

Business Report for the 112th Fiscal Year

From April 1, 2024 to March 31, 2025



To Our Shareholders

Please let us take this opportunity to thank all of our shareholders for the invaluable understanding and support you have extended to us.

I am pleased to report the overview of business of KAMEI CORPORATION (the “Company”) for its 112th fiscal year (from April 1, 2024 to March 31, 2025).

June 2025



Fumiyuki Kamei

Representative Director,
Chairman and CEO



Akio Kamei

Representative Director,
President

Corporate Slogan

Supporting daily lives, enabling brighter futures

Corporate Philosophy

As a general trading company with strong local community ties, we constantly strive to support people in their daily lives as we ourselves develop and grow.

Overview of Business

Business progress and results of the Kamei Group

During the fiscal year ended March 31, 2025, the outlook for the global economy remained uncertain primarily due to impacts of rising prices of raw materials attributable to the prolonged situation in Ukraine and the Middle East, fluctuations in the financial capital market, and future U.S. policy trends.

The Japanese economy was on a moderate recovery trend against the backdrop of an improvement in the employment and income environment and an increase in demand generated by visitors to Japan, among other factors. However, the outlook also remained uncertain due mainly to the unstable global situation and the ongoing rise in prices caused by the depreciation of the yen.

In this environment, based on its Corporate Philosophy of “As a general trading company with strong local community ties, we constantly strive to support people in their daily lives as we ourselves develop and grow,” the Kamei Group aggressively worked on the development of new products and businesses and strongly promoted proposal-based marketing of various products in order to accurately respond to the diverse needs of our customers.

In addition, in order to enhance the Kamei Group’s overall capabilities, strengthen its management foundation, and achieve sustainable growth for the future, the Kamei Group actively worked to explore opportunities with new customers while implementing human capital management and expanding its business domain through M&As based on the growth and financial strategies presented in the Long-term Management Policy, which was announced in May 2024. The Kamei Group welcomed Setsubi Center Co., Ltd. (engaged in the distribution of LP gas, sales of housing equipment and facilities, city gas piping work, etc.) to strengthen its Energy Business.

Furthermore, with a view to helping achieve carbon neutrality by the year 2050, we strengthened sales of the likes of “SUSTEO,” a next-generation biodiesel fuel made from biomass feedstock, and “carbon offset LP gas,” which offsets the CO₂ emitted in the processes for that LP gas from its manufacture to burning.

As a result, net sales reached ¥574,281 million (up 0.4% from the previous fiscal year); operating profit was ¥15,912 million (up 1.5% from the previous fiscal year); ordinary profit was ¥17,746 million (up 4.1% from the previous fiscal year); and profit attributable to owners of parent was ¥10,690 million (up 5.7% from the previous fiscal year).

	Consolidated net sales (million yen)	Consolidated operating profit (million yen)
112th term	574,281	15,912
111th term	572,233	15,671
110th term	551,245	15,619

With respect to the year-end dividend for the 112th fiscal year, the Company has decided to pay ¥45 per common share, which is ¥19 higher than for the previous fiscal year, after taking into account comprehensively the business performance for the fiscal year ended March 31, 2025, the future business environment, and other relevant factors.

Accordingly, including the interim dividend of ¥28 per share, the annual dividend stands at ¥73 per share, achieving an increase for ten consecutive years.

Overview of Business

Energy Business

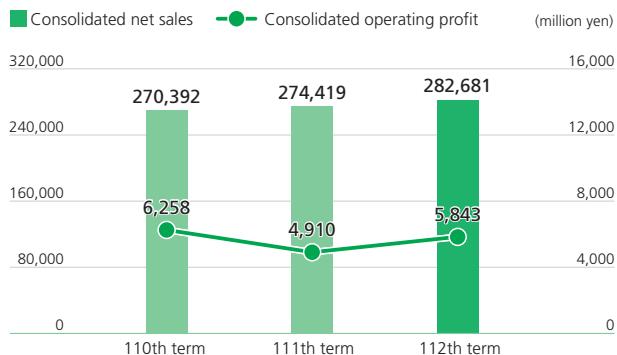


In this business segment, we continued to experience a difficult sales environment characterized by an ongoing structural decline in petroleum product demand.

