This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between the English translation and the Japanese original, the original version shall prevail.

(Securities Code: 1861)
June 3, 2025
(Commencement Date of Electronic Provision Measures: May 27, 2025)

To Our Shareholders

Shin Ueda, President
Kumagai Gumi Co., Ltd.
Fukui Office: 2-6-8, Chuo, Fukui-shi
Tokyo Head Office: 2-1, Tsukudocho,
Shinjuku-ku, Tokyo

CONVOCATION NOTICE OF THE 88TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Sirs and Madams:

Notice is hereby given that the 88th Ordinary General Meeting of Shareholders of Kumagai Gumi Co., Ltd. (the "Company") will be held as set forth below.

At the time of the convocation of this Ordinary General Meeting of Shareholders, electronic provision measures have been taken for the information contained in the reference materials, etc. for the general meeting of shareholders (the "Matters for Electronic Provision Measures"), and the Matters for Electronic Provision Measures have been posted on our website. We request that you access the information by visiting our website indicated below.

Website of the Company
https://www.kumagaigumi.co.jp/ir/library/stockinfo/meeting/

(For Reference) English website of the Company
https://www.kumagaigumi.co.jp/en/ir/library/stockinfo/meeting/

* The following matters are not included in the English translation.
- Structure and Policy of Company
- Consolidated Statements of Changes in Equity
- Notes to the Consolidated Financial Statements
- Nonconsolidated Statements of Changes in Equity
- Notes to the Nonconsolidated Financial Statements

In addition to the above, the Matters for Electronic Provision Measures have been also posted on the websites of the Tokyo Stock Exchange, Inc. (TSE) and Sumitomo Mitsui Trust Bank.

If you access the information via the TSE website (Search for a listed company), please enter and search for our issue name (Kumagai Gumi) or securities code (1861) and select "Basic information" and "Documents for public inspection/PR information."

TSE website (Search for a listed company)
https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show

If you access the information via the website of Sumitomo Mitsui Trust Bank, please log in by scanning the QR code printed on the enclosed Voting Form or entering your ID and initial password stated on the enclosed Voting Form.

Sumitomo Mitsui Trust Bank website
https://www.soukai-portal.net

If you are unable to attend the meeting on the day, you may exercise your voting rights in writing or via the Internet. After examining the "Reference Materials for the Ordinary General Meeting of Shareholders" set forth below, please exercise your voting rights no later than 5:30 p.m. on Thursday, June 26, 2025.

[Exercise of voting rights via the Internet]

Please refer to the "Guide to Exercising Voting Rights via the Internet" on page 6.

[Exercise of voting rights by postal mail]

Indicate your approval/disapproval for each proposal on the enclosed Voting Form, and send the completed form to us so that it reaches us by the above deadline for the voting.

Description

1. **Date and Time:** 10:00 a.m. on Friday, June 27, 2025
2. **Place:** Tokyo Head Office of the Company, Main Conference Room
   2-1, Tsukudocho, Shinjuku-ku, Tokyo
3. **Purpose:**

   Matters to Be Reported:
   1. Report on the contents of the Business Report, the contents of the consolidated financial statements, and the results of audit of the consolidated financial statements by the Accounting Auditors and the Audit & Supervisory Board,

for the 88th fiscal year (from April 1, 2024 to March 31, 2025)

2. Report on the contents of the nonconsolidated financial statements for the 88th fiscal year (from April 1, 2024 to March 31, 2025)

Matters to Be Resolved:

Proposal 1: Dividends from surplus

Proposal 2: Partial amendments to Articles of Incorporation

Proposal 3: Appointment of nine (9) Directors (excluding Audit & Supervisory Committee Members)

Proposal 4: Appointment of three (3) Directors who are Audit & Supervisory Committee Members

Proposal 5: Appointment of two (2) Substitute Directors who are Audit & Supervisory Committee Members

Proposal 6: Determination of amount of compensation, etc. for Directors (excluding Audit & Supervisory Committee Members)

Proposal 7: Determination of amount of compensation, etc. for Directors who are Audit & Supervisory Committee Members

Proposal 8: Determination of amount and details of stock compensation, etc. for Directors (excluding Audit & Supervisory Committee Members and Outside Directors)

4. Matters Determined for Convocation

(1) Pursuant to the provisions of laws and regulations and Article 16 of the Articles of Incorporation of the Company, among the Matters for Electronic Provision Measures, the following matters are not included in the documents that will be delivered to shareholders who have requested the delivery of documents in paper form. Accordingly, the documents that will be delivered to shareholders who have requested the delivery of documents in paper form are part of the documents audited by the Audit & Supervisory Board Members and the Accounting Auditors upon preparing the Audit Report.

・Structure and Policy of Company
・Consolidated Statements of Changes in Equity
・Notes to the Consolidated Financial Statements
・Nonconsolidated Statements of Changes in Equity
・Notes to the Nonconsolidated Financial Statements

(2) If you exercise your voting rights both via the Internet and by sending the Voting Form, the vote made via the Internet shall be deemed valid. Also, please be advised that if you exercise your voting right multiple times via the Internet, the Company will only deem the substance of your final exercise to be valid.

(3) If neither approval nor disapproval of each proposal is indicated on the Voting Form sent back to the Company, the Company will deem that you indicated “approval”.

[End of Notice]

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* **Upon arrival at the meeting, please submit the Voting Form enclosed herewith to the reception at the entrance to the meeting venue. No gifts to shareholders will be given on the meeting day.**
* **If any modifications are made to the Matters for Electronic Provision Measures, a notice of such modifications and the details of the matters before and after modification will be posted on the Company’s website, the TSE website, and the Sumitomo Mitsui Trust Bank website, the addresses of which are stated above.**
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Guide to Exercising Voting Rights

Please exercise your voting rights via one of the following means:

Exercising voting rights via the **Internet**	Exercising voting rights **in writing (by postal mail)**	In-person attendance at the **general meeting of shareholders**
Voting deadline: No later than 5:30 p.m. on Thursday, June 26, 2025	Voting deadline: The form must arrive no later than 5:30 p.m. on Thursday, June 26, 2025.	Date and time of the general meeting of shareholders: 10:00 a.m. on Friday, June 27, 2025
Please indicate your approval/disapproval for each proposal in accordance with the instructions on the next page. For details, please refer to the next page.	Please indicate your approval/disapproval for each proposal on the enclosed Voting Form, and send the completed form to us.	Please submit the Voting Form enclosed herewith at the reception desk located at the entrance to the meeting venue.

・If you exercise your voting rights both via the Internet and in writing, the votes submitted via the Internet will be deemed valid. Furthermore, if you exercise your voting rights more than once via the Internet, only your most recent exercise of voting rights will be deemed valid.

Guide to Exercising Voting Rights via the Internet

Voting deadline: No later than 5:30 p.m. on Thursday, June 26, 2025

Method of Scanning QR Code for "Smart Exercise®"

Method of Exercising Voting Rights by Smartphone, etc.

(i) Scan the QR code® indicated on the Voting Form.

Note: The QR code is a registered trademark of Denso Wave Incorporated.

(ii) Tap "Exercise Voting Rights" button on the top screen of the General Meeting of Shareholders Portal®.

(iii) The top screen of the Smart Exercise® will be displayed. Follow the instructions on the screen and indicate your approval/disapproval for each proposal.

You may exercise your voting rights using "Smart Exercise®" only once.
If you wish to change your vote after exercising your voting rights, you will be required to access the website for exercising voting rights (https://www.web54.net) and log in by entering your "Code for Exercising Voting Rights" and the "password" indicated on the Voting Form (if you have changed your password to access the website for exercising voting rights on your own, please enter your new password), then vote again.

Method of Exercising Voting Rights by PC, etc.

URL of the General Meeting of Shareholders Portal ►https://www.soukai-portal.net

Please access by entering your login ID for General Meeting of Shareholders Portal and password indicated on the Voting Form. After login, follow the instructions on the screen and indicate your approval/disapproval for each proposal.

You may use the website for exercising voting rights in the same manner as before.

►https://www.web54.net

You may exercise your voting rights by entering your "Code for Exercising Voting Rights" and the "password" indicated on the Voting Form.

Contact Information for Inquiries Regarding Use of the General Meeting of Shareholders Portal and Exercising Voting Rights via the Internet

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Web Support
Tel.: 0120-652-031 (Toll free within Japan only)
(Inquiries are accepted from 9:00 a.m. to 9:00 p.m.)

Use of Electronic Voting Platform (for institutional investors)

With respect to this ordinary general meeting of shareholders, institutional investors may exercise their voting rights electronically through the "Electronic Voting Platform" operated by ICJ Incorporated.

Reference Materials for Ordinary General Meeting of Shareholders

Proposal and Reference Matters

Proposal 1: Dividends from surplus

The basic policy of the Company with regards to the distribution of profits is to return profits to our shareholders appropriately and steadily while enhancing retained earnings to strengthen the management foundation and expansion of business profit, by taking into consideration the operating results for the current business term, the outlook for the medium-to-long term performance as well as the management environment, etc.

In addition, in the "Mid-term Management Plan (FY2024-2026)," the Company has adopted a policy of providing consistent shareholder returns aiming for a dividend payout ratio of around 40%. In accordance with the basic policy and the Mid-term Management Plan, the Company proposes the following year-end dividend for the 88th fiscal year.

(1) Type of Distributed Assets
Cash

(2) Matters Related to Allotment of Distributed Assets and Aggregate Amount Thereof
The Company proposes to make cash dividend payment of JPY 130 per share in respect of the common stock of the Company.
In this case, the total amount of dividend will amount to JPY 5,617,421,420.

(3) Effective Date of Dividends from Surplus
June 30, 2025

Proposal 2: Partial amendments to Articles of Incorporation

1. Reason for proposal

(1) In order to realize the Company's management philosophy, namely, "We aim to serve as a corporate group that contributes to society through business activities centered on construction," the Company has positioned the enhancement of its corporate governance efficacy as one of the most important issues in its basic policy.

Following this basic policy, under the current organizational design (a company with Audit & Supervisory Board), the Company has been continuously moving forward with a range of initiatives to enhance its effectiveness, taking into account issues for improvement based on the evaluation of effectiveness by the Board of Directors.

As part of such initiatives, the Company proposes to amend the Articles of Incorporation as necessary to transition from a company with Audit & Supervisory Board to a company with Audit & Supervisory Committee, including the establishment of new provisions regarding Directors who are Audit & Supervisory Committee Members and those regarding the Audit & Supervisory Committee, as well as the deletion of provisions regarding Audit & Supervisory Board Members and the Audit & Supervisory Board. The Company proposes these amendments to facilitate such transition and strengthen the supervisory function of the Board of Directors and further enhance corporate governance through strengthening the monitoring system, by appointing Audit & Supervisory Committee Members, who will be responsible for auditing the performance of duties by Directors, etc., as members of the Board of Directors.

(2) To enable the Company to implement capital policies and dividend policies flexibly, the Company proposes to establish new Article 33 of the proposed amendments to the Article of Incorporation, which enables the Board of Directors to make decisions on dividends from surplus, etc., by its resolution in accordance with Article 459, Paragraph 1 of the Companies Act, and also proposes to delete Article 7 of the current Articles of Incorporation, which partially overlaps with new Article 33. Further, in order to increase the frequency of dividend payments from once a year to twice a year and enhance opportunities for returning profits to shareholders, the Company proposes to amend Article 38 of the current Articles of Incorporation regarding the record date for dividends from surplus to read as Article 34 of the proposed amendments to the Article of Incorporation, which provides for a record date for interim dividends.

(3) In addition, the Company proposes to amend the wording as necessary to reflect the aforementioned amendments.

2. Details of amendments

The details of the amendments are as follows.

The amendments to the Articles of Incorporation set forth in this proposal shall take effect upon the closing of this ordinary general meeting of shareholders.

(Underlines reflect the amendments)

Current Articles of Incorporation	Proposed Amendments to the Articles of Incorporation
Chapter I. General Provisions	Chapter I. General Provisions
Article 1. <Omitted>	Article 1. <Unchanged>
Article 2. (Purpose) The purpose of the Company is to engage in the following businesses: 1. to 21. <Omitted>	Article 2. (Purpose) <Unchanged> (i) to (xxi) <Unchanged>
Article 3. <Omitted>	Article 3. <Unchanged>
Article 4. (Organizations) The Company shall have, in addition to general meetings of shareholders and Directors, the following organizations: 1. Board of Directors; 2. Audit & Supervisory Board Members; 3. Audit & Supervisory Board; and 4. Accounting Auditor.	Article 4. (Organizations) The Company shall have, in addition to general meetings of shareholders and Directors, the following organizations: (i) Board of Directors; (ii) Audit & Supervisory Committee; and <Deleted> (iii) Accounting Auditor.
Article 5. <Omitted>	Article 5. <Unchanged>
Chapter II. Shares	Chapter II. Shares
Article 6. <Omitted>	Article 6. <Unchanged>
Article 7. (Acquisition of its own shares) The Company may, by resolution of the Board of Directors, acquire its own shares by market transactions, etc., in accordance with Article 165, Paragraph 2 of the Companies Act.	<Deleted>
Article 8. <Omitted>	Article 7. <Unchanged>
Article 9. (Rights Pertaining to Shares Constituting Less than One Unit) The Company's shareholders may not exercise any rights in relation to shares constituting less than one unit that they hold other than those listed below: 1. to 4. <Omitted>	Article 8. (Rights Pertaining to Shares Constituting Less than One Unit) <Unchanged> (i) to (iv) <Unchanged>
Articles 10. to 12. <Omitted>	Articles 9. to 11. <Unchanged>

Current Articles of Incorporation	Proposed Amendments to the Articles of Incorporation
Chapter III. General Meetings of Shareholders Articles 13. to 18. <Omitted>	Chapter III. General Meetings of Shareholders Articles 12. to 17. <Unchanged>
Chapter IV. Directors and Board of Directors Article 19. (Number) The Company shall have no more than twelve (12) Directors. <Newly Established > Article 20. (Method of Appointment) Directors shall be appointed at a general meeting of shareholders. 2. to 3. <Omitted> Article 21. (Term of Office) The term of office of each of the Directors shall expire at the closing of the ordinary general meeting of shareholders held with respect to the last fiscal year that ends within one (1) year from the appointment of the Director. <Newly Established > <Newly Established >	Chapter IV. Directors and Board of Directors Article 18. (Number) 1. The Company shall have no more than twelve (12) Directors (excluding Audit & Supervisory Committee Members). 2. The Company shall have no more than five (5) Directors who are Audit & Supervisory Committee Members. Article 19. (Method of Appointment) Directors shall be appointed at a general meeting of shareholders, with a distinction made between Directors who are Audit & Supervisory Committee Members and other Directors. 2. to 3. <Unchanged> Article 20. (Term of Office) 1. The term of office of each of the Directors (excluding Audit & Supervisory Committee Members) shall expire at the closing of the ordinary general meeting of shareholders held with respect to the last fiscal year that ends within one (1) year from the appointment of the Director. 2. The term of office of each of the Directors who are Audit & Supervisory Committee Members shall expire at the closing of the ordinary general meeting of shareholders held with respect to the last fiscal year that ends within two (2) years from the appointment of the Director who is an Audit & Supervisory Committee Member. 3. The term of office of a Director appointed to serve as a substitute for a Director who is an Audit & Supervisory Committee Member

Current Articles of Incorporation	Proposed Amendments to the Articles of Incorporation
	in order to fill a vacancy caused by retirement of a Director who is an Audit & Supervisory Committee Member prior to the expiration of his or her term of office shall expire at the time the term of office of his or her predecessor expires.
<Newly Established >	4. The period of effectiveness of the resolution appointing a Substitute Director who is an Audit & Supervisory Committee Member appointed pursuant to Article 329, Paragraph 3 of the Companies Act shall expire at the commencement of the ordinary general meeting of shareholders held with respect to the last fiscal year that ends within two (2) years from the resolution appointing such Director.
Article 22. <Omitted>	Article 21. <Unchanged>
Article 23. (Convocation Notice of Board of Directors Meetings) The convocation notice of a Board of Directors meeting shall be dispatched to each Director and each Audit & Supervisory Board Member at least two (2) days prior to the date of the meeting; provided, however, that this period may be shortened in case of urgency.	Article 22. (Convocation Notice of Board of Directors Meetings) The convocation notice of a Board of Directors meeting shall be dispatched to each Director at least two (2) days prior to the date of the meeting; provided, however, that this period may be shortened in case of urgency.
<Newly Established >	Article 23. (Delegation of Power to Make Decisions on Execution of Material Business Operations) Pursuant to the provisions of Article 399-13, Paragraph 6 of the Companies Act, the Company may, by a resolution of the Board of Directors, delegate to Directors all or part of the power to make decisions on the execution of material business operations (excluding the matters set forth in each Item of Paragraph 5 of the said Article).
Articles 24. to 25. <Omitted>	Articles 24. to 25. <Unchanged>
Article 26. (Directors with Title and Representative Director) 1. The Board of Directors may, by resolution,	Article 26. (Directors with Title and Representative Director) 1. The Board of Directors may, by resolution,

