Semi-annual Securities Report

(The English translation of the “Hanki-Houkokusho”
for the six months ended 31 May 2025 of 76th term)

from December 1, 2024
to May 31, 2025

TOSEI CORPORATION

4-5-4, Shibaura, Minato-ku, Tokyo, Japan

(E04021)

This is an English translation prepared for the convenience of non-resident shareholders by translating the Semi-annual Securities Report (hanki-Houkokusho) submitted to the Director of the Kanto Local Finance Bureau of the Ministry of Finance of Japan on July 10, 2025. Should there be any inconsistency between the translation and the official Japanese text, the latter shall prevail.

Table of Contents

Cover

A. Company Information **1**
I. Overview of the Tosei Group **1**
1. Trends in principal management benchmarks 1
2. Business description 1
II. Review of operations **2**
1. Business and other risks 2
2. Management analysis of financial position, operating results and cash flows 2
3. Important operational contracts, etc. 6
III. Filing company **7**
1. Information on the Company (Tosei)'s shares, etc. 7
(1) Total number of authorized shares, etc. 7
(2) Status of stock acquisition rights 7
(3) Exercise of bond certificates with stock acquisition rights with exercise price amendment clause 7
(4) Trends in total number of issued shares, share capital, etc. 7
(5) Status of major shareholders 8
(6) Status of voting rights 9
2. Status of Officers 9
IV. Accounting **10**
1. Condensed Semi-annual Consolidated Financial Statements 11
(1) Condensed Semi-annual Consolidated Statement of Financial Position 11
(2) Condensed Semi-annual Consolidated Statement of Comprehensive Income 12
(3) Condensed Semi-annual Consolidated Statement of Changes in Equity 13
(4) Condensed Semi-annual Consolidated Statement of Cash Flows 14
Notes to Condensed Semi-annual Consolidated Financial Statements 15
2. Other 23
B. Information on Guarantee Companies, etc. of Filing Company **24**

[Independent Auditor's Report on Review of Semi-annual Consolidated Financial Statements]

[Cover]

Document to be filed:	Semi-annual Securities Report
Provisions to base upon:	Article 24-5-1, paragraph 1 of the Financial Instruments and Exchange Act
Filing to:	Director-General of the Kanto Local Finance Bureau
Date of filing:	July 10, 2025
Semi-annual accounting period:	First six months of the 76th term (from December 1, 2024 to May 31, 2025)
Company name (Japanese):	トーセイ株式会社 (*Tosei Kabushiki-Kaisha*)
Company name (English):	TOSEI CORPORATION
Title and name of representative:	Seiichiro Yamaguchi, President and CEO
Location of head office:	4-5-4, Shibaura, Minato-ku, Tokyo, Japan
Telephone number:	+81-3-5439-8807
Contact person:	Noboru Hirano, Director and CFO
Place of contact:	4-5-4, Shibaura, Minato-ku, Tokyo, Japan
Telephone number:	+81-3-5439-8807
Contact person:	Noboru Hirano, Director and CFO
Places where the document to be filed is available for public inspection:	Tokyo Stock Exchange, Inc. (2-1, Nihonbashi-kabutocho, Chuo-ku, Tokyo)

A. Company Information

I. Overview of the Tosei Group

1. Trends in principal management benchmarks

Term	75th term First six months	76th term First six months	75th term
Accounting period	From December 1, 2023 to May 31, 2024	From December 1, 2024 to May 31, 2025	From December 1, 2023 to November 30, 2024
Revenue (¥ thousand)	57,618,442	66,058,790	82,191,828
Profit before tax (¥ thousand)	14,372,747	16,804,387	17,364,939
Profit attributable to owners of parent (¥ thousand)	10,058,745	12,226,532	11,985,203
Comprehensive income attributable to owners of parent (¥ thousand)	10,083,710	12,484,158	11,466,914
Total equity (¥ thousand)	89,438,046	99,543,729	90,866,736
Total assets (¥ thousand)	254,464,500	283,616,703	276,815,386
Basic earnings per share (¥)	207.75	252.24	247.43
Diluted earnings per share (¥)	207.51	252.20	247.23
Ratio of equity attributable to owners of the parent to total assets (%)	35.0	35.0	32.7
Net cash from (used in) operating activities (¥ thousand)	6,035,697	13,222,255	(13,045,695)
Net cash from (used in) investing activities (¥ thousand)	(2,332,664)	(1,120,105)	(5,608,461)
Net cash from (used in) financing activities (¥ thousand)	(3,172,923)	(6,219,202)	14,329,562
Cash and cash equivalents at end of period (¥ thousand)	39,731,046	40,756,188	34,874,164

Notes: 1. Filing company’s trends in principal management benchmarks are not disclosed as the Company prepares condensed semi-annual consolidated financial statements.

2. The above benchmarks are based on the condensed semi-annual consolidated financial statements and consolidated financial statements that were prepared in compliance with the International Financial Reporting Standards (hereinafter “IFRS”).

2. Business description

During the six months ended May 31, 2025, there were no significant changes in business activities operated by the Tosei Group (the Company and its subsidiaries and affiliates) from the previous fiscal year.

Changes in major subsidiaries and associates include the exclusion of Masuda Kenzai-ten Co., Ltd., the Company’s consolidated subsidiary, from the scope of consolidation, in conjunction with the disposal of all its shares.

II. Review of operations

1. Business and other risks

There were no business and other risks that newly arose during the six months ended May 31, 2025. In addition, there were no significant changes in “Business and other risks” described in the annual securities report for the previous fiscal year.

2. Management analysis of financial position, operating results and cash flows

Forward-looking statements included in this section are judged by information available to the Group’s management as of May 31, 2025.

(1) Recognition, analysis and contents for discussions of the Group’s operating results from the viewpoint of management

1) Recognition, analysis and contents for discussion of business environment and business performance

During the six months ended May 31, 2025, the Japanese economy maintained a moderate path of recovery, driven by the improved employment and income environments, as well as the effects of various government policies. Meanwhile, in terms of the outlook for the future, factors including the uncertainty surrounding the reciprocal tariff measures with the U.S. and the decline in consumer confidence reflecting prolonged high prices have proven to be downward risks on the domestic economy. Therefore, it remains necessary to monitor these developments together with the trends of the global economy and the financial and capital markets.

In the real estate industry where Tosei Group operates, real estate transaction were robust and domestic real estate investments for the three months from January to March 2025 increased 23% year on year to ¥2,095.2 billion, with Tokyo ranking first in the world for real estate investments by city (ranked second for the full year of 2024). Despite increasing economic uncertainty, mainly in the U.S., the real estate investment market has been immune to any changes and together with the relatively low interest rate environment compared to the other countries, domestic real estate investments are expected to reach record highs in 2025 (according to a survey by a private research institute).

