



TAKAMIYA Report

Fiscal Year Ended March 31, 2023

2023

Draw the Future and It Will Come

Takamiya provides comprehensive services for a wide variety of products, including temporary equipment, ranging from development and manufacturing to sales, rental, design, installation, management, and logistics.

We use technological innovation to create products and services with high added value and develop platforms that provide solutions to our customers.

As a provider of one-stop services for all construction work, including on-site safety and workability, we contribute to the growth of the construction industry.

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Editorial Policy

The content of this report ranges from the Takamiya Group's history to its strategy for medium- to long-term value creation, the path to achieving its mission and vision, and financial and non-financial information.

Our aim is to provide all stakeholders, in particular shareholders and investors, with a better understanding of the Takamiya Group.

We hope this report will help you deepen your understanding of the Takamiya Group, which is transforming into a new corporate group, with "Love" set as the Mission Statement.

We will continue to disclose information in an easy-to-understand manner, reflecting the opinions and requests of various stakeholders.

Note Regarding Forward-Looking Statements

The performance forecasts and other forward-looking statements in this report are assumptions made by the Company based on information available at the time of publication, and involve inherent risks, uncertainties, and various other factors that could cause actual results to differ materially from forecasts herein.

Scope and Period Covered

This report is a collection of information that is highly relevant to the Takamiya Group. It covers the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023) unless specified otherwise, and also includes information on subsequent periods (on and after April 1, 2023) for latest updates.

Map of Disclosure Tools

Website

Shareholder / Investors (IR)

<https://www.takamiya.co/en/ir/>

Results Briefing Materials

Annual Securities Report

Historical Data

Financial Information

TAKAMIYA Report



Website

Corporate Information

<https://www.takamiya.co/en/corporate/>

Website

Product Information

<https://www.takamiya.co/en/>

Non-Financial Information

Mission Statement



This world in which we live is constantly on the move, driven by the complex intertwining of national economies and the business activities of countless companies.

Individual companies are made up of the untiring endeavors of their members.

What motivates people?

Their own ambitions. Consideration for their families.

We believe these are where it all starts.

We want to make these things the driving force behind our corporate growth.

That is why our Mission Statement is "Love."

Management Philosophy

Love yourself

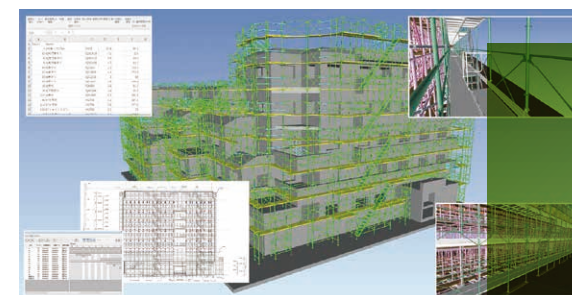
From birth, we have all been given our own life to live. It is only natural that we seek to keep on improving ourselves, to be better tomorrow than we are today. We need to be disciplined, and we need to be humble; we need to remember that even those things we regard as everyday events are in fact precious and can be experienced only once.

Love others

Love starts with showing consideration for our family—our parents, our brothers and sisters. Loving others means showing consideration for our friends, our neighbors, and all the people of the world, and wishing for each other's happiness.

Love the company

Companies are an innate part of the local community. We are grateful to the community, the country, and the world in which we were raised, and we do our best to give back to each of these however we can. Groups naturally form wherever people gather. The company is one such group. Through the company, we give back to the community, the country, and the world. This is what it means to love the company.



Message from the President



Kazumasa Takamiya
Representative Director,
President and Chairman

We will push forward to Keep Transforming to evolve into a new Takamiya as we work toward completing the Medium-Term Management Plan

Business Environment in the Current Fiscal Year

In the fiscal year ended March 31, 2023, the construction industry, in which the Takamiya Group is involved, continued to be impacted by the COVID-19 pandemic, as it was in the previous year. Although there were some delays in the start of construction due to the soaring raw material prices, exchange rate fluctuations, and labor shortages, business continued to perform well, centered in the Tokyo metropolitan area, partly due to private sector renovation work resulting from the need to reinforce and maintain infrastructure and buildings in preparation for increasingly severe disasters. The shortage of labor is not a new problem and is not a problem unique to the construction

industry, but this year was a year in which it really became apparent. Overseas, there are issues such as the prolonged conflict between Russia and Ukraine and financial instability. However, in the Philippines, a country in which the Group is developing its business, the prolonged lockdown was lifted and we are seeing signs of a gradual recovery such as the commencement of Japan International Cooperation Agency (JICA)-related infrastructure projects.

Unfortunately, in the fiscal year ended March 31, 2023, we were unable to improve our performance as we expected. Profits were generally in line with our plans, but we failed to achieve our net sales forecast. In the sales

business, both earnings and profits declined due to the impact of customer restraint in purchasing due to price revisions implemented in response to soaring raw material prices. On the other hand, the rental business and overseas business posted increases in both earnings and profits. In the rental business, we recorded the highest utilization rate since the pandemic due to increased dependence on rental equipment resulting from customer

restraint in purchasing. In the overseas business, while there were lockdowns in the Philippines, rental sales of temporary equipment in South Korea were favorable, and manufacturing in Vietnam for Japan proceeded as planned. Over the last two years, the entire construction industry has been slowed down by the pandemic. Although the outlook remains uncertain, the business environment is steadily recovering.

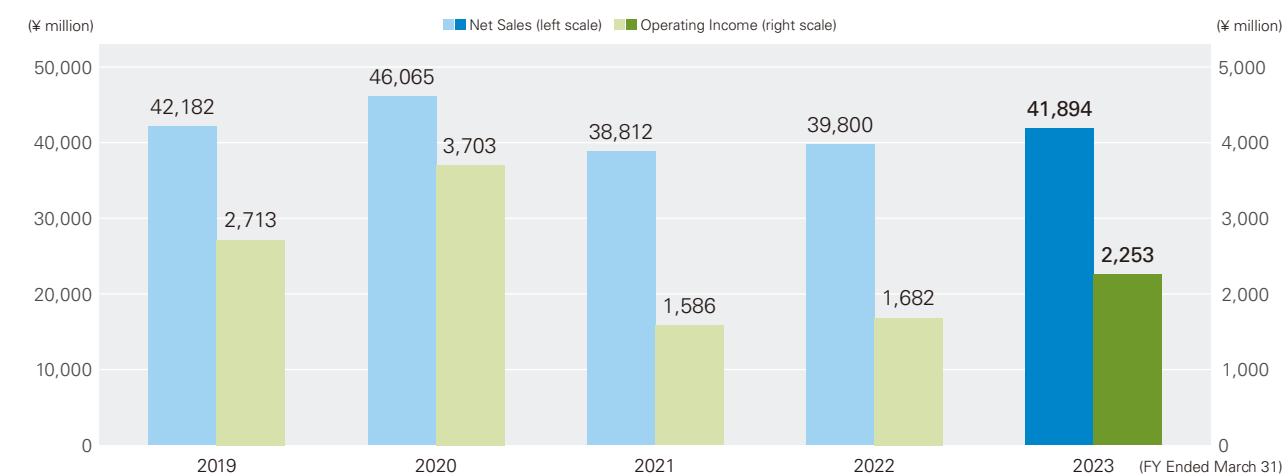
Takamiya Platform to Realize Business Transformation

In May 2021, the Group announced a new Medium-Term Management Plan with the management vision, "Create new value through transformation and aim for sustainable growth by becoming a partner to our customers." This Medium-Term Management Plan will be promoted by the "Takamiya Platform." The Takamiya Platform is an important initiative for the Company, as it aims to guide the Company in transforming from a conventional flow business model to a stock-type business model. We are working to build a structure that is resilient to changes in our external environment and capable of producing stable earnings. We will provide previously unheard-of added value by combining temporary equipment (hardware) focusing on Iq System, our next-generation scaffolding, with digital services (software) that use digital transformation (DX). Temporary equipment, such as our Iq System, is superior to other products in terms of hardware, and we had the belief that this superiority

would increase the spread of our products. However, we have come to realize that superiority alone is not enough to acquire a convincing share of the market, and that we will be caught up in a price competition with conventional products and next-generation scaffolding developed by other companies that followed our lead. Hardware superiority alone will not be enough to differentiate us. Therefore, we will differentiate ourselves from competitors by delivering undeniably convenient and highly safe services (software) in the form of added value. By utilizing this platform, our customers will be able to expand the area, territory, and scale of their business and improve their business revenue. For our customers, this platform will become the standard infrastructure in the temporary equipment business, and will enable Takamiya to transform itself into a stock-type business model, shifting itself away from a model as a rental company or manufacturer that conducts a flow business to a platform company.

P20-21 Feature: Source of Value Creation: TAKAMIYA Platform

Net Sales / Operating Income



Responses and Challenges during the “First Year of the Platform”

The fiscal year ended March 31, 2023 was the initial year of our platform development, so we designated it as the “first year of the platform.” During the year, we made steady progress in transforming into a platform company.

The Group’s transformation initiatives to build a platform have been accepted by our customers centered on the Kansai area, have been accepted by our customers, and we are steadily moving forward with the proactive development of services. OPERA and Iq-Bid, our proprietary digital tools we have developed, can be accessed from anywhere via smartphone and other devices. We are also expanding content to maximize user friendliness, including enhancing Takamiya Lab. West functions. We have received positive feedback, indicating that our customers are well-aware that we are building the basic foundations for a platform. Many people were initially concerned about using the internet and online shopping, but these functions are now accepted as an indispensable part of our daily lives. Furthermore, the day when using platforms and their content is a natural and normal part of daily life is not far off. Platform-related sales increased from ¥600 million in the previous fiscal year to ¥1.6 billion, and the number of users is steadily increasing. We expect the speed of user increase to

accelerate in the future, but we also need to visualize various data and present it as evidence so the platform can be used with a sense of security. This will enable users to check the status of platform usage and get a feel for its convenience and profitability. Also, by visualizing our initiatives, we will provide a sense of security to our customers. In addition to using the visualized information in-house to expand the functionality of the platform, we will accelerate these initiatives in ways such as by introducing AI (Artificial Intelligence).

In July 2023, we identified Takamiya’s material issues (key issues) in order to further clarify the issues that we face in promoting our platform development. We sought the opinion of various stakeholders, including outside experts, so as to get a multi-faceted view of our initiatives, and after much internal discussion, we narrowed down the list to eight items. During the process of formulating our material issues, we received much feedback from stakeholders that will boost our platform development, as well as comments concerning their expectations for the Company. Growing as a company, Takamiya will work to deliver value to society broadly and act with more awareness of the need to train human resources that will support our growth and of environmental considerations.

P. 14-15 Identification of Material Issues (Key Issues)

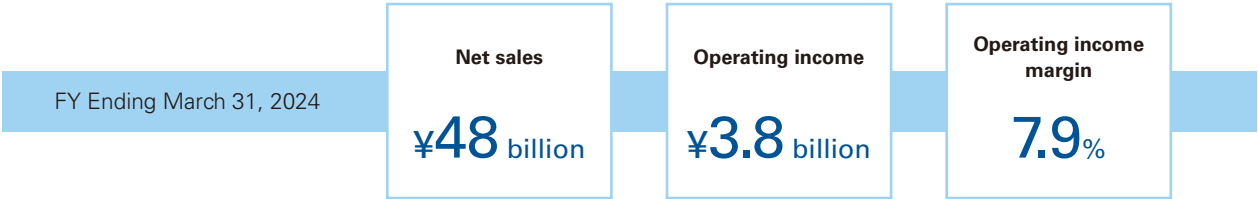
Progress of the Medium-Term Management Plan

Outline of the Medium-Term Management Plan

Management Vision

Create new value through transformation and aim for sustainable growth by becoming a partner to our customers.

Medium-Term Management Plan Targets (Reviewed in May 2023)



Heading into the Final Year of the Current Medium-Term Management Plan

The ongoing fiscal year ending March 31, 2024 is the final year of the current Medium-Term Management Plan. Due to delays in the recovery of the business environment, we were unable to make the progress we had anticipated over the past two years. As a result, we have concluded that it will be difficult for us to achieve our initial performance goals, and we have revised our target of ¥5.0 billion in consolidated operating income down to ¥3.8 billion. Reviewing the progress made with each of the basic strategies of the Medium-Term Plan - for the first strategy, “Develop services that blend hardware and software, with a focus on the Iq System,” in other words the establishment of a platform, which is the core of our strategies, progress is on schedule, as mentioned earlier.

With regard to the second strategy, “Strengthen products for maintenance/repairs and infrastructure redevelopment,” in preparation for the full-scale maintenance and repair works of aging social infrastructure such as road bridges, tunnels, river management facilities, sewerage pipes, and port and harbor quays that were constructed during the period of rapid economic growth, we are pushing ahead with product development to meet this trend and are promoting the provision of services in pursuit of offering convenience to customers. The hanging scaffolding products, which we have developed as our core products for such maintenance, repairs, and infrastructure redevelopment, have been well received by our customers, despite the tough business environment. We are also promoting growth of the agriculture business and sales expansion of photovoltaic-related products as a way to nurture businesses beyond the temporary equipment sector. These businesses also

contribute to society from ESG aspects.

In the agriculture business, sales of greenhouses for cultivation have not gone as well as expected mainly due to the lack of subsidies due to the COVID-19 pandemic and the shortage of workers. On the other hand, preparations for the high-demand season have progressed. The Hanyu Aisai Project, which uses our products, was launched to support agricultural workers in solving the issues they are facing, by collecting data on the cultivation environment, vegetable yields, quality, etc. Our agriculture business not only provides products, but also offers cultivation know-how. In May 2022, we made Yame Kaisei Co., Ltd. our subsidiary through acquisition of its shares, thereby laying the groundwork to expand and grow our business in the Kyushu area.

In photovoltaic-related products, we aim to reduce greenhouse gas emissions through the introduction of renewable energy in order to achieve carbon neutrality. Its main product is the next-generation solar carport POGERO, sales of which are steadily increasing.

Lastly, with regard to our forth strategy, “Redevelop overseas business bases,” the impact of restrictions on movement as a result of the COVID-19 pandemic has become minimal, and we are making steady progress with our business foundation development. Business activity levels have recovered roughly as planned in the Philippines, South Korea, and Vietnam. Due to the progress we have made in the development of our internal management system, we have also improved our profitability.

Although our Medium-Term Management Plan has been reviewed since its formulation, its realization is within sight.

P. 34-39 Medium-Term Management Plan / Message from the CFO

Completing Our Transformation by Integrating DX and Management

I believe that transformation of the Group means to reform Takamiya itself. In other words, transformation, which is the main theme as well as the ultimate goal of the current Medium-Term Management Plan, means to transform ourselves into a platformer. Our platform will be using digital networks to centrally manage not only order placing and receiving, but also warehousing at bases nationwide, inventory management, the state of production at manufacturing divisions, and product information including the Iq System.

We have revamped our Company website and business cards to change awareness within our Group, as we are transforming from a company that sells and rents scaffolding to an IT company with its own platform. This was due to our realization that the working environment had changed after the COVID-19 pandemic, and that only companies at which the newly hired digital generation in their 20s would want to keep working will survive in the future.

Our Management Philosophy views human resources as the essence of corporate strength. Therefore, we have focused on creating a working environment that can easily reflect the way of thinking of the younger generation, which will build DX that supports transformation, as well as on workstyle reform. We have installed large signage within our offices that allows employees to see, at a glance, how much overtime is being worked and the percentage of paid leave being taken. In addition to introducing new systems such as sabbatical leave, we are also promoting office reforms in line with the new era. We are transitioning from a place of work to a place of communication. We have rearranged our office layout to create open workspaces and introduced a range of ICT tools to enable each and every employee to work on his or her own initiative while considering and choosing where and when, or which facilities he or she works at, in an effort to not only make it easier for employees to work, but also to increase productivity. In addition, we have started to reform our appraisal system by introducing incentives and

P. 40-43  Human Resources

targets, making it easier for the younger generation to work independently. Meanwhile, we have also realized the difficulty of making veteran managers understand DX. This has prompted us to switch to management that emphasizes diversity, which allows managers to maximize their management skills and make the most of their individual abilities. We have established a system to manage the targets that our employees have been working toward, to create a system that visualizes necessary information to achieve targets, so that everyone can share and utilize them.


I also believe that raising awareness of our customers is an important issue for us. Compared to other industries, the construction industry has been slower to adopt DX and digitalization initiatives. The industry tends to have an unwillingness to change. Therefore, in order to switch from analog to digital, customers need to understand that they can actually enjoy the benefits. By working to raise the awareness of our customers, we aim to complete the transformation of the Group.



team, such as our directors, from providing executive functions to providing supervisory functions. Through these efforts, we have begun reinforcing the governance

of our Company as a whole. Furthermore, with regard to our dividend policy, a topic of high interest to our shareholders, we plan to continue to provide stable dividends.

P. 44-45  Environment / Safety / Trust of Customers

P. 46-49, P. 52-55  Dialogue between Outside Directors / Corporate Governance

Sustainability and Governance as the Foundation for Growth

The Group is seeking to achieve sustainability by eliminating wasteful construction industry practices and improving efficiency by using transformation to create a complete platform. The construction industry must also take action to deal with the "2024 Problem" that will be brought about by revisions to the Labor Standards Act. The restrictions on working hours will make it unfeasible for the construction industry to continue to operate in the same way as it has in the past. However, our next-generation scaffolding, Iq System, has a story height of 190 cm, 20 cm higher than conventional scaffolding systems. This significantly increases work efficiency while greatly reducing the burden placed on workers and the amount of work time involved. Our products and platforms are improving efficiency in various ways. Our platform is also transforming the construction industry as a whole, including customers, adopting a business system that prevents oversupply of scaffolding and reduces the amount of storage space required for equipment, etc. This platform makes it possible for us to share the use of scaffolding with our customers. This improves operation rates, reduces dead stock and inventory surplus, and helps produce more efficient construction sites. Furthermore, to combat the issue of CO₂ emissions, our platform has made it easy to collect large amounts of

scaffolding scrap and recycle it for use in new products as raw materials by melting it in high temperature furnaces. We have already begun expanding our Vietnam Factory and changing the layouts of our factories, promoting DX in our production management. We have prepared an inventory of the largest and most optimal equipment for stable production and set up a system that minimizes excessive raw material procurement and inventory retention. At the aforementioned Takamiya Lab. West, our reductions to truck standby times achieved through the industry's fastest delivery and collection are certain to produce CO₂ emissions reduction benefits. Improving the efficiency of our business operations will also contribute to our ESG initiatives, and we believe that similar initiatives will produce similar results for our agriculture business and photovoltaic-related products. This is because striving to improve our business efficiency also contributes to sustainability.

With respect to governance, in June 2022 we transitioned to a Company with an Audit and Supervisory Committee structure, and we are promoting the separation of our executive and supervisory functions. We have strengthened our middle management by positioning general manager-class personnel as part of our management team. We have also shifted the focus of members of our management

To Our Stakeholders

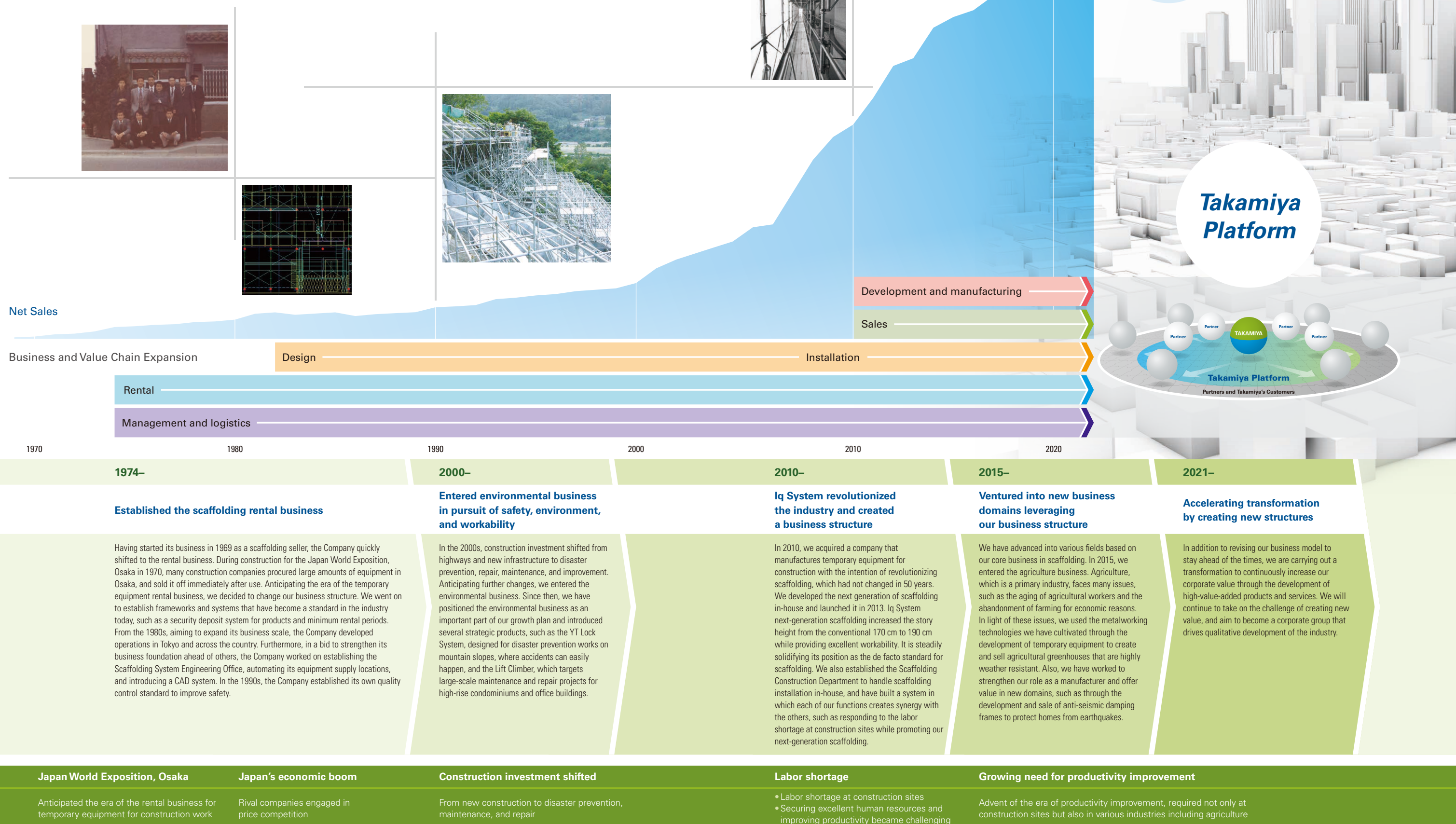
Our company's history extends back half a century, and we are now launching a platform and transforming into an IT company. The core of our business operations is also shifting completely to platform business, and our aim is to become part of the infrastructure of the industry of providing temporary equipment for construction work. I am sure that from the standpoints of those in the construction industry, including our customers, this may seem like an incredibly ambitious dream. Knowing that this report, which discloses some of our efforts, will be seen by these industry members fills me with pride and an even stronger dedication to achieving our targets.