Current Articles of Incorporation	Proposed Amendments to the Articles of Incorporation
appoint one (1) President who shall be a Representative Director.	appoint one (1) President who shall be a Representative Director from among Directors (excluding Audit & Supervisory Committee Members).
2. The Board of Directors may, by resolution, appoint one (1) Chairperson and one (1) or more Vice Chairperson, Director and Corporate advisor, Director.	2. The Board of Directors may, by resolution, appoint one (1) Chairperson and one (1) or more Vice Chairperson, Director and Corporate advisor, Director from among Directors (excluding Audit & Supervisory Committee Members).
3. In addition to Paragraph 1 hereof, the Board of Directors may, by resolution, appoint one (1) or more Representative Directors.	3. In addition to Paragraph 1 hereof, the Board of Directors may, by resolution, appoint one (1) or more Representative Directors from among Directors (excluding Audit & Supervisory Committee Members).
Article 27. (Compensation, Etc.) 1. Compensation, bonuses, and other financial benefits of Directors received from the Company in consideration of their performance of duties (hereinafter "Compensation, Etc.") shall be determined by resolution of a general meeting of shareholders.	Article 27. (Compensation, Etc.) 1. Compensation, bonuses, and other financial benefits of Directors received from the Company in consideration of their performance of duties (hereinafter "Compensation, Etc.") shall be determined by resolution of a general meeting of shareholders, with a distinction made between Directors who are Audit & Supervisory Committee Members and other Directors.
2. The compensation set forth in the preceding paragraph shall not include the amount paid as employee salaries to Directors concurrently serving as employees.	2. The Compensation, Etc. set forth in the preceding paragraph shall not include the amount paid as employee salaries to Directors concurrently serving as employees.
Article 28. <Omitted>	Article 28. <Unchanged>
Chapter V. Audit & Supervisory Board Members and Audit & Supervisory Board	<Deleted>
Article 29. (Number) The Company shall have no more than five (5) Audit & Supervisory Board Members.	<Deleted>
Article 30. (Method of Appointment) 1. The Audit & Supervisory Board Members shall be appointed at a general meeting of	<Deleted>

Current Articles of Incorporation	Proposed Amendments to the Articles of Incorporation
shareholders. 2. Resolutions appointing Audit & Supervisory Board Members shall be adopted by an affirmative vote of a majority of the voting rights of the shareholders present at a meeting whereby shareholders holding at least one-third (1/3) of the voting rights of the shareholders entitled to vote at such meeting are present.	
Article 31. (Term of Office) 1. The term of office of each of the Audit & Supervisory Board Members shall expire at the closing of the ordinary general meeting of shareholders held with respect to the last fiscal year that ends within four (4) years from the appointment of the Audit & Supervisory Board Member. 2. The term of office of an Audit & Supervisory Board Member appointed to serve as a substitute for an Audit & Supervisory Board Member in order to fill a vacancy caused by retirement of an Audit & Supervisory Board Member prior to the expiration of his or her term of office shall expire at the time the term of office of his or her predecessor expires.	<Deleted>
Article 32. (Convocation Notice of Audit & Supervisory Board Meetings) The convocation notice of an Audit & Supervisory Board meeting shall be dispatched to each Audit & Supervisory Board Member at least two (2) days prior to the date of the meeting thereof; provided, however, that this period may be shortened in case of urgency.	<Deleted>
Article 33. (Regulations of the Audit & Supervisory Board) Matters concerning the Audit & Supervisory Board shall be in accordance with the Regulations of the Audit & Supervisory Board established by the Audit &	<Deleted>

Current Articles of Incorporation	Proposed Amendments to the Articles of Incorporation
Supervisory Board, as well as laws and regulations and these Articles of Incorporation. Article 34. (Full-time Audit & Supervisory Board Members) The Audit & Supervisory Board shall, by resolution, appoint full-time Audit & Supervisory Board Member(s). Article 35. (Compensation, Etc.) The Compensation, Etc. to Audit & Supervisory Board Members shall be determined by resolution of a general meeting of shareholders. Article 36. (Exemption of Audit & Supervisory Board Members from Liability) 1. Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Audit & Supervisory Board Members (including those who were Audit & Supervisory Board Members) from the liability for damages set forth in Article 423, Paragraph 1 of the Companies Act, to the extent permitted by laws and regulations. 2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with an Audit & Supervisory Board Member limiting liability for damages arising from negligence in the performance of assigned duties; provided, however, that the maximum liability for damages under such agreement shall be the amount prescribed by laws and regulations.	 <Deleted> <Deleted> <Deleted>
<Newly Established > <Newly Established >	Chapter V. Audit & Supervisory Committee Article 29. (Convocation Notice of Audit & Supervisory Committee Meetings) The convocation notice of an Audit & Supervisory Committee meeting shall be dispatched to each Audit & Supervisory Committee Member at least two (2) days

Current Articles of Incorporation	Proposed Amendments to the Articles of Incorporation
	prior to the date of the meeting thereof; provided, however, that this period may be shortened in case of urgency.
<Newly Established >	Article 30. (Regulations of the Audit & Supervisory Committee) Matters concerning the Audit & Supervisory Committee shall be in accordance with the Regulations of the Audit & Supervisory Committee established by the Audit & Supervisory Committee, as well as laws and regulations and these Articles of Incorporation.
<Newly Established >	Article 31 (Full-time Audit & Supervisory Committee Members) The Audit & Supervisory Committee may, by resolution, appoint full-time Audit & Supervisory Committee Member(s).
Chapter VI. Accounts	Chapter VI. Accounts
Article 37. <Omitted>	Article 32. <Unchanged>
<Newly Established >	Article 33. (Organizations Which is to Determine Dividends from Surplus, Etc.) Unless otherwise provided for by laws and regulations, the Company may, by resolution of the Board of Directors, determine dividends from surplus and other matters set forth in each Item of Article 459, Paragraph 1 of the Companies Act.
Article 38. (Record Dates for Dividends from Surplus) The Company shall pay dividends from surplus in cash to shareholders or registered pledgees of shares whose names appear or are recorded on the final shareholder register as of March 31 of each year.	Article 34. (Record Dates for Dividends from Surplus) 1. The record date for year-end dividends of the Company shall be March 31 of each year.
<Newly Established >	2. The record date for interim dividends of the Company shall be September 30 of each year.
<Newly Established >	3. In addition to the provisions of the preceding two paragraphs, the Company may

Current Articles of Incorporation	Proposed Amendments to the Articles of Incorporation
	distribute dividends from surplus upon setting a record date.
Article 39. <Omitted>	Article 35. <Unchanged>
<Newly Established >	Supplementary Provisions
	The Company may, by resolution of the Board of Directors, exempt Audit & Supervisory Board Members (including those who were Audit & Supervisory Board Members) from the liability for damages set forth in Article 423, Paragraph 1 of the Companies Act with respect to acts performed prior to the closing of the 88th Ordinary General Meeting of Shareholders, to the extent permitted by laws and regulations.
End	End

Proposal 3: Appointment of nine (9) Directors (excluding Audit & Supervisory Committee Members)

If Proposal 2, "Partial amendments to Articles of Incorporation" is approved and adopted as originally proposed, the Company will become a company with Audit & Supervisory Committee, and all eleven (11) Directors will retire, upon the amendments to the Articles of Incorporation coming into effect, due to the expiration of their terms of office. Accordingly, the Company proposes to appoint nine (9) Directors (excluding Audit & Supervisory Committee Members; hereinafter the same applies in this proposal) after the transition to a company with Audit & Supervisory Committee.

This proposal shall take effect on condition that the amendments to the Articles of Incorporation comes into effect under Proposal 2, "Partial Amendments to the Articles of Incorporation."

The candidates for Directors are as follows:

Candidate No.		Name	Title	Role	Attendance at the meetings of Board of Directors
1	Reappointment	Shin Ueda	President Executive President		100% (17/17)
2	Reappointment	Koji Okaichi	Director Executive Vice President	In charge of Technology In charge of Safety In charge of Quality and Environment In charge of New Business In charge of International Business In charge of Promotion of Collaboration with Sumitomo Forestry Co., Ltd.	100% (17/17)
3	Reappointment	Hiroyasu Yaguchi	Director Senior Managing Executive Officer	General Manager of the Administration Division In charge of Compliance In charge of Crisis Management	100% (13/13)
4	Reappointment	Tetsuo Ono	Director Senior Managing Executive Officer	General Manager of the Civil Engineering Management Division	100% (13/13)
5	Reappointment	Taiji Ito	Director Senior Managing Executive Officer	General Manager of the Architectural Management Division	100% (13/13)
6	Reappointment	Tatsuru Satoh	Director Non-Executive		100% (17/17)
7	Reappointment	Shigeru Okada	Director Outside Independent Officer		100% (17/17)
8	Reappointment	Kimie Sakuragi	Director Outside Independent Officer		100% (17/17)
9	Reappointment	Masaya Nara	Director Outside Independent Officer		100% (17/17)

Candidate No **1** **Shin Ueda** (Born on December 23, 1961) Reappointment

■ Number of Shares Owned by Candidate
4,500 shares

■ Brief Personal Record, Title and Role in the Company and Status of Major Concurrent Offices

April 1984	Joined the Company
April 2014	Executive Officer of the Company
April 2014	Deputy General Branch Manager of the Metropolitan Branch of the Company
April 2014	General Manager of the Architectural Management Division of the Metropolitan Branch of the Company
June 2015	General Manager of Project Measures Office of the Company
April 2017	Managing Executive Officer of the Company
April 2017	General Branch Manager of the Metropolitan Branch of the Company
April 2020	Senior Managing Executive Officer of the Company
April 2021	General Manager of the Architectural Management Division of the Company
June 2021	Director of the Company
April 2024	President of the Company (current)
April 2024	Executive President of the Company (current)

■ Reason for selecting him as a candidate for Director

Mr. Ueda has extensive knowledge and abundant business experience in the Architectural Management Division, having held a number of senior positions in the Architectural Management Division and thereafter assumed the position of the General Manager of the Architectural Management Division, and has a record of conducting regional management as the General Branch Manager of the Metropolitan Branch from April 2017 to March 2021. Furthermore, he has been leading the Group as the Representative Director and President from April 2024 and devoting himself to improving the long-term corporate value of the Company. The Company proposes that Mr. Ueda's appointment as a Director continue based on its evaluation that he has appropriately fulfilled his role as a Director by making important management decisions and supervising the management of operations and its judgment that it would be valuable for the management of the Company to utilize his past experiences.

Candidate No **2** Koji Okaichi (Born on April 3, 1960) Reappointment

■ Number of Shares Owned by Candidate
1,900 shares

■ Brief Personal Record, Title and Role in the Company and Status of Major Concurrent Offices

April 1984	Joined the Company
April 2016	Executive Officer of the Company
April 2016	Joint General Manager of the Civil Engineering Management Division of the Company
April 2016	General Manager of Civil Engineering of the Civil Engineering Management Division of the Company
April 2017	General Branch Manager of the Kansai Branch of the Company
April 2018	Managing Executive Officer of the Company
April 2019	General Manager of Kansai Dream Project Office of the Kansai Branch of the Company
April 2020	Senior Managing Executive Officer of the Company
April 2021	General Manager of the Civil Engineering Management Division of the Company
April 2021	General Manager of the Railway Project Promotion Division of the Civil Engineering Management Division of the Company
June 2021	Director of the Company (current)
April 2024	Executive Vice President of the Company (current)
April 2024	In charge of Technology at the Company (current)
April 2024	In charge of Safety at the Company (current)
April 2024	In charge of Quality and Environment at the Company (current)
April 2024	In charge of New Business at the Company (current)
April 2024	In charge of International Business at the Company (current)
April 2024	In charge of Promotion of Collaboration with Sumitomo Forestry Co., Ltd. (current)

■ Reason for selecting him as a candidate for Director

Mr. Okaichi has extensive knowledge and abundant business experience in the Civil Engineering Management Division, having been engaged in the Civil Engineering Management Division since joining the Company and assumed the position of the General Manager of the Civil Engineering Management Division, in addition to having been engaged in numerous city civil engineering work. Furthermore, he has a record of conducting regional management as the General Branch Manager of the Kansai Branch from April 2017 to March 2021. The Company proposes that Mr. Okaichi's appointment as a Director continue based on its evaluation that he has appropriately fulfilled his role as a Director by making important management decisions and supervising the management of operations and its judgment that it would be valuable for the management of the Company to utilize his past experiences.

Candidate No **3** Hiroyasu Yaguchi (Born on February 10, 1963) Reappointment

■ Number of Shares Owned by Candidate
1,600 shares

■ Brief Personal Record, Title and Role in the Company and Status of Major Concurrent Offices

April 1986	Joined the Company	April 2023	General Manager of the Administration Division of the Company (current)
April 2020	Joint General Manager of the Administration Division of the Company	April 2024	Senior Managing Executive Officer (current)
April 2020	General Manager of the Human Resources and General Affairs Department of the Administration Division of the Company	April 2024	In charge of Compliance at the Company (current)
April 2021	Executive Officer of the Company	April 2024	In charge of Crisis Management of the Company (current)
April 2023	Managing Executive Officer of the Company	June 2024	Director of the Company (current)

■ Reason for selecting him as a candidate for Director

Mr. Yaguchi has extensive knowledge and abundant business experience in the Administration Division, having held a number of senior positions, such as the General Manager of the Finance Department and the General Manager of the Human Resources and General Affairs Department, since joining the Company and thereafter having assumed the position of the General Manager of the Administration Division. The Company proposes that Mr. Yaguchi's appointment as a Director continue based on its evaluation that he has appropriately fulfilled his role as a Director by making important management decisions and supervising the management of operations and its judgment that it would be valuable for the management of the Company to utilize his past experiences.

Candidate No **4** **Tetsuo Ono** (Born on June 28, 1963) Reappointment

■ Number of Shares Owned by Candidate
900 shares

■ Brief Personal Record, Title and Role in the Company and Status of Major Concurrent Offices

April 1986	Joined the Company	April 2024	Senior Managing Executive Officer of the Company (current)
April 2020	Joint General Manager of the Civil Engineering Management Division of the Company	April 2024	General Manager of the Civil Engineering Management Division of the Company (current)
April 2021	Executive Officer of the Company	June 2024	Director of the Company (current)
April 2023	Managing Executive Officer of the Company		
April 2023	General Branch Manager of the Nagoya Branch of the Company		

■ Reason for selecting him as a candidate for Director

Mr. Ono has extensive knowledge and abundant business experience in the Civil Engineering Management Division, having been engaged in the Civil Engineering Management Division since joining the Company and having held senior positions such as General Manager of the Civil Engineering Management Division, in addition to having been engaged in various construction work as the Project Manager. Furthermore, he has a record of conducting regional management as the General Branch Manager of the Nagoya Branch from April 2023 to March 2024. The Company proposes that Mr. Ono's appointment as a Director continue based on its evaluation that he has appropriately fulfilled his role as a Director by making important management decisions and supervising the management of operations and its judgment that it would be valuable for the management of the Company to utilize his past experiences.

Candidate No **5** Taiji Ito (Born on February 4, 1964) Reappointment

■ Number of Shares Owned by Candidate
1,700 shares

■ Brief Personal Record, Title and Role in the Company and Status of Major Concurrent Offices

April 1986	Joined the Company
April 2021	Executive Officer of the Company
April 2021	Joint General Manager of the Architectural Management Division of the Company
April 2021	General Manager of the Marketing and Management Department of the Architectural Management Division of the Company
April 2021	General Manager of the Sales Promotion Department of the Marketing and Management Department of the Architectural Management Division of the Company
April 2023	Managing Executive Officer of the Company
April 2023	General Branch Manager of the Chushikoku Branch of the Company
April 2024	Senior Managing Executive Officer of the Company (current)
April 2024	General Manager of the Architectural Management Division of the Company (current)
June 2024	Director of the Company (current)

■ Reason for selecting him as a candidate for Director

Mr. Ito has extensive knowledge and abundant business experience in the Architectural Management Division, having been engaged in the Architectural Management Division since joining the Company and having held senior positions such as General Manager of the Architectural Management Division, in addition to having been engaged in various construction work as the Project Manager. Furthermore, he has a record of conducting regional management as the General Branch Manager of the Chushikoku Branch from April 2023 to March 2024. The Company proposes that Mr. Ito's appointment as a Director continue based on its evaluation that he has appropriately fulfilled his role as a Director by making important management decisions and supervising the management of operations and its judgment that it would be valuable for the management of the Company to utilize his past experiences.

Candidate No **6** Tatsuru Satoh (Born on December 14, 1955) Reappointment Non-Executive

■ Number of Shares Owned by Candidate
- shares

■ Brief Personal Record, Title and Role in the Company and Status of Major Concurrent Offices

April 1978	Joined Sumitomo Forestry Co., Ltd.	June 2013	Director of Sumitomo Forestry Co., Ltd.
October 2008	General Manager of Administration Department, Housing Division of Sumitomo Forestry Co., Ltd.	April 2016	Senior Managing Executive Officer of Sumitomo Forestry Co., Ltd.
April 2011	General Manager of Personnel Department of Sumitomo Forestry Co., Ltd.	April 2018	Representative Director of Sumitomo Forestry Co., Ltd.
June 2011	Supervisory Officer of Sumitomo Forestry Co., Ltd.	April 2018	Executive Vice President and Executive Officer of Sumitomo Forestry Co., Ltd.
April 2012	General Manager of General Administration Department of Sumitomo Forestry Co., Ltd.	June 2018	Audit & Supervisory Board Member of the Company
June 2012	Executive Officer of Sumitomo Forestry Co., Ltd.	June 2022	Director of the Company (current)
April 2013	Managing Executive Officer of Sumitomo Forestry Co., Ltd.	March 2024	Senior Advisor of Sumitomo Forestry Co., Ltd. (current)

■ Reason for selecting him as a candidate for Director

Mr. Satoh was a Director of Sumitomo Forestry Co., Ltd. for many years and has an abundant management experience as the Representative Director and the Executive Vice President and Executive Officer thereof. In addition, the Company has the business and capital alliance with Sumitomo Forestry Co., Ltd. and said company's deep knowledge regarding "wood" and "greenery", which are the natural materials in which said company excels, as well as the know-how that it has gained in overseas housing business and urban development with the utilization of this knowledge, will have important implications for the global fields in which the Company intends to further strengthen itself in the future and for sustainability to which the Company is now required to proactively respond as a corporate citizen. Therefore, the Company has judged that it is extremely important for the Company to utilize his experience in management and knowledge as a Director of said company. The Company proposes that Mr. Satoh's appointment as a Director continue based on its evaluation that he has appropriately fulfilled his role as a Director by making important management decisions and supervising the management of operations.