In the Tokyo metropolitan area condominium market, some developers are refraining from acquiring land for development from the standpoint of profitability against the backdrop of soaring construction costs. As a result, the number of newly built units for the four months from January to April 2025 decreased by 12.5% year on year to 5,124 units, representing a decline in the number of units outpacing the previous year, which recorded the lowest levels since the survey began. Moreover, while the average price per unit in April 2025 marked a temporary drop at ¥69.99 million (down 8.7% year on year), resulting from the decrease in the number of high-priced units supplied in the Tokyo metropolitan area, the prices of new condominiums remained high. In the Tokyo metropolitan area pre-owned condominium market, the number of units contracted for the four months from January to April 2025 increased to 16,335 units (up 24.5% year on year), indicating a rush to purchase due to the anticipation of higher mortgage interest rates. The properties in the Tokyo metropolitan area, which continue to receive influx of investment funds, are driving up the average price per unit, which reported a record high of ¥55.35 million (up 20.2% year on year) as of April 2025. In the Tokyo metropolitan area build-for-sale detached house market, housing starts for the four months from January to April 2025 were 17,069 units (down 4.4% year on year), continuing the downward trend from 2024 (according to a survey by a private research institute).

The average costs per tsubo in terms of construction costs for the four months from January to April 2025 were ¥1,855 thousand per tsubo (1 tsubo = 3.30 square meters) (an increase of 5.4% year on year) for steel reinforced concrete structures and ¥752 thousand per tsubo (an increase of 5.9% year on year) for wooden structures. Construction costs continue to soar, as steel and timber prices remain high, and the price of cement has also reached a record high (according to a survey by the Ministry of Land, Infrastructure, Transport and Tourism).

In the office leasing market of Tokyo’s five business wards, robust demand for offices continues, and as of April 2025, both the vacancy rate and rent remained robust with the average vacancy rate at 3.7% (a decrease of 1.7 percentage points year on year) and the average asking rent at ¥20,755 per tsubo (an increase of 4.7% year on year). Tenants continue to unofficially fill up the newly built buildings supplied in 2025, and the market for office buildings is expected to remain strong going forward (according to a survey by a private research institute) .

In the Tokyo metropolitan area condominium leasing market, the robust demand for rental properties continued, and the average occupancy rate of condominiums held by J-REIT in the Tokyo area remained high at 97.5% (an increase of 0.3 percentage points year on year) as of February 28, 2025. Additionally, the average asking rent of apartments as of April 2025 reported a record high at ¥12,343 per tsubo (an increase of 2.2% year on year), indicating a trend of shifting the increase in property management costs and other costs resulting from high commodity prices to rent and the successive supply of new and recently constructed high-rent properties (according to a survey by a private research institute).

In the Tokyo metropolitan area's logistics facility leasing market, leasable stock as of April 2025 was 11.14 million tsubo (an increase of 8.1% year on year), while the vacancy rate was 9.5% (an increase of 1.4 percentage points year on year) and the asking rent was ¥4,670 per tsubo (a decrease of 3.9% year on year). Although supply and demand continued to ease mainly in the suburban areas, the supply of new facilities is expected to slow down in the latter half of 2025 and improvements in various metrics are anticipated (according to a survey by a private research institute).

In the real estate fund market, J-REIT assets under management as of April 30, 2025 totaled ¥23.7 trillion (an increase of ¥0.6 trillion year on year) and assets under management in private placement funds as of December 31, 2024 totaled ¥40.8 trillion (an increase of ¥5.8 trillion year on year). As a result, the real estate securitization market scale grew to ¥64.5 trillion (according to a survey by a private research institute).

In the Tokyo business hotel market, thanks to continuing robust inbound demand, the average guest room occupancy rate for the three months from January to March 2025 was 80.6% (a decrease of 0.3 percentage points year on year) and the total number of hotel guests in Tokyo encompassing all types of accommodation amounted to 25.48 million (a decrease of 3.1% year on year). Although the number of domestic hotel guests seems to have plateaued due to soaring hotel room rates, the number of inbound hotel guests is increasing at a pace exceeding that of the previous year, and the trend of robust inbound demand driving the hotel market is expected to continue (according to a survey by the Japan Tourism Agency).

Amid this operating environment, in the Revitalization Business and the Development Business, the Group proceeded with property sales and the acquisition of income-generating properties and various types of land for development as future sources of income. In the Hotel Business, the Group endeavored to capture inbound demand, while in the Fund and Consulting Business, it strove to increase its balance of assets under management.

As a result, consolidated revenue for the six months ended May 31, 2025 totaled ¥66,058 million (up 14.6% year on year), operating profit was ¥17,600 million (up 18.1%), profit before tax was ¥16,804 million (up 16.9%), and profit attributable to owners of the parent was ¥12,226 million (up 21.6%).

Performance by business segment is shown below.

Revitalization Business

During the six months ended May 31, 2025, the segment sold 25 properties it had renovated and 64 pre-owned condominium units, including T's garden Toyo-cho (Koto-ku, Tokyo), T's garden Konan Chuo (Yokohama-shi, Kanagawa), Nakamachidai Tosei Building (Yokohama-shi, Kanagawa).

During the six months ended May 31, 2025, it also acquired a total of 25 income-generating office buildings, rental apartments, one land lot and 55 pre-owned condominium units.

As a result, revenue in this segment was ¥29,113 million (down 1.0% year on year) and the segment profit was ¥5,545 million (down 0.9%).

Development Business

During the six months ended May 31, 2025, for whole buildings, the segment sold nine properties including the segment sold T's Logi Sano (Sano-shi, Tochigi) which is a logistic facility, THE PALMS Chiba Chuo (Chiba-shi, Chiba), THE PALMS Kashiwa (Kashiwa-shi, Chiba) which is rental apartment and sold 22 detached houses at such property as THE Palms Court Sakurashinmachi (Setagaya-ku, Tokyo).

During the six months ended May 31, 2025, it also acquired six land lots for rental wooden apartment project, and land lots for 54 detached houses.

As a result, revenue in this segment was ¥20,275 million (up 41.5% year on year) and the segment profit was ¥5,874 million (up 14.7%).

Rental Business

During the six months ended May 31, 2025, the Company focused on leasing out its rental properties.

As of May 31, 2025, the number of rental properties decreased by four from 123 at the end of the previous fiscal year to 119, as the segment acquired 16 properties, and began offering for rental of nine properties, sold 28 properties, and terminated the leasing of one property.

As a result, revenue in this segment was ¥4,280 million (up 15.7% year on year) and the segment profit was ¥2,303 million (up 28.6%).

Fund and Consulting Business

While ¥111,239 million was subtracted due mainly to property dispositions by funds, ¥338,023 million added due to new asset management contracts, from the balance of assets under management (Note) ¥2,443,808 million for the end of the previous fiscal year. The balance of assets under management as of May 31, 2025, was ¥2,670,593 million.

As a result, revenue in this segment was ¥5,033 million (up 38.1% year on year) and the segment profit was ¥3,541 million (up 53.6%).

Note: The balance of assets under management includes the balance of assets that were subject to consulting contracts, etc.

Property Management Business

During the six months ended May 31, 2025, the segment made efforts to win new contracts and maintain existing contracts. Consequently, the total number of properties under management was 974 as of May 31, 2025, an increase of 11 from May 31, 2024, with the total comprising 578 office buildings, hotels, logistic facilities and other such properties, and 396 condominiums and apartments.

