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(Stock Exchange Code 3232)

May 31, 2023

(Date of commencement of measures for electronic provision: May 29, 2023)

**To Shareholders with Voting Rights:**

Yasushi Hara  
President and Representative Director  
**Mie Kotsu Group Holdings, Inc.**  
1-1, Chuo, Tsu City, Mie

**NOTICE OF  
THE 17TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

The 17th Ordinary General Meeting of Shareholders of Mie Kotsu Group Holdings, Inc. (the “Company”) will be held as described below.

In convening the Meeting, the Company has taken measures for electronic provision for information contained in the Reference Documents for the General Meeting of Shareholders, etc. (the matters subject to measures for electronic provision). This information is posted on the Company’s website on the Internet. Please access this website to view the information.

The Company’s website:

<https://holdings.sanco.co.jp/english/ir/stock/meeting/>

(The information is posted under the heading “The 17th Ordinary General Meeting of Shareholders” on the above website.)

In addition to the above, the information is also posted on the website of the Tokyo Stock Exchange (TSE).

TSE website:

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

(Please access the above TSE website, enter “Mie Kotsu Group Holdings” in the Issue name (company name) field or “3232” in the Code field, and click “Search.” Then, select “Basic information” and “Documents for public inspection/PR information.” The information is posted in “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting]” under “Filed information available for public inspection.”)

If you decide not to attend the meeting in person, you may exercise your voting rights in writing or via the Internet. Please take the time to review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 6:00 p.m., on Thursday, June 22, 2023, the Japan standard time.

**1. Date and Time:**

Friday, June 23, 2023 at 10:00 a.m. Japan standard time

**2. Place:**

Tsu Center Palace Hall on  
5th floor of Tsu Center Palace Building  
7-15, Daimon, Tsu City, Mie, Japan

\* The venue has been changed from the previous year’s venue.

\* The progress of the Meeting will be live-streamed on the Internet. For more details such as instructions on how to view the live stream, please see the “Notice of on Live-streaming on the Internet” enclosed in the Japanese version of this Notice. (Japanese language only)

### 3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 17th Fiscal Year (April 1, 2022 - March 31, 2023) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company's 17th Fiscal Year (April 1, 2022 - March 31, 2023)

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Surplus  
**Proposal 2:** Election of Twelve (12) Directors  
**Proposal 3:** Election of Two (2) Audit & Supervisory Board Members

### 4. Other:

The Reference Documents for the General Meeting of Shareholders has also been sent to shareholders who have not submitted a request for delivery of paper copy. To shareholders who have submitted a request for delivery of paper copy, the paper copy containing the matters subject to measures for electronic provision has been sent, except for the Necessary Corporate Systems to Ensure the Appropriateness of Business Operations and the Summary of Operational Status of the Systems to be stated in the Business Report, the Consolidated Statement of Changes in Net Assets and the Notes to the Consolidated Financial Statements, which are part of the Consolidated Financial Statements, and the Statement of Changes in Net Assets and the Notes to the Non-consolidated Financial Statements, which are part of the Non-consolidated Financial Statements in accordance with laws and regulations and the Company's Articles of Incorporation. Therefore, such paper copy includes part of the Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements audited by the Audit & Supervisory Board Members in preparing their Audit Reports, and the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Accounting Auditor in preparing their Accounting Audit Reports.

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1. When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
  2. If exercising your voting rights by proxy, you may authorize one (1) other shareholder with voting rights to attend the meeting as your proxy, provided that such proxy shall submit to the Company a document evidencing his or her power of representation.
  3. Details of any updates to the matters subject to measures for electronic provision will be posted on the websites shown above.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

**Proposal 1:** Appropriation of Surplus

### **Matters concerning year-end dividends**

With respect to the year-end dividends for the 17th fiscal year, it is proposed that the year-end dividends be appropriated as follows, taking into account the financial results for the fiscal year and future business developments.

These year-end dividends, combined with the interim dividends of ¥5 distributed earlier in the fiscal year, bring the annual dividends for the 17th fiscal year to ¥10 per share.

1. Type of dividend property  
Cash
2. Allocation of dividend property to shareholders and total amount thereof  
¥5 per share of common stock of the Company  
Total amount of dividends: ¥499,196,545
3. Effective date of distribution of dividends of surplus  
June 26, 2023

**Proposal 2: Election of Twelve (12) Directors**

The terms of office of all Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. We hereby propose to elect twelve (12) Directors, decreasing the number of Directors by three (3) to enable more flexible decision-making by the Board of Directors.

The candidates for Director are as follows:

No.	Name	Current position and responsibility at the Company	Attendance at the Board of Directors meetings
1	Reappointment Kenichi Takeya	Vice President and Representative Director	11/11
2	Reappointment Naoyuki Okamoto	Chairman and Representative Director	11/11
3	Reappointment Yoko Murata	Director	10/11
4	Reappointment Michitaka Nakamura	Director	11/11
5	Reappointment Outside Director Independent Director Yoshiyuki Kusui	Director	11/11
6	Reappointment Outside Director Takashi Tsuji	Director	11/11
7	Reappointment Outside Director Independent Director Ayako Tanaka	Director	11/11
8	Reappointment Outside Director Independent Director Izumi Takamiya	Director	11/11
9	Reappointment Outside Director Independent Director Takashi Ueda	Director	8/9 (After taking office on June 23, 2022)
10	New candidate Toshihide Ogura	—	—
11	New candidate Hideaki Tabata	Executive Officer	—
12	New candidate Michiyasu Masuda	Executive Officer	—

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions		Number of shares of the Company held
1	Kenichi Takeya (July 28, 1956)  (Reappointment)	April 1979	Joined Mie Kotsu Co., Ltd.	112,900
		June 2009	Director of Mie Kotsu Co., Ltd.	
June 2011	Managing Director of Mie Kotsu Co., Ltd.			
June 2013	Director of the Company			
June 2013	Senior Managing Director of Mie Kotsu Co., Ltd.			
June 2017	Vice President and Representative Director of Mie Kotsu Co., Ltd.			
June 2019	President and Representative Director of Mie Kotsu Co., Ltd. (current position)			
June 2019	Vice President and Representative Director of the Company (current position)			
<p>[Significant concurrent position] President and Representative Director of Mie Kotsu Co., Ltd.</p>				
<p>&lt;Reason for nomination as a candidate for Director&gt; Mr. Kenichi Takeya has been working for the Group since 1979 and has gained a wealth of business experience through his involvement in the bus business and as a Director of a Group company. He also has been engaged in the Group's management as a Director of the Company since 2013. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors of the Company. Thus, the Company nominates him as a candidate for Director.</p>				
2	Naoyuki Okamoto (December 29, 1946)  (Reappointment)	April 1970	Joined Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.)	195,000
		June 2003	Director of Kintetsu Corporation	
June 2005	Senior Managing Director of Kintetsu Corporation			
June 2007	Vice President and Representative Director of Kintetsu Corporation			
June 2010	President and Representative Director of the Company			
June 2010	Chairman and Representative Director of Mie Kotsu Co., Ltd.			
June 2010	Chairman and Representative Director of Sanco Real Estate Co., Ltd.			
June 2010	Chairman and Representative Director of Meihankintetsu Bus Co., Ltd.			
June 2016	Chairman and Representative Director of the Company (current position)			
<p>&lt;Reason for nomination as a candidate for Director&gt; Mr. Naoyuki Okamoto has been working for Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.) since 1970 and has gained a wealth of business experience through his involvement in public relations, personnel affairs, and the real estate business. He became Director of Kintetsu Corporation in 2003 and has in-depth knowledge and a wealth of experience of corporate management. He has been engaged in the Group's management as the President and Representative Director of the Company since 2010 and as the Chairman and Representative Director since 2016. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors. Thus, the Company nominates him as a candidate for Director.</p>				

