

FY03/24

Financial Results Presentation

Securities code: 7868

May 15, 2024

0 Contents

1 FY03/24 Highlights **P. 2**

- FY03/24 Summary
- FY03/24 Consolidated Financial Results by Segment
- Shareholder Return
- Status of New Businesses

2 Consolidated Financial Forecast and Dividend Forecast for FY03/25 **P. 8**

- Consolidated Financial Forecast for FY03/25
- Dividend Forecast for FY03/25

3 Medium-Term Business Plan 4.0 **P. 12**

- Basic Policy
- Performance Targets
- Return on Capital / Growth Strategies
- Shareholder Return
- Summary by Business Segment

4 Change of Representative **P. 24**

A Reference Materials **P. 26**





1

**FY03/24
Highlights**

1-01 FY03/24 Summary

1. Further improve business performance

Expansion of the funeral hall was completed!
Steady growth in capacity utilization



2. Invest for long-term growth

Make the Asset Consulting Segment profitable in a short timeframe



3. Further enhance shareholder returns

Raise the dividend payout ratio above the originally planned 30.0%



Income from Profit-Generating Funeral Services Segment

Full-year segment income

YoY
Rate of Change (%)

4.13 bn yen

+84.8%

Income from Asset Consulting Segment

Full-year segment income

YoY
Rate of Change (%)

0.29 bn yen

—

Dividend payout ratio

Full-year dividend payout ratio

YoY
Change

35.0%

+20.0 pt

1-02 FY03/24 Consolidated Financial Results

The Company cleared the most difficult hurdle of Medium-Term Business Plan 3.0, which was to increase profit for the fiscal year ending March 31, 2024!

- Full-year sales declined , while full-year operating profit increased significantly.
- Profit attributable to owners of parent also increased.

	(Millions of yen)							*Reference	
	FY03/24 FY results	FY03/23 FY results	YoY change		FY03/24 Full Year Earnings Forecast (2024/1/31)	Compared to forecast		FY03/24 Q4	YoY change
			Change	Change (%)		Change	Change (%)		
Net sales	36,203	36,668	(465)	(1.3)	39,841	(3,638)	(9.1)	11,127	6.3
Operating profit	6,133	4,280	<u>1,853</u>	43.3	6,128	5	0.1	2,502	34.2
Ordinary profit	6,121	4,185	1,936	46.3	6,081	40	0.7	2,471	36.5
Profit attributable to owners of parent	4,895	4,042	853	21.1	4,900	(5) [*]	(0.1)	1,964	(8.2)

* A clerical error on the forecast for income taxes. Stock compensation expenses are not deductible for income tax purposes, but not factoring them in caused the difference.

1-03

FY03/24 Financial Results Summary by Business Segment

(Millions of yen)

	Net sales		YoY change		Consolidated Financial Forecast for FY03/24 (2024/1/31)	Compared to forecast		Operating profit		YoY change		Consolidated Financial Forecast for FY03/24 (2024/1/31)	Compared to forecast	
	FY03/24	FY03/23	Change	Change (%)		Change	Change (%)	FY03/24	FY03/23	Change	Change (%)		Change	Change (%)
Public Funeral Services	↓ 5,536	5,559	(23)	(0.4)	5,808	(272)	(4.7)	↑ 1,102	913	189	20.8	1,130	(28)	(2.5)
Profit-Generating Funeral Services	↑ 9,284	6,384	2,900	45.4	8,667	617	7.1	↑ 4,130	2,235	1,895	84.8	3,382	748	22.1
Asset Consulting	459	—	459	—	537	(78)	(14.5)	286	(0)	286	—	311	(25)	(8.0)
Information	↓ 15,168	18,047	(2,879)	(16.0)	18,282	(3,114)	(17.0)	↓ 311	393	(82)	(20.9)	900	(589)	(65.4)
HR	↓ 5,755	6,677	(922)	(13.8)	6,544	(789)	(12.1)	↑ 59	(26)	85	—	227	(168)	(74.0)
Adjustments, etc.			0	—		0	—	↓ 241	764	(523)	(68.4)	179	62	34.6
Total	↓ 36,203	36,668	(465)	(1.3)	39,841	(3,638)	(9.1)	↑ 6,133	4,280	1,853	43.3	6,128	5	0.1



 ... YoY change

- **Funeral Services:** Cremation volume declined YoY (97.0% for the full year), but revenues increased significantly due to an expansion of the funeral hall to be completed in September 2023
- **Information:** Despite a decline in printing demand, the Company secured earnings through cost reductions and other measures, but struggled due to the postponed orders of BPO projects
- **HR:** Sales decreased YoY due to a slow recovery of demand for human resources in the Tohoku and Hokuriku areas, the main areas of business

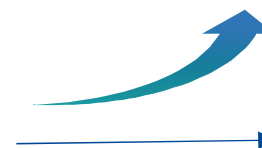
1-04 Shareholder Return | Dividend

Dividend for FY03/24

- ✓ The year-end dividend has been revised (payout ratio 35%) due to the full-year consolidated performance results

**Increase in dividend
payout ratio**

15.0%
FY03/23 results



35.0%
FY03/24 forecast

Record date	Dividend per share		
	End of Q2	End of FY	Total
FY03/23 results	7.75 yen	13.50 yen	21.25 yen
FY03/24 initial forecast May 12, 2023	23.65 yen	23.65 yen	47.30 yen
FY03/24 previous forecast March 12, 2024	(29.47 yen) (Completed)	6.41 yen* (29.47 yen)	— (61.52 yen)
FY03/24 revised forecast May 15, 2024	(29.47 yen) (Completed)	6.60 yen* (33.0 yen)	— (62.47 yen)

Figures in parentheses represent pre-split conversion. * Dividend per share after stock split effective December 1, 2023

Note: The FY03/24 year-end dividend will be approved at the Company's annual shareholders meeting on June 27.



1-05 Status of New Businesses

Funeral Business

* ... 2 companies: Kosaido Lifewell, Gran Ceremo Tokyo

- FY03/24 Performance (2 companies* total)

(Millions of yen)

	Q1					Q2					Q3					Q4					Full year				
	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year	Actual	Plan	Diff. from plan	Prior year	Diff. from prior year
Net sales	329	343	(14)	44	285	383	360	23	209	174	507	387	120	376	131	619	402	217	382	237	1,838	1,492	346	1,013	825
Operating profit	45	20	25	(59)	104	35	31	4	(39)	74	68	43	25	15	53	81	54	27	46	35	230	150	80	(37)	267

Primary cause

[Difference from plan] Sales activities and expenditures for advertising led to an increase in the scale of sales

[Difference from the prior year] There were upfront costs because the previous fiscal year was the first year for the newly launched funeral business

Asset Consulting Business

- The number of inheritance procedures and inheritance tax returns continued to grow steadily from Q3.
- Although some deals were delayed, and earnings forecasts were slightly below expectations, the Company succeeded in generating earnings quickly.

Furnaces

- Started performing maintenance in-house. The design of the cremation furnace is also well underway.

2

FY03/25 Financial Forecast and Dividend Forecast

2-01 Consolidated Financial Forecast for FY03/25

FY03/25

(Millions of yen)

	Full-year forecast	Prior FY results (recently announced)	YoY	
			Change	Change (%)
Net sales	39,700	36,203	3,497	9.7
Operating profit	8,000	6,133	1,867	30.4
Ordinary profit	7,750	6,121	1,629	26.6
Profit attributable to owners of parent	5,240	4,895	345	7.0

Sales for the funeral hall completed its expansion in September 2023 are now reported for the full year.

Maximize revenues by maintaining and managing capacity utilization

2-02 Financial Forecast for FY03/25 by Segment

FY03/25

	Financial forecast	Prior FY results	(Millions of yen)	
			YoY	
			Change	Change (%)
Net sales	39,700	36,203	3,497	9.7
Public Funeral Services Segment	6,200	5,536	664	12.0
Profit-Generating Funeral Services Segment	10,450	9,284	1,166	12.6
Asset Consulting Segment	700	459	241	52.5
Information Segment	15,750	15,168	582	3.8
HR Segment	6,600	5,755	845	14.7
Operating profit	8,000	6,133	1,867	30.4
Public Funeral Services Segment	1,330	1,102	228	20.7
Profit-Generating Funeral Services Segment	4,410	4,130	280	6.8
Asset Consulting Segment	500	286	214	74.8
Information Segment	600	311	289	92.9
HR Segment	290	59	231	391.5
Adjustments	870	241	629	261.0

In FY03/24, adjustments declined due to stock compensation expenses (812M) incurred for stock options, but no such expenses are expected to be incurred in FY2025.

2-03 Dividend Forecast for FY03/25

FY03/25

Record date	Dividend per share		
	End of Q2	End of FY	Total
FY03/24 results	(29.47 yen)	6.60 yen [*] (33.0 yen) (Planned)	— (62.47 yen) (Planned)
FY03/25 forecast	6.37 yen	6.37 yen	12.74 yen

* Dividend per share after stock split effective December 1, 2023 Figures in parentheses represent pre-split conversion.

By achieving the profit growth indicated in Medium-Term Business Plan 4.0, we expect to be able to maintain a dividend payout ratio of 35%

3

**Medium-Term Business Plan 4.0
(FY2024 - FY2026)**

3-01 Medium-Term Business Plan 4.0 Basic Policy

1. Further improve business performance

- Maximize revenue from funeral halls expanded in FY2023
- Grow revenues from the Asset Consulting Business

2. Invest for long-term growth

- Begin taking concrete steps to expand funeral halls on existing sites
- Plan and study further measures that contribute to sustainable growth

3. Further enhance shareholder returns

- Pay a progressive dividend during the period of Medium-Term Business Plan 4.0
(maintain and improve the dividend level)
- Consider raising the target dividend payout ratio to 40%

3-02 Medium-Term Business Plan 4.0 Performance Targets

(Millions of yen)

	FY03/22 results	FY03/23 results	FY03/24 results	Medium-Term Business Plan 4.0		
				FY03/25 plan	FY03/26 plan	FY03/27 plan
Net sales	35,361	36,668	36,203	39,700	41,930	44,000
Operating profit	3,729	4,280	6,133	8,000	8,800	9,400
Ordinary profit	3,610	4,185	6,121	7,750	8,600	9,200
Profit before income taxes	3,627	4,071	7,075	7,750	8,600	9,200
Income taxes	17	29	2,180	2,510	2,600	2,760
Profit attributable to owners of parent	3,643	4,042	4,895	5,240	6,000	6,440