Candidate No 7

Shigeru Okada (Born on February 27, 1953)

Reappointment | Outside | Independent Officer

■ Number of Shares Owned by Candidate

2,800 shares

■ Brief Personal Record, Title and Role in the Company and Status of Major Concurrent Offices

April 1975	Joined Showa Sangyo Co., Ltd.	April 2017	Chairman and Director of Showa Sangyo Co., Ltd.
June 2005	Executive officer of Showa Sangyo Co., Ltd.	April 2018	Director of Showa Sangyo Co., Ltd.
June 2008	Director Managing Officer of Showa Sangyo Co., Ltd.	June 2018	Special Advisor of Showa Sangyo Co., Ltd. (resigned in February 2020)
June 2010	Director Senior Managing Officer of Showa Sangyo Co., Ltd.	June 2021	Outside Director of the Company (current)
June 2011	President and CEO of Showa Sangyo Co., Ltd.		
April 2016	Chairman and Representative Director of Showa Sangyo Co., Ltd.		

■ Reason for selecting him as a candidate for Outside Director and his expected roles

Mr. Okada has an abundant management experience as the President and CEO and the Chairman and Representative Director of Showa Sangyo Co., Ltd., after having held senior positions such as a Director Operating Officer, which is responsible of the administration of several divisions of Showa Sangyo Co., Ltd. since he joined Showa Sangyo Col, Ltd. The Company proposes that Mr. Okada's appointment as an Outside Director continue based on its evaluation that he has appropriately fulfilled his role as a Director by making important management decisions and supervising the management of operations and its judgment that the Company can continue to expect to receive appropriate guidance and advice with respect to the management of the Company based on his abundant experience and extensive knowledge accumulated from his past work.

■ Matters concerning independence

Mr. Okada satisfies the requirements for independent officers set forth in the rules of the Tokyo Stock Exchange. Furthermore, he satisfies the Company's Criteria for Determination of Independence set forth on page 37 below and the Company has notified the Tokyo Stock Exchange that he is an independent officer.

In the most recent fiscal year, the Company did not have any transaction with any of the companies for which Mr. Okada had previously managed operations.

Candidate No **8** **Kimie Sakuragi** (Born on September 6, 1958)

Reappointment | Outside | Independent Officer

■ Number of Shares Owned by Candidate

700 shares

■ Brief Personal Record, Title and Role in the Company and Status of Major Concurrent Offices

March 1981	Joined Fukutake Publishing Co., Ltd. (currently Benesse Holdings, Inc.)	June 2003	Standing Audit & Supervisory Board Member of Benesse Corporation (resigned in June 2019)
April 1995	Supervisor of Book Businesses in Publishing Division of Benesse Corporation	April 2007	Adjunct Professor of the University of Aizu Graduate School (current)
November 1998	Chief of Business Ethics and Compliance Office of Benesse Corporation	June 2019	Outside Director of Toyobo Co., Ltd. (current)
January 2003	Manager of Business Ethics and Compliance Office of Benesse Corporation	June 2021	Outside Director of Isuzu Motors Limited (Audit and Supervisory Committee Member) (current)
		June 2021	Outside Director of the Company (current)

■ Reason for selecting her as a candidate for Outside Director and her expected roles

Ms. Sakuragi has experience as a Standing Audit & Supervisory Board Member of Benesse Corporation (currently, Benesse Holdings, Inc.), after having held senior positions such as the Manager of Business Ethics and Compliance Office since she joined Fukutake Publishing Co., Ltd. She also has abundant business experience having assumed positions such as an Outside Director of Toyobo Co., Ltd., an Outside Director of Isuzu Motors Limited (Audit and Supervisory Committee Member) (current) and an Adjunct Professor of the University of Aizu Graduate School. The Company proposes that Ms. Sakuragi's appointment as an Outside Director continue based on its evaluation that she has appropriately fulfilled her role as a Director by making important management decisions and supervising the management of operations and its judgment that the Company can continue to expect to receive appropriate guidance and advice with respect to the management of the Company based on her abundant experience and extensive knowledge accumulated from her past work.

■ Matters concerning independence

Ms. Sakuragi satisfies the requirements for independent officers set forth in the rules of the Tokyo Stock Exchange. Furthermore, she satisfies the Company's Criteria for Determination of Independence set forth on page 37 below and the Company has notified the Tokyo Stock Exchange that she is an independent officer.

In the most recent fiscal year, the Company did not have any transaction with any of the companies for which Ms. Sakuragi had previously managed operations.

Candidate No 9 **Masaya Nara** (Born on December 13, 1958) Reappointment | Outside | Independent Officer

■ Number of Shares Owned by Candidate

400 shares

■ Brief Personal Record, Title and Role in the Company and Status of Major Concurrent Offices

September 1990	Joined Yasuda Trust and Banking Company, Limited (currently Mizuho Trust & Banking Co., Ltd.)
April 2009	Executive Officer and General Manager of Operation Planning Department of Mizuho Trust & Banking Co., Ltd.
June 2011	Audit & Supervisory Board Member of Mizuho Trust & Banking Co., Ltd.
April 2014	Senior Managing Director of Mizuho Realty Co., Ltd.
January 2017	Registered with Bar of Japan
January 2017	Joined Torikai Law Office
March 2019	Independent Audit & Supervisory Board Member of Tamron Co., Ltd.
January 2020	Partner at Torikai Law Office (current)
June 2021	Outside Auditor of RISO KAGAKU CORPORATION (current)
June 2022	Outside Director of the Company (current)
March 2024	Outside Director (Audit & Supervisory Committee Member) of Tamron Co., Ltd. (current)

■ Reason for selecting him as a candidate for Outside Director and his expected roles

After joining Yasuda Trust and Banking Company, Limited (currently Mizuho Trust & Banking Co., Ltd.), in addition to his experience from his participation and involvement in its management as the Executive Officer and General Manager of Operation Planning Department and as the Audit & Supervisory Board Member of said company, Mr. Nara has abundant experience serving as a Partner at Torikai Law Office, an Outside Auditor of RISO KAGAKU CORPORATION and an Outside Director (Audit & Supervisory Committee Member) of Tamron Co., Ltd. The Company proposes that Ms. Nara's appointment as an Outside Director continue based on its judgment that the Company can expect to receive appropriate guidance and advice with respect to the management of the Company based on his abundant experience and extensive knowledge accumulated from his past work.

■ Matters concerning independence

Mr. Nara satisfies the requirements for independent officers set forth in the rules of the Tokyo Stock Exchange. Furthermore, he satisfies the Company's Criteria for Determination of Independence set forth on page 37 below and the Company has notified the Tokyo Stock Exchange that he is an independent officer.

Although the Company has loan transactions with Mizuho Trust & Banking Co., Ltd., for which Mr. Nara had previously managed operations, the size of the loan transactions with Mizuho Trust & Banking Co., Ltd. was no more than 0.2% of the consolidated total assets of the Company in the most recent fiscal year.

(Notes) 1. There is no special interest between each candidate and the Company.

2. A case of quality misconduct, including a case where the quality of actual products comprised of seven (7) engineering plastics products differed from those registered with a third-party certification organization, was found from October 2020 to March 2021 at Toyobo Co., Ltd., for which Ms. Kimie Sakuragi has served as an Outside Director since June 2019. After this case was discovered, the certification of Underwriters Laboratories (a third-party U.S. organization engaged in scientific safety) for series of such products was rescinded and ISO9001 certification was cancelled and temporarily suspended for some of the departments at Toyobo Co., Ltd. This incident began prior to her appointment as an Outside Director, and she has worked to improve internal controls and compliance by checking the status thereof and making recommendations as appropriate since she became an Outside Director. In addition, after this incident was discovered, she has been striving to clarify the facts and expressing her views on preventing reoccurrence of such incidents as a member of the Response Committee, which is comprised of Outside Directors and Corporate Auditors.

3. Mr. Masaya Nara assumed the position of an Independent Audit & Supervisory Board Member of Tamron Co., Ltd. in March 2019 and has been serving in the position of an Outside Director (Audit & Supervisory Committee Member) of Tamron Co., Ltd. since his assumption thereof in March 2024. In July 2023, while he was in the position of an Independent Audit & Supervisory Board Member, inappropriate uses of company money by the former President & CEO and other persons of Tamron Co., Ltd. were discovered. Although Mr. Masaya Nara was unaware of that fact until the external contact point of the whistleblower office of Tamron Co., Ltd. received a report, he had regularly made recommendations to raise awareness of the importance of legal compliance at meetings of the Board of Directors and other occasions. In addition, after recognizing that fact, he has been appropriately performing his duties by, among other things, implementing a factual investigation, establishing a special investigation committee, formulating effective measures for the prevention of recurrences based on the investigation report by such committee and implementing measures for strengthening internal controls.

4. Mr. Shigeru Okada, Ms. Kimie Sakuragi, and Mr. Masaya Nara are currently the Outside Directors of the Company, and as of the closing of this ordinary general meeting of shareholders, Mr. Shigeru Okada and Ms. Kimie Sakuragi will have been Outside Directors for four (4) years, and Mr. Masaya Nara will have been an Outside Director for three (3) years, since assuming the position of the Outside Director.

5. The Company has entered into a liability limitation agreement with each of Mr. Tatsuru Satoh, Mr. Shigeru Okada, Ms. Kimie Sakuragi, and Mr. Masaya Nara, which limits the liability for damages set forth in Article 423, Paragraph 1 of the Companies Act to the amount prescribed by laws and regulations pursuant to the provisions of Article 427, Paragraph 1 of the said Act, and the Company plans to renew such agreement with each of them, if he/she is reappointed.

6. The Company has entered into a directors and officers liability insurance contract set forth in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. Under such insurance contract, the insured shall be indemnified from any damages, litigation expenses or other expenses incurred by the insured arising from a claim for damages made due to an act (including an omission) conducted by the insured based on his/her status as a director, etc. of the Company, and the Company bears all of the insurance premiums of the insured. In addition, if any candidate is reappointed, he/she will be included in the insureds under such insurance contract. The Company plans to renew such insurance contract during the term of office.

Proposal 4: Appointment of three (3) Directors who are Audit & Supervisory Committee Members

If Proposal 2, "Partial amendments to Articles of Incorporation" is approved and adopted as originally proposed, the Company will become a company with Audit & Supervisory Committee. Accordingly, the Company proposes to appoint three (3) Directors who are Audit & Supervisory Committee Members.

The Company has obtained the consent of the Audit & Supervisory Board with respect to this Proposal.

This proposal shall take effect on condition that the amendments to the Articles of Incorporation comes into effect under Proposal 2, "Partial Amendments to the Articles of Incorporation."

The candidates for Directors who are Audit & Supervisory Committee Members are as follows:

Candidate No.		Name	Title and role	Attendance at the meetings of Board of Directors	Attendance at the meetings of Audit & Supervisory Board
1	New Appointment	Masahiro Kawanowa	Full-Time Audit & Supervisory Board Member	100% (17/17)	100% (13/13)
2	New Appointment	Akio Yamada	Audit & Supervisory Board Member Outside Independent Officer	100% (17/17)	100% (13/13)
3	New Appointment	Miho Ueda	Audit & Supervisory Board Member Outside Independent Officer	100% (17/17)	100% (13/13)

Candidate No **1** Masahiro Kawanowa (Born on March 10, 1963) New Appointment

■ Number of Shares Owned by Candidate
1,300 shares

■ Brief Personal Record, Title and Role in the Company and Status of Major Concurrent Offices

April 1986	Joined the Company	April 2015	General Manager of the Finance Department of the Administration Division of the Company
February 2009	General Manager of the Financial Administration Department of the Administration Division of the Company	April 2018	Joint General Manager of the Administration Division of the Company
April 2010	General Manager of the Legal & Compliance Department of the Administration Division of the Company	April 2021	General Manager of the Surveillance Department of the Administration Division of the Company
June 2013	Outside Audit & Supervisory Board Member of GEOSTR Corporation	June 2022	Full-Time Audit & Supervisory Board Member of the Company (current)

■ Reason for selecting him as a candidate for Director

Mr. Kawanowa has extensive knowledge and experience in the Administration Division, including considerable knowledge concerning finance and accounting, having held a number of senior positions such as the General Manager of the Financial Administration Department, the General Manager of the Legal & Compliance Department, the General Manager of the Finance Department and the General Manager of the Surveillance Department of the Company. Mr. Kawanowa also has abundant experience of serving as a Full-Time Audit & Supervisory Board Member of the Company and as an Outside Audit & Supervisory Board Member of GEOSTR Corporation. The Company proposes to newly appoint Mr. Kawanowa as an Audit & Supervisory Committee Member based on its judgment that the Company can expect him to perform appropriate auditing and supervision in respect of the management of the Company utilizing his experience accumulated from his past performance.

Candidate No **2** **Akio Yamada** (Born on February 24, 1955)

New Appointment | Outside | Independent Officer

■ Number of Shares Owned by Candidate
900 shares

■ Brief Personal Record, Title and Role in the Company and Status of Major Concurrent Offices

November 1978	Joined Peat Marwick Mitchell & Co. (currently KPMG AZSA LLC.)
April 1982	Registered as a certified public accountant
August 2009	Partner at KPMG AZSA LLC.
July 2017	Established Yamada Akio Public Accounting Firm (current)
June 2018	Outside Company Auditor of Nittan Valve Co. Ltd. (currently NITTAN Corporation) (current)
June 2018	Auditor of Pfizer Health Research Foundation (current)
July 2018	Outside Audit & Supervisory Board Member of Rakuten Insurance Holdings Co., Ltd. (current)
October 2021	Outside Audit & Supervisory Board Member of UCHIDA YOKO CO., LTD. (current)
June 2022	Outside Audit & Supervisory Board Member of the Company (current)

■ Reason for selecting him as a candidate for Outside Director and his expected roles

As a certified public accountant, Mr. Yamada has expertise and abundant experience in finance and accounting, and he has a wide range of business experience, including as an Outside Director of the Company, an Outside Company Auditor of Nittan Valve Co. Ltd. (currently NITTAN Corporation) and an Outside Audit & Supervisory Board Member of UCHIDA YOKO CO., LTD. The Company proposes to newly appoint Mr. Yamada as an Outside Director who is an Audit & Supervisory Committee Member based on its judgment that the Company can expect him to perform appropriate auditing and supervision in respect of the management of the Company from an objective standpoint by utilizing his abundant experience and expertise accumulated from his past work. Although he has not previously been engaged in the management of a company except as an outside officer, the Company has judged he will fulfill the duties of an Outside Director who is an Audit & Supervisory Committee Member appropriately due to the reasons stated above.

■ Matters concerning independence

Mr. Yamada satisfies the requirements for independent officers set forth in the rules of the Tokyo Stock Exchange. Furthermore, he satisfies the Company's Criteria for Determination of Independence set forth on page 37 below and the Company will notify the Tokyo Stock Exchange that he is an independent officer.

In the most recent fiscal year, the Company does not have any transaction with any of the accounting firms to which Mr. Yamada had previously belonged.

Candidate No **3** | Miho Ueda | (Born on January 19, 1972) | New Appointment | Outside | Independent Officer

■ Number of Shares Owned by Candidate
200 shares

■ Brief Personal Record, Title and Role in the Company and Status of Major Concurrent Offices

April 1999	Registered with Bar of Japan	June 2021	Director of Japan Handball Association
April 2005	Lecturer at Rikkyo Law School	December 2022	Outside Director (Audit and Supervisory Committee Member) of Mullion Co., Ltd.
April 2017	Partner at Sunrise Law Office (current)	June 2023	Outside Audit & Supervisory Board Member of the Company (current)
June 2018	Outside Director of Traders Holdings Co., Ltd.	June 2024	Outside Audit & Supervisory Board Member of GECOSS CORPORATION (current)
June 2021	Outside Director of Regal Corporation (current)		

■ Reason for selecting her as a candidate for Outside Director and her expected roles

After registered with Bar of Japan, Ms. Ueda has obtained expertise and abundant experience as an attorney, including as a Partner at Sunrise Law Office. She also has a wide range of business experience, including as an Outside Audit & Supervisory Board Member of the Company, an Outside Director of Traders Holdings Co., Ltd., an Outside Director of Regal Corporation, an Outside Director (Audit and Supervisory Committee Member) of Mullion Co., Ltd, and an Outside Audit & Supervisory Board Member of GECOSS CORPORATION. The Company proposes to newly appoint Ms. Ueda as an Outside Director who is an Audit & Supervisory Committee Member based on its judgment that the Company can expect her to perform appropriate auditing and supervision in respect of the management of the Company from an objective standpoint by utilizing her abundant experience and legal expertise accumulated from her past work. Although she has not previously been engaged in the management of a company except as an outside officer, the Company has judged she will fulfill the duties of an Outside Director who is an Audit & Supervisory Committee Member appropriately due to the reasons stated above.

■ Matters concerning independence

Ms. Ueda satisfies the requirements for independent officers set forth in the rules of the Tokyo Stock Exchange. Furthermore, she satisfies the Company's Criteria for Determination of Independence set forth on page 37 below and the Company will notify the Tokyo Stock Exchange that she is an independent officer.
In the most recent fiscal year, the Company did not have any transaction with any of the law firms to which Ms. Ueda has belonged thus far.

