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June 30, 2023

Company name Kamigumi Co., Ltd.
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Representative Director
(Stock code: 9364; Prime Market, Tokyo Stock Exchange)
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Notice concerning acquisition of stock in LIGHT CONSTRUCTION CO., LTD.
(making it a wholly owned subsidiary)

Kamigumi Co., Ltd. (“Kamigumi” hereinafter) has concluded an agreement on the transfer of shares with LIGHT CONSTRUCTION CO., LTD., and acquired all shares of stock in the latter company today, as outlined below.

Three corporations conduct business under the same name, LIGHT CONSTRUCTION, from the viewpoint of business continuity, but each conducts business independently. Kamigumi has acquired all shares of stock in these three corporations.

Details

1. Reasons for stock acquisition

Drawing on strategic investment funds, Kamigumi Group is actively considering mergers and acquisitions (M&A) and business and capital alliances in Japan and in international markets in line with its policy of expanding business investments, one of its policies on capital in the medium-term management plan.

LIGHT CONSTRUCTION CO., LTD. offers a wealth of experience and expertise as an organization of heavy cargo transport professionals. It is highly regarded in this field.

This stock acquisition is expected to enhance the competitive strengths of the heavy cargo and construction segments through mutual complementation, such as by enabling more effective use of assets and human resources. The acquisition is also expected to boost the receipt of orders related to wind power and new energy-related logistics operations. Kamigumi believes the acquisition will contribute significantly to progress toward the goals of the Group’s medium-term management plan.

2. Overview of new subsidiaries

(1) Name	LIGHT CONSTRUCTION CO., LTD. (“Light Hyogo” hereinafter)
(2) Address	6-21 Imazuyamanaka-cho, Nishinomiya-shi, Hyogo Prefecture
(3) Name and title of representative	Tsutomu Okamoto, Representative of Director

(4) Lines of business	Transport of oversized items, leasing of large cranes, building construction, etc.		
(5) Capital	30 million yen		
(6) Established	June 27, 1983		
(7) Major shareholders and percentages of shares held	Tsutomu Okamoto (90%), Kiyoko Okamoto (10%)		
(8) Relationships between Kamigumi and the company in question	Capital relationships	Not applicable	
	Personnel relationships	Not applicable	
	Transaction relationships	The annual volume of business transactions between Kamigumi and the company in question is approximately 100 million yen (FY2022).	
(9) Business results and financial conditions of the company in question for the last three years			
Fiscal year	Ended May 2020	Ended May 2021	Ended May 2022
Net assets	18 million yen	36 million yen	148 million yen
Total assets	213 million yen	269 million yen	319 million yen
Net assets per share	31,213.33 yen	60,893.33 yen	247,360 yen
Net sales	800 million yen	813 million yen	770 million yen
Operating income	44 million yen	42 million yen	46 million yen
Ordinary income	55 million yen	101 million yen	59 million yen
Net income	43 million yen	94 million yen	(1 million yen)
Net income per share	71,680 yen	157,146.66 yen	(1,263.33 yen)
Dividends per share	–	–	–

(1) Name	LIGHT CONSTRUCTION CO., LTD. (“Light Osaka” hereinafter)		
(2) Address	12-1 Shiomi-cho, Izumiotsu-shi, Osaka Prefecture		
(3) Name and title of representative	Tsutomu Okamoto, Representative of Director		
(4) Lines of business	Transport of oversized items, leasing of large cranes, building construction, etc.		
(5) Capital	10 million yen		
(6) Established	August 1, 2001		
(7) Major shareholders and percentages of shares held	Tsutomu Okamoto (55%), Kiyoko Okamoto (15%), Kunishige Okamoto (15%), Kiyomi Okamoto (15%)		
(8) Relationships between Kamigumi and the company in question	Capital relationships	Not applicable	
	Personnel relationships	Not applicable	
	Transaction relationships	Not applicable	
(9) Business results and financial conditions of the company in question for the last three years			
Fiscal year	Ended July 2020	Ended July 2021	Ended July 2022

Net assets	46 million yen	92 million yen	32 million yen
Total assets	177 million yen	161 million yen	82 million yen
Net assets per share	234,400 yen	460,010 yen	410,085 yen
Net sales	189 million yen	169 million yen	181 million yen
Operating income	26 million yen	(1 million yen)	21 million yen
Ordinary income	26 million yen	(12 million yen)	53 million yen
Net income	9 million yen	(35 million yen)	42 million yen
Net income per share	48,415 yen	(176,200 yen)	211,430 yen
Dividends per share	–	–	–

(1) Name	LIGHT CONSTRUCTION CO., LTD. (“Light Ibaraki” hereinafter)		
(2) Address	1185-5 Kuno, Koga-shi, Ibaraki Prefecture		
(3) Name and title of representative	Tsutomu Okamoto, Representative of Director		
(4) Lines of business	Transport of oversized items, leasing of large cranes, building construction, etc.		
(5) Capital	10 million yen		
(6) Established	January 10, 1974		
(7) Major shareholders and percentages of shares held	Tsutomu Okamoto (45%), Kiyoko Okamoto (55%)		
(8) Relationships between Kamigumi and the company in question	Capital relationships	Not applicable	
	Personnel relationships	Not applicable	
	Transaction relationships	Not applicable	
(9) Business results and financial conditions of the company in question for the last three years			
Fiscal year	Ended November 2020	Ended November 2021	Ended November 2022
Net assets	(34 million yen)	(32 million yen)	(11 million yen)
Total assets	38 million yen	30 million yen	48 million yen
Net assets per share	(4,343.25 yen)	(4,011.75 yen)	(1,396.61 yen)
Net sales	88 million yen	95 million yen	84 million yen
Operating income	2 million yen	16 million yen	13 million yen
Ordinary income	3 million yen	16 million yen	13 million yen
Net income	2 million yen	11 million yen	9 million yen
Net income per share	331.62 yen	1,389.50 yen	1,225.62 yen
Dividends per share	–	–	–

3. Overview of counterparties in this stock acquisition

(1) Names	Tsutomu Okamoto, Kiyoko Okamoto, et al.
(2) Address	Nishinomiya-shi, Hyogo Prefecture

(3) Relationships between Kamigumi and the individuals in question	No capital, personnel, or transaction relationships worthy of note
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4. Number of shares acquired and stock holdings before and after acquisition

(1) Number of shares held before acquisition	In Light Hyogo: 0 shares (Voting rights held: 0; percentage of voting rights held: 0%)
	In Light Osaka: 0 shares (Voting rights held: 0; percentage of voting rights held: 0%)
	In Light Ibaraki: 0 shares (Voting rights held: 0; percentage of voting rights held: 0%)
(2) Number of shares acquired	In Light Hyogo: 600 shares
	In Light Osaka: 200 shares
	In Light Ibaraki: 8,000 shares
(3) Number of shares held after acquisition	In Light Hyogo: 600 shares (Voting rights held: 600; percentage of voting rights held: 100%)
	In Light Osaka: 200 shares (Voting rights held: 200; percentage of voting rights held: 100%)
	In Light Ibaraki: 8,000 shares (Voting rights held: 8,000; percentage of voting rights held: 100%)

5. Schedule

(1) Agreement date	May 31, 2023
(2) Stock transfer date	June 30, 2023

6. Future outlook

As of now, the effect of this acquisition of stock on Kamigumi's consolidated financial results for the fiscal year ending March 2024 is expected to be immaterial.