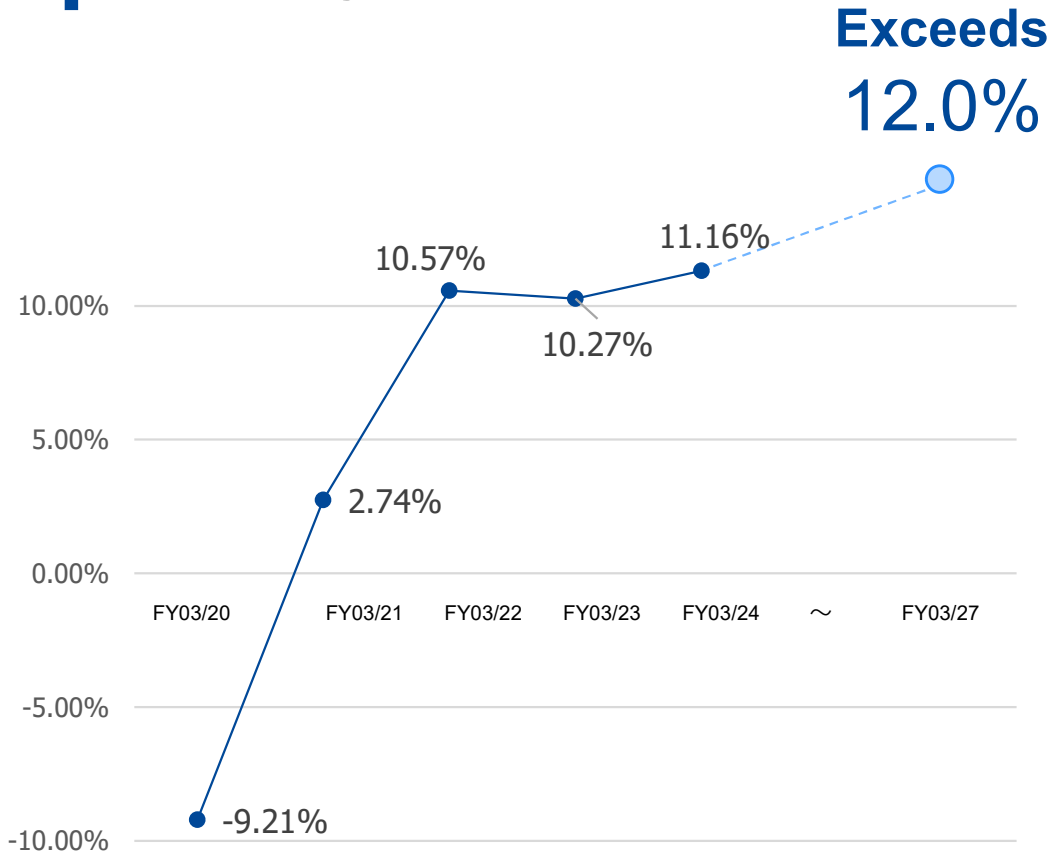
3-03 Medium-Term Business Plan 4.0 Performance Targets by Segment

(Millions of yen)

		FY03/23 results	FY03/24 results	Medium-Term Business Plan 4.0		
				FY03/25 plan	FY03/26 plan	FY03/27 plan
Public Funeral Services	Net sales	5,561	5,536	6,200	6,380	6,570
	Operating profit	1,015	1,102	1,330	1,380	1,430
Profit-Generating Funeral Services	Net sales	6,382	9,284	10,450	10,800	11,150
	Operating profit	2,139	4,130	4,410	4,580	5,000
Asset Consulting	Net sales	0	459	700	1,400	1,400
	Operating profit	(0)	286	500	1,000	1,000
Information	Net sales	18,048	15,168	15,750	16,350	17,130
	Operating profit	392	311	600	620	680
HR	Net sales	6,677	5,755	6,600	7,000	7,750
	Operating profit	(27)	59	290	320	370
Adjustments		761	241	870	900	920
Total	Net sales	36,668	36,203	39,700	41,930	44,000
	Operating profit	4,280	6,133	8,000	8,800	9,400

3-04 Improve return on capital

ROE Target



Improve
ROE

Strengthen profitability

- ✓ New funeral hall expansion
- ✓ Expansion of Asset Consulting business

Asset efficiency improvement

- ✓ Reduction of total assets, etc.

Improve profitability

Shareholders' equity control

Enhance shareholder returns

- ✓ Increase the dividend payout ratio
- ✓ Share repurchases and other flexible measures

After investing in new funeral halls, we will overhaul our shareholder return policy into a system that aims for high ROE.

Outline of Expansion Plan for Funeral Halls

Construction process will begin in **October 2024**. Increase of the total **117** halls



Kirigaya Funeral Home
(Shinagawa-ku, Tokyo)

Completed in 2025 [5 halls added]



Ochiai Funeral Home
(Shinjuku-ku, Tokyo)

Completed in 2026 [7 halls added]



Yotsugi Funeral Home
(Katsushika-ku, Tokyo)

Completed in 2027 [16 halls added]



Machiya Funeral Home
(Arakawa-ku, Tokyo)

Completed in 2029 [48 halls added]



Yoyohata Funeral Home
(Shibuya-ku, Tokyo)

Completed in 2030 [28 halls added]



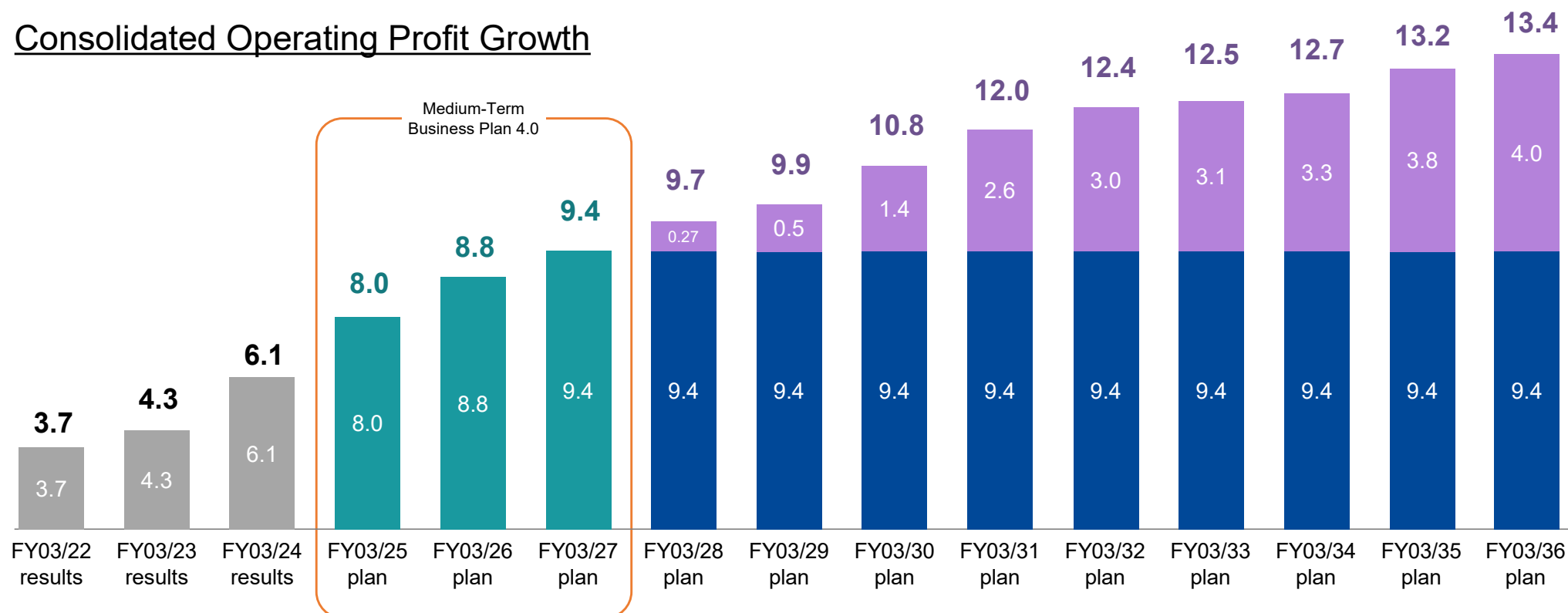
Horinouchi Funeral Home
(Suginami-ku, Tokyo)

Completed in 2033 [13 halls added]

3-06

Medium-Term Business Plan 4 + Future Expansion of Funeral Halls (Billions of yen)

Consolidated Operating Profit Growth



Cumulative number of new funeral halls (end of FY)

5 halls	12 halls	28 halls	28 halls	76 halls	104 halls	104 halls	104 halls	117 halls	117 halls	117 halls
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Increase in number of new funeral halls (end of FY)

+5 halls	+7 halls	+16 halls	-	+48 halls	+28 halls	-	-	+13 halls	-	-
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New funeral hall operating profit

0.16 bn yen	0.4 bn yen	0.27 bn yen	0.5 bn yen	1.4 bn yen	2.6 bn yen	3.0 bn yen	3.1 bn yen	3.3 bn yen	3.8 bn yen	4.0 bn yen
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Depreciation for new funeral halls

4 mil yen	12 mil yen	46 mil yen	95 mil yen	260 mil yen	360 mil yen	370 mil yen	370 mil yen	380 mil yen	410 mil yen	410 mil yen
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Investment in new funeral halls

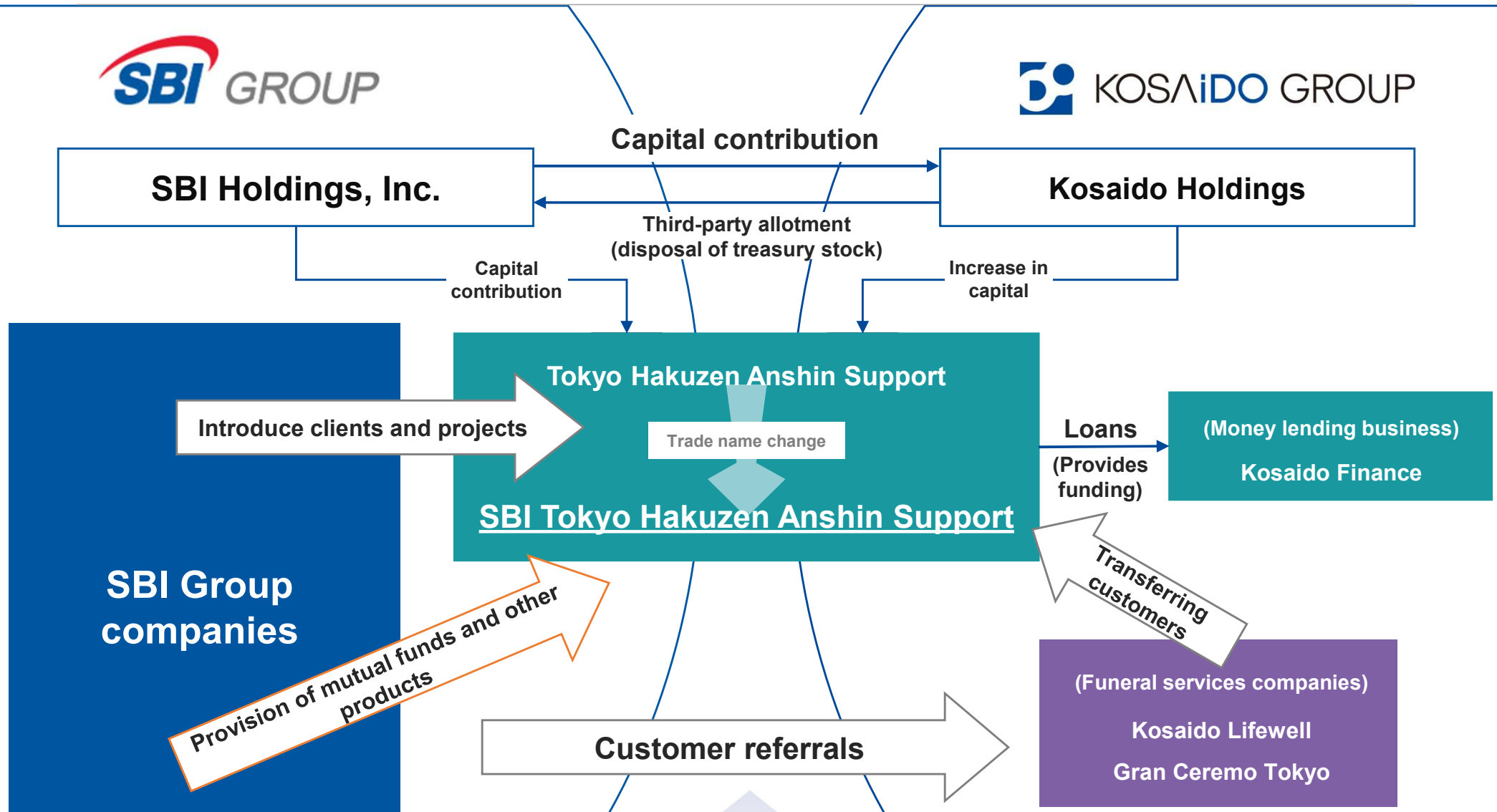
1.3 bn yen	4.1 bn yen	4.6 bn yen		4.4 bn yen	1 bn yen			1.6 bn yen		
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Total investment amount | 17 billion yen

◀ This investment will be allocated entirely from retained earnings



3-07 Growth strategy | Expansion of asset consulting business [Collaboration image]



Currently under discussion. To be announced separately as soon as it is finalized.