(Notes) 1. There is no special interest between each of the candidates and the Company.
2. Mr. Akio Yamada and Ms. Miho Ueda are currently the Outside Audit & Supervisory Board Members of the Company, and as of the closing of this ordinary general meeting of shareholders, Mr. Akio Yamada will have been an Outside Audit & Supervisory Board Member for three (3) years, and Ms. Miho Ueda will have been an Outside Audit & Supervisory Board Member for two (2) years, since assuming the position of the Outside Audit & Supervisory Board Members.
3. The Company has entered into a liability limitation agreement with each of Mr. Masahiro Kawanowa, Mr. Akio Yamada, and Ms. Miho Ueda, which limits the liability for damages set forth in Article 423, Paragraph 1 of the Companies Act to the amount prescribed by laws and regulations pursuant to the provisions of Article 427, Paragraph 1 of the said Act, and the Company plans to enter into a similar agreement with each of them, if they are appointed.
4. The Company has entered into a directors and officers liability insurance contract set forth in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. Under such insurance contract, the insured shall be indemnified from any damages, litigation expenses or other expenses incurred by the insured arising from a claim for damages made due to an act (including an omission) conducted by the insured based on his/her status as a director, etc. of the Company, and the Company bears all of the insurance premiums of the insured. If any candidate is appointed, they will be

included in the insureds under such insurance contract, and the Company plans to renew such insurance contract during the term of office.

5. In April 2023, it was discovered that a false report had been made regarding testing frequency during concrete quality control testing for the "Yotei Tunnel (Arishima), etc. on the Hokkaido Shinkansen line" project performed through a specific construction work joint venture led by the Company. Although Mr. Akio Yamada was unaware of that fact until this incident was discovered, he had previously given necessary advice and reminders on the importance of compliance from time to time at meetings of the Board of Directors and on other occasions. In addition, after this incident was discovered, he has been appropriately performing his duties by, among other things, making recommendations regarding clarification of the cause, formulating measures for the prevention of recurrences and so forth at meetings of the Board of Directors and other occasions.

(Reference)

The skill items that the Board of Directors of the Company should have and the skills particularly expected for each Director if Proposals 3 and 4 are approved are as follows:

The below does not purport to be indicative of all knowledge/experiences/abilities possessed by each Director.

Name	Title	Role	Corporate Management / Management Strategy	Sales / Marketing	Global	Technology / Research and Development / ICT（DX）	Compliance / Risk Management	Financial / Accounting	Sustainability（ESG/SDGs）	Human Resource Development / Diversity
Shin Ueda	President Executive President		●	●			●		●	
Koji Okaichi	Director Executive Vice President	In charge of Technology In charge of Safety In charge of Quality and Environment In charge of New Business In charge of International Business In charge of Promotion of Collaboration with Sumitomo Forestry Co., Ltd.	●		●	●			●	
Hiroyasu Yaguchi	Director Senior Managing Executive Officer	General Manager of the Administration Division In charge of Compliance In charge of Crisis Management	●				●	●		●
Tetsuo Ono	Director Senior Managing Executive Officer	General Manager of the Civil Engineering Management Division	●	●		●				●
Taiji Ito	Director Senior Managing Executive Officer	General Manager of the Architectural Management Division	●	●		●				●
Tatsuru Satoh	Director		●		●			●	●	
Shigeru Okada	Director	(Outside Director)	●	●	●	●				
Kimie Sakuragi	Director	(Outside Director)	●				●		●	●
Masaya Nara	Director	(Outside Director)	●		●		●	●		
Masahiro Kawanowa	Director (Full-Time Audit & Supervisory Committee Member)						●	●		
Akio Yamada	Director (Audit & Supervisory Committee Member)	(Outside Director)			●			●		
Miho Ueda	Director (Audit & Supervisory Committee Member)	(Outside Director)					●			●

Proposal 5: Appointment of two (2) Substitute Directors who are Audit & Supervisory Committee Members

If Proposal 2, "Partial amendments to Articles of Incorporation" is approved and adopted as originally proposed, the Company will become a company with Audit & Supervisory Committee. Accordingly, in preparation for an event where the number of Directors who are Audit & Supervisory Committee Members falls short of the number stipulated in laws and regulations, the Company proposes the appointment of two (2) Substitute Directors who are Audit & Supervisory Committee Members. The Company has obtained the consent of the Audit & Supervisory Board with respect to this proposal.

This proposal shall take effect on condition that the amendments to the Articles of Incorporation comes into effect under Proposal 2, "Partial Amendments to the Articles of Incorporation."

The Company proposes the appointment of Mr. Junji Konishi as a substitute for a Director who is an Audit & Supervisory Committee Member other than an Outside Director, and the appointment of Mr. Akira Maekawa as a substitute for an Outside Director who is an Audit & Supervisory Committee Member.

The candidates for Substitute Directors who are Audit & Supervisory Committee Members are as follows:

Candidate No **1** Junji Konishi (Born on July 18, 1958)

■ Number of Shares Owned by Candidate
2,000 shares

■ Brief Personal Record, Title and Role in the Company and Status of Major Concurrent Offices

April 1981	Joined the Company
April 2007	General Manager of the Administration Department of the Kyushu Branch of the Company
April 2010	General Manager of the Administration Department of the Chushikoku Branch of the Company
April 2014	Assistant General Manager of the Chushikoku Branch of the Company
June 2017	Full-Time Audit & Supervisory Board Member of the Company
June 2022	Executive Advisor of the Company (current)
June 2024	Part-Time Advisor of the Company (current)

■ Reason for selecting him as a candidate for Substitute Director who is an Audit & Supervisory Committee Member

Mr. Konishi has extensive knowledge and abundant business experience in the Administration Division, having held a number of senior positions such as the General Manager of the Administration Department of the Kyushu Branch and the General Manager of the Administration Department of the Chushikoku Branch, and thereafter having assumed the position of the Assistant General Manager of the Chushikoku Branch. He has also conducted appropriate auditing as a Full-Time Audit & Supervisory Board Member of the Company. The Company proposes to newly appoint Mr. Konishi as a Substitute Director who is an Audit & Supervisory Committee Member based on its judgment that the Company can expect him to perform appropriate auditing and supervision in respect of the management of the Company utilizing his experience accumulated from his past performance.

Candidate No **2** **Akira Maekawa** (Born on October 9, 1972) Outside | Independent Officer

■ Number of Shares Owned by Candidate
- shares

■ Brief Personal Record, Title and Role in the Company and Status of Major Concurrent Offices

April 1999	Registered with Bar of Japan	April 2016	Deputy Chairman of the Daiichi Tokyo Bar Association
April 1999	Joined Okamura Law Office	March 2018	Outside Director of Japan Investment Adviser Co., Ltd. (current)
February 2006	Financial Securities Inspector of the Kanto Local Finance Bureau of the Ministry of Finance	April 2018	Conciliation Commissioner of the Tokyo Summary Court (current)
January 2008	Joined Masuda & Partners Law Office	June 2021	Auditor of The Kanagawa Shinkin Bank (current)
August 2009	Established Maekawa Akira Law Office		
February 2011	Became Partner at IOTA Law Office (current)		

■ Reason for selecting him as a candidate for Substitute Outside Director who is an Audit & Supervisory Committee Member and his expected roles

In addition to professional expertise and abundant business experience as an attorney-at-law, Mr. Maekawa has served with the Kanto Local Finance Bureau of the Ministry of Finance from February 2006 to January 2008 and has engaged in enhancement of the risk structures of financial institutions and facilitation of financial system as Financial Securities Inspector. He also has a wide range of business experience, including as an Outside Director of Japan Investment Adviser Co., Ltd., and the Company can expect him to perform appropriate auditing and supervision in respect of the management of the Company from an objective standpoint by utilizing his abundant experience and legal knowledge accumulated from his past work, and therefore, the Company proposes to appoint Mr. Maekawa as a Substitute Outside Director who is an Audit & Supervisory Committee Member. Although he has not previously been engaged in the management of a company except as an outside officer, the Company has judged he will fulfill the duties of an Outside Director who is an Audit & Supervisory Committee Member appropriately due to the reasons stated above.

■ Matters concerning independence

Mr. Maekawa satisfies the requirements for independent officers set forth in the rules of the Tokyo Stock Exchange. Furthermore, he satisfies the Company's Criteria for Determination of Independence set forth on page 37 below and if he assumes the position of Outside Audit & Supervisory Board Member, the Company will notify the Tokyo Stock Exchange that he becomes an independent officer.

In the most recent fiscal year, the Company does not have any transaction with any of the law firms to which Mr. Maekawa has belonged thus far.

(Notes) 1. There is no special interest between the candidates and the Company.

2. If Mr. Junji Konishi and Mr. Akira Maekawa are appointed, the Company plans to enter into a liability limitation agreement with each of them which limits the liability for damages set forth in Article 423, Paragraph 1 of the Companies Act to the amount prescribed by laws and regulations pursuant to the provisions of Article 427, Paragraph 1 of the said Act.

3. The Company has entered into a directors and officers liability insurance contract set forth in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. Under such insurance contract, the insured shall be indemnified from any damages, litigation expenses or other expenses incurred by the insured arising from a claim for damages made due to an act (including an omission) conducted by the insured based on his/her status as a director, etc. of the Company, and the Company bears all of the insurance premiums of the insured. If Mr. Junji Konishi and Mr. Akira Maekawa assume the positions, they will be included in the insureds under such insurance contract. In addition, the Company plans to renew such insurance contract during the term of office.

(Reference)

<Company's Criteria for Determination of Independence>

In addition to the Independence Standards prescribed by the Tokyo Stock Exchange, the Company determines that any person falling under the following criteria is not independent.

(1) A person who currently falls under any of (a) through (d) below:
   (a) a major shareholder of the Company (a shareholder holding 10% or more voting rights in the Company) or a person who manages operations thereof;
   (b) a person/entity whose annual trading amount with the Company is over 2% of the consolidated total sales for most recent fiscal year of the Company and trading person/entity, respectively, or a person who manages operations thereof;
   (c) a person/entity who has received donations from the Company in the amount of JPY 10 million or more on average for the past three (3) fiscal years or a person who manages operations thereof; or
   (d) a legal professional, accounting professional, consultant or a person belonging to any of those associations who has received cash or other economic benefits from the Company, except for officer compensation, in the amount of JPY 10 million or more on average for the past three (3) fiscal years.

(2) A person who fell under any of (a) through (d) above at any time during the past three (3) years.

Proposal 6: Determination of amount of compensation, etc. for Directors (excluding Audit & Supervisory Committee Members)

The amount of compensation, etc. for Directors of the Company was approved at the extraordinary general meeting of shareholders held on January 24, 2001 to be no more than JPY 30 million per month (including compensation, etc. for Outside Directors, but not including employee salaries for Directors concurrently serving as employees). However, if Proposal 2, "Partial amendments to Articles of Incorporation" is approved and adopted as originally proposed, the Company will transition to a company with Audit & Supervisory Committee, and therefore the Company requests approval to abolish the foregoing, to make the amount of compensation, etc. for Directors (excluding Audit & Supervisory Committee Members; hereinafter the same applies in this proposal) no more than JPY 450 million per year (including no more than JPY 70 million per year for Outside Directors) after the Company transitions to a company with Audit & Supervisory Committee, taking into consideration recent economic conditions and various circumstances, and to determine the specific amount of the compensation, etc. for each Director, the timing of payment thereof and other details by resolution of the Board of Directors.

While a summary of the details of the policy on determining the content of individual compensation, etc. for each Director is as set forth on page 60 of the Business Report, the term "Directors" set forth as the eligible persons is planned to be changed to "Directors (excluding Audit & Supervisory Committee Members)" at the Board of Directors' meeting to be held after the closing of this general meeting of shareholders and no substantive change will be made. The compensation, etc. under this proposal is to be paid as fixed compensation and performance-based compensation in accordance with the policy after such amendment, and therefore the Company determines that the amount of compensation, etc. is appropriate. The amount of such compensation, etc. will not include the amount paid as employee salaries to Directors concurrently serving as employees.

There are currently eleven (11) Directors (including four (4) Outside Directors), and if Proposal 2, "Partial Amendments to the Articles of Incorporation" and Proposal 3, "Appointment of nine (9) Directors (excluding Audit & Supervisory Committee Members)" are approved and adopted as originally proposed, there will be nine (9) Directors (excluding Audit & Supervisory Committee Members) (including three (3) Outside Directors).

This proposal shall take effect on condition that the amendments to the Articles of Incorporation comes into effect under Proposal 2, "Partial Amendments to the Articles of Incorporation."

Proposal 7: Determination of amount of compensation, etc. for Directors who are Audit & Supervisory Committee Members

If Proposal 2, "Partial amendments to Articles of Incorporation" is approved and adopted as originally proposed, the Company will transition to a company with Audit & Supervisory Committee, and therefore the Company requests approval to make the amount of compensation, etc. for Directors who are Audit & Supervisory Committee Members no more than JPY 75 million per year after the Company transitions to a company with Audit & Supervisory Committee, taking into consideration recent economic conditions and various circumstances, and to determine the specific amount of the compensation, etc. for each Director who is an Audit & Supervisory Committee Member, the timing of payment thereof and other details through consultation among Directors who are Audit & Supervisory Committee Members. The Company determines that the amount of compensation, etc. under this proposal is appropriate in light of the responsibilities of each Director who is an Audit & Supervisory Committee Member.

If Proposal 2, "Partial Amendments to the Articles of Incorporation" and Proposal 4, "Appointment of three (3) Directors who are Audit & Supervisory Committee Members" are approved and adopted as originally proposed, there will be three (3) Directors who are Audit & Supervisory Committee Members.

This proposal shall take effect on condition that the amendments to the Articles of Incorporation comes into effect under Proposal 2, "Partial Amendments to the Articles of Incorporation."

Proposal 8: Determination of amount and details of stock compensation, etc. for Directors (excluding Audit & Supervisory Committee Members and Outside Directors)

1. Reasons for the proposal and reasons for considering the said compensation plan to be appropriate

Compensation for Directors of the Company consists of "basic compensation," "bonus" and "stock compensation." Among them, regarding "stock compensation", the introduction of a stock compensation plan utilizing a trust service (hereinafter the "Plan") was approved by shareholders at the 81st Ordinary General Meeting of Shareholders held on June 28, 2018, and the Plan was introduced by the Company. Subsequently, at the 87st Ordinary General Meeting of Shareholders held on June 27, 2024 (hereinafter, the "Previous General Meeting of Shareholders"), the Company obtained shareholder approval to amend the Plan to link the number of points to be granted to Directors to the Company's business performance, to increase the compensation frame, and to grant shares of the Company to Directors during a point of the period of tenure of each Director with the transfer of such shares to be granted being restricted until the retirement of the relevant Director.

If Proposal 2, "Partial amendments to Articles of Incorporation" is approved and adopted as originally proposed, the Company will transition to a company with Audit & Supervisory Committee. The Company thus proposes to abolish the current compensation frame and newly set a compensation frame under the Plan for Directors (excluding Audit & Supervisory Committee Members and Outside Directors) after the transition. The Company also requests approval to leave the decision on the details of the Plan to the discretion of the Board of Directors within the framework described in 2. below.

This proposal is made as a procedural matter in connection with the transition to a company with Audit & Supervisory Committee, and the details of compensation are substantially the same as those approved at the Previous General Meeting of Shareholders. The Company's Board of Directors, at its meeting held on June 27, 2024, established the decision-making policy relating to the content of individual compensation, etc. for each Director, a summary of which is as set forth on page 60 of the Business Report, and the Company has determined that the Plan is in accordance with the said policy and appropriate.

The Company proposes to set the compensation frame under this proposal separately from the compensation frame for Directors proposed for approval under Proposal 6, "Determination of amount of compensation, etc. for Directors (excluding Audit & Supervisory Committee Members)." If Proposal 3, "Appointment of nine (9) Directors (excluding Audit & Supervisory Committee Members)" is approved and adopted as originally proposed, five (5) Directors (excluding Audit & Supervisory Committee Members and Outside Directors; hereinafter the term "Directors" refers to such Directors) will be eligible for the Plan.

The resolution of this proposal shall take effect on condition that the amendments to the Articles of Incorporation comes into effect under Proposal 2, "Partial Amendment to the Articles of Incorporation."

2. Amount and details of the compensation, etc. under the Plan

The amount and details of the compensation, etc. under the Plan after the amendment are as follows.

(1) Overview of the Plan

The Plan is a stock compensation plan, where a trust to which the Company makes financial contributions (which was established at the time of the introduction of the Plan in 2018; hereinafter the "Trust") acquires the shares of the Company and, through the Trust the Company issues the Company's shares to Directors based on the number of points allocated by the Company to each Director.

The timing for Directors to receive a grant of the shares of the Company shall be, in principle, a predetermined time each year. Other details of the Plan are outlined in the table below.

(i)	Eligible persons for the Plan (Note)	Directors of the Company (other than Audit & Supervisory Committee Members and Outside Directors)	
(ii)	Applicable Period	Initial Applicable Period:	Three (3) fiscal years (from the fiscal year ended March 2025 until the fiscal year ending March 2027)
		Extension of Applicable Period:	Period may be extended by prescribing a period of up to three (3) fiscal years
(iii)	Maximum amount of funds contributed by the Company as funds to acquire the necessary shares of the Company to be granted to the eligible persons described in (i) during the Applicable Period described in (ii)	Initial Applicable Period:	JPY 225 million in total
		Upon extension of Applicable Period:	Amount obtained by multiplying the number of fiscal years of the extended Applicable Period by JPY 75 million
(iv)	Method of acquisition of the shares of the Company	Through disposal of treasury shares or by purchase from exchange market (including off-floor trading)	
(v)	Upper limit of the total points granted to the eligible persons described in (i)	75,000 points in total per fiscal year	

(vi)	Standards for granting points	Granting of points according to each Director's individual position and the degree to which such Director achieves performance targets, etc.
(vii)	Timing for grant of the shares of the Company to the eligible persons described in (i)	At a predetermined time during the trust period

Note: As resolved at the Previous General Meeting of Shareholders, Directors of the Company (other than Outside Directors) remain eligible until the Company transitions to a company with Audit & Supervisory Committee.