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
3	Yoko Murata (January 29, 1972)  (Reappointment)	April 1994    Joined Mie Kotsu Co., Ltd. June 2016    General Manager of General Affairs and Human Resources Group of the Company June 2017    General Manager of Planning Office of the Company June 2020    President and Representative Director of Sanco Inn Co., Ltd. (current position) June 2020    Director of the Company (current position)	35,100
		[Significant concurrent position] President and Representative Director of Sanco Inn Co., Ltd.	
<p>&lt;Reason for nomination as a candidate for Director&gt; Ms. Yoko Murata has been working for the Group since 1994 and has gained a wealth of business experience through her involvement in the bus business and general affairs. She has been engaged in the Group's management as Director of the Company since 2020. The Company believes that she can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing her experience and insight at the Board of Directors of the Company. Thus, the Company nominates her as a candidate for Director.</p>			
4	Michitaka Nakamura (March 14, 1963)  (Reappointment)	April 1987    Joined Mie Kotsu Co., Ltd. July 2010    General Manager of Planning and Accounting Group (responsible for Corporate Planning) (current Planning Office) of the Company June 2014    Director of Sanco Real Estate Co., Ltd. June 2016    Managing Director of Sanco Real Estate Co., Ltd. June 2018    Senior Managing Director of Sanco Real Estate Co., Ltd. June 2021    President and Representative Director of Sanco Real Estate Co., Ltd. (current position) June 2021    Director of the Company (current position)	84,300
		[Significant concurrent position] President and Representative Director of Sanco Real Estate Co., Ltd.	
<p>&lt;Reason for nomination as a candidate for Director&gt; Mr. Michitaka Nakamura has been working for the Group since 1987 and has gained a wealth of business experience through his involvement in accounting and planning and as a Director of a Group company. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors of the Company. Thus, the Company nominates him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
5	Yoshiyuki Kusui (May 14, 1954)  (Outside Director) (Independent Director) (Reappointment)	April 1980    Joined Mie Prefectural Government April 1985    Registered as attorney-at-law January 1992    Opened Kusui Law Office June 2014    Outside Audit & Supervisory Board Member of the Company June 2016    Outside Director of the Company (current position) June 2021    Registered as a tax accountant  [Significant concurrent positions] Attorney-at-law Tax accountant	22,700
<p>&lt;Reason for nomination as a candidate for Outside Director and outline of expected role&gt;            Mr. Yoshiyuki Kusui has served as an Outside Audit &amp; Supervisory Board Member of the Company for two years since 2014 and has been engaged in audits of the Company to ascertain whether performance of duties of management is appropriate and reasonable. Although he has never engaged in corporate management in the past except as an outside officer, he has wealth of knowledge and experience cultivated as an attorney-at-law. For the reasons above, the Company expects that he is capable of providing accurate advice on management of the Company from an objective viewpoint and that he can contribute to further strengthening the effectiveness of the decision-making and control function of the Board of Directors and to the enhancement of the Group's corporate value over the medium to long term. Thus, the Company nominates him as a candidate for Outside Director.</p>			
6	Takashi Tsuji (August 26, 1957)  (Outside Director) (Reappointment)	April 1982    Joined Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.) January 2015    Executive Officer of Kintetsu Division Preparation Company (current Kintetsu Railway Co., Ltd.) June 2016    Director and Managing Executive Officer of Kintetsu Railway Co., Ltd. June 2019    Director of Kintetsu Group Holdings Co., Ltd. June 2019    President and Representative Director of Kintetsu Railway Co., Ltd. (current position) June 2020    Outside Director of the Company (current position) June 2021    Group Officer of Kintetsu Group Holdings Co., Ltd. (current position)  [Significant concurrent positions] Group Officer of Kintetsu Group Holdings Co., Ltd. President and Representative Director of Kintetsu Railway Co., Ltd.	1,700
<p>&lt;Reason for nomination as a candidate for Outside Director and outline of expected role&gt;            Mr. Takashi Tsuji has been working for Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.) since 1982 and has gained a wealth of business experience through his involvement in railway business. He became Executive Officer of Kintetsu Division Preparation Company (current Kintetsu Railway Co., Ltd.) in 2015 and President and Representative Director of Kintetsu Railway Co., Ltd. in June 2019, and has in-depth knowledge and a wealth of experience of corporate management. The Company expects that he can contribute to further strengthening the effectiveness of the decision-making and control function of the Board of Directors and to the enhancement of the Group's corporate value over the medium to long term by utilizing his experience and insight to manage the Company. Thus, the Company nominates him as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
7	Ayako Tanaka (April 30, 1950)  (Outside Director) (Independent Director) (Reappointment)	October 1973    Joined Suzuka Public Health Center, Mie Prefecture April 1978      Joined Shiokawa Hospital April 1988      Director of Shiokawa Hospital, Medical Corporation Seijinkai May 1997        Executive Director of Social Welfare Corporation Hakuaiikai December 1998   President of Medical Corporation Seijinkai (current position) June 2010        President of Social Welfare Corporation Hakuaiikai (current position) June 2021        Outside Director of the Company (current position)  [Significant concurrent positions] President of Medical Corporation Seijinkai President of Social Welfare Corporation Hakuaiikai	400
<p>&lt;Reason for nomination as a candidate for Outside Director and outline of expected role&gt;            Although Ms. Ayako Tanaka has never engaged in corporate management in the past in other ways than serving as an outside director, she has deep insight and a wealth of experience as an executive of a medical institution, etc. For the reason above, the Company expects that she can provide accurate advice on management of the Company from an objective viewpoint and that she can contribute to further strengthening the effectiveness of the decision-making and control function of the Board of Directors and to the enhancement of the Group's corporate value over the medium to long term. Thus, the Company nominates her as a candidate for Outside Director.</p>			
8	Izumi Takamiya (July 22, 1958)  (Outside Director) (Independent Director) (Reappointment)	May 1989        Research Associate of School of Humanities and Social Sciences, Waseda University April 2001        Lecturer of Faculty of Literature, Arts and Cultural Studies, Kindai University April 2005        Assistant Professor of Faculty of Literature, Arts and Cultural Studies, Kindai University April 2007        Associate Professor of Faculty of Literature, Arts and Cultural Studies, Kindai University April 2011        Professor of Faculty of Literature, Arts and Cultural Studies, Kindai University (current position) October 2016     Dean of Faculty of Literature, Arts and Cultural Studies, Kindai University November 2017   Vice President of Kindai University (current position) June 2021        Outside Director of the Company (current position)  [Significant concurrent position] Vice President and Professor of Faculty of Literature, Arts and Cultural Studies of Kindai University	4,200
<p>&lt;Reason for nomination as a candidate for Outside Director and outline of expected role&gt;            Ms. Izumi Takamiya has experience in university management through her service as Vice President of Kindai University in addition to her career as a university professor. Although she has never engaged in corporate management in the past in other ways than serving as an outside director, she has deep insight and a wealth of experience gained in the course of her career. For the reasons above, the Company expects that she can provide accurate advice on management of the Company from an objective viewpoint and that she can contribute to further strengthening the effectiveness of the decision-making and control function of the Board of Directors and to the enhancement of the Group's corporate value over the medium to long term. Thus, the Company nominates her as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
9	Takashi Ueda (May 1, 1952)  (Outside Director) (Independent Director) (Reappointment)	<p>April 1975      Joined Mie Prefectural Government</p> <p>April 2007      General Manager of Tokyo Office, Mie Prefectural Government</p> <p>April 2009      General Manager of Department of General Affairs, Mie Prefectural Government</p> <p>April 2012      Vice Governor, Mie Prefectural Government</p> <p>June 2016      Chairman, Mie Credit Guarantee Association</p> <p>June 2021      President, Mie Prefecture Tomonokai Foundation (current position)</p> <p>June 2022      Outside Director of the Company (current position)</p> <p>[Significant concurrent position] President, Mie Prefecture Tomonokai Foundation</p>	500
<p>&lt;Reason for nomination as a candidate for Outside Director and outline of expected role&gt;</p> <p>Mr. Takashi Ueda has many years of experience as a responsible person of administrative bodies, including his service as Vice Governor of Mie Prefectural Government. Although he has never engaged in corporate management in the past in other ways than serving as an outside director, he has deep insight and a wealth of experience gained in the course of his career. For the reasons above, the Company expects that he can provide accurate advice on management of the Company from an objective viewpoint and that he can contribute to further strengthening the effectiveness of the decision-making and control function of the Board of Directors and to the enhancement of the Group's corporate value over the medium to long term. Thus, the Company nominates him as a candidate for Outside Director.</p>			
10	Toshihide Ogura (September 9, 1955)  (New candidate)	<p>April 1978      Joined Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.)</p> <p>June 2009      Executive Officer of Kintetsu Corporation</p> <p>June 2012      Director and Managing Executive Officer of Kintetsu Corporation</p> <p>June 2015      Director and Senior Managing Executive Officer of Kintetsu Corporation</p> <p>June 2016      Chairman and Representative Director of Mie Kotsu Co., Ltd.</p> <p>June 2016      Chairman and Representative Director of Sanco Real Estate Co., Ltd.</p> <p>June 2016      Chairman and Representative Director of Meihankintetsu Bus Co., Ltd.</p> <p>June 2016      President and Representative Director of the Company</p> <p>June 2020      President of Kintetsu Group Holdings Co., Ltd. (current position)</p> <p>[Significant concurrent positions] President of Kintetsu Group Holdings Co., Ltd. Director of Kin-Ei Corp.</p>	80,900
<p>&lt;Reason for nomination as a candidate for Director&gt;</p> <p>Mr. Toshihide Ogura has been working for Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.) since 1978 and has gained a wealth of business experience through his involvement in general affairs and administration of the group. He has been serving as Executive Officer and Director of Kintetsu Corporation since 2009 and has in-depth knowledge and a wealth of experience in the corporate management. He was engaged in the group management as the President and Representative Director of the Company for four years from 2016 and as the President of Kintetsu Group Holdings since 2020. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors. Thus, the Company nominates him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
11	Hideaki Tabata (August 30, 1963)  (New candidate)	April 1986      Joined Mie Kotsu Co., Ltd June 2017      Managing Director of Meihankintetsu Bus Co., Ltd. June 2019      Director of Mie Kotsu Co., Ltd. (current position) June 2020      President and Representative Director of Meihankintetsu Bus Co., Ltd. (current position) June 2020      President and Representative Director of Meihan Kintetsu Travel Co., Ltd. (current position) June 2020      Director of the Company June 2021      Executive Officer of the Company (current position)  [Significant concurrent positions] President and Representative Director of Meihankintetsu Bus Co., Ltd. President and Representative Director of Meihan Kintetsu Travel Co., Ltd. Director of Mie Kotsu Co., Ltd.	29,400
<Reason for nomination as a candidate for Director> Mr. Hideaki Tabata has been working for the Group since 1986 and has gained a wealth of business experience through his involvement in the bus business and travel planning service and as a Director of companies in the Group. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors. Thus, the Company nominates him as a candidate for Director.			
12	Michiyasu Masuda (November 24, 1964)  (New candidate)	April 1989      Joined Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.) July 2015      General Manager of Administrative General Affairs Division, Kintetsu Group Holdings Co., Ltd. June 2020      General Manager of Corporate Strategy Division, Kintetsu Group Holdings Co., Ltd. June 2021      Executive Officer of Kintetsu Group Holdings Co., Ltd. March 2023      Executive Officer of the Company (current position)	10,300
<Reason for nomination as a candidate for Director> Mr. Michiyasu Masuda has been working as a member of Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.) since 1989, involved in the railway business, administrative general affairs, group management, and planning. He was appointed Executive Officer of Kintetsu Group Holdings Co., Ltd. in 2021, and Executive Officer of the Company in March 2023, and has in-depth knowledge and a wealth of experience of corporate management. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors. Thus, the Company nominates him as a candidate for Director.			