As for sales of industrial fuel oil, in addition to working to explore new opportunities and deepen our relationship with existing customers, we made an effort to expand the sales of "SUSTEO," a next-generation biodiesel fuel made from biomass feedstock that does not cause conflict with use as food or forest destruction, in order to accommodate demand for CO₂ reductions.

As for sales of LP gas, we endeavored to acquire new customers and obtain trade rights. In addition, we reinforced our proposals of "carbon offset LP gas" for which the CO₂ emitted in all processes for that LP gas, from the collection of raw materials to burning, is offset with carbon credits generated from environmental preservation activities, while strengthening our sales of hybrid water heaters and other environmental products.

As for management of gas stations, we focused on enhancing our service as a whole including sales of tires, maintenance and car washing/coating in order to satisfy our customers' needs, and endeavored to win businesses with new customers. Efforts were also made to strengthen our competitiveness through the opening of new car coating specialty shops.



Food Business



As for sales of food products in this business segment, business remained favorable due to increases in sales of fully cooked food for facilities owing to efforts made to explore new opportunities, deepen our relationship with existing customers, and reinforce sales. In addition, efforts were made to pass on higher purchase costs to selling prices in the sales of raw materials for high-class western confectioneries.

As for sales of alcoholic beverages, we experienced somewhat difficult situations due to such factors as intensified sales competition and soaring import prices caused by the depreciation of the yen, despite our efforts to boost sales of differentiated products such as locally brewed sake, to expand the product lineup of imported wine, and to explore new opportunities and deepen our relationship with existing customers.

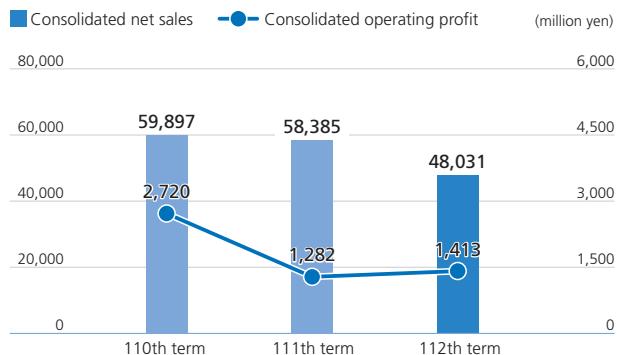


Construction Business



For the construction business in this business segment, despite sluggish net sales due mainly to a decline in steel frame construction projects, the business's mainstay, operating profit remained almost unchanged year on year as a result of thorough cost control and other efforts.

The housing construction business remained favorable owing to an increase in orders driven by various efforts—such as organizing consultation events for home renovations—and to our sales promotion activities with value propositions for housing equipment and facilities to home builders and contractors.



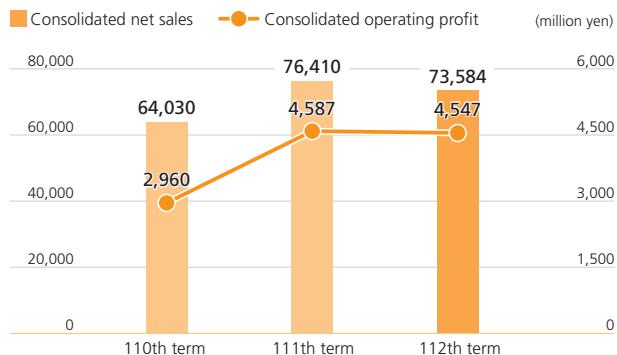
Automotive Business



Sales of domestically produced vehicles in this business segment faced a difficult situation, with sales volume declining due to the impact of manufacturers' certification irregularities issues and other factors, although efforts were made to expand the store network through new store openings and to strengthen our capabilities for sales to corporate customers.

Sales of imported cars faced a difficult situation mainly due to intensified sales competition despite our efforts to increase sales, including organizing events.

The car rental business remained favorable owing to increase in demand from tourism sector, in addition to our efforts to strengthen our competitiveness through store renovations and other means and to explore new opportunities and deepen our relationship with existing corporate customers.