Performance Plan for the Asset Consulting Segment

(Millions of yen)

	FY03/24 results	FY03/25 plan	FY03/26 plan	FY03/27 plan
Net sales	459	700	1,400	1,400
Operating profit	286	500	1,000	1,000

The business of this segment is recognized as having already reached the 500 million yen annual operating profit stage.

Through this partnership, we will resolve current issues and **increase the certainty of achieving an annual operating income of 1 billion yen**

“Current issues” in this segment

(1) Opportunity loss

When a customer with cash in hand inquires about a financial product, we forfeit sales opportunities due to a lack of financial products in our Group

(2) Speed of business expansion

We feel the need for additional measures to expand the scale of our business at an accelerated pace

3-09 Shareholder Return

Dividend plan

Secure a dividend payout ratio of about 35%, with a future target of 40%.

(Millions of yen)

	FY03/22 results	FY03/23 results	FY03/24 results (planned)	FY03/25 plan	FY03/26 plan	FY03/27 plan	
Current net profit	3,643	4,042	4,895	5,240	6,000	6,440	
Dividend amount	End of Q2	-	221	796	917	1,050	1,127
	End of FY		385	950	917	1,050	1,127
	Total		606	1,746	1,834	2,100	2,254
Dividend payout ratio	-	15%	35%	<u>Aiming to further increase the dividend payout ratio</u>			

Other measures for shareholder return

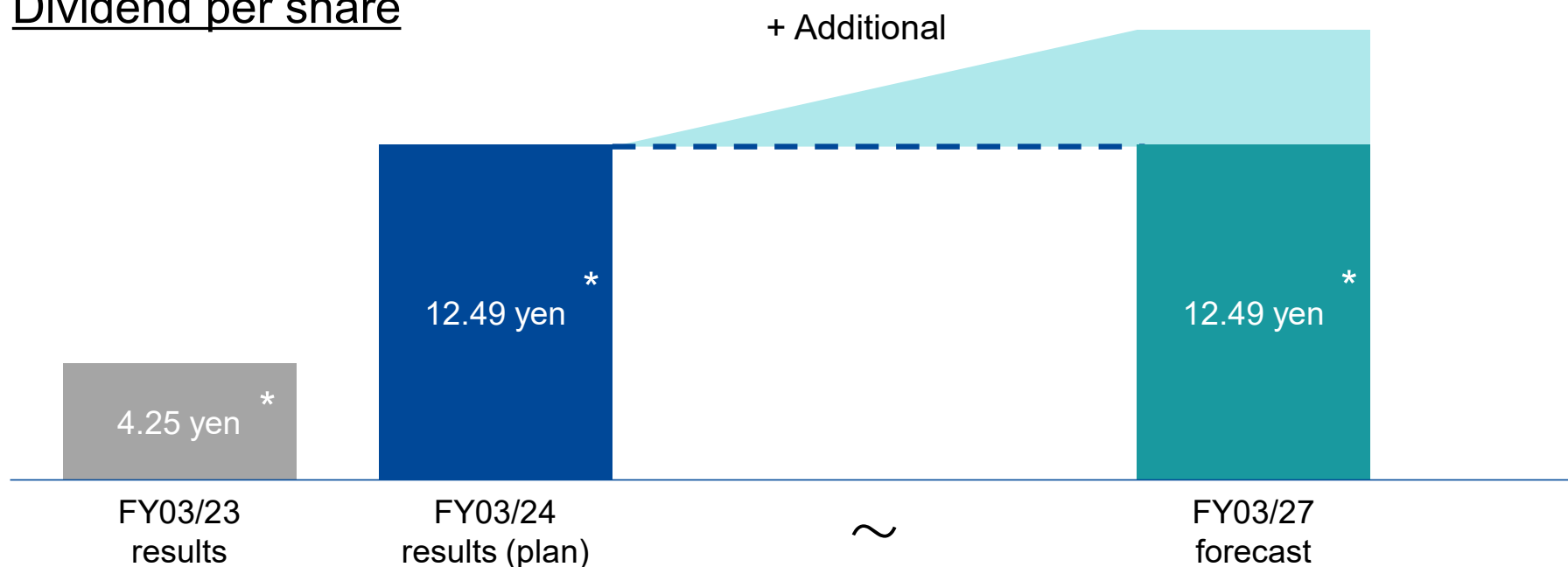
We will consider implementing flexible shareholder returns, including share buybacks.

3-10 Shareholder Return

Introduction of progressive dividends

- ✓ During the period of the Medium-Term Business Plan, the dividend per share will be based on the actual dividend per share for the fiscal year ended March 31, 2024, and will not be reduced.
- ✓ Target a dividend payout ratio of 40% and aim for continuous dividend increases

Dividend per share



* Calculated based on dividend per share after stock split effective December 1, 2023

3-11 Business Segment Summary

■ Public Funeral Services Segment

- ✓ Carry out our social mission for the cremation business and provide greater convenience for Tokyo's residents

■ Profit-Generating Funeral Services Segment

- ✓ Began work on a funeral hall expansion on the existing site. Contributing to eliminating cremation waits during peak season

■ Asset Consulting Segment

- ✓ Achieved profitability from the first year. Paving the way for 1 billion yen in segment profit for the full year

■ Information Segment

- ✓ Maintained existing earnings while promoting new initiatives such as upstream printing (advertising agency) business

■ HR Segment

- ✓ Profitability improved due to strengthening cooperation with other companies in recruitment media and creating synergy by consolidating temporary staffing agencies

4

Change of Representative

*** To be elected at the 60th Annual
General Meeting of Shareholders to be
held on June 27, 2024**

4-01 Change of Representative

Message from the President-Elect (planned)



[Name]

Masahiko Maekawa

[Greetings]

Greetings to all shareholders and investors.

My name is Masahiko Maekawa, and I will be joining the Kosaido Group in June. After starting my career as a banker, I gained an experience as an economist and analyst, and then established a venture investment business in the Japan Post Group with the aim of achieving medium- to long-term growth. I have also worked to support start-ups related to the senior and end-of-life businesses.

I am very happy to have had the opportunity to accept this great responsibility. I look forward to your continued support as I apply my experience and devote myself wholeheartedly to the Kosaido Group's continued growth.

[Biography]

Graduated from Kyoto University, Faculty of Economics in 2001, and joined Sanwa Bank (currently MUFG Bank).

Joined Japan Post in 2014 after working for Morgan Stanley MUFG Securities, Asset Management One, and Nomura Securities, etc.

Managing Director and Chief Investment Officer of Japan Post Capital in 2017.

Director and CIO of DG Incubation in 2021.

Senior Executive Officer of the Company in 2024 (planned). He is 46 years old and from Tokyo, Japan.



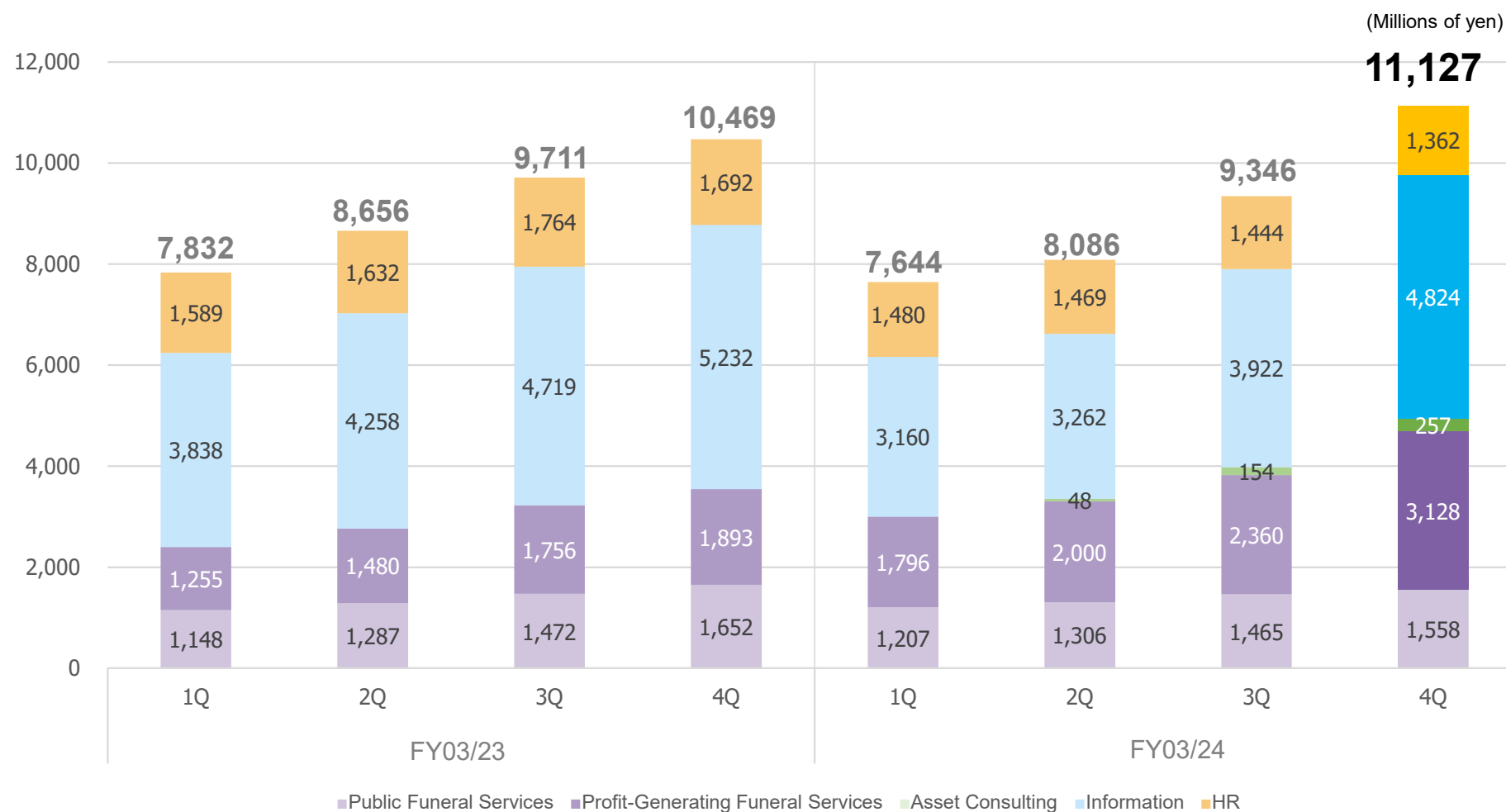
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Appendix

