

[Translation]



August 8, 2025

To Whom It May Concern:

Name of Company:	Taisei Corporation
Name of Representative:	Yoshiro Aikawa, President and Chief Executive Officer, Representative Director
Securities Code:	1801
Stock Exchange Listings:	Tokyo Stock Exchange, Prime Market Nagoya Stock Exchange, Premier Market
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**Notice regarding Commencement of Tender Offer
for Shares of Toyo Construction Co., Ltd. (Securities Code: 1890)**

Taisei Corporation (“**Tender Offeror**”) hereby provides notification that, by resolution of its Board of Directors dated today, it has decided to acquire the common shares of Toyo Construction Co., Ltd. (Securities Code: 1890, the “**Company**”) listed on the Prime Market of the Tokyo Stock Exchange, Inc. (“**Tokyo Stock Exchange**”) (such shares, “**Company Shares**”) through a tender offer (the “**Tender Offer**”) pursuant to the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the “**Act**”).

1. Purpose of the Tender Offer

(1) Overview of the Tender Offer

By resolution of its Board of Directors dated today, the Tender Offeror decided to implement the Tender Offer as part of the transaction intended to make the Company a wholly-owned subsidiary of the Tender Offeror by acquiring all of the Company Shares listed on the Prime Market of Tokyo Stock Exchange (excluding the treasury shares owned by the Company and the Shares Agreed Not to Be Tendered (as defined below)) (the “**Transaction**”). As of today, the Tender Offeror does not own any Company Shares.

The Tender Offeror entered into a non-tender agreement with Maeda Corporation (“**Maeda**”), one of the Company’s major shareholders and other affiliates (ranked first on the register of shareholders as of March 31, 2025; the same shall apply to the statement of the shareholder ranking) (number of shares owned: 19,047,510 shares; Ownership Percentage (Note 1): 20.19%), as of today (“**Non-Tender Agreement**”), pursuant to which Maeda has agreed not to tender all of the Company Shares owned by Maeda (19,047,510 shares, Ownership Percentage: 20.19%) (“**Shares Agreed Not to Be Tendered**”) in the Tender Offer, and, as stated in “(4) Policy for Reorganization, Etc. After the Tender Offer (Matters Concerning So-Called “Two-Step Acquisition”)” below, has agreed to sell the Shares Agreed Not to Be Tendered in response to the acquisition of its treasury shares to be conducted by the Company with respect to the Shares Agreed Not to Be Tendered (“**Treasury Share Acquisition**”; under which the treasury share

acquisition price per share before share consolidation relating to the Treasury Share Acquisition shall hereinafter be referred to as the “**Treasury Share Acquisition Price**”) after a series of procedures to ensure that the Tender Offeror and Maeda become sole shareholders of the Company (“**Squeeze-Out Procedures**”) which will be conducted after the successful completion of the Tender Offer becomes effective. For details of the Non-Tender Agreement, please see “(a) Non-Tender Agreement” of “(6) Matters Concerning Material Agreements Related to the Tender Offer” below.

(Note 1) “**Ownership Percentage**” refers to a shareholding percentage (rounded to the second decimal place; the same shall hereinafter apply to the Ownership Percentage unless otherwise stated) of (a) the number of shares owned to (b) the number of shares (94,326,475 shares; the “**Base Number of Shares**”) obtained by deducting (i) the number of treasury shares (44,708 shares) owned by the Company as of June 30, 2025 (such number of treasury shares does not include the Company Shares (364,466 shares) owned by the Board Incentive Plan Trust (“**BIP Trust**”) as of June 30, 2025; the same shall hereinafter apply to the treasury shares unless otherwise stated) from (ii) the total number of issued shares of the Company as of June 30, 2025 (94,371,183 shares), both as stated in the “Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2026, based on Japanese GAAP (Consolidated)” released by the Company as of August 7, 2025 (“**Company’s Q1 Financial Results**”).

Furthermore, as of today, the Tender Offeror entered into the tender offer agreement (“**Tender Agreement**”) with WK 1 Limited (number of shares owned: 9,200,000 shares; Ownership Percentage: 9.75%; ranked second on the register of shareholders) (“**WK 1**”), who has submitted a Large Shareholding Report jointly with others in respect of the Company Shares, and is the largest shareholder of the Company, WK 2 Limited (number of shares owned: 9,190,000 shares; Ownership Percentage: 9.74%; ranked third on the register of shareholders) (“**WK 2**”), WK 3 Limited (number of shares owned: 5,890,300 shares; Ownership Percentage: 6.24%; ranked fifth on the register of shareholders) (“**WK 3**”), and Godo Kaisha Yamauchi-No.10 Family Office (number of shares owned: 2,627,600 shares; Ownership Percentage: 2.79%; ranked sixth on the register of shareholders) (“**Yamauchi-No.10 Family Office**”), (WK1, WK 2, WK 3, and Yamauchi-No.10 Family Office shall be collectively referred to as “**YFO**” (Note 2)), whereby YFO have agreed to tender, in the Tender Offer, all of the Company Shares owned by YFO (total number of shares owned: 26,907,900 shares; Ownership Percentage: 28.53%) (“**Shares Agreed to Be Tendered**”). For the details of such agreement, please see “(b) Tender Agreement” of “(6) Matters Concerning Material Agreements Related to the Tender Offer” below.

(Note 2) According to the Change Report No.16 of the Large Shareholding Report filed by YFO to the Kanto Finance Bureau on June 4, 2025, WK1, WK2, WK3, and Yamauchi-No.10 Family Office are Joint Holders of the Company Shares.

The Transaction is respectively composed of: (a) the Tender Offer; (b) the Share Consolidation (as defined in “(4) Policy for Reorganization, Etc. After the Tender Offer (Matters Concerning So-Called “Two-Step Acquisition”)” below); the same shall apply hereinafter) conducted by the Company intended for the Tender Offeror and Maeda to become the sole shareholders of the Company if the Tender Offer is successfully completed but the Tender Offeror fails to acquire all of the Company Shares (excluding any treasury shares owned by the Company and Shares Agreed Not to Be Tendered) in the Tender Offer; (c) providing funds (which shall be made only to the extent necessary, taking into consideration the financial condition at such time; “**Financing**”) from the Tender Offeror to the Company to be appropriated for the consideration for the Treasury Share Acquisition in order to secure the funds to implement the Treasury Share Acquisition and to secure the distributable amounts required to implement the Treasury Share Acquisition; and a decrease in the amounts of the Company’s stated capital and capital reserves (“**Capital Decrease, Etc.**”) pursuant to Article 447, Paragraph 1 and Article 448, Paragraph 1 of the Companies Act (Act No. 86 of 2005, as amended; “**Companies Act**”) (Note 3); and (d) the Treasury Share Acquisition by the Company subject to the successful completion of the Tender Offer and the effectiveness of the Share Consolidation, and ultimately the Transaction intends to make the Company a wholly-owned subsidiary of the Tender Offeror. For details of the Share Consolidation, please see “(4)

Policy for Reorganization, Etc. After the Tender Offer (Matters Concerning So-Called “Two-Step Acquisition”)” below.

(Note 3) The Tender Offeror intends to request the Company to conduct the Capital Decrease, Etc., only in the event that the distributable amounts required to implement the Treasury Share Acquisition are not secured.

In the Tender Offer, the Tender Offeror has set a minimum number of shares to be purchased as 33,035,700 shares (Ownership Percentage: 35.02%); if the total number of shares tendered for the Tender Offer (“**Tendered Shares**”) is less than the minimum number of shares to be purchased (33,035,700 shares), the Tender Offeror will not conduct the purchase, etc., of all of the Tendered Shares. On the other hand, since the Tender Offeror intends to make the Company a wholly-owned subsidiary of the Tender Offeror through the acquisition of all of the Company Shares (excluding the treasury shares owned by the Company and the Shares Agreed Not to Be Tendered) in the Tender Offer, the Tender Offeror has not set a maximum limit on the number of shares to be purchased; if the total number of the Tendered Shares is equal to or greater than the minimum number of shares to be purchased (33,035,700 shares), the Tender Offeror will conduct the purchase, etc., of all of the Tendered Shares.

Focusing on the voting rights exercise ratios at the Company’s ordinary shareholders’ meetings in the past, from the perspective of ensuring the implementation of the Squeeze-Out Procedures through share consolidation after the successful completion of the Tender Offer, it is considered that the Tender Offeror is not required to acquire the number of shares (including the Shares Agreed Not to Be Tendered) equivalent to two-thirds (2/3) of the total number of voting rights in the Company. For this reason, from the perspective of increasing the probability of the successful completion of the Tender Offer, the Tender Offeror has decided to set the minimum number of shares to be purchased in the Tender Offer as 33,035,700 (“**Minimum Number**”) shares, which is the number of shares obtained by multiplying the number of voting rights (939,620 voting rights) (“**Base Number of Voting Rights**”) pertaining to the number of shares (93,962,009 shares), obtained by deducting (i) the number of Company Shares owned by the BIP Trust as of June 30, 2025 (364,466 shares) from (ii) the Base Number of Shares of the Company (94,326,475 shares) (Note 4), by 55.43% (the ratio obtained by multiplying the ratio of voting rights exercised by the Company’s shareholders at the Company’s ordinary shareholders’ meetings in the past six years by two-thirds (2/3), which is the voting rights ratio required for the adoption of special resolutions at shareholders’ meetings) (520,832 voting rights, rounded up to the nearest whole number) less the number of voting rights (190,475 voting rights) pertaining to the Shares Agreed Not to Be Tendered (19,047,510 shares), resulting in the number of voting rights (330,357 voting rights), and further multiplying the product thereof by the share units (100 shares) of the Company.

(Note 4) The Company has introduced the BIP Trust as a performance-based share compensation plan targeting directors and executive officers of the Company; however, the Company does not intend to deliver the Company Shares owned by the BIP Trust to its beneficiaries, tender such Company Shares in the Tender Offer, or otherwise dispose of the same, on or before the record date of the Extraordinary Shareholders’ Meeting (as defined in “(4) Policy for Reorganization, Etc. After the Tender Offer (Matters Concerning So-Called “Two-Step Acquisition”)” below; the same shall apply hereinafter) scheduled to be held around the middle of November 2025; and the Company does not intend to exercise the voting rights pertaining to the Company Shares owned by the BIP Trust during the trust period. (According to the Company, such trust period will continue until August 2028.) Since there is no possibility that such voting rights will be exercised at the Extraordinary Shareholders’ Meeting, in setting the minimum number of shares to be purchased, the Tender Offeror has not added the number of Company Shares owned by the BIP Trust (364,466 shares) as of June 30, 2025, to the number of the Company Shares based on which the minimum number of shares to be purchased is calculated.

In setting the minimum number of shares to be purchased, the Tender Offeror has taken the following into account:

- (a) Among the 253 tender offer cases aimed at taking public companies private and successfully completed, which were announced during the five years from 2020 to 2024, in 43 cases of transactions conducted between third parties with no capital relationships, excluding a total of 139 cases of transactions conducted between a parent and a subsidiary or between equity method affiliates, or as a so-called management buyout (MBO) (Note 5), wherein shareholders' meetings were held with respect to the share consolidation proposals for squeeze-out procedures, the average and median voting rights exercise ratios for such share consolidation proposals were approximately 37.0% and 41.5%, respectively (provided, however, that the number of voting rights exercised by the Tender Offeror and their special related parties are excluded from such calculation), and therefore tended to be significantly lower than the voting rights exercise ratios at ordinary shareholders' meetings at normal times (average ratio: 73.5%; median ratio: 73.6%); therefore, as long as voting rights equivalent to at least two-thirds (2/3) of the average voting rights exercise ratio at ordinary shareholders' meetings at normal times can be secured, then it is considered that a proposal for the Share Consolidation (as defined below) to be submitted to the Extraordinary Shareholders' Meeting ("**Share Consolidation Proposal**") is likely to be adopted;
- (b) Focusing on the voting rights exercise ratios at the Company's ordinary shareholders' meetings in the past six years, the average voting rights exercise ratio is 83.15% (rounded to the second decimal place; the same shall hereinafter apply to calculation of voting rights exercise ratios unless otherwise stated) (Note 6); therefore, in light of (a) above, if a Voting Rights Percentage (Note 7) equivalent to 55.43%, which is obtained by multiplying such average voting rights exercise ratio by two-thirds (2/3), can be secured, taken together with the Shares Agreed Not to Be Tendered, then it is considered that the Share Consolidation Proposal is likely to be adopted, and

given the above, the Tender Offeror considered that if the Tender Offeror comes to own, after the Tender Offer, the Company Shares representing, together with the Shares Agreed Not to Be Tendered, 55.43% of the Voting Rights Percentage, then it can be said that the Share Consolidation Proposal is highly likely to be adopted, and set a minimum number of shares to be purchased as 33,035,700 shares (Ownership Percentage: 35.02%).

(Note 5) "**Management Buyout (MBO)**" means a transaction in which the tender offeror makes a tender offer based on an agreement with officers of the Company and shares a common interest with the officers of the Company.

(Note 6) Based on the total number of voting rights (942,204) as of the record date (March 31, 2025) for the 103rd ordinary shareholders' meeting held on June 25, 2025, as stated in the Annual Securities Report submitted by the Company on June 25, 2025, and the number of voting rights (781,070) exercised at the 103rd ordinary shareholders' meeting as stated in the Extraordinary Report submitted by the Company on June 27, 2025, the voting rights exercised at the 103rd ordinary shareholders' meeting are found to be equivalent to 82.90% of the total number of voting rights. If the same calculation is applied, the voting rights exercise ratio would be as follows: 82.35% at the 102nd ordinary shareholders' meeting held on June 26, 2024; 92.25% at the 101st ordinary shareholders' meeting held on June 27, 2023; 81.26% at the 100th ordinary shareholders' meeting held on June 24, 2022; 81.40% at the 99th ordinary shareholders' meeting held on June 25, 2021; and 78.76% at the 98th ordinary shareholders' meeting held on June 26, 2020. The highest voting rights exercise ratio at the Company's ordinary shareholders' meeting in the past six years is found to be 92.25%, at the 101st ordinary shareholders' meeting held on June 27, 2023. Although this is considered to be an abnormal ratio arising from special factors, such as various media reports that originated from proposals for the tender offer for the Company Shares by Yamauchi-No.10 Family Office and Kabushiki Kaisha KITE in April 2022, and shareholder proposals, etc. by Yamauchi-No.10 Family Office concerning officer election, etc., such abnormal ratio is also conservatively included in calculating the average voting rights exercise ratio with respect to the Company.

(Note 7) “**Voting Rights Percentage**” means a percentage of voting rights owned out of the Base Number of Voting Rights (939,620) (rounded to the second decimal place; the same shall hereinafter apply to calculation of the Voting Rights Percentage).

As described above, in the Tender Offer, the minimum number of shares to be purchased is not set as the number of shares (including the Shares Agreed Not to Be Tendered) that allows for the Tender Offeror to secure the number of voting rights equivalent to two-thirds (2/3) of the total number of voting rights in the Company. Therefore, if, after the successful completion of the Tender Offer, the total number of voting rights in the Company owned by the Tender Offeror and Maeda is less than two-thirds (2/3) of the total number of voting rights in the Company, then the possibility of the Share Consolidation Proposal not being approved at the Extraordinary Shareholders’ Meeting cannot theoretically be denied.

However, even if such approval is not obtained, the Tender Offeror intends to eventually obtain all of the Company Shares (excluding the treasury shares owned by the Company), and the Tender Offeror’s policy is to make the Company a wholly-owned subsidiary of the Tender Offeror. Therefore, also in light of the tendering status in the Tender Offer, as well as the ownership status and attributes of the Company’s shareholders at the time of the Tender Offer and the trends in market share prices, the Tender Offeror will additionally acquire the Company Shares until it reaches a level that allows for the proposal for share consolidation to actually be approved at the Company’s shareholders’ meeting (the specific level thereof will be determined in light of the voting rights exercise ratio at the Extraordinary Shareholders’ Meeting and the most recent shareholder composition of the Company), by using methods such as in-market purchases, and will thereby aim to make the Company a wholly-owned subsidiary of the Tender Offeror. With regard to such additional acquisitions, the Tender Offeror’s policy is to acquire the Company Shares at a price evaluated as being economically equivalent to the purchase price per Company Share in the Tender Offer (“**Tender Offer Price**”) (which, unless the Company undertakes actions requiring adjustments to the consideration, such as a share consolidation or share split, will be the same amount per share as the Tender Offer Price). Although the Tender Offeror is unable to currently decide on the specific timing and methods of such additional acquisitions, as well as the period required until the proposal for share consolidation is approved at a subsequent shareholders’ meeting, as this will depend on the market conditions and other factors, the Tender Offeror will exert its utmost efforts in order to have such share consolidation be conducted as soon as practicable.

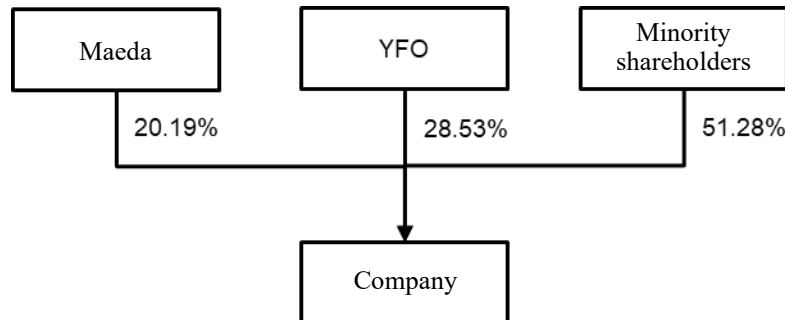
If the Tender Offeror fails to acquire all of the Company Shares (excluding the treasury shares owned by the Company and the Shares Agreed Not to Be Tendered) through the Tender Offer, the Tender Offeror plans to carry out the Squeeze-Out Procedures after the successful completion of the Tender Offer (as stated in “(4) Policy for Reorganization, Etc. After the Tender Offer (Matters Concerning So-Called “Two-Step Acquisition”)” below).

After the Squeeze-Out Procedures, the Company plans to implement the Treasury Share Acquisition targeting the Shares Agreed Not to Be Tendered to make the Tender Offeror a sole shareholder of the Company. The Tender Offeror has decided to implement the Treasury Share Acquisition based on the consideration that both maximization of the Tender Offer Price and fairness among shareholders can be achieved by increasing the distribution to the minority shareholders of the Company, while taking into consideration the fact that the provisions concerning the exclusion of deemed dividends from gross profits as prescribed in the Corporation Tax Act (Act No. 34 of 1965; as amended) are expected to apply to Maeda in connection with the Treasury Share Acquisition. Based on discussions and negotiations with Maeda, the Tender Offeror has determined that the Treasury Share Acquisition Price shall be 1,476 yen per share, as a result of performing calculations so that the following amounts will approximately be the same: (i) the amount after tax to be received by Maeda in the case where the Treasury Share Acquisition is implemented; and (ii) the amount after tax to be obtained by Maeda in the case of tendering its shares in the Tender Offer.

