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[Document filed]	Amended Quarterly Securities Report
[Applicable law]	Article 24-4-7, paragraph 1 of the Financial Instruments and Exchange Act of Japan
[Place of filing]	Director-General, Kanto Local Finance Bureau
[Filing date]	May 13, 2025
[Quarterly accounting period]	Second quarter of 58th business term (From July 1, 2022 to September 30, 2022)
[Company name]	綜合警備保障株式会社 ( <i>Sogo Keibi Hosho Kabushiki Kaisha</i> )
[Company name in English]	SOHGO SECURITY SERVICES CO., LTD.
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[Telephone number]	+81-3-3470-6811 (Main telephone number)
[Contact person]	Kazuhide Shigemi, Director and Senior Executive Officer
[Place for public inspection]	Tokyo Stock Exchange, Inc. (2-1, Nihonbashi Kabutocho, Chuo-ku, Tokyo, Japan)

## 1 【Reasons for filing the amended quarterly report】

In April 2025, it was found that the Company and its four consolidated subsidiaries had incorrectly recorded data on defined benefit obligations related to lump-sum retirement payment plans, resulting in an understatement of retirement benefit liability and related accounts in prior years. In response to this, the Company has corrected errors in the consolidated and non-consolidated financial statements included in the annual securities reports filed after June 24, 2020, the quarterly consolidated financial statements included in the quarterly securities reports filed after August 2, 2022, and the interim consolidated financial statements included in the semi-annual securities report filed on November 6, 2024. The factors that necessitated the correction were identified prior to the fiscal year ended March 31, 2018, and the correction amounts for the consolidated fiscal years prior to the fiscal year ended March 31, 2018 will be adjusted retroactively at the beginning of the fiscal year ended March 31, 2019.

As a result of this correction, it became necessary to correct the quarterly securities report for the 2nd quarter of 58th business term (from July 1, 2022 to September 30, 2022) filed on November 8, 2022. The Company will file an amended quarterly securities report in accordance with Article 24-4-7, Paragraph 4 of the Financial Instruments and Exchange Act of Japan.

Please note that the amended quarterly consolidated financial statements were reviewed by Grant Thornton Taiyo LLC. The quarterly review report is attached.

## 2 【Corrected Matter】

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Corrected portions are underlined. Due to the large number of the portions, only the corrected items are shown above.

## Part 1. Company Information

### I. Overview of Company

#### 1. Selected financial data

Fiscal year		57th business term Six months ended September 30, 2021	58th business term Six months ended September 30, 2022	57th business term
Accounting period		From April 1, 2021 to September 30, 2021	From April 1, 2022 to September 30, 2022	From April 1, 2021 to March 31, 2022
Net sales	(Millions of yen)	245,290	236,053	489,092
Ordinary income	(Millions of yen)	<u>25,228</u>	<u>16,035</u>	<u>43,744</u>
Profit attributable to owners of parent	(Millions of yen)	<u>15,733</u>	<u>9,404</u>	<u>28,234</u>
Comprehensive income	(Millions of yen)	<u>16,871</u>	<u>11,110</u>	<u>31,479</u>
Net assets	(Millions of yen)	<u>307,843</u>	<u>323,968</u>	<u>318,071</u>
Total assets	(Millions of yen)	<u>479,068</u>	<u>499,912</u>	<u>492,452</u>
Net income per share	(Yen)	<u>155.42</u>	<u>92.90</u>	<u>278.90</u>
Diluted net income per share	(Yen)	—	—	—
Equity ratio	(%)	<u>58.6</u>	<u>59.3</u>	<u>59.0</u>
Net cash provided by (used in) operating activities	(Millions of yen)	21,120	12,479	42,736
Net cash provided by (used in) investing activities	(Millions of yen)	(4,858)	(16,080)	(14,093)
Net cash provided by (used in) financing activities	(Millions of yen)	(8,945)	(10,032)	(18,183)
Cash and cash equivalents end of the period	(Millions of yen)	60,456	50,487	63,644

Fiscal year		57th business term Three months ended September 30, 2021	58th business term Three months ended September 30, 2022
Accounting period		From July 1, 2021 to September 30, 2021	From July 1, 2022 to September 30, 2022
Net income per share	(Yen)	<u>96.98</u>	<u>50.66</u>

(Note) 1. Selected financial data is not disclosed on a non-consolidated basis as SOHGO SECURITY SERVICES CO., LTD. (the “Company”) prepares quarterly consolidated financial statements.

2. Diluted net income per share is not disclosed as there are no potentially dilutive shares.

## 2. Description of business

There have been no significant changes in the businesses that the Group (the Company and its subsidiaries and associates) operates during the six months ended September 30, 2022.

The Group had the following realignments during the six months ended September 30, 2022.

- (1) Effective April 1, 2022, the Company merged with ALSOK Leasing Co., Ltd., a consolidated subsidiary of the Company engaging in leasing and installment sales, with the Company as the surviving company.
- (2) Following revisions of a shareholder agreement, effective May 13, 2022, Tokai Sohgo Security Services Co., Ltd., an equity-method associate mainly engaging in security services, became a consolidated subsidiary of the Company.
- (3) Effective June 22, 2022, the Company acquired all shares of ALSOK Joy Life Co., Ltd. and ALSOK Life Support Co., Ltd., engaging in long-term care services.
- (4) Effective September 21, 2022, ALSOK Eagles Co., Ltd., a wholly owned subsidiary of the Company engaging in maintenance and inspection services, became a consolidated subsidiary of the Company. ALSOK Eagles Co., Ltd. had been a non-consolidated subsidiary until then.
- (5) Effective September 21, 2022, ALSOK Business Support Co., Ltd., a wholly owned Special Subsidiary Company engaging in a business card printing service, etc., became a consolidated subsidiary of the Company. ALSOK Business Support Co., Ltd. had been a non-consolidated subsidiary until then.

## II. Business Overview

### 1. Risk factors

During the six months ended September 30, 2022, there have been no newly arising business risks, etc. or changes in the business risks, etc. disclosed in the Annual Securities Report of the previous fiscal year.

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

Any forward looking information included in this report is based on the best estimates of the Company as of the date of filing of this report.

#### (1) Financial position and operating results

During the six months ended September 30, 2022, a gradual recovery of the Japanese economy continued as the economy returned to pre-pandemic normal, despite the seventh wave of COVID-19, rising raw material costs caused by increasing resource prices and the weak yen, and semiconductors supply constraints. Looking forward, as the number of COVID-19 cases decreases, a domestic demand-led gradual economic recovery, especially for consumer spending and capital investments, is expected with the public expectations for the government's economic measures. On the other hand, attention should be paid to economic recession risks in the United States, Europe, China and other countries, as well as interest rate and exchange rate movements in financial markets.