Our new employees, who will be a tremendous aid in our achievement of these targets, will be all hired to create this platform. We will no longer be taking a hiring approach of bringing together scaffolding rental sales managers, construction managers, and science students to hire R&D and manufacturing department personnel. In this way, we will move away from Takamiya being a scaffolding manufacturer and rental company, instead

using DX to transform ourselves into a platformer. As part of our Medium-Term Management Plan, we are carrying out our preparations for becoming a platformer that earns the high praise of society. That is precisely why we are able to carry out the transformations, such as reshaping our corporate image and company format, introducing DX, and reforming workstyles, working environments, and offices. We were also able to define materiality, thereby clearly defining our mission. However, I feel profound regret that we may have not been able to effectively communicate these changes and reforms to our shareholders and investors. We will redouble our efforts to disclose more various information and actively engage in PR and IR activities than ever to accurately communicate and provide everyone with a fuller understanding of our initiatives. We will do our utmost to show how Takamiya is engaging in business activities as a full-fledged platformer in a way that is clearer and easier for anyone to understand. We will work harder than ever to meet the expectations of all of our stakeholders.

Takamiya's History

Using foresight—staying ahead of the issues facing society and the coming changes of the times—Takamiya has been providing value to society by innovating its businesses and creating frameworks whenever necessary. Here, we showcase our history of transformation.



Takamiya's Value Creation Process

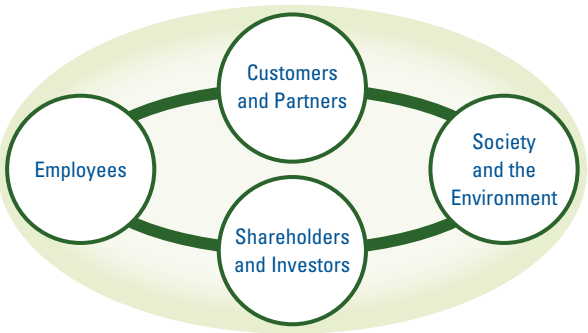
Takamiya has created new business models through foresight—staying ahead of the changes of the times and innovating its business portfolio and frameworks. We will repeat this process and provide products and services that resolve social issues, so as to continuously improve our corporate value.



Identifying Material Issues (Key Issues)

In addition to the risks and opportunities that could have a significant impact on its medium- to long-term management strategies, in August 2023 the Company identified eight material issues that are important for its stakeholders and that could have a major impact on its management and business activities. We will continue to implement long-term initiatives to resolve social issues and meet stakeholder expectations through our future business activities, leading to sustainable enhancement of corporate value.

Takamiya Stakeholders



Identification Process

STEP 1
Extraction of social issue items

STEP 2
Questionnaire for officers and other stakeholders to assess the level of importance

STEP 3
Creation of material issue candidates based on the results of hearings

STEP 4
Approval by the Board of Directors

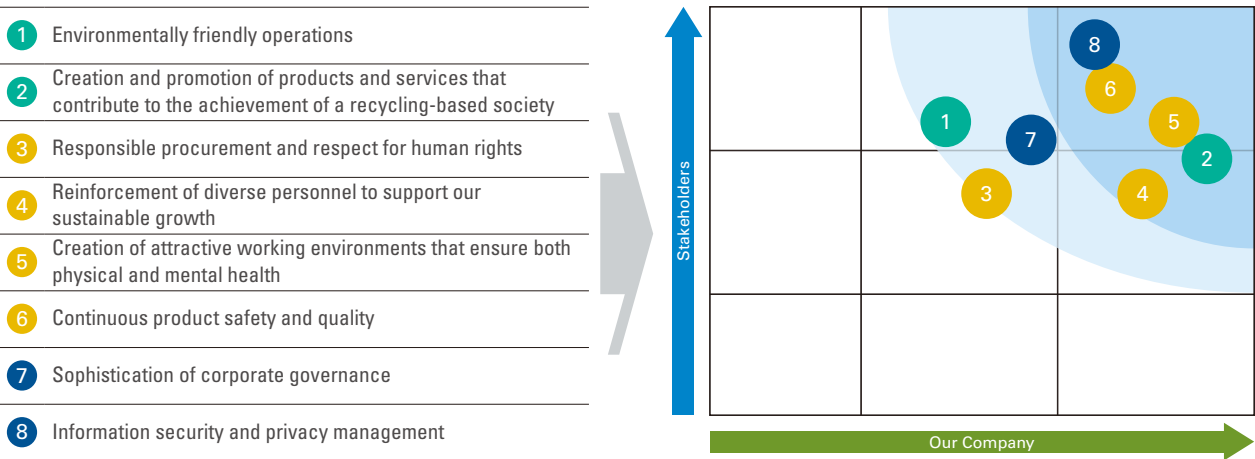
To identify our material issues, we extracted social issue items to examine. While referring to international guidelines in the area of sustainability, including MSCI, SASB, GRI, and the SDGs, as well as information disclosed by benchmark companies, we extracted social issue items based mainly on relevance to our business activities and challenges faced by society and the construction industry. We assessed these social issue items based on their level of impact on and level of importance for our business and society. We then created a list of material issue candidates based on the items deemed to have a high level of impact and importance.

Using the material issue candidates we selected in STEP 1, we conducted hearings in the form of questionnaires for officers and other stakeholders closely related to the Company on their expectations for each issue item and their judged level of importance. We also interviewed other stakeholders including employees, clients, institutional investors, and local administrations, seeking information on which of each of the issues should be prioritized, alongside the reasons why, based on their relevance to the Company and their impact on society.

Based on the results of the hearings from STEP 2, we assessed each issue item based on the two axes of its level of importance for the company and its level of importance for our stakeholders. We then integrated and assessed their overall importance to put together a final material issues proposal and create a material issues map.

The final material issue proposals created in STEP 3 were then reported to the Management Committee and the Board of Directors, alongside the purpose for their selection and the selection process. Following a resolution, they were decided as official material issues of the Company. Moving forward, we will regularly review these material issues in line with changes in industry trends and new ESG issues.

Finalized Material Issues Map



Identified Materiality

	Item	Category	Details	Why We Consider These Important
1	Environmentally friendly operations	E	Within our Company and throughout our value chain, we are engaging in initiatives to reduce GHG emissions and mitigate environmental impact relating to water stress, air pollution, biodiversity, and land use.	To realize a sustainable society and sustainable corporate growth, it is imperative to pursue businesses that take environmental impacts into consideration. We believe this is to minimize the environmental burden and risk through our corporate activities, and to contribute to the sustainable development of society.
2	Creation and promotion of products and services that contribute to the achievement of a recycling-based society	E	Ensure efficient utilization of limited resources (natural capital, human capital, social capital), and introduce and promote products and services that contribute to the achievement of a recycling-based society.	We believe this is important as it is necessary that we ensure effective use of limited resources to achieve a sustainable society. The construction industry is facing challenges such as labor shortages and the deterioration of social infrastructure. We will introduce products and services that address these challenges and aim to achieve a recycling-based society.
3	Responsible procurement and respect for human rights	S	Engage in initiatives to track and manage the societal and environmental impacts of the raw materials used in our products, and protect the rights of those associated with raw materials.	We believe it is important to choose environmentally conscious raw materials and to protect the rights of workers in their production process. Products manufactured with the right materials, processes, and with respect for the environment have high reliability. By promoting these products, we aim to achieve a sustainable and fair society.
4	Reinforcement of diverse personnel to support our sustainable growth	S	Engage in initiatives to attract, nurture and retain diverse employees who possess advanced skills.	We believe this is important as diverse talents and capabilities are essential for sustainable corporate growth. Based on our Mission Statement of "Love," we conduct people-centered management under a Management Philosophy that views human resources as the essence of corporate strength, and we will respect, reinforce, and develop diversity.
5	Creation of attractive working environments that ensure both physical and mental health	S	Minimize safety and health risks for everyone involved in our business, and create an attractive working environment that promotes both physical and mental well-being. (Note: We provide various safety training programs, including scaffolding safety education for users and operators of our products, with the goal of reducing fatal industrial accidents.)	We believe the creation of better working environments will enable us to enhance worker motivation, happiness, and productivity. To enhance safety not only for our employees but for workers at construction sites as well, we are also implementing training such as scaffolding safety education.
6	Continuous product safety and quality	S	In addition to enhancing the safety of products, engage in initiatives to ensure sustained safety and thorough quality control throughout procurement, manufacturing, and development processes.	As our products are used on construction sites, their safety is directly linked to the safety of workers. We believe this is important as it is essential to enhance product safety to prevent industrial and other worker accidents and to ensure our products can be used with confidence.
7	Sophistication of corporate governance	G	Engage in initiatives aimed at highly transparent corporate governance, thorough adherence to corporate ethics, and compliance with laws and regulations, as well as initiatives to maintain internal systems for monitoring, management, and prevention to support these efforts.	The support of our stakeholders is paramount, if we are to enhance our corporate value over the medium to long term. To gain the support of our stakeholders, it is essential that we ensure highly transparent corporate management, respect the rights of our stakeholders, prevent organizational fraud or misconduct, and ensure fairness in decision-making and operations in corporate management.
8	Information security and privacy management	S/G	Engage in initiatives to establish information systems that balance versatility with confidentiality, and to prevent information leakage and manage privacy.	We hold a vast amount of data on customers and various construction sites, and we will ensure thorough management of large volumes of data as we make further utilization of digital tools and promote DX. Information security and privacy management are essential to ensure that our services can be used with confidence.

Business Environment and Risks & Opportunities

	Primary Factors	Risks & Opportunities		Reasons	Long-Term Responses and This Fiscal Year's Initiatives
Changes in the economic environment	Domestic economic trends	<div>Risk</div> <div>Opportunity</div> Capital investment trends of private companies	● Capital investment of private companies is affected by economic trends	● Hold versatile temporary equipment and technologies that can be applied to a wide range of works including public infrastructure construction works, because government investment (mainly civil engineering works) tend to increase amid economic downturns	
		<div>Risk</div> <div>Opportunity</div> Increase and decrease in domestic construction investment amount	● Construction investment amounts have an impact on us, because our main business is related to temporary equipment for construction works	● Enhancement of highly versatile temporary equipment and supply system ● Nurture businesses beyond the temporary equipment for construction work sector ● Expand business overseas (ASEAN countries) which is not directly affected by construction demand in Japan	
	Exchange rate fluctuations	<div>Risk</div> Rapid depreciation of the yen	● Manufacturing and transportation costs will increase due to soaring energy and raw material prices	● Pass on higher raw material prices to selling prices as appropriate	
Changes in the social environment	Transition from new construction to maintenance and repairs	<div>Risk</div> Decrease in demand for new construction of transportation infrastructure	● Demand for new construction of infrastructure is shrinking, resulting in oversupply of large-scale falsework equipment for bridge construction in highways and railroads	● Sell to ASEAN countries where demand for construction of infrastructure is expected	
		<div>Opportunity</div> Increase in demand for infrastructure maintenance and repair	● More than 50 years have passed since the construction of domestic transport infrastructure such as highways, and demand for maintenance and repair is increasing ● Longer construction periods at rental customers’ sites result in better profitability on a site-by-site basis	● Expand the lineup of temporary equipment required for maintenance and repair work of infrastructure, and renew temporary equipment to more versatile types	
	Productivity improvements at construction sites	<div>Opportunity</div> Accelerated spread of next-generation scaffolding	● Demand for Iq System next-generation scaffolding, which enables safe and easy work without bending forward, will increase ● Demand for lighter scaffolding will also increase because it enables not only space savings in equipment storage areas, but also improves transportation efficiency and reduces the work burden for scaffolding installation	● Replace all tube pipes held with high-tension steel pipes to make them lighter ● Completed replacing equipment with next-generation scaffolding Iq System with superior workability and safety ● Make equipment lighter by switching material from steel to aluminum ● Increase production capacity of Iq System	
		<div>Risk</div> Obsolescence of temporary equipment held	● Development of innovative construction methods may eliminate the demand for temporary equipment including scaffold	● Nurture businesses beyond the temporary equipment sector (agriculture business, etc.) ● Shift to business models that do not rely on hardware (platform business)	
	Digital transformation (DX)	<div>Risk</div> Delays in promotion of DX due to the shortage of IT professionals	● We may lose our market share if we cannot secure IT professionals and cannot provide DX-related services in a timely manner	● Promote the hiring of IT professionals and the training of employees ● Digitize factory forms and store documents electronically ● Adopt incentives for employees for DX initiatives	
		<div>Opportunity</div> New demand	● Online transactions will become the norm, and being well-prepared may increase the number of new customers and the amount of transactions with them	● The Group has been working on building/construction information modeling (BIM/CIM), which is essential for DX in construction, and opportunities for receiving orders will increase due to the expansion in demand ● We introduced the online system “OPERA,” which diversified order channels and increased opportunities	
	Diversification of agricultural workers	<div>Opportunity</div> Increasing number of new companies entering the agricultural sector	● There is demand for facilities with high yield potential for a relatively large investment ● Many new farmers are starting out, requiring automatic control and cultivation know-how ● Demand of facilities and equipment for productivity improvement increases, necessitating increase in yield per acreage	● Develop pipe houses for agriculture and products for agriculture, utilizing our metalworking technologies and steel pipes for scaffolding ● Release of G-Castle Pro and G-Castle Neo48 high-performance agricultural greenhouses ● Implement demo cultivation with our products, and collect know-how and data to leverage them (“Hanyu Aisai Project”) ● Collaborate with other companies on smart agriculture	
	Response to climate change	<div>Risk</div> Surge in raw materials, fuel costs, and transportation costs	● Raw material/fuel prices and transportation costs may surge due to the rise in the prices of fossil fuels driven by the reduction of CO ₂ emissions	● Make components smaller and lighter through the systemization of scaffolding, thereby reducing the number of vehicles and round trips required to transport equipment ● Shift from suburban to urban equipment supply locations (Takamiya Lab. West)	
		<div>Opportunity</div> Demand for new construction and renewal of plants	● Demand for construction including renewal and new opening of facilities increases due to the usage restriction of fossil fuels and energy efficiency as well as increase in usage of alternative energy including hydrogen and electricity E.g., Power plants, hydrogen production plants, supply bases (gas stations), net zero energy buildings (ZEBs) and net zero energy houses (ZEHs)	● Develop and sell next-generation solar carport, POGERO ● Develop scaffolding supply bases for new construction and maintenance of electric power plants	
	Natural disasters	<div>Risk</div> Slowdown in business and economic activities	● We may be forced to shut down our operations due to natural disasters such as earthquakes and typhoons, and the spread of infectious diseases such as viruses	● Diversify risk by operating 29 equipment supply locations across the country ● Distribute manufacturing bases in 4 locations: 2 in Japan and 2 overseas ● Promote remote work	
		<div>Opportunity</div> Response to recovery and reconstruction from disaster	● Demand for temporary equipment necessary for construction works rises to quickly recover from damage to transportation infrastructure due to natural disasters	● Position equipment supply locations across the country and establish the system to supply temporary equipment necessary for recovery and reconstruction works	
	Domestic demographic trends	<div>Risk</div> Shortage of personnel and manpower	● New hiring becomes difficult due to the advancement of the declining birthrate ● Securing talents with skills and qualifications such as scaffolding installation becomes difficult	● Enhance employee benefit programs as well as improve working conditions and environments mainly through workstyle reform ● Implement various training, scaffolding safety courses, etc.	
Changes in laws and rules	Amendment of Ordinance on Industry Safety and Health (related to scaffolding)	<div>Opportunity</div> Increased demand for new and existing products	● Amendment of laws and guidelines to secure the safety of workers in construction sites generates demand for new products ● Introduction of five-day week is promoted and overtime work is capped in the construction industry	● Promote development, manufacturing, and sales expansion of products with high safety and workability, such as Iq System next-generation scaffolding and SPIDER PANEL panel-type hanging scaffolding system ● Develop products with lighter weight and aluminum materials	

Takamiya Platform

Making Our Customers Partners in Our Platform

Transforming from a Flow Business to Stock-Type Business

Takamiya has used its business foundation to provide services to customers while enhancing each function to make them more convenient. Now, we are ready to open up this enhanced business foundation as a platform for customers. In doing so, our customers will become partners who share the platform, enabling them to use Takamiya's business foundation (temporary equipment business infrastructure) as part of their own, and facilitating the expansion of their business scale, geographical area, and domain.

The high-value-added services offered on our platform enhance profitability for Takamiya and for our partners. By encouraging customers to use our platform and our services, we will transform into a highly profitable and stable stock-type business.

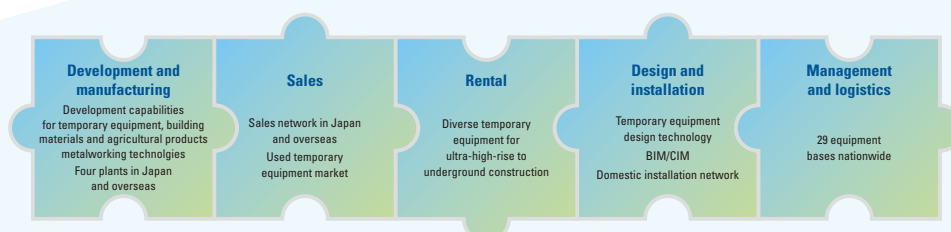
An Evolving Business Model

By being a true partner for our customers, we are achieving both the evolution of our customer's business and the transformation into a stock-type business model.

Takamiya's Business Foundation

A business foundation developed based on customer needs and backed by 50 years of experience in construction sites

In the past
Flow-based
x
Customers

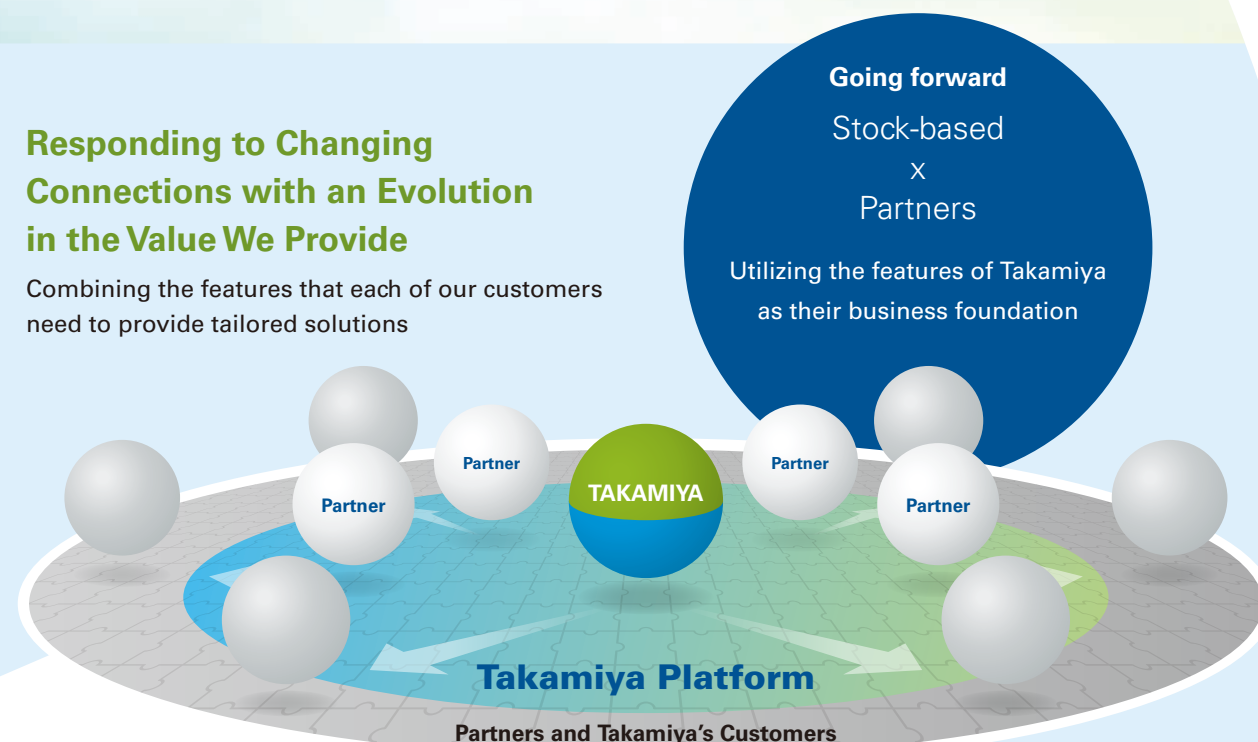


Providing a One-Stop Service for Temporary Equipment

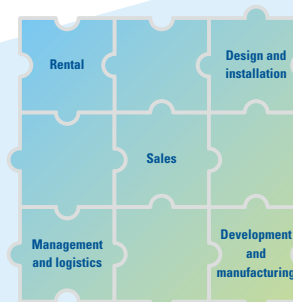
Takamiya grew its business around the rental of temporary equipment, and we have expanded the various functions of our rental service to make it even more convenient. Covering the entire process of temporary equipment use, including new product development, manufacturing and sales, preparation of assembly blueprints, and product assembly, we offer a one-stop service from downstream to upstream.

Responding to Changing Connections with an Evolution in the Value We Provide

Combining the features that each of our customers need to provide tailored solutions

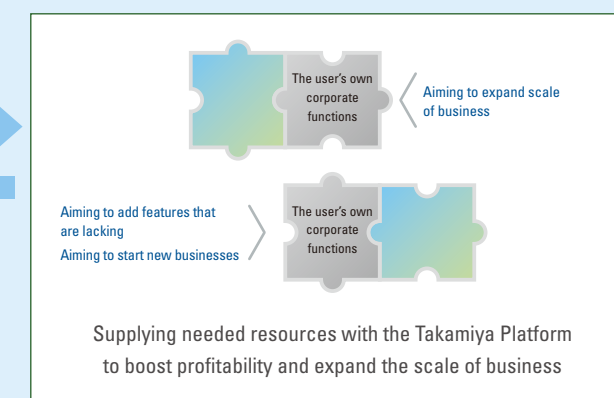


Takamiya Platform



At Takamiya, we are using DX to improve the convenience of our platform solutions and promoting increased usage.

The User's Business



The Takamiya Platform Business Model

We will create further added value by using digital transformation (DX) for each function that we have enhanced so far. The added value our platform offers with its safety and convenience will encourage partners to continue using it, thereby sustaining stable earnings for our business. In addition, the services provided by the platform will enhance efficiency for both our partners and for Takamiya, enabling us to develop a highly profitable business.

Providing Value Created through Building Platform

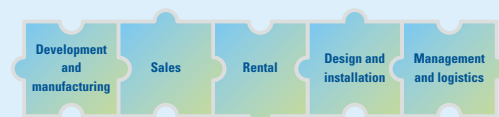
Providing a Range of Solutions with DX

We will utilize DX to enhance each of the functions that we have established to date in our business—development and manufacturing, sales, rental, design, installation, management, and logistics. As well as improving the safety and convenience of these functions, we will integrate them to create new services, in order to provide services with unprecedented high added value. The industries of construction and providing temporary equipment face a host of challenges, including labor shortages, long working hours, and delays in DX and digitalization. We will solve these challenges through productivity improvement using the solutions we provide through the Takamiya Platform.

Key Services

Platform Portal

“OPERA”



OPERA is a portal that integrates our platform services. All high value-added services that we add to our platform in the future will be available through OPERA. In addition to the scaffolding digital marketplace Iq-Bid, the platform’s main features include support for ordering rental items and booking delivery vehicles. Conventionally, rental items were ordered via telephone or fax. Digitalizing these processes will contribute to eliminating human errors while boosting efficiency in

terms of labor hours. Customers can now access our platform services from a digital device like a smartphone or computer 24 hours a day, 365 days a year. OPERA strengthens the integration of our platform services, bringing increased benefits to our customers. By taking tasks that have conventionally been done in analog methods and transforming them into digital processes and improving task efficiency, we will contribute to solving problems such as the labor shortages faced by the construction industry and providing temporary equipment. In this manner, the platform portal OPERA serves as infrastructure for our temporary equipment business.