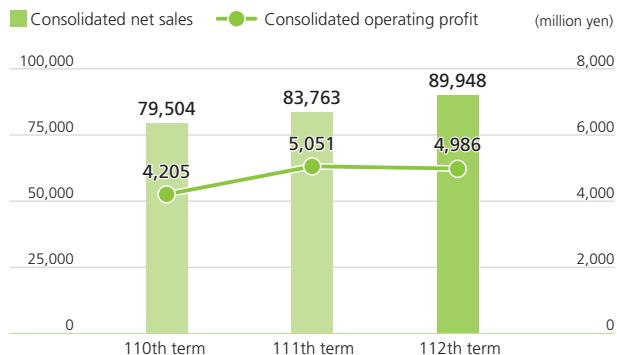
Overview of Business

Overseas/Trade Business



The overseas business in this business segment remained favorable due to factors such as the acquisition of a wholesaler and distributor of fruits and vegetables in the U.S. through M&A in the previous fiscal year, growth in lubricating oil storage and distribution operations in Singapore, and weaker yen compared to the previous fiscal year.

The trade business remained almost unchanged year on year, as imports of marine products as well as exports of motorcycle electrical components to Asia and Japanese foodstuffs to the U.S. increased.

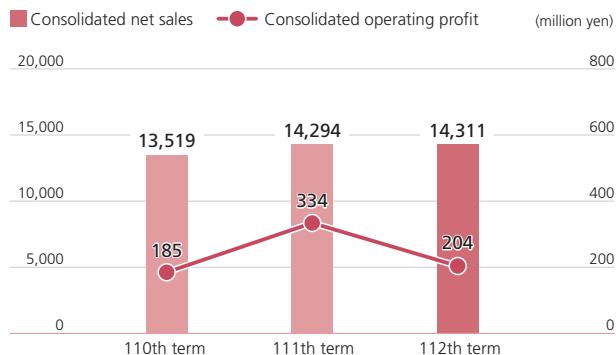


Pet Business



The pet food and pet care products sales in this business segment faced somewhat difficult situations due to intensified sales competition, among other factors, despite our efforts to promote the development of our own-brand products and to expand such sales channels as DIY and home improvement stores.

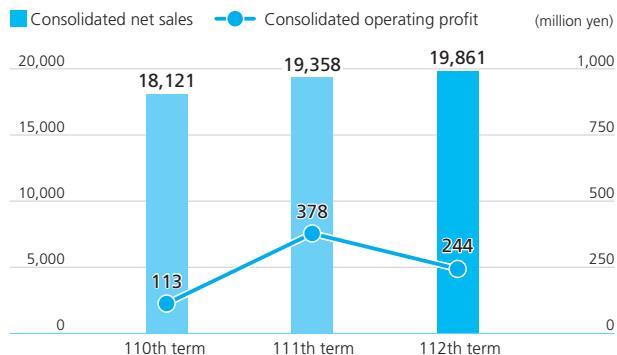
The gardening supplies sales faced somewhat difficult situations as sales declined mainly due to the impact of soaring prices of raw materials and unseasonable weather despite our efforts to expand sales of our own-brand herbicides and fertilizers and promotional activities to explore new opportunities and deepen our relationship with existing customers.



Pharmacy Business



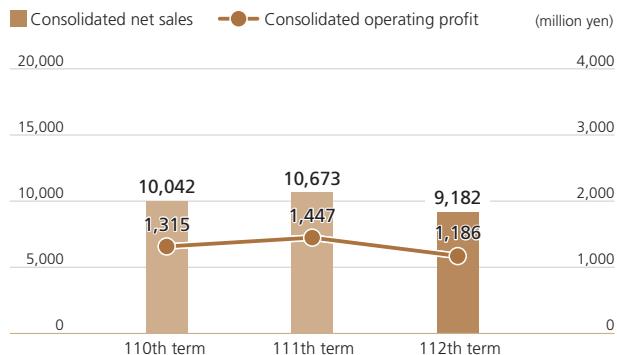
In this business segment, operating profit declined due to such factors as an increase in personnel expenses, although the number of prescriptions increased mainly owing to the store network expansion through new store openings and efforts to become the “family pharmacist/pharmacy” of choice for local residents.



Other Businesses



Other Businesses, which include sales of office equipment, leasing, transportation, and insurance agency services, performed sluggishly despite our efforts to acquire new customers and to step up sales activities with value propositions.