(2) Maximum amount of funds contributed by the Company

The Company will, during the Initial Applicable Period set forth in (1) (ii) above, entrust funds in the amount of up to JPY 225 million in total to the Trust as compensation for Directors in office during the Initial Applicable Period as funds to acquire the necessary shares of the Company to be granted to Directors under the Plan (The Company has already entrusted funds within the maximum amount approved at the Previous General Meeting of Shareholders during the period from the commencement date of the Initial Target Period to the present; however, if this proposal is approved, the Company may thereafter entrust additional funds up to an amount equal to JPY 225 million, less the amount already contributed, until the end of the Initial Target Period). The Trust will acquire the shares of the Company by using the funds in the Trust (which include, in addition to the funds to be additionally entrusted by the Company, the funds remaining in the Trust before the additional entrustment) through disposal of treasury shares of the Company or by purchase from the exchange market (including off-floor trading) (Shares have already been acquired; however, additional acquisitions may be made as necessary.).

Note: In addition to the above-mentioned funds for acquiring the shares of the Company, the actual amount to be entrusted to the Trust by the Company shall include expected necessary costs, such as trust fees and trust administrator fees. Furthermore, a similar stock compensation plan has been introduced for Executive Officers with whom the Company has executed engagement agreements, and the funds to acquire the necessary shares of the Company to be granted to Executive Officers under such plan have also been entrusted.

Note: The shares of the Company acquired by the Trust by using the funds entrusted by the Company in accordance with the resolution of the 81st Ordinary General Meeting of Shareholders held on June 28, 2018 or the resolution of the Previous General Meeting of Shareholders may be delivered under the Plan to Directors after the transition to a company with Audit & Supervisory Committee.

The Applicable Period under the Plan may be extended by prescribing a period of up to three (3) fiscal years on each occasion, and the trust period of the Trust may consequently be further extended for up to three (3) years (including the trust period being extended by transferring the trust assets of the Trust to a trust with the same purpose as the Trust

established by the Company; hereinafter the same shall apply) by a decision of the Board of Directors of the Company, and the Plan may continue. In such case, the Company shall, during the period of the extended part of the Applicable Period, additionally entrust funds to the Trust up to the amount obtained by multiplying the number of fiscal years of the period of the extended part of the Applicable Period by JPY 75 million, as additional funds for acquiring the necessary shares of the Company to be granted to Directors under the Plan and continue to grant the points and grant the shares of the Company as described in (3) below. The additional acquisition of the shares of the Company shall be made through the disposal of treasury shares of the Company or by purchasing shares from the exchange market (including off-floor trading).

In addition, even when the Applicable Period is not extended and the Plan does not continue as described above, if there are any Directors to whom points have been granted but who have not retired at the expiry of the trust period, the trust period of the Trust may be extended until such Directors retire from office and the delivery of shares of the Company is complete.

(3) Calculation method and upper limit of the shares of the Company to be granted to Directors

(i) Method, etc. of granting points to Directors

In accordance with the stock granting rules established by the Board of Directors of the Company, the Company shall grant points to each Director according to their individual position and the degree to which such Director achieves performance targets, etc. on the point grant day during the trust period stipulated in the stock granting rules. After the closing of this ordinary general meeting of shareholders, the Company may grant points for the performance of duties during the period up to the closing of this ordinary general meeting of shareholders within the limit resolved at the Previous General Meeting of Shareholders.

However, the upper limit of the total number of points granted to Directors shall be 75,000 points for each fiscal year.

(ii) Delivery of shares of the Company according to number of points granted

Directors shall receive shares of the Company according to the number of points granted stated in (i) above, following the procedure described in (iii) below.

One point shall equate to one (1) share of the Company; provided, however, that when an event occurs, including any stock split or stock consolidation, such that would be reasonable to adjust the number of the shares of the Company to be delivered, the number of the shares of the Company per point shall be adjusted in accordance with the ratio of such stock split or stock consolidation.

(iii) Grant of shares of the Company to Directors

The grant of the shares of the Company to each Director as described in (ii) above shall be made through the Trust when Directors follow the designated procedures to define the beneficiary, in principle, at a predetermined time during the trust period; however, the shares of the Company granted in exchange for points granted pursuant to the Plan prior to the amendment in accordance with the resolution of the Previous General Meeting of Shareholders shall be delivered upon retirement.

However, certain proportions of these shares may be delivered in cash after the Company sells and converts them into cash within the Trust as tax withholdings or other tax capital. Moreover, when the shares of the Company held in the Trust are converted into cash, such as in the case of settlement by a tender offer, the Company may deliver cash in lieu of such shares.

(4) Exercise of voting rights

Voting rights associated with the shares of the Company held in the Trust shall, under the instruction of the trust administrator independent of the Company or any officers of the Company, not be exercised at all. This method is intended to ensure the neutrality towards the management of the Company regarding the exercise of voting rights of the shares of the Company held in the Trust.

(5) Handling of dividends

Dividends related to the shares of the Company held in the Trust shall be received by the Trust and shall be used for the acquisition of the shares of the Company or payment of trustee's trust fees, etc. related to the Trust.

3. Transfer restriction agreement pertaining to the shares of the Company to be granted to Directors

When the shares of the Company are granted as described in 2. (3) (ii) above, the Company and each Director shall enter into a transfer restriction agreement containing the following details (hereinafter the "Transfer Restriction Agreement") (each Director shall receive grant of the shares of the Company subject to the conclusion of the Transfer Restriction Agreement); provided, however, that if the Company's shares are granted after the retirement date, shares of the common stock shall be granted with no transfer restrictions.

(1) Transfer restriction period

Directors may not transfer, establish any security interest on, or otherwise dispose of the shares received under the Plan (hereinafter the "Granted Shares") during the period from the date of receipt of grant (or the date of receipt of each grant in the case of multiple grants) until the date of retirement as Director, etc. of the Company (which means retirement from

positions as both Director (including Audit & Supervisory Committee Members) and Executive Officer of the Company and includes retirement for reason of death; such period shall be hereinafter referred to as the "Transfer Restriction Period," and such restrictions shall be hereinafter referred to as the "Transfer Restrictions").

(2) Event of acquisition of the Granted Shares without consideration

(i) If a Director attempts to dispose of all or part of the Granted Shares by transfer, security provision or otherwise in violation of (1) above, the Company shall automatically acquire all of the Granted Shares without consideration.

(ii) If a Director falls under any of the following items, the Company shall automatically acquire all of the Granted Shares without consideration at the time when such Director falls under the relevant item:

i) if a Director is sentenced to prescribed punishment during the Transfer Restriction Period; or

ii) if a petition for the commencement of bankruptcy proceedings, the commencement of civil rehabilitation proceedings or the commencement of any other similar proceedings is filed against a Director.

(iii) If a Director falls under any of the following items during the Transfer Restriction Period, and the Board of Directors of the Company determines that the Company's acquisition of all or part of the Granted Shares without consideration is appropriate, then by giving written notice to such Director to the effect that the Company will acquire the Granted Shares without consideration, the Company shall, at the time of the arrival of such notice, automatically acquire all of the Granted Shares (if it is determined to be appropriate to acquire only a portion of the Granted Shares, then only such portion of the Granted Shares) without consideration:

i) If a Director retires from office prior to the expiration of his/her term of office for a personal reason (except where the Board of Directors determines it unavoidable due to occupational injury or illness, etc.);

ii) If a Director is dismissed or resigns as a Director, etc. due to his/her act that caused damages to the Company; or

iii) If a Director committed an act that was otherwise disadvantageous or inconvenient to the Company, including an illegal act, etc.

[End]

BUSINESS REPORT

(From April 1, 2024 to March 31, 2025)

1. Matters Regarding Current Status of Group

(1) Progress and Results of Operations

During this consolidated fiscal year, the Japanese economy maintained a gradual recovery trend, and, amid progress in the improvement of the employment and income environment as well as corporate earnings, personal consumption showed signs of picking up despite the impact of rising prices, and capital expenditures remained stable, especially software investment.

With respect to the construction industry, while housing investment remained flat, investments in construction by private companies continued to increase amid continued improvements in corporate earnings and business sentiment. Public investment also remained solid due to the implementation of related budgets, and as a result the environment in respect of orders remained generally favorable. However, profitability remained somewhat challenging due to persistently high costs for construction materials and labor.

Under such management environment, the Group is currently working together as an entire group to implement the "Kumagai Gumi Group Mid-term Management Plan (FY2024-2026): a new path toward sustainable growth" that was formulated in May 2024, the basic policies of which consist of: (i) strengthening construction business, (ii) accelerating peripheral businesses, and (iii) reinforcing the management foundation, and continuously taking on the challenge of achieving sustainable growth.

With respect to the consolidated results for the Group during this consolidated fiscal year, net sales increased by 12.5% in comparison with the previous consolidated fiscal year, to an amount of JPY 498.5 billion. In regard to profits, operating profit was JPY 14.2 billion while ordinary profit was JPY 14.4 billion, as a result of the increase in net sales and improved gross profit margin. Furthermore, profit attributable to owners of parent was JPY 9.3 billion, partly as a result of recording the income taxes – current.

The results of operations of the Company are as follows:

Orders received increased by 1.0% in comparison with the previous fiscal year, to JPY 379.3 billion, mainly due to an increase in domestic civil engineering work. Among these orders received, civil engineering work amounted to JPY 110.9 billion, and building construction work

amounted to JPY 268.3 billion. As for the breakdown of the parties placing orders, 22.6% were from government agencies and 77.4% were from private businesses.

Net sales increased by 13.5% in comparison with the previous fiscal year, to JPY 372.2 billion. Among these, civil engineering work amounted to JPY 105.1 billion and building construction work amounted to JPY 267.1 billion. As for the breakdown of the parties placing orders, 25.2% were from government agencies and 74.8% were from private businesses.

The amount carried forward to the following fiscal year increased by 1.1% in comparison with the previous fiscal year, to JPY 588.9 billion.

With respect to profits, ordinary profit amounted to JPY 9.0 billion, and profit was JPY 6.2 billion, mainly due to an increase in gross profit in line with the increase in net sales.

The Company's status by division is as follows:

[Civil Engineering]
Orders received for civil engineering work increased by 4.3% in comparison with the previous fiscal year, to JPY 110.9 billion.

Major contracts include: The Kansai Electric Power Company, Incorporated: Demolition work in respect of former power generating facilities, etc. of Sakai Port power station, contract for collection of waste materials in connection thereto, and two (2) other projects (Osaka); Ministry of Land, Infrastructure, Transport and Tourism: Construction work in respect of Yunokami Fourth Tunnel on the National Route No. 121 (Fukushima); East Nippon Expressway Company Limited: Bridge deck replacement work for Wagagawa Bridge on the Tōhoku Expressway (Iwate); the University of Tokyo: Construction work in respect of the Hyper-Kamiokande, the University of Tokyo (Kamioka, Gifu) (water tank and PMT support structure, etc.) (Gifu), etc.

Net sales in respect of completed construction contracts increased by 5.0% in comparison with the previous fiscal year, to JPY 105.1 billion.

Major completed works include: Ministry of Agriculture, Forestry and Fisheries: No. 1 tunnel construction work in respect of No. 1 arterial canal under agricultural irrigation project at left bank watershed of Shinano River (Niigata); Ministry of Land, Infrastructure, Transport and Tourism: Kagami Tunnel construction work on general national road Route 452 in Ashibetsu City (Hokkaido); JFE Engineering Corporation: Civil engineering building construction work among installation work of woody biomass storage facilities at Tsuruga Thermal Power Station Unit 2 (Fukui); Central Nippon Expressway Company Limited: Construction work

(substructure) of Ohsugabora Third Bridge and another bridge on Tokai-Kanjo Expressway (Gifu), etc.

[Building Construction]
Orders received for building construction work decreased by 0.3% in comparison with the previous fiscal year, to JPY 268.3 billion.

Major contracts include: Mitsui Fudosan Residential Co., Ltd., Nomura Real Estate Development Co., Ltd., and Mitsubishi Estate Residence Co., Ltd., ITOCHU Property Development, Ltd., Toho Jisho Co., Ltd., Fujimi Jisyo Co., Ltd. and Sodegaura Kogyo Co., Ltd.: New construction work in respect of Makuhari Shintoshin Wakaba Residential Plan (B-6 Block) (residential building) (tentative name) (Chiba); JX Advanced Metals Corporation: Construction work in respect of Hitachinaka C2 building (Ibaraki); Bridgestone Corporation: New construction work in respect of second annex building at Kitakyushu Plant, Phase 5, Stage 1 (Fukuoka); SUMITOMO CORPORATION: New construction work in respect of SOSiLA Atsugi Kamiechi (Kanagawa), etc.

Net sales of completed construction contracts increased by 17.3% in comparison with the previous fiscal year, to JPY 267.1 billion.

Major completed works include: Mitsui Fudosan Co., Ltd.: New construction work under Retail Facilities Plan in Anjo City, Daito-cho (tentative name) (Aichi); Nishi-Shinjuku 5-chome Central South District Urban Redevelopment Association: Nishi-Shinjuku 5-chome Central South District Class 1 Urban Redevelopment Project, new construction of facilities building (Tokyo); APA HOME Co., Ltd., APA MANSION Co., Ltd.: New construction work in respect of APA Hotel & Resort. <Osaka Namba Station Tower> (tentative name) (Osaka); Hanshin Electric Railway Co., Ltd.: Hanshin Tigers farm team facility relocation plan and new construction project (Hyogo), etc.

(Reference) **Orders received, net sales and amount carried forward by division of Company**

(Units: in JPY millions)

Classification	Amount carried forward from previous fiscal year	Orders received for this fiscal year	Net sales of this fiscal year	Amount carried forward to following fiscal year
Civil Engineering	201,270	110,971	105,107	(207,134) 206,822
Building Construction	381,142	268,392	267,186	(382,349) 382,084
Total	582,413	379,364	372,294	(589,484) 588,907

(Note) The carried forward amount for work denominated in foreign currencies included in the "amount carried forward to following fiscal year" is revised at the exchange rate at the end of the fiscal year to reflect the current situation of the exchange market.
The decreased amount due to this revision is JPY 576 million, and the figures in parentheses are the amounts prior to the revision.

(2) Status of Capital Expenditures

The total amount of capital expenditures spent by the Group during this consolidated fiscal year was JPY 4.8 billion, which primarily consisted of land and buildings for business use, renewal of machinery and equipment, and development of software, etc.

(3) Status of Funding

The Company has not procured funds through capital increase or bond issuance, etc. during this consolidated fiscal year.

(4) Issues to be Addressed

In the Japanese economy going forward, it is expected that economic recovery will be continuously supported by improvement in the employment and income environment and the effects of various policies. However, there are risks of economic downturn in regions that are highly dependent on exports to the U.S., due to the impact of U.S. trade policies, as well as increasing geopolitical risks, such as the situations in Ukraine and the Middle East. In addition, the impact of continued price increases on consumer spending through a decline in consumer confidence and other factors also poses a risk of downward pressure on Japan's economy. Any effects made by volatilities in the financial and capital markets, etc. that may be triggered by the above circumstances require further attention.

In regard to the construction industry, the increasing trend of investments in construction by private companies is expected to continue against the backdrop of improved corporate earnings and other factors. In addition, with regard to public investment, the budget for FY2025 has been secured at almost the same level as the previous fiscal year, and public investment, including that relating to disaster prevention and mitigation in connection with the increasingly severe and frequent occurrence of natural disasters, and national land resilience, as well as

systematic public investment to replace aging social infrastructure, is expected to remain stable and firm. Meanwhile, measures to address regulations on working hours in the face of labor shortages that are intensifying every year and strengthen safety management at construction sites are required. In addition, there is a growing need for industry-wide collaboration and technological innovation, such as environmentally conscious and sustainable construction methods and material procurement, as well as the promotion of digital transformation.

The recent tariff measures imposed by the U.S. will have no direct impact on the Group's operations and performance as the Group has no import or export transactions with the U.S. As for an indirect impact, there is a possibility that domestic capital expenditures by manufacturers of automobiles, automotive parts, semiconductor manufacturing equipment and other products with high export volumes to the U.S. may be curtailed, leading to a decrease in orders received in the production sector. At the same time, however, there is also a possibility that the trend of bringing production bases back to Japan that began during the first Trump administration may intensify further to avoid the U.S.-China tariff conflict. Accordingly, the impact on the domestic construction market is difficult to predict at this time. In terms of construction costs, although there is a risk of rising prices for some imported materials and equipment, the Group mainly imports from Asian countries, and therefore, the impact is considered to be negligible. As for real estate investments in the U.S., while market downturns and other factors pose a risk, the Group does not expect any major impact based on the current amount of investments. In any case, the Group will continue to closely monitor changes in the business environment caused by the U.S. tariff measures.

Under these circumstances, the Group, following the long-term vision set forth in the former plan, formulated "Kumagai Gumi Group Mid-term Management Plan (FY2024-2026): a new path toward sustainable growth" in May 2024, which sets the financial targets for FY2026: consolidated net sales of JPY500 billion; consolidated ordinary profit of JPY30 billion; and ROE of 10% or more, in order to realize "a society in which limited resources are recycled, and people, society, and nature continue to prosper" as "a construction service industry leader that is sought-after by society." By working together as an entire group to implement the plan, the Group continues the challenge of achieving sustainable growth. The Company would like to ask all shareholders for continued kind support and understanding.