Expanding Our Business Areas

Iq System Storage Service



This service manages Iq System equipment purchased by customers at our Equipment Bases. Our temporary equipment is mainly used either on a rental basis or as purchased equipment. Using purchased equipment introduces the need for storage space and personnel to manage the equipment. In addition, equipment maintenance requires certification by a specialized organization, which not only involves management costs, but also requires advanced technology. With this service, we provide all such necessary elements for using our materials. Customers can store the Iq System

equipment they have purchased at our Equipment Base. In addition, once a customer has stored their Iq System with us, they can use an equivalent equipment system from any one of our Equipment Bases across Japan. We charge fees for shipping and maintenance arising from the use of equipment. Due to transportation costs and other factors, companies that own their own temporary equipment must typically confine their operations to an area near their equipment storage area. This makes it difficult to substantially grow business and earnings when taking on a larger number or greater scale of construction projects. Using the Iq System Storage Service eliminates the need for customers to manage equipment at their own equipment storage sites. By taking out equipment as they need it from our Equipment Bases located nationwide, they can not only curb fixed costs but also expand their area of operations. In this manner, customers can boost earnings and build optimal profit structures.

System for Realizing Optimal Storage Amount of Temporary Equipment

“Iq-Bid”



This digital market system allows customers to freely buy and sell Iq System equipment after they have bought it and left it in storage. This makes it easy to buy required materials or sell surplus materials, and sellers can set listing prices. Temporary equipment that has been purchased and used deteriorates in value as an asset by nature. However, by forming a secondary market, we provide companies visibility over daily buy and sell prices, with those prices giving them an

indication of the value of their assets. By buying and using equipment based on the expected selling price, customers can reduce costs compared to rental equipment. During periods of high demand, equipment can even be sold for an amount close to the purchase price. In addition, the quality of the equipment is ensured through our thorough maintenance. Furthermore, customers can use the system to check the operating status of owned equipment, enabling them to identify surplus or required materials. By buying and selling equipment accordingly, they can then adjust their equipment holdings as necessary. Companies planning a business shift can easily replace equipment, thereby building an optimal portfolio of temporary equipment.



Visualization of All Temporary Construction Information

“BIM/CIM 3D Laser Scanner”



This product utilizes DX to enhance the design process for temporary construction. The use of a 3D laser scanner enables the creation of a 3D data model of the frame for temporary construction. This enables accurate measurement for frame information that would be either missing or difficult to understand in a 2D representation. BIM/CIM allows 3D drawings to be shared, updated, and used to visualize conceptual construction images, so that various potential problems can be flagged ahead of construction by

identifying frame interference points or hazardous areas. With the proprietary functions of our system, customers can calculate the quantity of parts that will be required simply by selecting a range on the blueprint. This quantitative data can be linked to OPERA for direct placement of a rental order. Design information that had previously been updated on paper blueprints can now be updated in real time through the sharing of data. The optimized plan thus curbs costs and reduces unnecessary labor-hours arising from rework. We are also developing an automatic drafting tool. By utilizing this tool, blueprints can be created easily regardless of whether or not the user has drafting experience.



Expanding Our Business Areas

Joint Product Development



We make it easy for customers to develop products that are suitable for special sites and that improve safety, convenience, and workability by enabling them to utilize our metalworking technologies. Customers can use products that meet their needs, whether by modifying existing products or developing new ones. This allows them to expand the business areas that they can address.

Takamiya Lab. West

Accelerating Platform Transformation Takamiya Lab.

Takamiya Lab. conducts research and development with a view to improving the safety and convenience of the services and products that we offer on our platform. It enhances our platform in various ways including through the development of products and testing services.



Features of Takamiya Lab.

As a R&D base, Takamiya Lab. has a variety of facilities for different purposes. The Theater Hall has a large screen that can be used for various types of training. The Innovation Hub, construction of which is still at the planning stage, will use DX and IT to provide and develop new services. Together with our customers, we will use these facilities to enhance our products and services and explore new possibilities in the temporary equipment business.

In our Equipment Base at Takamiya Lab., we have introduced equipment aimed at improving customer convenience on a trial basis ahead of other Equipment Bases. The data we gather by introducing equipment is circulated to other Equipment Bases. This enables us to enhance the functionality of our Equipment Bases, which span 29 locations across the country. At the time of shipment and of return, a truck scale and multiple cameras record equipment weight and packaging as data. This eliminates human errors that might otherwise arise during loading or unloading of the equipment. This in turn prevents potential misunderstandings with customers

regarding whether equipment has been loaded or not loaded, or returned or not returned. We have also introduced a fast lane that prioritizes platform users in the loading and unloading of equipment. During busy periods, the time required to load equipment after returning it can be up to 150 minutes. However, by using the fast lane, the loading and unloading work can be completed in just 50 minutes, about one third of the time. This greatly improves time efficiency, an important advantage given the constraints on working hours stemming from the 2024 Problem. It leads to a higher number of truck round trips, which increases the turnover rate. Fixed-point cameras enable monitoring of the maintenance processes taking place on-site, which fosters trust in the products and services we provide.

We will use the data obtained at Takamiya Lab. to enhance the platform services we offer to our customers. This truly novel facility offers a world of new possibilities in the temporary equipment business.

Takamiya Lab.

Theater Hall

Reception

Theater Hall Office

The reception area and offices for lab employees are situated here. Various types of training can be conducted in the video viewing space.



Spider Deck

The spider panel will be on permanent display.

Collaboration Studio

Meetings can be held here at any time.

Gateway

A corridor linking the Theater Hall and Innovation Hub.

Iq Square

Innovation Hub

The Innovation Hub can be adapted to suit the customer's needs, serving as an R&D area or as an exhibition area.

R&D Area

Concept: Joint development, test assembly/verification, test installment

- ▶ We will collaborate with our customers on everything from product development to the unveiling of new products.
(e.g. joint development with general contractors, provision as test installment site, display of new additions to product lineup)
- ▶ We will distribute and share information to strengthen our sales and marketing capabilities.

Exhibition Area

Concept: For exhibiting our own products, exhibiting products of other companies, and for rental exhibition space

- ▶ We will use video content and physical displays to promote Group products through hands-on experience.
- ▶ We will hold special exhibitions that showcase products of other companies, with the aim of forming matches between companies in different industries.
- ▶ By taking advantage of the facility's location, we are also considering offering it as a rental space.

* Applications for each building and area are still in the conceptual stage and are subject to change.

Safety Initiatives

At this facility, we are engaged in various efforts to enhance safety so that customers can use our products and services with peace of mind. Various products are on display that can actually be put together by visitors, including temporary equipment such as the Iq System. Through hands-on experience with the product, visitors can directly appreciate the superiority of our products over those of competitors in terms of ease of installment and workability, as well as its safety and convenience. We also plan to introduce equipment for testing product quality and strength during product development. This will enable our own products to act as a reference during the product development process.

In addition, we are conducting various types of training and education related to scaffolding using (actual) assembled products and large-scale screens. At the Scaffolding and Health and Safety Workshop, we aim to

raise safety awareness among new and young employees of construction companies. The workshop covers a range of areas from basic knowledge of scaffolding to specific safety measures. Furthermore, we offer statutory training (special training), which is mandatory for businesses whose workers are engaged in hazardous or potentially harmful work. The content includes special training for scaffolding assembly, etc.; special training on full harness-type fall prevention equipment; special education for workers handling asbestos; special training on oxygen deficient/hydrogen sulfide hazardous work; training to improve the ability of work chiefs for scaffolding assembly; training for foremen and health and safety managers; and training to improve the ability of foremen and health and safety managers, etc. We will promote our rigorous safety approach to other companies, as only few companies in the industry provide training and education of this kind.

Message from the Company Officer in Charge of the Platform Business

We aim to expand
our platform and
provide safety and
security to society

Akiyoshi Takamiya

Representative Director,
Executive Vice President
Division General Manager
of Takamiya Lab. Division



Significance of Business Model Transformation

Safety is one of the most important aspects of the construction industry in which we operate. Many people get injured or die in accidents at construction and civil engineering sites every year. As a company that prides itself on supporting the infrastructure that underpins Japanese society, we must provide products and services that pursue safety for the people working at these sites. The Iq System, which was created based on our desire for safety, has now acquired a leading share of the next-generation scaffolding market. Over the course of ten years, Takamiya constantly worked to develop this system and continued to pursue the true needs of our customers. This led us to focusing our operations on the manufacturing, rental, and logistics management functions.

Now, we are working to transform ourselves into a platform company that leverages these core functions. We at Takamiya are aiming for a future in which customers participate in our platform and achieve safer and smarter construction and civil engineering sites.

Takamiya Lab.'s Role within Our Platform

Our platform solves a variety of issues for users, greatly improving safety, convenience, and profitability. The role of Takamiya Lab. (hereinafter the "Lab.") is to ensure the platform's safety and improve its convenience. As the name "Lab." suggests, we seek to provide benefits for our users as an R&D base. Our platform provides safety and security by opening up our initiatives and accumulated data to external parties. We also leverage information disclosed internally to enhance the safety and convenience of the platform. At the forefront of these efforts is the Lab. Accumulating and utilizing data, such as on equipment management and maintenance, delivery and collection, and product development, helps improve the benefits of platform users. That is not all there is to the Lab. The construction industry has endured labor shortages for some time. However, with tighter labor regulations that are scheduled to come into effect from April 2024, specifically caps on overtime for the construction and transportation businesses, the industry may well face further labor shortages. One answer to this issue is efficiency improvement. The Lab. is equipped with a mechanism that improves user productivity by making full use of digital transformation (DX) and IT.

Becoming a Company That Delivers Security to Society

The platform has no completed form. This is because we aim to continue working to gain an understanding of users' needs and expand its functions. At present, we are also using the Lab. as a venue to gradually expand our initiatives, such as introducing existing products and holding safety seminars. These initiatives are borne from the users' needs. Going forward, we will expand the functions of "OPERA," our online ordering system, to evolve it into a portal for our platform. We plan to enhance the attractiveness of the platform as a centralized system that enables the digital management of platform services. We have also

launched "Iq-Bid," a service that enables temporary equipment to be traded as an asset. This service will completely change how temporary equipment is used. Our wide-ranging initiatives and services will deliver safety and convenience to the construction industry.

To me, these efforts are simply starting points. Takamiya will strive to change the construction and civil engineering industries for the better and ultimately make the world a better place. We will continue to expand the scope of our operations and provide added value to society by transforming our business model. Please look forward to seeing Takamiya continue to make leaps forward.

Topics

Improved convenience, dissemination, and promotion of our platform business through 14 subcommittees

As part of efforts to develop our platform business, we are enhancing our platform through 14 subcommittees, aiming to improve its convenience and safety. Each subcommittee is supervised by the Division General Manager of the related business division, with projects being led by leaders who carry out the work.

Subcommittees are composed not only of many young employees, but also of employees from different departments, enabling us to generate ideas from various perspectives. In order to achieve the goals set by each subcommittee, we will collaborate with other

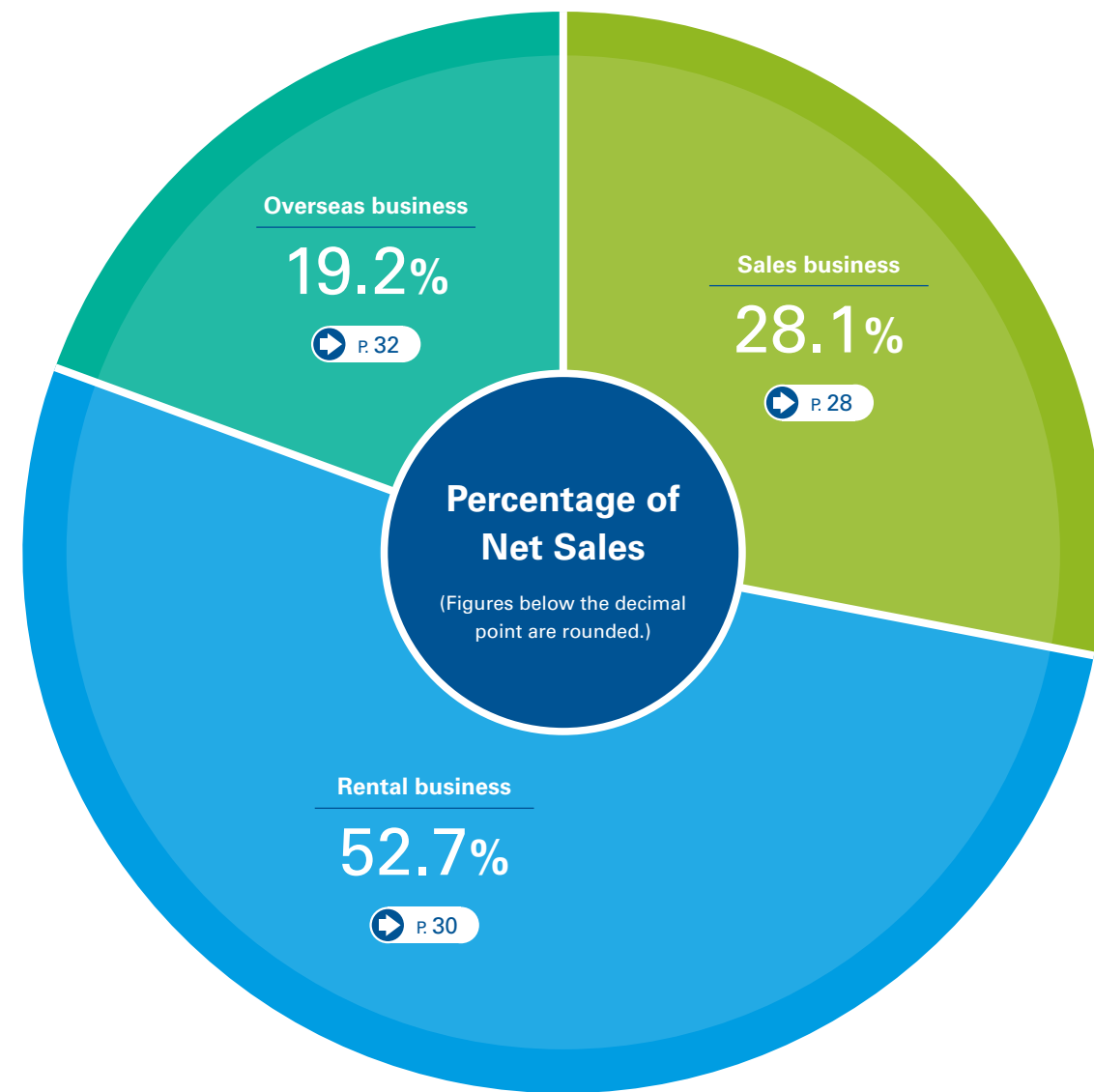
subcommittees and recruit additional members as necessary. The project's progress will also be disclosed as necessary to solicit participation from within the Company. Employees can participate in subcommittees of their own volition, and this fosters more active exchanges of opinions.

We are promoting projects from various perspectives, such as enhancing existing services and systems, developing new services, utilizing Takamiya Lab. West, and increasing uptake of the platform business.

List of Subcommittees*	Testing Machine Utilization Subcommittee	Fastest service	Visualization through the promotion of DX and mechanization	Innovation Hub Construction Subcommittee
	Innovation Hub Internal Exhibition Subcommittee	Platform (Iq-Bid) Subcommittee	"OPERA Rental" (Including Reward Points) Subcommittee	Regional Strategy Subcommittee
	Media Strategy Subcommittee	Safety Education and Training Subcommittee	Logistics Reform Subcommittee	"OPERA" Development Subcommittee

* Confidential subcommittees are not included.

Takamiya's Businesses



"Percentage of net sales" is calculated based on net sales before intersegment eliminations.

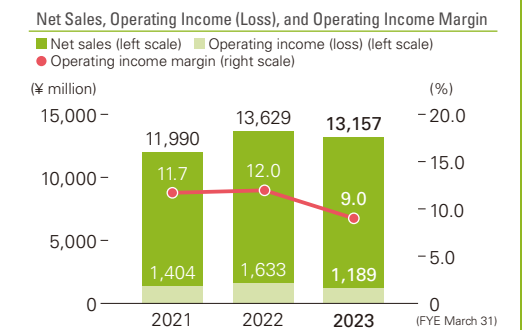
Results for the Fiscal Year Ended March 31, 2023

Sales Business

Net sales were down 3.5% year on year at ¥13,157 million, and operating income was down 27.2% year on year at ¥1,189 million.

In the temporary equipment sector, there were some postponements in purchasing and a shift toward rental usage resulting from concerns regarding price revisions due to soaring material prices, construction delays due to labor shortages, and uncertainty in future prospects. However, interest in the Company's business platforms centered on next-generation scaffolding product Iq System remained high, and the number of inquiries for new procurement, replacements, and additional purchases remained strong.

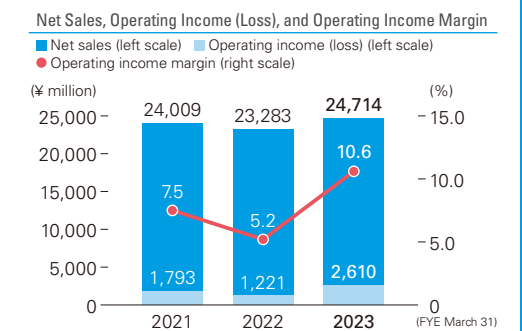
In areas other than the temporary equipment sector, while the construction projects of large-scale high-performance glass houses for agriculture ran their course in the first half of the previous fiscal year, sales of solar power-related products and building materials remained strong.



Rental Business

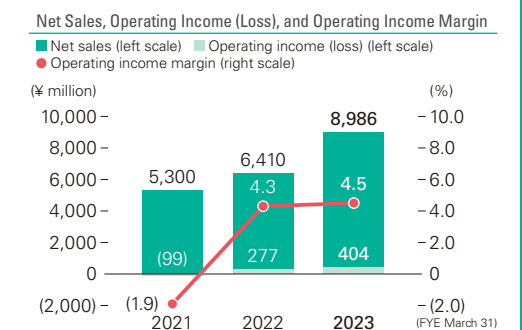
Net sales were up 6.1% year on year at ¥24,714 million, and operating income was up 113.6% year on year at ¥2,610 million.

According to our analysis, one of the reasons for the favorable performance of the rental business was a temporary shift to rentals in response to increased sales prices due to the soaring prices of raw materials for products. In addition, the growing recognition of the Iq System led to the high utilization of rental assets, including the Iq System. In terms of products for civil engineering, shipments for large bridge construction projects started mainly in the Chubu region, which drove rental sales.



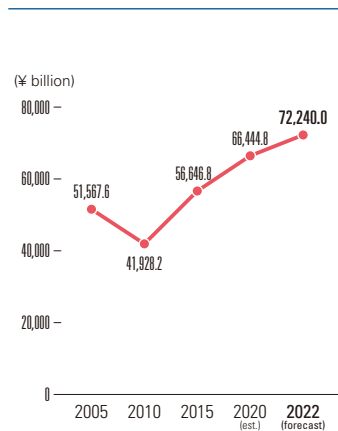
Overseas Business

In the overseas business, net sales were ¥8,986 million, up 40.2% year on year, and operating income was ¥404 million, up 45.8% year on year. Hory Korea Co., Ltd.'s leveraging of its management foundation has created a positive cycle and employee motivation has increased. As a result, profitability has improved and the improvement of the Company's financial standing is making progress, and we believe that we will be able to bring the Company back to the growth stage. In the Philippines, the construction sector has been revitalized with the containment of COVID-19, and employees are correspondingly more motivated. Over the past two years, we have worked to strengthen our financial position by thoroughly visualizing management figures and increasing the speed at which we identify issues and implement improvement measures, and our profitability has improved as a result.



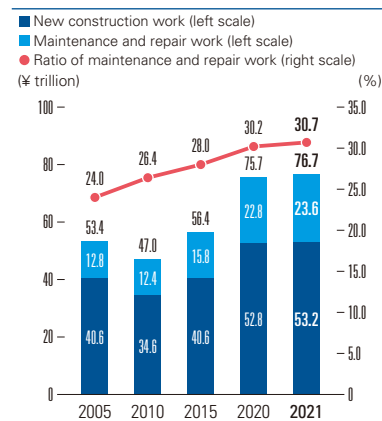
Market Environment

Construction Investment



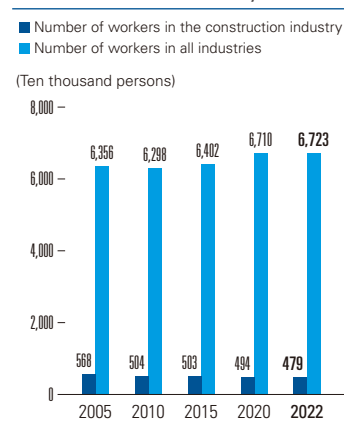
Reference: "Construction Investment Outlook by Construction Economic Model," announced in October 2023, Research Institute of Construction and Economy

Maintenance and Repair Work



Reference: "Statistical Survey of Construction Works," Ministry of Land, Infrastructure, Transport and Tourism (MLIT)

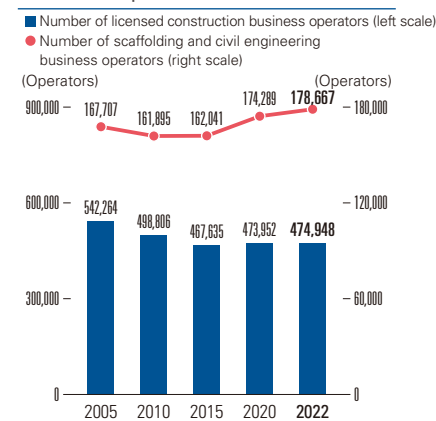
Number of Workers in the Construction Industry



Reference: "Labour Force Survey" by Statistics Bureau, Ministry of Internal Affairs and Communications

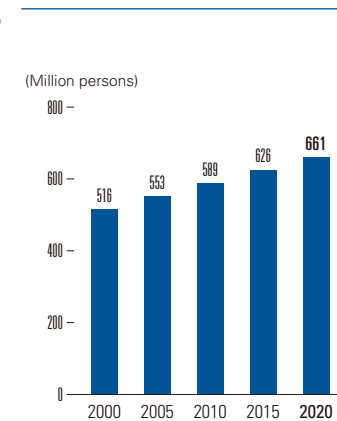
Market Environment

Number of Licensed Construction Business Operators



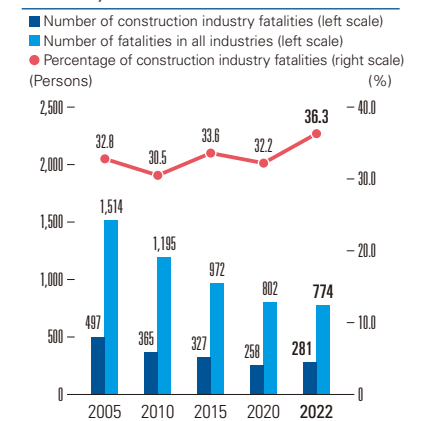
Reference: "Results of the Survey on the Number of Licensed Construction Business Operators - Current Status of Licensed Construction Business Operators (as of the end of March 2022)" by MLIT

Population of ASEAN



Reference: Includes estimates from IMF "World Economic Outlook Database, October 2023"

Number of Construction Industry Fatalities



Reference: "Statistics of Industrial Accidents in the Construction Industry" by Japan Construction Occupational Safety and Health Association

Sales Business



As a result of sales price revisions in response to the soaring prices of raw materials such as steel and aluminum, a trend toward rental use has been observed. With the full-scale start of construction work, a tightening in the rental supply is expected across the industry, necessitating preparedness for a switch to investment through purchases. In addition, the expansion of sales of the next-generation scaffolding Iq System, which serves as a core to our platform, is progressing smoothly, and we are preparing the product supply system for the further development of our platform business.