As a result, revenue in this segment was ¥3,682 million (up 4.3% year on year) and segment profit was ¥654 million (up 2.6%).

Hotel Business

During the six months ended May 31, 2025, thanks to recovering domestic demand and by capturing inbound demand, guest room occupancy rates and guest room rates improved, and both revenue and segment profit significantly exceeded that of the same period of the previous fiscal year.

As a result, revenue in this segment was ¥3,673 million (up 22.0% year on year) and segment profit was ¥1,521 million (up 45.4%).

2) Analysis and contents for discussion of Operating Results

In the domestic real estate market during the six months ended May 31, 2025, rental prices mainly of office buildings and residentials in the Tokyo metropolitan area escalated and real estate prices maintained a rising trend which continued to boost investor confidence in domestic real estate among domestic and overseas investors. Long-term interest rates rose to around 1.5% for the first time in 16 years, as a result of the Bank of Japan changing its policy interest rate in January 2025, giving rise to concerns of the dampening of investor confidence in domestic real estate but the impact of rising interest rates on investor confidence among domestic and overseas investors turned out to be limited.

Amid this operating environment, for the six months ended May 31, 2025, the Group’s financial results were backed by strong performances in each of the Group’s businesses including real estate sales, with consolidated revenue of ¥66.0 billion (up 14.6% year on year), operating profit of ¥17.6 billion (up 18.1% year on year), and profit before tax of ¥16.8 billion (up 16.9% year on year).

As for the operating segments, the Revitalization Business achieved strong sales by selling whole buildings and high-priced condominium units in the Tokyo metropolitan area. In the Development Business, sales activities progressed smoothly with the sale of eight development property buildings including the major logistics facility, “T’s Logi Sano,” and the new rental apartment series, “THE PALMS,” in the first quarter, and the sale of rental apartments made from wooden structures and build-for-sale detached houses in the second quarter. Additionally, in terms of purchasing in the Revitalization Business and Development Business, the Company engaged in proactive acquisition activities by such means as the utilization of business succession support services, a competitive advantage of the Company, resulting in acquisitions reaching ¥59.1 billion (including property contracted but not yet delivered) against the ¥100.0 billion planned for the current fiscal year (on an expected disposition value basis).

Furthermore, given that construction costs are expected to remain high for the time being due to the effects of soaring steel prices and the labor shortage, the Company, in the Development Business, shifted its focus from reinforced concrete structures to wooden structures, while at the same time, decreased the weight of the Development Business in the overall sales business portfolio including the Revitalization Business, to raise the ratio of investments into the Revitalization Business.

In addition, in the stock businesses, the Company’s stable source of income, each business performed strongly against the backdrop of robust real estate investment demand and rising rents mainly in the Tokyo metropolitan area. Among these businesses, the Fund and Consulting Business captured management contracts from new customers including the new asset management contract of one of Japan’s largest share-house portfolios, “TOKYO< β > (TOKYO BETA),” from Warburg Pincus LLC, a leading global investing firm, bringing domestic assets under management (AUM) to ¥2.6705 trillion, an increase of ¥226.7 billion from the end of the previous fiscal year. Furthermore, in the Hotel Business, the Company’s hotel revenue has exceeded the plan, driven by strong inbound demand.

Regarding the recent U.S. reciprocal tariff measures, given that the Company is engaged in real estate-related businesses mainly in the Tokyo area, at present, it believes that the direct impact of such measures on the Company’s businesses will be minimal. However, it will be necessary to monitor the changes in the financial markets including foreign exchange and interest rates, the impact of such measures on the global economy, the impact on the investment stance of foreign investors in domestic real estate, and other factors.

In light of these and other elements of the business environment in Japan and overseas and the Company’s business development, the Company will continue to proactively acquire new real estate and drive each of its businesses to achieve the medium-term management plan.

(2) Analysis of Financial Positions

As of May 31, 2025, total assets were ¥283,616 million, an increase of ¥6,801 million compared with November 30, 2024, while total liabilities were ¥184,072 million, an decrease of ¥1,875 million.

Increase in total assets were due to an increase in cash and cash equivalents, trade and other receivables. Decrease in total liabilities were due to an decrease in trade and other payables and interest-bearing liabilities.

Total equity increased by ¥8,676 million to ¥99,543 million, mainly due to an increase in retained earnings, payment of cash dividends.

(3) Analysis of Cash Flows

Cash and cash equivalents (hereinafter “cash”) as of May 31, 2025 totaled ¥40,756 million, up ¥5,882 million compared with November 30, 2024.

The cash flows for the six months ended May 31, 2025 and factors contributing to those amounts are as follows:

Cash Flows from Operating Activities

Net cash provided by operating activities totaled ¥13,222 million (up 119.1% year on year). This is mainly attributed to the profit before tax of ¥16,804 million and income taxes paid of ¥3,640 million.

Cash Flows from Investing Activities

Net cash used in investing activities totaled ¥1,120 million (down 52.0% year on year). This is primarily due to payments of loans receivable of ¥4,659 million and collection of loans receivable of ¥3,606 million etc.

Cash Flows from Financing Activities

Net cash used by financing activities totaled ¥6,219 million (up 96.0% year on year). This mainly reflects ¥30,979 million in the repayments of non-current borrowings and ¥3,826 million in cash dividends paid, despite ¥32,872 million in proceeds from non-current borrowings.

(4) Operational and financial issues to be addressed

During the six months ended May 31, 2025, there was no significant change in issues to be addressed by the Tosei Group.

The Group has set the basic policy regarding the persons who control the decision-making on the financial and business policies of the Company, but there have been no material changes during the six months ended May 31, 2025 after the date of submission of the securities report in the previous fiscal year.

(5) Research and development activities

No item to report.

3. Important operational contracts, etc.

No important operational contracts, etc. were determined or entered into during the six months ended May 31, 2025 under review.

III. Filing company

1. Information on the Company (Tosei)'s shares, etc.

(1) Total number of authorized shares, etc.

1) Total number of authorized shares

Class	Total number of authorized shares
Ordinary shares	150,000,000
Total	150,000,000

2) Number of shares issued

Class	Number of issued shares (Shares: as of May 31, 2025)	Number of issued shares (Shares: as of the date of filing: July 10, 2025)	Name of financial instruments exchange where the stock of Tosei is traded or the name of authorized financial instruments firms association where Tosei is registered	Details
Ordinary shares	48,683,800	48,683,800	Tokyo Stock Exchange (Prime Market), Singapore Exchange (Mainboard)	Share unit number: 100
Total	48,683,800	48,683,800	–	–

(2) Status of stock acquisition rights

1) The detail of the stock option system

No item to report.

2) Details of other stock acquisition rights, etc.

No item to report.

(3) Exercise of bond certificates with stock acquisition rights with exercise price amendment clause

No item to report.

(4) Trends in total number of issued shares, share capital, etc.