The summary of the Transaction is indicated in the following charts:

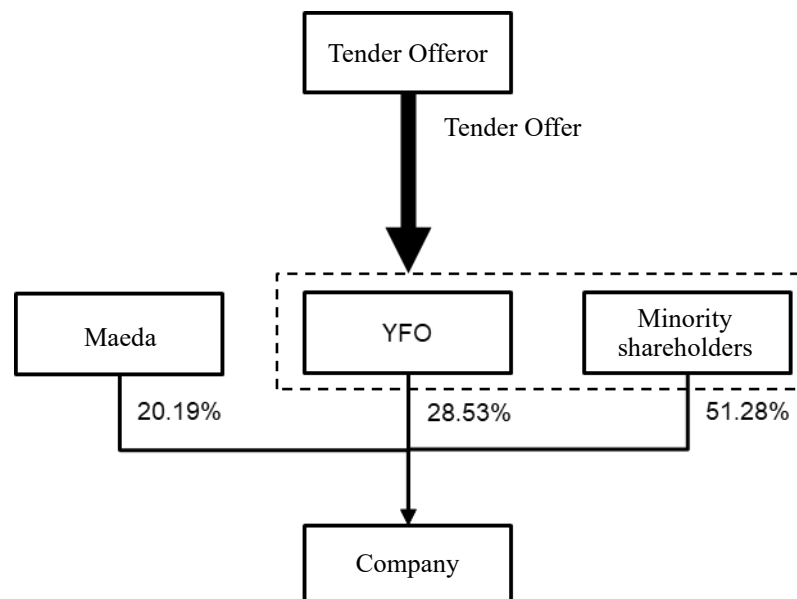
(i) Before the Implementation of the Tender Offer (current situation)

As of today, 19,047,510 Company Shares are owned by Maeda (Ownership Percentage: 20.19%), 26,907,900 Company Shares are owned by YFO (Ownership Percentage: 28.53%), and the remaining 48,371,065 Company Shares are owned by minority shareholders (Ownership Percentage: 51.28%).



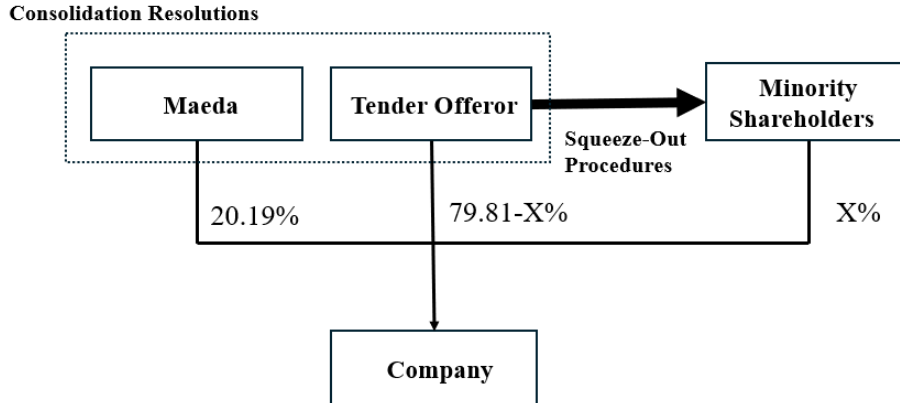
(ii) Tender Offer (August 12, 2025 – September 24, 2025)

The Tender Offeror will implement the Tender Offer targeting all Company Shares (excluding the treasury shares owned by the Company and the Shares Agreed Not to Be Tendered).



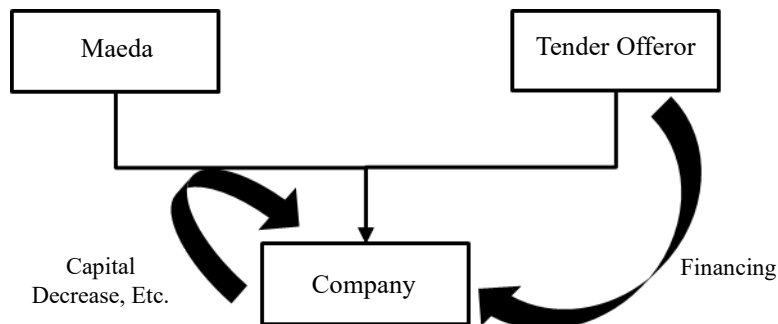
(iii) Implementation of the Squeeze-Out Procedures (in mid-December 2025 (planned))

If the Tender Offeror fails to acquire all of the Company Shares (excluding the treasury shares owned by the Company and the Shares Agreed Not to Be Tendered) through the Tender Offer, then the Tender Offeror will implement the Squeeze-Out Procedures by means of the Share Consolidation with respect to the Company.



(iv) (After the Share Consolidation becomes effective) Financing and Capital Decrease, Etc. (in mid-December 2025 (planned))

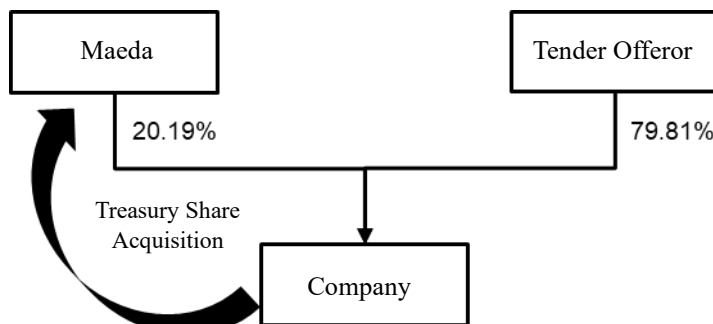
After the Share Consolidation becomes effective, the Tender Offeror will implement the Financing and the Capital Decrease, Etc. in order to secure funds and the distributable amount necessary for the Treasury Share Acquisition.



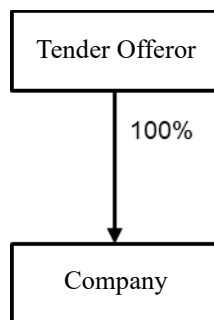
(v) Treasury Share Acquisition (in late December 2025 (planned))

The Company will implement the Treasury Share Acquisition to acquire all of the Shares Agreed Not to Be Tendered owned by Maeda by utilizing the funds and the distributable amount secured through the Financing and the Capital Decrease, Etc.

The voting rights ownership percentages of the Tender Offeror and Maeda immediately before the Treasury Share Acquisition depend on the ratio of the Share Consolidation. Accordingly, the following chart shows the voting rights ownership percentages immediately before the Share Consolidation becomes effective:



(vi) After the Implementation of the Transaction



According to the “Announcement of Expression of Opinion in Support of the Tender Offer for Our Shares by TAISEI CORPORATION and Recommendation to Tender Shares in the Tender Offer” announced by the Company today (“**Company Release**”), at the Company’s Board of Directors meeting held today, the Company resolved to express its opinion in favor of the Tender Offer and to recommend that the shareholders of the Company tender their Company Shares in the Tender Offer. For more details on the resolution of the Company’s Board of Directors meeting, please refer to the Company Release and “(e) The Company Obtaining Unanimous Approval of All Disinterested Directors of the Company and the Opinion of All Statutory Auditors of the Company that They Have No Objection” in “(3) Measures to Ensure the Fairness of the Tender Offer, such as Measures to Ensure the Fairness of the Tender Offer Price and Avoid Conflicts of Interest” below.

(2) Background, Purpose and Decision-Making Process of the Decision to Conduct the Tender Offer, and Management Policy after the Tender Offer

(a) Background, Purpose and Decision-Making Process of the Tender Offeror to Decide to Conduct the Tender Offer

The Tender Offeror was originally established in October 1873 when Kihachiro Okura founded Okura Gumi Shokai and engaged in the construction business of various buildings. In March 1887, Kihachiro Okura, Eiichi Shibusawa and Denzaburo Fujita discussed and established Nippon Doboku Co., Ltd., the predecessor of the Tender Offeror. In November 1892, Nippon Doboku Co., Ltd., was dissolved and its business was succeeded by Okura Doboku Gumi, which was solely managed by Kihachiro Okura. In November 1911, Okura Doboku Gumi was merged into Okura Gumi Co., Ltd. and became its Civil Engineering Department. In December 1917, Okura Doboku Gumi Co., Ltd. was separated from Okura Gumi Co., Ltd., and changed its name to Taisei Corporation in January 1946, which is its current trade name. In September 1956, the Tender Offeror listed its shares on the Tokyo OTC market; in September 1957, listed its shares on the Tokyo Stock Exchange; and in October 1959, listed its shares on Nagoya Stock Exchange, Inc. (“**Nagoya Stock Exchange**”) and Osaka Exchange, Inc. (“**Osaka Exchange**”). In July 2013, the Tender Offeror became listed on the First Section of the Tokyo Stock Exchange and the First Section of the Nagoya Stock Exchange, due to the consolidation of the cash market of the Osaka Exchange with the Tokyo Stock Exchange. In addition, due to the review of market classification of the Tokyo Stock Exchange and the Nagoya Stock Exchange in April 2022, the Tender Offeror moved to the Tokyo Stock Exchange Prime Market and the Nagoya Stock Exchange Premier Market.

As of today, the Tender Offeror constitutes a corporate group consisting of the Tender Offeror, 81 subsidiaries and 53 affiliates (“**Tender Offeror Group**”). The Tender Offeror Group is engaged in civil engineering, construction, development, engineering and other businesses under the group philosophy of “To create a vibrant environment for all members of society.”

In the “Medium- to Long-Term Vision [TAISEI VISION 2030]” announced on May 14, 2021, the

Tender Offeror Group identified its medium- to long-term external environment and structural changes as the three (3) Xs, i.e., “IX, SX and DX” (Note 1). Furthermore, the Tender Offeror Group manifested “The Ever-Evolving CDE^{3(cubed)} (Note 2) Company – pioneering corporate group contributing to the development of a resilient society where people can live affluent and cultural lives –” as what it should aim for in 2030, based on the Group philosophy and the concept for pursuing the Group philosophy, “Taisei Spirit: Active and Transparent Culture / Value Creation / Evolution of Tradition.” After that, on May 13, 2024, in order to ensure that [TAISEI VISION 2030] will be achieved, the Tender Offeror Group announced the “[TAISEI VISION 2030] Achievement Plan” which outlines priority issues and concrete measures for the next seven (7) years until 2030, which is set as the target in [TAISEI VISION 2030]. Based on the TAISEI VISION 2030 Achievement Plan, the Tender Offeror Group particularly focuses on five (5) fields; namely, construction, development, engineering, energy and environment, and steadily increases profit in its core construction business. All officers and employees of the Tender Offeror Group work as one team in order to achieve sustainable growth and enhance corporate value over the medium-to long-term period of time by further improving the Tender Offeror Group’s financial basis and capital efficiency.

(Note 1) “IX” is an abbreviation for Industry Transformation, representing the increasing pressure for restructuring in the Tender Offeror Group’s industry. “SX” is an abbreviation for Sustainability Transformation, representing the movement towards solving environmental and social issues through the Tender Offeror Group’s business. “DX” is an abbreviation for Digital Transformation, representing the idea that digital technology and utilization of data will enable a dramatic increase in productivity, accelerate decision-making, and allow for the creation of new services.

(Note 2) “CDE^{3(cubed)}” is an acronym for Construction, Development, Engineering, Energy, and Environment.

Specifically, as what it should aim for in 2030, the Tender Offeror Group is implementing the following initiatives in each of its businesses: (i) in the Group domestic building construction business, the Tender Offeror Group contributes to enhancing value of buildings for its clients and society by drawing up a growth strategy that meets society’s changing needs and providing building construction-related services backed up by its technology (including construction work, as well as the provision of environmental technologies and digital and smart technologies, related to buildings); (ii) in the Group domestic civil engineering business, the Tender Offeror Group contributes to solving environmental and social issues as a leader in infrastructure development by leveraging its advanced technological capabilities in the construction of tunnels, bridges, dams, railways, expressways, and other infrastructure, and the Group’s comprehensive capabilities by cooperation with the Group companies, such as Taisei Rotec Corporation, which possesses a competitive advantage in road paving construction, and PS Construction Co., Ltd., which possesses a competitive advantage in prestressed concrete construction; (iii) in the Group domestic real estate development business, the Tender Offeror Group contributes to high value-added urban development through proposing profitable plans that encompass diverse business models, from planning and proposal to design, construction and management, providing new value to enhance the appeal of the region and developing products incorporating advanced technologies (including carbon neutrality, greening, smart buildings, and resilience etc.), and other measures, by making the most of the “development know-how” it has cultivated and “technological capabilities” as a general contractor; (iv) in the Group overseas business, while utilizing the technical know-how it has cultivated through domestic business operations and achieving growth such as localization, differentiation through advanced technological capabilities, and establishment of attractive business structures, in overseas growth markets, the Tender Offeror Group contributes to the economic and social development of the countries in which it operates by establishing high-quality infrastructure (Note 3), which serves as a driving force for economic and social development; and (v) in the Group engineering business, while incorporating the latest technologies in manufacturing facilities, the Tender Offeror Group provides its clients with a consistent service system from planning, design and construction to maintenance and management of production facilities by leveraging its advanced engineering capabilities as well as its design and construction capabilities in building and civil engineering as a general contractor.

(Note 3) “Establishing high-quality infrastructure” refers to an approach to infrastructure

development that not only addresses demand quantitatively, but also takes into consideration transparency, openness, economic efficiency in term of lifecycle cost perspective, debt sustainability, and other factors.

Moreover, the Tender Offeror Group has established the “Medium-Term Business Plan (2024-2026)” (“**Medium-Term Business Plan**”) which constitutes the second phase of the [TAISEI VISION 2030] and serves as the milestone for the next three (3) years, focusing on achieving specific numerical targets.

Through the abovementioned initiatives in the [TAISEI VISION 2030] Achievement Plan, as the targets for the fiscal year ending March 2026, the last fiscal year of the Medium-Term Business Plan period, the Tender Offeror Group has set numerical targets of 120 billion yen in Group operating income, 80 billion yen in Group net income and a Return on Equity (ROE) of approximately 8.5%.

On the other hand, the Company was established in July 1929 as Hanshin Chikko Co., Ltd. for the purpose of creating industrial sites and a construction port in the Naruo district of Nishinomiya, Hyogo Prefecture; it entered into the construction contracting business in 1932, temporarily suspended the Naruo Reclamation Project due to the economic circumstances during the war, and developed its business mainly in the form of marine civil engineering work contracting. In addition, in May 1964, the Company changed its trade name to Toyo Construction Co., Ltd. The Naruo Reclamation Project was resumed in May 1967 and completed in September 1986. Since 1965, the Company has been engaged in land civil engineering work and has been earnestly engaged in architecture business since 1975. In terms of the Company’s relationship with stock markets, it was listed on the Second Section of the Osaka Exchange in October 1961 and on the Second Section of Tokyo Stock Exchange in October 1962, and it was designated to the First Sections of both the Osaka Exchange and Tokyo Stock Exchange in August 1964. After that, it was listed on the First Section of the Tokyo Stock Exchange in July 2013 in conjunction with the integration of the Osaka Exchange and the Tokyo Stock Exchange. Due to the reorganization of the market categories of the Tokyo Stock Exchange in April 2022, the Company was transferred to and is now listed on the Tokyo Stock Exchange Prime Market.

As of today, the Company’s group is currently composed of the Company, 6 consolidated subsidiaries, 3 non-consolidated subsidiaries, 1 related company and 3 other affiliated companies (“**Company Group**”), and its main businesses include the domestic civil engineering business, domestic architecture business, overseas construction business, and real estate businesses.

Toward the 100th anniversary of its founding in July 2029, the Company continues making efforts based on three major transformations of the medium-term management plan starting from the fiscal year 2023 (“**Medium-Term Management Plan (Company)**”), (i) transformation from “defense” to “offense,” (ii) transformation to a “high profit model,” and (iii) transformation to “capital efficiency management” and promotes various initiatives in anticipation of changes in the business environment over the medium- to long-term including, (i) in domestic civil engineering business, efforts to maintain and stabilize the scale of its overseas civil engineering business and strengthen its offshore wind power construction business, which are growth drivers, (ii) in its architecture business, efforts to strengthen organizational sales and profitability, and to improve productivity through digitalization, and (iii) in its overseas construction business, efforts to strengthen profitability in overseas markets.

Built on its corporate philosophies of “Everybody working together with dreams and youth, devoted to customer and public society with new and productive technology, striving toward the Company’s consistent growth and employees’ welfare promotion.” based on “Invention and Innovation”, “Respect for Human Dignity” and “Awareness of Responsibility” and based on its strength in marine civil engineering work centered on port construction, the Company believes it has established a solid position as a company in the marine general contractor industry by achieving, among other things, consolidated sales for the fiscal year ending March 2025 of 172.6 billion yen, which is the third largest of the total of eight companies in the marine general contractor industry submitting annual securities reports and publishing business reports (Note 4).

(Note 4) Based on the content of disclosure by the total of eight companies in the marine general contractor industry that submit annual securities reports and publish business reports.

For the Company Group, the current external environment is positive, and this includes the pursuit of the promotion of offshore wind power generation that plays a significant role in achieving the

government's goal of carbon neutrality by 2050 and as well as maintenance of critical infrastructure facilities in accordance with the "National Defense Strategy, Basic Plan" for the "National Resilience". At the same time, the Company also recognizes that the environment surrounding the construction industry is undergoing significant changes, including the escalation labor shortage, the adaption to work style reforms, changes in lifestyles and work styles, and the shift from "new construction" to "maintenance and renewal."

Based on the understanding above, the Company has been continuously conducting various studies to enhance the corporate value, including expanding the scale of its business while remaining listed, in order to resolve management challenges such as the intensifying labor shortage, the need to respond to work style reforms, changes in lifestyles and work styles, and the shift from "new construction" to "maintenance and renovation," and to enhance its competitiveness and profitability over the medium to long term.