Hidehiko Yamashita

Executive Officer
General Manager of Sales Department
Sales & Marketing Division

What We Do

We conduct a wide range of businesses that develop, manufacture, and sell proprietary products that leverage our metalworking technologies, including light-duty temporary equipment such as Iq System next-generation scaffolding and clamps. These products also include SPIDER PANEL and V-MAX, two types of hanging scaffolding for maintenance and repair work on expressways and viaducts, as well as agricultural greenhouses and solar carports.

Business Strategies in the Medium-Term Management Plan

Consulting Sales

We continue to expand high-value-added services that promote the use of our platform business to customers, aiming for the expansion of our platform business. To encourage the use of our storage service, we provide customers with a comparison of income and expenses when using rental services and using the storage service after purchase. We encourage customers to purchase the Iq System by presenting an operational image after purchase. In addition, we are developing a system to visualize the utilization status of owned equipment. There were challenges with customers purchasing more temporary equipment than needed, not knowing the optimal amount to own for their own use. However, with the utilization status visualized and purchase and sale of owned equipment enabled on Iq-Bid, customers can optimize the amount of equipment, enhancing profitability without incurring excess costs.

Responding to the Changing External Environment and Further Expanding Platform Services

Due to changes in social conditions, the prices of aluminum and steel, which are raw materials for our products, have soared since around 2021, recently reaching near record-high levels. In response to the soaring raw material prices, we have revised sales prices to maintain a profit margin on product sales. For customers who are reluctant to buy due to price surges, we are working to expand sales by introducing convenient platform services. Although our current platform services are focused mainly on the Iq System, we are considering expanding the services to other products as well. We are expanding services on a trial basis so that high-value-added services can be used for all products.

TOPICS

Strengthening Manufacturing Base and Supply Structure through DX

Each plant is promoting DX in the manufacturing process. This not only improves production capacity and efficiency but also enhances the safety of products and the added value for users.

Conventionally, the appearance inspection of manufactured products was performed visually by inspectors. For this reason, inspections took a long time, imposed a heavy burden on inspectors, and therefore was one of the hinderances to improving production capacity. In addition, because it was impossible to always secure evidence for inspections, there was always a risk of having to reinspect from scratch. In order to address this issue, we have switched to AI-based appearance inspections. By training AI on the features and shapes of products, we can automate appearance inspections, which not only

eliminates human error, but also improves the accuracy and speed of inspections and secures evidence. As AI continues to learn, the accuracy of inspections improves, and it becomes possible to perform appearance inspections on a wide variety of products.

Additionally, we have introduced “smart glasses” in the process of doing inspections to check quality standards of raw materials of products and materials upon arrival (receiving inspections). We are standardizing the receiving inspections conducted at each of our four domestic and overseas factories by having inspection supervisors from remote locations check and provide guidance on whether measuring instruments and jigs are being used correctly during the inspection process.

Future Outlook

The soaring prices of raw materials such as steel and aluminum are settling down. While procurement prices in Japan remain high, overseas procurement prices are gradually declining. In addition, construction investment is increasing, and many projects postponed due to the COVID-19 pandemic are now beginning construction. Amidst growing demand for temporary equipment, a shift to purchasing is expected as a method of procurement, as the supply of rentals is limited.

Rental Business



The Iq System has been operating at a high utilization rate since the beginning of the fiscal year. In civil engineering, large-scale falsework in the Chubu region and a major project for the Hokkaido Shinkansen are progressing smoothly.

In addition, we are developing a business model centered on the platform business, aiming to increase customer satisfaction with the goal of improving their business efficiency and profitability.

Kazunori Kawakami

Director and Executive Officer
Division General Manager of Sales & Marketing Division and
Deputy Division General Manager of Takamiya Lab. Division

What We Do

Through rental services, we provide light-duty temporary equipment for all kinds of worksites, including buildings, bridges, ultra-high-rise building renovations, tunnels and underground worksites, as well as scaffolding and falsework in times of disaster. Our in-house functions for contract scaffolding installation work and scaffolding plan drafting are strengths that enable us to provide comprehensive customer-oriented services.

Business Strategies in the Medium-Term Management Plan

Expanding Sales of the Platform Business

Starting with the storage service of the next-generation scaffolding Iq System, which is also part of our platform services, we will be dedicated to temporary construction-related consulting sales that can accommodate the parameters of our customers' asset value and asset management. From there, we would like to have our customers use all of Takamiya's services and aim to increase customer satisfaction.

Expansion of OPERA

The core system, OPERA, an online ordering system, contributes to improved service for customers, as well as speeding up internal and external operations and reducing human error, thus contributing to workstyle reforms of employees.

BIM/CIM

We support customers through the introduction of BIM/CIM. From client proposals and construction planning to calculating delivery quantities, we contribute to our customers' DX promotion and workstyle reforms by utilizing our proprietary know-how in temporary construction.

Expansion of Scaffolding Construction Department Partner Contractors (Scaffolding Construction Workers)

The chronic shortage of workers (craftsmen) continues to be a serious issue. In addition, with tighter labor regulations that are scheduled to come into effect due to the 2024 Problem, securing more personnel is becoming even more difficult. As for Takamiya, we aim to further collaborate with our nationwide Scaffolding Construction Department partner contractors and expand our nationwide scaffolding construction worker network. Our goal for the final year of the Medium-Term Management Plan is to have 200 official members.

DX for Managing Sales Organizations

We introduced CRM/SFA* to improve operational efficiency and labor productivity. By visualizing know-how that sales staff possess and quantifying customer information, we will improve earnings and implement workstyle reforms for sales employees.

* CRM = Customer relationship management
SFA = Sales force automation

TOPICS

Toward Sales Utilizing Digital Data

We aim to accelerate our business transformation to the platform business and become an IT company in scaffolding.

The construction industry has been slow to employ digitalization and DX, and a great deal of operations are still performed to date using analog approaches. Even in our case, we took rental orders via telephone and fax until we introduced OPERA.

To actively promote DX, we will respond to changing

customer needs and implement customer marketing using digital tools such as Salesforce, OPERA, and Tobee. By digitizing data, we can visualize figures and develop sales activities using a strategic approach. We will establish a new sales style for the construction industry by utilizing data and enhancing the level of marketing, such as through demand forecasting and the improvement of our product supply system.

Future Outlook

We expect construction investment to be flat or to slightly increase from the previous fiscal year. However, due to the impact of personnel shortages and the 2024 Problem, we anticipate an extension of construction periods by up to 20%, resulting in a lower turnover rate but a longer usage period. We also expect that the rise in prices will continue and labor costs will also increase. Against this backdrop, we expect continued demand for rentals, and for high utilization to continue. With regard to the issue of prices, we believe that the expansion of our platform business will enable us to break free from unnecessary price competition.

Overseas Business



In the overseas business, a sudden upsurge in activity has been observed with the global containment of COVID-19. In order not to miss out on this business opportunity, we have developed a foundation in the Philippines, South Korea, and Vietnam over the past two years or so, which we will now fully leverage to contribute to the Group's earnings, with the aim to expand our business not only in Asia but also into Africa and Europe.

Hiroyuki Okamoto

Senior Executive Officer,
Division General Manager of Overseas Business Division and
Deputy Division General Manager of Takamiya Lab. Division,
General Manager of Agribusiness Development Department,
Corporate Strategy Division

What We Do

The overseas business primarily operates in three ASEAN countries: the Philippines, South Korea, and Vietnam. We will continue to strengthen our earnings base as a pillar for sustained growth through the organic coordination of our manufacturing base in Vietnam, our rental sales base in the Philippines, and our operations in South Korea, which provide both manufacturing and sales functions. In addition, this fiscal year marks the first step in exploring new sales channels.

- Adoption and deployment of domestic expertise and business models
- Linkage among overseas Group companies
- Recognition of the Company in the Philippines and South Korea
- Track record of transactions with major local construction companies
- Employment of local staff
- Improved production capacity through factory expansion
- Network in ASEAN countries



- Local management
- Different perceptions of governance due to differences in habits and customs
- Concentration of bases in the ASEAN countries

- Economic development in ASEAN countries
- Active investment in construction and civil engineering in each country following the pandemic
- Active investment in infrastructure in ASEAN countries by organizations such as JICA
- Demand for plants and solar power generation to cope with energy shortages and decarbonization
- Increased safety awareness at construction sites in South Korea
- Diverse and talented human resources

- The impact of the situation in Ukraine
- Inflation
- Local laws (related to taxation and accounting)
- Public security, political climate
- Political relations
- Rapid depreciation of the yen
- Increasing transportation costs due to soaring fuel costs

Future Outlook

In the ever-changing international situation impacted by disasters and conflicts, we expect that a large amount of temporary equipment will be required at the time of reconstruction. Moreover, with the development of emerging countries around the world, especially in the ASEAN region and Africa, the temporary equipment business has become a very large market. First, in the Philippines, where the Company has a base, delayed construction projects are expected to start, leading to increased demand in various regions.

Business Strategies in the Medium-Term Management Plan

Three-Year Policy

For the fiscal year ending March 31, 2024, we will utilize the foundational strength accumulated up to the previous fiscal year to establish a firm base in Asia while starting a full-scale entry into Africa. For the fiscal year ending March 31, 2026, we will begin the introduction of the platform business in South Korea and the full-scale development of the Africa business along with the introduction of the platform business in Europe. As for the fiscal year ending March 31, 2027, we will view this year as a harvesting stage for these initiatives and develop business operations that will become a source of earnings for the Company.

Securing a Foothold That Contributes to Earnings HORY KOREA

We have reformed our corporate structure over the past three years from laying the foundation to the growth stage, and from the growth stage to the harvesting stage. We feel that the Company has been revitalized and a virtuous cycle is beginning. As a result, significant progress has been made in improving profitability and financial position, and we have moved from the growth stage to the harvesting stage. With the launch of new business expansion utilizing South Korea's IT infrastructure for platform business, entry into e-commerce, and

utilization of other DX initiatives, we expect to become a business entity that will lead overseas business in the next three years and grow into a company that can contribute to the Group in various ways.

DIMENSION-ALL (DAI)

Although economic activity stagnated for over two years under very challenging conditions due to the pandemic, with the containment of COVID-19, previously halted investments have rapidly resumed. During the pandemic, DAI enhanced its comprehensive corporate strength by visualizing as much of its management as possible, identifying issues, considering improvement measures, and implementing them, through teamwork between local and Japanese teams.

We expect DAI to leap forward as a gateway to ASEAN countries and Africa.

Network Building and Product Development in Asia

In regions beyond our current operations, we plan to fully establish and develop our alliance network over the next three years, and actively pursue product development and sales for Asia and other regions.

Although it has been difficult to operate due to COVID-19, we intend to actively resume our activities from now on.

TOPICS

DAI's Initiatives in the Philippines

In the Philippines, during the world's longest quarantine caused by COVID-19, the market environment remained difficult as DAI had to compete for the few inquiries it received due to the shutdown and stagnation of worksites. With the pandemic under control, the economy has recovered, and the Philippines is returning to its previous strong, bright, and energetic state.

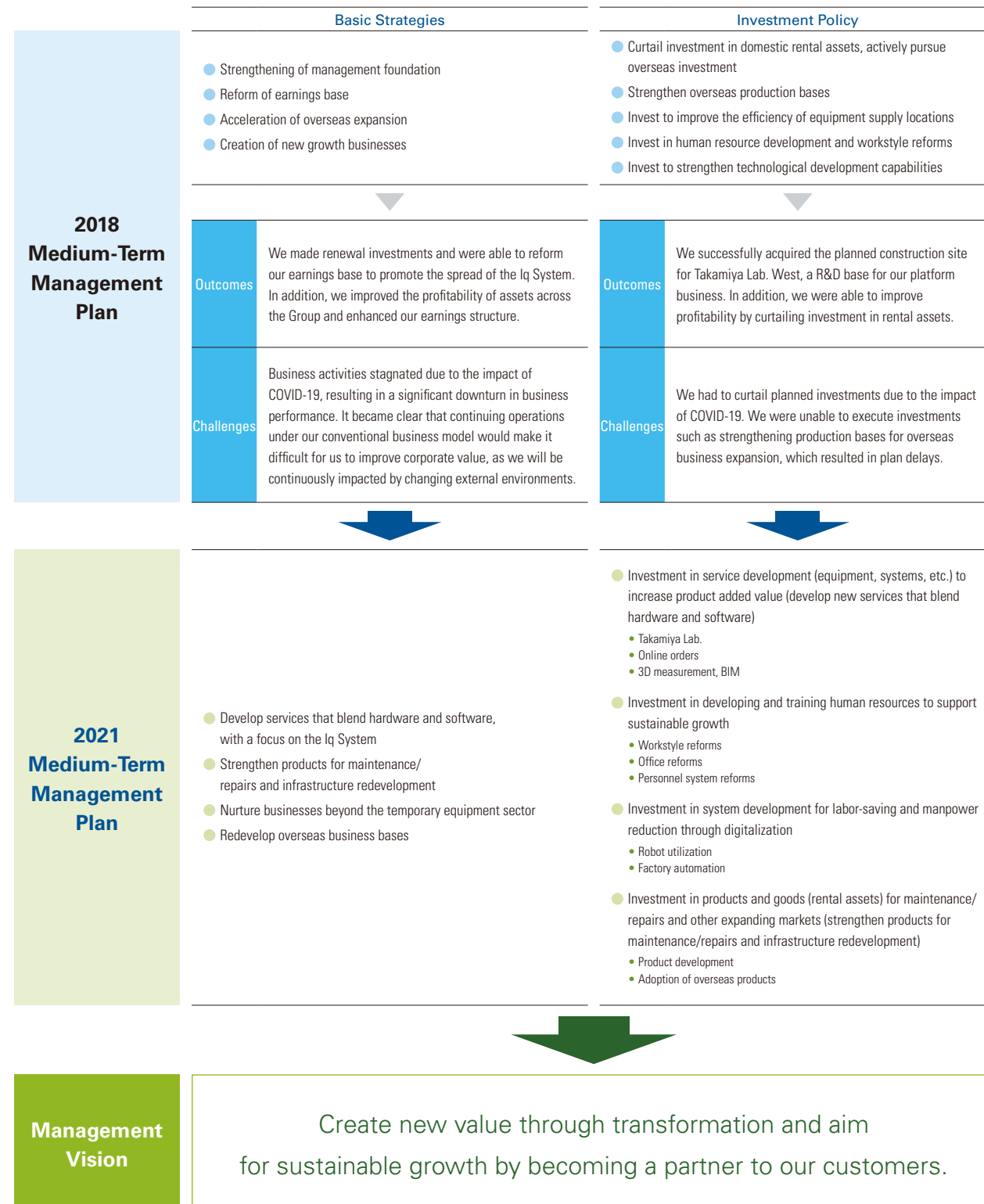
Under these circumstances, DAI focused on actively recruiting and training Philippine employees in the core departments of its temporary equipment business, namely the sales and engineering and equipment supply locations, as well as improving its internal

management system, in preparation for the rapid recovery of the construction market and its own business expansion in the current fiscal year and beyond. DAI also focused on winning orders for large-scale projects from major local general contractors such as Megawide and EEI and infrastructure projects such as the MRT Line 7.

Now that the exchange of human resources within the Group, which had been suspended due to the COVID-19 pandemic, can resume, the DAI family will play a central role in driving the Group's overseas business as a strategic base for the Group in the Philippines and Asia from the next fiscal year onward.

Medium-Term Management Plan

The fiscal year ending March 31, 2024 is the final year of the 2021 Medium-Term Management Plan. The Management Vision in the Plan is “Create new value through transformation and aim for sustainable growth by becoming a partner to our customers.” We will enhance each of the Takamiya Group’s businesses from the perspective of customers to sustainably create new value, create a system and structure that will permanently enhance corporate value, and aim to complete our transformation. We are executing measures in accordance with the four basic strategies for achieving the plan.



Revision of Performance Targets

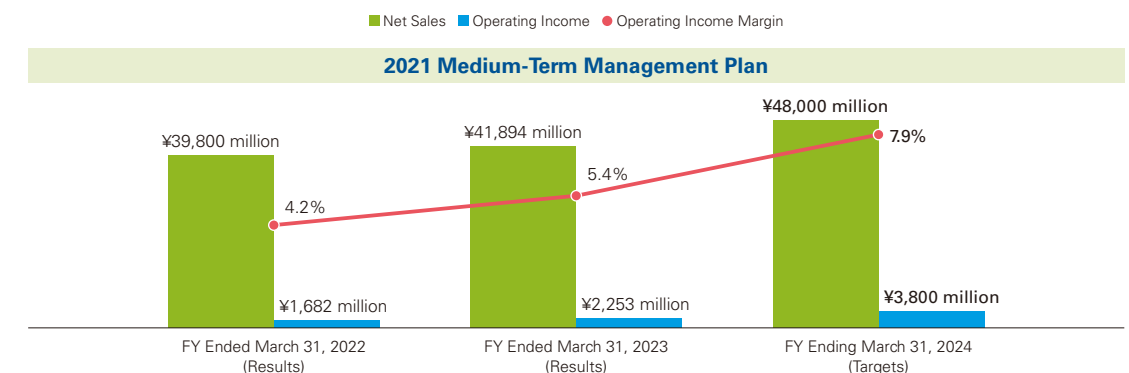
As described in the Revision of Performance Forecasts in the Medium-Term Management Plan, we have revised the performance targets for the final year of the Medium-Term Management Plan. The policies to prevent the spread of COVID-19 have become prolonged, causing global supply and demand changes, operational halts at production bases, transportation constraints, rapid depreciation of the yen due to U.S. interest rate policies, while the situation in Ukraine led to soaring crude oil and raw material prices. In the construction industry, delays and postponements in construction starts have occurred due to soaring material

prices and a shortage of human resources. In this environment, while our performance has been firm due to the promotion of our platform to our customers and active development and release of services, we have come to the conclusion that achieving the original performance targets for the fiscal year ending 31, March 2024, the final year of the 2021 Medium-Term Management Plan, is challenging, and have therefore conducted revisions accordingly. However, there are no changes to the Management Vision and basic strategies outlined in the 2021 Medium-Term Management Plan.

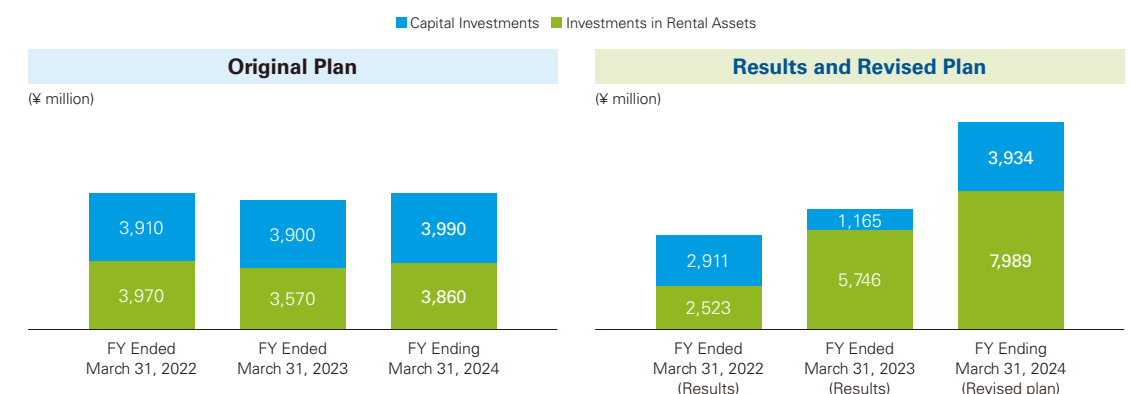
Review of Performance Targets

	FY Ending March 31, 2024		Results for FY Ended March 31, 2023
	Initial targets	Revised targets (performance targets)	
Net sales	¥60,000 million	¥48,000 million	¥41,894 million
Operating income	¥5,000 million	¥3,800 million	¥2,253 million
Operating income margin	8.3%	7.9%	5.4%
EBITDA	¥10.0 billion	¥9.1 billion	¥7.3 billion
ROA	6.0%	5.4%	3.9%
ROE	12.0%	11.4%	7.6%
Equity ratio	35.0%	31.0%	31.7%

Performance Trends



Results and Plans for Capital Investments and Investments in Rental Assets



Develop Services That Blend Hardware and Software, with a Focus on the Iq System

We will shift our business through the Takamiya Platform, which reduces the impact of the external environment and stabilizes and increases revenue. The Takamiya Platform is an initiative to eliminate various inefficiencies for both customers and the Company and to improve profitability

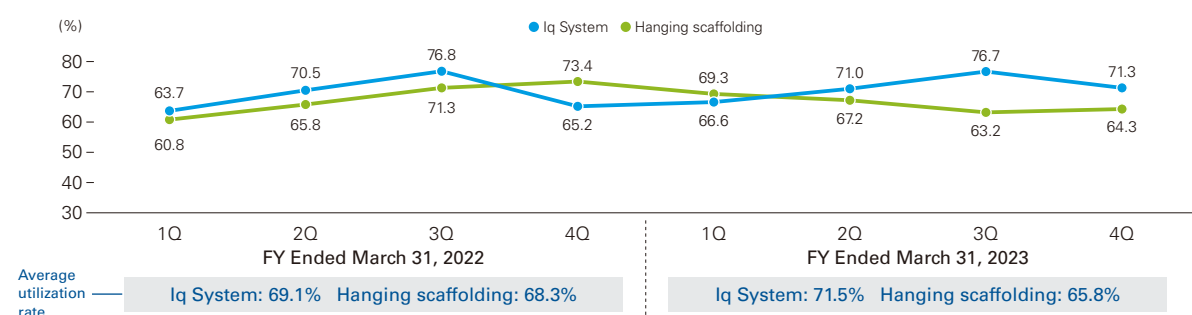
by providing high-value-added services utilizing DX when using our products. As the number of users grows, we will be able to raise earnings steadily and efficiently, and transition to a stock-type business.

Strengthen Products for Maintenance/Repairs and Infrastructure Redevelopment

The proportion of maintenance and repair work in original contractor construction revenue is trending upward in the Japanese construction market. Approximately 50 years have passed since the construction of transportation infrastructure during Japan's period of rapid economic growth, and maintenance and repair work is necessary so that it can continue to be used safely. We are establishing a production system for compatible products to ensure that we can supply products without missing out on the increase in demand for construction work. The SPIDERPANEL, a panel-type hanging scaffolding system that can be used in work on concrete floor slabs of expressways, and VMAX, a hanging scaffolding system,

are continuing to operate at high capacity, and we are continually manufacturing and investing in these systems as rental assets to avoid supply shortages. In addition, we will be able to handle maintenance and repair work at various worksites with a full line of products including the YT Lock System, a working platform that is necessary in construction work on dams, power facilities, and other projects in mountainous areas, and the Lift Climber, a mast-climbing work platform that can be used on high-rise buildings in both the construction and civil engineering sectors. We expect high demand to continue, and will maintain an optimal manufacturing system and further strengthen our product supply capabilities.