(Notes)

- There are no special interests between each of the candidates and the Company.
- Mr. Yoshiyuki Kusui, Mr. Takashi Tsuji, Ms. Ayako Tanaka, Ms. Izumi Takamiya and Mr. Takashi Ueda are candidates for Outside Director. Mr. Yoshiyuki Kusui will have served as Outside Director for seven years, Mr. Takashi Tsuji for three years, and Ms. Ayako Tanaka and Ms. Izumi Takamiya for two years and Mr. Takashi Ueda for one year at the conclusion of this Ordinary General Meeting of Shareholders.
- The Company has registered Mr. Yoshiyuki Kusui, Ms. Ayako Tanaka, Ms. Izumi Takamiya and Mr. Takashi Ueda as Independent Directors with the Tokyo Stock Exchange and the Nagoya Stock Exchange.
- The Criteria for Independence of Outside Directors/Audit & Supervisory Board Members are presented on the Company's website (<https://holdings.sanco.co.jp/ir/governance/>). (Japanese language only)
- In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act and Article 28 of the Articles of Incorporation, the Company has entered into agreements with Mr. Yoshiyuki Kusui, Mr. Takashi Tsuji, Ms. Ayako Tanaka, Ms. Izumi Takamiya and Mr. Takashi Ueda that limit their liability for damages provided in Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the amount stipulated by laws and regulations. If their reappointment is approved, the Company intends to continue the said agreements with them.
- The Company has executed with an insurance company a directors and officers liability insurance agreement stipulated in Article 430-3, Paragraph 1, of the Companies Act that covers Directors, Audit & Supervisory Board Members, executive officers and major employees of the Company and its consolidated subsidiaries as the insured to compensate the insured for

damages, litigation costs, and any other relevant costs and expenses that may arise in the event that the insured are held liable, or receive a claim for such liability, with regard to the performance of their duties. The insurance premiums are fully borne by the Company. If the appointment of each candidate is approved, the candidate will be covered by the said liability insurance agreement as the insured. The liability insurance agreement will be renewed during the candidates' term of office.

7. Mr. Toshihide Ogura is scheduled to retire as President of Kintetsu Group Holdings Co., Ltd. on June 21, 2023, and take office as Representative Director and Chairman of the Company subject to approval and adoption of Proposal 2 as originally proposed, and Representative Director and Chairman of Sanco Real Estate, Ltd. on June 23, 2023.
8. Mr. Takashi Tsuji is scheduled to take office as President of Kintetsu Group Holdings Co., Ltd. on June 21, 2023, and to retire as President and Representative Director of Kintetsu Railway Co., Ltd. on June 23, 2023.
9. On June 23, 2023, subject to the approval and adoption of Proposal 2 as originally proposed, Mr. Kenichi Takeya is scheduled to take office as President and Representative Director of the Company and Chairman and Representative Director of Mie Kotsu Co., Ltd. and Meihankintetsu Bus Co., Ltd. Mr. Naoyuki Okamoto is scheduled to retire as Chairman and Representative Director of the Company and take office as Director and Executive Advisor of the Company, Mr. Hideaki Tabata is scheduled to retire as President and Representative Director of Meihankintetsu Bus Co., Ltd. and Meihan Kintetsu Travel Co., Ltd. and take office responsible for Human Resources, General Affairs and Human Resources Group of the Company and as President and Representative Director of Mie Kotsu Co., Ltd., and Mr. Michiyasu Masuda is scheduled to take office responsible for Planning Office, General Affairs and Human Resources Group, Accounting Group, and Internal Control Office of the Company and as Senior Managing Director of Mie Kotsu Co., Ltd.

**Proposal 3: Election of Two (2) Audit & Supervisory Board Members**

The terms of office of Audit & Supervisory Board Members Mr. Kei Kumoi and Mr. Takashi Wakai will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the election of two (2) Audit & Supervisory Board Members is proposed.

The consent of the Audit & Supervisory Board has been obtained for the submission of this proposal.

The candidates for Audit & Supervisory Board Member are as follows:

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
1	Michitaka Beppu (August 7, 1959)  (New candidate)	April 1982    Joined Mie Kotsu Co., Ltd. June 2008    Director of Sanco Cogyo Co., Ltd. June 2010    Managing Director of Toba Seaside Hotel Co., Ltd. June 2014    Senior Managing Director of Toba Seaside Hotel Co., Ltd. February 2015    President and Representative Director of Kanko Hanbai Systems Co., Ltd. April 2019    President and Representative Director of Gozaisho Ropeway Inc. (current position)	20,300
		[Significant concurrent position] President and Representative Director of Gozaisho Ropeway Inc.	
<Reason for nomination as a candidate for Audit & Supervisory Board Member> Mr. Michitaka Beppu has been working for the Group since 1982 and has gained a wealth of business experience through his involvement in the bus business, human resources, and as a Director of Group companies. Based on his achievements and experience, the Company believes him to be an appropriate Audit & Supervisory Board Member, and nominates him as a candidate for Audit & Supervisory Board Member.			
2	Hiroyuki Kasamatsu (March 4, 1964)  (Outside Audit & Supervisory Board Member) (New candidate)	April 1987    Joined Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.) June 2016    General Manager of Corporate Strategy Division, Kintetsu Group Holdings Co., Ltd. June 2017    Officer and General Manager of Finance Division, Kintetsu World Express, Inc. June 2019    Officer and General Manager of Corporate Finance & Accounting Division, Kintetsu World Express, Inc. April 2021    Managing Officer and General Manager of Corporate Finance & Accounting Division, Kintetsu World Express, Inc. (current position)	0
		<Reason for nomination as a candidate for Outside Audit & Supervisory Board Member> Mr. Hiroyuki Kasamatsu has been working for Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.) since 1987, involved in accounting job, etc., and has gained a wealth of experience and substantial insight into finance and accounting. He was appointed Officer of a Kintetsu Group company in 2017, and the Company believes that he is capable of appropriately fulfilling his duties as Audit & Supervisory Board Member from an objective standpoint, and nominates him as a candidate for Outside Audit & Supervisory Board Member.	

(Notes)

1. There are no special interests between each of the candidates and the Company.
2. Mr. Hiroyuki Kasamatsu is a candidate for Outside Audit & Supervisory Board Member.
3. If the appointment of Mr. Hiroyuki Kasamatsu in this proposal is approved and he takes the office, the Company intends to enter into an agreement with him to limit his liability for damages provided in Article 423, Paragraph 1 of the Companies Act, in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act and Article 37 of the Articles of Incorporation. The maximum amount of liability pursuant to the agreement is the amount stipulated by laws and regulations.
4. The Company has executed with an insurance company a directors and officers liability insurance agreement stipulated in Article 430-3, Paragraph 1, of the Companies Act that covers Directors, Audit & Supervisory Board Members, executive officers and major employees of the Company and its consolidated subsidiaries as the insured to compensate the insured for damages, litigation costs, and any other relevant costs and expenses that may arise in the event that the insured are held liable, or receive a claim for such liability, with regard to the performance of their duties. The insurance premiums are fully borne by the Company. If the appointment of each candidate is approved, the candidate will be covered by the said liability insurance agreement as the insured. The liability insurance agreement will be renewed during the candidates' term of office.

5. Mr. Michitaka Beppu is scheduled to retire as President and Representative Director of Gozaisho Ropeway Inc. on June 23, 2023.

<Reference>

Composition and Skills Matrix of the Board of Directors and the Audit & Supervisory Board

If Proposals 2 and 3 are approved and adopted as originally proposed, the composition and skills matrix of the Board of Directors and the Audit & Supervisory Board will be as shown below.

Titles will be officially determined by the Board of Directors after the conclusion of this Ordinary General Meeting of Shareholders.

[Directors]

Title (tentative)	Name	Main areas of skills and experience of candidates (*)					
		Management	Finance / accounting	Human resource / labor affairs	Legal affairs / risk management	Digital / ICT	Gender / other elements of diversity
Chairman and Representative Director	Toshihide Ogura	●	●		●		
President and Representative Director	Kenichi Takeya	●		●	●		
Director and Executive Advisor	Naoyuki Okamoto	●		●	●		
Director	Hideaki Tabata	●		●	●		
Director	Michiyasu Masuda	●	●		●		
Director	Yoko Murata	●				●	●
Director	Michitaka Nakamura	●	●		●		
Independent Outside Director	Yoshiyuki Kusui	●	●		●		
Outside Director	Takashi Tsuji	●		●	●		
Independent Outside Director	Ayako Tanaka	●			●		●
Independent Outside Director	Izumi Takamiya				●	●	●
Independent Outside Director	Takashi Ueda	●		●	●		

[Audit & Supervisory Board Members]

Title (tentative)	Name	Main areas of skills and experience of candidates (*)					
		Management	Finance / accounting	Human resource / labor affairs	Legal affairs / risk management	Digital / ICT	Gender / other elements of diversity
Audit & Supervisory Board Member (full-time)	Shinya Nakagawa		●	●	●		
Audit & Supervisory Board Member (full-time)	Michitaka Beppu	●		●	●		
Independent Outside Audit & Supervisory Board Member	Katsu Kobayashi	●	●		●		
Outside Audit & Supervisory Board Member	Hiroyuki Kasamatsu		●		●	●	

\* The list shows only three areas of skills and experience at maximum for each candidate.

# Business Report

(April 1, 2022 - March 31, 2023)

## 1. Current state of the corporate group

### (1) Business progress and results

The Japanese economy during the fiscal year ended March 31, 2023 (hereinafter, “the fiscal year under review”) saw an upturn in personal consumption, with the progressive normalization of socioeconomic activity in the absence of movement restrictions due to COVID-19. At the same time, the outlook remained clouded due to factors such as international disputes and the resulting rises in the costs of raw materials and energy, as well as the dramatic depreciation of the yen.

Under such a situation, the Group continued to endeavor to provide safe, secure, stable, and comfortable services and capture the rising demand for leisure services due to tourism stimulus measures implemented by the national and local governments. In the leasing division, one of our areas of focus, we also engaged in building a base for further earnings, proceeding with the development of the No. 2 Nagoya Sanco Building (tentative name), the Sanco Yokkaichi Ekimae Building (tentative name), and other office buildings and rental condominiums for sale.

As a result, for the fiscal year under review, the Group posted operating revenue of 93,124 million yen, up 10.4% year on year. Operating profit came to 6,374 million yen, or up 112.7%, ordinary profit was 6,914 million yen, or up 65.4%, and profit attributable to owners of parent came to 3,769 million yen, up 70.5%.