In the security services, reflecting concerns over the cyber-attacks on critical infrastructure and supply chains, the declining birthrate and the workforce with aging population, the security and safety of senior citizens, women, children and other vulnerable members of society, the increasing number of crimes affecting the general public, the string of natural disasters and the aging infrastructure, the Group is continued to be expected to provide integrated services for security, facility management and long-term care to the society with diversified security and safety needs.

In this environment, the Group has continued to provide appropriate services while taking sufficient infection prevention measures as an operator of service businesses related to the safety and security of society (the Security Services, General Property Management and Fire Protection Services, and lifestyle support services for the senior citizens such as Long-Term Care Services), which are all indispensable for ensuring the stability of the lives of the people and the national economy. As set forth in the Medium-Term Management Plan "Grand Design 2025", the Group aims to become "a resilient integrated safety and security solutions provider that supports the safety and security of customers and society". In order to respond to increasing safety and security needs of customers with diversified risks, we have made efforts to provide new services that combine a variety of services including security, facility management and long-term care.

Despite the above efforts, the Group could not offset the impact of a decrease in sales related to the Tokyo 2020 Olympic and Paralympic Games and an increase in system-related costs, and on the consolidated basis, the Group recorded the net sales of ¥236,053 million (3.8% decrease year on year), operating income of ¥14,702 million (39.5% decrease year on year), ordinary income of ¥16,035 million (36.4% decrease year on year), and profit attributable to owners of parent of ¥9,404 million (40.2% decrease year on year) for the six months ended September 30, 2022. Amid the domestic demand recovery expected, the ALSOK Group will continue to provide integrated services for security, facility management and long-term care, such as services for cyber security, services that protect the safety and security of individual customers, services to address natural disaster risks, services to meet various outsourcing needs and comprehensive management services for buildings, facilities and infrastructure, for better financial results.

The operating results for each segment are described below:

With the decrease in sales related to the Tokyo 2020 Olympic and Paralympic Games, the net sales of the Security Services segment was ¥181,017 million (4.2% decrease year on year), and operating income was ¥15,893 million (31.0% decrease year on year).

The Company has provided services for corporate customers through its Electronic Security Services business and promoted sales of ALSOK-G7 (read as "ALSOK G-seven"), which contributes to customers' diversifying needs. ALSOK-G7 is equipped with live video monitoring as a standard feature, enhanced optional services such as remote monitoring using stored and live images as well as remote equipment control. Going forward, we will further expand the usage of ALSOK-G7 to meet customers' needs. The Group also promotes sales of products for individual customers including Home Security Basic, a standard solution for private homes that is easy to install and HOME ALSOK MIMAMORI SUPPORT®, a service to watch over senior citizens. In June 2022, we began offering HOME ALSOK Outdoor Wireless IP Camera, which allows users to check real-time video and recorded video via a smartphone app, with the option of requesting ALSOK to rush to the scene in the event of an emergency. By introducing new devices such as this IP camera, we aim to expand our customer base for further expansion of the home security business.

In the Stationed Security Services, we have provided security services at places such as vaccination centers and recovery accommodation facilities for people with light symptoms of COVID-19 infection. We are also striving for labor savings and

efficiencies of stationed security services through DX. Considering the trend of reshoring, we will focus on expanding sales of large-scale security services.

For the Transportation Security Services, there is still a deep-rooted need to streamline cash management operations in the public and private sectors, and therefore, the Group is striving to expand Cash Deposit and Dispenser Machine On-Line System sales. In June 2022, MH-A Model was launched, the updated version of Medium-Sized Cash Deposit and Dispenser Machine On-Line System with functions of withdrawal and transfer of petty cash, which had been requested by many customers. In July 2022, we launched Tax and Public Funds Collection System, which automates counter services of the local governments using our Cash Deposit and Dispenser Machine On-Line System. In addition, as a new solution to support regional financial institutions and others in improving operational efficiency and reducing costs, we have started providing centralized operations of an electronic clearinghouse for bills and checks. We will continue to be aware of various outsourcing needs and expand our service offerings. For the General Property Management and Fire Protection Services segment, with the impact of a decrease in sales related to COVID-19 measures and the impact of a decline in completion in the construction work sectors, the net sales was ¥29,707 million (8.6% decrease year on year), and operating income was ¥2,632 million (36.1% decrease year on year). Furthermore, Social Contribution Type Emergency Supplies Service was launched in April 2022. This is a subscription service for emergency supplies. Unused emergency supplies are collected six months before the expiration date and donated to various social welfare facilities, thereby contributing to reduce food losses and expand BCP services. Also, we are contributing to the spread of electric vehicle charging facilities, including its sales, to strengthen our sustainability efforts.

For the Long-Term Care Services segment, the net sales was ¥22,699 million (9.1% increase year on year) due to the effect of mergers and acquisitions (M&A), etc. However, operating income was ¥456 million (55.8% decrease year on year) due to the investments in new facilities opening. We will continue to strengthen our management base and expand our facilities by streamlining Long-Term Care Services operations through the use of nursing care support AI robots, etc., while providing total care that no other company can match under the unified “ALSOK’s Care” Long-Term Care Services brand.

In the Other Services, the sales of ALSOK Multi-QR Payment Solution, a proprietary QR code payment service responding to a growing trend for cashless payments, have steadily increased. In June 2022, Asbestos Comprehensive Service was launched, a service to provide support for asbestos inspections to respond to amended Air Pollution Control Act, which became stricter than before. In addition, we have continue to provide various services utilizing drones to inspect aging infrastructure such as bridges, exterior walls, and various other facilities in addition to panel inspections of vast solar facilities, to expand our businesses.

The Group responds to growing needs for safety and security in society by utilizing new technologies and improving productivity, while fulfilling its responsibilities as a provider of services for the safety and security of society.

Total assets as of September 30, 2022 was ¥499,912 million, an increase of ¥7,459 million from the end of the previous fiscal year.

This resulted from ¥11,633 million increase in property, plant and equipment and ¥7,242 million increase in goodwill, which was partially offset by ¥14,104 million decrease in cash and deposits.

Total liabilities as of September 30, 2022 was ¥175,944 million, an increase of ¥1,563 million from the end of the previous fiscal year. This resulted from ¥4,335 million increase in other current liabilities including advances received, which was partially offset by ¥2,736 million decrease in income taxes payable.