Utilization Rate of the Iq System and Hanging Scaffolding



Strengthen Products for Maintenance/Repairs and Infrastructure Redevelopment

SPIDER PANEL
Panel-type hanging scaffolding system



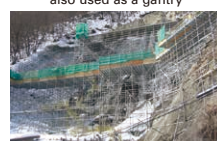
VMAX
Hanging scaffolding system



Lift Climber
Mast-climbing work platform for large-scale maintenance and repair work



YT Lock System
Can be erected along slopes and also used as a gantry



Transition of Maintenance and Repair Work



* Compiled from Construction Industry Handbook by Ministry of Land, Infrastructure, Transport and Tourism

Nurture Businesses beyond the Temporary Equipment Sector

In developing businesses other than the temporary equipment sector, we will continue to focus on developing our agriculture business. The background of our entry into the agriculture business lies in the challenges faced by agriculture. In Japan, the continuity of Japanese agriculture is being threatened by issues such as declining food self-sufficiency, the decreasing number and aging of agricultural workers, the increasing amount of abandoned cultivation land, decreasing farmland area, and the abandonment of farming due to disasters. We are working to establish a sustainable and strong agriculture industry that resolves these issues.

We provide a cultivation environment and know-how that enables stable harvesting, and thus leads to an increase in new entrants into farming. Our product, the G-Castle series of high-performance agricultural greenhouses, is a highly robust greenhouse utilizing metalworking technologies and structural calculation know-how cultivated through the development of our temporary equipment. We thoroughly conduct strength

tests, load tests, and tensile tests, enabling the realization of stable cultivation with excellent snow and wind resistance, and without risk of collapse.

In addition, we conduct demonstration cultivation using our greenhouse products in Hanyu City, Saitama Prefecture, to provide cultivation know-how. We gather data at each stage of the process from planting, environmental control to harvesting in the greenhouse, harvest actual fruit and vegetable crops, and offer know-how and greenhouse products as a package. The harvest is sold through Group companies and has been well received by consumers.

In addition, we pursue new forms of agriculture in collaboration with companies, governments, and research institutions. We are advancing initiatives to facilitate new entrants into farming, such as smart agriculture through the introduction of robots and AI, moving away from farming based on experience and intuition, and conducting seminars. We will establish a model case for future agriculture and implement measures to realize sustainable and profitable agriculture.

G-Castle Neo48



G-Castle ProI



Redevelop Overseas Business Bases

Improvement of our overseas business bases is proceeding smoothly. The Philippines, South Korea, Vietnam, like Japan, were impacted by the COVID-19 pandemic, but we have strengthened our internal control systems and are now able to resume business. In Vietnam, we are strategically manufacturing temporary equipment, focusing on the manufacture of the Iq System, which continues to operate at high capacity in response to domestic demand in Japan. We are expanding plant facilities and preparing for further demand. In South Korea, demand for our safety-oriented products has increased due to the growing awareness of safety at construction sites. Both rentals and sales have been strong. In the Philippines, although it was very difficult to resume business activities due to the continued lockdown, by the end of the year, the lockdown was lifted and we were able to resume operations. Construction demand is showing signs of increasing, centered on



JICA-related infrastructure projects.

For the fiscal year ending March 31, 2024, we have completed the development of our business foundation for the full-scale resumption of business activities, and are transitioning to the phase of monetization.

Message from the CFO

**We plan to proactively invest
in human resources and DX
to transform our company**

Tomoya Tatsumi

Director and Executive Officer
Division General Manager of Business Management Division
Deputy Division General Manager of Takamiya Lab. Division

Revising the Targets in the 2021 Medium-Term Management Plan due to Changes in the External Environment

Looking at recent performance first of all, our results for the fiscal year ended March 31, 2023 were in line with the plan. This is thanks to diminished impact from the COVID-19 pandemic and the steady recovery in construction demand. Meanwhile, we have revised our performance targets for the fiscal year ending March 31, 2024, the final year of the Medium-Term Management Plan. This is to reflect changes in the global supply and demand balance due to the fact that the pandemic lasted longer than expected. In the construction industry, deterioration in the business environment, due to such issues as soaring material prices and labor shortages, led to delays in construction work and caused a slowdown for the industry as a whole. However, construction demand is currently on the rise. From a long-term perspective, there are many large-scale projects ahead, such as Expo 2025 Osaka, Kansai, Japan and the opening of an IR (integrated resort) in Osaka, as well as repair work for the projected Shinkansen lines and expressways. For this reason, we set our revised targets to include record-high profits for the fiscal year ending March 31, 2024. As a direction we should take, our management vision of “Create new value through transformation and aim for sustainable growth by becoming a partner to our customers” and our goal of transforming into a platform company remain unchanged.

Financial Initiatives

In order to achieve our vision of transforming into a platform company, we need to refine the functions of our platform as necessary. As CFO, I consider raising funds for these activities to be of utmost importance. Instead of capital investments and rental asset investments aimed at expanding the rental business carried out thus far, going forward, we will focus our investments on expanding the functions of our platform and on DX. In other words, we will implement investments geared toward transformation, an essential move for us. The main source of these investment funds will be financial institutions. We have been meeting with financial institutions, mainly banks, as often as possible to reiterate our initiatives. Doing so has enabled all financial institutions with whom we do business to understand our goals. Having said that, financial indicators may appear to deteriorate temporarily due to these fund-raising and investment activities. Therefore, we feel that it is necessary to formulate an effective financing plan for the Group and be prepared to execute it at any time, while considering a wide range of financing methods, including equity financing. We will continue to make efforts to explain our vision to our stakeholders.

As for financial indicators for the fiscal year ended March 31, 2023, the operating income margin was 5.4% (up 1.2 points year on year), EBITDA was ¥7,393.0 million (up ¥927.0 million), ROA was 3.9% (up 0.5 pt), ROE was 7.6% (up 2.4 pt), and the equity ratio was 31.7% (down 0.1

Financial Policy

(Targets) Operating income margin: 7.9%
EBITDA: ¥9.1 billion
Equity ratio: 31%
ROA: 5.4%
ROE: 11.4%

(Results) All items improved

Equity ratio

Decrease due to increase in total assets

ROA

Increase in productivity, in particular an increase in the utilization rate of rental assets, despite the increase in total assets

ROE

Improvement in profit margin and increase in equity

EBITDA

Increase in operating income and decrease in depreciation and amortization

	2021 Medium-Term Management Plan		
	FY ended March 31, 2022 (Results)	FY ended March 31, 2023 (Results)	FY ending March 31, 2024
Operating income margin	4.2%	5.4%	7.9%
EBITDA	¥6,466 million	¥7,393 million	¥9.1 billion
Equity ratio	31.8%	31.7%	31.0%
ROA	3.4%	3.9%	5.4%
ROE	5.2%	7.6%	11.4%
Ratio of profit to net sales	2.4%	3.5% (March 31, 2023)	5.0% (March 31, 2024)
Total asset turnover	0.7 times	0.7 times	0.7 times
Financial leverage	3.1 times	3.1 times	3.2 times

* ROE = Net income ÷ Equity (average at the beginning and end of the period) × 100
= Net profit margin × Total asset turnover × Financial leverage
= Profit/Net Sales × Net Sales / Total assets × Total assets / Equity capital

pt). While each indicator showed improvement, the equity ratio declined due to an increase in total assets as a result of fund-raising aimed at platform business expansion. We expect each indicator to reach the targets for the fiscal year ending March 31, 2024, the final year of the Medium-Term Management Plan.

Investments and Initiatives in Human Resources and DX We are Focusing On

Takamiya has always been a people-oriented company. It goes without saying that the most essential element in transforming our company is the employees who are carrying out the transformation. We conduct people-oriented management under the idea that views people as the driving force that supports the company, and have actively carried out human capital investments. Each employee changing the way he or she thinks and acts and taking initiative will bring about change in the company. I am confident that if we can achieve this, we will be able to become a company that can grow in the VUCA* era even 100 years from now. I believe that DX provides opportunities for employees to transform themselves and for the company to transform itself. We have already several measures geared toward this. For example, we set incentives with the aim of promoting DX so that employees can start carrying out reforms where possible. This is a system that encourages people who want to and can put in their best efforts to work even harder, and is also a measure to further accelerate DX initiatives that are underway within the Company. It is essential to invest in DX to improve the convenience of our platform. We also introduced a system that allows employees to choose

from a variety of workstyles that make it easier for them to put in their best efforts. We enable employees to select their place of work, such as the office or working remotely, and their working hours, such as a flextime schedule, according to their stages in life. In addition to this, we also help them achieve a healthy work-life balance by promoting childcare leave for both men and women and supporting the continuation of their work after maternity/paternity leave. We believe that creating a workplace and work environment in which all employees can enjoy opportunities fairly, and fostering a culture in which all employees are highly motivated to play an active role based on our Mission Statement of “Love,” will bring Takamiya closer to promoting diversity, achieving sustainable growth, and transforming our business.

* VUCA: Volatility, Uncertainty, Complexity, Ambiguity

Shareholder Returns

While the PBR (price book-value ratio) has been attracting attention in recent years, Takamiya’s shares are currently trading a little above book value. We intend to return profits to shareholders by continuing to engage in careful dialogue with market participants and ensuring that the market’s assessment of us is reflected in our stock price. While continuing to pay stable dividends, we will endeavor to increase our corporate value by actively investing in our transformation into a platform company.

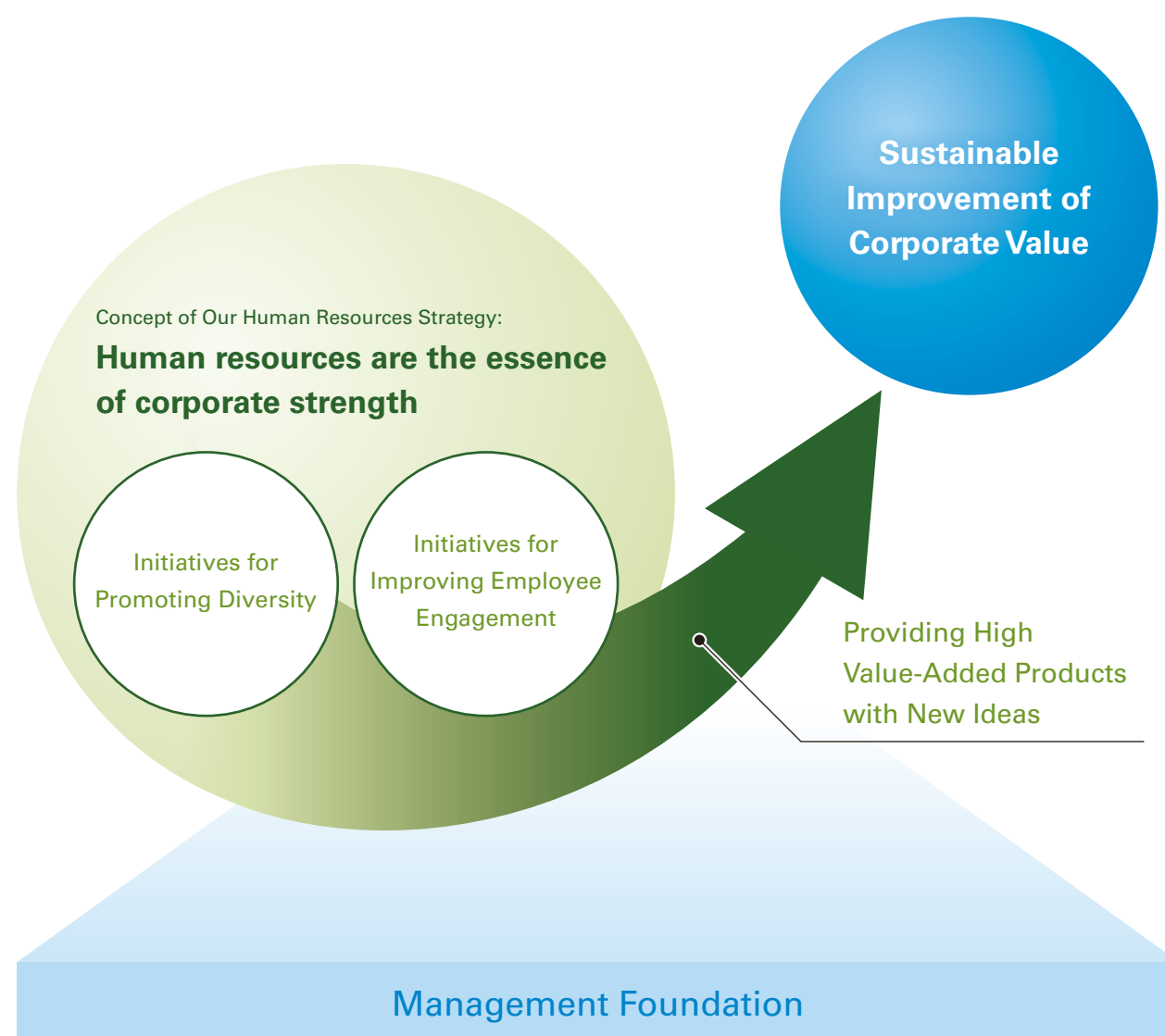
We are currently in the midst of transforming from a flow business model to a stock-type business model. Please look forward to the value Takamiya creates as we work to transform our company.

Human Resources

Basic Approach	Based on our Mission Statement of “Love,” we conduct people-oriented management under a Management Philosophy that views human resources as the essence of corporate strength. We recognize human resources as an exceedingly important asset and a source of realizing the sustainable improvement of corporate value. Keeping individual employees highly motivated and challenging higher goals ambitiously will enable a corporation to grow sustainably. We believe that the basis for achieving sustainable growth is for a corporation to provide opportunities for the development of skills and careers of individual employees and to support them in achieving self-actualization so they can deliver their full potential, as well as develop a fair and convincing personnel system and pay.
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Promoting Diversity and Inclusion

The Company hires diverse human resources, regardless of age, gender, nationality, disability, or other such characteristics, and provides opportunities and environments where they can demonstrate their maximum strengths, individuality, and abilities. We pursue more comfortable and rewarding work environments and aim for the sustainable improvement of corporate value.



Promoting the Empowerment of Diverse Human Resources

The Company is promoting efforts to create an internal environment in which diverse human resources are empowered.

Improving the Ratio of Female and Foreign Nationals in Managerial Positions

As of March 31, 2023, the ratio of women and foreign nationals in managerial positions is 1.3%, and this is a major issue for the industry, as well. In order to increase this ratio going forward, we will hire women and foreign

nationals for career-track positions, and expand the population of candidates for managerial positions. At the same time, we will first expand the pool of section managers who are candidates for future managerial positions and promote the training of women and foreign nationals, and then promote them to managerial positions at an early stage in order to achieve our long-term goals.

Furthermore, as the ratio of mid-career hires in managerial positions already exceeds 60%, and management is carried out by managers with diverse experience, we will maintain this level going forward.

	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023	Long-Term Targets
Number of female or foreign managers (ratio)	2 (1.5%)	2 (1.4%)	2 (1.3%)	(10.0%)
Number of female or foreign section managers (ratio)	4 (5.2%)	6 (8.0%)	7 (9.6%)	(20.0%)
Number of women or foreign nationals hired for career-track positions (ratio)	7 (22.6%)	5 (23.8%)	7 (20.6%)	(30.0%)

Occupational Track Change

With the aim of promoting self-motivated, autonomous career development, we provide opportunities to change occupational tracks from dedicated administrative positions to career-track positions, once every two years. Female employees who have been in dedicated administrative positions can expand their field of activity if they wish to do so. Employees can now freely choose the form, location, and occupational track of their work in accordance with their own career and life plans, which encourages them to take on new challenges.

Employment of Persons with Disabilities

As of March 31, 2023, our employment rate for persons with disabilities was 2.08%, which is lower than the legally mandated employment rate of 2.3%. In this regard, we are continuing our hiring activities with the aim of meeting the legally mandated employment rate. Our Gunma Factory promotes the employment of persons with disabilities in order to contribute to the local community. We also provide company training for current students at a special support school in Gunma Prefecture, as well as company information meetings in Kiryu City, with the aim of supporting employment for persons with disabilities. Going forward, the Company will continue to work with the community to employ persons with disabilities.

Achieving Diverse Workstyles

With our DX policy, our employees are realizing diverse ways of working, partly because we are improving our IT environment. As for remote working, not only administrative staff and the technology integration team, but also employees who are going through life stages such as child-rearing are practicing it. In addition, we encourage employees in sales positions to return directly home after work, and have implemented flexible working hours to allow employees to choose the workstyle that suits them best. Going forward, we will further promote DX and business process innovation. We will also introduce communication tools and platforms through which we can share our vision and measure results, regardless of where and when employees work.

As for the way employees are evaluated, to encourage employees who want to work, we are shifting to a system that emphasizes results such as improving efficiency or productivity rather than focusing on hours worked or how earnestly tasks are executed. The current situation where workstyle reform is progressing rapidly presents the optimum opportunity to defy conventional thinking. Through trial and error, the Company will promote workstyle reform that enables employees to choose workstyles and produce the best results.

Maternity Leave, Childcare Leave, and Shorter Work Hours for Childcare

In order to realize diverse work styles, we are expanding our systems for pre- and post-natal leave (“maternity leave”) and childcare leave (“childcare leave”), and are creating an environment that makes it easier for employees to take leave. In the fiscal year ended March 31, 2023, a male employee took childcare leave for the first time at the

Company. The number of male employees who took childcare leave has increased from one in the fiscal year ended March 31, 2023, to three in the fiscal year ending March 31, 2024. In the past five years, the return to work rate after taking maternity/childcare leave has stood at 100%, and we are creating an environment that makes it easy for employees to return to work, as employees are also able to take shorter work hours for childcare.

TOPICS

Coin System

This personnel system is intended to improve Company-wide productivity, by promoting mutual assistance utilizing differences between busy times and downtimes between regions and departments. Departments that receive help pay Coins that can be converted into rewards, as gratitude to the other departments. Expanding this circle of mutual assistance not only reduces overtime work, but also improves skills and standardizes operations. Expressing gratitude in the form of Coins will also increase employee motivation. In related industries, there are significant differences in workload between busy times and downtimes depending on the region. While we hear opinions such as “The busy season is approaching, I’ll have to work a lot of overtime” and “I want to have more staff even just for this month,” there are also people who are saying “I want to work more” at our bases during downtimes. Remote working has become popular due to the COVID-19 pandemic, and it is now possible to provide remote support regardless of work location or department. Using this opportunity, we started test operations of the Coin System from April 2022 in order to match bases. Beginning with simple tasks, the Coin System has spread steadily, through work flow reforms and standardization. With a focus on people, which is one of Takamiya’s strengths, this system serves as one of the pillars of our Corporate Philosophy of creating an environment in which employees care about one another, always work hard together, and can grow together.

Efforts to Enhance Engagement

In order to achieve corporate goals and implement management strategies, it is ideal that a corporation shares management vision with employees, based on which employees voluntarily act toward the goals while identifying and solving issues. On the other hand, if employees only deal with immediate tasks, it is difficult for them to sustain their motivation in the long run. Instead of a mere give-and-take relationship, we aim to establish a high-level relationship (engagement) where both management and employees can understand each other and benefit from a win-win situation.

In addition to the intranet, digital signage, and paper in-house newsletters, a “web in-house newsletter” was launched from the fiscal year ended March 2023 to enable employees to deepen their understanding of management conditions, Company policies, and other in-house information in real time. In addition, each department holds in-house seminars to disseminate information to other departments. We are laying the groundwork for individual employees to identify tasks to tackle and independently work toward the accomplishment of the tasks.

Capability Development and Development of Autonomous Employees

Development of autonomous employees requires an improved work environment. We are working on such matters as providing information to facilitate logical thinking, creating a corporate culture that encourages taking on challenges, establishing an appraisal system that rewards tangible results, developing measures to assist in creating ideas, and creating a mechanism to assist in self-improvement. These initiatives, coupled with the individual values of employees, will generate diverse ideas and lead to a respect for diversity that we promote.

Refresh Leave System

We have introduced various leave systems as part of our efforts to create an environment in which employees want to keep working at the Company. The refresh leave system allows employees who have been with the Company for four years or longer to take up to four weeks of vacation, from their birthday, which is a milestone. Employees aged 25, 35, 45, and 55 will receive a week off including their birthday as “Refresh 5,” while those aged 30, 40, 50, and 60 will receive one to four weeks off from their birthday as “Refresh 10.” Employees taking Refresh 10 will also receive an allowance if they travel during that period.

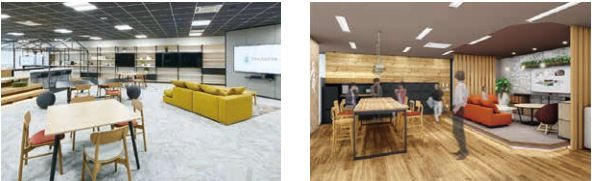
Office Reforms

Transforming Offices from Workspaces to Places of Rest and Healing

We are creating a more comfortable work environment, in order to increase the engagement of our employees.

Remote work has become increasingly popular since the spread of COVID-19. However, while remote working is free from burdens related to commuting and allows one to work flexibly, we have identified increased occasions for employees to feel stressed, such as insufficient consultation and communication on work, difficulty in switching between work and private life, and lack of change in the scenery because one stays at home for a significantly longer period of time. This has led to the opportunity to review the value of offices. Consequently, we believe that the office needs to perform the function of a communication and rest platform more than ever.

We are renewing the offices of each business under the concept of “a place to rest and heal.” In order to activate communication among employees, which is lacking with remote working, we have increased the proportion of open spaces and refreshment spaces, such



as cafés and sofa-style living rooms, and have kept office spaces to a minimum. We have eliminated the factors that fix where and when employees work by introducing a flexible working hours system in addition to a free-address system. Furthermore, we have introduced a cloud system and installed multiple monitors to remotely connect with our offices across the country to enable close communication without being restricted by distance. We have also created an environment in which individual achievements can be visualized and evaluated fairly, even if workstyles change. Open spaces and a small, modern Japanese-style room have been set up for casual exchanges of ideas, creating an office where flexible ideas can emerge without being restricted by conventional thinking.

TOPICS

Incentive System for Employee Stock Ownership Plan

Since April 2021, we have raised the incentive amount for stock purchase through the employee stock ownership plan from 5% to 10%. We support the asset formation of employees through the employee stock ownership plan, and at the same time, we aim to enhance the engagement of employees by having them hold Company stock. We believe it is vital that employees and the Company are aligned in the same direction for the sake of respecting individual values and improving corporate value. We are promoting initiatives so that the success of the Company translates into the happiness of employees.

Human Resource Investment

The Company actively invests in human resources based on a people-oriented Management Philosophy. With the purpose of improving skills and reskilling our employees, we are not only implementing various training programs and enhancing our education system, but are also implementing initiatives to maximize employee performance, such as introducing our own incentive system.

Training and Education System

The Company provides training in accordance with each employee’s career plan, including new employee training, follow-up training for young employees, and training for new managers. In addition, we have a variety of measures to assist the growth of our employees, such as skill improvement projects and a mentor system initiated by young employees.