- 1. Details of FY03/24 Results**
- 2. ESG Reporting**
- 3. Company Overview**

A1-01 Quarterly Trend (Net Sales)

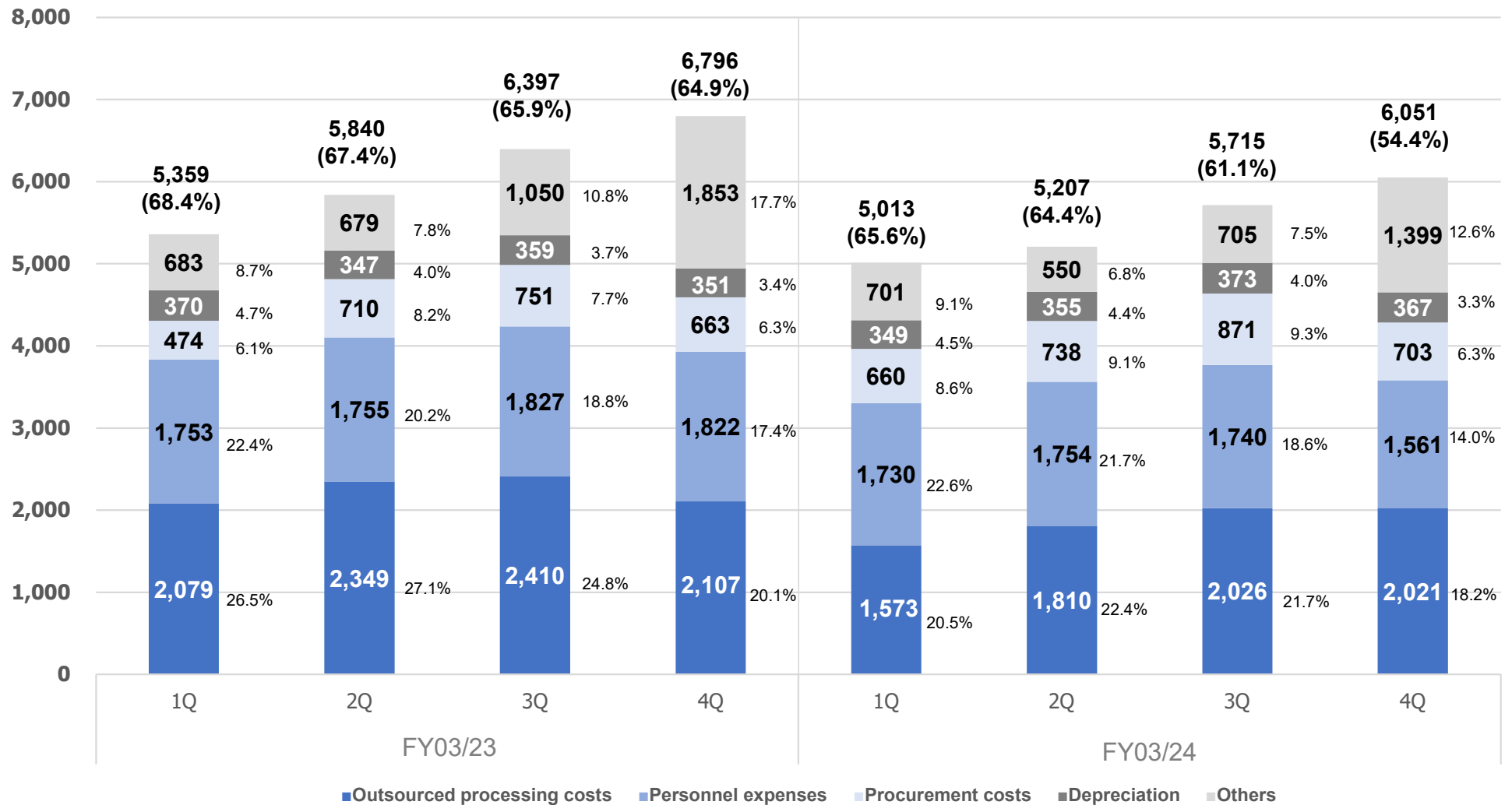
- Q4 net sales increased 6.2% YoY. Tokyo Hakuzen's new funeral halls maintained high occupancy rates and contributed to revenue growth. On the other hand, the Information and HR segments failed to grow.



A1-02 Quarterly Trend (Cost of Sales)

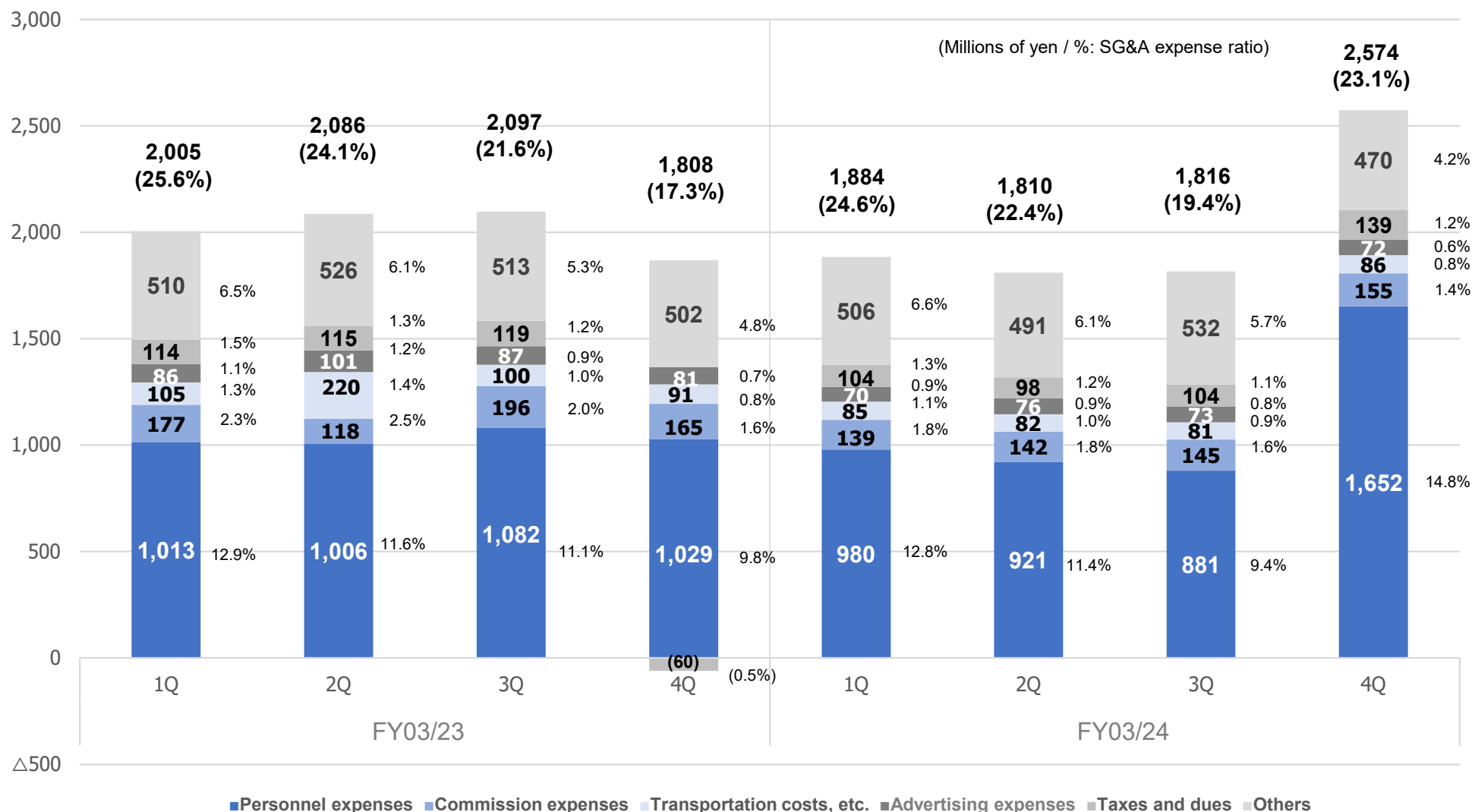
- Q4 cost of sales decreased year on year (-745 million yen, -10.5 pt cost of sales ratio)
- Cost reductions due to lower sales and continued fixed cost reductions in the Information Segment

(Millions of yen / %: Cost of sales ratio)



A1-03 Quarterly Trend (SG&A Expenses)

- Q4 SG&A expenses increased year on year (+766 million yen, +5.8 pt SG&A expenses ratio)
- Stock compensation expense (812 million yen) related to one-time stock options was a factor in the increase.

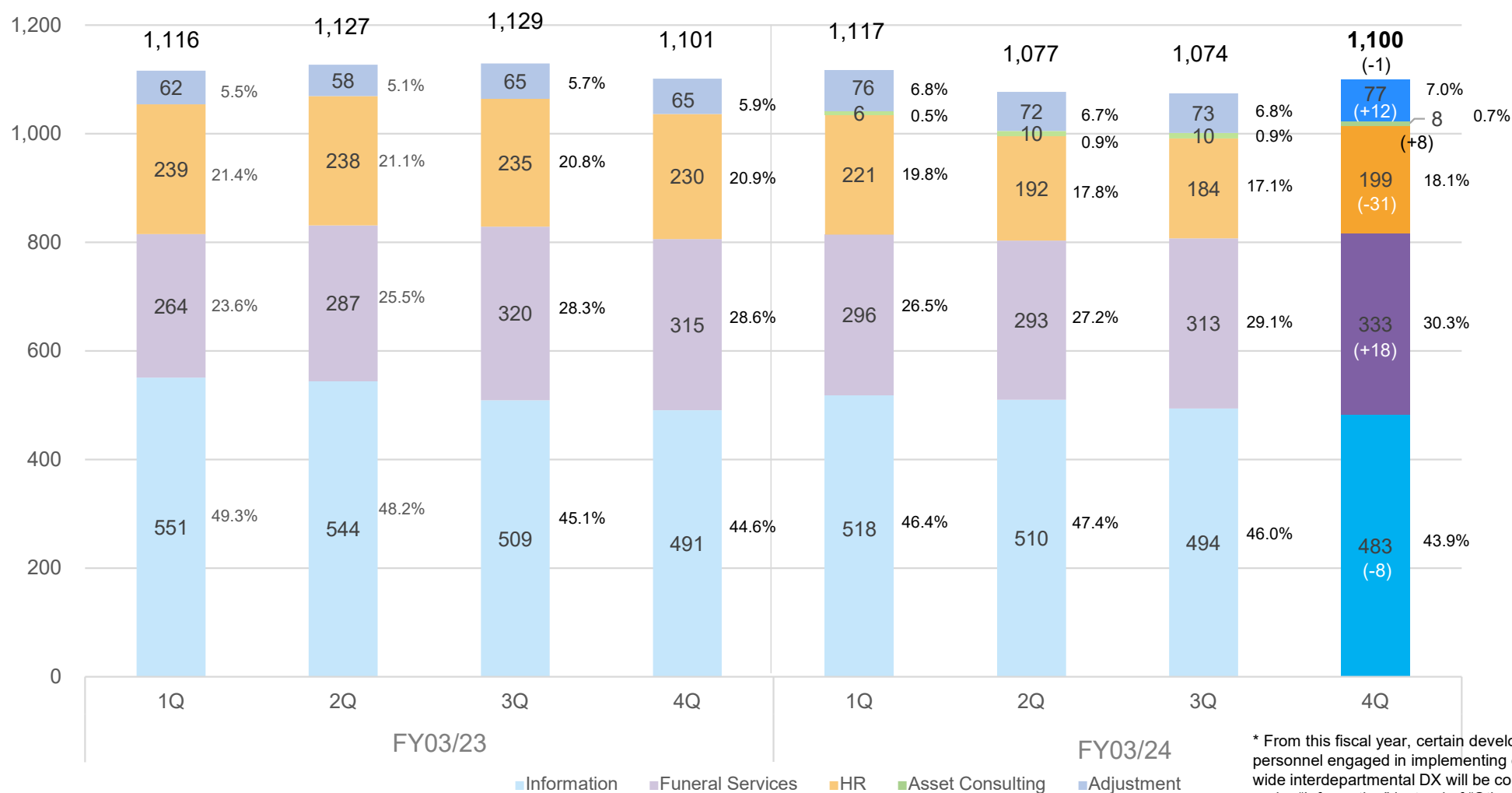


A1-04 Quarterly Trend (Number of Employees)