Results by segment are as follows:

#### Transportation segment

In the transit bus division, operating revenue increased due to the resumption of highway bus operation and spectator transport for the first F1 Japan Grand Prix in three years, in addition to an increase in users due to the relaxation of movement restrictions.

In the charter bus division, operating revenue increased due to a progressive recovery in transport for student groups and events, as well as an increase in tour bus orders due to tourism stimulus measures.

In the taxi division, operating revenue increased with a recovery in demand for business use in the Hokusei region and tourism demand in Ise.

As a result, operating revenue in the Transportation segment increased by 14.0% year on year to 22,467 million yen, operating profit was 384 million yen.

#### Real Estate segment

In the condominium and housing sale division, operating revenue increased due mainly to a rise in the number of condominium units sold.

In the leasing division, operating revenue was little changed from the previous fiscal year, due to efforts to raise occupancy rates.

In the construction division, operating revenue decreased due to fewer buildings delivered for custom-built houses.

In the environmental energy division, operating revenue was on par with the previous fiscal year due to similar sunshine durations.

In the real estate management division in which we provide management and other services for buildings and condominiums, operating revenue increased thanks to orders for new properties.

In the brokerage division, operating revenue increased due to an increase in the number of properties and amount handled.

As a result, operating revenue in the Real Estate segment increased by 1.5% year on year, to 34,505 million yen, while operating profit increased by 2.7% to 6,240 million yen.

## Distribution segment

In the petroleum products sales division, operating revenue increased due to higher sales prices of gasoline, etc., caused by a steep rise in crude oil prices.

In the household goods sales division, operating revenue increased due to the opening of the Hands Matsuzakaya Nagoya Store in November 2022 and a recovery in customer traffic at existing stores.

In the automobile sales division, operating revenue increased due to growth in sales of high-priced large trucks.

As a result, operating revenue in the Distribution segment increased by 6.9% year on year to 30,507 million yen, but operating loss of 361 million yen was posted.

## Leisure Services segment

In the business hotel division, amid rising demand for accommodation associated with business travel and events, we worked to respond to national travel assistance program, etc. and adopt pricing suited to demand. As a result, operating revenue increased.

In the resort hotel division, operating revenue increased as we welcomed individual guests through a product lineup utilizing the tourism stimulus measures, as well as endeavoring to raise consumption at facilities.

In the drive-in division, we strengthened sales activities targeting tour buses, aiming for a recovery in the number of bus visits, while also implementing events in collaboration with the local community to boost the attraction of facilities. As a result, operating revenue increased.

In the cable car (ropeway) division, operating revenue increased as we worked on communication targeting individuals and holding various events across the changing seasons.

As a result, operating revenue in the Leisure Services segment increased by 57.3% year on year to 11,530 million yen, and operating profit was 52 million yen.

## (2) Issues to be addressed

Guided by the fundamental principles of “aiming to enrich the lives of our customers and contribute to the development of society,” the Group is working to achieve sustainable growth and the enhancement of corporate value.

Under the four-year Mid-term Management Plan (2019-2022) with FY2019 being the first year, despite a substantial impact from COVID-19, we have succeeded in progressively building an earnings base for the future. This has included the construction of offices and other buildings in the leasing division, one of our areas of focus, and the development of solar power generating facilities in the environmental energy division, among other initiatives. In the post-pandemic era, although we anticipate the recovery of various demands that had slumped during the COVID-19 crisis, the Group’s business environment is also entering a period of great change due to factors such as the spread of new lifestyles, labor shortages, and soaring raw materials prices.

Under these conditions, we have established a new four-year Mid-term Management Plan starting from FY2023. Under the six basic policies presented below, we respond to the continually changing environment, develop businesses to contribute to the local community, and achieve sustainable growth and development.

### — Basic policies —

- Providing safe, secure, stable, and comfortable services
- Deepening and creating growing fields
- Building a business model adapting to changes in market
- Initiatives for sustainability
- Promoting DX
- Improving financial standing

Issues to be addressed by each segment and concrete initiatives are described below.

## (Transportation segment)

As our priority issue in the Transportation segment is securing safety, we will proceed with the introduction of vehicles featuring new safety devices and implement thorough safety education and health management so that we can continue to offer services that bring peace of mind to consumers.

In the transit bus division, we will promote the visualization of bus information through enhancements

to our online services to increase customer convenience. Through measures such as the introduction of articulated buses and electric vehicles, we will enhance the efficiency of operation and reduce environmental burden.

In the charter bus division, we will capture transport demand arising from events held in the future and build an operation system commensurate with demand, aiming to secure earnings and improve productivity.

In the contracted passenger transportation division, we will continue to ensure safe operations and work to secure stable earnings.

(Real Estate segment)

In the Real Estate segment, we will strengthen both our recurring revenue and sales businesses as pillars of growth for the Group.

In the condominium and housing sale division, we work to secure revenue by speeding up the acquisition and sale of carefully selected sites, while engaging in planned sales of rental condominiums for sale as our next cash cycle business after condominiums and ready-built houses for sale.

In the leasing division, we will continue with the development of office buildings such as the No. 2 Nagoya Sanco Building (tentative name) and the Sanco Yokkaichi Ekimae Building (tentative name). We also work to secure stable earnings by improving the occupancy rate of existing facilities.

In the environmental energy division, in addition to streamlining the operation of solar power generation facilities, we will research renewable energy sources other than sunlight and develop solar power generation facilities for internal consumption to reduce CO<sub>2</sub> emissions within the Group.

In the real estate management division, we will continue to strengthen administration and sales systems to improve profitability and services with the aim of acquiring new orders.

(Distribution segment)

In the petroleum products sales division, we will adopt store strategies tailored to the area in which we operate. At the same time, we will strengthen total car services such as car maintenance and coating, thereby building a stable earnings base.

In the household goods sales division, under the Hands brand we operate as a franchisee, we will strengthen our product lineup and review our selling space allocations based on the increase in opportunities for customers to go out, thus expanding revenue and reducing costs through greater operational efficiency.

In the automobile sales division, we strive to increase profitability by expanding sales of both new and used cars, and acquiring more orders for the maintenance service, in addition to internalizing outsourced operations.

(Leisure Services segment)

In the business hotel division, we will develop new hotels while systematically renewing existing hotels to provide customers with more enjoyable experiences, aiming to improve occupancy rates and maximize the unit price of accommodation.

The resort hotel division will work to strengthen its offerings targeting individuals, including more extensive cuisine plans making the most of regional characteristics.

For Gozaisho Ropeway of the cable car (ropeway) division, we will attract visitors by holding various events for all seasons, as we aim to expand earnings. We will also pursue initiatives in collaboration with the local community, such as providing menus using the specialty products of the region at the scenic restaurants.

For Mie Country Club of the golf course division, we work to increase customer footfall by holding events targeted at a wide range of customers in and outside of the prefecture, taking advantage of its excellent traffic accessibility.

In the driving school division, we strive to expand revenue opportunities by enhancing training programs for senior drivers.

(Group companies)

In the post-pandemic era, we will continue to pursue businesses based on “providing safe, secure, stable, and comfortable services.” In order for the Group to remain as a corporate group that is trusted by shareholders and investors, as well as customers, local communities, business partners and other various stakeholders, the Group strives to fulfill its social responsibility pursuant to the Management Guidelines and the Group Compliance Code of Conduct. On the financial front, we strive to strengthen our financial standing through a cash management system we utilize for the

effective use of funds within the Group.

As an initiative to realize a sustainable society, the Group has formulated the Group Sustainability Basic Policies comprising five key themes, namely, “Environmental conservation,” “Respect for human rights,” “Creation of motivating workplace and human resource development,” “Fair and proper transactions,” and “Crisis management.” Based on these policies, we will tackle various social issues through our business operations and endeavor to secure diverse human resources, aiming to increase corporate value over the medium to long term.

(3) Capital investments

- 1) Major construction and other work completed during the fiscal year under review  
None
- 2) New vehicles manufactured during the fiscal year under review  
Transit buses: 23 vehicles  
Charter buses: 2 vehicles
- 3) Major construction and other work underway at the end of the fiscal year under review  
Construction of the No. 2 Nagoya Sanco Building (tentative name)  
Construction of the Nagoya Nakamura-ku Tsubaki-cho Building (tentative name)  
Construction of the Sanco Yokkaichi Ekimae Building (tentative name)

(4) Financing

The Group took out loans from financial institutions as needed to cover capital investments and other expenses.

Outstanding balance of borrowings on a consolidated basis as of the end of the fiscal year under review decreased by 2,790 million yen from the end of the previous fiscal year to 79,520 million yen.

## (5) Assets and income

Item	14th fiscal year ended March 31, 2020	15th fiscal year ended March 31, 2021	16th fiscal year ended March 31, 2022	17th fiscal year ended March 31, 2023 (the fiscal year under review)
Total assets (million yen)	170,921	165,692	165,153	167,901
Net assets (million yen)	50,487	47,750	48,394	52,777
Net assets per share (yen)	505.84	477.14	482.59	525.52
Operating revenue (million yen)	103,926	81,179	84,351	93,124
Transportation segment (million yen)	25,935	18,634	19,706	22,467
Real Estate segment (million yen)	36,010	34,066	33,983	34,505
Distribution segment (million yen)	35,864	27,120	28,528	30,507
Leisure Services segment (million yen)	12,087	6,495	7,331	11,530
Elimination (million yen)	(5,970)	(5,137)	(5,198)	(5,886)
Profit (loss) attributable to owners of parent (million yen)	3,760	(1,746)	2,210	3,769
Basic earnings (loss) per share (yen)	37.89	(17.57)	22.19	37.78

- (Notes)
- Factors that contributed to the operating results for the fiscal year under review are as stated in (1) Business progress and results.
  - Net assets per share are calculated based on the total number of outstanding shares at the end of each fiscal year, which is the number after deducting the number of treasury shares.
  - Basic earnings per share are calculated based on the average number of outstanding shares during the period for each fiscal year, which is the number after deducting the number of treasury shares.
  - The Company applies the Accounting Standard for Revenue Recognition (ASBJ No. 29, March 31, 2020) and other standards from the 16th fiscal year.