Kumagai Gumi Group Mid-term Management Plan (FY2024-2026): a new path toward sustainable growth (Summary)

■ Business Strategy

Basic Policy-1

Strengthening construction business

Strengthen the core construction business and increase profitability.

Basic Policy-2

Accelerating peripheral businesses

Accelerate construction peripheral businesses positioned as a growth area and create solid revenue sources.

Basic Policy-3

Reinforcing management foundation

Further strengthen the foundation that supports management and enhance the effectiveness of business development.

■ Financial Targets

Consolidated net sales	: JPY500 billion (fiscal year ending March 2027)
Consolidated ordinary profit	: JPY30 billion (fiscal year ending March 2027)
ROE	: 10% or more (fiscal year ending March 2027)
Equity ratio	: Approx. 45%; striving to balance financial soundness and capital efficiency
Dividend payout ratio	: Approx. 40%

■ Alliance with Sumitomo Forestry ~Future Policy~

・In the medium- to large-scale wooden construction business, the Company aims to further increase orders by leveraging the knowledge and project proposal capabilities it has accumulated through its collaboration with Sumitomo Forestry, as well as Sumitomo Forestry's brand power in wooden construction.

・The Company also aims to expand its business domain by considering participation in overseas real estate development, which is one of Sumitomo Forestry's fortes, and environmentally friendly real estate businesses in Japan.

■ Reinforcing the management foundation

・Research and technology development

・Human resources

・Digital transformation

■ ESG Initiative Policy

The Company has revised the key issues and reviewed specific issues.

	Key Issues	Specific Issues	Related SDGs
E	**Respond to Climate Change Risks**	Accomplish carbon neutrality; Further enhance renewable energy business; and other issues.	7 AFFORDABLE AND CLEAN ENERGY; 13 CLIMATE ACTION; 14 LIFE BELOW WATER; 15 LIFE ON LAND
	Promote Environmentally Friendly Business	Accomplish zero emissions; Boost wooden construction business; and other issues.	
S	**Create the Well-being Workplace for All Employees**	Secure and invest in human resources; Pass on skills; and other issues.	3 GOOD HEALTH AND WELL-BEING; 4 QUALITY EDUCATION; 5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH
	Achieve Sustainable Communities	Ensure quality and promote integrity in manufacturing; Develop attractive communities; and other issues.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES; 17 PARTNERSHIPS FOR THE GOALS
G	**Enhance Corporate Governance**	Strengthen compliance; Strengthen risk management; and other issues.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS; 17 PARTNERSHIPS FOR THE GOALS
	Enhance Relationships with Multi-stakeholders	Strengthen customer satisfaction; Strengthen supply chain management; and other issues.	

(5) Changes in Financial Conditions and Results of Operations

(i) Changes in Financial Conditions and Results of Operations of Group

Classification	Units	85th fiscal year (Fiscal year ended March 31, 2022)	86th fiscal year (Fiscal year ended March 31, 2023)	87th fiscal year (Fiscal year ended March 31, 2024)	88th fiscal year (This consolidated fiscal year) (Fiscal year ended March 31, 2025)
Net sales	JPY million	425,216	403,502	443,193	498,581
Profit attributable to owners of parent	JPY million	15,850	7,973	8,316	9,354
Basic earnings per share	JPY	342.13	179.64	192.36	217.73
Total assets	JPY million	371,096	376,650	467,232	462,533
Net assets	JPY million	169,302	169,860	180,014	181,829

(Note) "Basic earnings per share" is calculated based on the average number of shares of the common stock during the fiscal year.

(ii) Changes in Financial Conditions and Results of Operations of Company

Classification	Units	85th fiscal year (Fiscal year ended March 31, 2022)	86th fiscal year (Fiscal year ended March 31, 2023)	87th fiscal year (Fiscal year ended March 31, 2024)	88th fiscal year (This fiscal year) (Fiscal year ended March 31, 2025)
Orders received	JPY million	350,236	348,647	375,589	379,364
Net sales	JPY million	331,021	299,317	327,927	372,294
Profit	JPY million	13,730	6,996	5,309	6,231
Basic earnings per share	JPY	295.72	157.26	122.52	144.68
Total assets	JPY million	303,997	304,522	382,906	380,449
Net assets	JPY million	133,749	133,049	139,563	137,886

(Note) "Basic earnings per share" is calculated based on the average number of shares of the common stock during the fiscal year.

(6) Status of Material Parent Company and Subsidiaries

(i) Relationship with Parent Company

Not applicable.

(ii) Status of Material Subsidiaries

Name	Capital	Company's investment ratio	Principal business activities
GAEART Co., Ltd.	JPY 1,000 million	100.00%	Contracting of pavement work, civil engineering work, etc. and business related thereto
Technos Co., Ltd.	JPY 470 million	100.00%	Contracting of civil engineering work, design, production and sales of construction materials and equipment and business related thereto
K & E Co., Ltd.	JPY 300 million	100.00%	Contracting of renewal and reform work of building and related business thereto
Taiwan Kumagai Co., Ltd.	NTD 1,320 million	100.00%	Contracting of building construction work, etc. and business related thereto

There are seven (7) consolidated subsidiaries, including the above-mentioned four (4) material subsidiaries, and three (3) equity-method affiliates.

(7) Principal Business Activities

The Group engages mainly in construction business and related surrounding business thereof. As the principal group company, the Company has obtained the approval as a special construction business operator "(*Toku*-4) No. 1200" from the Minister of Land, Infrastructure, Transport and Tourism pursuant to the Construction Business Act, and engages in civil engineering, building construction business and business related thereto.

(8) Principal Offices, etc.

(i) The Company

Fukui Office:	2-6-8, Chuo, Fukui-shi
Tokyo Head Office:	2-1, Tsukudocho, Shinjuku-ku, Tokyo
Branches:	Hokkaido Branch (Sapporo-shi, Hokkaido), Tohoku Branch (Sendai-shi, Miyagi), Metropolitan Branch (Shinjuku-ku, Tokyo), Tokyo Architectural Branch (Shinjuku-ku, Tokyo), Nagoya Branch, Hokuriku Branch (Kanazawa-shi, Ishikawa), Kansai Branch (Osaka-shi, Osaka), Chushikoku Branch (Hiroshima-shi, Hiroshima), Shikoku Branch (Takamatsu-shi, Kagawa), Kyushu Branch (Fukuoka-shi, Fukuoka), Okinawa Branch (Naha-shi, Okinawa)
Technical Research & Development Institute:	(Tsukuba-shi, Ibaraki)
Overseas Offices:	Vietnam, Indonesia, Myanmar

(ii) Principal Subsidiaries

GAEART Co., Ltd. (Shinjuku-ku, Tokyo)

Technos Co., Ltd. (Toyokawa-shi, Aichi)

K & E Co., Ltd. (Chiyoda-ku, Tokyo)

Taiwan Kumagai Co., Ltd. (Taiwan)

(9) Status of Employees

(i) Status of Employees of Group

Number of employees	Changes from end of previous consolidated fiscal year
4,536 people	+104 people

(Note) The number of employees is the number of persons actually working for the Company and group companies.

(ii) Status of Employees of Company

Number of employees	Changes from end of previous fiscal year	Average age	Average number of years of employment
2,709 people	+55 people	44.0 years old	18.7 years

(Note) The number of employees is the number of persons actually working for the Company.

(10) Principal Lenders

Lenders	Borrowed amount
	(JPY million)
Sumitomo Mitsui Banking Corporation	11,750
Sumitomo Mitsui Trust Bank, Limited	6,235
The Gunma Bank, Ltd.	3,410
MUFG Bank, Ltd.	3,355
THE HOKURIKU BANK, LTD.	2,612

(11) Other Significant Matters Concerning Current Status of Group

Not applicable.

2. Matters Regarding Shares of Company

(1) Total Number of Shares Authorized to be Issued

71,400,000 shares

(2) Total Number of Shares Issued

43,285,560 shares (including 74,626 shares as treasury shares)

(3) Number of Shareholders

29,944 (decrease by 1,978 shareholders, compared to the end of the previous fiscal year)

(4) Principal Shareholders (Top 10 Shareholders)

Name of shareholders	Number of shares held (thousands)	Percentage of shares held (%)
Sumitomo Forestry Co., Ltd.	9,361	21.66
The Master Trust Bank of Japan, Ltd. (Trust Account)	5,545	12.83
Custody Bank of Japan, Ltd.(Trust Account)	3,501	8.10
Kumagai Gumi Business Partner Shareholding Association	2,366	5.48
GOLDMAN SACHS INTERNATIONAL	1,657	3.84
CGML PB CLIENT ACCOUNT/COLLATERAL	1,499	3.47
STATE STREET BANK AND TRUST COMPANY 505103	866	2.00
J.P. MORGAN SECURITIES PLC FOR AND ON BEHALF OF ITS CLIENTS JPMSP RE CLIENT ASSETS-SEGR ACCT	793	1.84
MSIP CLIENT SECURITIES	563	1.30
Kumagai Gumi Shareholding Association	501	1.16

(Note) The "percentages of shares held" are calculated by excluding the treasury shares.

(5) Status of Shares Granted to Directors, etc. of Company (Including Those who were Directors, etc. of Company) During this Fiscal Year as Consideration for Performance of Duty

	Number of shares	Number of grantees
Directors (excluding Outside Directors)	(19,173 shares) 13,423 shares	3 persons

(Note) The number of shares granted under the stock compensation plan using the trust is as stated above. The overview of such stock compensation plan is as described in 4. Matters Regarding Directors, etc. of Company. Under the stock compensation plan, a portion of the shares to which the eligible persons were entitled was granted were sold and converted in cash in the trust, and such cash was granted in lieu of such shares. The number of shares to which the eligible persons were entitled is shown in parentheses.

3. Matters Regarding Stock Acquisition Rights, etc. of Company

Not applicable.

4. Matters Regarding Directors, etc. of Company

(1) Name, etc. of Directors and Audit & Supervisory Board Members

Title	Name	Role in Company and Status of Major Concurrent Offices
Chairperson, Director	Yasunori Sakurano	
President (Representative Director)	Shin Ueda	
Director (Representative Director)	Koji Okaichi	In charge of Technology, In charge of Safety, In charge of Quality and Environment, In charge of New Business, In charge of International Business, In charge of Promotion of Collaboration with Sumitomo Forestry Co., Ltd.
○ Director	Hiroyasu Yaguchi	General Manager of the Administration Division, In charge of Compliance, In charge of Crisis Management
○ Director	Tetsuo Ono	General Manager of the Civil Engineering Management Division
○ Director	Taiji Ito	General Manager of the Architectural Management Division
Director	Tatsuru Satoh	Senior Advisor of Sumitomo Forestry Co., Ltd.
Director	Sakae Yoshida	
Director	Shigeru Okada	
Director	Kimie Sakuragi	Adjunct Professor of the University of Aizu Graduate School, Outside Director of Toyobo Co., Ltd., Outside Director of Isuzu Motors Limited (Audit and Supervisory Committee Member)
Director	Masaya Nara	Partner at Torikai Law Office, Auditor of RISO KAGAKU CORPORATION, Outside Director (Audit & Supervisory Committee Member) of Tamron Co., Ltd., Outside
Full-Time Audit & Supervisory Board Member	Masahiro Kawanowa	
Audit & Supervisory Board Member	Akio Yamada	Yamada Akio Public Accounting Firm, Outside Company Auditor of NITTAN Corporation, Auditor of Pfizer Health Research Foundation, Outside Audit & Supervisory Board Member of Rakuten Insurance Holdings Co., Ltd., Outside Audit & Supervisory Board Member of UCHIDA YOKO CO., LTD.
Audit & Supervisory Board Member	Miho Ueda	Partner at Sunrise Law Office, Outside Director of REGAL CORPORATION, Outside Audit & Supervisory Board Member of GECOSS CORPORATION

(Notes) 1. Mr. Sakae Yoshida, Mr. Shigeru Okada, Ms. Kimie Sakuragi, and Mr. Masaya Nara, Directors, are all Outside Directors.

2. Mr. Akio Yamada and Ms. Miho Ueda, Audit & Supervisory Board Members, are both Outside Audit & Supervisory Board Members.
3. Mr. Sakae Yoshida, Mr. Shigeru Okada, Ms. Kimie Sakuragi, and Mr. Masaya Nara, Directors, and Mr. Akio Yamada and Ms. Miho Ueda, Audit & Supervisory Board Members, are registered as independent officers who are not likely to have any conflict of interests with the general shareholders pursuant to the rules of the Tokyo Stock Exchange.
4. The Directors with a circle (○) were newly appointed as Directors at the 87th ordinary general meeting of shareholders held on June 27, 2024.
5. Mr. Masahiro Kawanowa, Audit & Supervisory Board Member, has experience as the General Manager of the Finance Department of the Company and has considerable knowledge concerning finance and accounting.
6. Mr. Akio Yamada, Audit & Supervisory Board Member, is qualified as a certified public accountant and has considerable knowledge concerning finance and accounting.
7. The Directors who retired during this fiscal year:

Director	Yoshihiko Kato	(Retired as of June 27, 2024)
Director	Yoshiaki Ogawa	(Retired as of June 27, 2024)
Director	Koji Hidaka	(Retired as of June 27, 2024)

The Company has introduced the Executive Officer System. The Executive Officers as of March 31, 2025 are as follows:

*	Executive President	Shin Ueda	Executive Officer	Takeshi Nakayama
*	Executive Vice President	Koji Okaichi	Executive Officer	Daisuke Hayashi
*	Senior Managing Executive Officer	Hiroyasu Yaguchi	Executive Officer	Tsuyoshi Kinoshita
*	Senior Managing Executive Officer	Tetsuo Ono	Executive Officer	Tomohiko Igarashi
*	Senior Managing Executive Officer	Taiji Ito	Executive Officer	Yasufumi Kubota
	Senior Managing Executive Officer	Masaki Ohno	Executive Officer	Hideyuki Sakai
	Senior Managing Executive Officer	Masao Kajiyama	Executive Officer	Masaharu Yamashita
	Managing Executive Officer	Hideyuki Tsukuda	Executive Officer	Hideki Yamasaki
	Managing Executive Officer	Yoshio Hagita	Executive Officer	Tomoo Shimokawa
	Managing Executive Officer	Takahiko Kashihara	Executive Officer	Hiroshi Takasaki
	Managing Executive Officer	Masato Yamashita	Executive Officer	Hajime Iwasaki
	Managing Executive Officer	Makoto Wakabayashi	Executive Officer	Shinjiro Omoto
	Managing Executive Officer	Yuzuru Hirano	Executive Officer	Naohiro Shimizu
	Executive Officer	Hideki Masumori		

(Notes) 1. Executive Officers marked with an asterisk (*) are concurrently serving as Directors.
2. Mr. Masaki Ohno, Senior Managing Executive Officer, and Mr. Hideyuki Tsukuda, Managing Executive Officer, retired from their position as Executive Officers as of March 31, 2025.

3. As of April 1, 2025, the titles of the following Executive Officers have changed as follows:

Senior Managing Executive Officer	Takahiko Kashihara	○	Executive Officer	Kei Nakamura
Managing Executive Officer	Hideki Masumori	○	Executive Officer	Kiyoshi Ito

(Note) Executive Officers with a circle (○) are newly appointed Executive Officers.

(2) Summary of Liability Limitation Agreement

The Company has entered into an agreement with each of the Outside Directors, Part-Time Non-Executive Directors and Audit & Supervisory Board Members which limits the liability for damages set forth in Article 423, Paragraph 1 of the Companies Act. The amount of liabilities for damages under said agreement is limited to the amount prescribed in Article 425, Paragraph 1 of the Companies Act.

(3) Outline of Directors and Officers Liability Insurance Contract

The Company has entered into a directors and officers liability insurance contract set forth in Article 430-3, Paragraph 1 of the Companies Act with an insurance company for an insurance period of one (1) year, and the Company renews such contract every September. Outline of the content of such insurance contract is as follows:

(i) Scope of the insured
Directors, Audit & Supervisory Board Members, and Executive Officers of the Company and its subsidiaries

(ii) Burden of insurance premiums
The Company and its subsidiaries bear all of the insurance premiums.

(iii) Outline of insurable contingency subject to coverage
The insured's assumption of the liability for damages in connection with the execution of his/her duties, or the damage occurring in relation to a claim pertaining to the pursuit of such liability (damages, litigation expenses, or other expenses)

(iv) Measures to ensure that such insurance contract does not impair the appropriateness of execution of duties of the insured Directors, etc. of the Company
Exclusions are provided, such as that the claims for damages arising from the insured's intentional criminal acts, violation of laws and regulations, or any illegally obtained private benefits are not covered.

(4) Compensation, etc. for Directors and Audit & Supervisory Board Members relating to this Fiscal Year

(i) Matters concerning decision-making policy relating to the content of individual compensation, etc. for each Director

Based on the content of report of the Nomination and Compensation Committee, the Company has resolved, at the Board of Directors meeting, the decision-making policy relating to the content of individual compensation, etc. for each Director. The summary of such resolution is as follows:

1. Basic policy

The basic policy of the compensation for Directors of the Company is to make a compensation system in line with shareholders' interests in order for it to function appropriately as an incentive for sustainable improvement of corporate value, and to set compensation of each Director at an appropriate level based on the responsibilities of each Director. Specifically, the compensation for each Director shall consist of monetary compensation (fixed compensation and bonus) and stock compensation; and in the case of Outside Directors and Part-Time Non-Executive Directors serving supervisory functions, compensation shall be monetary compensation (compensation according to his/her position, which is a part of fixed compensation) only.

2. Policy on determining the content of individual compensation, etc. and the method of calculating the amount or number of such compensation, etc.

