,138
<Investments and long-term receivable>	100,648	94,511	Reserve for advanced depreciation of fixed assets	2,301	2,284
Investment securities	31,690	28,380	General reserve	276,000	276,000
Shares of affiliates	50,316	50,391	Retained earnings carried forward to the following term	21,581	30,544
Contribution to affiliates	703	703	Treasury stock	(14,292)	(25,034)
Long-term loan receivable	10,792	7,900	Valuation / translation differences, etc.	10,640	9,222
Guarantees	3,697	3,704	Differences in valuation of available-for-sale securities	10,640	9,222
Deferred tax assets	1,543	1,986			
Other investments	2,233	1,767			
Allowance for doubtful accounts	(328)	(323)	Total net assets	362,642	359,428
Total assets	440,421	420,103	Total liabilities and net assets	440,421	420,103

Note: Figures of less than one million yen have been omitted.

Non-Consolidated Statement of Income

(Million yen)

	From April 1, 2022 to March 31, 2023	(Reference) From April 1, 2021 to March 31, 2022
Net sales	245,356	237,806
Cost of sales	197,972	193,160
Gross profit	47,384	44,646
Selling, general and administrative expenses	17,453	17,326
Operating profit:	29,930	27,320
Non-operating revenues:	3,664	3,116
Interests and dividend income	3,152	2,578
Other non-operating revenues	511	538
Non-operating expenses:	87	55
Interest expenses	18	—
Other non-operating expenses	69	55
Recurring profit:	33,507	30,380
Non-recurring income:	477	943
Gain on sales of fixed assets	45	54
Gain on sales of investment securities	250	627
Subsidy income	181	262
Non-recurring losses:	449	1,190
Loss on sales and retirement of fixed assets	373	279
Loss on valuation of investment securities	—	1
Loss on valuation of shares of subsidiaries and associates	75	641
Provision for loss on business of subsidiaries and associates	—	267
Profit before income taxes:	33,535	30,134
Corporation, inhabitant and enterprise taxes	9,896	9,318
Deferred tax expenses	(112)	(133)
Profit:	23,751	20,949

Note: Figures of less than one million yen have been omitted.

Independent Auditors' Report (consolidated)

May 18, 2023

The Board of Directors
Kamigumi Co., Ltd.

The Shinyo Audit Corporation
Kobe, Hyogo
Representative Partner
Engagement Partner Certified Public Accountant Akio Kawamoto
Representative Partner
Engagement Partner Certified Public Accountant Daisuke Matsui

Opinion

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheets, the consolidated statements of income, the consolidated statements of changes in net assets, and the notes to the consolidated financial statements of Kamigumi Co., Ltd. (the "Company") for the fiscal year from April 1, 2022, through March 31, 2023.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of Kamigumi Co., Ltd., which consists of the Company and its consolidated subsidiaries, for the period covered by the consolidated financial statements in conformity with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Information

The other information comprises business report and the supplemental schedule. Management is responsible for the preparation and disclosure of the other information. In addition, the Audit Committee is responsible for overseeing the Officers and Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's reporting process of the other information.

Our audit opinion on the consolidated financial statements does not cover the other information, and we do not provide an opinion on the other information.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears

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to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management, Corporate Auditors, and the Board of Corporate Auditors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the presentation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

Corporate Auditors and the Board of Corporate Auditors are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the consolidated financial statements from an independent standpoint in an audit report, based on our audit.

Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the consolidated financial

(TRANSLATION)

statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.

- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries in order to express an opinion on the consolidated financial statements. The auditor is responsible for instructing, supervising, and implementing the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

The auditor reports to Corporate Auditors and the Board of Corporate Auditors regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Corporate Auditors and the Board of Corporate Auditors regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any safeguards that are in place to reduce or eliminate obstacles.

Interest

Our firm and engagement partners have no interests in the Company or its consolidated subsidiaries requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader.

(TRANSLATION)

Independent Auditors' Report (non-consolidated)

May 18, 2023

The Board of Directors
Kamigumi Co., Ltd.

The Shinyo Audit Corporation
Kobe, Hyogo
Representative Partner
Engagement Partner Certified Public Accountant Akio Kawamoto
Representative Partner
Engagement Partner Certified Public Accountant Daisuke Matsui

Opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheets, the statements of income, the statements of changes in net assets, and the related notes, and the accompanying supplementary schedules of Kamigumi Co., Ltd. (the "Company") for the 84th fiscal year from April 1, 2022 through March 31, 2023.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2023, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules." We are independent of the Company in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor.

We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Information

The other information comprises business report and the supplemental schedule. Management is responsible for the preparation and disclosure of the other information. In addition, the Audit Committee is responsible for overseeing the Officers and Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's reporting process of the other information.

Our audit opinion on the nonconsolidated financial statements does not cover the other information, and we do not provide an opinion on the other information.

In connection with our audit of the nonconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the nonconsolidated financial statements or our knowledge obtained in the audit or

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otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management, Corporate Auditors and the Board of Corporate Auditors for the Financial Statements and the Accompanying Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing whether it is appropriate to prepare the financial statements and the accompanying supplementary schedules in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

Corporate Auditors and the Board of Corporate Auditors are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules

Our responsibility is to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the financial statements and the accompanying supplementary schedules from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the financial statements and the accompanying supplementary schedules.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the financial statements and the accompanying supplementary schedules is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their

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application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.