(6) Significant subsidiaries (as of March 31, 2023)

(i) Significant subsidiaries

Company name	Share capital	Voting rights ratio	Principal business
	(Million yen)	(%)	
Mie Kotsu Co., Ltd.	4,017	100.00	Businesses related to motor transportation
Sanco Real Estate Co., Ltd.	3,800	100.00	Real estate business
Mie Isuzu Motor Co., Ltd.	105	56.76 (90.58)	Sales of automobiles
Mie Kotsu Shoji Co., Ltd.	99	100.00	Sales of petroleum products
Meihankintetsu Bus Co., Ltd.	90	100.00	Motor transportation business
Sanco Creative Life Co., Ltd.	50	100.00	Sales of household goods
Sanco Inn Co., Ltd.	10	100.00	Operation of business hotels

(Note) Figures in parentheses include share capital contributed by subsidiaries of the Company.

(ii) Specified wholly-owned subsidiaries

Company name	Address	Total sum of book value	Total assets of the Company
		(Million yen)	(Million yen)
Mie Kotsu Co., Ltd.	1-1 Chuo, Tsu-shi, Mie	6,065	24,042
Sanco Real Estate Co., Ltd.	9-18 Marunouchi, Tsu-shi, Mie	8,418	

(7) Principal business (as of March 31, 2023)

(i) The Company

Planning and execution of consolidated management of the Group through ownership of shares in operating companies engaged in the transportation business, real estate business, distribution business, and leisure services business

(ii) The Group

Segment	Description of business
Transportation business	Operation of buses and operation of taxis
Real estate business	Sales, leasing, brokerage, and management of real estate, construction contractor business, and environmental energy business
Distribution business	Sales of petroleum products, sales of household goods, and sales of automobiles
Leisure services business	Operation of business hotels, operation of resort hotels, operation of drive-in commercial facilities, cable car business, operation of golf courses, travel agency business, operation of driving schools, landscaping business, and nursing care business

(8) Principal business locations (as of March 31, 2023)

1) The Company

Head Office: Tsu City, Mie

2) Business locations and facilities of principal subsidiaries

Company name	Locations (Prefecture)
Mie Kotsu Co., Ltd.	Mie, Aichi
Sanco Real Estate Co., Ltd.	Mie, Aichi, Tokyo, Osaka
Mie Isuzu Motor Co., Ltd.	Mie
Mie Kotsu Shoji Co., Ltd.	Mie, Wakayama
Meihankintetsu Bus Co., Ltd.	Aichi, Gifu, Mie
Sanco Creative Life Co., Ltd.	Aichi
Sanco Inn Co., Ltd.	Aichi, Mie, Shizuoka, Tokyo, Osaka, Kyoto

(9) Employees (as of March 31, 2023)

Segment	Number of employees	
		(Persons)
Transportation business	1,664	(1,095)
Real estate business	401	(720)
Distribution business	476	(259)
Leisure services business	482	(254)
Group-wide affairs (across segments)	30	(6)
Total	3,053	(2,334)

- (Notes)
1. Number of employees indicates the number of persons working.
  2. Number of temporary employees, calculated as the average number over the year and not included in the number of employees, is stated within parentheses.
  3. Number of employees stated under "Group-wide affairs" is the number of employees of the Company.
  4. Executive officers are not included in the number of employees.

(10) Principal lenders (as of March 31, 2023)

Lender	Balance of borrowings
	(Million yen)
San ju San Bank, Ltd.	21,412
The Hyakugo Bank, Ltd.	19,693
JA Mie Shinren	8,414

## 2. Shares in the Company (as of March 31, 2023)

- (1) Total number of authorized shares 300,000,000 shares
- (2) Total number of outstanding shares 99,839,309 shares  
(excluding 7,462,274 treasury shares)
- (3) Number of shareholders 14,798  
(Increase of 743 from the end of the previous fiscal year)

### (4) Major shareholders

Shareholder name	Number of shares held	Shareholding ratio
	(Thousand shares)	(%)
The Master Trust Bank of Japan, Ltd. (Retirement Benefit Trust Account for Kintetsu Railway Co., Ltd.)	24,000	24.04
Kintetsu Group Holdings Co., Ltd.	14,222	14.24
The Hyakugo Bank, Ltd.	3,987	3.99
San ju San Bank, Ltd.	3,987	3.99
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,625	3.63
Cosmo Oil Property Service CO., LTD.	2,357	2.36
Custody Bank of Japan, Ltd. (Trust Account 4)	2,066	2.07
Mie Kotsu Group Employee Shareholding Association	1,691	1.69
JA Mie Shinren	1,200	1.20
Meiji Yasuda Life Insurance Company	1,140	1.14

- (Notes)
1. The Company holds 7,462,274 treasury shares, but it is excluded from the above list of major shareholders.
  2. Shareholding ratio is calculated after deducting treasury shares.
  3. Kintetsu Railway Co., Ltd. reserves the right to give instructions regarding voting rights on 24,000 thousand shares held by The Master Trust Bank of Japan, Ltd. (Retirement Benefit Trust Account for Kintetsu Railway Co., Ltd.) as its trustor.

(5) Shares delivered to Company officers during the fiscal year under review as compensation for execution of duties

Details of shares delivered during the fiscal year under review as compensation for execution of duties are as follows.

- Total shares delivered to Directors and other officers by category

Category	Number of shares	Number of recipients
	(Shares)	(Persons)
Directors of the Company (excluding Outside Directors)	51,900	9
Outside Directors	0	0
Audit & Supervisory Board Members	0	0

- Details of shares (restricted stock) delivered

1) Transfer restriction period: 30 years

2) Conditions for lifting of the transfer restriction

The Company shall lift the transfer restriction for the whole of the restricted shares that have been allotted (hereinafter referred to as the “Allotted Shares”) at the expiry of the transfer restriction period, on condition that the relevant Director of the Company who is not an Outside Director (hereinafter referred to as the “Eligible Director”) has, during the transfer restriction period, remained uninterrupted in his/her post as Director, Audit & Supervisory Board Member, or employee of the Company or its subsidiaries, or any other posts equivalent thereto.

3) Handling in case an Eligible Director resigns or retires during the transfer restriction period due to the expiration of term of office, death, or any other reasons recognized as reasonable by the Board of Directors of the Company

a. Timing of lifting the transfer restriction

The Company shall lift the transfer restriction immediately after the resignation or retirement of the relevant Eligible Director. In case of resignation or retirement due to death, the Company shall lift the transfer restriction at a timing separately determined by the Board of Directors of the Company after the death of the Eligible Director.

b. Number of shares for which the transfer restriction will be lifted

The transfer restriction shall be lifted for the number of shares obtained by multiplying the number of Allotted Shares held as of the resignation or retirement stipulated in a. by the number of months from July of the year that includes the payment due date for the Allotted Shares through the month that includes the date of resignation or retirement divided by twelve (or 1, if the result of division exceeds 1); provided, however, that shares less than one unit arising from the calculation shall be rounded down.

4) Acquisition by the Company without consideration

The Company shall automatically acquire without consideration the Allotted Shares for which the transfer restriction is not lifted upon the expiry of the transfer restriction period or upon the lifting of the transfer restriction as stipulated in the above 3).

If an Eligible Director resigns or retires from all of the positions stipulated in the above 2) during the transfer restriction period, unless it is due to the expiration of term of office, death, or any other reasons recognized as reasonable by the Board of Directors of the Company, the Company shall automatically acquire all of the Allotted Shares without consideration upon such resignation or retirement. In addition, if an Eligible Director is in a position stipulated in the above 2) immediately before the expiry of the transfer restriction period, the Company shall automatically acquire all of the Allotted Shares without consideration.

5) Handling at organizational restructuring

If a merger agreement in which the Company becomes the absorbed company, a stock exchange agreement or stock transfer plan in which the Company becomes a wholly-owned subsidiary, or any other matter related to its organizational restructuring is approved at the General Meeting of Shareholders of the Company (or at the Board of Directors of the Company, if such organizational restructuring does not require an approval of the General Meeting of Shareholders of the Company)

during the transfer restriction period, the Company shall lift the transfer restriction based on the resolution of the Board of Directors of the Company, immediately before the business day prior to the effective date of such organizational restructuring, for the number of shares obtained by multiplying the number of Allotted Shares held as of the applicable event by the number of months from July of the year that includes the payment due date for the Allotted Shares through the month that includes the date of such approval divided by twelve (or 1, if the result of division exceeds 1); provided, however, that shares less than one unit arising from the calculation shall be rounded down.

Immediately after the lifting of the transfer restriction, the Company shall automatically acquire without consideration all of the Allotted Shares for which the transfer restriction has not been lifted.

### 3. Company Officers

#### (1) Directors and Audit & Supervisory Board Members (as of March 31, 2023)

Position	Name	Responsibilities and significant concurrent positions
Chairman and Representative Director	Naoyuki Okamoto	
President and Representative Director	Yasushi Hara	Chairman and Representative Director of Mie Kotsu Co., Ltd. Chairman and Representative Director of Sanco Real Estate Co., Ltd. Chairman and Representative Director of Meihankintetsu Bus Co., Ltd.
Vice President and Representative Director	Kenichi Takeya	President and Representative Director of Mie Kotsu Co., Ltd.
Director	Toshiya Shibata	Responsible for Planning Office Responsible for Accounting, Accounting Group
Director	Hiroyuki Taniguchi	Responsible for General Affairs and Human Resources Group Responsible for Information Systems, Accounting Group Responsible for Internal Control Office Senior Managing Director of Mie Kotsu Co., Ltd.
Director	Noriyuki Kawamura	President and Representative Director of Sanco Community Co., Ltd.
Director	Takayuki Muto	President and Representative Director of Sanco Creative Life Co., Ltd. President and Representative Director of Sanco CL 2 Co., Ltd.
Director	Yoko Murata	President and Representative Director of Sanco Inn Co., Ltd.
Director	Michitaka Nakamura	President and Representative Director of Sanco Real Estate Co., Ltd.
Director	Atsumasa Uchida	Outside Director Independent Director Adviser to the President of Mie University
Director	Yoshiyuki Kusui	Outside Director Independent Director Attorney-at-law, Tax Accountant
Director	Takashi Tsuji	Outside Director Group Officer of Kintetsu Group Holdings Co., Ltd. President and Representative Director of Kintetsu Railway Co., Ltd.