## (2) Cash flows

Cash and cash equivalents (“cash”) for the six months ended September 30, 2022 are summarized below:

(Cash flows from operating activities)

Net cash provided in operating activities was ¥12,479 million (40.9% decrease year on year) during the six months ended September 30, 2022. This resulted from ¥16,009 million of income before income taxes and ¥8,878 million of depreciation expenses added back, which was partially offset by ¥8,339 million income tax payment and ¥7,079 million decrease in notes and accounts payable - trade.

The changes in assets and liabilities of Transportation Security Services include changes in cash raised for Transportation Security Services within cash and short-term loans payable for Transportation Security Services.

(Cash flows from investing activities)

Net cash used in investing activities was ¥16,080 million (231.0% increase year on year) during the six months ended September 30, 2022. The cash decreased due to ¥9,365 million used for purchase of shares of subsidiaries resulting in change in scope of consolidation and ¥6,609 million used for acquisition of property, plant and equipment.

(Cash flows from financing activities)

Net cash used in financing activities was ¥10,032 million (12.1% increase year on year) during the six months ended September 30, 2022. The cash decreased due to ¥4,455 million used for dividends payment, ¥2,113 million used for repayment of lease obligations, ¥1,442 million used for repayment of long-term loans payable and ¥1,303 million decrease in short-term loans payable.

(3) Accounting estimates and assumptions used for those estimates

There have been no significant changes in the accounting estimates and assumptions used for those estimates described in “Management analysis of financial position, operating results and cash flows” of the Annual Securities Report for the previous fiscal year.

(4) Business policies and strategies

There have been no significant changes in the business policies and strategies of the Group during the six months ended September 30, 2022.

(5) Production, orders and sales

(Production)

The Group is not engaged in production activities. The number of contracts in progress as of September 30, 2022 is as follows:

Segment		As of the end of three months ended September 30, 2022 (As of September 30, 2022)	Year on year change (%)
Security Services			
Electronic Security Services	(Thousands of contracts)	1,020	1.8
Stationed Security Services	(Thousands of contracts)	4	4.9
Transportation Security Services	(Thousands of contracts)	79	0.4
Total	(Thousands of contracts)	1,105	1.7
General Property Management and Fire Protection Services	(Thousands of contracts)	120	2.2
Long-Term Care Services	(Thousands of contracts)	27	(0.7)
Total for reportable segments	(Thousands of contracts)	1,252	1.7
Other Services	(Thousands of contracts)	33	(3.5)
Total	(Thousands of contracts)	1,286	1.5

(Note) The number of contracts above represents the total number of long-term contracts with the customers (contracts to provide services on an ongoing basis for a certain period of time), not the total number of parties to the contract the Group provides services to. Major services provided by each segment are as follows:

Electronic Security Services	ALSOK Guard System for corporate customers, home securities for individual customers, etc.
Stationed Security Services	Stationed security services to assign security guards to facilities of the customers
Transportation Security Services	Cash transportation services including transportation of securities, and Cash Deposit and Dispenser Machine On-Line System
General Property Management and Fire Protection Services	Facility management, cleaning services, call center services, maintenance, management and operation of various facilities, inspection of fire equipment and AED rental, etc.
Long-Term Care Services	Home-visit nursing care, day care services, fee-based long-term care facilities, group homes, etc.
Other Services	ALSOK PC Management Service, Website Tampering Detection Service, cashless payment service including QR Code payment



(Sales)

The sales results for each segment are described below:

Segment		Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)	Year on year change (%)
Security Services			
Electronic Security Services	(Millions of yen)	85,899	(2.4)
Stationed Security Services	(Millions of yen)	61,533	(8.5)
Transportation Security Services	(Millions of yen)	33,584	(0.2)
Total	(Millions of yen)	181,017	(4.2)
General Property Management and Fire Protection Services	(Millions of yen)	29,707	(8.6)
Long-Term Care Services	(Millions of yen)	22,699	9.1
Total for reportable segments	(Millions of yen)	233,424	(3.6)
Other Services	(Millions of yen)	2,629	(13.7)
Total	(Millions of yen)	236,053	(3.8)

(Note) No single customer accounted for more than 10% of total net sales.

(6) Priority business and financial challenges

There have been no significant changes in the Group's priority business and financial challenges during the six months ended September 30, 2022.

(7) Research and development

Research and development cost was ¥308 million for the six months ended September 30, 2022, which was mainly related to security business.

There have been no significant changes in the Group's research and development activities during the six months ended September 30, 2022.

#### (8) Analysis of capital resources and liquidity

The Group's primary source of funds is the monthly fees received from customers, mainly in the security business, which is stable and predictable revenue. As the Group's expenditure plan is based on this stable source of funds, the Group believes there is little concern that it will face a shortage of funds in the predictable future. The Group also believes that it can obtain external financing at a relatively low cost due to this stable source of funds, the recent trend of the equity ratio and the good relationships with its key financial institutions.

The Group's primary capital needs and methods of financing are as follows:

##### (Working capital needs)

The working capital needs of the Group are mainly comprised of cost of sales, such as labor costs and outsourcing costs, selling, general and administrative expenses, such as personnel expenses, and cash required for deposit of sales proceeds into the customers' bank accounts through Cash Deposit and Dispenser Machine On-Line System in the Transportation Security Services.

While the cost of sales and selling, general and administrative expenses are generally paid out of its own funds as the payment occurs regularly throughout the year, the Group also uses short-term loans from financial institutions as necessary to meet the capital needs.

The Group uses both its own funds and short-term loans from financial institutions for deposit of sales proceeds into the customers' bank accounts through Cash Deposit and Dispenser Machine On-Line System. Such short-term loans are available through overdrafts and can be executed immediately based on the cash needs. The amount of sales proceeds that the Group deposits into customers' bank accounts on a certain day represents the amount of sales proceeds deposited into the Cash Deposit and Dispenser Machine by customers on the previous day, which fluctuates significantly depending on the customers' behaviors. The amount of deposits increases especially on Monday or any business day after national holidays because such amount includes the amount deposited by customers into the Machine during the weekends and holidays, resulting in increasing use of short-term loans from financial institutions.

##### (Investment capital needs)

The investment capital needs of the Group are mainly comprised of M&A transactions. This is generally paid out of its own funds, and the Group also uses short-term and long-term loans from financial institutions as necessary to meet the needs.

In addition, the recurring acquisition of security alarm equipment related to the electronic security is also included in capital investment. The Group considers the acquisition of security alarm equipment is similar in nature to the acquisition of inventories as a component of working capital since the amount per acquisition is small and it occurs as orders are received. As the acquisition of alarm equipment occurs regularly throughout the year, it is generally paid out of its own funds, which is similar to the working capital needs.