- Determine whether it is appropriate for management to prepare the financial statements and the accompanying supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the financial statements and the accompanying supplementary schedules in the audit report, or if the notes to the financial statements and the accompanying supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the financial statements and the accompanying supplementary schedules. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the financial statements and the accompanying supplementary schedules are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the financial statements and the accompanying supplementary schedules including related notes, and whether the financial statements and the accompanying supplementary schedules fairly present the transactions and accounting events on which they are based.

The auditor reports to Corporate Auditors and the Board of Corporate Auditors regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Corporate Auditors and the Board of Corporate Auditors regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any safeguards that are in place to reduce or eliminate obstacles.

Interest

Our firm and engagement partners have no interests in the Company requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader.

REPORT OF THE AUDIT & SUPERVISORY BOARD

The Audit & Supervisory Board prepares this audit report with respect to the performance of duties by directors for the 84th fiscal term from April 1, 2022 to March 31, 2023 based on the audit reports drawn up by individual audit & supervisory board members after review and states as follows.

1. Outline of Auditing Procedures Used by Audit & Supervisory Board Members and the Audit & Supervisory Board
 - (1) The Audit & Supervisory Board decided auditing policy and division of duties, received reports from individual audit & supervisory board members with respect to implementation and conclusion of audit, and received reports from directors and independent auditors with respect to performance of their duties and requested them to give an explanation as occasion arose.
 - (2) Based on the standards for audit & supervisory board members' audit stipulated by the Audit & Supervisory Board and according to the auditing policy and division of duties decided by the Audit & Supervisory Board, individual audit & supervisory board members communicated with directors, internal audit divisions, other employees, etc. to make efforts to collect information and improve audit environment, and perform the audit in accordance with the following procedures.
 - 1) Individual audit & supervisory board members attended important meetings such as meetings of the Board of Directors, received reports from directors and employees with respect to their performance of duties and requested them to give an explanation as occasion arose, inspected important documents, etc. for final decision, and investigated the situation of operations and assets at the headquarters and principal business establishments. For subsidiaries, individual audit & supervisory board members communicated and exchanged information with directors, audit & supervisory board members, etc. of the subsidiaries and received business reports from subsidiaries as occasion arose.
 - 2) Individual audit & supervisory board members expressed opinions, with receiving regular reports from Directors and employees on construction and operation of the system (internal control system) and asked them for explanations as needed, based on the implementation standards for audit & supervisory board members' audit stipulated by the Audit & Supervisory Board, about the content of the resolution adopted at the Board of Directors with respect to the arrangement of structure to make directors' implementation of duties conform to laws and ordinances and Articles of Incorporation as well as the framework required for ensuring fair operation as a stock company and the corporate group consisting of the Company and subsidiaries as stipulated in paragraph (1) and paragraph (3) of Article 100 of the Companies Act Enforcement Regulations and the status of the framework (internal control system) arranged in accordance with the resolution which are described in the business report. For subsidiaries, individual audit & supervisory board members also expressed opinions, with receiving regular reports from Directors and employees of the subsidiaries and asked them for explanations likewise.
 - 3) Furthermore, individual audit & supervisory board members did monitoring and verified whether independent auditors maintained independence and carried out a proper audit, received reports from independent auditors on implementation of their duties, and requested them to give an explanation as occasion arose. The individual audit & supervisory board members also received a notice from the independent auditors to the effect that they prepared "a framework to ensure proper performance of duties" (matters listed in individual items of Article 131 of the Regulation on Corporate Accounting) in accordance with "Quality Control Standards for Audit" (prepared by the Business Accounting Council on October 28, 2005) and requested them to give an explanation as occasions arose. With regard to the main considerations of the audit, discussions were held with Shinyo Audit Corporation, reports were received on the implementation status of the audit, and explanations were requested as necessary.

The business report and supplementary statement thereto, the non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statements of changes in net assets, and notes to non-consolidated financial statements), and supplementary statement thereto and consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statements of changes in net assets, and consolidated notes), for the 83rd fiscal term were examined based on the abovementioned methods.

2. Conclusion of the Audit

- (1) Conclusion of audit of business reports, etc.
 - 1) We affirm that the business reports and supplementary statement thereto show the correct status of the Company in accordance with laws and ordinances and Articles of Incorporation.
 - 2) We acknowledge no unlawfulness in the implementation of duties by the directors or important fact which violates any law or ordinance or Articles of Incorporation.
 - 3) We affirm that the content of the resolution adopted at the Board of Directors on the internal control system is appropriate. We acknowledge nothing to be pointed out with respect to matters stated in the Business Report and performance of duties by the directors for the internal control system.
- (2) Conclusion of audit of non-consolidated financial statements and supplementary statement thereto
We affirm that the audit method used and conclusion reached by the independent auditor, Shinyo Audit Corporation, are appropriate.
- (3) Conclusion of audit of consolidated financial statements
We affirm that the audit methods used and conclusions reached by the independent auditor, Shinyo Audit Corporation, are appropriate.

May 19, 2023

The Audit & Supervisory Board
Kamigumi Co., Ltd.

Kuniharu Saeiki
(Seal)
Standing Audit &
Supervisory Board
Member (Full-
time)

Takumi Nakao
(Seal)
External Audit &
Supervisory Board
Member

Ai Kuroda (Seal)
External Audit &
Supervisory Board
Member

Tomokazu
Hideshima (Seal)
External Audit &
Supervisory Board
Member