Incentive System

The Company has introduced an incentive system that is different from regular bonuses. We provide incentives according to the degree to which each employee achieves

the goals they have set for themselves. From the fiscal year ended March 31, 2023, we have started a DX incentive system with the aim of accelerating DX promotion within the Company, and we will provide incentives based on the evaluation of efforts toward targets. In the fiscal year ending March 31, 2024, we will increase our DX incentives, with the aim of further promoting DX and developing DX human resources.

FY Ended March 31, 2022	FY Ended March 31, 2023	FY Ending March 31, 2024
	DX incentives	DX incentives
Incentives	Incentives	Incentives
Regular bonuses	Regular bonuses	Regular bonuses

Environment

Basic Approach	When we founded the business, the majority of scaffolding used at construction sites in Japan was made of wood. The idea of a rental business came about from our thoughts on how we can utilize wooden scaffolding, which is normally disposed after being used several times. Our start to the rental business was triggered by the import of steel scaffolding from abroad. The Group's underlying ideal is to use limited resources effectively and help realize a sustainable society.
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Supporting Infrastructure

Our products contribute to the development of infrastructure. In order to continue using aging infrastructure, it is necessary to perform regular maintenance. We provide a lineup of products that can be used for maintenance and repair work on buildings, highways, bridges, etc.

In addition, we also have a lineup of products that minimize damage to infrastructure caused by natural disasters, such as building materials with earthquake resistance and damping functions, and Tiger Dam water bags, a flood prevention system that does not require the use of sandbags and is suitable for preventing flooding from torrential downpours caused by the occurrence of large typhoons and linear rainbands.



Reducing Greenhouse Gas Emissions
Iq System Next-Generation Scaffolding

Compared to conventional scaffolds, the Iq System is more efficient in terms of loading and transportation, thereby enabling transport using fewer vehicles and reduction of greenhouse gas emissions. Lightweight high-tensile steel pipes are used as the material for the support columns, enabling a weight reduction of up to 2 kg per column. It also saves storage area space by 50%, significantly increasing the loading capacity of trucks

along with the weight reduction. The number of vehicles used for transportation can be reduced by approximately 30%, which contributes to the reduction in greenhouse gas emissions.

Equipment Bases

With Equipment Bases, we strive to reduce greenhouse gas emissions that are generated during the shipping process, such as when loading products onto vehicles. At conventional equipment storage sites, it takes up to a maximum of two hours to complete loading procedures. At some Equipment Bases, by installing fast lanes that allow priority loading and introducing truck scales, loading times can be shortened to roughly 30 minutes, thereby reducing greenhouse gas emissions from vehicles that are waiting to be loaded. In addition, with Equipment Bases we have introduced electric forklifts that do not rely on fossil fuels, as well as solar power generation installed within the facility, enabling self-production and self-consumption of electricity.

Photovoltaic-Related Products

We promote power generation with renewable energy by manufacturing and selling photo-voltaic related products. We manufacture solar panel installation frames using the metalworking technologies we have cultivated through the development of temporary equipment. The cumulative contract record for POGERO, a next-generation solar carport that can generate electricity from sunlight, has exceeded 4,428 kW (12,059 panels, parking for 1,536 vehicles) on a DC (direct current) installation capacity basis. This product can be installed at parking spaces where it would be difficult to install solar panels.



Safety

Basic Approach	At construction sites, our basic concept is safety first. Safety is given top priority in the development and manufacturing process of products that are used on-site. We support the foundation of social life by ensuring quality, value, and safety in each process from product development and manufacturing to usage.
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Initiatives for the Improvement of Safety
Our Own Quality Control Standard

A certain quality control standard formulated by the industry applies to temporary equipment provided in the rental business. In addition to following the quality control standard of the industry, we adopt and operate our own quality control standard that is a level higher than the industry standard. We also regularly conduct performance tests by a third-party organization and strive to control the quality of our temporary equipment with the goal of preventing product-related problems, thereby always providing our customers with safe and reliable equipment.

Thoroughly Implement Safe Installation

We consider on-site safety to be an important element of quality just like product quality. At scaffolding installation sites we manage, we set our safety control indicators, and

provide high-quality construction with the goal of zero accidents based on thorough safety control. In addition, to improve safety awareness, we conduct scaffolding safety and health workshops as well as legally mandated education for our employees and customers. Our training programs allow participants to acquire not only basic knowledge in the use of scaffolding, but also specialized knowledge.

Number of Education Courses Implemented in the Fiscal Year Ended March 31, 2023
4 special education courses such as scaffolding assembly
7 courses on special education on full-harness type fall prevention equipment
3 training courses for foremen and health and safety managers
1 course on training to improve the ability (such as in scaffolding assembly) of work chiefs
1 course on special education on slinging operations
3 courses on special education on oxygen deficient/hydrogen sulfide hazardous work
2 courses on special education for workers handling asbestos

Trust of Customers

Basic Approach	Staying worthy of the trust of customers is the most important theme of the Company. Customer needs are becoming sophisticated day by day in such aspects as safety, efficiency, and response to DX in construction. In order to satisfy these needs, we provide services from our platform. We continue to improve and evolve our platform and aim to be a company that is always chosen by our customers based on the relationships of trust gained through these efforts.
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Initiatives to Earn the Trust of Customers
Joint Product Development

We receive inquiries on products and services every day. Feedback received through the Sales & Marketing Division is shared with related departments in the Company, and reflected in the process of improving our products and services. Some customers bring us requests and ask for consultation related to the development and improvement of products. In order to materialize customer requests, the Sales & Marketing Division implements interviews in detail to unearth information including the background of requesting development, key attributes required for the products, and preferred prices, and shares this information with the Product Development Division to reflect in product design. We pursue the commercialization of products through repeated dialogue with customers, with

participation by the Product Development Division. In the process, we also make related proposals to our customers regarding easy-to-stow or easy-to-handle features, packing style in transportation, and mass production for supply as rental products.

Visualization of Equipment Management
At the Equipment Base attached to Takamiya Lab. West, we have installed truck scales to manage shipment return data as they enter and exit the facility, in order to reduce unloading errors. In addition, significantly more cameras have been installed than at a typical Equipment Base, and we accumulate evidence regarding the number of personnel, management, acceptance inspections, and maintenance, and conduct issue and data analysis to prevent human error and increase reliability.

Dialogue between Outside Directors



We will support Takamiya's sustainable growth while fulfilling management oversight and supervision functions.

In June 2022, Takamiya transitioned to a Company with an Audit and Supervisory Committee. Under this new structure, the Company is currently working to improve the effectiveness of governance and implement management strategies from a medium- to long-term perspective. In this discussion, three outside directors (Audit and Supervisory Committee members), Yoshihiro Sakatani, Teiji Joko, and Sachie Kato, held an open exchange of opinions on Takamiya's management structure and growth strategy.

Looking back since taking up our posts

Mr. Sakatani: Since June 2022, all three of us have played a role in Takamiya's management as outside directors (Audit and Supervisory Committee members). I have been a corporate auditor since 2005, while Mr. Joko has been a corporate auditor since 2017. Ms. Kato joined Takamiya's management as an outside director (Audit and Supervisory Committee member) in June 2022. Today, I would like to have an open exchange of opinions on Takamiya's governance and growth strategies based on the initiatives undertaken since we took up our posts.

Mr. Joko: In June 2022, Takamiya transitioned from a Company with a Board of Corporate Auditors to a Company with an Audit and Supervisory Committee. However, I do not think there has been any significant change in the actual state of governance since the transition. The Takamiya Group operates under the strong leadership of Representative Director, President and Chairman Kazumasa Takamiya (hereinafter, "President Takamiya"), with all information being gathered by President Takamiya. I believe that most corporate governance issues arise from the failure to share and communicate information properly. From this perspective, we can say that governance is fully effective at Takamiya.

Mr. Sakatani: Of course, governance will not function properly if top management acts arbitrarily on their own authority. However, President Takamiya calls on each director to have an even stronger commitment to management, and listens earnestly to the opinions of outside directors and Audit and Supervisory Committee members. Since my appointment as a corporate auditor, I have spoken freely about the appropriateness and issues of the Company's governance and business strategies. As long as a free and open corporate culture is not lost, I believe Takamiya's governance will continue to be effective.

Ms. Kato: I have only been serving as an Audit and Supervisory Committee member for about a year. As such, I am currently working to deepen my understanding of the current state and issues of the Company. With regards to Takamiya's governance system, as Mr. Joko stated, I have the impression that President Takamiya is making swift and appropriate decisions. However, based on my experience as a director and a corporate auditor at several other companies, I feel that there are many issues that need to be addressed going forward, such as exchanging opinions on the development and selection of President Takamiya's successor, and developing closer communication between directors and Audit and Supervisory Committee members and each division within the Company.

Takamiya's medium- to long-term vision and growth strategy

Mr. Sakatani: Because outside directors (Audit and Supervisory Committee members) have voting rights on important management issues, it is necessary for us to carry out our duties with a greater sense of responsibility and mission than ever before. Going forward, we shall have a deeper discussion about the successor issue and the strengthening of cooperation between management and the executive side that Ms. Kato has pointed out. Now, could you both tell us about your perspectives and views toward Takamiya's medium- to long-term growth strategy?

Mr. Joko: I believe that a business model transformation is essential for Takamiya to continue achieving sustainable growth going forward, and that market penetration of the high-value-added Takamiya Platform is needed as a step toward achieving this. I think we will be able to establish a stronger earnings base by having all employees, from

management to each and every worker at our worksites, share the Company's vision and strategies and work to expand the platform business, a new growth driver.

Ms. Kato: When I was approached about becoming an outside director (Audit and Supervisory Committee member), I had the opportunity to speak directly with President Takamiya. I vividly remember President Takamiya speaking passionately about the future potential of the Takamiya Platform. One of the most important requirements for a company to fulfill its mission is that top management has a clear vision and presents it throughout the company in an easy-to-understand manner. I believe that Takamiya will be able to pioneer a new stage of growth if all employees working within the Group fully accept President Takamiya's view and work together toward achieving their goals.

Mr. Sakatani: As you pointed out, a key to achieving medium- to long-term growth is how to unify the awareness of employees and how to collect the Company's management resources. Human resources are the source of a company's growth potential. In order to drastically reform its business structure and earnings structure, the Company needs to fundamentally change the awareness of employees, including their understanding of changes in the business environment.



Mr. Joko: I believe that the Takamiya Platform is extremely important and an appropriate concept for Takamiya's value creation. The challenge the Company faces going forward is laying the foundation to make this new business vision a reality. The Company needs to build and strengthen its infrastructure in order to actively develop the platform business, including securing and training personnel and implementing R&D in the automation field.

Ms. Kato: As both of you have mentioned, the enhancement of human resources, technology, intellectual property, and digital transformation (DX) is essential to achieving sustainable growth. I would like to keep an eye on Takamiya's efforts on this front to see how the Company handles these issues and how it leverages them to develop new businesses.

Contribution to the sustainability of the environment and industrial society

Mr. Sakatani: From a medium- to long-term view, contributing to the sustainability of the environment and to the industry and society will also become an important management theme. Takamiya's greatest contribution to society is the provision of optimal solutions to various issues in industrial society through its core businesses, such as the temporary equipment-related business and agriculture businesses. I also believe that the expansion of new services that combine hardware and software, as



well as efforts to save manpower and labor through digitalization, will increase the productivity of various industries and, as a result, lead to energy conservation and a reduction in environmental impact.

Mr. Joko: I agree. In order for the Company's contributions to sustainability to be effective to a certain degree, I believe a certain level of corporate scale is needed. By expanding its operations through its own efforts, Takamiya will also expand the social value that it can provide. I believe that the Company can contribute to the realization of a more prosperous society by developing new technologies that contribute to reducing labor and conserving energy, as well as by steadily promoting workstyle reforms and office reforms, which are the basic policies set forth in the Medium-Term Management Plan.

Ms. Kato: I strongly feel that President Takamiya's management stance encompasses society at large. Considering what Takamiya can do to provide greater benefits to society as a whole is at the core of management judgment and decision-making. I would also like to emphasize Takamiya's focus on promoting diversity with a focal point on supporting diverse human resources taking a more active role, and on fostering an open and fair corporate culture.

Mr. Sakatani: Another one of Takamiya's strengths is the high level of transparency in management. In companies where a president and owner demonstrates strong leadership, there are cases where the stance toward reflecting the ideas of stakeholders into management and company operations has weakened. However, Takamiya is committed to providing information to its stakeholders in a timely and accurate manner, and is striving to establish a highly transparent governance system. As there is currently strong demand for private companies to fulfill their social responsibilities, I think Takamiya's stakeholder-focused management will prove to be a major strength.

Mr. Joko: I believe that the transparent management both of you mentioned will also lead to appropriate valuations by the capital market. Takamiya was originally a niche business entity, and temporary equipment, its main product, is not familiar to the general public. I think disseminating its medium- to long-term vision, growth strategies, and initiatives for creating social value through appropriate information disclosure is an effective method

to boost investors' interest and enhance their understanding of Takamiya.

Ms. Kato: While investors already understand that Takamiya is not just a "scaffolding provider," I think its attempts at company reforms centered on transformation, innovation of the Takamiya Platform, and its influence on industrial society have not yet been fully communicated. I think the Company needs to fully utilize a variety of media, including financial results briefings, integrated reports, and its website, to further exhibit Takamiya's future potential.

Working toward further evolution of the Takamiya Group

Mr. Sakatani: Even before ESG management started gaining attention, Takamiya had achieved steady growth while focusing on business development with an emphasis on safety, environment, and workability, and the enhancement of its governance structure. Moreover, in recent years, under President Takamiya's policies to allocate more funds to human resource development rather than to expanding its lineup of materials, we have continued to strengthen human capital, a crucial foundation in achieving company growth. These efforts have resulted in further improvement in the employee retention rate and fostered a more broad-minded and open corporate culture in these few years.

Mr. Joko: Takamiya is currently breaking away from its old image of being a scaffolding company that supports the construction industry, and is establishing a reputation as an advanced corporate group that offers unique value proposals to industrial society. Employees share the Company's new corporate vision, strategies, and goals, while also taking pride in their daily duties. This has led to a stronger sense of unity throughout the organization.

Mr. Sakatani: Hearing the opinions of both of you has further clarified Takamiya's competitive edge as well as its management issues that need to be addressed more quickly. Finally, I would like to ask you about your ambitions for the future, including Takamiya's future prospects. As for myself, I believe that the most important role of outside directors and Audit and Supervisory Committee members is to thoroughly supervise whether top management's decision-making is appropriate. The decisions of top management have a significant impact on









the success of growth strategies and on earnings performance, especially for companies like Takamiya that are operating under exceptional leaders. I will continue to support Takamiya going forward while working to improve the effectiveness of its governance.








Mr. Joko: I will leave the formulation and implementation of specific business initiatives to the executive officers with deep knowledge of the market and Takamiya's products and services. My role is to check at major turning points, such as the execution of large-scale investment projects and business model reforms, whether the direction of the Company is in the interests of stakeholders. I will keep an eye on industry trends as well as economic and social trends on a daily basis so that I can provide appropriate advice in such cases.

Ms. Kato: Under the Medium-Term Management Plan that was launched in May 2021, Takamiya has carried out various initiatives related to the enhancement of its business structure and steadily produced results. Meanwhile, there are also issues that need to be addressed, such as the active promotion of diverse human resources to managerial and executive positions, the development of personnel who will be responsible for implementing DX, and the establishment of a new department that will comprehensively oversee the Company's strategies. As an Outside Director (Audit and Supervisory Committee member), I have high expectations for Takamiya's future initiatives, and I will supervise and monitor them closely.

Directors, Audit and Supervisory Committee Members, and Executive Officers

Directors and Audit and Supervisory Committee Members

						
Name	Kazumasa Takamiya	Akiyoshi Takamiya	Tsutomu Abe	Hideki Yasuda	Yuki Mukaiyama	Tomoya Tatsumi
Position	Representative Director, President and Chairman	Representative Director, Executive Vice President, Division General Manager of Takamiya Lab. Division	Director and Senior Managing Executive Officer	Director and Managing Executive Officer, Division General Manager of Corporate Strategy Division and Deputy Division General Manager of Takamiya Lab. Division	Director and Executive Officer, Division General Manager of Manufacturing Division and Deputy Division General Manager of Takamiya Lab. Division	Director and Executive Officer, Division General Manager of Business Management Division and Deputy Division General Manager of Takamiya Lab. Division
Career summary	Mar. 1992 Joined the Company Nov. 1995 Director and General Manager of Build Techno Rental Department Jun. 1997 Executive Director and Division General Manager of Build Techno Rental Division Jun. 2000 Director and Executive Vice President Jan. 2001 Representative Director and Executive Vice President Jun. 2002 President and Representative Director Jun. 2017 Representative Director, President and Chairman (current position) Jun. 2019 Supervisor of Scaffolding Management Division (current position) Apr. 2021 Supervisor of Product Development Division (current position)	Mar. 1995 Joined the Company Jun. 1997 Director and General Manager of Standby Multimedia Business Department and Retail Marketing Department Jun. 2000 Representative Director and President of AOMORI ATOM Co., Ltd. Feb. 2010 Executive Director, General Manager of Finance Department and Supervisor of Management Division Jun. 2002 Director and Executive Vice President, General Manager of Finance Department and Supervisor of Management Division Jun. 2013 Director of HIRAMATSU Co., Ltd. Apr. 2014 Director of ASAHI KOUGYOU Co., Ltd. (currently TOTAL TOSHISEBI Co., Ltd.) May 2021 Representative Director and Chairman of AOMORI ATOM Co., Ltd. (current position) Apr. 2022 Senior Managing Executive Officer of the Company (current position) Apr. 2008 Representative Director and Executive Vice President Jun. 2012 Representative Director and President of Hory Corporation Jun. 2016 Representative Director and Executive Vice President (current position) Apr. 2019 Supervisor of Sales & Marketing Division and Supervisor of Product Development Division (current position) May 2020 President and Representative Director of TOTAL TOSHISEBI Co., Ltd. Apr. 2021 Supervisor of Scaffolding Management Division of the Company (current position) Apr. 2022 Division General Manager of Takamiya Lab. Division (current position)	Mar. 1991 Joined the Company Jun. 2005 Executive Officer and General Manager of Sales & Marketing Department II, Sales & Marketing Division Oct. 2008 Representative Director and President of AOMORI ATOM Co., Ltd. Feb. 2010 Executive Officer and Division General Manager of Sales & Marketing Division of the Company Jun. 2010 Director (current position) May 2013 Director of HIRAMATSU Co., Ltd. Apr. 2014 Director of ASAHI KOUGYOU Co., Ltd. (currently TOTAL TOSHISEBI Co., Ltd.) May 2021 Representative Director and Chairman of AOMORI ATOM Co., Ltd. (current position) Apr. 2022 Senior Managing Executive Officer of the Company (current position)	Mar. 1990 Joined the Company Apr. 2008 Executive Officer and General Manager of Finance & Accounting Department Feb. 2010 Executive Officer and General Manager of Corporate Planning Department May 2011 Corporate Auditor of IWATA Co., Ltd. (current position) May 2011 Corporate Auditor of HIRAMATSU Co., Ltd. (current position) Jun. 2011 Director of the Company (current position) Jun. 2015 Managing Executive Officer and General Manager of Corporate Planning Department of the Company Apr. 2017 Managing Executive Officer and Division General Manager of Business Management Division (current position) Apr. 2021 Managing Executive Officer and Division General Manager of Corporate Strategy Division (current position) Apr. 2022 Deputy Division General Manager of Takamiya Lab. Division and Supervisor of Logistics Department Preparation Office (current position) Sep. 2022 Division General Manager of Overseas Business Division of the Company Oct. 2022 Director of DIMENSION-ALL INC. (current position) Apr. 2023 Supervisor of Overseas Business Division (current position)	Mar. 1993 Joined the Company Apr. 2013 Executive Officer and General Manager of Business Development Department Apr. 2015 Executive Officer and Division General Manager of Business Development Division of the Company Jun. 2015 Director (current position) Apr. 2019 Executive Officer and Division General Manager of Overseas Business Division of the Company Supervisor of Business Development Division and Global Procurement Division Apr. 2020 Executive Officer and Supervisor of Overseas Business Division and Business Development Division Apr. 2021 Managing Executive Officer and Supervisor of Global Procurement Division Apr. 2021 Executive Officer and Division General Manager of Business Management Division of the Company Apr. 2021 Director, Executive Officer and Division General Manager of Business Management Division and Supervisor of Global Procurement Division Apr. 2022 Deputy Division General Manager of Takamiya Lab. Division (current position) Jun. 2022 Division General Manager of Global Procurement Division Apr. 2023 Executive Officer and Division General Manager of Manufacturing Division (current position)	Jul. 1995 Joined the Company Jun. 2013 General Manager of Finance & Accounting Department Mar. 2016 Director of IWATA Co., Ltd. (current position) Apr. 2017 Executive Officer of the Company Jun. 2017 Corporate Auditor of Hory Korea Co., Ltd. (current position) Jan. 2018 Corporate Auditor of Cadian Co., Ltd. (current position) May 2018 Corporate Auditor of Nakaya Kizai Co., Ltd. (current position) May 2019 Corporate Auditor of TOTAL TOSHISEBI Co., Ltd. (current position) May 2020 Corporate Auditor of ECO-TRY Co., Ltd. (current position) Apr. 2021 Senior Executive Officer and Division General Manager of Business Management Division of the Company Jun. 2021 Director, Executive Officer and Division General Manager of Business Management Division and Supervisor of Global Procurement Division Apr. 2022 Deputy Division General Manager of Takamiya Lab. Division (current position) May 2022 Corporate Auditor of Yame Kasei Co., Ltd. (current position)
(Significant concurrent positions outside the Company)	—	—	Representative Director and Chairman of AOMORI ATOM Co., Ltd.	—	—	—
Skills matrix	<div>Corporate management</div> <div>Sales and marketing</div> <div>Engineering and manufacturing</div> <div>Global operations</div> <div>Finance and accounting</div> <div>Legal affairs and risk management</div> <div>Experience in other industries</div> <div>DX</div> <div>Sustainability</div>	<div>●</div> <div>●</div> <div>●</div> <div>●</div> <div></div> <div></div> <div>●</div> <div>●</div> <div>●</div>	<div>●</div> <div>●</div> <div>●</div> <div></div> <div></div> <div></div> <div>●</div> <div>●</div> <div>●</div>	<div></div> <div>●</div> <div>●</div> <div>●</div> <div>●</div> <div>●</div> <div></div> <div>●</div> <div></div>	<div></div> <div>●</div> <div>●</div> <div>●</div> <div>●</div> <div>●</div> <div>●</div> <div>●</div> <div></div>	<div></div> <div></div> <div></div> <div>●</div> <div>●</div> <div>●</div> <div>●</div> <div>●</div>