During the six months ended September 30, 2022, there have been no significant changes in the Group's capital investment plan, including capital expenditures which were planned at the end of the previous consolidated fiscal year as of March 31, 2022.

##### (Management's view on future outlook of capital needs and methods of financing)

The Group has mostly used its own funds to meet the capital needs during the six months ended September 30, 2022 except for Transportation Security Services. At this point, the Group does not expect any significant change in the capital needs during the fiscal year ending March 31, 2023 and believes that its capital needs will be satisfied by its own funds.

#### (9) Facilities

##### (Plan for establishment or disposal of facilities)

During the six months ended September 30, 2022, there have been no significant changes in the plan for establishment or disposal of facilities which was under planning as of March 31, 2022. In addition, there were no newly established plans for installation, expansion, renovation, disposal or sale of significant facilities during the six months ended September 30, 2022.

### 3. Material business contracts, etc.

Material business contracts, etc. decided or concluded during the six months ended September 30, 2022 are as follows:

Effective September 30, 2022, the Company indirectly holds shares of Tobu Co., Ltd. (35% voting rights), mainly engaging in building maintenance services, through investments in a special purpose company established by SBI Regional Business Succession Investment No. 1 LPS, which is operated by SBI Regional Business Investment Co., Ltd.

### III. Information on Reporting Company

#### 1. Information on shares, etc.

##### (1) Total number of shares, etc.

###### i. Total number of shares

Class	Total number of issuable shares (Shares)
Common stock	300,000,000
Total	300,000,000

###### ii. Shares issued

Class	Number of shares issued as of September 30, 2022 (Shares)	Number of shares issued as of November 8, 2022 (filing date) (Shares)	Name of stock exchange on which the Company is listed or name of Authorized Financial Instruments Firms Association where the Company is registered	Description
Common stock	102,040,042	102,040,042	Tokyo Stock Exchange Prime market	Standard share of the Company with no restrictions on the content of rights. Number of shares per one unit of share is 100 shares.
Total	102,040,042	102,040,042	—	—

##### (2) Subscription rights to shares, etc.

###### i. Details of stock option plans

Nothing to report.

###### ii. Other subscription rights to shares, etc.

Nothing to report.

##### (3) Exercises of moving strike convertible bonds, etc.

Nothing to report.

##### (4) Changes in number of shares issued and capital stock, etc.

Period	Changes in the total number of shares issued (Shares)	Total number of shares issued (Shares)	Changes in capital stock (Millions of yen)	Amount of capital stock (Millions of yen)	Changes in capital surplus (Millions of yen)	Amount of capital surplus (Millions of yen)
From July 1, 2022 to September 30, 2022	—	102,040,042	—	18,675	—	29,320

## (5) Major shareholders

As of September 30, 2022

Name	Address	Number of shares held (Thousands of shares)	Ownership percentage to the total number of shares issued (excluding treasury stock) (%)
The Master Trust Bank of Japan, Ltd. (Trust account) (Note)	2-11-3 Hamamatsucho, Minato-ku, Tokyo, Japan	12,879	12.71
SOHGO CORPORATION	130-16 Yamabukicho, Shinjuku-ku, Tokyo, Japan	7,388	7.29
Custody Bank of Japan, Ltd. (Trust account) (Note)	1-8-12, Harumi, Chuo-ku, Tokyo, Japan	7,095	7.00
Saitama Kiki Co., Ltd.	7-1-3 Shimoochiai, Chuo-ku, Saitama, Japan	5,283	5.21
Kamakura Corporation	130-16 Yamabukicho, Shinjuku-ku, Tokyo, Japan	4,150	4.09
SOHGO SECURITY SERVICES CO., LTD. Employee Stockholding Association	1-6-6 Motoakasaka, Minato-ku, Tokyo, Japan	3,507	3.46
Custody Bank of Japan, Ltd. as Trustee for Mizuho Bank Retirement Benefit Trust Account Re-entrusted by Mizuho Trust and Banking Co., Ltd.	1-8-12, Harumi, Chuo-ku, Tokyo, Japan	2,961	2.92
Kizuna Corporation	130-16 Yamabukicho, Shinjuku-ku, Tokyo, Japan	2,950	2.91
Atsushi Murai	Suginami-ku, Tokyo, Japan	2,885	2.84
SMBC Trust Bank Ltd. (as trustee for Sumitomo Mitsui Banking Corporation Retirement Benefits Trust Account)	1-3-2 Marunouchi, Chiyoda-ku, Tokyo	2,735	2.70
Total	—	51,836	51.18

(Note) 1. Of the number of shares held above, the number of shares related to the trust business is as follows:

The Master Trust Bank of Japan, Ltd. (Trust account) 5,448 thousand shares

Custody Bank of Japan, Ltd. (Trust account) 2,664 thousand shares

2. In the amendment to the substantial shareholding report, which was made available for public inspection on June 6, 2022, it is stated that BlackRock Japan Co., Ltd. and its five joint holders own the following shares. However, these are not included in the above major shareholders as we cannot confirm the actual number of shares held as of September 30, 2022. The amendment to the substantial shareholding report states as follows:

Name	Address	Number of share certificates, etc. held (Shares)	Holding ratio of share certificates, etc. (%)
BlackRock Japan Co., Ltd.	1-8-3 Marunouchi, Chiyoda-ku, Tokyo	1,236,400	1.21
BlackRock (Netherlands) BV	Amstelplein 1, 1096 HA, Amsterdam, the Netherlands	230,300	0.23
BlackRock Fund Managers Limited	12 Throgmorton Avenue, London, U.K.	174,730	0.17
BlackRock Asset Management Ireland Limited	1st Floor, 2 Ballsbridge Park, Ballsbridge, Dublin, Ireland	597,400	0.59
BlackRock Fund Advisors	400 Howard Street, San Francisco, CA, USA	933,200	0.91
BlackRock Institutional Trust Company, N.A.	400 Howard Street, San Francisco, CA, USA	485,011	0.48
Total	—	3,657,041	3.58

(6) Voting rights

i. Shares issued

As of September 30, 2022

Category	Number of shares (Shares)	Number of voting rights (Unit)	Description
Shares without voting rights	—	—	—
Shares with restricted voting rights (treasury stock, etc.)	—	—	—
Shares with restricted voting rights (others)	—	—	—
Shares with full voting rights (treasury stock, etc.)	Common stock 782,400	—	Standard share of the Company with no restrictions on the content of rights. Number of shares per one unit of share is 100 shares.
Shares with full voting rights (others)	Common stock 101,238,200	1,012,382	Same as above
Shares less than one unit	Common stock 19,442	—	Shares less than one unit (100 shares)
Total number of shares issued	102,040,042	—	—
Total number of voting rights	—	1,012,382	—

ii. Treasury stock, etc.