(Fixed compensation)

Fixed compensation, which is a monthly monetary compensation, consists of (i) compensation according to position and (ii) compensation corresponding to contribution to the Company's results of operation, and shall be determined by the Board of Directors, within the limits of the total amount of the compensation of all Directors determined at the general meeting of shareholders, taking into account the salary level of employees and the general market quotes, etc., and based on the results of reports of the Nomination and Compensation Committee. With respect to the compensation corresponding to each Director's contribution to the Company's results of operation, each Director's contribution (evaluation) to the Company's plan of the results of operation for the previous fiscal year will be reflected in the standard compensation amount according to the position which is determined by the Board of Directors. The evaluation of each Director shall be determined by the degree of achievement of the results of operation of the entire company and each department and the degree of fulfillment of his/her role, and the degree of achievement of the non-financial targets (ESG evaluation). In addition, the Board of Directors shall delegate the decision on evaluation to the Representative Director and President, and the Representative Director and President shall be subject to consultation of the Nomination and Compensation Committee with respect to the evaluation results in order to ensure that such

delegation is properly performed.

(Bonus)

Bonus, which is a special monetary compensation, shall be paid on certain occasions based on the Company's results of operation, and shall be determined by the Board of Directors, within the limits of the total amount of the compensation of all Directors determined at the general meeting of shareholders, and comprehensively taking into account the results of operation and contribution to such results, etc. of each fiscal year, and based on the results of the report of the Nomination and Compensation Committee.

(Stock compensation)

Stock compensation shall be granted pursuant to a stock compensation plan utilizing a trust service in which points are granted to Directors (excluding Outside Directors and Part-Time Non-Executive Directors) each fiscal year according to position and the total shareholder return (TSR) compared to other companies in the same industry selected separately by the Company, and shares are generally granted at a predetermined time each year; and the standards and procedures for granting shares shall be determined by the stock granting rules established by the Board of Directors.

3. Policy on determining the ratio of content of compensation concerning the amount of individual compensation, etc.

The ratio of the content of compensation of Directors (excluding Outside Directors and Part-Time Non-Executive Directors) shall be determined by the Board of Directors based on the results of the report of the Nomination and Compensation Committee in order for such ratio to function properly to incentivize Directors.

The Board of Directors determined that the content of the individual compensation, etc. of each Director for the fiscal year is in accordance with the above decision-making policy, because the content of the individual compensation of each Director is decided by following the procedures stipulated in the above decision-making policy, particularly it being determined based on careful consideration taken by the Nomination and Compensation Committee, of which the Outside Directors account for the majority of members.

(ii) Matters concerning the resolution at the general meeting of shareholders regarding compensation, etc. for Directors and Audit & Supervisory Board Members

Amount of monetary compensation for Directors

Resolution date	January 24, 2001 (Extraordinary General Meeting of Shareholders)
Summary of resolution	Up to JPY 30 million per month The amount paid as employee salaries to Directors concurrently serving as employees shall not be included.
Number of Directors relating to resolution	Thirteen (13) Directors

Amount and details of stock compensation for Directors

Resolution date	June 27, 2024 (87th Ordinary General Meeting of Shareholders)
Summary of resolution	Introduce a stock compensation plan, where a trust to which the Company makes financial contributions acquires the shares of the Company and, through a trust, the Company issues the Company's shares to Directors based on the number of points allocated by the Company to each Director. Under such plan, maximum amount of funds contributed by the Company to the trust as funds to acquire the necessary shares of the Company to be granted to Directors shall be the amount obtained by multiplying the number of fiscal years included in the applicable period under such system by JPY 75 million; and the upper limit of the total number of points granted to the eligible Directors under such plan shall be 75,000 points for each fiscal year. Eligible Directors shall be granted points according to their individual position and the degree to which they achieve performance targets, etc., and they shall receive one (1) share per point. However, upon delivery of the shares, the Company and each Director shall enter into a transfer restriction agreement setting forth a transfer restriction period and events of acquisition of shares without consideration.
Number of Directors relating to resolution	Six (6) Directors (excluding Outside Directors)

Amount of monetary compensation for Audit & Supervisory Board Members

Resolution date	December 16, 1988 (51st Ordinary General Meeting of Shareholders)
Summary of resolution	Up to JPY 5 million per month
Number of Audit & Supervisory Board Members relating to resolution	Three (3) Audit & Supervisory Board Members

(iii) Matters concerning delegation relating to decision on the content of individual compensation, etc. for each Director

At the Company, pursuant to the resolution of the Board of Directors, Mr. Shin Ueda, Representative Director and President, decides some of the specific content of the compensation for individual Directors, and the detail of such authority is to decide the evaluation of each Director regarding contribution to the Company's results of operation within the fixed compensation. The reason for delegating this authority was because it was judged that Mr. Ueda would be able to evaluate from, a comprehensive view, each Director's degree of achievement of the results of operation of the entire company and each department and the degree of fulfillment of his/her role in light of his/her area in charge. In order to ensure that such delegated authority is properly exercised, the decision on evaluation shall be subject to consultation of the Nomination and Compensation Committee, of which the Outside Directors account for the majority of members.

(iv) Total Amount of Compensation, etc. for Directors and Audit & Supervisory Board Members

Classification of Directors, etc.	Total amount of compensation (JPY million)	Total amount by type of compensation (JPY million)			Number of eligible persons
		Fixed compensation	Performance-based compensation	Non-monetary compensation, etc.	
Directors (of which Outside Directors)	273 (43)	251 (43)	- (-)	21 (-)	14 (4)
Audit & Supervisory Board Members (of which Outside Audit & Supervisory Board Members)	39 (21)	39 (21)	- (-)	- (-)	3 (2)

(Notes) 1. The provision for share awards for this fiscal year under the stock compensation plan utilizing a trust service is stated as non-monetary compensation, etc. The content of such stock compensation plan is as described in (ii) Matters concerning the resolution at the general meeting of shareholders regarding compensation, etc. for Directors and Audit & Supervisory Board Members. Furthermore, the Company granted shares to Directors (including those who were Directors) during this fiscal year under such stock compensation plan, and the status of the grant of such shares is as described in 2. Matters Regarding Shares of Company.

2. Fixed compensation, which is a monthly monetary compensation, consists of (i) compensation according to position (fixed amount) and (ii) compensation corresponding to contribution to the Company's results of operation (portion reflecting the contribution to the Company's results of operation). The standard compensation ratio of the fixed amount to the portion reflecting the contribution to the Company's results of operation is approximately 70%:30% (only fixed amount is paid for Outside Directors and Part-Time Non-Executive Directors). The amount of the portion reflecting the contribution to the Company's results of operation included in the fixed compensation in this fiscal year is JPY 49 million.

(5) Matters Regarding Outside Officers

Mr. Sakae Yoshida, Mr. Shigeru Okada, Ms. Kimie Sakuragi, and Mr. Masaya Nara, Directors, are all Outside Directors. Furthermore, Mr. Akio Yamada and Ms. Miho Ueda, Audit & Supervisory Board Members, are both Outside Audit & Supervisory Board Members.

(i) The Company's Relationship with Organization, etc. Where Outside Officers Hold Material Concurrent Office

Ms. Sakuragi, Director, is an Adjunct Professor of the University of Aizu Graduate School, an Outside Director of Toyobo Co., Ltd. and an Outside Director of Isuzu Motors Limited (Audit and Supervisory Committee Member). The Company has no material relationships with the companies where Ms. Sakuragi holds concurrent offices.

Mr. Nara, Director, is a Partner at Torikai Law Office, an Outside Auditor of RISO KAGAKU CORPORATION and an Outside Director (Audit & Supervisory Committee Member) of Tamron Co., Ltd. The Company has no material relationships with the organizations where Mr. Nara holds concurrent offices.

Mr. Yamada, Audit & Supervisory Board Member, is a certified public accountant of Yamada Akio Public Accounting Firm, an Outside Company Auditor of NITTAN Corporation, an Auditor of Pfizer Health Research Foundation, an Outside Audit & Supervisory Board Member of Rakuten Insurance Holdings Co., Ltd. and an Outside Audit & Supervisory Board Member of UCHIDA YOKO CO., LTD. The Company has no material relationships with the organizations where Mr. Yamada holds concurrent offices.

Ms. Ueda, Audit & Supervisory Board Member, is a Partner at Sunrise Law Office, an Outside Director of REGAL CORPORATION, and an Outside Audit & Supervisory Board Member of GECOSS CORPORATION. The Company has no material relationships with the organizations where Ms. Ueda holds concurrent offices.

(ii) Status of Principal Activities

Mr. Yoshida, Director, has attended all seventeen (17) meetings of the Board of Directors held during this fiscal year, and has spoken, as necessary, mainly based on his abundant experience and extensive knowledge he acquired by participating in management as a management executive in charge of the production division in a different industry. In addition, as a member of the Nomination and Compensation Committee, Mr. Yoshida, Director, has attended all four (4) meetings of the Committee held during this fiscal year, and supervised the Board of Directors by examining the personnel affairs of Directors and evaluation of each Director from an independent and objective position.

Mr. Okada, Director, has attended all seventeen (17) meetings of the Board of Directors held during this fiscal year, and has spoken, as necessary, mainly based on his abundant experience and extensive knowledge he acquired through management experience as a management personnel member in a different industry. In addition, as a chairman of the Nomination and Compensation Committee, Mr. Okada, Director, has attended and presided over all four (4) meetings of the Committee held during this fiscal year, and supervised the Board of Directors by examining the personnel affairs of Directors and evaluation of each Director from an independent and objective position.

Ms. Sakuragi, Director, has attended all seventeen (17) meetings of the Board of Directors held during this fiscal year, and has spoken, as necessary, mainly based on her abundant

experience in the fields of business ethics and compliance, etc. and extensive knowledge she acquired as an outside director in a different industry and in other positions. In addition, as a member of the Nomination and Compensation Committee, Ms. Sakuragi, Director, has attended all four (4) meetings of the Committee held during this fiscal year, and supervised the Board of Directors by examining the personnel affairs of Directors and evaluation of each Director from an independent and objective position.

Mr. Nara, Director, has attended all seventeen (17) meetings of the Board of Directors held during this fiscal year, and has spoken, as necessary, based on his abundant experience from his participation and involvement in management as an officer of the operation planning department of a financial institution and as a full-time audit & supervisory board member, from a professional perspective as an attorney-at-law, and based on the extensive knowledge he acquired as an outside auditor in a different industry and in other positions. In addition, as a member of the Nomination and Compensation Committee, Mr. Nara, Director, has attended all four (4) meetings of the Committee held during this fiscal year, and supervised the Board of Directors by examining the personnel affairs of Directors and evaluation of each Director from an independent and objective position.

Mr. Yamada, Audit & Supervisory Board Member, has attended all seventeen (17) meetings of the Board of Directors, and all thirteen (13) meetings of the Audit & Supervisory Board, held during this fiscal year, and has spoken, as necessary, mainly from a professional perspective as a certified public accountant.

Ms. Ueda, Audit & Supervisory Board Member, has attended all seventeen (17) meetings of the Board of Directors, and all thirteen (13) meetings of the Audit & Supervisory Board, held during this fiscal year, and has spoken, as necessary, mainly from a professional perspective as an attorney-at-law.

5. Status of Accounting Auditor

(1) Name of Accounting Auditor

GYOSEI & CO.

(2) Amount of Compensation, etc. of Accounting Auditors for this Fiscal Year

(i) Amount of Compensation, etc. Relating to Services Set Forth in Article 2, Paragraph 1 of the Certified Public Accountant Act

JPY 60 million

(ii) Total Amount of Cash or Other Economic Benefits Payable from Company or Its Subsidiaries

JPY 80 million

(Notes) 1. Based on the "Practical Guidance Concerning Cooperation with Accounting Auditors" released by the Japan Audit & Supervisory Board Members Association, the Audit & Supervisory Board of the Company confirmed the audit hours by audit items, changes in audit compensations as well as the performance status to the audit plans of the prior periods, and as a result of considering the audit hours of this fiscal year and the appropriateness of the compensation amount, it gave the consent prescribed in Article 399, Paragraph 1 of the Companies Act with respect to the compensation, etc. of the Accounting Auditors.

2. The audit contract between the Company and the Accounting Auditor does not separate the compensation for the audit under the Companies Act from the compensation for the audit under the Financial Instruments and Exchange Act. Accordingly, the amount stated in (i) above includes the amount of compensation, etc. for audit under the Financial Instruments and Exchange Act.

3. GAEART Co., Ltd., a subsidiary of the Company, entrusted to and remunerated the Accounting Auditor for "agreed-upon procedures" in relation to the use of documents for confirmation of the measures of additional points for companies implementing wage increases in the comprehensive evaluation bidding system; and the said procedures constituted services other than those under Article 2, Paragraph 1 of the Certified Public Accountant Act (non-audit services).

4. Taiwan Kumagai Co., Ltd., a subsidiary of the Company, is audited by a certified public accountant other than the Accounting Auditor of the Company.

(3) Policy for Determination of Dismissal or Non-reappointment of Accounting Auditors

The Audit & Supervisory Board dismisses an Accounting Auditor pursuant to the Rules of the Audit & Supervisory Board and upon the unanimous consent of all Members of the Audit & Supervisory Board in the case where the Company decides that such Accounting Auditor falls under Article 340, Paragraph 1 of the Companies Act. In such case, the Audit & Supervisory Board Members designated by the Audit & Supervisory Board will explain the dismissal of such Accounting Auditor and the reason for such dismissal at the first general meeting of shareholders after such dismissal. Furthermore, when the Accounting Auditor is determined to pose problem as Accounting Auditor, a proposal of dismissal or non-reappointment will be submitted to the general meeting of shareholders pursuant to the resolution of the Audit & Supervisory Board.

Consolidated Balance Sheet

(As of March 31, 2025)

ASSETS		LIABILITIES	
	(JPY million)		(JPY million)
CURRENT ASSETS	[357,413]	CURRENT LIABILITIES	[229,398]
Cash and deposits	50,156	Notes payable, accounts payable for construction contracts and other	102,267
Notes receivable, accounts receivable from completed construction contracts and other	264,450	Electronically recorded obligations - operating	43,502
Costs on construction contracts in progress	7,255	Short-term borrowings	8,109
Accounts receivable - other	32,113	Income taxes payable	1,372
Other	3,502	Advances received on construction contracts in progress	22,761
Allowance for doubtful accounts	△65	Deposits received	36,636
NON-CURRENT ASSETS	[105,120]	Provision for warranties for completed construction	609
PROPERTY, PLANT AND EQUIPMENT	(32,472)	Provision for loss on construction contracts	2,367
Buildings and structures	10,347	Provision for bonuses	4,144
Machinery, vehicles, tools, furniture and fixtures	2,161	Other	7,626
Land	19,638		
Leased assets	267	NON-CURRENT LIABILITIES	[51,305]
Construction in progress	57	Long-term borrowings	34,026
INTANGIBLE ASSETS	(1,725)	Provision for share awards	263
INVESTMENTS AND OTHER ASSETS	(70,922)	Retirement benefit liability	16,316
Investment securities	50,372	Other	698
Long-term loans receivable	9,324	TOTAL LIABILITIES	280,703
Long-term non-operating accounts receivable	98	NET ASSETS	
Distressed receivables	30	Shareholders' equity	[168,143]
Deferred tax assets	3,488	Share capital	30,108
Other	7,833	Capital surplus	15,170
Allowance for doubtful accounts	△225	Retained earnings	123,852
		Treasury shares	△987
		Accumulated other comprehensive income	[13,686]
		Valuation difference on available-for-sale securities	11,467
		Deferred gains or losses on hedges	4
		Foreign currency translation adjustment	2,282
		Remeasurements of defined benefit plans	△67
		TOTAL NET ASSETS	181,829
TOTAL ASSETS	462,533	TOTAL LIABILITIES AND NET ASSETS	462,533

Consolidated Statement of Income

(From April 1, 2024 to March 31, 2025)

	(JPY million)	(JPY million)
NET SALES		
Net sales of completed construction contracts	498,581	498,581
COST OF SALES		
Cost of sales of completed construction contracts	460,266	460,266
Gross profit		
Gross profit on completed construction contracts	38,315	38,315
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES		24,016
Operating profit		14,299
NON-OPERATING INCOME		
Interest and dividend income	1,205	
Share of profit of entities accounted for using equity method	157	
Other	85	1,448
NON-OPERATING EXPENSES		
Interest expenses	571	
Loss on investments in investment partnerships	282	
Commission for syndicated loans	238	
Other	244	1,336
Ordinary profit		14,411
EXTRAORDINARY INCOME		
Gain on sale of investment securities	52	
Other	11	63
EXTRAORDINARY LOSSES		
Loss on valuation of shares of subsidiaries and associates	335	
Compensation for damage	204	
Loss on litigation	89	
Other	45	674
Profit before income taxes		13,799
Income taxes – current	3,646	
Income taxes – deferred	798	4,445
Profit		9,354
Profit attributable to owners of parent		9,354

Nonconsolidated Balance Sheet

(As of March 31, 2025)