Position	Name		Responsibilities and significant concurrent positions
Director	Ayako Tanaka	Outside Director Independent Director	President of Medical Corporation Sejinkai President of Social Welfare Corporation Hakuaiikai
Director	Izumi Takamiya	Outside Director Independent Director	Vice President and Professor of Faculty of Literature, Arts and Cultural Studies of Kindai University
Director	Takashi Ueda	Outside Director Independent Director	President of Mie Prefecture Tomonokai Foundation
Audit & Supervisory Board Member (full-time)	Kei Kumoi		
Audit & Supervisory Board Member (full-time)	Shinya Nakagawa		
Audit & Supervisory Board Member	Katsu Kobayashi	Outside Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	Certified Public Accountant, Tax Accountant Representative Partner of Kobayashi Tax Accountant Office
Audit & Supervisory Board Member	Takashi Wakai	Outside Audit & Supervisory Board Member	Director and Senior Managing Executive Officer of Kintetsu Group Holdings Co., Ltd. Audit & Supervisory Board Member of Kintetsu Department Store Co., Ltd.

- (Notes)
1. Mr. Atsumasa Uchida, Mr. Yoshiyuki Kusui, Mr. Takashi Tsuji, Ms. Ayako Tanaka, Ms. Izumi Takamiya and Mr. Takashi Ueda are Outside Directors.
  2. Mr. Katsu Kobayashi and Mr. Takashi Wakai are Outside Audit & Supervisory Board Members.
  3. Mr. Katsu Kobayashi is a Certified Public Accountant and Tax Accountant, and Mr. Shinya Nakagawa and Mr. Takashi Wakai have experience in accounting. They are therefore Audit & Supervisory Board Members with considerable knowledge of finance and accounting.
  4. In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act and Articles 28 and 37 of the Articles of Incorporation, the Company has entered into agreements with all Outside Directors and Outside Audit & Supervisory Board Members that limit their liability for damages provided in Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the amount stipulated by laws and regulations.
  5. The Company has executed with an insurance company a directors and officers liability insurance agreement stipulated in Article 430-3, Paragraph 1, of the Companies Act that covers Directors, Audit & Supervisory Board Members, executive officers and major employees of the Company and its consolidated subsidiaries as the insured.  
The insurance policy compensates the insured for litigation costs and damages that may be borne by the insured in the event of third-party actions, shareholder suits and corporate litigation. The insurance premiums are fully borne by the Company. However, there are grounds for exemptions. For example, losses or damage resulting from willful act or gross negligence will not be covered.
  6. The Company has designated Directors Atsumasa Uchida, Yoshiyuki Kusui, Ayako Tanaka, Izumi Takamiya and Takashi Ueda as Independent Directors and Audit & Supervisory Board Member Katsu Kobayashi as an Independent Audit & Supervisory Board Member as prescribed by the Tokyo Stock Exchange and the Nagoya Stock Exchange and submitted a notification of their appointment to these

Exchanges.

7. Changes in positions of officers are as follows:

June 23, 2022

Name	New position	Former position
Takashi Ueda	Director	(Appointment)

8. Changes in responsibilities and significant concurrent positions of officers are as follows:

June 23, 2022

Name	New position	Former position
Noriyuki Kawamura	President and Representative Director of Sanco Community Co., Ltd.	President and Representative Director of Mie Isuzu Motor Co., Ltd. (Retired on June 24, 2022)

(2) Compensation of Directors and Audit & Supervisory Board Members for the fiscal year under review

1) Decision-making policy on details of individual compensation of Directors

- Method for determining the policy and its outline

The Company has established a decision-making policy on details of individual compensation of Directors by a resolution of the Board of Directors. An outline of the policy is as follows.

Compensation of Directors (excluding Outside Directors) is comprised of fixed compensation, performance-linked compensation, and restricted stock compensation. Fixed compensation is mainly based on duties, responsibilities, and experience of each Director, while performance-linked compensation primarily reflects the Company's performance and results for each fiscal year. Restricted stock compensation is paid for the purpose of providing an incentive for Directors to achieve the Group's sustainable growth and improvement of corporate value over the mid- to long-term and facilitating their sense of sharing value with shareholders.

Compensation of Outside Directors solely consists of fixed compensation in light of their duties and responsibilities.

a. Fixed compensation

Monetary payment is made on a monthly basis, the amount of which is determined based on each Director's position and the number of years in the current position. For Directors other than Outside Directors, their contribution to the Company's performance is also considered.

b. Performance-linked compensation

Monetary payment is made on a monthly basis. The ratio of performance-linked compensation to basic compensation (total of fixed compensation and performance-linked compensation) is set for each position within the range of 10% to 30%, and the amount is calculated by multiplying the rate of year-on-year change, using the consolidated operating profit and profit attributable to owners of parent as indicators to ensure the sharing of value with shareholders.

c. Restricted stock compensation

Monetary compensation claims for granting restricted stock are provided every year around the same time (within one month after the conclusion of the Ordinary General Meeting of Shareholders for the year). The ratio of restricted stock compensation to total compensation is set for each position roughly within the range of 15% to 20%, and the amount is determined by taking into consideration each Director's position, the number of years in the current position, and other factors.

Restricted stock is granted within one month after the provision of the relevant monetary compensation claim.

The Chairman and Representative Director and the President and Representative Director upon discussions between the two (or the President and Representative Director, if the position of Chairman and Representative Director is vacant) make decisions on individual compensation of Directors, as the relevant decision-making is delegated to them pursuant to a resolution of the Board of Directors. The Chairman and Representative Director and the President and Representative Director (or the President and Representative Director in the abovementioned case) are given the authority to determine the amounts of basic compensation (total of fixed compensation and performance-linked compensation) and monetary compensation claims for restricted stock compensation.

To ensure the abovementioned authority is appropriately exercised, a draft proposal on individual compensation of Directors is provided to the Personnel and Compensation Advisory Committee, which is comprised of inside Directors and Independent Outside Directors, for consultation. The Chairman and Representative Director and the President and Representative Director (or the President and Representative Director, if the position of Chairman and Representative Director is vacant), who have been delegated the task by the Board of Directors which receives a report from the Personnel and Compensation Advisory Committee, makes decisions as described above based on this report.

- Reasons why the Board of Directors has determined the details of individual compensation are consistent with the decision-making policy

The Board of Directors has determined the details of individual compensation of Directors are consistent with the abovementioned decision-making policy, because they were determined in accordance with the procedures established under the abovementioned decision-making policy and reported to and confirmed by the Personnel and Compensation Advisory Committee.

2) Resolutions of the General Meeting of Shareholders on compensation of Directors and Audit & Supervisory Board Members

The amount of basic compensation for Directors is up to 252 million yen per year, of which up to 50 million yen is for Outside Directors (resolution at the 16th Ordinary General Meeting of Shareholders held on June 23, 2022). The number of Directors at the conclusion of that Ordinary General Meeting of Shareholders was 15, including six Outside Directors.

In addition, the amount of compensation for granting restricted stock to Directors who are not Outside Directors is up to 60 million yen per year (resolution at the 12th Ordinary General Meeting of Shareholders held on June 21, 2018). (Each annual amount does not include employee salaries for Directors concurrently serving as employees.) The number of Directors at the conclusion of that Ordinary General Meeting of Shareholders, excluding Outside Directors, was 14.

Furthermore, the amount of basic compensation for Audit & Supervisory Board Members is up to 57.6 million yen per year (resolution at the 12th Ordinary General Meeting of Shareholders held on June 21, 2018). The number of Audit & Supervisory Board Members at the conclusion of that Ordinary General Meeting of Shareholders was four.

3) Delegation of decisions on individual compensation of Directors

- a. Names of parties who have been delegated the decision-making and their positions and responsibilities at the Company as of the date on which decisions were made

Chairman and Representative Director	Naoyuki Okamoto
President and Representative Director	Yasushi Hara

- b. Delegated authority

As stated under the heading of “Method for determining the policy and its outline” in 1) above.

- c. Reasons for delegating the authority

The Board of Directors has determined that it is optimal for these two parties to make decisions through discussions, as they have a comprehensive understanding of the Group’s overall business performance and state of business execution by individual Directors.

- d. Measures to ensure the delegated authority is appropriately exercised

As stated under the heading of “Method for determining the policy and its outline” in 1) above.

4) Total amounts and other details of compensation of Directors and Audit & Supervisory Board Members

Category	Amount of compensation (million yen)	Amount of compensation by category (million yen) and number of recipients (persons)					
		Fixed compensation		Performance-linked compensation		Non-monetary compensation (Restricted stock)	
		Number of recipients	Total amount	Number of recipients	Total amount	Number of recipients	Total amount
Directors (excluding Outside Directors)	139	9	86	9	27	9	25
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	31	2	31	-	-	-	-
Outside officers	Outside Directors	33	6	33	-	-	-
	Outside Audit & Supervisory Board Members	10	2	10	-	-	-
Total	215	19	162	9	27	9	25

- (Notes)
- In addition to the above, the amount of compensation (excluding employee salaries) from subsidiaries at which they hold concurrent positions is as follows.  
165 million yen (Directors: 156 million yen, Audit & Supervisory Board Members: 9 million yen)
  - Details of the above performance-linked compensation are as stated in 3. (2) 1) "Decision-making policy on details of individual compensation of Directors," and consolidated operating profit and profit attributable to owners of parent for the fiscal year under review, which are indicators used in these calculations, are as stated in 1. (1) "Business progress and results."
  - Details of restricted stock that comprises the above non-monetary compensation and the state of delivering such shares are as stated in 2. (5) "Shares delivered to Company officers during the fiscal year under review as compensation for execution of duties."