Driven by such situation, in the above-stated [TAISEI VISION 2030] Achievement Plan, the Tender Offeror puts even greater focus than before on the sound development of the construction industry through IX (Note 5) in order to steadily implement business transformation utilizing M&A, pursuing the following as targets: (i) vertical integration to secure appropriate work-force and labor-saving; (ii) value chain integration aiming to create new value; and (iii) overseas business development aiming at business expansion, and has also been exploring every opportunity to build new foundations for growth. Under such circumstances, the Tender Offeror considered that welcoming the Company into the Tender Offeror Group and working closely with it would generate various synergies, as described in (i) to (v) below. The Tender Offeror believes that if it owns at least 50.01% of the Voting Rights Percentage of Company shares following the Tender Offer, the likelihood of the Transaction's completion will be recognized. From the perspective of confirming the likelihood of the Transaction's completion, on March 19, 2025, the Tender Offeror made a proposal to YFO, which owns 26,907,900 Company Shares (Ownership Percentage: 28.53%), to engage in mutual consultation, and made an initial approach to YFO with regard to the transfer of the Company Shares owned by YFO; and in response to this approach, YFO indicated its intention to transfer the Company Shares it owns to a partner that would contribute to the medium- to long-term enhancement of the Company's corporate value, and replied to the Tender Offeror that it would accept such proposal to engage in mutual consultation. Furthermore, on March 25, 2025, for the same reasons mentioned above, the Tender Offeror also made a proposal to Infroneer Holdings Inc. ("**Infroneer**"), the 100%-owning parent company of Maeda, which owns 19,047,510 Company Shares (Ownership Percentage: 20.19%), to engage in mutual consultation, and made an initial approach to Infroneer with regard to the transfer of the Company Shares owned by Maeda; and, in response to this approach, Infroneer replied to the Tender Offeror that it would sincerely consider any formal proposal. Taking the opportunity to be introduced to the Company by YFO, in the meeting with the Company on April 3, 2025, the Tender Offeror explained the business of the Tender Offeror Group in detail, the proposed expected synergies, and others, and engaged in mutual consultation on the Company's management situation, future business policies, etc. Taking such consultation into account, on May 14, 2025, the Tender Offeror submitted the Company a non-binding letter of intent to the effect that the Tender Offeror wished to engage in the Transaction and made an approach to the Company stating that the Tender Offeror hoped to conduct due diligence in relation to the Company, in order to give full-scale consideration to the Transaction. On May 16, 2025, the Tender Offeror received a response from the Company stating that it would accept the due diligence by the Tender Offeror and advance the mutual consultation for implementing the Transaction. Following such communication, in mid-May 2025, the Tender Offeror appointed Mizuho Securities Co., Ltd. ("**Mizuho Securities**") as its financial advisor and the Third-Party Valuation Advisor, which is independent from the Tender Offeror, the Company, Infroneer, Maeda and YFO, and appointed TMI Associates as its legal advisor. The Tender Offeror conducted the due diligence from late May 2025 to mid-July 2025 in order to carefully examine the feasibility of the Transaction. In parallel, the Tender Offeror engaged in consultation and consideration regarding the purport and purpose of the Transaction with the Company, and advanced consideration on concrete measures for the creation of business synergies between the Tender Offeror and the Company, as well as regarding the management policy after the Transaction, etc.

(Note 5) “**Sound development of the construction industry through IX**” refers to the Tender Offeror’s views on the following matters concerning domestic construction investment. Namely, while investment appetite remains strong due to factors such as the post-coronavirus economic recovery, supply remains flat due to a continuing decline in the number of workers, despite improvements in productivity. As a result, the supply-demand gap is widening, making it difficult for the construction industry to fully fulfill its mission in society. Therefore, through IX, by sharing each company’s technologies and know-how, it will significantly enhance the industry’s ability to address environmental and social challenges and improve productivity, which will contribute to the sound development of the construction industry. This momentum is expected to grow across the entire construction industry.

As a result of such consideration, the Tender Offeror believes that the following initiatives and synergy effects may be expected through the Transaction.

(i) Domestic Civil Engineering Business

The Tender Offeror considers that broad-based cooperation will be possible in the course of the construction of facilities related to carbon neutrality, such as the development of hydrogen and ammonia supply chains, and offshore wind power construction that are expected to expand in the future, by mutually making the most of each other’s strength, through close cooperation between the Tender Offeror and the Company, by utilizing the exceptional technology and plentiful achievements in the fields of onshore construction which is the Tender Offeror’s advantage, and the Company’s expertise in offshore construction. Furthermore, the Tender Offeror considers that, with the Tender Offeror’s support, the Company will be able to enhance its profitability and net sales per person from the construction business, through engaging in promotion in a strategic manner regarding shifting human capital to the offshore construction field, etc., where it has an advantage, and tackling an increased size of projects.

(ii) Domestic Building Construction Business

The Tender Offeror newly established its Building Renovation Division as the pillar of its strategy for the domestic building construction business in November 2020, and has advanced to the full-scale strengthening of its building renovation business since then. The Tender Offeror believes that sharing with the Company the Tender Offeror’s know-how regarding renovation proposals based on its building diagnosis and green renewal (Note 6) technology will lead to the reinforcement of the Company’s proposal-based sales, which will contribute to the strengthening of the Company’s ReReC (Note 7) field.

(Note 6) “**Green renewal**” is the Tender Offeror’s registered trademark, and also means its initiatives that promote the conversion of existing buildings to ZEBs (Note 8) in order to quickly achieve goals while improving the health of people, buildings, and the planet.

(Note 7) “**ReReC**” is the Company’s registered trademark, which collectively refers to Renewal (restoration), Renovation (enhancement of performance) and Conversion (change in use), and also means its initiative regarding repairs as a whole.

(Note 8) “**ZEBs**” is an abbreviation for Net Zero Energy Building, which refers to a building that aims to achieve a net zero balance of primary energy consumption over the course of a year while providing a comfortable indoor environment.

(iii) Overseas Construction Business

With the economic development of the Philippines, in expectation that both companies will receive more orders for large-scale projects from this time onwards, the Tender Offeror expects an increased number of opportunities for both companies to receive accompanying construction orders by making the most of both companies’ overseas sales information, particularly the network with local clients in the Philippines built up during the last fifty (50) years, together with the Company’s consolidated subsidiary (CCT Constructors Corporation) as its base, and by utilizing the resource of

local staff with a rich depth of experience.

(iv) Offshore Wind Power Generation Business

The Tender Offeror aims to develop concrete semi-submersible type (Note 9) floating foundations and receive orders for structure manufacturing works. Meanwhile, the Company aims to receive orders for technical development or construction works for TLP type (Note 10) floating mooring, as well as construction works by ship for installing submarine cables, etc. These businesses have no overlap with each other, and instead have a high possibility of supplementing each other. Thus, the Tender Offeror believes that this will increase the Company's opportunities to receive more orders.

(Note 9) "**Semi-submersible type**" refers to a semi-submersible floating foundation constructed by combining multiple columns and floats.

(Note 10) "**TLP type**" means the system of mooring a floating body through tensed mooring with a submarine foundation.

(v) Reinforcement of Management Foundation

The Tender Offeror is focusing on accelerating the implementation of measures for DX realization and reinforcement of management foundation utilizing AI, by establishing a division specialized in DX promotion. In "Production Process DX," one of the fields which the Tender Offeror is focusing on, the Tender Offeror aims to secure high quality, reduce costs, shorten the time for completing construction, estimate risks and lower environmental burden, as well as aiming to pursue the realization of enhanced productivity, by utilizing BIM/CIM (Note 11), AI, IoT, robotics, etc. Moreover, the Tender Offeror believes that sharing the DX technology will help the Company to find solutions for insufficient manpower and to realize efficient management. Further, regarding digitalization initiatives, the Tender Offeror considers that both companies will be able to reduce duplicate investment and take advantage of economies of scale through promoting both companies' initiatives.

(Note 11) "**BIM/CIM**" means seeking a more efficient course of construction production management systems over the construction business as a whole, through facilitating the utilization and sharing of data on both sides regarding persons who place and receive orders, and who engage in each stage of construction business, such as research, measurement, design, construction, maintenance, management, etc., by integrating and managing the information handled in construction business as digital data.

The Tender Offeror believes that construction costs can be reduced by utilizing the Tender Offeror Group's procurement network and jointly procuring major components with economies of scale. In addition, the Tender Offeror believes that sharing the supply chains of both companies will enable it to enhance its choice of specialized contractors and equipment and materials procurement sources, enabling less expensive and more timely procurement. Furthermore, in the medium to long term, it can be expected that the workload of suppliers, which varies depending on the region and the time of year, will become more equalized, which will lead to the expansion of the construction system.

The Tender Offeror also believes that the technical skills of both companies' employees can be improved through the utilization of the Tender Offeror's "Employee Education System" and personnel exchange. In addition, the Tender Offeror believes that it will be possible to provide funds flexibly and at low cost through intercompany loans, CMS, etc., by taking advantage of the Tender Offeror Group's financing capability.

In the course of such consideration, the Tender Offeror came to believe that, in the case of a capital and business alliance after acquiring a portion of the Company Shares or making the Company a wholly-owned subsidiary on the premise of keeping it as a listed company, as there would be certain restrictions on establishing a cooperative structure and sharing the management resources and know-how between the Tender Offeror and the Company, such as obstacles to rapid and flexible decision-making and the inability to share highly confidential information, it was desirable for the Tender Offeror to make the Company its wholly-owned subsidiary in order to realize the above measures and synergies quickly and steadily and to enjoy the effects thereof. Although there are concerns about dis-

synergies resulting from the Transaction, such as: (i) the loss of opportunities for the Company to receive orders from general contractors other than the Tender Offeror and to form a joint venture; (ii) the possibility of lost orders due to lack of cooperation between the Tender Offeror and the Company in acquiring projects; (iii) the possibility that the loss of the Company's status as a listed company may affect the Company's name recognition, social credibility, and the ability to secure human resources that it has enjoyed as a listed company; and (iv) potential impact on financing, the Tender Offeror believes that, as for (i) above, the lost opportunity can be sufficiently complemented by replacing any missed project with another project in light of the current market conditions, and that cooperating with the Tender Offeror will enable the Company to receive even more orders than before. With regard to (ii) above, the Tender Offeror believes that the risk of losing orders can be reduced by conducting a thorough PMI (post-merger integration) and system design after the completion of the Transaction and by promoting communication between the Tender Offeror and the Company and carefully coordinating projects in advance, especially to facilitate communication from the management level to the site level. In addition, as for (iii) above, the Tender Offeror believes that reducing the costs for keeping the Company listed and allowing for exchange among employees of both companies will make it possible to share know-how and realize right-person-in-the-right-place employment, which will lead to the fostering of a better working environment. The Tender Offeror believes that the synergies described above will generate effects that significantly exceed any dis-synergies. As for (iv) above, the Tender Offeror believes that leveraging the Tender Offeror Group's funding capability will enable the provision of flexible and low-cost financing through mechanisms such as parent-subsidiary loans and cash management systems (CMS). Accordingly, the Tender Offeror expects that the resulting synergies will exceed any dis-synergies.

The Tender Offeror, on June 11, 2025, received a proposal from YFO to set the tender offer price at 1,750 yen. On June 11, 2025, the Tender Offeror responded to YFO stating that they would consider the possibility of setting the tender offer price at 1,750 yen, taking into account the results of due diligence on the Company.

Furthermore, on June 26, 2025, the Tender Offeror held discussions with Infroneer regarding the scheme of the Transaction and the Tender Offer Price. On July 4, 2025, the Tender Offeror received communication from Infroneer expressing a positive consideration to set the Tender Offer Price at 1,750 yen, and to adopt a scheme in which the Company implements the Treasury Share Acquisition from Maeda (the "**Treasury Share Acquisition Scheme**") in the Transaction.

On July 7, 2025, the Tender Offeror, considering the results of the due diligence on the Company, submitted a legally binding proposal (the "**Proposal**") to the Company to adopt the Treasury Share Acquisition Scheme in the Transaction, and, assuming that the interim and year-end dividends for the fiscal year ending March 2026 will not be paid, to set the Tender Offer Price at 1,750 yen (a price that includes premiums of 17.85% over the closing price of the Company Shares on the Tokyo Stock Exchange Prime Market on the last business day before the proposal date, July 4, 2025, which was 1,485 yen, rounded to the second decimal place (the same shall hereinafter apply to calculations of premium rates); 19.86% over the simple average closing price of 1,460 yen for the month up to July 4, 2025, rounded for values below yen (The same shall hereinafter apply to calculations of simple average closing prices); 26.08% over the simple average closing price of 1,388 yen for the past three months up to July 4, 2025, and 27.92% over the simple average closing price of 1,368 yen for the past six months up to July 4, 2025), and to set the minimum number of shares to be purchased at the number obtained by multiplying the Base Number of Voting Rights (939,620 units) by 50.01% (469,904 units, rounded up to the nearest whole number) and then subtracting the number of voting rights (190,475 units) attached to the Shares Agreed Not to Be Tendered (19,047,510 shares) and then multiplying the result (279,429 units) by 100 shares, the number of shares constituting one unit of the Company (27,942,900 shares, Ownership Percentage: 29.62%) (the "**Initial Minimum Number Proposal**"). Subsequently, the Tender Offeror was informed by the Company on July 7, 2025 that, since it was determined that a de facto agreement regarding the Treasury Share Acquisition Scheme and tender offer price had not been reached between the Tender Offeror and Maeda, the Proposal could not be treated as the definitive proposal with legally binding effect as sought by the Company, and thus, the Proposal was rejected. Subsequently, on July 24, 2025, the Tender Offeror was informed by Infroneer and Maeda that they were considering responding favorably to the proposal of setting the Treasury

Share Acquisition Price at 1,476 yen, based on the Treasury Share Acquisition Scheme, and conveyed this to the Company on July 24, 2025. In response, on July 28 and 31, 2025, the Tender Offeror received requests from the Company and the Special Committee (as defined in “(b). Decision-Making Process Leading to and Grounds for the Opinion in Favor of the Tender Offer by the Company” below; the same shall apply hereinafter) to raise the minimum number of shares to be purchased from the Initial Minimum Number Proposal in consideration of ensuring opportunities for general shareholders of the Company to make judgments. Subsequently, the Tender Offeror, sincerely reconsidering the setting of the minimum number of shares to be purchased based on requests from the Company and the Special Committee, responded to the Company and the Special Committee on August 4, 2025, by raising the minimum number to the Minimum Number (33,035,700 shares, Ownership Percentage: 35.02%). In response to this, on the same day, the Company and the Special Committee informed the Tender Offeror that they would agree to raise the minimum number of shares to be purchased to the Minimum Number. Subsequently, on August 4, 2025, the Tender Offeror was requested by the Company and the Special Committee to raise the Tender Offer Price, on the grounds that the closing price of the Company Shares on the Tokyo Stock Exchange Prime Market on August 1, 2025, which was the business day immediately preceding August 4, 2025, was 1,731 yen, resulting in a minimal premium of 1.10% over such closing price for the Tender Offer Price of 1,750 yen, proposed by the Tender Offeror; that depending on subsequent share price movements, there was a possibility that 1,750 yen could fall below the closing price of the Company Shares on the Tokyo Stock Exchange Prime Market on the business day immediately preceding August 7, 2025, which had initially been scheduled as the announcement date of the Tender Offer; and that, in particular, if the Tender Offer were to be conducted at such a discount, there was concern that sufficient tenders might not be obtained from the shareholders of the Company, resulting in the failure of the Tender Offer, and that if the Tender Offer were to fail despite its public announcement, there would be a risk of significant damage to the corporate value of the Company, in light of its relationships with stakeholders, including its employees and business partners. In response to such request, the Tender Offeror re-examined the intrinsic value of the Company Shares, but on August 5, 2025, replied to the Company and the Special Committee that the Tender Offer Price of 1,750 yen was at a reasonable level. On August 6, 2025, the Tender Offeror received a request from the Company and the Special Committee to raise the Tender Offer Price, for the same reasons as described above, to at least the closing price on the business day immediately preceding August 7, 2025 (the “**Initially Scheduled Date**”), which had been the initially scheduled announcement date, in order for the Company and the Special Committee to express their opinions in favor of the Tender Offer. On August 6, 2025, the Tender Offeror responded to the Company and the Special Committee that it recognized that the share price movements of the Company Shares on or after August 1, 2025, did not necessarily reflect the intrinsic value of the Company Shares at an appropriate level, and that, given that the possibility of leakage of information could not be ruled out, it would not be appropriate to raise the Tender Offer Price before the commencement of the Tender Offer. The Tender Offeror also stated that, if the opinions in favor could not be expressed, the announcement on the Initially Scheduled Date would inevitably have to be postponed. Subsequently, on August 6, 2025, the Tender Offeror received another request from the Company and the Special Committee to reconsider setting the Tender Offer Price at 1,784 yen or more, which was the closing price on the business day immediately preceding the Initially Scheduled Date, and was informed that, if the Tender Offer Price were 1,784 yen or more, they would be prepared to express their opinions in favor of the Transaction and recommend that shareholders tender their shares. In response, on August 7, 2025, the Tender Offeror again conveyed to the Company and the Special Committee that it recognized that the recent share price movements did not necessarily indicate the intrinsic value of the Company Shares, and that it considered it inappropriate to raise the Tender Offer Price before the commencement of the Tender Offer. The Tender Offeror also stated that it would carefully monitor future share price movements and might again propose the commencement of the Tender Offer. Thereafter, on August 7, 2025, the Company and the Special Committee notified the Tender Offeror that they would not support the proposal for the Transaction and would terminate their review. Subsequently, as the trading of the Company Shares on August 7, 2025, closed at 1,700 yen, below 1,750 yen, on August 7, 2025, the Tender Offeror submitted a proposal to resume the review of the Transaction, and on August 8, 2025, received a response from the Company expressing its intention to support the Tender Offer and recommend that shareholders tender their shares in the Tender Offer.

Based on the above background, on or after July 7, 2025, in parallel with the discussions with the Company, the Tender Offeror held discussions with Infroneer and Maeda regarding the Non-Tender Agreement and with YFO regarding the Tender Agreement, respectively.

Specifically, on July 7, 2025, the Tender Offeror made a proposal to Infroneer to set the Treasury Share Acquisition Price at 1,476 yen, based on the Treasury Share Acquisition Scheme, and subsequently held multiple discussions with Infroneer and Maeda regarding the Non-Tender Agreement. On July 24, 2025, the Tender Offeror was informed by Infroneer and Maeda that they were considering responding favorably to the proposal of setting the Treasury Share Acquisition Price at 1,476 yen, based on the Treasury Share Acquisition Scheme. Subsequently, on July 28, 2025, the Tender Offeror entered into the Non-Tender Agreement with Maeda as of today.