As of September 30, 2022

Name of shareholders	Address of shareholders	Number of shares held under own name (Shares)	Number of shares held under the name of others (Shares)	Total number of shares held (Shares)	Ownership percentage to the total number of shares issued (%)
SOHGO SECURITY SERVICES CO., LTD.	1-6-6 Motoakasaka, Minato-ku, Tokyo, Japan	782,400	—	782,400	0.76
Total	—	782,400	—	782,400	0.76

2. Information on directors

There have been no changes in directors subsequent to the filing of the Annual Securities Report of the previous fiscal year through September 30, 2022.

The Group had the following change in directors subsequent to September 30, 2022 through the filing of this Quarterly Securities Report.

(1) Resignation of director

Title	Name	Resignation date
Director and Senior Executive Officer	Koji Kishimoto	October 4, 2022 (Voluntary resignation)

(2) Number of directors by gender and ratio of female directors (after the above change)

13 males and 2 females (13.3% of directors is female)

## IV. Financial Condition

### 1. Preparation method of quarterly consolidated financial statements

The quarterly consolidated financial statements of the Company are prepared in accordance with the “Ordinance on Terminology, Forms, and Preparation Methods of Quarterly Consolidated Financial Statements” (Cabinet Office Ordinance No. 64 of 2007, “Ordinance on Quarterly Financial Statements”).

### 2. Audit attestation

In accordance with the provisions of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act of Japan, the quarterly consolidated financial statements for the second quarter of the fiscal year ending March 31, 2023 (from July 1, 2022 to September 30, 2022) and the six months ended September 30, 2022 (from April 1, 2022 to September 30, 2022) were reviewed by Grant Thornton Taiyo LLC.

In addition, ALSOK CO., LTD. (the “Company”) filed an amended quarterly securities report in accordance with Article 24-4-7, Paragraph 4 of the Financial Instruments and Exchange Act of Japan. The amended quarterly consolidated financial statements were reviewed by Grant Thornton Taiyo LLC.

# 1. Quarterly consolidated financial statements

## (1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	71,357	57,253
Cash for Transportation Security Services	* 76,768	* 74,781
Notes and accounts receivable - trade, and contract assets	56,458	57,220
Securities	380	436
Raw materials and supplies	7,509	8,956
Costs on uncompleted construction contracts	222	597
Advances paid	6,892	6,476
Other	14,424	12,572
Allowance for doubtful accounts	(140)	(157)
Total current assets	233,872	218,139
Noncurrent assets		
Property, plant and equipment	103,376	115,010
Intangible assets		
Goodwill	27,097	34,339
Other	12,650	11,967
Total intangible assets	39,747	46,307
Investments and other assets		
Investment securities	56,148	57,056
Other	59,736	63,827
Allowance for doubtful accounts	(429)	(428)
Total investments and other assets	115,455	120,455
Total noncurrent assets	258,579	281,772
Total assets	492,452	499,912
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	23,098	21,234
Short-term loans payable	* 11,278	* 9,591
Income taxes payable	6,751	4,014
Provisions	2,164	2,586
Other	47,091	51,427
Total current liabilities	90,384	88,855
Noncurrent liabilities		
Long-term loans payable	2,145	2,039
Retirement benefit liability	40,788	41,356
Provisions	1,597	1,590
Asset retirement obligations	486	813
Other	38,977	41,287
Total noncurrent liabilities	83,996	87,088
Total liabilities	174,380	175,944

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
Net Assets		
Shareholders' equity		
Capital stock	18,675	18,675
Capital surplus	34,129	33,940
Retained earnings	<u>232,317</u>	<u>237,260</u>
Treasury stock	(1,072)	(1,072)
Total shareholders' equity	<u>284,049</u>	<u>288,803</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,917	7,151
Revaluation reserve for land	(3,378)	(3,380)
Foreign currency translation adjustment	321	921
Remeasurements of defined benefit plans, net of tax	<u>2,798</u>	<u>2,963</u>
Total accumulated other comprehensive income	<u>6,659</u>	<u>7,656</u>
Non-controlling interests	27,362	27,508
Total net assets	<u>318,071</u>	<u>323,968</u>
Total liabilities and net assets	<u>492,452</u>	<u>499,912</u>



## (2) Quarterly consolidated statement of income and consolidated statement of comprehensive income

## Quarterly consolidated statement of income

For the six months ended September 30, 2022

(Millions of yen)

	Six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)	Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)
Net sales	245,290	236,053
Cost of sales	<u>181,469</u>	<u>178,628</u>
Gross profit	<u>63,821</u>	<u>57,424</u>
Selling, general and administrative expenses	<u>* 39,516</u>	<u>* 42,722</u>
Operating income	<u>24,304</u>	<u>14,702</u>
Non-operating income		
Interest income	92	96
Dividends income	493	719
Gain on sales of investment securities	17	25
Share of profit of entities accounted for using equity method	481	489
Dividend income of insurance	225	254
Penalty income	421	206
Other	627	876
Total non-operating income	2,358	2,669
Non-operating expenses		
Interest expenses	964	876
Financing expenses	133	128
Loss on sales of investment securities	5	—
Other	332	330
Total non-operating expenses	1,435	1,336
Ordinary income	<u>25,228</u>	<u>16,035</u>
Extraordinary income		
Gain on sales of investment securities	7	0
Gain on sales of noncurrent assets	224	—
Total extraordinary income	232	0
Extraordinary loss		
Loss on valuation of investment securities	62	25
Impairment losses	193	0
Loss on sales of investment securities	0	0
Total extraordinary loss	256	25
Income before income taxes	<u>25,204</u>	<u>16,009</u>
Income taxes	<u>8,659</u>	<u>5,860</u>
Net income	<u>16,545</u>	<u>10,148</u>
Profit attributable to non-controlling interests	811	744
Profit attributable to owners of parent	<u>15,733</u>	<u>9,404</u>

Quarterly consolidated statement of comprehensive income  
For the six months ended September 30, 2022

(Millions of yen)

	Six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)	Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)
Net income	<u>16,545</u>	<u>10,148</u>
Other comprehensive income		
Valuation difference on available-for-sale securities	92	171
Foreign currency translation adjustment	30	221
Remeasurements of defined benefit plans, net of tax	<u>148</u>	<u>154</u>
Share of other comprehensive income (loss) of entities accounted for using equity method	54	413
Total other comprehensive income (loss)	<u>326</u>	<u>961</u>
Comprehensive income	<u>16,871</u>	<u>11,110</u>
(Contents)		
Comprehensive income attributable to owners of parent	<u>16,018</u>	<u>10,403</u>
Comprehensive income attributable to non-controlling interests	852	707