(3) Outside officers

(i) Relationships between the Company and organizations at which outside officers hold significant concurrent positions (as of March 31, 2023)

Category	Name	Organization at which concurrent position is held	Description of concurrent position
Director	Atsumasa Uchida	Mie University	Adviser to the President
Director	Yoshiyuki Kusui	Attorney-at-law, Tax accountant	–
Director	Takashi Tsuji	Kintetsu Group Holdings Co., Ltd.	Group Officer
		Kintetsu Railway Co., Ltd.	President and Representative Director
Director	Ayako Tanaka	Medical Corporation Sejinkai	President
		Social Welfare Corporation Hakuaiikai	President
Director	Izumi Takamiya	Kindai University	Vice President and Professor of Faculty of Literature, Arts and Cultural Studies
Director	Takashi Ueda	Mie Prefecture Tomonokai Foundation	President
Audit & Supervisory Board Member	Katsu Kobayashi	Certified Public Accountant, Tax Accountant	–
		Kobayashi Tax Accountant Office	Representative Partner
Audit & Supervisory Board Member	Takashi Wakai	Kintetsu Group Holdings Co., Ltd.	Director and Senior Managing Executive Officer
		Kintetsu Department Store Co., Ltd.	Audit & Supervisory Board Member

- (Notes) 1. Kintetsu Group Holdings Co., Ltd., at which Director Takashi Tsuji and Audit & Supervisory Board Member Takashi Wakai hold concurrent positions, as well as Kintetsu Railway Co., Ltd., at which Director Takashi Tsuji holds a concurrent position, are major shareholders of the Company.
2. Other than the above, there are no special relationships between the Company and organizations at which outside officers of the Company hold significant concurrent positions.

## (ii) Main activities of outside officers

Category	Name	Main activities
Director	Atsumasa Uchida	Mr. Uchida attended 10 of 11 meetings of the Board of Directors held during the fiscal year under review and expressed his opinions as needed, mainly based on his deep insight and a wealth of experience in university management. In addition to the above, he strived to supervise management such as by providing reports and advice to the Board of Directors from an independent and objective standpoint through attendance at the Outside Officer Liaison Meeting and as a member of the Personnel and Compensation Advisory Committee, which deliberates on personnel affairs and compensation of the Company's Directors. He has therefore fulfilled his roles as expected by the Company.
Director	Yoshiyuki Kusui	Mr. Kusui attended all 11 meetings of the Board of Directors held during the fiscal year under review and expressed his opinions as needed, mainly based on his professional expertise as an attorney-at-law. In addition to the above, he strived to supervise management such as by providing reports and advice to the Board of Directors from an independent and objective standpoint through attendance at the Outside Officer Liaison Meeting and as a member of the Personnel and Compensation Advisory Committee, which deliberates on personnel affairs and compensation of the Company's Directors. He has therefore fulfilled his roles as expected by the Company.
Director	Takashi Tsuji	Mr. Tsuji attended all 11 meetings of the Board of Directors held during the fiscal year under review and expressed his opinions as needed, mainly based on his in-depth knowledge and a wealth of experience in corporate management. In addition to the above, he strived to supervise management such as by stating his opinions to the Board of Directors from an objective standpoint through attendance at the Outside Officer Liaison Meeting. He has therefore fulfilled his roles as expected by the Company.
Director	Ayako Tanaka	Ms. Tanaka attended all 11 meetings of the Board of Directors held during the fiscal year under review and expressed her opinions as needed, mainly based on her deep insight and a wealth of experience as an executive of a medical institution, etc. In addition to the above, she strived to supervise management such as by providing reports and advice to the Board of Directors from an independent and objective standpoint through attendance at the Outside Officer Liaison Meeting and as a member of the Personnel and Compensation Advisory Committee, which deliberates on personnel affairs and compensation of the Company's Directors. She has therefore fulfilled her roles as expected by the Company.
Director	Izumi Takamiya	Ms. Takamiya attended all 11 meetings of the Board of Directors held during the fiscal year under review and expressed her opinions as needed, mainly based on her deep insight and a wealth of experience in university management. In addition to the above, she strived to supervise management such as by providing reports and advice to the Board of Directors from an independent and objective standpoint through attendance at the Outside Officer Liaison Meeting and as a member of the Personnel and Compensation Advisory Committee, which deliberates on personnel affairs and compensation of the Company's Directors. She has therefore fulfilled her roles as expected by the Company.

Category	Name	Main activities
Director	Takashi Ueda	Mr. Ueda attended 8 of 9 meetings of the Board of Directors held after his assumption of office as Director and expressed his opinions as needed, mainly based on his deep insight and a wealth of experience gained in many years of career as a responsible person of administrative bodies. In addition to the above, he strived to supervise management such as by providing reports and advice to the Board of Directors from an independent and objective standpoint through attendance at the Outside Officer Liaison Meeting and as a member of the Personnel and Compensation Advisory Committee, which deliberates on personnel affairs and compensation of the Company's Directors. He has therefore fulfilled his roles as expected by the Company.
Audit & Supervisory Board Member	Katsu Kobayashi	Mr. Kobayashi attended all 11 meetings of the Board of Directors and all 11 meetings of the Audit & Supervisory Board held during the fiscal year under review and expressed his opinions as needed, mainly based on his professional expertise as a certified public accountant, tax accountant, and real estate appraiser.
Audit & Supervisory Board Member	Takashi Wakai	Mr. Wakai attended all 11 meetings of the Board of Directors and all 11 meetings of the Audit & Supervisory Board held during the fiscal year under review and expressed his opinions as needed, mainly based on his in-depth knowledge and a wealth of experience in finance and accounting.

#### 4. Accounting Auditor

(1) Name of Accounting Auditor

Isuzu Audit Corporation

(2) Compensation of Accounting Auditor for the fiscal year under review

1) Amount of compensation	32 million yen
2) Total amount of monetary and other economic benefits to be paid by the Company and its subsidiaries	45 million yen

- (Notes)
1. The amount stated in 1) includes the amount of compensation for audits pursuant to the Financial Instruments and Exchange Act, because the audit agreement between the Company and the Accounting Auditor does not distinguish between the amounts of compensation for audits pursuant to the Companies Act and compensation for audits pursuant to the Financial Instruments and Exchange Act.
  2. A subsidiary of the Company pays fees to the Accounting Auditor for checking services for business license renewal applications in the charter bus division, which are services (non-audit services) apart from the audit service set forth in Article 2, Paragraph 1 of the Certified Public Accountants Act.
  3. The Audit & Supervisory Board verifies the appropriateness of the details of the audit plan prepared by the Accounting Auditor, state of execution of the accounting audit duties, basis for calculating the compensation estimates, etc., based on the Practical Guidelines on Coordination with Accounting Auditor published by the Japan Audit & Supervisory Board Members Association. Upon due consideration, the Audit & Supervisory Board has given its consent stipulated in Article 399, Paragraph 1 of the Companies Act regarding the amount of compensation of the Accounting Auditor.

(3) Policy for decisions on dismissal or non-reappointment of Accounting Auditor

The Audit & Supervisory Board will consider and deliberate on dismissal or non-reappointment of the Accounting Auditor if the Accounting Auditor has violated the Companies Act, the Certified Public Accountants Act, or other laws and regulations, and also if the Audit & Supervisory Board has determined the Accounting Auditor's audit quality, independence, overall competence, or another aspect is inadequate.

#### 5. Company Systems and Policies

Policy for decisions on dividends of surplus

The Company considers returning profits to shareholders to be an important management policy. With regard to dividends, our basic policy is to provide stable returns to shareholders while striving to establish a stable management platform over the long term and while taking into consideration the changes in operating results and the internal reserves required for the future.

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In this Business Report, amounts stated in millions of yen are rounded down to the nearest million yen, and numbers of shares stated in thousands of shares are rounded down to the nearest thousand shares.

## Consolidated Balance Sheet

(As of March 31, 2023)

(Thousand yen)

Account	Amount	Account	Amount
(Assets)	167,901,609	(Liabilities)	115,123,804
Current assets	46,304,145	Current liabilities	53,551,374
Cash and deposits	9,333,177	Notes and accounts payable - trade	6,646,768
Notes and accounts receivable – trade	7,733,103	Short-term borrowings	11,020,000
Merchandise and finished goods	3,304,832	Current portion of long-term borrowings	24,893,889
Real estate for sale	22,795,771	Lease obligations	26,022
Work in process	299,335	Income taxes payable	1,748,877
Raw materials and supplies	273,028	Provision for bonuses	1,022,924
Other	2,572,624	Provision for product warranties	10,476
Allowance for doubtful accounts	(7,726)	Other	8,182,415
Non-current assets	121,597,463	Non-current liabilities	61,572,429
Property, plant and equipment	100,413,279	Long-term borrowings	43,606,491
Buildings and structures	23,204,211	Lease obligations	53,805
Machinery, equipment and vehicles	20,358,918	Deferred tax liabilities	1,417,802
Tools, furniture and fixtures	672,035	Deferred tax liabilities for land revaluation	2,400,727
Land	54,654,604	Retirement benefit liability	1,983,793
Leased assets	62,052	Provision for redemption of gift certificates of travel	154,119
Construction in progress	1,461,456	Provision for repairs	285,194
Intangible assets	543,873	Asset retirement obligations	1,780,758
Other	543,873	Long-term guarantee deposits	8,634,597
Investments and other assets	20,640,311	Other	1,255,140
Investment securities	12,018,878	(Net assets)	52,777,804
Retirement benefit asset	1,616,827	Shareholders' equity	43,898,720
Deferred tax assets	609,827	Share capital	3,000,000
Other	6,505,011	Capital surplus	10,488,281
Allowance for doubtful accounts	(110,233)	Retained earnings	31,092,032
		Treasury shares	(681,593)
		Accumulated other comprehensive income	8,568,645
		Valuation difference on available-for-sale securities	4,916,159
		Revaluation reserve for land	3,282,401
		Remeasurements of defined benefit plans	370,083
		Non-controlling interests	310,439
<b>Total assets</b>	<b>167,901,609</b>	<b>Total liabilities and net assets</b>	<b>167,901,609</b>

(Note) Amounts stated are rounded down to the nearest thousand yen.