Additionally, on July 7, 2025, the Tender Offeror communicated to YFO its intention to accept the proposal from YFO to set the Tender Offer Price at 1,750 yen considering the results of due diligence on the Company and based on the Treasury Share Acquisition Scheme, and subsequently held multiple discussions with YFO regarding the Tendering Agreement. Today, upon confirming YFO's intention to agree to enter into a tender agreement for the Tender Offer setting the Tender Offer Price at 1,750 yen, the Tender Offeror entered into the Tender Agreement with YFO as of today.

Following these discussions and negotiations, by resolution of its Board of Directors dated today, the Tender Offeror has decided to set the Tender Offer Price at 1,750 yen and to conduct the Tender Offer (for details of the Tender Offer Price, please see “(a) Basis of Calculation” in “(5) Basis for Calculating the Tender Offer Price” of “2. Overview of Tender Offer” below).

(b) Decision-Making Process Leading to and Grounds for the Opinion in Favor of the Tender Offer by the Company

a. Course of Events Behind Establishment of an Examination System

According to Company Release, as described in “(a) Background, Purpose and Decision-Making Process Leading to the Decision to Implement the Tender Offer” above, the Company receives the notification from the Tender Offeror that it is considering implementing the Transaction on April 3, 2025, which led the Company to commence the discussion with the Tender Offeror the implementation of the Tender Offer and the examination on the propriety of the Transaction.

After that, on May 14, 2025, the Company received preliminary proposal (“**Preliminary Proposal**”) including non-binding price range (“**Preliminary Price**”) and determined that it would perform sincere consideration of the Preliminary Proposal from the viewpoint of improvement of corporate value for mid-long term and common interests of shareholders.

In light of the foregoing, in the middle of May 2025, the Company appointed Nagashima Ohno & Tsunematsu as its legal advisor independent of the Tender Offeror, the Company, Infroneer, Maeda, and YFO, and appointed PwC Advisory LLC (“**PwC Advisory**”) as its financial advisor and its Third-Party Valuation Advisor independent of the Tender Offeror, the Company, Infroneer, Maeda, and YFO, in order to ensure fairness of the Transaction including the fairness of the Tender Offer Price.

In addition, as described in “(3) Measures to Ensure the Fairness of the Tender Offer, Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest”, on May 15 2025, in order to eliminate arbitrariness in the Company's decision-making, and to ensure the fairness, transparency and objectiveness in the process of decision-making, the Company established the Special Committee (“**Special Committee**”) independent of the Tender Offeror, the Company, Infroneer, Maeda, YFO and the success of the Transaction, and consists of independent outside directors of the Company (Mr. Kazumichi Matsuki, Mr. Takashi Narusawa, Mr. Masato Uchiyama, Mr. Katsuya Natori and Ms. Yoshiko Fujii) to examine proposals regarding the

Transaction, based on the fact that (i) although the Transaction is not a “management buyout” (MBO) nor a transaction with controlling shareholders, there is a possibility of privatizing the Company Shares, which will have a significant impact on the general shareholders of the Company and (ii) under the Preliminary Proposal the Tender Offeror is expected to conclude, before the Transaction, the Non-Tender Agreement and the Tender Agreement with Maeda, one of the major shareholders of the Company, and YFO, the largest shareholder of the Company, respectively, and the interests of Maeda and YFO and those of minority shareholders of the Company may not always consistent with each other. For the details of members of the Special Committee and other details of specific consultation matters, see “(d) The Company’s Establishment of an Independent Special Committee and Receipt of a Report” in “(3) Measures to Ensure the Fairness of the Tender Offer, Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest”. At the same time, in the establishment of the Special Committee, the Company’s Board of Directors resolved to grant the Special Committee the authority (a) to collect and receive information necessary for decision-making and consideration by the Special Committee, (b) to appoint advisors by itself or provide opinions on the appointment of the Company’s advisors, (c) to participate in discussions and negotiations between the Company and the Tender Offeror, and to discuss and negotiate with the Tender Offeror on behalf of the Company when deemed necessary by the Special Committee, and (d) to provide opinions or recommendations to the Company’s Board of Directors regarding the consideration of the Transaction as necessary.

Furthermore, the Special Committee approved the Company’s appointments of PwC Advisory as the financial advisor and Third-Party Valuation Advisor, and Nagashima Ohno & Tsunematsu as the legal advisor after confirming that there was no problem with their independence and expertise.

b. Background of Examinations and Negotiations

According to Company Release, the Company carefully considered whether the Transaction should be carried out and the reasonableness of the commercial terms, and carried out multiple discussions and negotiations with the Tender Offeror, in which the Company respected the recommendation or opinions of the Special Committee to the maximum extent possible, and with advice from PwC Advisory and Nagashima Ohno & Tsunematsu.

Specifically, the Company received the Preliminary Proposal on May 14, 2025. The Company carefully reviewed it and concluded that the corporate value enhancement measures proposed by the Tender Offeror could potentially contribute to enhancing the Company’s corporate value in the mid-to-long term and that, although the price proposed by the Tender Offeror still needed to be examined and negotiated, it included certain premium on the market value of the Company up to that time; and it was deemed worthy of further consideration from the viewpoint of the intrinsic value of the Company. Therefore, the Company agreed to due diligence investigations on business, finance, tax, and legal affairs from late May 2025 to early July 2025 by the Tender Offeror and discussed with the Tender Offeror the synergies expected from the Transaction.

However, in the process of the aforementioned due diligence, with the upward trend of the Company Shares, it became difficult to gain support from shareholders of the Company if the Transaction were to proceed at the Preliminary Price, considering the intrinsic value of the Company. In early June 2025, the Company had a meeting with the Tender Offeror and conducted a discussion requesting the Tender Offeror to increase the Tender Offer Price to a level exceeding the Preliminary Price. On June 11, 2025, the Company was informed by the Tender Offeror that YFO had proposed to the Tender Offeror that the Tender Offer Price be set at 1,750 yen and the Tender Offeror responded to YFO that it would further examine the possibility of setting the Tender Offer Price at 1,750 yen.

Subsequently, on June 19, 2025, the Company sent a letter (“**Process Letter**”) to the Tender Offeror requesting the submission by July 7, 2025 of the legally binding final proposal of intent

regarding the transaction that states management policies and structure after the Transaction – including the purpose and expected synergies of the Transaction and states the price for the Tender Offer.

The Tender Offeror was preparing the Proposal in accordance with the Process Letter; however, on July 1, 2025 the Company was notified by the Tender Offeror that, following discussions between the Tender Offeror and Maeda, the Transaction scheme and the Tender Offer Price to be proposed in the Proposal could change depending on the outcome of the future discussion. In response, the Company informed the Tender Offeror that, if the Company were to receive the Proposal in a state where the negotiation with Maeda was fluid and without the Tender Offeror's having reached a de facto agreement with Maeda regarding the Transaction structure and the Tender Offer Price, the Company would not be able to commence negotiations with the Tender Offeror regarding the Tender Offer Price and would request the Tender Offeror to submit the Proposal again when the de facto agreement had been reached with Maeda and the scheme and Tender Offer Price had become reasonably certain.

On July 7, 2025, the Tender Offeror submitted the Proposal to PwC Advisory. However, given the discussion status between the Tender Offeror and Maeda up to that date, the Company could not conclude that the Tender Offeror had reached a de facto agreement with Maeda regarding the Transaction scheme and the Tender Offer Price. Therefore, the Company informed the Tender Offeror that the Proposal could not be treated as the final proposal that the Company had requested, and it again requested the Tender Offeror to promptly establish a discussion base between the Company and the Tender Offeror regarding the Transaction scheme and the Tender Offer Price, to obtain a de facto agreement from Maeda regarding the Transaction scheme and the tender offer price no later than July 25, 2025, in order to allow effective examination of the Tender Offer Price and discuss it with the Tender Offeror.

Subsequently, on July 25, 2025, the Company received an explanation from the Tender Offeror that the Tender Offeror had been informed by Infroneer and Maeda that they had agreed to accept a proposal, based on the Treasury Share Acquisition Scheme, to set the Treasury Share Acquisition Price at 1,476 yen. Based on such explanation from the Tender Offeror, the Company determined that the final proposal received from the Tender Offeror on July 7, 2025—proposing, based on the adoption of the Treasury Share Acquisition Scheme in the Transaction and the payment of no interim dividend or year-end dividend for the fiscal year ending March 2026 of the Company, to set the Tender Offer Price at 1,750 yen (a price that includes premiums of: 17.85% over the closing price of 1,485 yen for the Company Shares on the Tokyo Stock Exchange Prime Market on July 4, 2025, the business day immediately preceding July 7, 2025; 19.86% over the simple average closing price of 1,460 yen for the month up to July 4, 2025; 26.08% over the simple average closing price of 1,388 yen for the past three months up to July 4, 2025; and 27.92% over the simple average closing price of 1,368 yen for the past six months up to July 4, 2025), and to set the minimum number of shares to be purchased at the number obtained by multiplying the Base Number of Voting Rights (939,620 units) by 50.01% (469,904 units, rounded up to the nearest whole number) and then subtracting the number of voting rights (190,475 units) attached to the Shares Agreed Not to Be Tendered (19,047,510 shares) and then multiplying the result (279,429 units) by 100 shares, the number of shares constituting one unit of the Company (27,942,900 shares, Ownership Percentage: 29.62%)—was sufficient to be treated as the legally binding final proposal that the Company had been seeking. On July 28 and 31, 2025, the Company requested the Tender Offeror to raise the minimum number of shares to be purchased, on the grounds that if the minimum number of shares to be purchased is set at the number obtained by multiplying 100 shares (being the number of shares constituting one unit of the Company) by the number obtained by deducting the number of voting rights pertaining to the Shares Agreed Not to Be Tendered from the number obtained by multiplying the Base Number

of Voting Rights by 50.01%, as proposed by the Tender Offeror, the Tender Offer could be successfully completed merely by tenders from general shareholders holding shares equivalent to approximately 1.29% of the Base Number of Voting Rights, which might be considered as lacking due consideration for ensuring general shareholders' opportunity to make an informed decision.

Furthermore, on August 4, 2025, the Company requested the Tender Offeror to raise the Tender Offer Price, on the grounds that the closing price of the Company Shares on the Tokyo Stock Exchange Prime Market on August 1, 2025, which was the business day immediately preceding August 4, 2025, was 1,731 yen, resulting in a minimal premium of 1.10% over such closing price for the Tender Offer Price of 1,750 yen, proposed by the Tender Offeror; that depending on subsequent share price movements, there was a possibility that 1,750 yen could fall below the closing price of the Company Shares on the Tokyo Stock Exchange Prime Market on the business day immediately preceding August 7, 2025, which had initially been scheduled as the announcement date of the Tender Offer; and that, in particular, if the Tender Offer were to be conducted at such a discount, there was concern that sufficient tenders might not be obtained from the shareholders of the Company, resulting in the failure of the Tender Offer, and that if the Tender Offer were to fail despite its public announcement, there would be a risk of significant damage to the corporate value of the Company, in light of its relationships with stakeholders, including its employees and business partners.

Subsequently, taking into account the requests from the Company and the Special Committee, the Tender Offeror undertook a sincere reconsideration of raising the Tender Offer Price and setting the minimum number of shares to be purchased, and on August 5, 2025, responded to the Company and the Special Committee that the Tender Offer Price would be maintained at 1,750 yen and that the minimum number of shares to be purchased would be set at the Minimum Number (33,035,700 shares, Ownership Percentage: 35.02%).

Upon receiving such notice from the Tender Offeror, on August 6, 2025, the Company requested the Tender Offeror to reconsider raising the Tender Offer Price, stating that its concerns had not been dispelled. In response, on the same day, the Tender Offeror notified the Company that, if the Company could not express its opinion in favor of a tender offer at a tender offer price of 1,750 yen, it would have no choice but to postpone the announcement of the Tender Offer. Following this, still on the same day, the Company again notified the Tender Offeror that it would be difficult to accept the public announcement of the Transaction at a discount to the most recent share price, and that, unless the Tender Offeror informed the Company by the morning of August 7, 2025, which had been the initially scheduled announcement date, of its intention to announce a tender offer at a price of 1,784 yen or more (being the closing price of the Company Shares on the Tokyo Stock Exchange Prime Market on August 6, 2025), the Company would terminate its review of the Transaction.

On August 7, 2025, the Tender Offeror responded to the Company and the Special Committee that it would not agree to raise the Tender Offer Price.

As of August 7, 2025, which had been scheduled as the announcement date of the Tender Offer, the tender offer price of 1,750 yen proposed by the Tender Offeror was lower than the closing price of 1,784 yen for the Company Shares on the Tokyo Stock Exchange Prime Market on August 6, 2025, the business day immediately preceding August 7, 2025. Given that, in the case of a tender offer at such a discount, there was no clear prospect as to how shareholders, including the potential risk of intervention by activists, would respond, and that there was significant concern regarding the likelihood of the tender offer being completed, and also given that, if the tender offer were to fail despite its public announcement, there would be a risk of significant damage to the corporate value of the Company in light of its relationships with stakeholders, including its employees and business partners, the Company decided not to support the Tender Offeror's proposal to announce on August 7, 2025 a tender offer at a price of 1,750 yen, and to terminate its review of the Transaction, and notified the Tender Offeror of its conclusion as the Company. The Company's Board of Directors also abolished the Special Committee.

However, today, following the above notice, in light of the sharp drop in the Company's share price from 1,792 yen at the morning close on August 7, 2025, to 1,700 yen at the close of trading on the same day, the Tender Offeror notified the Company of its further intention to announce on August 8, 2025, a tender offer at a tender offer price of 1,750 yen. Accordingly, the Company's Board of Directors meeting resolved today to reinstate the Special Committee, which had been abolished the previous day, in order to continue its review of the Transaction, and again consulted the Special Committee regarding the Transaction.

Today, the Company received from the Special Committee the Report (as defined in "c. Details of the Company's Decision-Making" below) stating that: (i) The Transaction is deemed to contribute to enhancing the corporate value of the Company; (ii) The procedures related to the considerations, discussions and negotiations of the Transaction are deemed to have been fair; (iii) The method and the terms and conditions of the Transaction are deemed to be fair and appropriate; and (iv) Considering the above (i) to (iii), the decision on the Transaction by the Company's Board of Directors is deemed not to be disadvantageous to the minority shareholders of the Company, and accordingly, the Company's Board of Directors should support the Tender Offer and recommend that the Company's shareholders tender their Company Shares in the Tender Offer. (For a summary of the Report, please see "(d) The Company's Establishment of an Independent Special Committee and Receipt of a Report" in "(3) Measures to Ensure the Fairness of the Tender Offer, Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below.)

Furthermore, in order to eliminate any arbitrariness in the decision-making process during the examination and decisions regarding the Transaction, Mr. Masaharu Okada, an outside director of the Company who previously served as an executive officer of the Tender Offeror, did not participate in the deliberations or resolutions of the Board of Directors regarding the Transaction and has not been involved in any decision-making regarding the Transaction.

c. Details of the Company's Decision-Making

According to Company Release, after the course of events above, the Company carefully examined and discussed whether the Transaction, including the Tender Offer, would increase the corporate value of the Company and whether the conditions for the Transaction, including the Tender Offer Price, were appropriate, based on the legal advice received from Nagashima Ohno & Tsunematsu regarding points to note when making decisions relating to the Transaction, including the Tender Offer, such as the decision-making process relating thereto, advice from PwC Advisory from a financial perspective, and a share valuation report that the Company obtained from PwC Advisory on August 7, 2025 ("**Company Share Valuation Report**") and with maximum respect for the decision of the Special Committee indicated in the report dated August 8, 2025 submitted by the Special Committee ("**Report**"; for a summary of the Report, please see "(d) The Company's Establishment of an Independent Special Committee and Receipt of a Report" in "(3) Measures to Ensure the Fairness of the Tender Offer, Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below).

As a result, the Company has reached the conclusion that the Transaction will contribute to increasing the corporate value of the Company, from the following perspectives. The Company and the Tender Offeror believe that the Transaction will promote comprehensive collaboration in business, financial, personnel and administrative aspects and bring synergies and benefits in the following points.

Specifically, the major expected synergies are as follows.

(i) Synergies in Strengthening Business and Management Foundations

The Company considers that, by leveraging the business foundation such as Worksite Operations Promotion Center (Note 1) of the Tender Offeror, it will be able to carry out the following: consolidating indirect business by promoting DX; increasing productivity through the advancement of design and estimation processes; strengthening of cost competitiveness through centralized purchasing of direct materials; bolstering of recruitment capabilities by making use of the brand recognition of the Tender Offeror; strengthening the human resources through job rotation programs; and further advancement of development of and capital investment in offshore wind power and civil engineering technologies, backed by the strengthened capital base.

(Note 1) “**Worksite Operations Promotion Center**” refers to an organization established within the Tender Offeror’s Building Construction Division and Civil Engineering Division, which undertakes centralized operations on behalf of worksites nationwide in order to promote the division of labor and improve the efficiency of worksite operations.

In addition, the Company anticipates the following effects of the Company’s measures on each business segment.

(ii) Civil Engineering Business

The Company expects that it will be able to make use of the Tender Offeror’s superior technological strength and know-how and thereby expand profit as a result of improving the rate of successful bids through collaboration (including JVs) and securing large projects. The Company also believes that the Transaction will enable the Company to increase the receipt of orders through land and sea joint proposals in large projects for the private sector, such as carbon-free construction, as well as to create new earnings opportunities by jointly receiving orders in respect of overseas construction and participating in projects on the Part of the Tender Offeror that relate to PPP (Public Private Partnership) and PFI (Private Finance Initiative).

(iii) Architecture Business

The Company expects that, by making use of the Tender Offeror’s sales network, it will have more opportunities for projects principally, larger, higher-margin, and more productive projects. The Company also believes that it will be able to strengthen its carbon neutral capabilities and know-how in ZEB / ZEH (Note 2) in new building construction work or ReReC (Renewal, Renovation and Conversion) projects, improve its capability to make proposals, and have more opportunities to receive orders. Furthermore, strengthening design capabilities in respect of building structures and facilities will enable the Company to secure more opportunities to receive design and construction projects and will improve its profitability.

(iv) Offshore Wind Power Construction Business

The Company considers that it will be able to foster joint development for the practical application of floating type offshore wind power construction business, that both the Company and the Tender Offeror has worked on developing and operational tests, as well as promoting joint receipt of orders in respect of onshore construction work and cable-laying engineering for offshore wind power generation through collaboration. In addition, the Company believes that it will be able to make steady progress in the efforts for launching the offshore wind power construction business by leveraging and complementing the Tender Offeror’s know-how in legal affairs, finance, and business development, as well as engineering know-how in the overall offshore wind power construction projects.