						
Kazunori Kawakami	Kouji Shimokawa	Noboru Furuichi	Yasushi Shimizu	Yoshihiro Sakatani	Teiji Joko	Sachie Kato
Director and Executive Officer, Division General Manager of Sales & Marketing Division and Deputy Division General Manager of Takamiya Lab. Division	Outside Director	Outside Director	Director (Full-Time Audit and Supervisory Committee Member)	Outside Director (Audit and Supervisory Committee Member)	Outside Director (Audit and Supervisory Committee Member)	Outside Director (Audit and Supervisory Committee Member)
Apr. 1990 Joined the Company Apr. 2005 General Manager of Tokyo Branch Jun. 2005 Executive Officer and General Manager of Tokyo Branch Feb. 2010 Executive Officer and General Manager of Scaffolding Construction Department May 2013 President and Representative Director of ECTORY Co., Ltd. (current position) Apr. 2016 Senior Executive Officer, Deputy Division General Manager of Sales & Marketing Division and General Manager of Scaffolding Construction Department Apr. 2021 Senior Executive Officer, Regional Manager of Sales & Marketing Division, General Manager of Scaffolding Construction Department and General Manager of Tokyo Branch Apr. 2022 Division General Manager of Sales & Marketing Division and Deputy Division General Manager of Takamiya Lab. Division (current position) May 2022 Director of HIRAMATSU Co., Ltd. (current position) Director of Nakaya Kizai Co., Ltd. (current position) Jun. 2022 Director and Executive Officer, Division General Manager of Sales & Marketing Division and Deputy Division General Manager of Takamiya Lab. Division (current position) Oct. 2022 Director of TOTAL TOSHISEBI Co., Ltd. (current position) Apr. 2023 Director and Executive Officer, Regional Manager of Sales & Marketing Division, General Manager of Scaffolding Construction Department and General Manager of Sales Force Department of the Company (current position)	Apr. 1985 Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.) Aug. 1996 Established Shimokawa Accounting Office (currently Shimokawa & Partners Accounting Corporation) Feb. 2002 Representative Director of Shimokawa Accounting Office (currently Shimokawa & Partners Accounting Corporation) Jun. 2002 Corporate Auditor of the Company Jun. 2005 Director (current position) Dec. 2005 President of GLOBAL CORPORATE CONSULTING, INC. Apr. 2007 President of GLOBAL HUMAN COMMUNICATIONS, INC. Apr. 2016 Representative Partner of Shimokawa & Partners Accounting Corporation (current position) Sep. 2017 Chairman of the Board of GLOBAL CORPORATE CONSULTING, INC. (current position) Jun. 2018 Director of Mitsubishi Co., Ltd. (current position)	Apr. 1972 Joined New Japan Securities (currently Mizuho Securities Co., Ltd.) May 1997 General Manager of Corporate Planning Department Apr. 2000 Executive Officer and General Manager of Fukuoka Branch May 2002 Managing Executive Officer in charge of Investment Banking Department I, II Apr. 2005 Senior Managing Executive Officer, General Manager of Osaka Corporation Division and in charge of West Japan IB Sales Department May 2007 Representative Director and President of Shinko Investment Co., Ltd. Feb. 2008 Representative Director and President of Neostella Capital Co., Ltd. Jun. 2008 Advisor of Shinko Securities Business Services Co., Ltd. Jun. 2010 Audit & Supervisory Board Member of NIOHA STEEL WORKS, LTD. Jun. 2017 Director of the Company (current position)	Mar. 1988 Joined the Company Apr. 2017 General Manager of Information Systems Department, Business Management Division Jun. 2020 Corporate Auditor Jun. 2022 Director (Full-Time Audit and Supervisory Committee Member) (current position) Jul. 2004 Corporate Auditor of Pressance Corporation Co., Ltd. Jun. 2005 Corporate Auditor of the Company Feb. 2008 Auditor of KITAKEI CO., LTD. (current position) Nov. 2010 Corporate Auditor of Watts Co., Ltd. Mar. 2011 Corporate Auditor of SHO-BI Corporation (currently SHOBIDO Corporation) Jun. 2015 Director (Audit and Supervisory Committee Member) of Pressance Corporation Co., Ltd. (current position) Nov. 2015 Director (Audit and Supervisory Committee Member) of Watts Co., Ltd. (current position) Dec. 2015 Director (Audit and Supervisory Committee Member) of SHO-BI Corporation (currently SHOBIDO Corporation) (current position) Mar. 2022 Director (Audit & Supervisory Committee Member) of KURIYAMA HOLDINGS CORPORATION (current position) Jun. 2022 Director (Audit and Supervisory Committee Member) of the Company (current position)	Oct. 1979 Joined Nishin Audit Corporation (currently Ernst & Young ShinNihon LLC) Jun. 2004 President and Representative Director of Japan Management Consulting K.K. (current position) Jul. 2004 Corporate Auditor of Pressance Corporation Co., Ltd. (current position) Mar. 2016 Outside Corporate Auditor of Onamba Co., Ltd. (current position) Jun. 2017 Corporate Auditor of the Company Dec. 2019 Director of HIMENO GUMI (current position) Nov. 2020 Corporate Auditor of AKITA FOODS CO., LTD. (current position) Jun. 2022 Director (Audit and Supervisory Committee Member) of the Company (current position) Nov. 2015 Director (Audit and Supervisory Committee Member) of Watts Co., Ltd. (current position) Dec. 2015 Director (Audit and Supervisory Committee Member) of SHO-BI Corporation (currently SHOBIDO Corporation) (current position) Mar. 2022 Director (Audit & Supervisory Committee Member) of KURIYAMA HOLDINGS CORPORATION (current position) Jun. 2022 Director (Audit and Supervisory Committee Member) of the Company (current position)	Apr. 1993 Registered as Attorney-at-law (Osaka Bar Association) Apr. 1993 Joined Yodoyabashi LPC (currently Yodoyabashi & Yamagami LPC) Jun. 2001 Outside Corporate Auditor of G-7 HOLDINGS Inc. (current position) Mar. 2016 Outside Corporate Auditor of Onamba Co., Ltd. (current position) Jun. 2017 Corporate Auditor of the Company Dec. 2019 Director of HIMENO GUMI (current position) Nov. 2020 Corporate Auditor of AKITA FOODS CO., LTD. (current position) Jun. 2022 Director (Audit and Supervisory Committee Member) of the Company (current position) Nov. 2015 Director (Audit and Supervisory Committee Member) of Watts Co., Ltd. (current position) Dec. 2015 Director (Audit and Supervisory Committee Member) of SHO-BI Corporation (currently SHOBIDO Corporation) (current position) Mar. 2022 Director (Audit & Supervisory Committee Member) of KURIYAMA HOLDINGS CORPORATION (current position) Jun. 2022 Director (Audit and Supervisory Committee Member) of the Company (current position)	Apr. 1969 Joined the Legal Training and Research Institute of Japan of the Supreme Court of Japan Apr. 1971 Appointed as Public Prosecutor (Tokyo District Public Prosecutors Office and Fukushima District Public Prosecutors Office) May 1974 Registered with Osaka Bar Association Mar. 1983 Joined Chumo Sogo Law Office (currently Chuo Sogo Law Office, P.C.) Apr. 2014 Corporate Auditor of DyDo DRINCO, Inc. (currently DyDo Group Holdings, Inc.) (current position) Jun. 2015 Director of YAMAZEN CORPORATION Jun. 2015 Director of HISAKA WORKS, LTD. Jun. 2016 Director (Audit and Supervisory Committee Member) of YAMAZEN CORPORATION Apr. 2017 Corporate Auditor of DyDo GROUP HOLDINGS, INC. (current position) Jun. 2022 Director and Audit and Supervisory Committee Member of the Company (current position)
President and Representative Director of ECO-TRY Co., Ltd.	Representative Partner of Shimokawa & Partners Accounting Corporation	—	—	President and Representative Director of Japan Management Consulting K.K.	Representative Partner of Yodoyabashi & Yamagami LPC	Representative Partner of Professional Corporation, Chuo Sogo Law Office
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Executive Officers

Takahiro Shozaki	Takashi Masuno	Hiroyuki Okamoto	Hidehiko Yamashita	Takashi Nagumo	Mitsunori Yamato	Tetsuya Aoki	Hiroshi Koda	Shinri Ueda	Takashi Kawabata	Eizo Aihara
Senior Executive Officer General Manager of Sales & Marketing Planning Department, Sales & Marketing Division	Senior Executive Officer General Manager of Global Production Engineering Department, Manufacturing Division	Senior Executive Officer Division General Manager of Overseas Business Division and Deputy Division General Manager of Takamiya Lab. Division, General Manager of Agribusiness Development Department, Corporate Strategy Division	Executive Officer General Manager of Sales Department, Sales & Marketing Division	Executive Officer Division General Manager of Product Development Division, Deputy Division General Manager of Takamiya Lab. Division, General Manager of Technology Development Center Preparation Office	Executive Officer Division General Manager of Scaffolding Management Division, Deputy Division General Manager of Takamiya Lab. Division and General Manager of Scaffolding Yard Operating Department and Scaffolding Purchasing Department	Executive Officer Division General Manager of Sales & Marketing Division and General Manager of Tokyo Branch and Supervisor of Business Development Division	Executive Officer General Manager of Manufacturing Division and Division of Vietnam Factory General Manager	Executive Officer General Manager of Global Quality Assurance Department, Manufacturing Division	Executive Officer General Manager of Corporate Planning Department, Corporate Strategy Division and General Manager of PR & IR Department	Executive Officer General Manager of HR Department, Business Management Division

Corporate Governance

Basic Approach	TheTakamiya Group believes that the basic foundation for sound corporate governance centers on thoroughly enforcing compliance, ensuring the transparency and efficiency of management, and working to maximize corporate value for all stakeholders, including shareholders and investors. With the stable supply of safe, high-value-added temporary equipment as our base axis, we will conduct high-quality corporate activities, and focus on efforts to improve the status of the industry, not just for the development of our own group, but for the benefit of customers and the industry as a whole. We will build a temporary equipment industry that is clearly recognized for its excellence by both the general public and investors, and aim for sustainable development in a highly transparent business environment.
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Takamiya’s Corporate Governance System

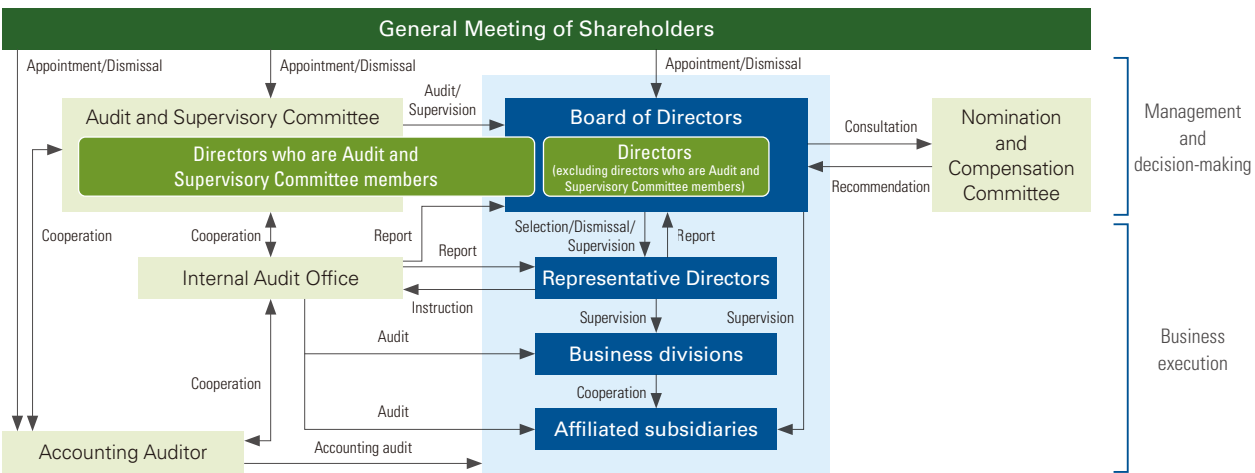
To strengthen the supervisory function of the Board of Directors and realize highly transparent management, thereby building a system that can better meet the expectations of domestic and overseas stakeholders, the Company, with the approval of the 54th Ordinary General Meeting of Shareholders held on June 23, 2022, made the necessary changes to its Articles of Incorporation and transitioned to a Company with an Audit and Supervisory Committee. The Company has in place a system under which the Board of Directors provides strategic guidance and management supervision and the Audit and Supervisory Committee audits directors’ execution of duties by attending and giving their opinions at various important meetings, such as those of the Board of Directors. The Board of Directors makes decisions on important managerial matters and supervises the execution of duties by directors. In addition, by appointing outside directors, we have created a system that enables important decisions to

be made while incorporating diverse viewpoints, as well as appropriate supervision over the Company’s management from the objective positions of the outside directors.

The Company has also introduced an executive officer system, under which executive officers are appointed separately from directors who are elected in accordance with the Companies Act. The Company believes that this will enable business operations determined by the Board of Directors to be executed in a prompt and efficient manner.

The Company’s Board of Directors consists of 13 Directors of outstanding character, possessing insight, capabilities, abundant experience, and high ethical standards. Factors such as expertise in management, sales and marketing, technology, overseas business, finance and accounting, and law, as well as diverse backgrounds and experience, were taken into consideration when selecting members of the Board of Directors. We recognize that securing human resources with an emphasis on diversity, such as appointing female directors, is our ongoing task.

Corporate Governance System (As of June 23, 2023)



Board of Directors (FY Ended March 31, 2023)

1. Independent Directors 2. The Company transitioned to a Company with an Audit and Supervisory Committee on June 23, 2022.

Number of members: 13 [of which, outside directors: 5]	Number of meetings	Attendance rate ²
	Ordinary: 17 Extraordinary: 5	Directors 99% Corporate auditors 85%
The Board of Directors is comprised of Representative Director, President and Chairman Kazumasa Takamiya, six inside directors, two outside directors, and four directors who are Audit and Supervisory Committee members for a total of 13 members, with terms of office of one year for directors who are not Audit and Supervisory Committee members in order to ensure flexible, responsive corporate management. In addition to the monthly regular meeting of the Board of Directors, extraordinary meetings are held when necessary. Furthermore, when making decisions on matters specified by laws and regulations and important matters involving management, the Board of Directors constantly monitors the execution of management duties.		

Audit and Supervisory Committee (FY Ended March 31, 2023)

1. Independent directors 2. The Company transitioned to a Company with an Audit and Supervisory Committee on June 23, 2022.
3. The total includes the number of meetings of the Board of Corporate Auditors (four times).

Number of members: 4 (of which, outside directors who are Audit and Supervisory Committee members: 3)	Board of Corporate Auditors and Audit and Supervisory Committee number of meetings	Board of Corporate Auditors and Audit and Supervisory Committee meeting attendance rate ³
	Ordinary: 15 Extraordinary: 3	90%
The Audit and Supervisory Committee is comprised of one full-time Audit and Supervisory Committee member and three outside Audit and Supervisory Committee members for a total of four members, and meets once a month, in principle. In accordance with the policies determined by the Audit and Supervisory Committee, the Audit and Supervisory Committee members audit and supervise the directors’ execution of business by attending various important meetings such as those of the Board of Directors, inspecting important documents and investigating business affairs and asset conditions.		

Nomination and Compensation Committee

In order to strengthen the independence, objectivity, and accountability of the functions of the Board of Directors, the Company established the Nomination and Compensation Committee on April 21, 2021 as an advisory body to the Board of Directors. It makes recommendations on matters related to the nomination and compensation of the Company’s senior management and directors. The Committee consists of six members: two outside directors, two outside directors who are Audit

and Supervisory Committee members, and two inside directors, and is chaired by an outside director. Outside directors and outside directors who are Audit and Supervisory Committee members provide unreserved opinions, advice, and comments from an independent and objective perspective regarding matters not limited to the nomination and remuneration of the Company’s senior management and directors. As such, we believe the transparency and objectivity of the Company’s Board of Directors are ensured.

Status of Directors and Audit and Supervisory Committee Members (As of June 23, 2023)

Structure of the Board of Directors

Name	Board of Directors meeting attendance/attendance rate	Expertise
Kazumasa Takamiya	17 times/100%	Management
Akiyoshi Takamiya	17 times/100%	Management and sales and marketing
Tsutomu Abe	17 times/100%	Sales and marketing
Hideki Yasuda	16 times/94%	Finance and accounting
Yuki Mukaiyama	17 times/100%	Overseas operations, management and new business
Tomoya Tatsumi	17 times/100%	Finance and accounting
Kazunori Kawakami	13 times/100%	Sales and marketing and manufacturing technology
Kouji Shimokawa	17 times/100%	Taxes and accounting
Noboru Furuichi	17 times/100%	Financing, finance and management

Criteria for the Appointment of Directors and Audit and Supervisory Committee Members

The appointment and dismissal of candidates for directors and directors who are Audit and Supervisory Committee members is determined by a meeting of the Board of Directors after consulting with and receiving recommendations from the Nomination and Compensation Committee, based on relevant regulations including the Regulations for Professional Organization of Officers and the Nomination and Compensation Committee Regulations. Comprehensive consideration is given to the career history, track record, knowledge, experience, and capabilities of each candidate. Furthermore, the consent of the Audit and Supervisory Committee is obtained in advance for the appointment of candidates for directors who are Audit and Supervisory Committee members.

Selection Criteria

1. Directors (excluding directors who are Audit and Supervisory Committee members)

The basic requirements for director candidates are having outstanding character and insight, as well as being such individuals that will

contribute to the growth and improvement in the corporate value of the Company and the Group. The candidates must have high levels of knowledge and judgment capabilities in each business field. Outside director candidates are required to have a high level of expertise in a field such as taxation, accounting, law, or management. They must be able to actively state opinions from an objective and external viewpoint, reflecting a diverse background.

2. Audit and Supervisory Committee Members

The basic requirements for Audit and Supervisory Committee member candidates are having high ethical standards and objective, fair, and impartial judgment capabilities. The candidates must also have the appropriate experience and capabilities as directors who are Audit and Supervisory Committee members and a high level of expertise in a field such as taxation, accounting, law, or management. In addition to the above requirements, candidates for outside directors are required to have no conflicts regarding their independence.

For the dismissal of officers, if an officer has deviated from the above appointment criteria and it is deemed reasonable to dismiss them from an objective viewpoint, a resolution shall be made at a meeting of the Board of Directors after the Board has sufficient discussions, and consults with and receives recommendations from the Nomination and Compensation Committee.

Succession Plan

The Company does not currently have a specific plan for successors for positions such as chief executive officer. However, we recognize succession planning as an important management issue and we are nurturing candidates from the management team (directors and executive officers). We will continue to engage in constructive discussions on the approach to the appropriate implementation and supervision of succession planning at meetings of the Board of Directors and its advisory body, the Nomination and Compensation Committee, which was established on April 21, 2021.

Evaluations of the Effectiveness of the Board of Directors

The Company has conducted questionnaires with directors regarding the effectiveness of the Board of Directors in the fiscal year ended March 31, 2023. We analyze and evaluate the structure and operations of the Board of Directors as well as the role of the Board of Directors in management strategy decisions and the supervisory function.

In the fiscal year ended March 31, 2023, while there was room for improvement, such as discussions on the successor development plan and the opinion that it is necessary to further enhance the training of directors, it was deemed that the Board largely maintains its effectiveness. Going forward, we will further improve the effectiveness of the Board of Directors based on these analyses and evaluations.

Remuneration for Directors and Audit and Supervisory Committee Members
Remuneration System for Directors and Audit and Supervisory Committee Members

The Company has established a policy regarding the determination of the amount of remuneration for officers and its calculation method, which states that officer remuneration consists of fixed remuneration according to position, performance-linked remuneration (bonuses) as a short-term incentive linked to single-year performance, and stock-based remuneration stock options positioned as a medium- to long-term incentive. Through thorough evaluation based on the interests of shareholders, we are working to ensure the long-term sustainable growth of the entire Group and enhance corporate value. Meanwhile, the remuneration of outside officers consists only of basic remuneration from the perspective of their roles and independence.

Bonuses, which are short-term, performance-linked remuneration, are paid (when the consolidated operating income target for a single year is achieved) within the limit of the total amount of remuneration for directors resolved at the General Meeting of Shareholders. Stock-based remuneration stock options, which are a medium- to long-term incentive, are granted based on the position factor set in the Company’s regulations within the limit of the total amount of stock options provided for in a resolution by the General Meeting of Shareholders. The respective proposals for bonus payment and for the granting of stock options are submitted to the Board of Directors, which determines and grants the bonuses and stock options after consulting with and receiving recommendations from the Nomination and Compensation Committee.

For the fiscal year ended March 31, 2023, remuneration for directors and corporate auditors was as follows.

Category	Total remuneration (¥ million)	Total remuneration by type (¥ million)			Number of eligible individuals (Persons)
		Fixed remuneration	Performance-based remuneration	Medium- to long-term incentive (stock options)	
Directors (excluding Audit and Supervisory Committee members and outside directors)	304	253	—	50	7
Audit and Supervisory Committee members (excluding outside directors)	7	7	—	—	1
Corporate auditors (excluding outside corporate auditors)	2	2	—	—	1
Outside officers	18	18	—	—	5

Notes:
1. The total remuneration for directors who concurrently serve as officers of consolidated subsidiaries does not include the officer remuneration from the consolidated subsidiaries.
2. The Company transitioned from a Company with a Board of Corporate Auditors to a Company with an Audit and Supervisory Committee on June 23, 2023.
3. It was resolved that the limit on directors’ remuneration (excluding directors who are Audit and Supervisory Committee members) shall be up to an annual amount of ¥500 million (up to ¥50 million for outside directors; not including employee salaries for directors) at the 54th Ordinary General Meeting of Shareholders held on June 23, 2022 (number of officers in relation to the said resolution: 9).
In addition, it was resolved that the limit on separate remuneration as stock options shall be up to an annual amount of ¥150 million (excluding directors who are Audit

and Supervisory Committee members and outside directors) at the 54th Ordinary General Meeting of Shareholders held on June 23, 2022 (number of officers in relation to the said resolution: 7).
4. It was resolved that the limit on remuneration for directors who are Audit and Supervisory Committee members shall be up to an annual amount of ¥50 million at the 55th Ordinary General Meeting of Shareholders held on June 23, 2023. Remuneration for individual Audit and Supervisory Committee members is determined by discussion of Audit and Supervisory Committee members (number of officers in relation to the said resolution: 4).
5. It was resolved that the limit on corporate auditors’ remuneration before the transition to a Company with an Audit and Supervisory Committee shall be up to an annual amount of ¥50 million at the 25th Ordinary General Meeting of Shareholders held on May 18, 1994 (number of officers in relation to the said resolution: 3).

Details of Audit Fees

For the fiscal year ended March 31, 2023, audit fees paid to certified public accountants and others were as follows:

Category	Fiscal Year Ended March 31, 2022		Fiscal Year Ended March 31, 2023	
	Fees paid for audit certification work (¥ million)	Fees paid for non-audit certification work (¥ million)	Fees paid for audit certification work (¥ million)	Fees paid for non-audit certification work (¥ million)
The Company	32	—	36	—
Consolidated subsidiaries	—	—	—	—
Total	32	—	36	—

For the fiscal year ended March 31, 2023, fees paid to Ernst & Young member firms, which are members of the same EY network of the Company’s certified public accountants, were as follows:

Category	Fiscal Year Ended March 31, 2022		Fiscal Year Ended March 31, 2023	
	Fees paid for audit certification work (¥ million)	Fees paid for non-audit certification work (¥ million)	Fees paid for audit certification work (¥ million)	Fees paid for non-audit certification work (¥ million)
The Company	—	0	—	16
Consolidated subsidiaries	5	1	6	1
Total	5	1	6	18

Non-audit certification work paid for by the Company is tax consultation. Non-audit certification work paid for by consolidated subsidiaries is preparation of corporate tax returns, tax consultation, and others.