Date	Fluctuation in the number of issued shares (Shares)	Balance of issued shares (Shares)	Fluctuation in share capital (¥ thousand)	Balance of share capital (¥ thousand)	Fluctuation in capital reserves (¥ thousand)	Balance of capital reserves (¥ thousand)
From December 1, 2024 to May 31, 2025	—	48,683,800	—	6,624,890	—	6,708,366

(5) Status of major shareholders

(As of May 31, 2025)

Name of shareholder	Address	Number of shares held (Share)	Ownership percentage to the number of issued shares (excluding treasury stock) (%)
Nagoya Railroad Co., Ltd	1-2-4 Meieki, Nakamura-ku, Nagoya-shi, Aichi, Japan	7,500,100	15.46
Zeus Capital Limited	2-22-26-103 Uehara, Shibuya-ku, Tokyo, Japan	6,000,000	12.37
Seiichiro Yamaguchi	Shibuya-ku, Tokyo, Japan	5,393,131	11.12
The Master Trust Bank of Japan, Ltd. (Trust Account)	Akasaka Intercity AIR, 1-8-1 Akasaka, Minato-ku, Tokyo, Japan	5,192,500	10.70
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Mizuho Bank, Ltd., Settlement &cleaning Services Division)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (2-15-1 Konan, Minato-ku, Tokyo, Japan)	1,989,068	4.10
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12, Harumi, Chuo-ku, Tokyo, Japan	1,870,300	3.85
Government of NORWAY (Standing proxy: Citibank, N.A., Tokyo Branch)	Bankplassen 2, 0107 Oslo 1 Oslo 0107 NO (6-27-30 Shinjuku, Shinjuku-ku, Tokyo, Japan)	1,257,117	2.59
Kiraboshi Capital Tokyo Sparkle Investment Limited Partnership	3-10-43, Minami-Aoyama, Minato-ku, Tokyo, Japan	1,000,000	2.06
HOST-PLUS PTY LIMITED-HOSTPLUS POOLED SUPERANNUATION TRUST HOSKING PARTNERS LLP (Standing proxy: Citibank, N.A., Tokyo Branch)	LEVEL 9,114 WILLIAM STREET, MELBOURNE VICTORIA 3000 (6-27-30 Shinjuku, Shinjuku-ku, Tokyo, Japan)	750,700	1.54
CACEIS BANK, LUXEMBOURG BRANCH / AIF CLIENTS ASSETS (Standing proxy: Hongkong Shanghai Bank, Tokyo Branch)	5 ALLEE SCEFFER, L-2520 LUXEMBOURG (3-11-1 Nihombashi, Chuo-ku, Tokyo, Japan)	740,800	1.52
Total	–	31,693,716	65.36

Notes: 1. Ownership percentage to the number of issued shares (excluding treasury stock) is rounded down to the second decimal place.

2. The number of shares of treasury shares (199,000 of shares) is not included in the chart above.

3. The change report for the large shareholding report, which was made accessible to the public as of June 5, 2025, states that Grantham, Mayo, Van Ottterloo & Co. LLC held the following shares as of May 29, 2025. However, since the Company could not confirm the actual number of shares held by this company as of the end of the fiscal year under review, the company was not included in the status of major shareholders described above.

The content of the change report for the large shareholding report is as follows:

Large volume holder	Dalton Investments, Inc.
Address	9440 West Sahara Avenue, Suite 215 Las Vegas, Nevada 89117, USA
Number of share certificates, etc. held (shares)	2,434,800
Holding ratio of share certificates, etc. (%)	5.00

(6) Status of voting rights

1) Issued shares

(As of May 31, 2025)

Classification	Number of shares (Shares)	Number of voting rights	Details
Shares without voting rights	–	–	–
Shares with restricted voting rights (Treasury shares, etc.)	–	–	–
Shares with restricted voting rights (Other)	–	–	–
Shares with full voting rights (Treasury shares, etc.)	(Treasury shares held) Ordinary shares 199,000	–	–
Shares with full voting rights (Other)	Ordinary shares 48,461,800	484,618	–
Shares less than one unit	Ordinary shares 23,000	–	–
Total number of issued shares	48,683,800	–	–
Voting rights owned by all shareholders	–	484,618	–

Notes:1. The number of "Shares with full voting rights (Other)" includes 400 shares in the name of Japan Securities Depository Center, Inc. "Number of voting rights" includes 4 units of voting rights related to shares with full voting rights in its name.

2) Treasury shares, etc.

(As of May 31, 2025)

Name of shareholder	Address	Number of shares held under own name (Shares)	Number of shares held under the name of others (Shares)	Total number of shares held (Shares)	Percentage of number of shares held in the total number of issued shares (%)
(Treasury shares held) TOSEI CORPORATION	4-5-4, Shibaura, Minato-ku, Tokyo, Japan	199,000	—	199,000	0.40
Total	–	199,000	—	199,000	0.40

Note: Due to the disposal of treasury shares as restricted stock remuneration based on a resolution of the Board of Directors held on February 26, 2025, the number of treasury shares decreased by 23,798 shares.

2. Status of Officers

There was no change in Officers during the six months ended May 31, 2025 after the filing date of annual securities report for the previous fiscal year.

IV. Accounting

1. Preparation policy of the condensed Semi-annual consolidated financial statements

The condensed semi-annual consolidated financial statements of the Company have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" under the provision of Article 312 of the "Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements" (Ministry of Finance Ordinance No. 28 of 1976).

Tosei also falls under the category of companies listed in the upper column of Article 24-5, Paragraph 1, Item (i) of the Financial Instruments and Exchange Act, and prepares Type 1 interim consolidated financial statements in accordance with Part 1 and Part 5 of the "Regulation on Consolidated Financial Statements."

2. Audit attestation

The condensed semi-annual consolidated financial statements for the first six months of the fiscal year ending November 30, 2025 (from December 1, 2024 to May 31, 2025) were reviewed by Shinsoh Audit Corporation pursuant to Article 193-2, paragraph 1 of the Financial Instruments and Exchange Act.

1. Condensed Semi-annual Consolidated Financial Statements

(1) Condensed Semi-annual Consolidated Statement of Financial Position

(¥ thousand)

	Notes	As of November 30, 2024	As of May 31, 2025
Assets			
Current assets			
Cash and cash equivalents	10	34,874,164	40,756,188
Trade and other receivables	10	8,606,489	10,111,114
Inventories	6	146,817,328	146,262,492
Other current assets		32,307	33,702
Total current assets		190,330,290	197,163,497
Non-current assets			
Property, plant and equipment		32,094,169	31,410,162
Investment properties		40,945,876	40,990,259
Goodwill		1,401,740	1,401,740
Intangible assets		117,737	93,443
Trade and other receivables	10	1,595,084	1,861,964
Other financial assets	10	9,034,356	9,303,023
Deferred tax assets		1,268,119	1,327,047
Other non-current assets		28,010	65,563
Total non-current assets		86,485,095	86,453,205
Total assets		276,815,386	283,616,703
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables	10	8,610,460	6,741,092
Interest-bearing liabilities	10	20,786,314	16,952,497
Current income tax liabilities		3,723,178	4,892,229
Provisions		1,528,380	851,738
Total current liabilities		34,648,333	29,437,557
Non-current liabilities			
Trade and other payables	10	4,762,512	5,390,127
Interest-bearing liabilities	10	145,114,493	147,827,872
Retirement benefits obligations		791,045	817,468
Provisions		85,948	86,365
Deferred tax liabilities		546,316	513,581
Total non-current liabilities		151,300,315	154,635,415
Total Liabilities		185,948,649	184,072,973
Equity			
Share capital		6,624,890	6,624,890
Capital reserves		7,288,479	7,362,936
Retained earnings		76,914,414	85,312,527
Treasury shares		(243,716)	(217,705)
Other components of equity		(83,780)	173,846
Total equity attributable to owners of parent		90,500,287	99,256,495
Non-controlling interests		366,448	287,233
Total equity		90,866,736	99,543,729
Total liabilities and equity		276,815,386	283,616,703