## Consolidated Statement of Income

(April 1, 2022 - March 31, 2023)

(Thousand yen)

Account	Amount	
Operating revenue		
Passenger transportation	32,381,884	
Net sales of goods	60,742,806	93,124,690
Operating expenses		
Operating expenses and cost of sales of transportation	28,962,186	
Cost of goods sold	38,761,067	
Selling, general and administrative expenses	19,027,028	86,750,282
Operating profit		6,374,408
Non-operating income		
Interest income	2,656	
Dividend income	188,378	
Share of profit of entities accounted for using equity method	22,990	
Subsidy income	480,870	
Other	211,480	906,377
Non-operating expenses		
Interest expenses	323,945	
Other	42,351	366,297
Ordinary profit		6,914,488
Extraordinary income		
Subsidy income	94,183	
Gain on sale of non-current assets	25,034	
Other	2,177	121,396
Extraordinary losses		
Impairment losses	880,509	
Loss on disposal of non-current assets	396,971	
Other	179,970	1,457,452
Profit before income taxes		5,578,432
Income taxes - current	1,864,865	
Income taxes - deferred	(72,351)	1,792,514
Profit		3,785,918
Profit attributable to non-controlling interests		16,829
Profit attributable to owners of parent		3,769,088

(Note) Amounts stated are rounded down to the nearest thousand yen.

## Non-Consolidated Balance Sheet

(As of March 31, 2023)

(Thousand yen)

Account	Amount	Account	Amount
(Assets)	24,042,045	(Liabilities)	366,037
Current assets	6,931,137	Current liabilities	366,037
Cash and deposits	8,569	Accounts payable - other	286,239
Deposits paid	5,343,942	Income taxes payable	15,029
Accounts receivable - other	1,167,870	Accrued consumption taxes	16,647
Raw materials and supplies	3,342	Accrued expenses	5,727
Prepaid expenses	11,566	Deposits received	29,021
Income taxes refund receivable	379,613	Provision for bonuses	13,371
Other	16,233	(Net assets)	23,676,008
Non-current assets	17,110,908	Shareholders' equity	23,676,008
Investments and other assets	17,110,908	Share capital	3,000,000
Shares of subsidiaries and associates	17,082,180	Capital surplus	12,403,153
Deferred tax assets	11,856	Legal capital surplus	750,000
Other	16,871	Other capital surplus	11,653,153
		Retained earnings	9,435,926
		Other retained earnings	9,435,926
		Retained earnings brought forward	9,435,926
		Treasury shares	(1,163,071)
<b>Total assets</b>	<b>24,042,045</b>	<b>Total liabilities and net assets</b>	<b>24,042,045</b>

(Note) Amounts stated are rounded down to the nearest thousand yen.

## Non-Consolidated Statement of Income

(April 1, 2022 - March 31, 2023)

(Thousand yen)

Account	Amount	
Operating revenue		
Dividends from subsidiaries and associates	1,939,650	
Commissions from subsidiaries and associates	1,132,336	3,071,986
Operating expenses		
General and administrative expenses	1,151,899	1,151,899
Operating profit		1,920,087
Non-operating income		
Interest income	4,758	
Other	2,686	7,444
Non-operating expenses		
Other	559	559
Ordinary profit		1,926,972
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	770,442	770,442
Profit before income taxes		1,156,530
Income taxes - current	30,809	
Income taxes - deferred	(5,902)	24,907
Profit		1,131,622

(Note) Amounts stated are rounded down to the nearest thousand yen.

## Independent Auditor's Report

May 8, 2023

To the Board of Directors  
Mie Kotsu Group Holdings, Inc.

Isuzu Audit Corporation  
Head Office and Tsu Office

Hironobu Yasui, CPA  
Designated Partner, Engagement Partner

Kazuya Shimozu, CPA  
Designated Partner, Engagement Partner

Tadashi Hashiji, CPA  
Designated Partner, Engagement Partner

### 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, consolidated statement of income, consolidated statement of changes in net assets, and notes to the consolidated financial statements of Mie Kotsu Group Holdings, Inc. (the "Company") for the fiscal year from April 1, 2022 through March 31, 2023.

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

### Basis for the Opinion

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

### Other Information

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

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

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

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

We have nothing to report in this regard.

## Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

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

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

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries in order to express an opinion on the consolidated financial statements. The auditor is responsible for instructing, supervising, and implementing the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

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

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

## Interest

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

## Independent Auditor's Report

May 8, 2023

To the Board of Directors  
Mie Kotsu Group Holdings, Inc.

Isuzu Audit Corporation  
Head Office and Tsu Office

Hironobu Yasui, CPA  
Designated Partner, Engagement Partner

Kazuya Shimozu, CPA  
Designated Partner, Engagement Partner

Tadashi Hashiji, CPA  
Designated Partner, Engagement Partner

### Opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, statement of income, statement of changes in net assets, and notes to the non-consolidated financial statements, and the accompanying supplementary schedules of Mie Kotsu Group Holdings, Inc. (the "Company") for the 17th fiscal year from April 1, 2022 through March 31, 2023.

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

### Basis for the Opinion

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

### Other Information

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

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

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

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

We have nothing to report in this regard.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Financial Statements and the Accompanying Supplementary Schedules

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

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

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the financial statements and the accompanying supplementary schedules is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the financial statements and the accompanying supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the financial statements and the accompanying supplementary schedules in the audit report, or if the notes to the financial statements and the accompanying supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the financial statements and the accompanying supplementary schedules. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the financial statements and the accompanying supplementary schedules are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the financial statements and the accompanying supplementary schedules including related notes, and whether the financial statements and the accompanying supplementary schedules fairly present the transactions and accounting events on which they are based.

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

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

## Interest

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

## Audit Report

The Audit & Supervisory Board has prepared this Audit Report on the execution of duties by Directors for the 17th fiscal year from April 1, 2022 to March 31, 2023 upon deliberations based on audit reports prepared by each Audit & Supervisory Board Member, and hereby reports as follows.

1. Methods and Descriptions of Audits by Audit & Supervisory Board Members and the Audit & Supervisory Board

- (1) The Audit & Supervisory Board established auditing policies, allocation of duties, and other matters, and received reports from each Audit & Supervisory Board Member on the status of conducting audits and results thereof. In addition, the Audit & Supervisory Board received reports from Directors and other personnel as well as the Accounting Auditor on the status of execution of their duties, and requested explanations as necessary.
- (2) Each Audit & Supervisory Board Member, in accordance with the auditing policies, allocation of duties, and other matters established by the Audit & Supervisory Board, strived to collect information and develop an auditing environment by communicating with Directors, the Internal Control Office, other employees, etc., and conducted audits by the following methods.
  - 1) Audit & Supervisory Board Members attended meetings of the Board of Directors and other important meetings, received reports from Directors, employees, and other personnel on the status of execution of their duties, requested explanations as necessary, reviewed important approval documents and other materials, and studied the status of operations and assets at the head office. In addition, with regard to subsidiaries, Audit & Supervisory Board Members worked to communicate and exchange information with Directors, Audit & Supervisory Board Members, and other personnel of subsidiaries, and received reports from subsidiaries on their businesses as necessary.
  - 2) With regard to the contents of resolutions by the Board of Directors on the development of the system to ensure that Directors perform their duties in compliance with laws, regulations and the Articles of Incorporation and other systems stipulated in Article 100, Paragraph 1 and Paragraph 3 of the Regulations for Enforcement of the Companies Act as those required to ensure the properness of operations conducted by the corporate group comprised of a listed company and its subsidiaries, as well as the systems developed based on the said resolutions (internal control systems), which are described in the Business Report, Audit & Supervisory Board Members periodically received reports from Directors, employees, etc. on the status of their establishment and operation, requested explanations as necessary, and expressed their opinions.
  - 3) Audit & Supervisory Board Members monitored and verified whether the Accounting Auditor is maintaining an independent position and conducting proper audits. In addition, Audit & Supervisory Board Members received reports from the Accounting Auditor on the status of execution of its duties, and requested explanations as necessary. Furthermore, Audit & Supervisory Board Members were notified by the Accounting Auditor that it has developed "systems for ensuring that the performance of the duties is being carried out correctly" (matters stipulated in each item of Article 131 of the Regulations on Corporate Accounting) in accordance with the "Quality Control Standard for Audit" (October 28, 2005, Business Accounting Council) and other standards, and requested explanations as necessary.

Based on the above methods, Audit & Supervisory Board Members examined the Business Report and its supplementary schedules, the non-consolidated financial statements (the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in net assets, and notes to the non-consolidated financial statements) and their supplementary schedules, and the consolidated financial statements (the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets, and notes to the consolidated financial statements) for the fiscal year under review.

## 2. Results of Audit

### (1) Results of Audit of the Business Report and Other Relevant Documents

- 1) In our opinion, the Business Report and its supplementary schedules fairly represent the Company's condition in accordance with laws and regulations and the Articles of Incorporation.
- 2) With regard to the execution of duties by Directors, we have found no evidence of wrongful action or material facts in violation of laws and regulations or the Articles of Incorporation.
- 3) In our opinion, the contents of the resolutions by the Board of Directors related to the internal control systems are fair and reasonable. In addition, we have found no matters to be noted with regard to the descriptions in the Business Report or the execution of duties by Directors related to such internal control systems.

### (2) Results of Audit of Non-Consolidated Financial Statements and Supplementary Schedules

In our opinion, the audit methods employed and results rendered by Isuzu Audit Corporation, the Accounting Auditor, are fair and reasonable.

### (3) Results of Audit of Consolidated Financial Statements

In our opinion, the audit methods employed and results rendered by Isuzu Audit Corporation, the Accounting Auditor, are fair and reasonable.

May 10, 2023

The Audit & Supervisory Board, Mie Kotsu Group Holdings, Inc.

Audit & Supervisory Board Member (full-time)	Kei Kumoi
Audit & Supervisory Board Member (full-time)	Shinya Nakagawa
Audit & Supervisory Board Member	Katsu Kobayashi
Audit & Supervisory Board Member	Takashi Wakai

(Note) Audit & Supervisory Board Members Katsu Kobayashi and Takashi Wakai are Outside Audit & Supervisory Board Members as stipulated in Article 2, Item 16 and Article 335, Paragraph 3 of the Companies Act.