Communications with Shareholders and Investors

The Company has designated the PR & IR Department as the department in charge of investor relations (IR) and the Division General Manager of the Corporate Strategy Division, who is responsible for IR affairs, as the contact person. In addition, the PR & IR Department works together with the General Affairs Department, Accounting Department, Legal & Compliance Department, and other related departments to share information and prepare

disclosure materials. As opportunities for dialogue with our shareholders and investors, we hold General Meetings of Shareholders, Company information meetings, financial results briefings, etc., as needed, and enhance our website to facilitate their understanding of our business. Moreover, we release the videos and materials of our financial results briefing to the public in Japanese and English. We also publish our convocation notices in Japanese and English on the internet, and are enhancing the content of briefing sessions for individual investors.

For individual investors	For analysts and institutional investors	IR website
Briefings for individual investors <ul style="list-style-type: none">March 11, 2023, Tokyo (hosted by NIKKEI RADIO BROADCASTING CORPORATION & PRONEXUS Inc.)	<ul style="list-style-type: none">Video distribution of financial results briefings: Twice a year (year-end and the second quarter)Individual meetings: Conducted online	Our website for investors in Japanese https://www.takamiya.co/ir/ Our website for investors in English https://www.takamiya.co/en/ir/
We hold briefing sessions both online and offline with speakers such as the Company's officers. The date and time of each event are announced on our website.	We distribute a video presentation of our financial results twice a year. The president and chairman and other Company officers provide briefings on our performance and earnings forecasts. Materials and videos are available on our IR website.	We have set up a page for investors on our website to provide timely disclosure information such as the financial results summary and other information for investors such as financial results briefing materials, the annual report, and historical data.

Risk Management, Internal Control, and Compliance

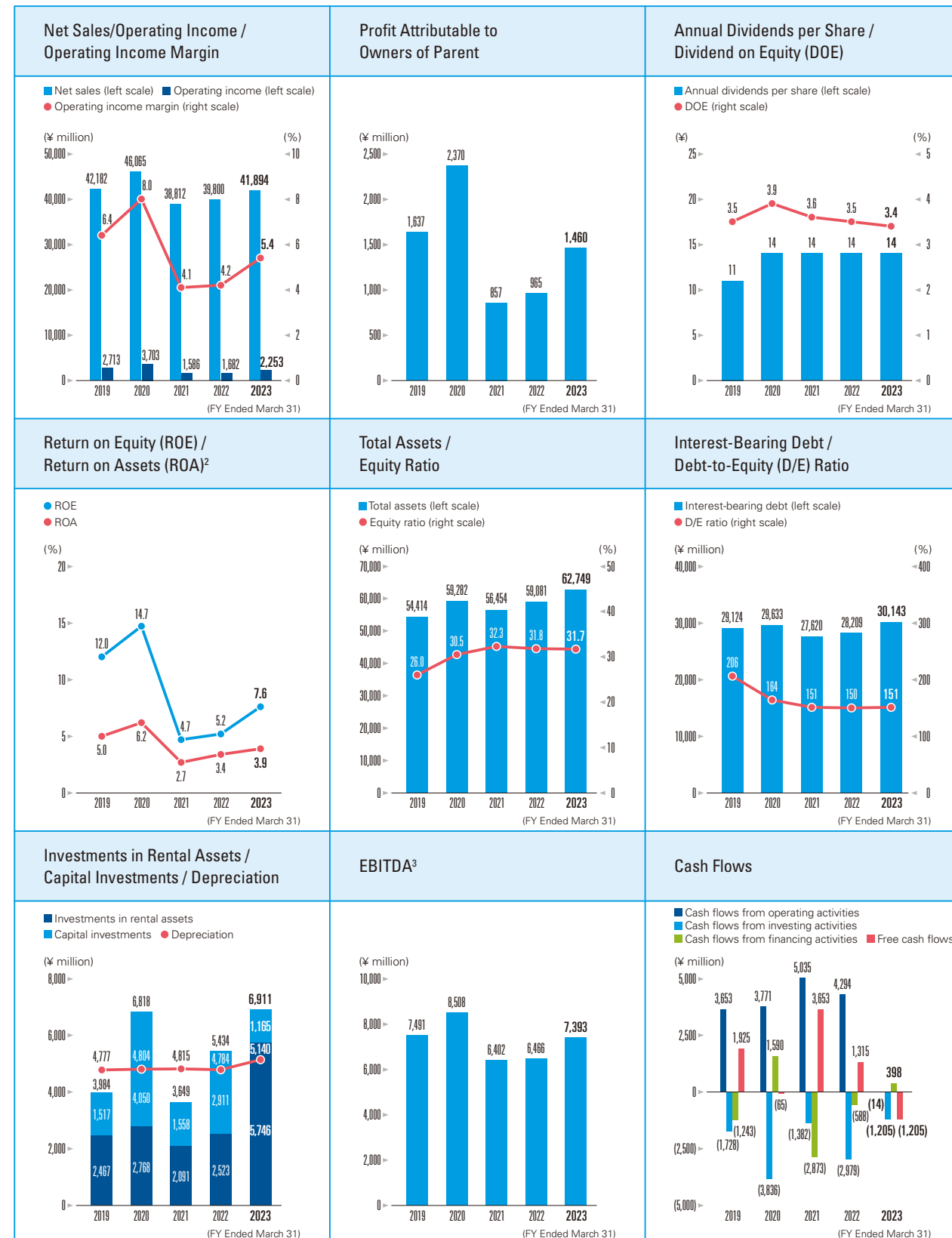
The Group has established the basic policy and other matters concerning risk management in the Basic Rules for Risk Management. In addition, we have established the Risk and Compliance Committee, with the Legal & Compliance Department acting as the administrative office. The Committee discusses issues and measures regarding the promotion of Company-wide risk management in order to appropriately manage and respond to the variety of risks that our businesses face.

For internal control, we have developed a system in which internal checking operates between departments and clarifies the division of duties based on internal regulations and other rules. In addition, the Basic Policy for Internal Control and the Basic Policy for Financial Reporting

outline systems to ensure that the directors comply with laws and the Articles of Incorporation when conducting operations, and also to ensure the propriety of other operations of the Company.

For the compliance system, we have outlined the Compliance Standards and the Code of Conduct in the *Compliance Manual*. We have established the Risk and Compliance Committee, with the Legal & Compliance Department acting as the administrative office, to discuss specific compliance initiatives to be implemented internally and to identify at an early stage legal issues emerging in the Company. Through these efforts, we aim to further raise and promote compliance awareness. Additionally, we seek advice and guidance as needed from our corporate lawyers regarding our daily operations and managerial decisions.

Financial and Non-Financial Highlights

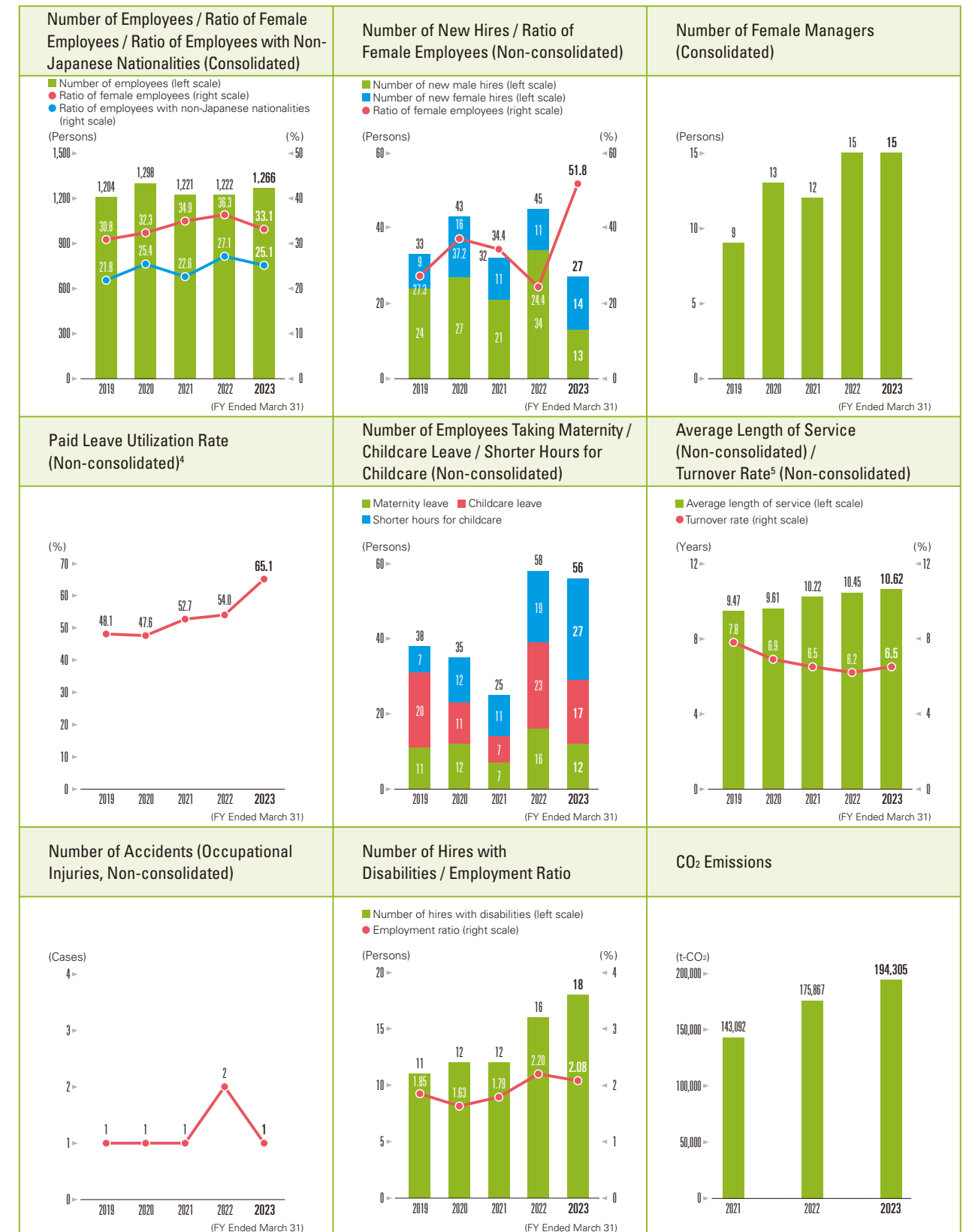
Financial Highlights¹

Notes: 1. Figures below millions of yen are truncated. However, indices shown in ratios are rounded to the unit displayed.

2. ROE = Profit attributable to owners of parent ÷ Average equity ROA = Ordinary income ÷ Average total assets

3. EBITDA = Operating income + Depreciation

Non-Financial Highlights



4. Change in timing of granting paid leave

5. Turnover rate = Number of regular employees who retired during the fiscal year ÷ Number of regular employees at the beginning of the fiscal year

11-Year Financial Summary

Fiscal years ended March 31	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
(¥ million)											
Net sales	28,113	32,443	34,261	34,350	36,763	36,114	42,182	46,065	38,812	39,800	41,894
Operating income	1,605	3,051	3,098	2,983	2,429	1,690	2,713	3,703	1,586	1,682	2,253
Operating income margin (%)	5.7	9.4	9.0	8.7	6.6	4.7	6.4	8.0	4.1	4.2	5.4
Ordinary income	1,553	3,006	3,325	2,731	2,337	1,610	2,662	3,541	1,569	1,954	2,400
Profit attributable to owners of parent	807	1,768	2,070	2,153	1,516	1,252	1,637	2,370	857	965	1,460
Investments in rental assets	2,850	2,381	5,577	7,227	5,447	3,757	2,467	2,768	2,091	2,523	5,746
Depreciation	3,280	3,369	3,649	4,137	4,502	4,662	4,777	4,804	4,815	4,784	5,140
Research and development expenses	50	45	88	74	81	64	62	88	84	97	101
EBITDA	4,886	6,421	6,747	7,120	6,932	6,353	7,491	8,508	6,402	6,466	7,393
Cash flows from operating activities	1,575	2,839	(1,620)	(1,081)	1,163	1,714	3,653	3,771	5,035	4,294	(14)
Cash flows from investing activities	(812)	(1,239)	(1,563)	(1,736)	(1,093)	(1,909)	(1,728)	(3,836)	(1,382)	(2,979)	(1,205)
Cash flows from financing activities	(779)	(715)	2,927	2,844	879	(222)	(1,243)	1,590	(2,873)	(588)	398
Cash and cash equivalents at end of period	3,076	3,979	4,233	4,242	5,187	4,750	5,414	6,922	7,712	8,516	7,768
Total assets	33,987	37,245	43,520	50,091	52,760	52,813	54,414	59,282	56,454	59,081	62,749
Equity	6,947	9,514	11,453	11,766	12,338	13,190	14,170	18,054	18,253	18,773	19,892
Interest-bearing debt	19,384	18,694	21,635	26,636	29,287	29,497	29,124	29,633	27,620	28,209	30,143
Net interest-bearing debt	16,308	14,715	17,402	22,394	24,100	24,747	23,710	22,711	19,908	19,693	22,375
ROA (%) ¹	4.7	8.4	8.2	5.8	4.5	3.1	5.0	6.2	2.7	3.4	3.9
ROE (%) ²	12.2	21.5	19.8	18.5	12.6	9.8	12.0	14.7	4.7	5.2	7.6
Ratio of profit to net sales (%)	2.9	5.4	6.0	6.3	4.1	3.5	3.9	5.1	2.2	2.4	3.5
Total asset turnover (times)	0.8	0.9	0.8	0.7	0.7	0.7	0.8	0.8	0.7	0.7	0.7
Financial leverage (times)	4.9	3.9	3.8	4.3	4.3	4.0	3.8	3.5	3.2	3.1	3.1

Notes: 1. ROA = (Ordinary income ÷ Average of total assets at beginning and end of fiscal year) × 100

2. ROE = (Profit attributable to owners of parent ÷ Average of shareholders' equity at beginning and end of fiscal year) × 100

Notes: Numerical values in parentheses are negative values.

Corporate Information

Corporate Outline (As of March 31, 2023)

Name	Takamiya Co., Ltd.
Date of establishment	June 21, 1969
Head Office	Grand Front Osaka Tower B Bldg., 27F, 3-1 Ofuka-cho, Kita-ku, Osaka 530-0011, Japan

Capital	¥1,052.14 million
Representative	Kazumasa Takamiya. Representative Director, President and Chairman
Number of employees	Consolidated 1,266 Non-consolidated 736

Share Information (As of March 31, 2023)

Share Data

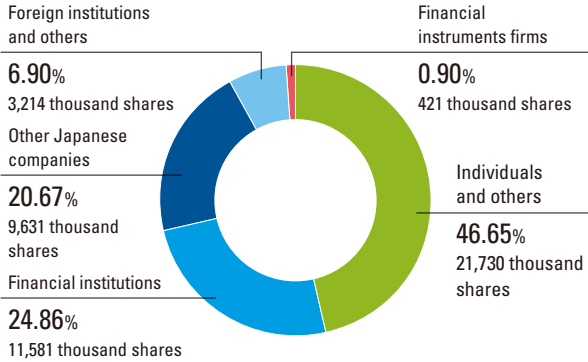
Total number of authorized shares	144,000,000
Total number of issued shares	46,585,600
Number of shareholders	4,159

Principal Shareholders

Shareholders	Number of shares held (Thousand shares)	Percentage of shares held (%)
Takamiya Ltd.	7,860	16.88
Tojitsu Takamiya	5,356	11.50
The Master Trust Bank of Japan, Ltd. (Trust account)	3,941	8.46
Custody Bank of Japan, Ltd. (Trust account)	2,254	4.84
Takamiya Employee Stock Ownership Plan	1,747	3.75
Toyoji Takamiya	1,678	3.60
Chikako Takamiya	1,579	3.39
Kazumasa Takamiya	1,350	2.90
Akiyoshi Takamiya	1,288	2.77
Quattro Co., Ltd.	1,000	2.15

Notes: 1. The Company holds 7,020 shares of treasury stock. Treasury stock is excluded from the list of principal shareholders and is not used in calculating percentages of shares held.
2. Numbers of shares held below thousands have been truncated, and percentages have been rounded to the second decimal place.
3. Among the above numbers of shares held, shares related to trust services are as follows.
Custody Bank of Japan, Ltd. (Trust account) 2,252 thousand shares
The Master Trust Bank of Japan, Ltd. (Trust account) 3,941 thousand shares

Breakdown of Shares by Type of Shareholder

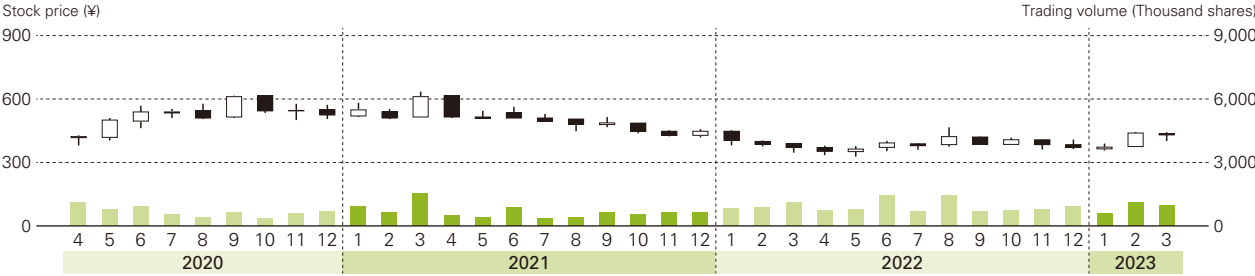


Notes: 1. Out of 7,020 shares of treasury stock, 70 units are stated in "Individuals and others" and 20 shares are stated in "Status of shares less than one unit."
2. Numbers of shares held below thousands have been truncated, and percentages have been rounded to the second decimal place.

Total Shareholder Return

	March 2019	March 2020	March 2021	March 2022	March 2023
Takamiya	105.0%	68.0%	99.5%	64.6%	75.9%
TOPIX	(95.0%)	(85.9%)	(122.1%)	(124.6%)	(131.8%)

Stock Price and Trading Volume



Shareholder Information

Fiscal year	From April 1 to March 31 of the following year	Record date	Ordinary General Meeting of Shareholders: March 31 Year-end dividend: March 31 Interim dividend: September 30
Securities code	2445 (Prime Market of the Tokyo Stock Exchange)	Share trading unit	100 shares
Ordinary General Meeting of Shareholders	June		
Transfer agent and registrar for common stock	Mitsubishi UFJ Trust and Banking Corporation		
Contact for transfer agent and registrar	Osaka Securities Agent Department, Mitsubishi UFJ Trust and Banking Corporation, 3-6-3 Fushimi-cho, Chuo-ku, Osaka-shi, Osaka 541-8502, Japan TEL: 0120-094-777 (toll-free in Japan)		
Method of public notice	By electronic notification on Takamiya's website: https://www.takamiya.co/ (in Japanese only) However, if electronic notification is not possible due to an accident or other unavoidable circumstances, notice will be published in the <i>Nihon Keizai Shimbun</i> newspaper.		

Domestic and International Network (As of October 1, 2022)

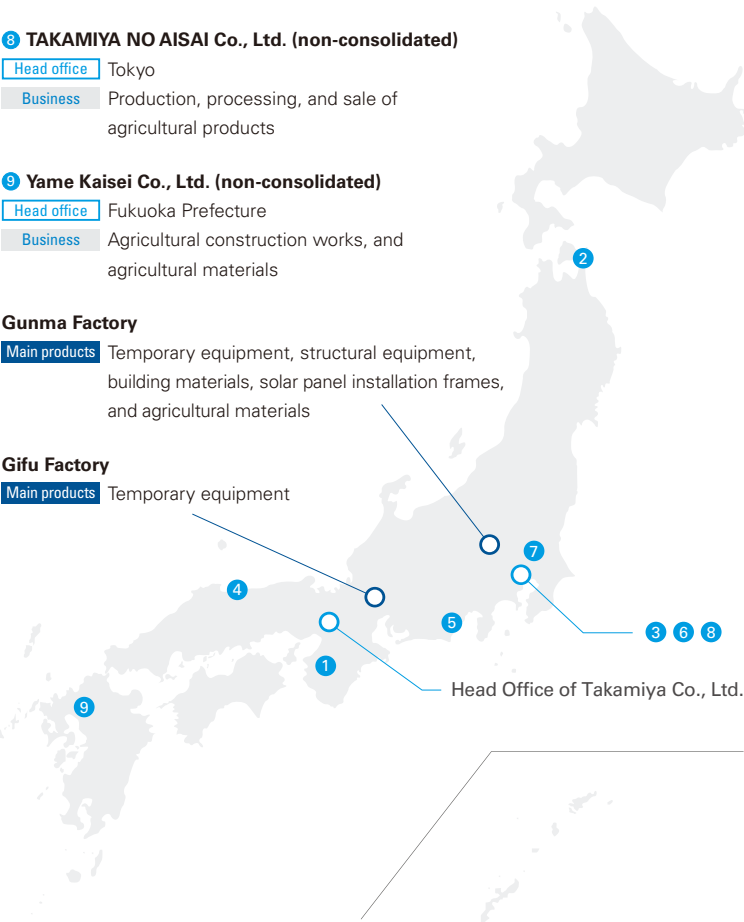
Group Companies in Japan

- IWATA Co., Ltd.**
Head office: Wakayama Prefecture
Business: Rental of temporary equipment for construction, planning, design, and installation of temporary works
- AOMORI ATOM Co., Ltd.**
Head office: Aomori Prefecture
Business: Sale and rental of temporary equipment for construction
- TOTAL TOSHISEIBI Co., Ltd.***
Head office: Tokyo
Business: Rental of temporary equipment for civil engineering works, sale and rental of temporary equipment for shield works
- Nakaya Kizai Co., Ltd.**
Head office: Shimane Prefecture
Business: Rental of temporary equipment for construction
- HIRAMATSU Co., Ltd.**
Head office: Shizuoka Prefecture
Business: Transportation of temporary equipment for construction
- Cadian Co., Ltd.**
Head office: Tokyo
Business: Preparation of temporary equipment planning sheets, calculation sheets, and construction facility drawings as well as surveys and various designs (BIM/CIM modeling and spatial measurement)

- ECO-TRY Co., Ltd. (non-consolidated)**
Head office: Ibaraki Prefecture
Business: Contract construction and scaffolding installation works
- TAKAMIYA NO AISAI Co., Ltd. (non-consolidated)**
Head office: Tokyo
Business: Production, processing, and sale of agricultural products
- Yame Kaisei Co., Ltd. (non-consolidated)**
Head office: Fukuoka Prefecture
Business: Agricultural construction works, and agricultural materials

Gunma Factory
Main products: Temporary equipment, structural equipment, building materials, solar panel installation frames, and agricultural materials

Gifu Factory
Main products: Temporary equipment



Group Companies Overseas

- Hory Korea Co., Ltd.**
Head office: South Korea
Business: Manufacture, sale, and rental of temporary equipment for construction
- HORY VIETNAM Co., Ltd.**
Head office: Vietnam
Business: Manufacture and sale of temporary equipment for construction
- DIMENSION-ALL Inc.**
Head office: The Philippines
Business: Sale and rental of temporary equipment for construction
- Cadian Vietnam Co., Ltd. (non-consolidated)**
Head office: Vietnam
Business: Preparation of temporary equipment planning sheets, calculation sheets, and construction facility drawings
- Cadian Myanmar Co., Ltd. (non-consolidated)**
Head office: Myanmar
Business: Preparation of temporary equipment planning sheets, calculation sheets, and construction facility drawings



* On October 1, 2022, an absorption-type merger was conducted with NEXTECH Co., Ltd. as the dissolved company.



Takamiya Co., Ltd.

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<https://www.takamiya.co/en/>