(2) Condensed Semi-annual Consolidated Statement of Comprehensive Income
Six months ended May 31, 2025

(¥ thousand)

	Notes	Six months ended May 31, 2024	Six months ended May 31, 2025
Revenue	5,7	57,618,442	66,058,790
Cost of revenue	6	34,715,695	40,088,110
Gross profit		22,902,747	25,970,680
Selling, general and administrative expenses		7,508,305	8,406,001
Other income		71,331	103,675
Other expenses		564,190	68,037
Operating profit	5	14,901,583	17,600,316
Finance income		289,299	327,742
Finance costs		818,134	1,123,671
Profit before tax		14,372,747	16,804,387
Income tax expense		4,309,763	4,569,468
Profit for the period		10,062,984	12,234,919
Other comprehensive income			
Other comprehensive income items that will not be reclassified to profit or loss			
Net change in financial assets measured at fair values through other comprehensive income		19,241	248,891
Remeasurements of defined benefit pension plans		(18,872)	—
Total of other comprehensive income items that will not be reclassified to profit or loss		368	248,891
Other comprehensive income items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		10,711	(1,065)
Net change in fair values of cash flow hedges		13,885	9,800
Total of other comprehensive income items that may be reclassified to profit or loss		24,597	8,734
Other comprehensive income for the period, net of tax		24,965	257,626
Total comprehensive income for the period		10,087,950	12,492,546
Profit attributable to:			
Owners of parent		10,058,745	12,226,532
Non-controlling interests		4,239	8,387
Profit for the period		10,062,984	12,234,919
Total comprehensive income attributable to:			
Owners of parent		10,083,710	12,484,158
Non-controlling interests		4,239	8,387
Total comprehensive income for the period		10,087,950	12,492,546
Earnings per share attributable to owners of the parent			
Basic earnings per share (¥)	9	207.75	252.24
Diluted earnings per share (¥)	9	207.51	252.20

(3) Condensed Semi-annual Consolidated Statement of Changes in Equity

Six months ended May 31, 2024 (December 1, 2023 – May 31, 2024)

(¥ thousand)

	Notes	Share capital	Capital reserves	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at December 1, 2023		6,624,890	7,200,518	68,139,668	(335,327)	416,935	82,046,685	272,596	82,319,282
Profit for the period				10,058,745			10,058,745	4,239	10,062,984
Other comprehensive income						24,965	24,965		24,965
Total comprehensive income for the period		—	—	10,058,745	—	24,965	10,083,710	4,239	10,087,950
Amount of transactions with owners									
Purchase of treasury shares					(101)		(101)		(101)
Disposal of treasury shares			(5,690)		91,921		86,230		86,230
Dividends of surplus	8			(3,192,884)			(3,192,884)		(3,192,884)
Dividends to non-controlling interests							—	(3,048)	(3,048)
Change from newly consolidated subsidiary							—	126,500	126,500
Transfer from other components of equity to retained earnings				(18,872)		18,872	—		—
Share-based payment transactions			14,117				14,117		14,117
Balance at May 31, 2024		6,624,890	7,208,944	74,986,657	(243,507)	460,773	89,037,758	400,288	89,438,046

Six months ended May 31, 2025 (December 1, 2024 – May 31, 2025)

(¥ thousand)

	Notes	Share capital	Capital reserves	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at December 1, 2024		6,624,890	7,288,479	76,914,414	(243,716)	(83,780)	90,500,287	366,448	90,866,736
Profit for the period				12,226,532			12,226,532	8,387	12,234,919
Other comprehensive income						257,626	257,626		257,626
Total comprehensive income for the period		—	—	12,226,532	—	257,626	12,484,158	8,387	12,492,546
Amount of transactions with owners									
Disposal of treasury shares			(26,011)		26,011		—		—
Dividends of surplus	8			(3,828,419)			(3,828,419)		(3,828,419)
Dividends to non-controlling interests							—	(8,396)	(8,396)
Changes in ownership interest in subsidiaries							—	(79,205)	(79,205)
Share-based payment transactions			100,468				100,468		100,468
Balance at May 31, 2025		6,624,890	7,362,936	85,312,527	(217,705)	173,846	99,256,495	287,233	99,543,729

(4) Condensed Semi-annual Consolidated Statement of Cash Flows

(¥ thousand)

	Notes	Six months ended May 31, 2024	Six months ended May 31, 2025
Cash flows from operating activities			
Profit before tax		14,372,747	16,804,387
Depreciation expense		788,831	808,828
Increase (decrease) in provisions and retirement benefits obligations		(503,010)	(681,511)
Interest and dividend income		(289,299)	(327,742)
Interest expenses		818,134	1,123,671
Decrease (increase) in trade and other receivables		(1,098,256)	(401,837)
Decrease (increase) in inventories		(5,694,136)	639,396
Increase (decrease) in trade and other payables		345,173	(1,778,358)
Other, net		(20,840)	112,592
Subtotal		8,719,344	16,299,427
Interest and dividend income received		244,222	324,666
Income taxes paid		(3,190,168)	(3,640,937)
Income taxes refund		262,299	239,098
Net cash from (used in) operating activities		6,035,697	13,222,255
Cash flows from investing activities			
Payments into time deposits		—	(3,000)
Purchase of property, plant and equipment		(92,268)	(39,247)
Purchase of investment properties		(37,910)	(60,744)
Purchase of intangible assets		(21,335)	(13,367)
Payments of loans receivable		(7,795,621)	(4,659,000)
Collection of loans receivable		7,412,149	3,606,221
Purchase of other financial assets		(2,032,501)	(55,772)
Collection of other financial assets		172,701	95,824
Payments for acquisition of subsidiaries		(46,190)	—
Payments for sale of subsidiaries		—	(8,224)
Proceeds from acquisition of businesses		101,584	—
Other, net		6,726	17,205
Net cash from (used in) investing activities		(2,332,664)	(1,120,105)
Cash flows from financing activities			
Net increase (decrease) in current borrowings		594,900	(2,854,328)
Proceeds from non-current borrowings		30,737,542	32,872,969
Repayments of non-current borrowings		(30,298,677)	(30,979,141)
Redemption of bonds		(15,678)	(5,678)
Repayments of lease obligations		(373,128)	(201,079)
Repayments to non-controlling shareholders		—	(79,205)
Capital contribution from non-controlling interests		126,500	—
Cash dividends paid		(3,190,381)	(3,826,345)
Dividends paid to non-controlling interests		(3,048)	(8,396)
Purchase of treasury shares		(101)	—
Proceeds from disposal of treasury shares		84,604	57,329
Interest expenses paid		(835,455)	(1,195,325)
Net cash from (used in) financing activities		(3,172,923)	(6,219,202)
Net increase (decrease) in cash and cash equivalents		530,110	5,882,947
Cash and cash equivalents at beginning of period		39,197,843	34,874,164
Effect of exchange rate change on cash and cash equivalents		3,093	(923)
Cash and cash equivalents at end of period		39,731,046	40,756,188