- Review personnel in Information and HR and promote business optimization

(Number of employees / %: Composition ratio)

* Numbers inside parentheses indicate YoY change



* From this fiscal year, certain development personnel engaged in implementing company-wide interdepartmental DX will be counted under "Information" instead of "Other."

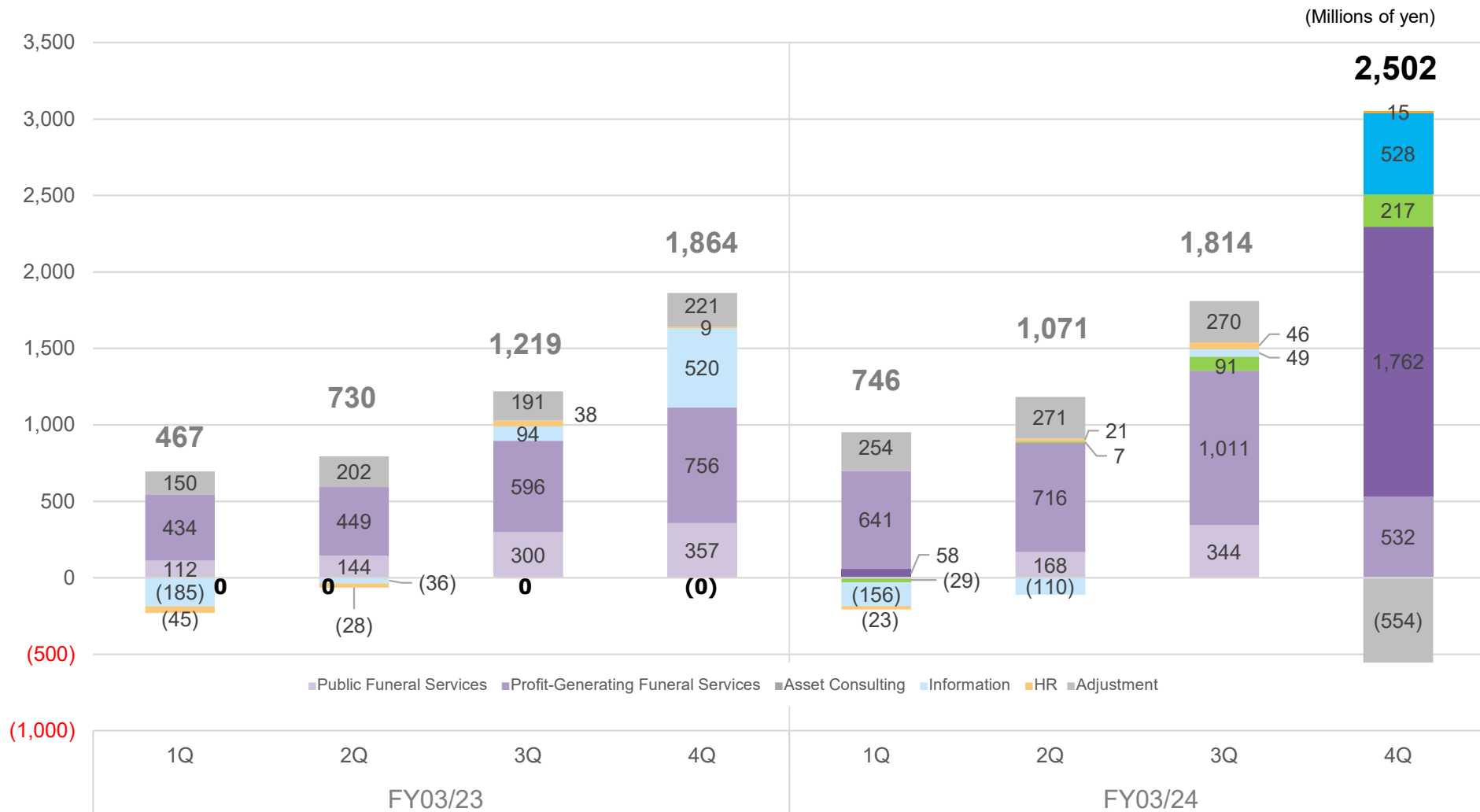


Quarterly Trend

A1-05 (Operating Profit by Segment)

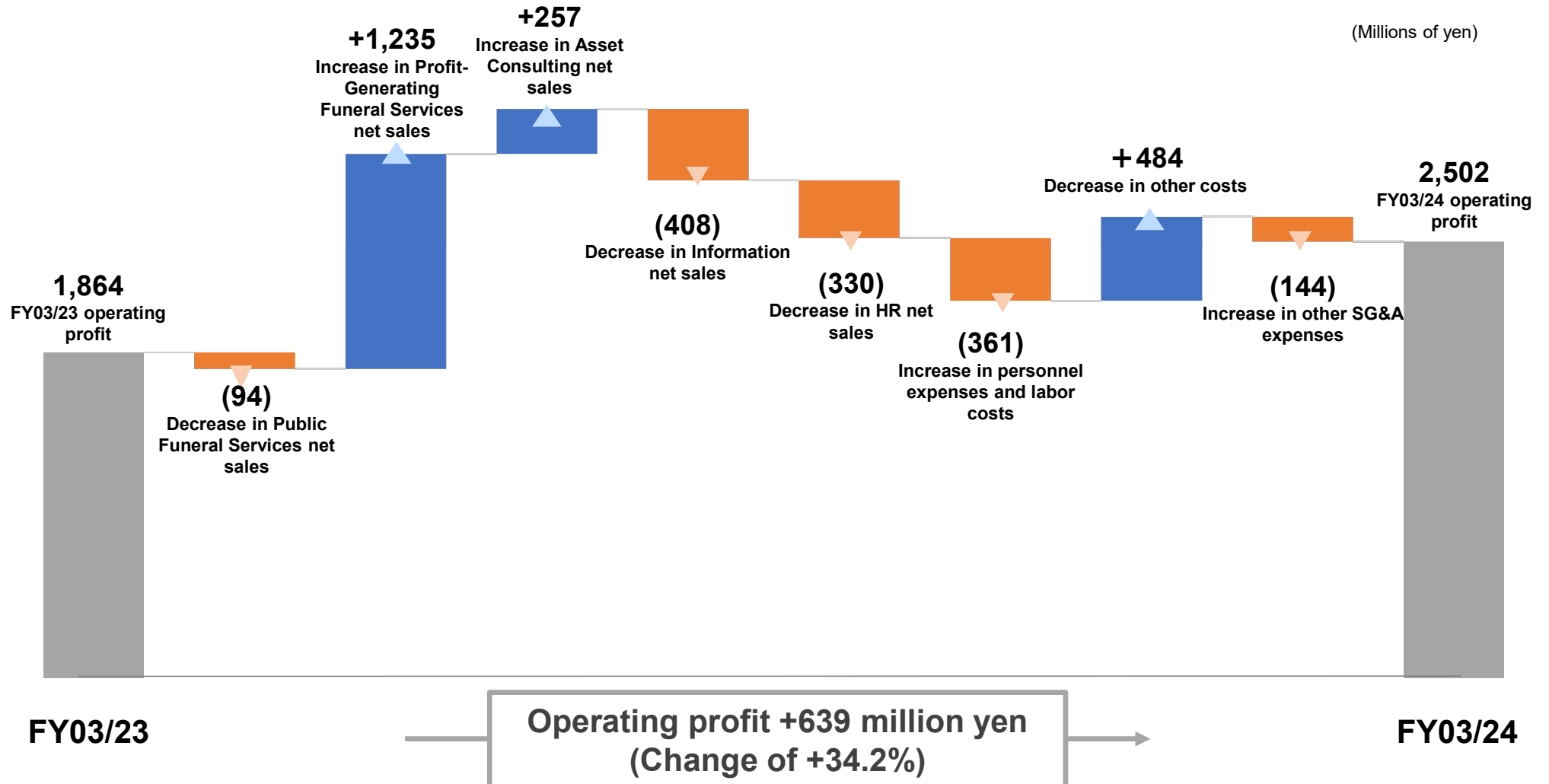
The method for booking management guidance fees for Group companies has been changed effective from the first quarter of the current fiscal year. These fees, which were included in corporate expenses as an adjustment, are now booked as operating expenses for each Group company of the reporting segment. Materials for the previous fiscal year were prepared according to this change.

- Operating profit in the fourth quarter benefited from the high occupancy rates of new funeral halls in the Profit-Generating Funeral Services Segment. Adjustments deteriorated YoY due to one-time stock compensation expense.



A1-06 Q4 FY03/24 Analysis of Change in Operating Profit (Major Items)

- Information and HR segments income decreased year on year while Profit-Generating Funeral Services income increased significantly. Overall profit increased due to cost reductions in the Information and HR segments despite the recording of stock compensation expense.