## (3) Quarterly consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)	Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)
Net cash provided by (used in) operating activities		
Income before income taxes	25,204	16,009
Depreciation and amortization	8,088	8,878
Impairment losses	193	0
Amortization of goodwill	1,224	1,349
Increase (decrease) in allowance for doubtful accounts	1	13
Increase (decrease) in net defined benefit liability	793	804
Increase (decrease) in provision for bonuses	246	320
Increase (decrease) in provision for bonuses for directors (and other officers)	(20)	(22)
Interest and dividends income	(586)	(816)
Interest expenses	964	876
Share of loss (profit) of entities accounted for using equity method	(481)	(489)
Loss (gain) on sales of noncurrent assets	(224)	(28)
Loss on retirement of noncurrent assets	63	84
Loss (gain) on sales of investment securities	(19)	(25)
Loss (gain) on valuation of investment securities	62	25
Loss (gain) on valuation of derivatives	7	0
Decrease (increase) in notes and accounts receivable - trade	2,984	232
Decrease (increase) in inventories	(545)	(1,772)
Increase (decrease) in notes and accounts payable - trade	(4,940)	(7,079)
Decrease (increase) in net defined benefit asset	(1,804)	(1,910)
Changes in assets and liabilities of Transportation Security Services	(1,018)	1,293
Other	(1,666)	2,411
Subtotal	28,528	20,157
Interest and dividends income received	1,099	1,485
Interest expenses paid	(968)	(868)
Income taxes paid	(7,548)	(8,339)
Income taxes refund	9	44
Net cash provided by (used in) operating activities	21,120	12,479

(Millions of yen)

	Six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)	Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)
Net cash provided by (used in) investing activities		
Decrease (increase) in time deposits	864	921
Payments into long-term time deposits	(206)	(13)
Proceeds from withdrawal of long-term time deposits	26	—
Purchase of property, plant and equipment	(6,241)	(6,609)
Proceeds from sales of property, plant and equipment	548	88
Purchase of intangible assets	(191)	(1,048)
Purchase of investment securities	(1,310)	(992)
Proceeds from sales of investment securities	910	286
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(9,365)
Purchase of shares of subsidiaries and associates	—	(525)
Decrease (increase) in short-term loans receivable	16	43
Payments of long-term loans receivable	(23)	(26)
Collection of long-term loans receivable	33	187
Proceeds from refund of leasehold and guarantee deposits	10	404
Other	703	569
Net cash provided by (used in) investing activities	(4,858)	(16,080)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(573)	(1,303)
Proceeds from long-term loans payable	245	345
Repayment of long-term loans payable	(1,514)	(1,442)
Purchase of treasury stock	(0)	(0)
Repayments of lease obligations	(2,674)	(2,113)
Cash dividends paid	(3,746)	(4,455)
Cash dividends paid to non-controlling interests	(537)	(652)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(144)	(408)
Net cash provided by (used in) financing activities	(8,945)	(10,032)
Effect of exchange rate change on cash and cash equivalents	(3)	77
Net increase (decrease) in cash and cash equivalents	7,312	(13,556)
Cash and cash equivalents at beginning of period	53,143	63,644
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	—	400
Cash and cash equivalents at end of period	* 60,456	* 50,487

## Notes

### (Changes in scope of consolidation or scope of application of equity method)

The changes in scope of consolidation or scope of application of equity method for the six months ended September 30, 2022 are summarized as follows:

- I The Company acquired all shares of ALSOK Joy Life Co., Ltd. and ALSOK Life Support Co., Ltd. These companies have been included in the scope of consolidation.
- II Following revisions of a shareholder agreement, Tokai Sohgo Security Services Co., Ltd., an equity-method associate, became a consolidated subsidiary of the Company.
- III The Company merged with ALSOK Leasing Co., Ltd., with the Company as the surviving company.

### (Change in accounting policies)

#### (Application of Implementation Guidance on Accounting Standard for Fair Value Measurement)

The Group applied “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, June 17, 2021, “Implementation Guidance on Fair Value Measurement Accounting Standard”) from the beginning of the first quarter of the fiscal year ending March 31, 2023. The Group decided to apply new accounting policies based on the Implementation Guidance on Fair Value Measurement Accounting Standard prospectively in accordance with the transitional treatment provided in paragraph 27-2 of Implementation Guidance on Fair Value Measurement Accounting Standard. The impact on the consolidated financial statements for the six months ended September 30, 2022 is immaterial.

### (Specific accounting treatment applied in preparing quarterly consolidated financial statements)

#### (Calculation of tax expense)

Tax expense is calculated by reasonably estimating the effective tax rate after applying tax effect accounting for income before income taxes for the consolidated fiscal year including the three months ended September 30, 2022 and then by multiplying the income before income taxes for the quarter by such estimated effective tax rate.

Income taxes - deferred is included in income taxes.

### (Additional information)

#### (Correction of errors)

In April 2025, it was found that the Company and its four consolidated subsidiaries had incorrectly recorded data on defined benefit obligations related to lump-sum retirement payment plans, resulting in an understatement of retirement benefit liability and related accounts in prior years. In response to this, the Company has corrected errors in the consolidated and non-consolidated financial statements included in the annual securities reports filed after June 24, 2020, the quarterly consolidated financial statements included in the quarterly securities reports filed after August 2, 2022, and the interim consolidated financial statements included in the semi-annual securities report filed on November 6, 2024. As a result, gross profit, operating income, ordinary income, and profit attributable to owners of parent for the second quarter ended September 30, 2021 decreased by ¥303 million, ¥525 million, ¥525 million, and ¥364 million, respectively. In addition, gross profit, operating income, ordinary income, and profit attributable to owners of parent for the second quarter ended September 30, 2022 decreased by ¥297 million, ¥515 million, ¥515 million, and ¥357 million, respectively.

### (Matters related to quarterly consolidated balance sheet)

#### \* Cash for Transportation Security Services

As of March 31, 2022

This represents cash for transportation security services, and its use for other purposes is restricted.

In addition, the short-term loans payable balance includes ¥3,700 million of funds borrowed for the services.

As of September 30, 2022

This represents cash for transportation security services, and its use for other purposes is restricted.

In addition, the short-term loans payable balance includes ¥2,650 million of funds borrowed for the services.