Notes to Condensed Semi-annual Consolidated Financial Statements

1. Reporting entity

Tosei Corporation (hereinafter, the “Company”) is a share company located in Japan whose shares are listed on the Prime Market of the Tokyo Stock Exchange and the Mainboard of Singapore Exchange. The Company’s condensed semi-annual consolidated financial statements for the first six months (December 1, 2024 to May 31, 2025) have been prepared in respect of the Company and its consolidated subsidiaries (hereinafter collectively, the “Group”). The Group engages in the following six business operations: Revitalization Business, Development Business, Rental Business, Fund and Consulting Business, Property Management Business and Hotel Business. The operations of each business segment are presented in “5. Segment information” in the notes.

2. Basis of preparation

(1) Compliance with IFRS

Since the Company qualifies as a Designated International Financial Reporting Standards specified company” as provided in Article 1-2 of the Regulations on Consolidated Financial Statements , its condensed semi-annual consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting” under the provision of Article 312 of the same Article.

Since the condensed semi-annual consolidated financial statements do not include all the information required for a complete set of annual consolidated financial statements, they should be read in conjunction with the consolidated financial statements for the fiscal year ended November 30, 2024.

These condensed quarterly consolidated financial statements were approved by Seiichiro Yamaguchi, the Company’s President and CEO, and Noboru Hirano, Director and CFO, on July 8, 2025.

(2) Basis of measurement

The condensed semi-annual consolidated financial statements have been prepared on the historical cost basis except for assets and liabilities measured at fair value.

(3) Presentation currency and unit amount

The condensed semi-annual consolidated financial statements in this report are presented in Japanese yen, the Company’s functional currency. All financial information presented in Japanese yen is rounded down to the nearest thousand yen.

3. Material accounting policies

With the exception of the following items, material accounting policies that the Group applies in condensed semi-annual consolidated financial statements are the same as the accounting policies used in the consolidated financial statements for the previous fiscal year.

Income tax expenses for the six months ended May 31, 2025 are calculated based on the estimated annual effective income tax rate.

4. Significant accounting estimates and judgments requiring estimates

The preparation of the condensed semi-annual consolidated financial statements in compliance with IFRS requires the management of the Group to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, revenue and expenses. However, actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Changes in accounting estimates are recognized in the period in which the estimates are changed and in future periods in which the change will affect.

The estimates and assumptions made by management that affect the amounts of the condensed semi-annual consolidated financial statements are consistent with those applied to the consolidated financial statements for the fiscal year ended November 30, 2024.

5. Segment information

The Group's reportable segments are components of the Group about which separate financial information is available that the Board of Directors regularly conducts deliberations to determine the allocation of management resources and to assess the performance.

The Group draws up comprehensive strategies for each of the following six business segments and conducts business activities accordingly; "Revitalization Business", "Development Business", "Rental Business", "Fund and Consulting Business", "Property Management Business" and "Hotel Business". In the Revitalization Business, the Group acquires the properties whose asset values have declined, renovates, and resells them. In the Development Business, the Group sells condominium units and detached houses to individual customers as well as rental apartments and office buildings to investors. In the Rental Business, the Group rents office buildings and apartments. The Fund and Consulting Business mainly provides asset management services for the properties placed in real estate funds. The Property Management Business provides comprehensive property management services. The Hotel Business provides mainly hotel operating services.

The Group's revenue and profit/loss by reportable segment are as follows:

Six months ended May 31, 2024
(December 1, 2023 – May 31, 2024)

(¥ thousand)

	Reportable Segments						Adjustment	Total
	Revitalization Business	Development Business	Rental Business	Fund and Consulting Business	Property Management Business	Hotel Business		
Revenue								
Revenue to external customers	29,399,460	14,334,142	3,699,086	3,644,554	3,529,404	3,011,793	—	57,618,442
Intersegment revenue	—	—	55,519	28,999	728,891	15,111	(828,521)	—
Total	29,399,460	14,334,142	3,754,606	3,673,553	4,258,296	3,026,904	(828,521)	57,618,442
Segment profit	5,597,143	5,123,449	1,791,688	2,305,930	637,604	1,046,223	(1,600,455)	14,901,583
Finance income/costs, net								(528,835)
Profit before tax								14,372,747

Six months ended May 31, 2025
(December 1, 2024 – May 31, 2025)

(¥ thousand)

	Reportable Segments						Adjustment	Total
	Revitalization Business	Development Business	Rental Business	Fund and Consulting Business	Property Management Business	Hotel Business		
Revenue								
Revenue to external customers	29,113,681	20,275,668	4,280,462	5,033,702	3,682,202	3,673,073	—	66,058,790
Intersegment revenue	—	—	55,252	24,140	822,496	21,910	(923,799)	—
Total	29,113,681	20,275,668	4,335,714	5,057,842	4,504,698	3,694,983	(923,799)	66,058,790
Segment profit	5,545,885	5,874,309	2,303,326	3,541,107	654,297	1,521,468	(1,840,078)	17,600,316
Finance income/costs, net								(795,929)
Profit before tax								16,804,387

6. Inventories

The amount of loss on valuation of inventory and the amount of reversal of valuation loss recognized as expenses are as follows:

(¥ thousand)

	Six months ended May 31, 2024	Six months ended May 31, 2025
The amount of loss on valuation	―	22,653
The amount of reversal of valuation loss	282,000	86,424

7. Sales Revenue

Composition of revenue recognized from contracts with customers are as follows:

The Group engages in six major businesses consisting of the Revitalization Business, the Development Business, the Rental Business, the Fund and Consulting Business, the Property Management Business, and the Hotel Business. Revenue generated from these businesses is recorded in accordance with contracts with customers, and the promised amount of consideration does not contain significant financing components.

The relationship between the sales revenue of each reportable segment and the sales revenue classified according to type is shown below.

Six months ended May 31, 2024

(December 1, 2023 – May 31, 2024)

(¥ thousand)

	Revitalization Business	Development Business	Rental Business	Fund and Consulting Business	Property Management Business	Hotel Business	Total
Sales of real estate	29,399,460	14,333,977	―	―	―	―	43,733,438
Revenue from services	―	165	241,006	3,635,638	3,529,404	2,966,618	10,372,832
Revenue recognized from other sources	―	―	3,458,080	8,916	―	45,175	3,512,171
Revenue to external customers	29,399,460	14,334,142	3,699,086	3,644,554	3,529,404	3,011,793	57,618,442

Note: Revenue recognized from other sources is revenue recognized under IFRS 16 Leases and IFRS 9 Financial Instruments.