A1-07 Consolidated Balance Sheet

(Millions of yen)

	March 2023	March 2024	Difference as of quarter end
Current assets	27,998	34,844	7,060
Cash and deposits	18,699	18,974	275
Notes and accounts receivable–trade	5,810	5,410	(400)
Non-current assets	43,134	42,657	(477)
Property, plant and equipment	35,807	37,060	1,253
Intangible assets	886	727	(159)
Investments and other assets	6,440	4,869	(1,571)
Total assets	71,134	77,502	6,582
Current liabilities	12,443	14,064	1,835
Short-term debt	1,400	1,400	0
Income taxes payable	325	1,193	1,082
Non-current liabilities	17,256	15,898	(1,358)
Total liabilities	29,699	29,963	478
Shareholders' equity	41,060	46,588	5,528
Capital	100	363	263
Retained earnings	30,561	34,253	3,692
Share acquisition rights	11	800	789
Total net assets	41,434	47,539	6,105
Total liabilities and net assets	71,134	77,502	6,582

A1-08 Public Funeral Services Business Income & Expenditures | Q4 FY03/24

The Public Funeral Services Business is a business that has a significant amount of public interest and requires permanence and non-profitability

Increase in transparency



Increase in business stability

- The Company's responsibilities in the Public Funeral Services Business

Investment in maintaining and renovating cremation furnaces

Provision for losses, etc. in the Public Funeral Services Business

- Concept underlying income and expenditures in the Public Funeral Services Business (calculation formula)

Profit from the Public Funeral Services Business - income taxes, etc. - reserve for special repair of cremation furnaces = Balance of payments

||

(Reserves for losses in the Public Funeral Services Business)

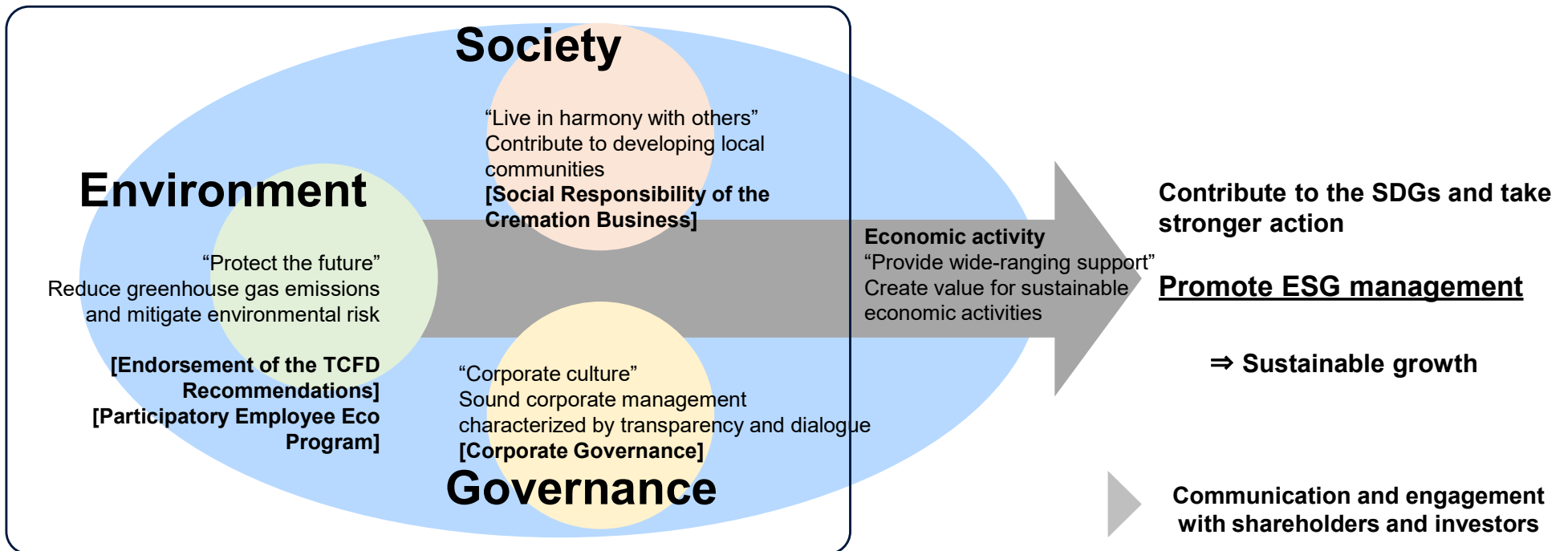
- Business Income & Expenditures for FY03/24 | Cumulative total from April 2023 to March 2024

(i) Profit in the Public Funeral Services segment			(iv) Income taxes	(v) Reserve for special repair of cremation furnaces	(vi) Business income & expenditure (i - iv - v) =	The balance of payments is appropriated as profit	(vii) Reserves for losses in the Public Funeral Services Business
(ii) Segment sales	(iii) Segment expenses	(ii - iii) =					
5,536	4,434	1,102	337	750	15		15

A2-01 ESG Activities Report

The purpose of the Kosaido Holdings ESG Activity Report is to provide shareholders, investors, business partners, and a wide range of other stakeholders with an understanding of the Company’s approach and concrete action to further sustainability. The Kosaido Group SDGs Declaration defines four materialities (key issues) that are linked to both ESG and business management.

The word “Kosai” in our company name means “contributing to society at large.” Since our founding, we have diversified into the Public Funeral Services Business, Profit-Generating Funeral Services Segment, Asset Consulting, Information, and HR according to this common philosophy, thus providing valuable services that people and society appreciate. This report presents concrete action in our ESG with an awareness of our contribution to the SDGs, along with action to carry out our corporate philosophy.



ESG Reporting [Society]

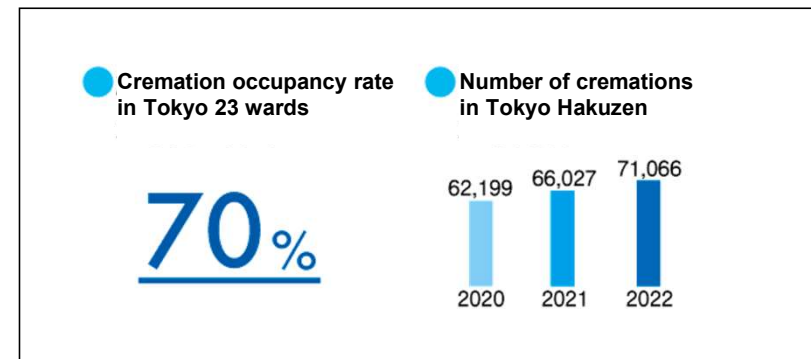
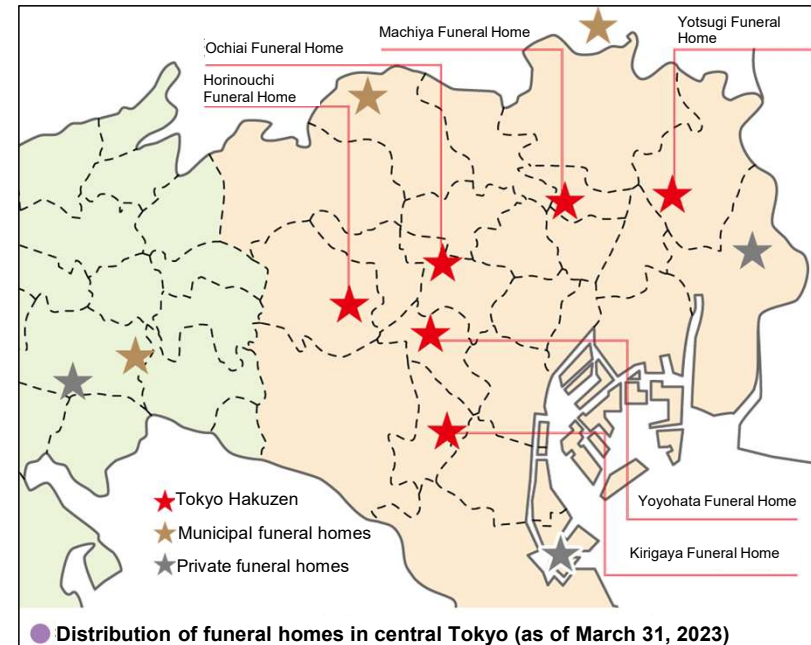
A2-02 - The Social Responsibility of the Cremation Business

The Company conducts our business based on the spirit of “Kosai,” which means “contributing to society at large.” Especially in Tokyo Hakuzen’s cremation business, we contribute to the local community at large by carrying on this spirit and putting it into practice.

Originally, crematorium operations in Japan were regulated by the Act Concerning Graveyard, Burial, etc. and managing entities were generally local public organizations. Even if operations were more difficult, the operator had to be a public interest corporation or a religious corporation. But because Tokyo Hakuzen has been doing business in Tokyo since before this law came into force, **Tokyo Hakuzen, a private company, is operating six crematoriums.** Tokyo Hakuzen’s crematoriums have a long history. They were built between the Edo Period (1603-1867) to the Meiji Era (1868-1912). Today, these facilities stand at convenient locations in Tokyo.

There are 64* furnaces operating at Tokyo Hakuzen funeral homes, **handling approximately 70,000 cremations a year.*** This accounts for **about 70% of deaths in Tokyo’s 23 wards.*** Therefore, these locations receive many visitors, around 700,000. (*As of March 2024)

For the more than 100 years since our establishment, we have been an indispensable business upholding the social infrastructure in the metropolis of Tokyo and fulfilling our social responsibility, and doing so without public assistance as we are a private company. In addition to contributing to the local community, our cremation business supports its development.



Social Responsibility of the Cremation Business in a High-Death Society

Both local communities and Japanese society as a whole are facing a high number of deaths, and that figure increases by the year. As shown in the trend graph of the number of deaths on the next page, nationwide deaths will peak by around 2040, and the number in Tokyo will continue increasing until 2065.

In 40 years, the number of deaths in Tokyo will increase to about 1.7 times
2022: 120,000 ppl ▶ 2060: 200,000 ppl

* See next page for details of the death statistics and trends.

In a society already facing a high number of deaths, those of us in the cremation business must take prompt action.

Public facilities operated by local governments already cannot cope, resulting in cremation waiting lists. In the future, these facilities may become more incapable of holding the funeral services requested by bereaved families.

In response, Tokyo Hakuzen is working to accurately understand social issues and problems from our unique business perspective as a private company, and we are striving for sustainable operations that do not rely on public funds. Tokyo Hakuzen, with a history spanning 100 years, takes seriously the rapidly accelerating pace of deaths in Tokyo's large population. We believe that it is our social responsibility to make efforts to build a society where we can always perform cremations and funeral processions at any time.

We also clearly recognize that without Tokyo Hakuzen, funeral processions in Tokyo would not be possible. Carrying on our business for the next 100 years and in perpetuity is also connected to our company's great significance for society. We aspire to be a company that society always recognizes for its contributions, while establishing bonds of trust with society and members of the local community, and maintaining an awareness of the requirements for appropriate behavior according to our corporate responsibilities.