(Note 2) "**ZEB (Net Zero Energy Building) / ZEH (Net Zero Energy House)**" refers to buildings designed with the aim of achieving net zero energy consumption.

The Company has identified several potential dis-synergies arising from the Transaction, including: (i) loss of opportunities to receive orders from general contractors other than the Tender Offeror or to form joint ventures; (ii) potential loss of projects due to insufficient coordination between the Company and the Tender Offeror in the course of project acquisition; (iii) concerns that, as a result of the Company becoming a non-listed company, the Company may lose the advantages it has enjoyed as a listed company—such as brand recognition, social credibility, and the ability to attract talent; and (iv) the inability to raise funds through equity financing from capital markets due to the delisting of the Company Shares, resulting in the potential loss of benefits previously available to it as a listed company. However, with respect to (i) above, the Company believes that such risks can be sufficiently mitigated given the current market environment, for example by substituting with other projects, and that collaboration with the Tender Offeror may even lead to increased order volume. Regarding (ii) above, the Company considers that the risk of losing projects can be reduced through a carefully planned post-merger integration (PMI), including the design of internal frameworks to ensure smooth communication between the management levels and operational teams of both companies, and thorough pre-coordination on individual projects. As for (iii) above, the Company believes that delisting will allow for reductions in costs associated with maintaining listed status, and that collaboration and personnel exchanges between the Company and the Tender Offeror will facilitate knowledge sharing and optimal personnel placement, ultimately contributing to the creation of a better working environment. The Company expects that the benefits generated through such synergies will far outweigh the anticipated dis-synergies. Furthermore, it is anticipated that the Company's brand recognition and credibility within the industry may actually be enhanced by becoming a member of the Tender Offeror Group, thereby limiting any negative impact of delisting on the Company's business partners and employees. It is not anticipated that the Company's recognition within the industry will decline. With respect to (iv) above, the Company maintains a solid financial base, having consistently maintained a capital adequacy ratio of 40% or more since the fiscal year ended March 2020. Accordingly, as the need to raise funds through equity financing in the market is considered to be low for the foreseeable future, the Company considers that there is no strong necessity for the Company to remain a listed company in relation to its future business expansion.

In addition to the above, with regard to the Tender Offer Price, the Company has concluded that the Tender Offer Price is appropriate and the Tender Offer will provide the Company's shareholders a reasonable opportunity to sell their Company Shares, based on the comprehensive assessment that (i) the Tender Offer Price is equal to the upper limit of the ranges calculated by the average market share price analysis, and exceeds the median of the range as calculated by the Discounted Cash Flow Analysis ("**DCF Analysis**"), according to the valuation of the Company Shares described in the Company Share Valuation Report prepared by PwC Advisory mentioned in "(B) The Company's Receipt of a Share Valuation Report from Its Financial Advisor and Independent Third-Party Appraiser" in "(3) Measures to Ensure the Fairness of the Tender Offer, Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below; (ii) the Tender Offer Price represents a premium of 2.94% on 1,700 yen, which was the closing price for the Company Shares quoted on the Prime Market of the Tokyo Stock Exchange on August 7, 2025, the business day immediately preceding the announcement date of the Tender Offer, a premium of 8.49% on 1,613 yen, which was the simple average closing price over the one-month period from July 8,

2025 to August 7, 2025, a premium of 17.29% on 1,492 yen, which was the simple average closing price over the three-month period from May 8, 2025 to August 7, 2025, and a premium of 23.67% on 1,415 yen, which was the simple average closing price over the six-month period from February 10, 2025 to August 7, 2025, and although it is difficult to conclude that the level of premium is not inferior compared to those of 13 cases of tender offers for shares by persons other than issuers (excluding REIT-related cases, management buyouts (MBOs), competing tender offers, cases where the target company had not resolved to recommend that its shareholders tender their shares in the tender offer at the time of its announcement, and cases where there existed certain capital relationships between the tender offeror and the target company), which were announced on or after June 28, 2019, the date on which the Ministry of Economy, Trade and Industry published the “Fair M&A Guidelines,” and which involved domestic listed companies with a market capitalization of 100 billion yen or more and aimed at making the target company a wholly owned subsidiary or going private without an upper limit on the number of shares to be purchased (the median and average premiums were, respectively, 26.48% and 28.71% over the closing price on the business day immediately prior to the announcement; 34.98% and 37.14% over the simple average of the closing prices for the most recent one-month period; 42.81% and 46.19% over the simple average of the closing prices for the most recent three-month period; and 54.34% and 54.44% over the simple average of the closing prices for the most recent six-month period), taking into account not only the premium levels in similar cases but also the valuation result of the DCF Analysis described in the Share Valuation Report prepared by PwC Advisory, the Tender Offer Price is evaluated as sufficiently reflecting the intrinsic share value of the Company, and is the price presented as the result of constructive and effective negotiations fully conducted between the Company and the Tender Offeror, with the Company also making use of the bargaining power of YFO and Maeda; and (iii) the Tender Offer Price is considered to have been determined under the circumstances where the measures to ensure the fairness of the Tender Offer were taken as described in “(3) Measures to Ensure the Fairness of the Tender Offer, Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below, and in a manner that protects the interests of the minority shareholders of the Company.

In light of the fact that, in the run-up to the announcement date of the Tender Offer, the share price of the Company fluctuated sharply and that the Tender Offer Price was lower than the closing prices for the second to fourth business days prior thereto, and that the premium over the closing price on the immediately preceding business day, August 7, 2025, was minimal, consideration was given to whether the Company’s shareholders should be recommended to tender their shares in the Tender Offer or whether such decision should be left to their discretion. However, the Tender Offer Price was determined as the result of sufficient negotiations conducted with the Tender Offeror, and is recognized as a fair price that is at a reasonable level when compared to the valuation results of the Company Shares prepared by the Third-Party Valuation Advisor. Furthermore, based on the advice of PwC Advisory that the share price of the Company leading up to the close of trading on August 6, 2025, may not have been formed on the basis of reasonable grounds, it was concluded that these factors were sufficient to recommend that the Company’s shareholders tender their shares in the Tender Offer.

For the reasons described above, the Company, at its Board of Directors meeting held today, adopted a resolution expressing the Company’s opinion in support of the Tender Offer and recommending that the Company’s shareholders tender their shares in the Tender Offer. For the details of the resolution by the Company’s Board of Directors, please see “(e) The Company Obtaining Unanimous Approval of All Disinterested Directors of the Company and the Opinion of All Statutory Auditors of the Company that They Have No Objection” in “(3) Measures to

Ensure the Fairness of the Tender Offer, Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below.

Furthermore, the Company has agreed with Maeda to terminate, subject to the completion of the Tender Offer, the capital and business alliance that is based on a memorandum of understanding of the business alliance concluded in July 2002, and also resolved the termination at the Board of Directors meeting above. For further details, please refer to the “Notice Regarding Termination of the Capital and Business Alliance” published by the Company today.

(c) Management Policy After the Tender Offer

After the completion of the Transaction, the Tender Offeror will aim to realize further growth of the Company by promoting measures to improve the corporate value thereof and to create synergies through collaboration between the Tender Offeror Group and the Company, while respecting the business management policy that the Company has promoted so far. However, nothing has been firmly decided at this time and the Tender Offeror will discuss those issues with the Company after the completion of the Transaction.

In addition, with regard to the details of the Company’s management structure after the Transaction, including the composition of its officers, in relation to the supervisory structure of the Board of Directors meeting, etc., the Tender Offeror plans to proceed with coordination towards transitioning to a structure based on the management and governance structure of the Tender Offeror Group, such as by dispatching officers from the Tender Offeror Group. The Tender Offeror also plans to generally maintain the status quo, with regard to the business execution structure, except for dispatching officers from the Tender Offeror Group to the extent necessary to achieve synergies. However, as of today, this has not yet been determined, and a decision will be made after the Transaction through consultation with the Company. In principle, it is expected that the Company’s employees will maintain their current employment and treatment even after the implementation of the Transaction.

(3) Measures to Ensure the Fairness of the Tender Offer, such as Measures to Ensure the Fairness of the Tender Offer Price and Avoid Conflicts of Interest

As of today, the Tender Offeror does not hold any Company Shares, and the Tender Offer does not constitute a tender offer by a controlling shareholder. Furthermore, neither the whole nor any part of the management of the Company plans to make a direct or indirect investment in the Tender Offeror, and the Transaction, including the Tender Offer, does not constitute a so-called management buyout (MBO) transaction. However, based on the fact that: (A) the Tender Offer is conducted on the premise that the Tender Offeror will make the Company its wholly owned subsidiary, and it will have a significant impact on the general shareholders of the Company; and (B) (a) pursuant to the Non-Tender Agreement, Maeda, one of the Company’s major shareholders, has agreed not to tender the Shares Agreed Not to Be Tendered (19,047,510 shares, Ownership Percentage: 20.19%) in the Tender Offer and to instead sell the Shares Agreed Not to Be Tendered in response to the Treasury Share Acquisition; (b) pursuant to the Tender Agreement, YFO, the largest shareholder, has agreed to tender the Shares Agreed to Be Tendered owned by YFO (number of shares owned: 26,907,900 shares; Ownership Percentage: 28.53%), in the Tender Offer; and (c) the Tender Offer is being conducted on the assumption that the Tender Offeror will make the Company a wholly-owned subsidiary of the Tender Offeror, taking into consideration the fact that the interests of the minority shareholders of the Company may not necessarily coincide with those of Maeda and YFO, the Company and the Tender Offeror have each taken the following measures to eliminate arbitrariness in the decision-making process toward deciding to implement the Tender Offer and the risk of conflict of interests and to ensure the fairness and transparency of the Transaction while securing the fairness of the Tender Offer Price.

Since the Tender Offeror believes that setting a minimum number of shares to be purchased, which is equivalent to a so-called “Majority of Minority”, would render the completion of the Tender Offer unstable and would not benefit the interests of the Company’s minority shareholders who wish to sell their Company Shares in the Tender Offer, the Tender Offeror has not set the minimum number of shares to be purchased, which is equivalent to “Majority of Minority” for the Tender Offer. Nevertheless, the Tender Offeror believes that sufficient consideration is being given to the interests of the Company’s minority shareholders, considering the fact that the following measures have been implemented respectively by the Tender Offeror and the Company.

Among the below descriptions, those regarding the measures taken by the Company are based on the explanation received from the Company.

(a) The Tender Offeror Procuring a Share Valuation Report from an Independent Third-Party Valuation Advisor

In order to ensure the fairness of the Tender Offer Price, in the decision-making process regarding the Tender Offer Price, the Tender Offeror requested Mizuho Securities, its financial advisor and Third-Party Valuation Advisor independent of the Tender Offeror Group, the Company, Infroneer, Maeda and YFO, to calculate the share value of the Company Shares, and obtained a share valuation report (“**Share Valuation Report (Mizuho Securities)**”). For the details of the Share Valuation Report (Mizuho Securities) obtained by the Tender Offeror from Mizuho Securities, please see “(a) Basis of Calculation” and “(b) Calculation Process” in “(5) Basis for Calculating the Tender Offer Price” of “2. Overview of Tender Offer” below.

(b) The Company Procuring a Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Advisor

a. Name of the Third-Party Valuation Advisor and its Relationship with the Company and the Tender Offeror

According to the Company Release, in order to ensure the fairness of the decision-making regarding the Tender Offer Price proposed by the Tender Offeror, before expressing the Company’s opinion on the Tender Offer, the Company requested PwC Advisory, which served as the Company’s financial advisor and Third-Party Valuation Advisor that is independent of the Company, the Tender Offeror, Infroneer, Maeda, and YFO, to evaluate the value of the Company Shares and perform related financial analysis. The Company received from PwC Advisory the Share Valuation Report on August 7, 2025. PwC Advisory is not a related party to the Company or the Tender Offeror and does not have any material interest in the Transaction, including the Tender Offer.

The Company has not obtained from PwC Advisory an opinion letter on the fairness of the Tender Offer Price (a fairness opinion), since the Company believes that sufficient consideration has been given to the interests of minority shareholders of the Company, taking into account that the Tender Offeror and the Company have implemented the measures to ensure the fairness of the Tender Offer set forth in “(6) Measures to Ensure the Fairness of the Tender Offer, Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below, with due consideration for the interests of minority shareholders.

While the fees payable to PwC Advisory in connection with the Transaction include a contingency fee payable subject to conditions such as the successful consummation of the Transaction, the Company has concluded that the fact that this contingency fee payable subject to conditions such as the successful consummation of the Transaction is included in the fees payable to PwC Advisory does not deny the independence of PwC Advisory when taking into consideration, among other things, general business practices in similar transactions, whether or not it is appropriate to use a fee system that imposes reasonable financial burden on the Company

if the Transaction fails to take place, and such system is not limited to cases where the Transaction is successfully completed. Based on this conclusion, the Company has appointed PwC Advisory as its financial advisor and Third-Party Valuation Advisor under the above fee system, and the Special Committee has also confirmed that there are no issues with the independence of PwC Advisory.

b. Outline of Calculation

PwC Advisory reviewed multiple methods of share valuation to select valuation methods that should be adopted to evaluate the value of the Company Shares. PwC Advisory evaluated the value using the following methods, respectively, based on the belief that it is appropriate to evaluate the value of the Company Shares in a multifaceted manner, on the assumption that the Company is a going concern: (i) average market share price analysis, since the Company Shares are listed on the Prime Market of the Tokyo Stock Exchange and its market price is available; and (ii) DCF Analysis, to reflect the Company's future business activities in the evaluation.

The value per share of Company Shares calculated by PwC Advisory using each method described above are as follows:

Average market share price analysis: 1,415 yen to 1,750 yen

DCF Analysis: 1,336 yen to 1,854 yen

In the average market share price analysis, the base date was set as August 7, 2025, the business day immediately preceding the announcement date of the Tender Offer. The range of the value per share of the Company Shares was determined to be between 1,415 yen and 1,750 yen based on the following stock prices on the Tokyo Stock Exchange Prime Market: the closing price of the Company Shares on the base date, which was 1,700 yen, the average price over the past one-week period, which was 1,750 yen, the average closing price over the past one-month period, which was 1,613 yen, the average closing price over the past three-month period, which was 1,492 yen, and the average closing price over the past six-month period, which was 1,415 yen.

In the DCF Analysis, the range of the value per share of the Company Shares was determined to be between 1,336 yen and 1,854 yen, by calculating the value of the Company Shares by discounting to present value, at an appropriate discount rate considering business risks, the free cash flow that is expected to be generated by the Company in and after the fiscal year ending March 2026, based on (i) revenue and investment plans contained in the business plans for the three-year period from the fiscal year ending March 2026 to the fiscal year ending March 2028, which were prepared based on the Medium-Term Management Plan (Company) and taking into consideration current performance and business environment ("**Business Plans**"), and (ii) the Company's financial information for the fiscal year ended March 2025 and publicly available information, and other factors.

The Business Plans do not include fiscal years for which a significant increase or decrease in revenue is expected, but they include some fiscal years for which a significant increase or decrease in free cash flow is expected. Specifically, for the fiscal year ending March 2027, an increase in free cash flow from negative 13,265 million yen to negative 8,731 million yen is expected due to an increase in operating profit and a decrease in working capital, and for the fiscal year ending March 2028 as well, an increase in free cash flow from negative 8,731 million yen to negative 4,921 million yen is expected due to an increase in operating profit and a decrease in working capital.

In addition, the Business Plans are not based on the implementation of the Transaction and do not include specific measures to be taken after the Transaction, including their effects, set forth in "(b) Background, Purpose and Decision-Making Process Leading to the Decision to Implement the Tender Offer" of "(2) Grounds and Reasons for the Company's Opinion on the Tender Offer" above. The Business Plans were prepared under the leadership of the parties involved in the Company that are independent from the Tender Offeror, the shareholders of Shares Agreed to Be Tendered, and the shareholders of Shares Agreed Not to Be Tendered, and the Tender Offeror did not participate in the preparation process. The Special Committee has received explanations from

the Company regarding the content of the draft business plans and important assumptions, among other things, in the preparation of the Business Plans for the Transaction, and has confirmed and approved the validity of the content of the final Business Plans, important assumptions, and how they were prepared, among other things.

(Note) In evaluating the share value of the Company Shares, PwC Advisory used the information received from the Company, information obtained by interviews, and publicly available information, data, etc., without making any changes to them in principle, and did not independently verify the accuracy or completeness of the data, information, etc., assuming that each was accurate and complete, and that there was no fact that might have a material impact on the evaluation of the share value of the Company Shares, which has not been disclosed to PwC Advisory. In addition, PwC Advisory assumes that the information contained in the Business Plans was reasonably prepared by the Company's management team based on the best estimates and judgment currently available. PwC Advisory did not independently evaluate, appraise or assess the assets and liabilities (including derivatives, off-balance-sheet assets, off-balance-sheet liabilities, and other contingent liabilities) of the Company, nor did it request that any third-party institution perform any such evaluation, appraisal or assessment. The valuation of share value of the Company Shares by PwC Advisory is based on the above information until August 7, 2025. PwC Advisory had several Q&A sessions with the Company regarding the Business Plans that were used as the basis of the evaluation. The Special Committee has confirmed the validity of their content, important assumptions, and how they were prepared, among other things, as stated in "(d) The Company's Establishment of an Independent Special Committee and Receipt of a Report" of "(6) Measures to Ensure the Fairness of the Tender Offer, Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below.

(c) The Company Procuring Advice from an Independent Law Firm

According to the Company Release, in order to ensure the fairness and the appropriateness of the decision-making of the Company's Board of Directors relating to the Transaction, including the Tender Offer, the Company appointed Nagashima Ohno & Tsunematsu as its legal advisor independent of any of the Tender Offer, the Company, Infroneer, Maeda, or YFO. The Company has received legal advice from the firm throughout the entire consideration process of the Transaction, including advice on measures to be taken to ensure the fairness of the procedures in the Transaction. Nagashima Ohno & Tsunematsu is not a related party of any of the Tender Offer, the Company, Infroneer, Maeda, or YFO and does not have any material interest in the Transaction, including the Tender Offer. The fees of Nagashima Ohno & Tsunematsu do not include any contingency fee that otherwise would be payable subject to disclosure or consummation of the Transaction or any other condition. The Special Committee has also confirmed that there are no issues with the independence of Nagashima Ohno & Tsunematsu.

(d) The Company Establishing an Independent Special Committee and Procuring a Report

(i) Circumstances of Establishment, etc.