Six months ended May 31, 2025

(December 1, 2024 – May 31, 2025)

(¥ thousand)

	Revitalization Business	Development Business	Rental Business	Fund and Consulting Business	Property Management Business	Hotel Business	Total
Sales of real estate	29,113,681	20,275,668	―	―	―	―	49,389,349
Revenue from services	―	―	310,651	5,008,985	3,682,202	3,658,297	12,660,137
Revenue recognized from other sources	―	―	3,969,810	24,717	―	14,775	4,009,303
Revenue to external customers	29,113,681	20,275,668	4,280,462	5,033,702	3,682,202	3,673,073	66,058,790

Note: Revenue recognized from other sources is revenue recognized under IFRS 16 Leases an IFRS 9 Financial Instruments.

8. Dividends

Dividends paid in the six months ended May 31, 2024 and May 31, 2025 are as follows:

Six months ended May 31, 2024				
Resolution	Dividends per share (¥)	Total dividends (¥ thousand)	Record date	Effective date
Ordinary General Meeting of Shareholders held on February 27, 2024	66	3,192,884	November 30, 2023	February 28, 2024

Six months ended May 31, 2025				
Resolution	Dividends per share (¥)	Total dividends (¥ thousand)	Record date	Effective date
Ordinary General Meeting of Shareholders held on February 26, 2025	79	3,828,419	November 30, 2024	February 27, 2025

9. Earnings per Share

	Six months ended May 31, 2024	Six months ended May 31, 2025
Profit attributable to owners of parent (¥ thousand)	10,058,745	12,226,532
Net income used to figure diluted net income per share (¥ thousand)	10,058,745	12,226,532
Weighted average number of outstanding ordinary shares (shares)	48,418,423	48,471,201
The number of increased ordinary shares used to figure diluted earnings per share (shares)		
Subscription rights to shares relating to stock options (shares)	45,739	—
Common stock relating to PSU (shares)	9,982	9,074
Common stock relating to RSU (shares)	223	206
The weighted-average number of ordinary shares used to figure diluted earnings per share (shares)	48,474,367	48,480,481
Basic earnings per share (¥)	207.75	252.24
Diluted net income per share (¥)	207.51	252.20

Note: Basic earnings per share or Basic loss per share is calculated by profit attributable to owners of the parent or loss attributable to owners of the parent, by the weighted average number of outstanding ordinary shares during the reporting period.

10. Financial instruments

i) Fair values and book values

Fair values of financial assets and liabilities and their book values presented in the condensed semi-annual consolidated statement of financial position are as follows:

(¥ thousand)

	As of November 30, 2024		As of May 31, 2025	
	Book value	Fair value	Book value	Fair value
Financial assets				
Financial assets measured at amortized cost				
Cash and cash equivalents	34,874,164	34,874,164	40,756,188	40,756,188
Trade and other receivables	7,459,879	7,459,879	7,880,596	7,880,596
Financial assets measured at fair value through other comprehensive income				
Other financial assets	9,034,356	9,034,356	9,303,023	9,303,023
Financial liabilities				
Financial liabilities measured at amortized cost				
Trade and other payables	9,430,202	9,430,202	9,699,282	9,699,282
Interest-bearing liabilities	165,900,807	165,793,899	164,780,369	164,740,647

Method for measuring fair value of financial instruments

Cash and cash equivalents, trade and other receivables, trade and other payables, and current interest-bearing liabilities

The book values of these financial instruments that are settled in a short period of time approximate the fair values.

However, the fair values of interest rate swaps are based on market values presented by financial institutions.

Other financial assets

The fair values of listed securities are measured based on quoted market prices. For financial assets for which there is no active market and unlisted securities, the Group estimates fair values using certain valuation techniques including the use of recent arm's length transactions, reference to other instruments that are substantially at the same price, and the discounted cash flow method.

Non-current interest-bearing liabilities

The fair values of non-current borrowings with floating interest rate approximate the book values, as interest rates reflect market interest rates in short-term intervals. The fair values of those with fixed interest rate are measured based on the present value of the total amount of principal and interest discounted by the interest rate that would be charged for a new similar borrowing.

Fair value hierarchy of non-current interest-bearing liabilities is classified as Level 2.

ii) Fair value hierarchy

The following shows the analysis of financial instruments measured at fair value after the initial recognition. Fair values of financial instruments are classified into level 1 to level 3.

Level 1: Fair values measured at a price quoted in an active market
Level 2: Fair values calculated directly or indirectly using an observable price except for level 1
Level 3: Fair values calculated through valuation techniques, including inputs that are not based on observable market data

Transfers between the different levels of the fair value hierarchy are recognized on the date on which the event or the changes in circumstances causing the transfer occurred.

(¥ thousand)

	As of November 30, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair values through other comprehensive income	8,394,155	—	640,201	9,034,356
Financial assets measured at fair value through other comprehensive income (derivative)	—	42,476	—	42,476

(¥ thousand)

	As of May 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair values through other comprehensive income	8,749,534	—	553,488	9,303,023
Financial assets measured at fair value through other comprehensive income (derivative)	—	57,298	—	57,298

Reconciliation of financial assets classified in level 3 at the beginning of the period with those at the end of the period is as follows:

(¥ thousand)

	Six months ended May 31, 2024	Six months ended May 31, 2025
Balance at beginning of period	322,913	640,201
Acquisition	387,287	17,190
Profit or loss		
Net Profit (loss)	―	―
Other comprehensive income	(4,706)	(8,078)
Disposal	(173,941)	(95,824)
Balance at end of period	531,554	553,488

Note: Profit or loss included in other comprehensive income is included in "Net change in financial assets measured at fair values through other comprehensive income" in the Condensed Semi-annual Consolidated Statement of Comprehensive Income.

iii) Evaluation Process

The fair values of financial instruments of Level 3 are measured in accordance with related internal policies. In measuring of fair values, the most appropriate method and input to reflect the characteristics and risk of financial instruments, are employed.

11. Significant Subsequent Events

Share split and partial amendment to the Articles of Incorporation in conjunction with the share split

The Company, at the Board of Directors's meeting held on July 7, 2025, resolved to conduct a share split and partial amendment to the Articles of Incorporation in conjunction with the share split.

1. Purpose of the share split

The purpose of the share split is to enhance the liquidity of the Company's shares and expand the investor base by reducing the amount per trading unit of the Company's shares, thereby creating an environment that facilitates investment by investors.

2. Outline of the share split

(1)Method of the share split

With November 30, 2025, as the record date, the Company will conduct a 2-for-1 share split of the common shares of the Company owned by shareholders registered or recorded in the shareholder registry as of the end of the same date.

(2)The number of shares to be increased by the share split

The total number of issued shares before the share split:	48,683,800 shares
The number of shares to be increased by the share split:	48,683,800 shares
The total number of issued shares after the share split:	97,367,600 shares
The total number of authorized shares after the share split:	300,000,000 shares

(3)Schedule of the share split

Date of public notice of the record date:	November 14, 2025 (planned)
Record date:	November 30, 2025
Effective date:	December 1, 2025

(4)Impact on per share information

The values for per share information on the assumption that this share split had been implemented at the beginning of the previous fiscal year ending November 30, 2024 are as follows.