■ Specific measures to eliminate cremation waiting lists ■

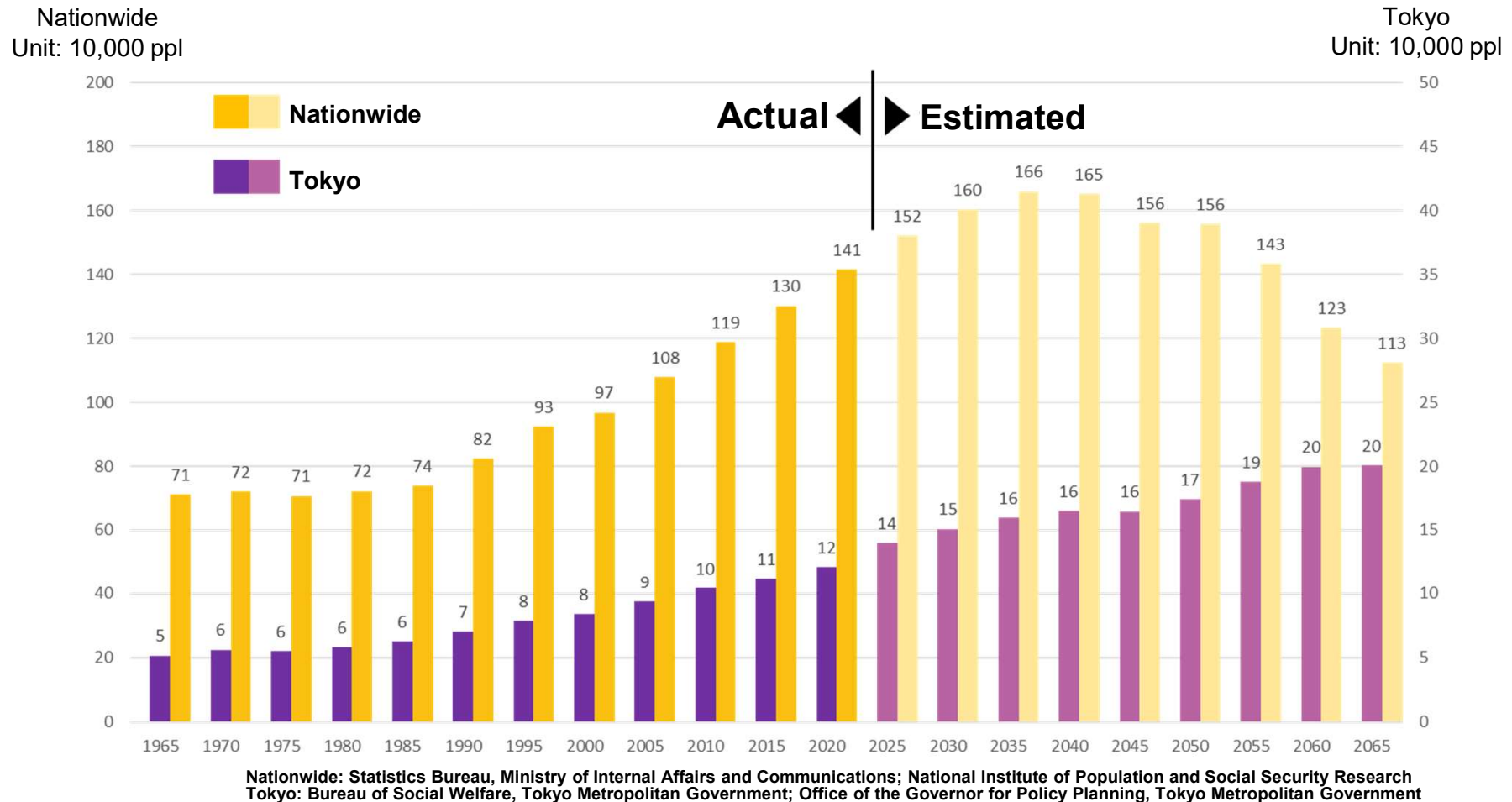
[Released in December 2023]

As a provider of cremation infrastructure in the Tokyo metropolitan area, we have expanded the number of operating days and extended operating hours during the winter season in order to resolve increasingly longer cremation wait times, a recent social issue. By maximizing the operation of 64 cremation furnaces in 6 funeral halls and maintaining a furnace utilization rate of 70% or less, we have established a system that enables cremations to take place at the date and time requested. We will continue to respond flexibly as only a private company can.



広濟堂グループ
東京博善

State of the Population | Estimated Deaths



**Nationwide deaths will peak in around 2040, but will continue rising in Tokyo until at least 2065.
 (* There were 1.58 million deaths nationwide in 2022.)**

ESG Reporting [Society]

A2-05 - The Social Responsibility of the Cremation Business

Tokyo Hakuzen's Actions

■ Cremation technology that ensures a smooth funeral service while fulfilling a social responsibility.

While many crematoriums use furnaces with carts, Tokyo Hakuzen uses grates that enable quick cremations so we can handle the increasing number of services. While other crematoriums normally handle two to three services per day, ours perform seven to nine. This eliminates waiting times before funeral services and reduces the psychological burden for the bereaved. To cope with a society with a high number of deaths, we are focused on improving our operations as well as our technology.

Outside the cremation furnaces at Yotsugi Funeral Home



■ Environmental considerations. We have developed a new, next-generation cremation furnace system. (Patented) ★Environmentally friendly

To help protect the environment, we are furthering the development of new cremation furnace systems that suppress dioxins while reducing CO₂ emissions. We have developed and patented Japan's first environmentally friendly cremation furnace system that generates electricity from the cremation furnace's residual heat and uses a power recycling system. This new cremation system significantly reduces exhaust gas emissions compared to conventional cremation furnace systems, and has achieved reductions in CO₂, dioxins, and other toxic substances.



■ Holding regional events that aim for mutual understanding through exchanges with the local community. ★CSR activities

Each of our six funeral homes in Tokyo holds Community Appreciation Gatherings to thank neighboring communities for their understanding and support. We endeavor to provide a setting where people of all ages can have an enjoyable and meaningful time through various events such as facility tours, morning markets, sales of products that support the employment of people with disabilities, rakugo (traditional Japanese comic storytelling) performances, mini concerts, art exhibitions, health seminars, and more. Each funeral hall has been holding successful events every two months.



Events have been held every two months at a different funeral hall. We plan elaborate events for the community to enjoy.
* Information about "Community Appreciation Gathering" events will be posted on the Tokyo Hakuzen website as it becomes available.

A2-06 ESG Reporting [Environment]

Disclosure Based on the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations

In addition to endorsing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), in 2022, in response to increasing greenhouse gas emissions and extreme weather conditions caused by global warming, which have become important issues for the international community, the Group announced our SDGs Declaration to promote sustainability management. We have established materialities for the environment and will work with our partners to further reduce risks to the environment. In addition, we have begun to disclose information in accordance with the TCFD and will continue to implement the PDCA cycle to strengthen our management strategies related to climate change based on feedback from our stakeholders.

GHG Emissions Reduction Target

For GHG emissions from business activities at our company's sites (Scope 1 and 2), we are taking action to reduce emissions with a medium-term target of 2030. For Scope 3, we are surveying the state of GHG emissions control by suppliers and customers.

We disclose information according to TCFD recommendations on our Japanese website (CSR/Environmental Policy).

You can check the following items according to disclosure rules:

- “Governance,” “Strategy,” “Risk Analysis”
- “Indicators and Targets,” “Reduction Targets”

* Reduction targets and risk structure are continuously being upgraded. Specific response strategies will be released in the future.

項目	Scope1+2削減目標	Scope3削減目標
2050年目標	カーボンニュートラル	カーボンニュートラル
2030年目標	CO ₂ 総排出量 34%削減	サプライヤー及び販売先の状況を踏まえて策定
排出係数	環境省「算定・報告・公表制度における算定方法・排出係数一覧」	
基準年	2020年	



A2-07 ESG Reporting [Environment]

The "Participatory Employee Eco Program" is live (beginning in October 2023)

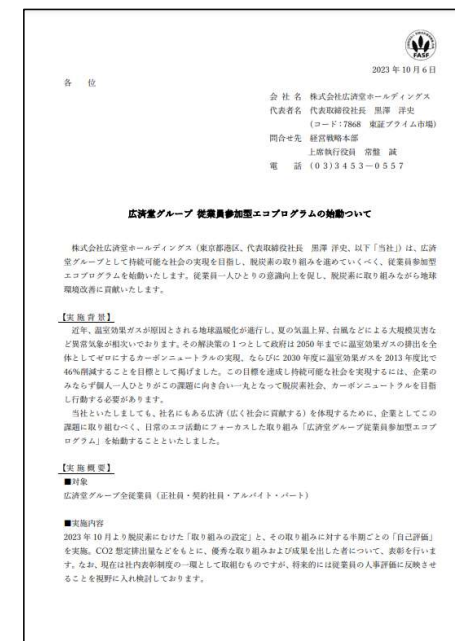
In October 2023, we launched the "Participatory Employee Eco Program" with the aim of raising awareness for environmental issues and encouraging participation in specific decarbonization initiatives by each and every one of the employees who make up the Kosaikido Group's corporate entity.

In recent years, global warming, which is believed to be caused by greenhouse gases, has led to climate change and a series of abnormal weather events such as large-scale disasters caused by typhoons. One solution has been the government's goal to achieve carbon neutrality, which means achieving zero greenhouse gas emissions by 2050, and a 46% reduction in greenhouse gas emissions by FY2030 compared to FY2013 levels. In order to achieve this goal and realize a sustainable society, individuals as well as companies must face this challenge and act together to achieve a decarbonized and carbon-neutral society.

Through the Program, we will endeavor to engage in everyday eco-activities in order to embody "Kosai", which is also in the name of our company, and address this issue collectively.

Employees will self-set and evaluate goals for decarbonization and progress as an ongoing program.

Starting in October 2023, we are considering having every employee set own goals based on "Daily Initiatives for Decarbonization" and conduct semi-annual self-evaluations of these initiatives, which will be reflected in employee performance evaluations in the future. We are working on this ongoing program to further raise awareness and promote initiatives.



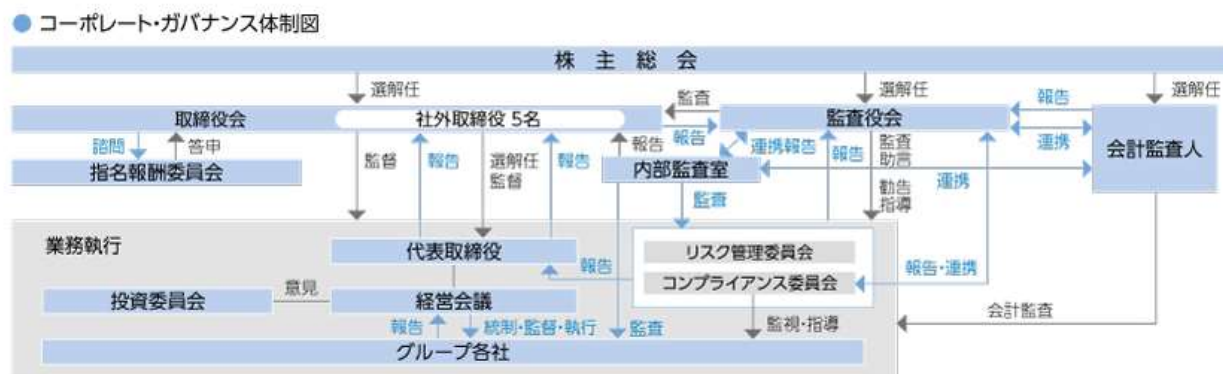
A2-08 ESG Activity Reporting [Governance]

Aiming to maximize shareholder value, sustainably increase enterprise value, and earn society's trust, we not only boost profitability, but also emphasize shareholder rights, implement efficient, fair, and transparent management practices, and ensure compliance. Furthermore, we enhance corporate governance by fulfilling the social responsibilities required of companies in terms of the environment, society, and governance, and by addressing social issues for the sustainable growth of the company and society.

Overview of Corporate Governance Structure

■ **Board of Directors** As a company with a Board of Corporate Auditors, we endeavor to enhance corporate governance and improve the fairness and transparency of management based on our basic concept by building a management organization that enables proper supervision and monitoring while allowing directors to make appropriate decisions and promptly carry out business operations. In addition, we have established a voluntary nomination and compensation committee whose primary members are independent outside directors and independent outside auditors, to deliberate and report to the Board of Directors on directors' compensation, the policy for determining their compensation, and proposed candidates for director positions. The Board of Directors comprises two executive directors, one non-executive director, five outside directors, and corporate auditors and generally holds a regular monthly Board of Directors meeting, along with extraordinary meetings as necessary, to determine important business strategies that include management targets and strategies, as well as matters required by law, and to supervise business execution.