Overview of Business

Challenges facing the Kamei Group

The environment surrounding the Kamei Group is expected to remain uncertain due to impacts of the prolonged situation in Ukraine and the Middle East, future U.S. policy trends, soaring raw material prices, and other relevant factors.

In addition, the transition to a low-carbon, decarbonized society due to growing environmental awareness will accelerate the energy shift from fossil fuels to renewable energy sources, which is an important issue to address.

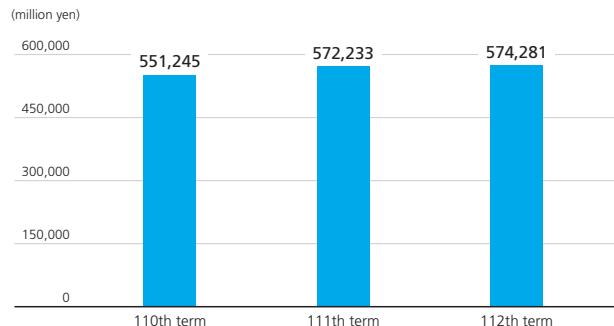
Under these circumstances, the Kamei Group remains firmly committed to aggressively promoting the exploration of opportunities with new customers, developing new products and businesses, and carrying out M&As to expand our business foundation, strengthen our domestic and overseas networks, and further enhance our corporate value, based on the growth and financial strategies presented in the Long-term Management Policy, for sustainable growth in the future.

Furthermore, in order to help realize a sustainable society, we will fulfill our social responsibility as a company through management that emphasizes human capital and ESG.

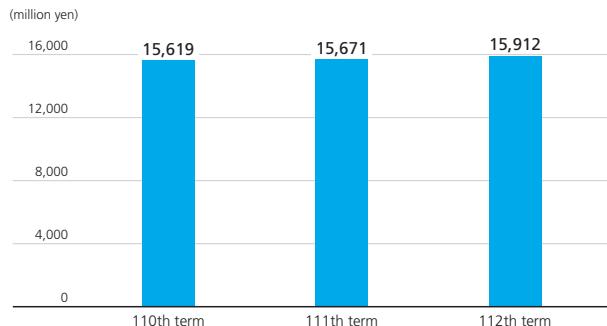
We ask our shareholders for your continued support in the future.