(Matters related to quarterly consolidated statement of income)

\* The major items of selling, general and administrative expenses and its amounts are as follows:

	(Millions of yen)	
	Six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)	Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)
Salary allowances	19,703	20,665
Provision for bonuses	427	416
Provision for bonuses for directors (and other officers)	77	76
Provision for retirement benefits for directors (and other officers)	69	78
Provision for allowance for doubtful accounts	40	23
Retirement benefit expenses	<u>974</u>	<u>926</u>

(Matters related to quarterly consolidated statement of cash flows)

\* The relationship between the cash and cash equivalents at end of period and the amount presented on the quarterly consolidated balance sheet is as follows:

	(Millions of yen)	
	Six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)	Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)
Cash and deposits accounts	67,283	57,253
Deposits with deposit term of over 3 months	(6,927)	(6,862)
Short-term investment (securities) whose redemption date is due within 3 months from the acquisition date	100	97
Other (deposit at securities company)	0	0
Cash and cash equivalents	60,456	50,487

(Matters related to total shareholders' equity)

I Six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)

1. Cash dividends paid

(Resolution)	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date	Source of dividends
Ordinary General Meeting of Shareholders on June 24, 2021	Common stock	3,746	37.0	March 31, 2021	June 25, 2021	Retained earnings

2. Dividends that have record date during the six months ended September 30, 2021 and effective date of which is after the three months ended September 30, 2021.

(Resolution)	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date	Source of dividends
Board of Directors' meeting on October 29, 2021	Common stock	3,847	38.0	September 30, 2021	December 3, 2021	Retained earnings

II Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)

1. Cash dividends paid

(Resolution)	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date	Source of dividends
Ordinary General Meeting of Shareholders on June 24, 2022	Common stock	4,455	44.0	March 31, 2022	June 27, 2022	Retained earnings

2. Dividends that have record date during the six months ended September 30, 2022 and effective date of which is after the three months ended September 30, 2022.

(Resolution)	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date	Source of dividends
Board of directors' meeting on October 28, 2022	Common stock	4,354	43.0	September 30, 2022	December 5, 2022	Retained earnings

(Segment information etc.)

Segment information

I Six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)

1. Information on the amount of net sales and income (loss) and disaggregation of revenue by reportable segment

(Millions of yen)

	Reportable segment				Other Services (Note 1)	Total	Adjustment (Note 2)	Amount recorded in the consolidated statement of income (Note 3)
	Security Services	General Property Management and Fire Protection Services	Long-Term Care Services	Total				
Net sales								
Contract revenue	172,114	17,890	20,750	210,754	2,813	213,568	—	213,568
Construction revenue	2,927	8,823	14	11,766	0	11,767	—	11,767
Sales revenue	13,903	5,784	36	19,724	230	19,955	—	19,955
Revenue from contracts with customers	188,945	32,498	20,801	242,245	3,045	245,290	—	245,290
Sales to external customers	188,945	32,498	20,801	242,245	3,045	245,290	—	245,290
Intersegment sales and transfers	109	25	4	140	146	287	(287)	—
Total	189,055	32,524	20,805	242,385	3,192	245,577	(287)	245,290
Income by reportable segment	<u>23,032</u>	<u>4,121</u>	1,033	<u>28,188</u>	<u>723</u>	<u>28,911</u>	<u>(4,606)</u>	<u>24,304</u>

(Note) 1. "Other Services" category includes business segments not included in other reportable segments, including information security, PCR test and food inspection services.

2. ¥(4,606) million adjustment to income by reportable segment represents common expenses that cannot be allocated to any specific reportable segment. These expenses are primarily general and administrative expenses not associated with specific reportable segment.

3. Income by reportable segment is adjusted for the operating income per the consolidated statement of income.

2. Information on impairment losses or goodwill, etc. of noncurrent assets by reportable segment

(Significant impairment loss of noncurrent assets)

No impairment loss was allocated to any of the reportable segments. Impairment losses not allocated to reportable segments were ¥193 million, which comprised ¥192 million for goodwill and ¥0 million for land.

(Significant change in the amount of goodwill)

Nothing to report.

(Significant gain on negative goodwill)

Nothing to report.



II Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)

1. Information on the amount of net sales and income (loss) and disaggregation of revenue by reportable segment

(Millions of yen)

	Reportable segment				Other Services (Note 1)	Total	Adjustment (Note 2)	Amount recorded in the consolidated statement of income (Note 3)
	Security Services	General Property Management and Fire Protection Services	Long-Term Care Services	Total				
Net sales								
Contract revenue	164,685	15,992	22,653	203,331	2,419	205,750	—	205,750
Construction revenue	2,791	8,477	10	11,279	2	11,282	—	11,282
Sales revenue	13,539	5,237	35	18,813	207	19,021	—	19,021
Revenue from contracts with customers	181,017	29,707	22,699	233,424	2,629	236,053	—	236,053
Sales to external customers	181,017	29,707	22,699	233,424	2,629	236,053	—	236,053
Intersegment sales and transfers	32	34	4	71	140	212	(212)	—
Total	181,049	29,741	22,704	233,495	2,769	236,265	(212)	236,053
Income by reportable segment	<u>15,893</u>	<u>2,632</u>	456	<u>18,982</u>	<u>477</u>	<u>19,459</u>	<u>(4,757)</u>	<u>14,702</u>

(Note) 1. “Other Services” category includes business segments not included in other reportable segments, including information security, PCR test and food inspection services.

2. ¥(4,757) million adjustment to income by reportable segment represents common expenses that cannot be allocated to any specific reportable segment. These expenses are primarily general and administrative expenses not associated with specific reportable segment.

3. Income by reportable segment is adjusted for the operating income per the consolidated statement of income.

2. Information on impairment losses or goodwill, etc. of noncurrent assets by reportable segment

(Significant impairment loss of noncurrent assets)

No impairment loss was allocated to any of the reportable segments. Impairment losses not allocated to reportable segments were ¥0 million, which comprised ¥0 million for land.

(Significant change in the amount of goodwill)

During the six months ended September 30, 2022, there was a significant change in the amount of goodwill as ALSOK Joy Life Co., Ltd. and ALSOK Life Support Co., Ltd. became the Company’s consolidated subsidiary. Increase in the goodwill due to this event is ¥8,556 million. The goodwill is not allocated to any reportable segments.

(Significant gain on negative goodwill)

Nothing to report.

(Matters related to business combination)

Business combination by way of acquisition

(Adjustments to provisional amounts related to business combinations)

In connection with the acquisitions of ALSOK Joy Life Co., Ltd. and ALSOK Life Support Co., Ltd. conducted on June 22, 2022, the Company recognized provisional amounts for the three months ended June 30, 2022. These provisional amounts have been adjusted during the three months ended September 30, 2022.

For ALSOK Joy Life Co., Ltd, the adjustment to initial purchase price allocation includes ¥705 million adjustment to goodwill from ¥8,003 million to ¥7,298 million. The goodwill is amortized over 16 years using the straight-line method.