At the Company's Board of Directors meeting held on May 15, 2025, in order to eliminate arbitrariness in the Company's decision-making, and to ensure the fairness, transparency and objectiveness in the decision-making process during the consideration of the Transaction, the Company adopted a resolution to establish the Special Committee consisting of 5 independent outside directors

of the Company (Mr. Kazumichi Matsuki, Mr. Takashi Narusawa, Mr. Masato Uchiyama, Mr. Katsuya Natori and Ms. Yoshiko Fujii), based on the fact that (i) although, the Transaction is not a “management buyout” (MBO) nor is it a transaction with controlling shareholders, there is a possibility of privatizing the Company Shares, which will have a significant impact on the general shareholders of the Company and (ii) under the Preliminary Proposal, the Tender Offeror is expected to conclude, before the Transaction, Non-Tender Agreement and Tender Agreement with Maeda, one of the major shareholders of the Company, and YFO, the largest shareholder of the Company respectively, and the interests of Maeda and YFO and those of minority shareholders of the Company may not always align. In addition, although the Company resolved to abolish the Special Committee at the Board of Directors meeting held on August 7, 2025, it resolved to reinstate the Special Committee at the Board of Directors meeting held on August 8, 2025 (for details of the background, please refer to “b. Reasons for the Report” of “(iii) Details of Determination” below). The Company appointed the above 5 members as the original members of the Special Committee, none of whom has been replaced. In addition, Mr. Kazumichi Matsuki has assumed the position of the chairperson of the Special Committee by mutual election among the members of the Special Committee. Furthermore, the fees of the members of the Special Committee will be calculated by multiplying an hourly rate by the number of hours worked, regardless of the details of the report, and do not include any contingency fee that otherwise would be payable subject to the consummation of the Transaction or any other condition. The Company has confirmed that all members of the Special Committee are independent of the parties involved in the Tender Offer and they are disinterested as to the success of the Transaction.

The Company’s Board of Directors requested the Special Committee for a consultation on the following matters (“**Consultative Matters**”) and the submission of a report to the Board of Directors: whether the Company’s Board of Directors should support the Tender Offer and recommend that the Company’s shareholders tender their Company Shares in the Tender Offer in light of (i) whether or not the Transaction will contribute to enhancing the corporate value of the Company; (ii) whether or not the procedures related to the considerations, discussions and negotiations of the Transaction are fair; (iii) whether or not the method and the terms and conditions of the Transaction are fair and appropriate; and (iv) considering the above (i) to (iii), whether or not the decision on the Transaction by the Company’s Board of Directors is disadvantageous to the minority shareholders of the Company. In addition, the Company’s Board of Directors has also adopted a resolution that it will: (i) consider and determine the appropriateness of the Transaction from the perspective of whether or not it contributes to the enhancement of the corporate value of the Company; and (ii) consider and determine the appropriateness of the terms and conditions of the Transaction and the fairness of the procedures (including the details of the measures taken to ensure fairness in connection with the Transaction) from the perspective of protecting the interests of the general shareholders of the Company.

In addition, the Company’s Board of Directors has also adopted a resolution stating that: (a) in making decisions to implement the Transaction, the Board of Directors shall respect the Special Committee’s determination to the maximum extent possible, including its support or opposition to the Tender Offer; and (b) the Board of Directors shall refrain from making a decision to implement the Transaction if the Special Committee concludes that the terms and conditions of the Transaction are not appropriate.

The Company’s Board of Directors has decided to grant the Special Committee the authority (a) to collect and receive information necessary for decision-making and consideration by the Special Committee, (b) to appoint advisors by itself or provide opinions on the appointment of the Company’s advisors, (c) to participate in discussions and negotiations between the Company and the Tender Offeror and discuss and negotiate with the Tender Offeror on behalf of the Company when deemed necessary by the Special Committee, and (d) to provide opinions or recommendations to the Company’s Board of Directors regarding the consideration of the Transaction as necessary.

(ii) Circumstances of Consideration

The Special Committee held a total of 17 meetings during the period from May 15, 2025, to August 8, 2025, where the Consultative Matters were discussed and considered. During the intervals between such meetings, it also exchanged reports, shared information, conducted deliberations, and made decisions via email.

Specifically, the Special Committee approved to elect Nagashima Ohno & Tsunematsu as its legal advisor and PwC Advisory as its financial advisor and Third-Party Valuation Advisor, respectively, after confirming that there was no problem with the independence or expertise of either party. The Special Committee also approved the internal system established by the Company for consideration of the Transaction, after confirming that there was no problem with the system in terms of its independence.

In addition, the Special Committee confirmed and approved the validity of the Business Plans in terms of their content and important assumptions and how they were prepared, among other things. The Special Committee received, from PwC Advisory, which evaluated the value of the Company Shares based on such business plans as stated in “(b) The Company Procuring a Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Advisor” above, explanations on the methods for determining the value of the Company Shares used in the evaluation, the reasons for employing those methods of valuation, and the details of and important assumptions for each of the valuation methods. The Special Committee confirmed the validity of the above details after Q&A sessions and deliberations and considerations.

Furthermore, the Special Committee received, from PwC Advisory and Nagashima Ohno & Tsunematsu, explanations on the details of the measures to ensure the fairness of the procedures of the Transaction and the method and process of the decision-making of the Company’s Board of Directors concerning the Transaction and other measures to avoid conflicts of interest. The Special Committee has deliberated and considered the measures to be taken to ensure the fairness of the procedures of the Transaction.

Other than that, the Special Committee is engaged in the following actions: (i) review of documents and materials submitted by the Company and the Tender Offeror; (ii) submission to the Tender Offeror of a joint questionnaire with the Company regarding matters such as the significance and purpose of the Transaction, measures to enhance corporate value and synergies resulting from the Transaction, dyssynergies resulting from the Transaction, management policies after the Transaction, and the expected transaction scheme; (iii) confirmation with the officers and employees of the Company regarding matters such as measures to enhance corporate value and synergies resulting from the Transaction, dyssynergies resulting from the Transaction, and management policies after the Transaction; and (iv) confirmations with PwC Advisory regarding matters related to the valuation analysis of the Company Shares. In addition, the Special Committee has received timely reports from the Company regarding the progress and details of the discussions and negotiations between the Tender Offeror and the Company concerning the Transaction, and has convened the Special Committee meetings to discuss the policy for the discussions and negotiations. As stated in “(b) Decision-Making Process Leading to and Grounds for the Opinion in Favor of the Tender Offer by the Company” of “(2) Background, Purpose and Decision-Making Process of the Decision to Conduct the Tender Offer, and Management Policy after the Tender Offer” above, the Special Committee continued to be substantively involved in the process of negotiations with the Tender Offeror, by expressing its opinions and sending letters jointly with the Company to the Tender Offeror regarding the process leading to the determination that the final proposal received by the Company from the Tender Offeror on July 7, 2025 is sufficient to be treated as a definitive proposal with legally binding effect, the negotiation of raising the minimum number of shares to be purchased to ensure opportunities for general shareholders of the Company to make judgments, and the negotiation of raising the Tender

Offer Price to ensure the possibility of the successful completion of the Tender Offer.

(iii) Details of Determination

After carefully discussing and considering the Consultative Matters as described above, on August 8, 2025, the Special Committee submitted, with the unanimous approval of its members, the Report, the summary of which is provided below, to the Company's Board of Directors.

a. Details of the Report

- (i) The Transaction is deemed to contribute to enhancing the corporate value of the Company.
- (ii) The procedures related to the considerations, discussions and negotiations of the Transaction are deemed to have been fair.
- (iii) The method and the terms and conditions of the Transaction are deemed to be fair and appropriate.
- (iv) Considering the above (i) to (iii), the decision on the Transaction by the Company's Board of Directors is deemed not to be disadvantageous to the minority shareholders of the Company.

Accordingly, the Company's Board of Directors should express its support for the Tender Offer and recommend that the Company's shareholders tender their Company Shares in the Tender Offer.

b. Reasons for the Report

(i) Discussion from the perspective of Whether or Not the Transaction Will Contribute to Enhancing the Corporate Value of the Company

The Special Committee has received an explanation regarding the synergies and disadvantages expected from the Transaction as considered by the Tender Offeror, as well as the management policy following the Transaction, substantially as described in the synergies and disadvantages anticipated by the Tender Offeror as set forth in "(a) Background, Purpose and Decision-Making Process of the Tender Offeror to Decide to Conduct the Tender Offer" of "(2) Background, Purpose and Decision-Making Process of the Decision to Conduct the Tender Offer" above, and "(c) Management Policy after the Tender Offer." Also, the Special Committee has received an explanation regarding the synergies and disadvantages expected from the Transaction as considered by the Company's management, substantially as described in the synergies and disadvantages anticipated as set forth in "c. Details of the Company's Decision-Making" of "(b) Decision-Making Process Leading to and Grounds for the Opinion in Favor of the Tender Offer by the Company" of "(2) Background, Purpose and Decision-Making Process of the Decision to Conduct the Tender Offer" above.

The Company's management has conducted various studies aimed at enhancing the Company's corporate value. However, at this point in time, there are no alternatives with a level of specificity comparable to the Transaction. The management believes that the Transaction is a measure that will contribute to enhancing the Company's corporate value, even when compared to other possible alternatives that include maintaining the Company's listing while expanding its business scale. The Special Committee also considers this judgement to be reasonable.

Based on the explanations provided by the Tender Offeror and the Company's management, the Special Committee carefully reviewed and discussed the Transaction. The synergies expected from the Transaction, as explained by the Tender Offeror and the Company's management team, are expected to contribute to the resolution of the Company's management issues, such as the escalation labor shortage, the adaption to work style reforms, changes in lifestyles and work styles, and the shift from "new construction" to "maintenance and renewal."

These synergies are reasonable given the Company's current business content and business environment, and it has been confirmed that a certain degree of discussion has been made regarding specific measures. The analysis and explanations provided by the Tender Offeror and the Company's management regarding the limited disadvantages of the Transaction, provided appropriate measures are taken, are also reasonable. Therefore, the Transaction is deemed to contribute to enhancing the Company's corporate value by generating synergies that significantly outweigh the disadvantages.

(ii) Discussion on Whether or Not the Procedures Related to the Consideration, Discussions and Negotiations of the Transaction Are Fair

In the Transaction, the Company has implemented various measures to ensure fairness, including: (a) the establishment of the Special Committee; (b) obtaining independent professional advice from external experts; (c) obtaining the Share Valuation Report from the Third-Party Valuation Advisor with expertise; (d) establishing an independent internal review mechanism; (e) ensuring appropriate opportunities for the Company's shareholders to make an informed decision regarding their participation in the Tender Offer following the announcement of the Transaction.

Regarding the above (a), the Special Committee is composed of the independent outside directors of the Company who have no interest in the Tender Offeror, the Company, Infroneer, Maeda and YFO and the success or failure of the Transaction. The compensation for each committee member does not include any success fees contingent upon the completion of the Transaction. In the negotiations with the Tender Offeror regarding the Tender Offer Price, the Special Committee convened meetings to discuss and determine the policies for negotiations after receiving timely reports on the progress and content of discussions and negotiations between the Tender Offeror and the Company regarding the Transaction, and substantively participated in the review process related to the Transaction. Furthermore, the Special Committee determined that if the minimum number of shares to be purchased is set at the number obtained by multiplying 100 shares (being the number of shares constituting one unit of the Company) by the number obtained by deducting the number of voting rights pertaining to the Shares Agreed Not to Be Tendered from the number obtained by multiplying the Base Number of Voting Rights by 50.01%, as proposed by the Tender Offeror, the Tender Offer could be successfully completed merely by tenders from general shareholders holding shares equivalent to a holding ratio of approximately 1.29%, which might be considered as lacking due consideration for ensuring general shareholders' opportunity to make an informed decision. The Special Committee advised that the minimum number of shares to be purchased should be raised to address this concern, and as a result, the minimum number of shares to be purchased was increased, thereby substantially contributing to ensuring the fairness of the Transaction.

Regarding the above (b), the Company has appointed Nagashima Ohno & Tsunematsu as its independent legal advisor, separate from the Tender Offeror, the Company, Infroneer, Maeda and YFO, and has received necessary legal advice from such law firm regarding the decision-making process, decision-making methods, and other matters to be considered in connection with the decision-making process related to the Transaction, including the Tender Offer. Additionally, the Company has appointed PwC Advisory as its independent financial advisor, separate from the Tender Offeror, the Company, Infroneer, Maeda and YFO, and has received necessary professional advice from such financial advisor regarding the negotiation strategy with the Tender Offeror and the content of the Company Share Valuation Report.

Regarding the above (c), the Company has obtained the Company Share Valuation Report from PwC Advisory, which has been appointed as the Third-Party Valuation Advisor with expertise independent of the Tender Offeror, the Company, Infroneer, Maeda and YFO.

Regarding the above (d), the Company has established within its organization a structure to conduct independent consideration, negotiations, and decision-making regarding the Transaction, separate from the Tender Offeror, Infroneer, Maeda and YFO, and has maintained such structure until today. To eliminate any arbitrariness in the Company's decision-making

process regarding the consideration and decision of the Transaction, Mr. Masaharu Okada, an independent outside director of the Company who previously served as an executive officer of the Tender Offeror, did not participate in the Board of Directors' deliberations or resolutions regarding the Transaction. The Company has made efforts to ensure the exclusion of arbitrariness in the decision-making process regarding the Transaction.

Regarding the above (e), in the Tender Offer, the Tender Offer Period is set at 30 business days, ensuring that shareholders of the Company, including minority shareholders, have an appropriate opportunity to make an informed decision regarding their participation in the Tender Offer, as well as ensuring that parties other than the Tender Offeror have an opportunity to purchase the Company Shares. Additionally, the Tender Offeror and the Company have not entered into any agreement that would restrict the Company from engaging with a competing acquirer, such as an agreement containing deal protection provisions that prohibit the Company from contacting a competing acquirer. Accordingly, no arrangements have been made that would prevent a competing acquirer from approaching the Company. Together with the setting of the Tender Offer Period, this ensures that opportunities for competing acquisitions or similar transactions are preserved, thereby taking into account the need to safeguard the fairness of the Tender Offer.

In the Transaction, the minimum number of shares to be purchased in the Tender Offer to be conducted as the first step is set at 33,035,700 shares, which is the number of shares obtained by multiplying 100 shares (being the number of shares constituting one unit of the Company) by the number of voting rights obtained by deducting the number of voting rights pertaining to the Shares Agreed Not to Be Tendered from the number obtained by multiplying the Base Number of Shares by 55.43%. Even if the total number of Shares Agreed Not to Be Tendered is included, the number of shares does not reach two-thirds of the total voting rights of the Company, which is the number that can be said to be theoretically certain to secure the adoption of the Share Consolidation Proposal for the squeeze-out to be conducted as the second step. However, 55.43% is calculated by multiplying the average voting rights exercise ratio at the Company's ordinary shareholders' meetings in the past six years (83.15%) by two-thirds. Even if the voting ratio at the extraordinary general shareholders' meeting regarding the Share Consolidation Proposal is comparable to that of usual ordinary shareholders' meetings in previous years, the Share Consolidation Proposal will be approved because the Tender Offeror and Maeda, which has agreed with the Tender Offeror to approve the Share Consolidation Proposal under the Non-Tender Agreement, will approve it. Furthermore, according to the Tender Offeror, in transactions similar to the Transaction, the voting rights exercise ratio of shareholders (excluding the Tender Offeror and their special related parties) at extraordinary general shareholders' meetings regarding share consolidation proposal has shown a significant decline compared to regular general shareholders' meetings, with the average ratio of approximately 37.0% and the median ratio of approximately 41.5%. Therefore, even if the number of shares tendered in the Tender Offer were equal to the minimum number, the likelihood that shareholders other than the Tender Offeror and Maeda would exercise a number of voting rights sufficient to reject the Share Consolidation proposal (a number exceeding approximately 62% of the voting rights held by such shareholders) is low. Furthermore, considering the actual expected approval rate of shareholders other than the Tender Offeror and Maeda, it is unlikely that the Share Consolidation Proposal would be rejected. Furthermore, the Tender Offeror has stated that even if the Share Consolidation Proposal is rejected at the extraordinary shareholders' meeting, it intends to continue acquiring additional shares of the Company through market purchases or other methods until the Share Consolidation Proposal reaches a level where it can be practically approved at a general shareholders' meeting, thereby implementing a squeeze-out.

Therefore, even if the minimum number of shares to be purchased is set at 33,035,700 shares, there is a high likelihood that a squeeze-out can be implemented if the Tender Offer is successfully completed. The Tender offeror has stated that it intends to implement the squeeze-out even if it must acquire additional shares of the Company as a precautionary measure. These circumstances will be sufficiently disclosed to shareholders in the disclosure documents, so it is

considered unlikely that shareholders of the Company including minority shareholders would be concerned that the squeeze-out would not be implemented even if the Tender Offer is successfully completed, thereby placing them in a less favorable position than shareholders who participated in the Tender Offer. Furthermore, in the Squeeze-Out Procedure, the cash consideration to be paid to the shareholders of the Company subject to the squeeze-out will be calculated to be equal to the Tender Offer Price multiplied by the number of shares of the Company held by each such shareholder, and this will be publicly disclosed at the time the Tender Offer is commenced. Therefore, it is deemed that appropriate opportunities have been provided for shareholders of the Company, including minority shareholders, to make an informed decision regarding whether to tender their shares in the Tender Offer, thereby ensuring that coercive pressure does not arise.

In the Tender Offer, a minimum number of shares to be purchased, which is equivalent to a so-called “Majority of Minority” is not set. However, as the Tender Offeror also points out, there is a possibility that the establishment of a “Majority of Minority” condition may, on the contrary, not serve the interests of the minority shareholders of the Company. The interests of the Company's minority shareholders can be sufficiently safeguarded through other measures to ensure fairness. Therefore, the absence of a majority of minority condition does not raise any doubts regarding the fairness of the procedures related to the Transaction.

In the Transaction, no so-called active market check, which involves actively and proactively investigating and considering the existence of potential acquirers in the market, has been conducted. However, at least with respect to the Company, other potential acquirers are not restricted from making competing proposals after the Tender Offer is announced, and there are practical obstacles such as information management in implementing an active market check. Therefore, the decision not to conduct an active market check does not raise any doubts regarding the fairness of the procedures related to the Transaction.

Therefore, appropriate measures to ensure fairness have been implemented in the procedures related to the Transaction, and no special circumstances that would impair the fairness of such procedures have been identified. The procedures related to the Transaction are deemed to be fair, having been conducted with sufficient measures to ensure fairness throughout the process.