ASSETS		LIABILITIES	
	(JPY million)		(JPY million)
CURRENT ASSETS	[287,975]	CURRENT LIABILITIES	[193,919]
Cash and deposits	21,856	Notes payable - trade	94
Notes receivable - trade	1,101	Electronically recorded obligations - operating	41,726
Accounts receivable from completed construction contracts	229,866	Accounts payable for construction contracts	72,970
Costs on construction contracts in progress	5,967	Short-term borrowings	11,909
Accounts receivable - other	26,625	Lease liabilities	16
Other	2,585	Income taxes payable	558
Allowance for doubtful accounts	△27	Advances received on construction contracts in progress	20,873
NON-CURRENT ASSETS	[92,474]	Deposits received	34,418
PROPERTY, PLANT AND EQUIPMENT	(24,489)	Provision for warranties for completed construction	564
Buildings and structures	6,470	Provision for loss on construction contracts	2,245
Machinery and vehicles	750	Provision for bonuses	2,713
Tools, furniture and fixtures	460	Other	5,827
Land	16,680	NON-CURRENT LIABILITIES	[48,643]
Leased assets	89	Long-term borrowings	34,026
Construction in progress	37	Lease liabilities	65
INTANGIBLE ASSETS	(1,583)	Provision for share awards	263
INVESTMENTS AND OTHER ASSETS	(66,400)	Provision for retirement benefits	13,867
Investment securities	11,361	Other	420
Shares of subsidiaries and associates	35,108		
Investments in other securities of subsidiaries and associates	7,624	TOTAL LIABILITIES	242,563
Long-term loans receivable	9,117	NET ASSETS	
Long-term prepaid expenses	75	Shareholders' equity	[126,464]
Deferred tax assets	2,359	Share capital	30,108
Other	755	Capital surplus	15,170
Allowance for doubtful accounts	△1	Legal capital surplus	7,000
		Other capital surplus	8,170
		Retained earnings	82,041
		Legal retained earnings	559
		Other retained earnings	81,481
		Retained earnings brought forward	81,481
		Treasury shares	△856
		Valuation and translation adjustments	[11,421]
		Valuation difference on available-for-sale securities	11,417
		Deferred gains or losses on hedges	4
		TOTAL NET ASSETS	137,886
TOTAL ASSETS	380,449	TOTAL LIABILITIES AND NET ASSETS	380,449

Nonconsolidated Statement of Income

(From April 1, 2024 to March 31, 2025)

	(JPY million)	(JPY million)
NET SALES		
Net sales of completed construction contracts	372,294	372,294
COST OF SALES		
Cost of sales of completed construction contracts	346,073	346,073
Gross profit		
Gross profit on completed construction contracts	26,220	26,220
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES		18,434
Operating profit		7,786
NON-OPERATING INCOME		
Interest and dividend income	2,524	
Other	80	2,604
NON-OPERATING EXPENSES		
Interest expenses	612	
Loss on investments in investment partnerships	282	
Commission for syndicated loans	238	
Other	216	1,349
Ordinary profit		9,041
EXTRAORDINARY INCOME		
Gain on sale of investment securities	52	
Other	2	54
EXTRAORDINARY LOSSES		
Compensation for damage	146	
Loss on litigation	89	
Loss on valuation of shares of subsidiaries and associates	59	
Other	4	299
Profit before income taxes		8,796
Income taxes – current	1,994	
Income taxes – deferred	570	2,564
Profit		6,231

[Translation]

Accounting Auditor's Audit Report Relating to the Consolidated Financial Statements

Independent Auditor's Audit Report

May 14, 2025

The Board of Directors
Kumagai Gumi Co., Ltd.

GYOSEI & CO.
Tokyo Office
Naoko Enomoto
Certified Public Accountant
Designated Partner
Engagement Partner

Susumu Sugeno
Certified Public Accountant
Designated Partner
Engagement Partner

Audit Opinion

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the Consolidated Balance Sheet, the Consolidated Statement of Income, the Consolidated Statements of Changes in Equity and the Notes to the Consolidated Financial Statements of Kumagai Gumi Co., Ltd. (the "Company") applicable to this fiscal year from April 1, 2024 through March 31, 2025.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the group, consisting of the Company and its consolidated subsidiaries, applicable to the fiscal year ended March 31, 2025, in conformity with corporate accounting standards generally accepted in Japan.

Basis for Audit Opinion

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

Other Statements

Other statements consist of the Business Report and supplementary schedules thereto. The responsibility of management is to prepare and disclose these other statements. The responsibility of the Audit & Supervisory Board Members and the Audit & Supervisory Board is to oversee the execution of duties by Directors in designing and operating the reporting processes in respect of the other statements.

The other statements are not included in the scope of our audit opinion on the consolidated financial statements, and we do not express an opinion on the other statements.

Our responsibility in respect of auditing the consolidated financial statements is to peruse the other statements and, in the process, examine whether there are any material differences between the contents of the other statements and the consolidated financial statements or the knowledge we acquired in the course of our auditing, and to pay attention to whether there are any indications of material errors in the other statements, other than such material differences.

If we judge that there are material errors in the other statements based on the work performed by us, we are required to report such fact.

There are no matters that we ought to report with respect to the contents of the other statements.

Responsibility of Management, Audit & Supervisory Board Members and Audit & Supervisory Board for Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with corporate accounting standards 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management shall evaluate whether it is appropriate to prepare the same on a going concern basis, and if required to disclose matters relating to the going concern in accordance with corporate accounting standards generally accepted in Japan, management shall be responsible for disclosing such matters.

The responsibility of the Audit & Supervisory Board Members and the Audit & Supervisory Board is to oversee the execution of duties by Directors in designing and operating the financial reporting processes.

Auditor's Responsibility in Auditing Consolidated Financial Statements

The auditor is responsible for providing an independent opinion on the consolidated financial statements in the audit report based on an audit performed by the auditor, upon obtaining reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error. Misstatements can arise from fraud

or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decision making of readers of these consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, the auditor shall and perform the following upon exercising professional judgment and maintaining professional skepticism throughout the audit:

- Identify and evaluate the risk of material misstatement, whether due to fraud or error. Design and perform audit procedures responsive to such risk of material misstatement. The audit procedures to be selected and applied depend on the auditor's judgment. Furthermore, obtain audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinions;
- The purpose of an audit of the consolidated financial statements is not to express an opinion on the effectiveness of entity's internal control, but in making these risk assessments, the auditor considers internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances;
- Evaluate the appropriateness of accounting policies used and their application and the reasonableness of accounting estimates made by management and the adequacy of related notes;
- Make a conclusion on the appropriateness of the preparation of the consolidated financial statements by management on a going concern basis, and based on the audit evidence obtained, on whether any material uncertainty is found in relation to the events or conditions that may cast significant doubt on the ability to continue as a going concern. If the auditor finds material uncertainty regarding a going concern basis, the auditor is required to draw attention to the same in the notes to the consolidated financial statements in the auditor's report, or if such notes to the consolidated financial statements regarding material uncertainty are inappropriate, the auditor is required to render an except-for opinion in respect of the consolidated financial statements. The auditor's conclusion is based on the audit evidence obtained up to the date of the audit report, but future events or conditions may cause the entity to cease to be able to continue as a going concern;
- Evaluate whether the presentation of consolidated financial statements and notes is in accordance with corporate accounting standards generally accepted in Japan, and the presentation, structure and content of the consolidated financial statements, including related notes, and whether the underlying transactions and accounting events are presented fairly in the consolidated financial statements; and
- Plan and perform the audit of the consolidated financial statements to obtain sufficient and appropriate audit evidence regarding the financial information of the entity and its consolidated subsidiaries as a basis for expressing opinions on the consolidated financial statements. The auditor is responsible for the direction, supervision, and review of the audit of the consolidated financial statements. The auditor is solely responsible for the

auditor's opinion.

The auditor reports to the Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control identified during the audit, as well as other matters required by the audit standards.

The auditor reports to the Audit & Supervisory Board Members and the Audit & Supervisory Board that it has complied with the provisions of professional ethics in Japan regarding independence, and also reports matters that may reasonably be considered to affect the independence of the auditor; and if measures to eliminate impediments have been implemented, or safeguards to mitigate impediments to an acceptable level have been applied, the auditor reports the content of such measures or safeguards.

Conflicts of Interest

We have no interest in the Company or the consolidated subsidiaries which should be disclosed in compliance with the Certified Public Accountants Act.

[End]

[Translation]

Accounting Auditor's Audit Report Relating to the Financial Statements

Independent Auditor's Audit Report

May 14, 2025

The Board of Directors
Kumagai Gumi Co., Ltd.

GYOSEI & CO.
Tokyo Office
Naoko Enomoto
Certified Public Accountant
Designated Partner
Engagement Partner

Susumu Sugeno
Certified Public Accountant
Designated Partner
Engagement Partner

Audit Opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying nonconsolidated financial statements, which comprise the Nonconsolidated Balance Sheet, the Nonconsolidated Statement of Income, the Nonconsolidated Statements of Changes in Equity, the Notes to the Nonconsolidated Financial Statements and supplementary schedules thereto (the "Financial Statements, etc.") of Kumagai Gumi Co., Ltd. (the "Company") applicable to 88th fiscal year from April 1, 2024 through March 31, 2025.

In our opinion, the Financial Statements, etc. referred to above present fairly, in all material respects, the financial position and results of operations for the fiscal year ended March 31, 2025 relating to such Financial Statements, etc., in conformity with corporate accounting standards generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility in respect of auditing standards is described in "Auditor's Responsibility in Auditing Financial Statements, etc." We are independent of the Company and fulfill other ethical responsibilities as an auditor in accordance with the provisions of professional ethics in Japan. We believe that we have obtained the audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.

Other Statements

Other statements consist of the Business Report and supplementary schedules thereto. The responsibility of management is to prepare and disclose these other statements. The responsibility of the Audit & Supervisory Board Members and the Audit & Supervisory Board is to oversee the execution of duties by Directors in designing and operating the reporting processes in respect of the other statements.

The other statements are not included in the scope of our audit opinion on the Financial Statements, etc., and we do not express an opinion on the other statements.

Our responsibility in respect of auditing the Financial Statements, etc. is to peruse the other statements and, in the process, examine whether there are any material differences between the contents of the other statements and the Financial Statements, etc. or the knowledge we acquired in the course of our auditing, and to pay attention to whether there are any indications of material errors in the other statements, other than such material differences.

If we judge that there are material errors in the other statements based on the work performed by us, we are required to report such fact.

There are no matters that we ought to report with respect to the contents of the other statements.

Responsibility of Management, Audit & Supervisory Board Members and Audit & Supervisory Board for Financial Statements, etc.

Management is responsible for the preparation and fair presentation of these Financial Statements, etc. in accordance with corporate accounting standards 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, etc. that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, etc., management shall evaluate whether it is appropriate to prepare the same on a going concern basis, and if required to disclose matters relating to the going concern in accordance with corporate accounting standards generally accepted in Japan, management shall be responsible for disclosing such matters.

The responsibility of the Audit & Supervisory Board Members and the Audit & Supervisory Board is to oversee the execution of duties by Directors in designing and operating the financial reporting processes.

Auditor's Responsibility in Auditing Financial Statements, etc.

The auditor is responsible for providing an independent opinion on the Financial Statements, etc. in the audit report based on an audit performed by the auditor, upon obtaining reasonable assurance about whether the Financial Statements, etc. as a whole are free from material misstatement, whether due to fraud or error. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected

to influence the decision making of readers of these Financial Statements, etc.

In accordance with auditing standards generally accepted in Japan, the auditor shall and perform the following upon exercising professional judgment and maintaining professional skepticism throughout the audit:

- Identify and evaluate the risk of material misstatement, whether due to fraud or error. Design and perform audit procedures responsive to such risk of material misstatement. The audit procedures to be selected and applied depend on the auditor's judgment. Furthermore, obtain audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinions;
- The purpose of an audit of the Financial Statements, etc. is not to express an opinion on the effectiveness of entity's internal control, but in making these risk assessments, the auditor considers internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances;
- Evaluate the appropriateness of accounting policies used and their application and the reasonableness of accounting estimates made by management and the adequacy of related notes;
- Make a conclusion on the appropriateness of the preparation of the Financial Statements, etc. by management on a going concern basis, and based on the audit evidence obtained, on whether any material uncertainty is found in relation to the events or conditions that may cast significant doubt on the ability to continue as a going concern. If the auditor finds material uncertainty regarding a going concern basis, the auditor is required to draw attention to the same in the notes to the Financial Statements, etc. in the auditor's report, or if such notes to the Financial Statements, etc. regarding material uncertainty are inappropriate, the auditor is required to render an except-for opinion in respect of the Financial Statements, etc. The auditor's conclusion is based on the audit evidence obtained up to the date of the audit report, but future events or conditions may cause the entity to cease to be able to continue as a going concern;
- Evaluate whether the presentation of Financial Statements, etc. and notes is in accordance with corporate accounting standards generally accepted in Japan, and the presentation, structure and content of the Financial Statements, etc., including related notes, and whether underlying transactions and accounting events are presented fairly in the Financial Statements, etc.; and

The auditor reports to the Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control identified during the audit, as well as other matters required by the audit standards.

The auditor reports to the Audit & Supervisory Board Members and the Audit & Supervisory Board that it has complied with the provisions of professional ethics in Japan regarding independence, and also reports matters that may reasonably be considered to affect the

independence of the auditor; and if measures to eliminate impediments have been implemented, or safeguards to mitigate impediments to an acceptable level have been applied, the auditor reports the content of such measures or safeguards.

Conflicts of Interest

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

[End]

[Translation]

The Audit & Supervisory Board's Audit Report

Audit Report

The Audit & Supervisory Board prepared this Audit Report upon deliberations based on the Audit Report prepared by each Audit & Supervisory Board Member concerning the performance of duties of the Directors of the Company during the 88th fiscal year from April 1, 2024 to March 31, 2025 and hereby reports as follows:

1. Auditing Method by Audit & Supervisory Board Members and the Audit & Supervisory Board and Details Thereof

(1) The Audit & Supervisory Board established auditing policy, assignment of duties, etc. and received reports from each Audit & Supervisory Board Member on the implementation status and results of audits and further received reports from the Directors, etc. and the Accounting Auditors on the status of the execution of their duties and when necessary, requested explanations regarding such reports.

(2) In compliance with the Standards of Audit by Audit & Supervisory Board Members established by the Audit & Supervisory Board and in accordance with the auditing policy and the assigned duties, and by communicating with the Directors, the Audit Office, other employees, etc., each Audit & Supervisory Board Member strived to collect information and arrange an environment for auditing and implemented auditing using the following methods:

(i) The Audit & Supervisory Board Members attended the Board of Directors meetings and other important meetings, received from the Directors, employees, etc. reports on the matters regarding the status of the performance of their duties and, when necessary, requested explanations regarding such reports, inspected important authorized documents and associated information and examined the business and financial position of the Head Office and major offices. Furthermore, as for the subsidiaries of the Company, the Audit & Supervisory Board Member has communicated and shared information with the directors and corporate auditors, etc. of the subsidiaries and, when necessary, received reports from the subsidiaries regarding their businesses.

(ii) With respect to the content of the resolution of the Board of Directors concerning the development of the structure prescribed in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act necessary to ensure the business operation of the group, consisting of the Company and its subsidiaries, are appropriate, including the structure to ensure that the duties of the Directors are

executed in compliance with laws, regulations and the Articles of Incorporation as described in the Business Report, and the structure developed based on such resolution (an internal control system), the Audit & Supervisory Board Members, in compliance with the Standards of Audit relating to Internal Control Systems established by the Audit & Supervisory Board, received periodic reports from the Directors, employees, etc. on the construction and operation status thereof and, when necessary, requested explanations regarding such reports and expressed its opinions.

(iii) The Audit & Supervisory Board Members monitored and examined whether the Accounting Auditors maintained their independence and carried out audits in an appropriate manner. The Audit & Supervisory Board Members received from the Accounting Auditors reports on the performance of their duties and, when necessary, requested explanations regarding those reports. The Audit & Supervisory Board Members also received notification from the Accounting Auditors that the "Structure to ensure that the duties of the independent auditors are appropriately executed" (as enumerated in each Item of Article 131 of the Company Calculation Regulations) is being developed in accordance with the "Standards for Quality Control of Audits" (Business Accounting Council), etc. When necessary, the Audit & Supervisory Board Members requested explanations on such notification.

Based on the foregoing method, for this fiscal year, the Audit & Supervisory Board Members reviewed the Business Report and supplementary schedules, nonconsolidated financial statements (the Nonconsolidated Balance Sheet, Nonconsolidated Statement of Income, Nonconsolidated Statements of Changes in Equity and Notes to the Nonconsolidated Financial Statements) and supplementary schedules thereto as well as the consolidated financial statements (the Consolidated Balance Sheet, Consolidated Statement of Income, Consolidated Statements of Changes in Equity and Notes to the Consolidated Financial Statements).

2. Audit Results

(1) Audit Results on Business Report, etc.

(i) In our opinion, the Business Report and the supplementary schedules fairly represent the Company's condition in conformity with the applicable laws and regulations of Japan as well as the Articles of Incorporation of the Company.

(ii) With regard to the execution of duties by the Directors, we have found no evidence of misconduct or material facts in violation of the applicable laws and regulations of Japan or the Articles of Incorporation of the Company in the course of the execution of duties of the Directors.

(iii) In our opinion, the content of the resolutions of the Board of Directors regarding

the internal control systems is appropriate. We have not found anything to be pointed out on the description regarding the internal control systems set out in the Business Report or on the performance of duties of the Directors.

(2) Results of Audit of Nonconsolidated Financial Statements and Supplementary Schedules thereto

In our opinion, the method and results of the audit employed and rendered by GYOSEI & CO., the Accounting Auditors, are fair and reasonable.

(3) Results of Audit of Consolidated Financial Statements

In our opinion, the method and results of the audit employed and rendered by GYOSEI & CO., the Accounting Auditors, are fair and reasonable.

May 14, 2025

Kumagai Gumi Co., Ltd., Audit & Supervisory Board
Masahiro Kawanowa, Full-time Audit & Supervisory Board Member
Akio Yamada, Outside Audit & Supervisory Board Member
Miho Ueda, Outside Audit & Supervisory Board Member

[End of Document]