Trends in Business Performance

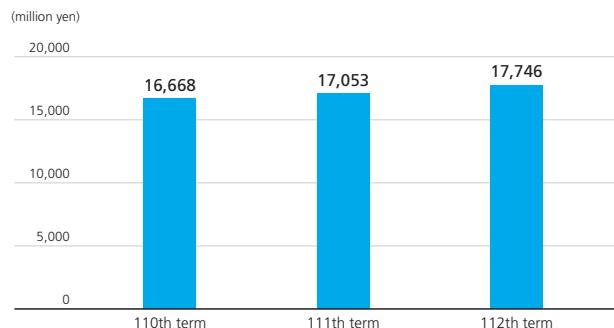
Net sales



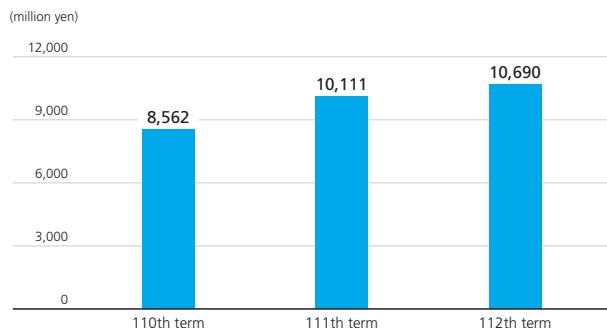
Operating profit



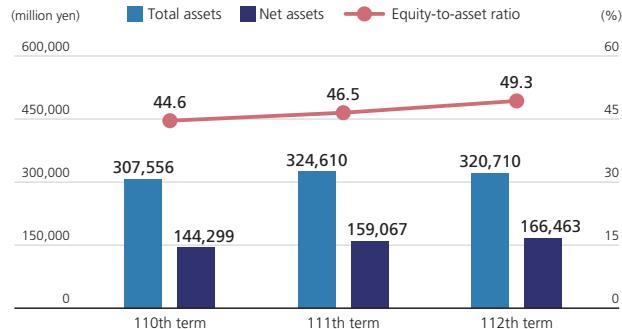
Ordinary profit



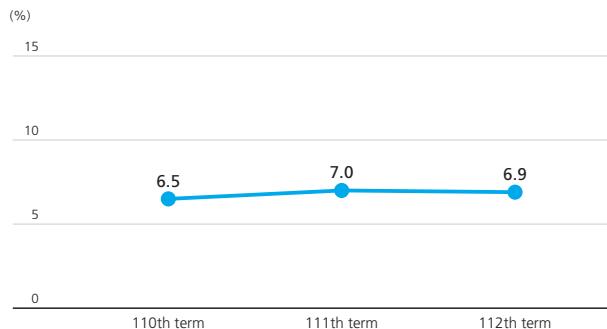
Profit attributable to owners of parent



Total assets, net assets, equity-to-asset ratio



Return on equity (ROE)



Consolidated Financial Statements

Consolidated balance sheet (summary)

(million yen)

Account	As of March 31, 2025	As of March 31, 2024	Account	As of March 31, 2025	As of March 31, 2024
(Assets)			(Liabilities)		
Current assets	187,829	196,946	Current liabilities	122,319	132,394
Cash and deposits	62,262	54,961	Notes and accounts payable - trade	56,843	58,551
Notes and accounts receivable - trade, and contract assets	76,035	92,441	Short-term borrowings	37,690	46,309
Merchandise and finished goods	32,007	30,333	Provision for bonuses	2,179	1,986
Other	17,691	19,424	Other	25,605	25,547
Allowance for doubtful accounts	(166)	(214)	Non-current liabilities	31,927	33,148
Non-current assets	132,881	127,664	Long-term borrowings	5,499	7,183
Property, plant and equipment	98,193	92,689	Retirement benefit liability	2,825	2,479
Buildings and structures	25,255	24,120	Asset retirement obligations	1,352	1,309
Land	37,283	35,941	Other	22,250	22,174
Other	35,654	32,627	Total liabilities	154,247	165,543
Intangible assets	5,977	6,159	(Net assets)		
Investments and other assets	28,710	28,814	Shareholders' equity	139,839	136,413
Total assets	320,710	324,610	Share capital	8,132	8,132
			Capital surplus	7,361	7,361
			Retained earnings	127,666	125,147
			Treasury shares	(3,320)	(4,228)
			Accumulated other comprehensive income	18,280	14,593
			Non-controlling interests	8,344	8,060
			Total net assets	166,463	159,067
			Total liabilities and net assets	320,710	324,610

Consolidated statement of income (summary)

(million yen)

Account	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024
Net sales	574,281	572,233
Financial revenue	1,506	1,272
Cost of sales	482,750	485,394
Gross profit	93,037	88,111
Selling, general and administrative expenses	77,125	72,439
Operating profit	15,912	15,671
Non-operating income	2,797	2,249
Non-operating expenses	962	868
Ordinary profit	17,746	17,053
Extraordinary income	438	42
Extraordinary losses	480	831
Profit before income taxes	17,704	16,263
Income taxes	6,355	5,518
Profit	11,348	10,745
Profit attributable to non-controlling interests	658	633
Profit attributable to owners of parent	10,690	10,111

Consolidated statement of cash flows (summary)

(million yen)

Account	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024
Net cash provided by (used in) operating activities	38,362	25,035
Net cash provided by (used in) investing activities	(13,616)	(11,663)
Net cash provided by (used in) financing activities	(21,272)	(6,495)
Effect of exchange rate change on cash and cash equivalents	1,839	1,020
Net increase (decrease) in cash and cash equivalents	5,312	7,897
Cash and cash equivalents at beginning of period	50,864	42,967
Cash and cash equivalents at end of period	56,177	50,864

About the Company

Company profile (as of March 31, 2025)