■ **Board of Corporate Auditors** One full-time auditor and two outside auditors are appointed to ensure objectivity and neutrality in management oversight as they audit the state of governance and operations. In addition, we have appointed two outside auditors as independent directors, with the understanding that the roles of outside directors and outside auditors are, as an independent body entrusted by shareholders, to maintain a neutral and impartial position and ensure management's neutrality and objectivity.

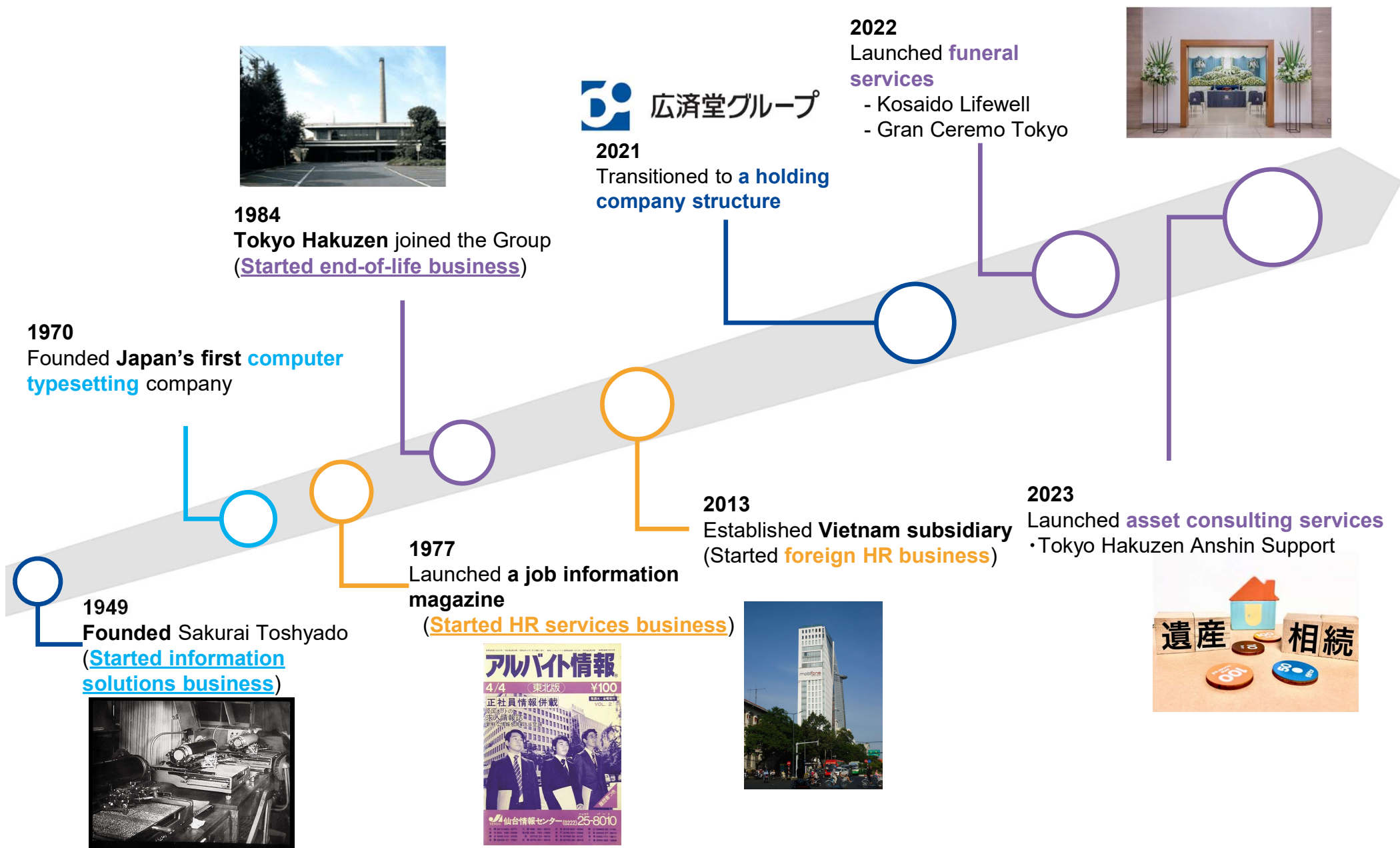


For more information on corporate governance, please visit the IR News section of our website. In addition, the Company has released "Measures to Realize Management that is Conscious of Capital Costs and Stock Prices" as newly disclosed information. Available from <https://www.kosaido.co.jp/ir/info/measures/>

A3-01 Company Overview

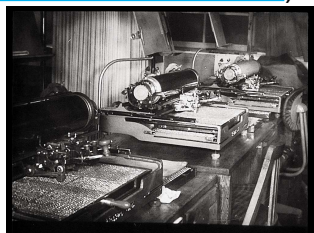
Company name	KOSAIDO Holdings Co., Ltd.	Establishment	January, 1949		
Net sales	36,203 million yen (FY03/24)	Total assets	77,502 million yen (as of March 31, 2024)	Net assets	47,539 million yen (as of March 31, 2024)
Representative	Hiroshi Kurosawa, President & CEO				
Number of employees	1,100 (consolidated as of March 31, 2024)				
Market	Prime Market, Tokyo Stock Exchange (Securities code: 7868)				

A3-02 History



1970
Founded **Japan's first computer typesetting** company

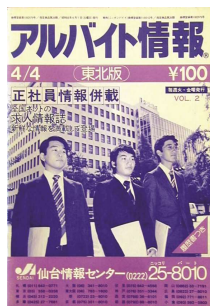
1949
Founded Sakurai Toshiyado
(**Started information solutions business**)



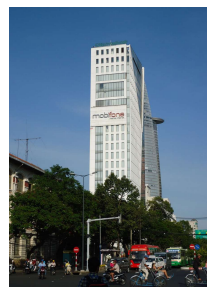
1984
Tokyo Hakuzen joined the Group
(**Started end-of-life business**)



1977
Launched a **job information magazine**
(**Started HR services business**)



2013
Established **Vietnam subsidiary**
(Started **foreign HR business**)



2021
Transitioned to a **holding company structure**

2022
Launched **funeral services**
- Kosaido Lifewell
- Gran Ceremo Tokyo



2023
Launched **asset consulting services**
- Tokyo Hakuzen Anshin Support



MISSION Further enrich 100-year lives.

VISION A company that creates myriad “thank yous”

VALUE Provide innovative services that foster overflowing gratitude through individual challenges and strong organizational connections

Based on **our management philosophy** of “**Kosai**,” which means **contributing to society at large** and is part of our company name, we hope to be a trusted corporate group that plays a leading role in the development of society and the enrichment of people’s lives.





A3-04 KOSAIDO Group

Further enrich
100-year lives.



By combining the Group's strengths in the three business domains of End-of-Life Business, Information Solutions Business, and HR Service Business, KOSAIDO provides comprehensive support for the 100-year lives people are living. We will take on the challenge of creating innovative services in order to achieve a better environment, more enriching lifestyles, and a society filled with hope for the future.




End-of-life business

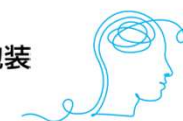
-  東京博善
-  広濟堂ライフウェル
-  グランセレモ東京
-  東京博善あんしんサポート



[Main businesses]
Crematory operation and provision of funeral halls
Funeral services
End-of-life business
Tax, real estate & financial services

Information Solutions Business

-  広濟堂ネクスト
-  威海廣濟堂京友包装
-  x-climb



[Main businesses]
Offset printing (publishing, commercial)
Newspaper printing
Digital printing
Package printing
IT & digital solutions
Campaign solutions
D2C business support
Digital promotion support
BPO services
Exhibition business

HR Service Business

-  広濟堂ビジネスサポート
-  キャリアステーション
-  共同システムサービス
-  ファインズ
-  エヌティ
-  KOSAIDO HR VIETNAM



[Main businesses]
HR media
HR media agency
Environmental magazine publishing
Free newspaper rack agency
Temporary staffing
Staffing services
HR development, education, and training
RPO services
Foreign HR services
HR Tech services

A3-05 Kosaido Group's SDGs Declaration

To put our corporate philosophy of “contributing to society at large” into action, we have identified and are acting on four materialities that contribute to the SDGs.

As our company name (KOSA “iDO”) implies, we aspire to take action (“DO”) together with our stakeholders, including our employees, to solve societal issues and create a bright future.



Economy

Provide wide-ranging support

Value creation for sustainable economic activities

Even in a fast-changing world, we will create value in collaboration with others as an innovator of sustainable economic activities. This we will do with flexibility unconstrained by preconceived assumptions, and in keeping with our company name, "Kosai," which means contributing to society at large and which is in our DNA.

8 働きがいも 経済成長も

9 産業と技術革新の 基盤をつくらう

17 パートナシップで 目標を達成しよう

Society

“Live in harmony with others”

Developing equitable and diverse communities

In the coming era where people will live for 100 years, we will serve as a facilitator of local communities, “putting care first,” so that everyone can choose their own way of life and achieve a lifestyle of freedom both physically and mentally.

1 貧困を なくそう

3 すべての人に 健康と福祉を

4 質の高い教育を みんなに

10 人や国の不平等を なくそう

11 住み続けられる まちづくりを

Environment

Protect our future

Reduce environmental burden to leave a beautiful earth to future generations.

We will strive to safeguard the Earth by reducing greenhouse gas emissions and conserving ecosystems so that the next generation of children and living creatures can coexist in harmony, and we will work with our partners to further reduce environmental risks.

7 エネルギーをみんなに そしてクリーンに

9 産業と技術革新の 基盤をつくらう

12 つくる責任 つかう責任

13 気候変動に 具体的な対策を

14 海の豊かさを守ろう

15 陸の豊かさも 守ろう

17 パートナシップで 目標を達成しよう

Corporate culture

Connect through smiles

Sound corporate management characterized by transparency and dialogue

We will not only comply with laws and regulations, but also promote “respect for human rights,” “gender equality,” and “women’s empowerment” based on the SDGs’ universal values, so that no one is left behind. As a result, each of us will be a mood maker who fosters a rewarding workplace and maintains a communication-rich corporate culture.

3 すべての人に 健康と福祉を

5 ジェンダー平等を 実現しよう

8 働きがいも 経済成長も

10 人や国の不平等を なくそう

16 平和と公正を すべての人に

iDo > Do it

 プラス
未来を+にする会社

A3-06 Contact

If you have any comments or questions about this presentation or other IR-related topics, please use the contact form at the following URL to contact us.

In addition, Facilities Tours for Institutional Investors and Analysts are held accordingly (funeral home tours are conducted by Tokyo Hakuzen Co., Ltd.).

If you would like to participate, please contact us via the URL below.

Contact Form URL:

<https://www.kosaido.co.jp/contact/>



Further enrich 100-year lives.

<Precautionary note regarding this material>

Please be aware that actual results may differ significantly from these projections due to variabilities such as uncertainties inherent in judgements and assumptions, future company operations, and changes in internal and external conditions.



KOSAI DO GROUP

広濟堂ホールディングス

<https://www.kosaido.co.jp/>