	Six months ended May 31, 2024	Six months ended May 31, 2025
Basic earnings per share (¥)	103.88	126.12
Diluted earnings per share (¥)	103.76	126.10

3. Partial amendment to the Articles of Incorporation in conjunction with the share split

(1)Reason for the change

In conjunction with this share split, the total number of authorized shares of Article 6 of the Company's Articles of Incorporation will be changed pursuant to the provisions of Article 184, Paragraph 2 of the Companies Act, with an effective date of December 1, 2025.

(2) Details of the change

Details of the change are as follows.

Current Articles of Incorporation	Amended Articles of Incorporation
(Total Number of Authorized Shares) Article 6 The total number of shares authorized to be issued by the Company shall be <u>one hundred fifty million (150,000,000)</u>.	(Total Number of Authorized Shares) Article 6 The total number of shares authorized to be issued by the Company shall be <u>three hundred million (300,000,000)</u>.

4. Others

(1)Change to the amount of share capital

There will be no change to the amount of share capital due to this share split.

(2) Year-end dividend

As this share split will become effective December 1, 2025, the year-end dividend for the fiscal year ending November 30, 2025, with a record date of November 30, 2025 will be paid based on the number of shares before the share split.

2. Other

No item to report.

B. Information on Guarantee Companies, etc. of Filing Company

No items to report.

(Translation)

Independent Auditor's Report on Review of Semi-annual Consolidated Financial Statements

July 8, 2025

To the Board of Directors of
Tosei Corporation

Shinsoh Audit Corporation

Chuo-ku, Tokyo

Designated and Engagement Partner,
Certified Public Accountant:

Takashi Aikawa (Seal)

Designated and Engagement Partner,
Certified Public Accountant:

Hiroshi Matsubara (Seal)

Auditor's Conclusion

Pursuant to the first paragraph of Article 193-2 of the Financial Instruments and Exchange Act, we have reviewed the condensed semi-annual consolidated financial statements of Tosei Corporation included in the "Accounting" section, namely, the condensed semi-annual consolidated statements of financial position, comprehensive income, changes in equity, and cash flows, as well as their notes, for the first six-month period (December 1, 2024 to May 31, 2025) of the fiscal year from December 1, 2024 to November 30, 2025.

In our review, we have concluded that the condensed semi-annual consolidated financial statements referred to above are in conformity with International Accounting Standard 34 "Interim Financial Reporting," under the provision of Article 312 of the Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements of Japan, and nothing has come to our attention that causes us to believe that they do not fairly present, in all material respects, the financial positions of the Company and its consolidated subsidiaries as of May 31, 2025, and the consolidated results of their operations and their cash flows for the six-month period then ended.

Basis for Auditor's Conclusion

We conducted a review in conformity with review standards generally accepted in Japan. Our responsibility under the review standards is described in "Auditor's Responsibility in the Review of the Condensed Semi-annual Consolidated Financial Statements." In accordance with the professional ethics regulations in Japan, we are independent of the Company and its consolidated subsidiaries and fulfill our other ethical responsibilities as an auditor. We believe that we have obtained the evidence to provide a basis for our conclusion.

Matter for Emphasis

As stated under significant subsequent events, the Company at a Board of Directors meeting held on July 7, 2025, resolved to conduct a share split and make partial amendments to the Articles of Incorporation, in conjunction with the share split.

These matters shall not affect the opinion of the Independent Auditor.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Condensed Semi-annual Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these condensed semi-annual consolidated financial statements in conformity with International Accounting Standard 34 “Interim Financial Reporting.” This includes the design, implementation, and maintenance of internal control as management determines is necessary to enable the preparation and fair presentation of condensed semi-annual consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the condensed semi-annual consolidated financial statements, management evaluates whether it is appropriate to prepare the condensed semi-annual consolidated financial statements based on a going concern assumption, and is responsible for disclosing any matters as a going concern that require disclosure pursuant to Paragraph 4 of International Accounting Standard 1 “Presentation of Financial Statements.”

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of duties by Directors in designing, implementing and maintaining a financial reporting process.

Auditor’s Responsibility in the Review of the Condensed Semi-annual Consolidated Financial Statements

Our responsibility is to express a conclusion from an independent perspective on these condensed semi-annual consolidated financial statements based on our review as independent auditor.

We will make professional judgments throughout the review process in conformity with the review standards generally accepted in Japan, and carry out the following with professional skepticism.

- Make inquiries, primarily of management and persons responsible for financial and accounting matters, and apply analytical procedures and other review procedures. Such a review is substantially less in scope than an audit conducted in conformity with auditing standards generally accepted in Japan.
- If material uncertainties related to events or conditions that may cast significant doubt upon going concern assumption are recognized, conclude whether nothing comes to attention that causes us to believe that the documents are not fairly presented based on the evidence obtained in the condensed semi-annual consolidated financial statements in conformity with Paragraph 4 of International Accounting Standard 1 “Presentation of Financial Statements.” In addition, if material uncertainties regarding going concern assumption are recognized, the review report shall refer to the notes to the condensed semi-annual consolidated financial statements, or, if material uncertainties stated in the notes to the condensed semi-annual consolidated financial statements are inadequate, we are required to express qualified or adverse conclusions on the condensed semi-annual consolidated financial statements. The auditor’s conclusions are based on evidence obtained by the review reporting date, but future events and circumstances may prevent the Company from continuing as a going concern.
- Evaluate whether nothing comes to attention that causes us to believe that the presentation and notes to the condensed quarterly consolidated financial statements do not comply with International Accounting Standard 34 “Interim Financial Reporting,” or that the presentation, composition and contents of the condensed semi-annual consolidated financial statements including related notes as well as the transactions and accounting events underlying the condensed semi-annual consolidated financial statements are not fairly presented.
- Obtain evidence regarding financial information of the Company and its consolidated subsidiaries to express a conclusion on the condensed semi-annual consolidated financial statements. The auditor is responsible for directing, supervising, and conducting the review of the condensed semi-annual consolidated financial statements, and is solely responsible for its conclusion.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board on the scope and timing of the planned review and material findings in the review.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the observance of provisions related to professional ethics in Japan regarding independence as well as matters that are reasonably considered to have an impact on the auditor’s independence, the content of measures, if any, taken in order to eliminate obstacles, and the content of safeguards, if any, taken in order to reduce obstacles to an acceptable level.

Interest

Our firm and the engagement partners do not have any interest in the Company and its consolidated subsidiaries for which disclosure is required under the provisions of the Certified Public Accountants Act

End

---

*1.The original copy of the Review Report in above, is in the custody of the Company (filing company of the semi-annual securities report) as attachments to the financial statements.

2.XBRL data is excluded from the scope of the review.

Note:
The English version of the financial statements consists of an English translation of the reviewed Japanese financial statements. The actual text of the English translation of the financial statements was not covered by our review. Consequently, for the auditors' review report of the English financial statements, the Japanese original is the official text, and the English version is a translation of that text. Should there be any inconsistency between the translation and the official Japanese text, the latter shall prevail.