Trade name in Japanese	カメイ株式会社
Name in English	KAMEI CORPORATION
Address of the head office	3-1-18, Kokubuncho, Aoba-ku, Sendai, Miyagi, Japan
Established	December 29, 1932
Capitalized at	¥8,132 million
Number of consolidated companies	Consolidated subsidiaries: 51 Entities accounted for using equity method: 4
Net sales	(Period ended March 31, 2025) Consolidated: ¥574,281 million Non-consolidated: ¥353,246 million
Number of employees	Consolidated: 4,894 Non-consolidated: 1,575
Kamei Group	Domestic: 51 companies, Overseas: 27 companies

Executives and Managing Officers (as of June 27, 2025)

Representative Director, Chairman and CEO	Fumiyuki Kamei
Representative Director, President	Akio Kamei
Executive Director	Seietsu Sato
Executive Director	Toru Aihara
Director, Senior Advisor	Junichi Kamei
Outside Director	Masafumi Omachi
Outside Director	Seiichi Mitsui
Outside Director	Chieko Kurabayashi
Standing Audit & Supervisory Board Member	Minoru Sato
Outside Audit & Supervisory Board Member	Hiroyasu Sayama
Outside Audit & Supervisory Board Member	Yoshihiro Takahashi
Managing Officer	Naoki Washiashi
Managing Officer	Heiji Torii
Managing Officer	Satoshi Sato
Managing Officer	Satoshi Yamada
Managing Officer	Hiroshi Kikuchi
Managing Officer	Tetsuya Aizawa
Managing Officer	Naoto Jin

Domestic network (as of April 1, 2025)

Branch offices	24
Regional office	1
Representative offices	42
Gas stations	272 (Directly managed: 76, Dealers: 196)
Oil depots	34
Gas terminals	15
Automobile LPG stations	4
Food distribution centers	2
Pharmacies	111 (Directly managed: 56, Affiliated: 55)
Green Mart supermarket	1

Shares of the Company (as of March 31, 2025)

Total number of authorized shares	87,281,000
Total number of the issued shares	32,991,969
Number of shareholders	3,551

Status of major shareholders (as of March 31, 2025)

Name of shareholder	Number of shares held (thousand shares)	Shareholding ratio (%)
Kamei Kosan Ltd.	3,000	9.80
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,975	9.72
Fumiyuki Kamei	2,508	8.20
Custody Bank of Japan, Ltd. (Trust Account)	1,864	6.09
Kamei Memorial Foundation	1,650	5.39
Kamei Fudosan Corporation	1,643	5.37
Hikari Tsushin K.K.	1,209	3.95
Shogo Kamei	1,014	3.31
Green Wood Ltd.	1,000	3.27
The Kita-Nippon Bank, Ltd.	638	2.09

Notes: 1. The Company holds 2,392,231 treasury shares, which are excluded from the above list of major shareholders.
2. Shareholding ratio is calculated after deduction of treasury shares.

Group Network

Energy Business

Tohoku Gas Corporation Setsubi Center Co., Ltd.
 Tochigi LPG Co., Ltd. Shinshirakawa LPG Supply Center Co., Ltd.
 Pacific Co., Ltd. Saito Gas Co., Ltd.

Food Business

Higuchi Beikoku Co., Ltd.
 Ikemitsu Enterprises Co., Ltd.
 Wing Ace Corporation
 Vintners Inc.
 Agri Corporation
 Sun-Eight Trading Co., Ltd.
 Kodama Co., Ltd.
 Angelina Co., Ltd.

Pet Business

Oshimaono Shoji Co., Ltd.
 Pet&i Co., Ltd.
 Tomson Corporation

Construction Business

Kamei Engineering Co., Ltd.
 Tachibana Material Co., Ltd.
 Oumi Kikou Co., Ltd.

Pharmacy Business

Endo Pharmacy Co., Ltd.
 Marron Co., Ltd.
 Mito Pharmacy Co., Ltd.
 Aim Co., Ltd.
 MCS Co., Ltd.
 Kamei Pharmacy Tohoku Co., Ltd.
 Oasih's Co., Ltd.

Other Businesses

Kamei Physical Distribution Services Co., Ltd. Shiogama Petroleum Disaster Prevention Co., Ltd.
 Kamei Shoji Corporation Fitness Promotion Co., Ltd.
 Mitsumoto Shoji Co., Ltd. Chronos Medical Devices, Inc.
 Miyagi Television Broadcasting Co., Ltd. Persol Tempstaff Kamei Corporation
 Miyagi Television Service Co., Ltd. 141 Co., Ltd.
 Fuji Oil Service Co., Ltd. Ishinomaki Port Petroleum Distribution Assoc.