(iii) Discussion on Whether or Not the Method and the Terms and Conditions of the Transaction Are Fair and Appropriate

The Company Share Valuation Report was prepared on the basis of the Business Plans formulated by the Company, which was based on the Medium-Term Management Plan (the Company), taking into account the Company's recent performance and business environment. The Special Committee, based on explanations provided by the Company's management side to the Special Committee regarding material assumptions underlying the Business Plans, as well as questions and answers exchanged thereon, confirmed that the changes from the Medium-Term Management Plan to the Business Plans, including their rationale and content, were not unreasonable, and determined that there was nothing unreasonable in the process of formulation or in the content of the Business Plans.

The valuation methodologies adopted in the Company Share Valuation Report are those that is generally used for valuations in transactions involving going-private transactions. The Special Committee received explanations from PwC Advisory, including differences in the discount rate and the method of calculating the terminal value adopted in the DCF Analysis valuation of the Company Shares, obtained by the Company from Akasaka International Accounting Co., Ltd. dated December 14, 2023, and conducted questions and answers thereon, thereby confirming the reasonableness of such methodologies. The Special Committee found no unreasonable points in the Company Share Valuation Report prepared by PwC Advisory.

The Tender Offer Price represents a premium of 2.94% on 1,700 yen, which was the closing

price for the Company Shares quoted on the Prime Market of the Tokyo Stock Exchange on August 7, 2025, the business day immediately preceding the announcement date of the Tender Offer, a premium of 8.49% on 1,613 yen, which was the simple average closing price over the one-month period from July 8, 2025 to August 7, 2025, a premium of 17.29% on 1,492 yen, which was the simple average closing price over the three-month period from May 8, 2025 to August 7, 2025, and a premium of 23.67% on 1,415 yen, which was the simple average closing price over the six-month period from February 10, 2025 to August 7, 2025, and it is difficult to conclude that the level of premium is not inferior compared to those of 13 cases of tender offers for shares by persons other than issuers (excluding REIT-related cases, management buyouts (MBOs), competing tender offers, cases where the target company had not resolved to recommend that its shareholders tender their shares in the tender offer at the time of its announcement, and cases where there existed certain capital relationships between the tender offeror and the target company), which were announced on or after June 28, 2019, the date on which the Ministry of Economy, Trade and Industry published the “Fair M&A Guidelines,” and which involved domestic listed companies with a market capitalization of 100 billion yen or more and aimed at making the target company a wholly owned subsidiary or going private without an upper limit on the number of shares to be purchased (the median and average premiums were, respectively, 26.5% and 28.7% over the closing price on the business day immediately prior to the announcement; 35.0% and 37.1% over the simple average of the closing prices for the most recent one-month period; 42.8% and 46.2% over the simple average of the closing prices for the most recent three-month period; and 54.3% and 54.4% over the simple average of the closing prices for the most recent six-month period). However, reviewing the movement of the share price of the Company (closing price in each case) since Infroneer announced its tender offer for the Company Shares on March 22, 2022, the share price on the business day immediately prior to such announcement date, March 18, 2022, was 599 yen; on the business day following the announcement date, it rose to 788 yen; on the business day following May 18, 2022, when YFO announced its intention to commence a tender offer for the Company Shares at 1,000 yen per share, it rose further to 921 yen; thereafter, until September 25, 2023, it did not fall below 795 yen. On the business day following September 26, 2023, when YFO announced an increase in the tender offer price to 1,255 yen, it reached 1,214 yen, and even after the announcement on December 20, 2023, of the withdrawal of YFO’s tender offer, the share price continued to perform well, rising by 40.8% up to the business day prior to the announcement date of the Tender Offer, representing an increase of 183.8% from 599 yen. According to PwC Advisory, during this period, the share prices of listed companies whose main business is civil engineering and in which the proportion of sales from marine civil engineering in such segment exceeds 50% rose by 31.2%, 145.7%, and 105.6%, respectively. On the other hand, comparing the EBITDA multiples of four companies, including the Company, at the end of the fiscal year ended March 2021, they were 3.7 times (the Company), 7.5 times, 5.1 times, and 7.5 times, respectively, whereas at the end of the fiscal year ending March 2025, they were 10.6 times (the Company), 11.1 times, 5.5 times, and 8.7 times, respectively, indicating that the Company’s share price has also moved in line with a notable increase in its EBITDA multiple compared to peers. While it is not possible to definitively determine the factors forming the share price, in light of the unusual circumstances in which the Company has remained listed despite having been the subject of two tender offers (one of which was a prior notice) that ultimately either failed or were withdrawn, and given that both Maeda and YFO, who attempted such tender offers, have continued to hold 20% or more of the shares, it is not difficult to imagine that expectations regarding capital transactions (acquisition transactions) involving the Company have influenced the Company’s share price. The Company’s EBITDA multiple has shown a marked upward trend compared to its peers, and such trend has continued consistently

regardless of year-to-year fluctuations in profits, which suggests that special factors have contributed to the Company's share price. Accordingly, in evaluating the Tender Offer Price, comparisons with premiums in similar transactions may be considered to have limited reference value.

As described in "Background of Examinations and Negotiations" of "(b) Decision-Making Process Leading to and Grounds for the Opinion in Favor of the Tender Offer by the Company" of "(2) Background, Purpose and Decision-Making Process of the Decision to Conduct the Tender Offer, and Management Policy after the Tender Offer" above, the Company, while obtaining the substantive involvement of the Special Committee, engaged in negotiations, and YFO and Maeda, whose support was considered essential for the Transaction and who were considered to have substantial bargaining power towards the Tender Offeror, also engaged in negotiations with the Tender Offeror. From the perspective of minimizing the risk of information leakage, the Special Committee requested the Tender Offeror to conduct its consideration of the Transaction within as short a period as possible, and the Company also took corresponding measures. As part of such process, the Company requested that the Tender Offeror present in the Proposal the maximum price the Tender Offeror could offer as the Tender Offer Price, rather than a price leaving room for further increases. The Tender Offer Price of 1,750 yen was arrived at in an environment shaped by such negotiations and the Company's request to the Tender Offeror, and reflects a certain increase from the initial price; it also fully met the price proposed by YFO to the Tender Offeror, and can be considered a price obtained as a result of thorough negotiations with the Tender Offeror. The Special Committee carefully considered whether further price negotiations should be pursued for the benefit of the general shareholders, but determined that the price was reasonable from the perspective of the Company's intrinsic value, and that early agreement on the Transaction, avoiding the risk of information leakage, and prompt announcement of the Transaction would be in the interests of the Company's shareholders, including minority shareholders, and the Company. However, as the Company's share price rose significantly on or after July 24, 2025, when the Company determined that the final proposal received from the Tender Offeror could be treated as a binding final proposal as requested by the Company, concerns arose that 1,750 yen might fall below the closing price of the Company's shares on the Tokyo Stock Exchange Prime Market on the business day immediately prior to August 8, 2025, which is the scheduled announcement date of the Tender Offer. Accordingly, on August 4, 2025, the Company requested the Tender Offeror to increase the price, and, through multiple exchanges of letters in a short period, negotiated with the aim of raising it to at least 1,784 yen, the closing price of the Company's shares on the Tokyo Stock Exchange Prime Market on August 7, 2025, the business day immediately prior to the announcement date of the Tender Offer. Although the Company was unable to obtain an increase from the Tender Offeror, the negotiations were conducted in good faith. The Company, with the substantive involvement of the Special Committee and making use of the bargaining power of YFO and Maeda, engaged in constructive and effective negotiations with the Tender Offeror, secured a price that can be considered reasonable from the perspective of the Company's intrinsic value, and, furthermore, in light of the movements in the Company's share price, engaged in persistent negotiations to ensure the successful completion of the Tender Offer. Accordingly, the Company can be evaluated as having conducted sufficient negotiations.

As described above, it can be evaluated that the Tender Offer Price (including the consideration to be delivered to the Company's shareholders in the Squeeze-Out Procedures) is a price obtained after fully engaging in negotiations with the Tender Offeror, and that, from the perspective of a comparison with the valuation results of the Company Shares prepared by the Third-Party Valuation Advisor, it is at a reasonable level. While it is difficult to say that the premium of the Tender Offer Price is not inferior to the premium levels in similar transactions

in the past, as previously stated, the comparison with premiums in similar transactions has limited reference value when evaluating the Tender Offer Price, and the small premium does not give rise to any doubt as to the reasonableness of the Tender Offer Price. Therefore, the Tender Offer Price can be recognized as reasonable. In light of the fact that, in the run-up to the announcement date of the Tender Offer, the share price of the Company fluctuated sharply and that the Tender Offer Price was lower than the closing prices for the second to fourth business days prior thereto, and that the premium over the closing price on the immediately preceding business day, August 7, 2025, was minimal, consideration was given to whether the Company's shareholders should be recommended to tender their shares in the Tender Offer or whether such decision should be left to their discretion. However, as mentioned above, the Tender Offer Price was determined as the result of sufficient negotiations conducted with the Tender Offeror, and is recognized as a fair price that is at a reasonable level when compared to the valuation results of the Company Shares prepared by the Third-Party Valuation Advisor. Furthermore, based on the advice of PwC Advisory that the share price of the Company leading up to the close of trading on August 6, 2025, may not have been formed on the basis of reasonable grounds as described later, it was concluded that these factors were sufficient to recommend that the Company's shareholders tender their shares in the Tender Offer.

The scheme of the Transaction, including the setting of the minimum number of shares to be purchased and the calculation of the Treasury Share Acquisition Price to be obtained by Maeda when responding to the Treasury Share Acquisition (which was structured so that the after-tax net proceeds to be received by Maeda in the event it responds to the Treasury Share Acquisition would be approximately the same amount as the after-tax net proceeds it would receive if it were to tender its shares in the Tender Offer at the Tender Offer Price), contains no unreasonable elements and can be recognized as reasonable.

In light of the foregoing, the Special Committee has determined that the terms and conditions of the Transaction are fair and appropriate.

(iv) Status of Considerations Immediately Prior to the Announcement of the Tender Offer

- As of August 7, 2025, which had been scheduled as the announcement date of the Tender Offer, the tender offer price of 1,750 yen proposed by the Tender Offeror was lower than the closing price of 1,784 yen for the Company Shares on the Tokyo Stock Exchange Prime Market on August 6, 2025, the business day immediately preceding August 7, 2025. The Tender Offeror indicated that, with respect to the movements in the Company's share price on or after August 1, 2025, it could not rule out the possibility of information leakage and suggested that the share price may have been formed on the basis of such leakage. However, the Special Committee determined that, given factors such as the fact that the share prices of peer companies had also risen across the board, it could not be categorically concluded that the share price was formed on the basis of information leakage. Taking into account a report from PwC Advisory that, absent special circumstances such as speculative media reports concerning the transaction or a situation in which a target company was in need of rescue, there had been no similar cases in which support had been given to commence a tender offer at a price representing a discount to the closing price on the business day immediately prior to the announcement date, given that, in the case of a tender offer at such a discount, there was no clear prospect as to how shareholders, including the potential risk of intervention by activists, would respond, and that there was significant concern regarding the likelihood of the tender offer being completed, and also given that, if the tender offer were to fail despite its public announcement, there would be a risk of significant damage to the corporate value of the Company in light of its relationships with stakeholders, including its employees and business partners, the Special Committee resolved

that it could not support the Tender Offeror's proposal and submitted its report to the Board of Directors. Upon receiving such report, the Company decided not to support the Tender Offeror's proposal to announce on August 7, 2025 a tender offer at a price of 1,750 yen, and to terminate its review of the Transaction, and notified the Tender Offeror of its decision. Taking into account the opinion of the Special Committee, the Board of Directors of the Company determined that maintaining the Special Committee would be undesirable in light of, among other things, the response to any speculative media reports concerning the Transaction, and therefore abolished the Special Committee.

- However, following the above notice, in light of the sharp drop in the Company's share price from 1,792 yen at the morning close on August 7, 2025, to 1,700 yen at the close of trading on the same day, the Tender Offeror notified the Company of its further intention to announce on August 8, 2025, a tender offer at a tender offer price of 1,750 yen. Accordingly, the Company's Board of Directors meeting resolved on August 8, 2025, to reinstate the Special Committee, which had been abolished the previous day, in order to continue its review of the Transaction, and again consulted the Special Committee regarding the Transaction.
- The Special Committee, based on advice from PwC Advisory that there was a possibility that the share price of the Company toward the close of trading on August 6, 2025 had not been formed on a rational basis, with respect to the fluctuations in the Company's share price, including the sharp drop on or after August 7, 2025, in view of the fact that there had been a change in the premise underlying its decision of non-support as of August 7, 2025, determined that, given that the Tender Offer would no longer, in appearance, constitute a tender offer at a discount and that the concern regarding the risk of the tender offer failing had been correspondingly mitigated, and confirmed that, if the Transaction were not announced promptly, there would be strong concern that the risk of information leakage would adversely affect relationships with stakeholders or that fluctuations in the share price due to information leakage would repeatedly hinder the announcement of the Transaction. While the Special Committee had concerns as to whether it would be appropriate, from a process perspective, to reverse its decision of non-support on the day following such decision, it had consistently evaluated the Transaction, except for the concern regarding the likelihood of completion arising as of August 7, 2025 due to the sharp rise in the Company's share price, as contributing to the enhancement of the corporate value of the Company and as having fair and appropriate terms. In light of the fact that its sole concern regarding the likelihood of completion had been mitigated, that discussions with various stakeholders since the decision of non-support had reaffirmed the importance of seizing the right timing in implementing a transaction of such complexity and sensitivity involving numerous parties, the advice from PwC Advisory that there was a possibility that the share price of the Company toward the close of trading on August 6, 2025 had not been formed on a rational basis, and the fact that the share price on the morning of August 8, 2025, reflecting the results of the Company's latest financial results announcement, had been trading below the previous day's closing price, the Special Committee, while acknowledging that securing an additional period for consideration would be desirable in order to further enhance the deliberative process, determined that, having already conducted the procedures with a high degree of fairness, it should not be unduly preoccupied with pursuing further enhancements to such procedures, and that, at the present time, supporting the Tender Offer would be in the common interests of the Company and its shareholders.

(v) Considering the above (i) to (iii), Whether or not the Decision on the Transaction by the Company's Board of Directors is Disadvantageous to the Minority Shareholders of the Company

As stated in the above (i) to (iii), the Tender Offer is deemed to contribute to enhancing the

corporate value of the Company, its transaction terms are appropriate, and fair procedures have been implemented. Therefore, it has been determined that the Transaction is not disadvantageous to the minority shareholders of the Company. Accordingly, the Special Committee has determined that the Company should express its support for the Tender Offer and recommend that the Company's shareholders tender their Company Shares in the Tender Offer.

(e) The Company Obtaining Unanimous Approval of All Disinterested Directors of the Company and the Opinion of All Statutory Auditors of the Company that They Have No Objection

According to the Company Release, the Company, based on the content of the Company Share Valuation Report obtained from PwC Advisory and on the financial advice received from the said company, as well as on the legal advice received from Nagashima Ohno & Tsunematsu, and with maximum respect for the content of the Report, the Company carefully considered and discussed whether the Transaction will contribute to increasing the corporate value of the Company and whether the conditions for the Transaction, including the Tender Offer Price, were appropriate.

After the consideration and discussion, as described in “(b) Decision-Making Process Leading to and Grounds for the Opinion in Favor of the Tender Offer by the Company” of “(2) Background, Purpose and Decision-Making Process of the Decision to Conduct the Tender Offer, and Management Policy after the Tender Offer” above, the Board of Directors of the Company, at its Board of Directors meeting held today, adopted, by unanimous approval by all of the Directors of the Company who participated in the deliberation and resolution, a resolution to express its opinion in support of the Tender Offer and recommending that the Company's shareholders tender their shares in the Tender Offer. Additionally, at the aforementioned Board of Directors meeting, all 2 Statutory Auditors who participated in the deliberation opined that they had no objections to the aforementioned resolution. Ms. Shiho Yasuda and Mr. Koichi Kawaguchi, Statutory Auditors of the Company, were unable to attend the above-mentioned Board of Directors meeting due to circumstances. Following the meeting, however, they were briefed on the resolution and expressed that they had no objection to its adoption by the Board of Directors. Furthermore, in order to eliminate any arbitrariness in the decision-making process of the Company regarding the consideration and decision in respect of the Transaction, Mr. Masaharu Okada, an Outside Director of the Company and a former executive officer of the Tender Offeror, did not participate in the deliberation and resolution of the Board of Directors of the Company regarding the Transaction, and has not been involved in the Company's decision-making relating to the Transaction.

(f) Ensuring Objective Circumstances to Ensure the Fairness of the Tender Offer

As stated in “(4) Policy for Reorganization, Etc. After the Tender Offer (Matters Concerning So-Called “Two-Step Acquisition”)” below, the Tender Offeror has clarified that: (i) it plans to request the Company to convene the Extraordinary Shareholders' Meeting (as defined below) promptly after completion of the settlement of the Tender Offer, wherein the proposals to be submitted as the matters for resolution include implementation of the Share Consolidation (as defined below) and partial amendment to the Company's Articles of Incorporation to abolish the provisions on the number of shares constituting one unit subject to the Share Consolidation coming into effect, and will not adopt any method that does not secure the shareholders of the Company the right to request the purchase of their shares; and that (ii) the amount of money to be delivered to each shareholder of the Company (excluding the Tender Offeror, Maeda and the Company) upon carrying out the Share Consolidation shall be calculated in a manner wherein such amount will be equal to the amount obtained by multiplying the Tender Offer Price by the number of Company Shares owned by each such shareholder. Thus, the Tender Offeror ensures that the shareholders of the Company will be provided with an opportunity to make appropriate decisions as to whether or not to tender in the Tender Offer, thereby giving due consideration to preventing the occurrence of any coercive effects.

In addition, the Tender Offeror has set the period for the Tender Offer in the Tender Offer (“**Tender Offer Period**”) as 30 business days, while the minimum Tender Offer Period specified in the laws and regulations is 20 business days. By setting the Tender Offer Period to be longer than the minimum period specified in the laws and regulations, the Tender Offeror intends to ensure an opportunity for the Company’s shareholders to make an appropriate decision on whether or not to tender in the Tender Offer, and by ensuring an opportunity for third parties other than the Tender Offeror to make competing offers for the Company Shares, the Tender Offeror intends to ensure the fairness of the Tender Offer.