The decrease in goodwill resulted from ¥740 million increase in lease assets, ¥548 million increase in land, ¥379 million increase in deferred tax assets and ¥962 million increase in lease obligations.

For ALSOK Life Support Co., Ltd., the adjustment to initial purchase price allocation includes ¥502 million adjustment to goodwill from ¥1,760 million to ¥1,257 million. The goodwill is amortized over 10 years using the straight-line method. The decrease in goodwill resulted from ¥640 million increase in land, ¥70 million decrease in deferred tax assets and ¥67 million increase in deferred tax liabilities.

(Matters related to revenue recognition)

Information on disaggregation of revenue from contract with customers is as described in “Notes (Segment information etc.)”.

(Per share information)

The following is the amount and basis of calculating net income per share.

	Six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)	Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)
Net income per share	<u>155.42</u> yen	<u>92.90</u> yen
(Basis of calculation)		
Profit attributable to owners of parent (Millions of yen)	<u>15,733</u>	<u>9,404</u>
Amount not attributable to ordinary shareholders (Millions of yen)	—	—
Profit attributable to ordinary shareholders of parent (Millions of yen)	<u>15,733</u>	<u>9,404</u>
Average number of common stocks during the period (Thousands of shares)	101,234	101,234

(Note) Diluted net income per share is not disclosed as there are no potentially dilutive shares.

## 2. Other

At the board of directors' meeting held on October 28, 2022, the following resolutions on interim dividends were made for the current period.

(i) Total amount of interim dividends ¥4,354 million

(ii) Dividend per share ¥43

(iii) Effective date for payment request and commencement date of payment December 5, 2022

(Note) Payment will be made to the shareholders recorded in the shareholder register as of September 30, 2022.

## Part 2. Information on Guarantors of the Company, etc.

Nothing to report.

INDEPENDENT AUDITOR'S  
QUARTERLY REVIEW REPORT

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May 13, 2025

To the Board of Directors of

SOHGO SECURITY SERVICES CO., LTD.

Grant Thornton Taiyo LLC

Tokyo Office

Tatsuya Arai	Designated Limited Liability Partner Engagement Partner	Certified Public Accountant
Kazuhiko Doi	Designated Limited Liability Partner Engagement Partner	Certified Public Accountant
Keisuke Uehara	Designated Limited Liability Partner Engagement Partner	Certified Public Accountant

Auditor's Conclusion

We have reviewed, pursuant to the provisions of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act of Japan, the accompanying quarterly consolidated financial statements of SOHGO SECURITY SERVICES CO., LTD. and its consolidated subsidiaries (the "Group") in "Financial Condition", which comprise the quarterly consolidated balance sheet as of September 30, 2022, and the amended quarterly consolidated statement of income, the quarterly consolidated statement of comprehensive income and the quarterly consolidated statement of cash flows for the second quarter and the six-month period then ended, and the related notes.

Based on our quarterly review, nothing has come to our attention that causes us to believe that the accompanying quarterly consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of September 30, 2022 and its consolidated results of its financial performances and cash flows for the six-month period then ended in accordance with the accounting principles for quarterly consolidated financial statements generally accepted in Japan.

Basis for Auditor's Conclusion

We conducted our review in accordance with the quarterly review standards generally accepted in Japan. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Quarterly Review of the Quarterly Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that we have obtained the evidence to provide a basis of our conclusion.

Emphasis of Matter

As stated in Additional information, the Company amended the quarterly consolidated financial statements.

This matter does not affect the conclusions of our firm.

Please note that our firm filed a quarterly review report on the quarterly consolidated financial statements on November 2, 2022, however, in connection with the correction, we are filing this quarterly review report on the amended quarterly consolidated financial statements.

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

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

In preparing the quarterly consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing matters related to going concern as applicable in accordance with the accounting principles for quarterly consolidated financial statements generally accepted in Japan.

The Audit and Supervisory Board Members and Audit and Supervisory Board are responsible for overseeing performance of duties of directors in the design, implementation, and maintenance of the Group's financial reporting process.

#### Auditor's Responsibilities for the Review of the Quarterly Consolidated Financial Statements

Our responsibilities are to issue an auditor's quarterly review report that includes our conclusion based on our quarterly review from an independent point of view.

In accordance with the quarterly review standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the quarterly review. We also:

- Perform quarterly review procedures consists of making inquiries to primarily of management and persons responsible for financial and accounting matters, applying analytical procedures, and other quarterly review procedures. A quarterly review is substantially less in scope than an annual audit of financial statements conducted in accordance with auditing standards generally accepted in Japan.
- Conclude, based on the evidence obtained, on whether anything has come to our attention that causes us to believe that the quarterly consolidated financial statements are not presented fairly in accordance with the accounting principles for quarterly consolidated financial statements generally accepted in Japan if we determine that a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. Additionally, if we conclude that a material uncertainty exists, we are required to draw attention in our auditor's quarterly review report to the related disclosures in the quarterly consolidated financial statements or, if such disclosures are inadequate, to express a qualified or adverse conclusion on the quarterly consolidated financial statements. Our conclusions are based on the evidence obtained up to the date of our auditor's quarterly review report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the quarterly consolidated financial statements, including the disclosures, and whether anything has come to our attention that causes us to believe that the quarterly consolidated financial statements do not represent the underlying transactions and events in a manner that achieves fair presentation in accordance with the accounting principles for quarterly consolidated financial statements generally accepted in Japan.
- Obtain sufficient and appropriate evidence regarding the financial information of the Group to express a conclusion on the quarterly consolidated financial statements. We are responsible for the direction, supervision and performance of the review of the quarterly consolidated financial statements. We remain solely responsible for our review conclusion.

We communicate with the Audit and Supervisory Board Members and Audit and Supervisory Board regarding, among other matters, the planned scope and timing of the quarterly review and significant review findings.

We also provide the Audit and Supervisory Board Members and Audit and Supervisory Board with a statement that we have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Interest Required to Be Disclosed by the Certified Public Accounting Act of Japan

Our firm and its engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

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#### Notes:

1. The above is a digitization of the text contained in the original copy of the Quarterly Review Report of Independent Auditors, which is in the custody of the Company (the submitter of this Quarterly Securities Report).
2. The XBRL data is not in the scope of the quarterly review.
3. The English version of the consolidated financial statements consists of an English translation of the reviewed Japanese consolidated financial statements. The actual text of the English translation of the consolidated financial statements was not covered by our review. Consequently, for the auditor's report of the English consolidated financial statements, the Japanese original is the official text, and the English version is a translation of that text.