Automotive Business

Sendai Toyopet Co., Ltd.
 Yamagata Toyopet Co., Ltd.
 Kamei Auto Corporation
 Kamei Auto Hokkaido Corporation
 Orix Rent-A-Car Kamei Co., Ltd.
 Toyota Sendai Rental & Leasing Co., Ltd.
 Senzan Technocraft Co., Ltd.
 James Sendai Co., Ltd.

Overseas/Trade Business

Kamei Proact Corporation
 Sanko Progress Mabis Corporation
 KC Central Trading Co., Ltd.
 Saint Plaza Co., Ltd.

Overseas Affiliates

Kamei North America Co., Ltd. Translub Marine Pte. Ltd.
 Mitsuwa Corporation Lee Huat Yap Kee & Co. Pte. Ltd.
 YNJ, LLC Kamei Energy Singapore Pte. Ltd.
 Daiei Trading Co., Inc. Eastern Green Marketing Pte. Ltd.
 Daiei Trading-Chicago-Co., Inc. Alamanda Singapore Pte. Ltd.
 Nagatoshi Produce Co., Ltd. Santouka Kamei Singapore Pte. Ltd.
 Central Boeki U.S.A., Ltd. Kamei Vietnam Joint Stock Company
 Central Boeki Calif., Ltd. Phu & Em Trading Service Co., Ltd.
 Katagiri & Co., Inc. Dai Minh Service And Trading Co., Ltd.
 Santouka Kamei Canada Foods Ltd. Bao Chau International Distribution Co., Ltd.
 Kamei Singapore Pte. Ltd. Qingdao Saint Sports Co., Ltd.
 Imei (Exim) Pte. Ltd. Sanko Mabis (Beijing) Corporation
 Lee Huat Yap Kee Pte. Ltd. Taiwan Tachibana Materials Co., Ltd.
 LHYK Marine Pte. Ltd.

(as of April 1, 2025)



Topics

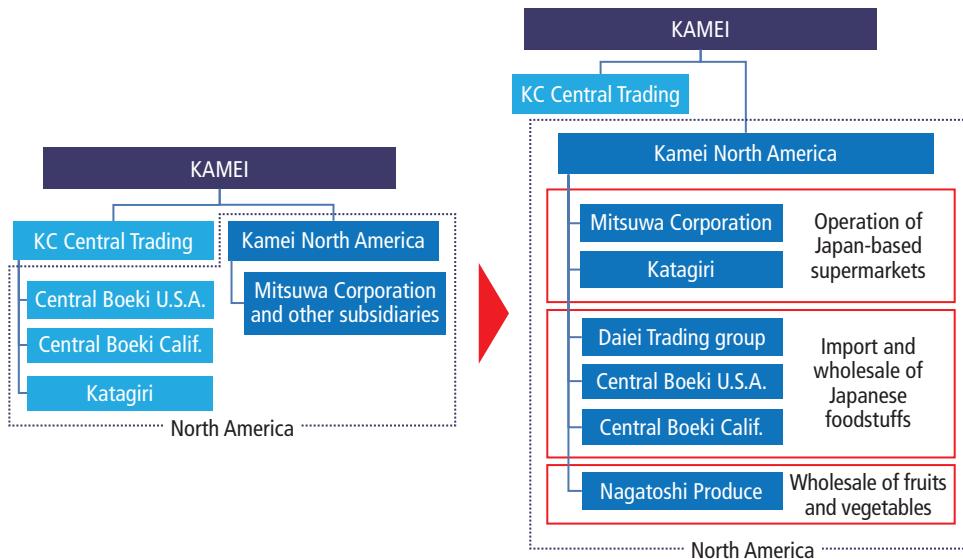
Notice of Reorganization of Subsidiaries to Strengthen North American Business

The Company has consolidated its subsidiaries Central Boeki U.S.A., Ltd., Central Boeki Calif., Ltd. and Katagiri & Co., Inc. under Kamei North America Co., Ltd. ("KNA"), its local affiliate which oversees Kamei's operations in North America.

