



(TRANSLATION FOR REFERENCE ONLY)

November 14, 2024

To Our Shareholders:

Corporate Name: PROTO CORPORATION

Representative: Kenji Kamiya, President

Securities Code: 4298

(TSE Prime, NSE Premier )

Contact: Takehito Suzuki, Executive Officer

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### **Notification on the submission of an application for approval for the extension of the deadline for submission of an interim report for the fiscal year ending March 2025**

At the meeting of the board of directors held on November 14, 2024, our company decided to submit the application for approval for the extension of the deadline for submission of an interim report specified in Article 18-2, Paragraph 1 of the Cabinet Office Ordinance regarding the disclosure of corporate information, etc. to Tokai Local Finance Bureau, as described below.

1. Subject interim report

Interim report for the 47<sup>th</sup> term (the fiscal year ending March 2025) (from April 1 to September 30, 2024)

2. Deadline for submission before the extension

November 14, 2024

3. Extended deadline for submission if approved

December 20, 2024

4. Reason for the extension of the deadline for submission

As mentioned in “Notification on the establishment of a special investigation committee and the postponement of announcement of the financial results in the second quarter of the fiscal year ending March 2025” dated October 18, 2024, it was revealed that an employee of our company had conducted false deals (transactions in which money was sent to or received from business partners or the like without confirming the provision of services) from July 2016 to March 2024, and our company is suspected of recording certain amounts of false sales toward business partners and false costs of sales (hereinafter referred to as “this case”). In response, our company established a special investigation committee composed of lawyers and certified public accountants, who do not have a stake in our company, in order to carry out a thoroughgoing, comprehensive investigation to elucidate the entire picture of this case, check whether there have been the same or similar cases, and estimate the impact on our consolidated financial statements, etc. Then, we are proceeding with the investigation.

As mentioned in “Notification on the discussion on the application for the extension of the deadline for submission of an interim report for the fiscal year ending March 2025” dated November 13, 2024, the special investigation committee has already started the interviews with related people, delving into related documents, digital forensics, in-company questionnaire surveys, and the analysis to check whether or not there have been the same or similar cases. The committee plans to analyze the cause and discuss measures for preventing recurrence and it is projected that the investigation of the special investigation committee will take some time. This case is projected to produce some effects on our accounting for the interim period of the fiscal year ending March 2025 and previous years, so before submitting an interim report for the fiscal year ending March 2025, we will need to produce reports on revisions to the interim report for the fiscal year ending March 2025 and previous financial statements and quarterly reports that need to be revised based on

the results of the investigation of the special investigation committee, and then complete the procedures for the audit and review of the auditing corporation, after the investigation of the special investigation committee. Accordingly, our company has concluded that it is difficult to complete these procedures and receive the reports on audits and reviews from the auditing corporation by November 14, 2024, which is the statutory deadline for submission, and decided to submit the application for approval for the extension of the deadline for submission of an interim report for the fiscal year ending March 2025 to Tokai Local Finance Bureau.

5. Future outlook

As soon as the extension of the deadline for submission is approved, we will notify you.

We are expected to receive an investigative report of the special investigation committee around early December 2024, and we will notify you immediately after receiving it.

We would like to express our profound apology for causing significant worries and inconvenience to our shareholders, investors, and all other stakeholders.