■ Consolidation of all North American subsidiaries under Kamei North America

The three subsidiaries that were reorganized had previously been controlled by KC Central Trading Co., Ltd., another subsidiary of the Company. The Company has been implementing aggressive M&A strategies to establish a stronger business foundation in the global markets. On this occasion, the Company has decided to bring the three subsidiaries under the umbrella of KNA in order to create synergies within the Group to strengthen its business in the North American markets. This will further strengthen the Group's overall competitiveness and allow for a more strategic approach to each region.

The Kamei Group will strengthen its competitiveness in the North American markets and create synergies to develop new opportunities for future growth through efficient business operations.



Notice of Acquiring the Shares of Setsubi Center Co., Ltd.

On February 20, 2025, the Company welcomed Setsubi Center Co., Ltd. ("Setsubi Center") to the Kamei Group through share acquisition. Setsubi Center is engaged in the distribution of LP gas, sales of housing equipment and facilities, and city gas piping work, etc. mainly in Sendai City, Miyagi Prefecture.

■Aiming for further expansion of LP gas business

Setsubi Center is engaged in the distribution of LP gas, sales of housing equipment and facilities, and city gas piping work, etc. mainly in Sendai City, Miyagi Prefecture.

The company's key characteristics include certification as a Class 1 contractor by the Gas Bureau, City of Sendai to carry out general city gas piping work, along with advanced technological capabilities and extensive experience. In the LP gas department, Setsubi Center has received numerous awards for its outstanding contributions to disaster prevention, and has built a solid foundation in Miyagi Prefecture by establishing a strong relationship of trust with customers for 51 years, mainly through LP gas.

Through its collaboration with Setsubi Center, the Company will strive to secure a profit base by increasing its market share of LP gas and expand businesses that contribute to the social infrastructure by having an in-house function to handle city gas piping work with the aim of further developing its mainstay Energy Business.

■Setsubi Center Co., Ltd.

Address: 1-3-41, Fukudamachi Minami,
Miyagino-ku, Sendai, Miyagi

Representative: Daisaku Abe

Business description: Distribution of LP gas,
sales of housing equipment and facilities,
and city gas piping work, etc.

URL: <https://www.setsubi-c.co.jp/> (In Japanese)



Information for shareholders

Fiscal year	From April 1 of each year to March 31 of the following year
Annual general meeting of shareholders	June of each year
Record date for year-end dividends	March 31 of each year
Record date for interim dividends	September 30 of each year
Shareholder register administrator	Mitsubishi UFJ Trust and Banking Corporation
Account management institution for special account	1-4-5, Marunouchi, Chiyoda-ku, Tokyo, Japan
Contact information for the account management institution	Corporate Agency Division, Mitsubishi UFJ Trust and Banking Corporation 1-1, Nikkocho, Fuchu-shi, Tokyo, Japan Telephone: 0120-232-711 (toll free) <Postal address> P.O. Box 29, Shin-Tokyo Post Office, postal code: 137-8081 Corporate Agency Division, Mitsubishi UFJ Trust and Banking Corporation
Listed stock exchange	Tokyo Stock Exchange
Number of shares per share unit	100
Method of public notice	Electronic public notice However, if the Company is unable to give electronic public notice because of an accident or any other unavoidable reason, public notice of the Company may be given in the Nihon Keizai Shimbun newspaper.

Information about the administration of shares

1. Shares recorded in accounts at securities companies, etc.

In principle, shareholder's address changes, requests for the purchase of shares less than one unit, and other related procedures should be handled by the account management institution (a securities company or other financial institution) where the shareholder has opened an account. Please contact the securities company or other financial institution with which you have opened your account. Please note that the shareholder register administrator (Mitsubishi UFJ Trust and Banking Corporation) does not handle these matters.

2. Shares recorded in a special account

For the procedures regarding shares recorded in a special account, please contact the above-mentioned account management institution for special account, which is Mitsubishi UFJ Trust and Banking Corporation. The procedures are also handled by the branch offices in Japan of Mitsubishi UFJ Trust and Banking Corporation.

3. Payment of unclaimed dividends

Payment of unclaimed dividends can be requested at the head office or one of the branch offices of Mitsubishi UFJ Trust and Banking Corporation.