Furthermore, neither the Tender Offeror nor the Company has entered into any agreement that would restrict the Company from engaging with a competing acquirer, such as an agreement containing deal protection provisions that prohibit the Company from contacting a competing acquirer. Accordingly, no arrangements have been made that would prevent a competing acquirer from approaching the Company. In this way, by ensuring that opportunities for competing tender offers or similar proposals are preserved—along with the setting of the tender offer period as described above—due consideration has been given to ensuring the fairness of the Tender Offer.

(4) Policy for Reorganization, Etc. After the Tender Offer (Matters Concerning So-Called “Two-Step Acquisition”)

As stated in “(1) Overview of the Tender Offer” above, if the Tender Offeror fails to acquire all of the Company Shares (excluding the treasury shares owned by the Company and the Shares Agreed Not to Be Tendered) through the Tender Offer, the Tender Offeror plans to carry out the Squeeze-Out Procedures with respect to the Company by using the following method, promptly after the successful completion of the Tender Offer, for the purpose of making the Tender Offeror and Maeda the only shareholders of the Company and making the Company a wholly-owned subsidiary of the Tender Offeror.

Specifically, promptly after completion of the settlement of the Tender Offer, the Tender Offeror plans to request the Company to convene an extraordinary shareholders’ meeting (“**Extraordinary Shareholders’ Meeting**”) wherein the proposals to be submitted as the matters for resolution include implementation of the consolidation of the Company Shares pursuant to Article 180 of the Companies Act (“**Share Consolidation**”), and a proposal to partially amend the Company’s Articles of Incorporation in a manner so as to abolish the provisions on the number of shares constituting one unit subject to the Share Consolidation coming into effect. In addition, the Tender Offeror and Maeda plan to vote in favor of each of the above proposals at the Extraordinary Shareholders’ Meeting. As of today, the date of the Extraordinary Shareholders’ Meeting is scheduled for around mid-November 2025.

If the Share Consolidation Proposal is approved at the Extraordinary Shareholders’ Meeting, the shareholders of the Company will, as of the effective date of the Share Consolidation, own the number of the Company Shares proportionate to the ratio for the Share Consolidation approved at the Extraordinary Shareholders’ Meeting. In the case where any fractional share of less than one share arises in the number of shares as a result of the Share Consolidation, the amount of money obtained such as by selling the Company Shares corresponding to the sum of such fractional shares (any fractional share of less than one share in such sum will be rounded off; the same shall apply hereinafter) to the Company or the Tender Offeror will be delivered to the shareholders of the Company to whom such fractional share has arisen, pursuant to the procedures set forth in Article 235 of the Companies Act and other relevant laws or regulations.

With regard to the sale price of the Company Shares corresponding to the sum of such fractional shares, the Tender Offeror plans to request that the Company calculate such sale price so that the amount of money to be delivered to the Company’s shareholders who did not tender their shares in the Tender Offer (excluding the Tender Offeror, Maeda and the Company) as a result of such sale will be the same as the price obtained by multiplying the Tender Offer Price by the number of Company Shares owned by each of such shareholders and file a petition with a court for permission for a voluntary sale. Although the ratio of the consolidation of the Company Shares has not been determined as of today, the Tender Offeror plans to request the Company to determine the ratio so that the number of Company Shares owned by each of the Company’s shareholders who did not tender their shares in the Tender Offer (excluding the Tender Offeror, Maeda and the Company) will be a fractional share of less than one share, in order to

ensure that the Tender Offeror and Maeda own all of the Company Shares (excluding the treasury shares owned by the Company).

Under the provisions of the Companies Act aimed at protecting the rights of minority shareholders, which are relevant to the Share Consolidation, if any fractional share of less than one share arises in the number of shares as a result of the Share Consolidation, the shareholders of the Company (excluding the Tender Offeror, Maeda and the Company) may request that the Company purchase, at a fair price, all fractional shares of less than one share arising in the shares owned by them and file a petition with a court for determination of the price of the Company Shares pursuant to the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant laws or regulations.

As stated above, upon the Share Consolidation coming into effect, the Company Shares owned by the shareholders of the Company who did not tender their shares in the Tender Offer (excluding the Tender Offeror, Maeda and the Company) are planned to become fractional shares of less than one share. Therefore, shareholders of the Company who disagree with the Share Consolidation (excluding the Tender Offeror, Maeda and the Company) are planned to be able to file the above petition. If such petition is filed, the sale price of the Company Shares will be finally determined by the court.

The method and timing of the procedures described above are subject to change depending on circumstances, etc. such as the status of revision and enforcement of the relevant laws and regulations, and interpretation of the same by the authorities. However, even in such case, the method of finally delivering money to the shareholders of the Company (excluding the Tender Offeror, Maeda and the Company) who have not tendered their shares in the Tender Offer is planned to be adopted and the amount of money to be delivered to each of such shareholders in such case will be calculated to be the same as the price obtained by multiplying the Tender Offer Price by the number of the Company Shares owned by each of such shareholders.

The specific procedures and timing of implementation and other matters in each of the above cases are planned to be announced by the Company promptly after the Tender Offeror and the Company reach a decision upon mutual consultation. The Tender Offer is not intended to solicit any approval of the Company's shareholders at the Extraordinary Shareholders' Meeting. Further, the Company's shareholders are requested to consult with an expert such as a tax accountant at their own responsibility, with respect to the tax treatment in tendering their shares in the Tender Offer, or in the above procedures.

(5) Prospects of and Reasons for Delisting

As of today, the Company Shares are listed on the Tokyo Stock Exchange Prime Market; however, since the Tender Offeror has not set the maximum number of shares to be purchased in the Tender Offer, the Company Shares may be delisted through prescribed procedures in accordance with the delisting standards of the Tokyo Stock Exchange, depending on the outcome of the Tender Offer. In addition, even in the event that the delisting standards are not met at the time of the successful completion of the Tender Offer, if the Squeeze-Out Procedures stated in “(4) Policy for Reorganization, Etc. After the Tender Offer (Matters Concerning So-Called “Two-Step Acquisition”)” above are carried out after the successful completion of the Tender Offer, the Company Shares will be delisted through the prescribed procedures in accordance with the delisting standards of the Tokyo Stock Exchange. After the delisting, the Company Shares can no longer be traded on the Tokyo Stock Exchange Prime Market.

(6) Matters Concerning Material Agreements Related to the Tender Offer

(a) Non-Tender Agreement

As stated in “(1) Overview of the Tender Offer” above, the Tender Offeror, in conducting the Tender Offer, entered into the Non-Tender Agreement with Maeda (number of shares owned: 19,047,510 shares; Ownership Percentage: 20.19%) as of today. Except for the consideration to be received in connection with the Treasury Share Acquisition, Maeda is not expected to receive any consideration for the Shares Agreed Not to be Tendered in connection with the Transaction.

The summary of the Non-Tender Agreement is as follows:

- A) Maeda shall not tender the Shares Agreed Not to Be Tendered in the Tender Offer.
- B) Maeda shall not transfer any of Company Shares it holds, nor shall it create any security interests thereon.
- C) From the date of execution of the Non-Tender Agreement until the completion date of the Treasury Share Acquisition, Maeda shall not propose, solicit, discuss, negotiate, agree to, execute, or provide information regarding any transaction (collectively “**Competing Transactions**”) that competes with the Tender Offer, is inconsistent with the Tender Offer, or makes it difficult to purchase the Company Shares by the Tender Offer, including any act that results in a change in control over the Company, as well as its subsidiaries and affiliates (collectively, the “**Company Subsidiaries and Affiliates**”), regardless of the method employed, such as a merger, company split, share transfer, share exchange, or share delivery between the Company and a third party, any transaction involving the acquisition of shares in the Company Subsidiaries and Affiliates, any disposal of all or a material part of the shares or business of the Company Subsidiaries and Affiliates, or any other transaction affecting the control over the management of the Company Subsidiaries and Affiliates.
- D) Maeda and the Tender Offeror shall, after the commencement date of settlement, cause the Company to implement the Squeeze-Out Procedures including holding the Extraordinary Shareholders’ Meeting where proposals for the Share Consolidation will be on the agenda, and shall themselves complete the Squeeze-Out Procedures by performing all necessary acts, including exercising voting rights in favor of such proposals at the Extraordinary Shareholders’ Meeting.
- E) Provided that the Tender Offer has been successfully completed, the Share Consolidation has become effective, and the distributable amount required for implementing the Treasury Share Acquisition has been secured, Maeda shall sell all of its Shares Agreed Not to Be Tendered to the Company in exchange for receiving the total acquisition price of the Treasury Share Acquisition at the earliest practicably possible date after the effective date of the Share Consolidation.
- F) If necessary for ensuring the distributable amount or funds required to implement the Treasury Share Acquisition, Maeda and the Tender Offeror shall, before the consummation of the Treasury Share Acquisition, cause the Company to implement a third-party allotment issuance of shares to the Tender Offeror or take other measures, and to decrease the stated capital and capital reserves of the Company to amounts necessary to secure the distributable amount required for carrying out the Treasury Share Acquisition in compliance with laws and regulations.
- G) If voting rights may be exercised at a shareholders’ meeting of the Company held during the period from the date of the Non-Tender Agreement until the effective date of the Share Consolidation, Maeda and the Tender Offeror shall exercise their voting rights in respect of the Shares Agreed Not to Be Tendered they hold by voting against any resolution submitted to such shareholders’ meeting of the Company if such resolution relates to (i) the distribution of surplus or any other disposition of profits, or (ii) any matter which, if approved, would have a material adverse effect on the Company’s financial condition, operating results, cash flows, business, assets, liabilities, or future earnings plans or forecasts.
- H) Maeda may terminate the Non-Tender Agreement by giving prior written notice to the Tender Offeror, only on or before the business day prior to the commencement date of the Tender Offer if (i) it becomes evident that the representations and warranties provided by the Tender Offeror (Note 1) are untrue or inaccurate in material respects, (ii) the obligations of the Tender Offeror (Note 2) to be performed or complied with under the Non-Tender Agreement have not been performed or complied with in material respects, or (iii) insolvency proceedings have been commenced against the Tender Offeror.

The Tender Offeror may terminate the Non-Tender Agreement by giving prior written notice to Maeda, only on or before the business day prior to the commencement date of the Tender Offer if (i) it becomes evident that the representations and warranties provided by Maeda (Note 3) are untrue or inaccurate in material respects, (ii) the obligations of Maeda (Note 4) to be performed or complied with under the Non-Tender Agreement have not been performed or

complied with in material respects, (iii) insolvency proceedings have been commenced against Maeda, or (iv) it becomes evident that all or part of the conditions precedent will not be satisfied. Maeda and the Tender Offeror may also terminate the Non-Tender Agreement by mutual written consent in addition to the above.

- (Note 1) The Tender Offeror has made representations and warranties in the Non-Tender Agreement regarding (a) valid incorporation, (b) legal capacity, (c) enforceability, (d) obtaining necessary approvals, (e) absence of conflict with laws, (f) exclusion of antisocial forces, and (g) absence of insolvency proceedings.
- (Note 2) In the Non-Tender Agreement, the Tender Offeror has obligations to Maeda in addition to D), F), and G) above, including (a) notifying of any awareness of breaches of representations and warranties, (b) bearing taxes and costs, (c) confidentiality obligations, and (d) prohibition of transfer of contractual status.
- (Note 3) In the Non-Tender Agreement, Maeda has made representations and warranties regarding (a) valid incorporation, (b) legal capacity, (c) enforceability, (d) obtaining necessary approvals, (e) absence of conflict with laws, (f) ownership of the Company Shares, (g) exclusion of antisocial forces, and (h) absence of insolvency proceedings.
- (Note 4) Under the Non-Tender Agreement, Maeda has obligations to the Tender Offeror in addition to those listed in A) through G) above, including (a) an obligation to notify the Tender Offeror upon becoming aware of any breach of representations and warranties, (b) an obligation to bear taxes and expenses, (c) a confidentiality obligation, and (d) a prohibition of assignment or other transfer of contractual status.

(b) Tender Agreement

As stated in “(1) Overview of the Tender Offer” above, the Tender Offeror, in conducting the Tender Offer, entered into the Tender Agreement with YFO (Number of shares owned by WK1: 9,200,000 shares; Ownership Percentage: 9.75%. Number of shares owned by WK2: 9,190,000 shares; Ownership Percentage: 9.74%. Number of shares owned by WK3: 5,890,300 shares; Ownership Percentage: 6.24%. Number of shares owned by Yamauchi-No.10 Family Office: 2,627,600 shares; Ownership Percentage: 2.79%. Total number of shares owned: 26,907,900 shares; total Ownership Percentage: 28.53%) as of today. Except for the consideration to be received in connection with the Tender Offer, YFO is not expected to receive any consideration for the Shares Agreed to be Tendered in connection with the Transaction.

The summary of the Tender Agreement is as follows:

- A) YFO agrees that, if the Tender Offeror commences the Tender Offer, YFO shall tender the Shares Agreed to Be Tendered in the Tender Offer after extinguishing all security interests or other burdens, including any security interests established on the Shares Agreed to Be Tendered (meaning extinguishing such security interests, etc. by canceling the contracts establishing the same or by other means, and performing any necessary actions for the cancellation or modification of records related to such security interests, etc.), provided that all the following conditions precedent are met, and shall not withdraw the Tender or terminate the contract related to the purchase of the Shares Agreed to Be Tendered resulting from the Tender. However, YFO may waive any of the following conditions at its discretion:
 - (a) The representations and warranties of the Tender Offeror (Note 1) are true and accurate in all material respects.
 - (b) All obligations to be performed or complied with by the Tender Offeror under the Tender Agreement on or prior to the commencement date of the Tender Offer (Note 2) have been performed or complied with in all material respects.

- (c) The purchase of the Shares Agreed to Be Tendered by the Tender Offeror as contemplated under the Tender Offer is not in violation of laws and regulations, and there is no guidance, communication, recommendation, other measures, or dispositions from judicial or administrative authorities, etc., regarding the fact that the purchase of the Shares Agreed to Be Tendered by the Tender Offeror as contemplated under the Tender Offer is in violation of laws and regulations, or should be suspended or postponed.
- (d) On or prior to the day preceding the commencement date of the Tender Offer, the approval resolution by the Company has been duly and validly made and publicly announced by the Company, and as of the commencement date of the Tender Offer, the Company has not adopted any resolution to withdraw its approval or any resolution that is inconsistent therewith.

(Note 1) In the Tender Agreement, the Tender Offeror makes representations and warranties regarding (a) valid incorporation, (b) legal capacity, (c) enforceability, (d) obtaining necessary approvals, (e) absence of conflict with laws, (f) exclusion of anti-social forces, and (g) absence of insolvency proceedings.

(Note 2) Under the Tender Agreement, the Tender Offeror has obligations to YFO (a) an obligation to notify YFO upon becoming aware of any breach of representations and warranties, (b) an obligation to bear taxes and expenses, (c) a confidentiality obligation, and (d) a prohibition of assignment or other transfer of contractual status.

- B) YFO shall not transfer any of Company Shares it holds, nor shall it create any security interests thereon.
- C) YFO shall not engage in Competing Transactions from the date of the Tender Agreement until the settlement commencement date.
- D) YFO may terminate the Tender Agreement by giving prior written notice to the Tender Offeror, only on or before the business day prior to the commencement date of the Tender Offer if (i) it becomes evident that the representations and warranties provided by the Tender Offeror are untrue or inaccurate in material respects, (ii) the obligations of the Tender Offeror to be performed or complied with under the Tender Agreement have not been performed or complied with in material respects, (iii) insolvency proceedings have been commenced against the Tender Offeror, or (iv) it becomes evident that all or part of the conditions precedent for the tender will not be satisfied.

The Tender Offeror may terminate the Tender Agreement by giving prior written notice to YFO, only on or before the business day prior to the commencement date of the Tender Offer if (i) it becomes evident that the representations and warranties provided by YFO (Note 3) are untrue or inaccurate in material respects, (ii) the obligations of YFO (Note 4) to be performed or complied with under the Tender Agreement have not been performed or complied with in material respects, (iii) insolvency proceedings have been commenced against YFO, or (iv) it becomes evident that all or part of the conditions precedent will not be satisfied.

YFO and the Tender Offeror may also terminate the Tender Agreement by mutual written consent in addition to the above.

(Note 3) In the Tender Agreement, YFO has made representations and warranties, with respect to YFO regarding (a) valid incorporation, (b) legal capacity, (c) enforceability, (d) obtaining necessary approvals, (e) absence of conflict with laws, (f) ownership of the Company Shares, (g) exclusion of antisocial forces and (h) absence of insolvency proceedings.

(Note 4) Under the Tender Agreement, YFO has obligations to the Tender Offeror in addition to those listed in A) through C) above, including (a) an obligation to notify the Tender Offeror upon becoming aware of any breach of representations and warranties, (b) an

obligation to bear taxes and expenses, (c) a confidentiality obligation, and (d) a prohibition of assignment or other transfer of contractual status.

2. Overview of the Tender Offer

(1) Overview of the Company

(i)	Name	Toyo Construction Co., Ltd.	
(ii)	Address	1-105, Kandajimbocho, Chiyoda-ku, Tokyo	
(iii)	Name and title of representative	Shinya Yoshida, Representative Director, Executive Chairperson and CEO	
(iv)	Businesses	General construction business (marine and land civil engineering, building construction), real estate business etc.	
(v)	Amount of capital	14,049.36 million yen (as of March 31, 2025)	
(vi)	Date of incorporation	July 3, 1929	
(vii)	Major shareholders and shareholding ratio (as of March 31, 2025)	Maeda Corporation	20.19%
		WK 1 Limited (standing proxy: Phillip Securities Japan, Ltd.)	9.75%
		WK 2 Limited (standing proxy: Phillip Securities Japan, Ltd.)	9.74%
		The Master Trust Bank of Japan, Ltd. (account in trust)	9.05%
		WK 3 Limited (standing proxy: Tachibana Securities Co., Ltd.)	6.24%
		Godo Kaisha Yamauchi-No.10 Family Office	2.78%
		Custody Bank of Japan, Ltd. (account in trust)	2.18%
		Toyo Construction Kyōei-kai	1.99%
		MUFG Bank, Ltd.	1.37%
		JP Morgan Chase Bank 385781 (standing proxy: Mizuho Bank, Ltd.)	1.05%
(viii)	Relationship between the Tender Offeror and the Company		
	Capital relationship	There are no applicable items.	
	Personal relationship	There are no applicable items.	
	Transactions	The business relationship exists between the Tender Offeror and the Company relating to orders for construction work.	
	Applicability as related party	There are no applicable items.	

(Note) The “Major shareholders and shareholding ratio (as of March 31, 2025)” is based on the “Status of Major Shareholders” section of the 105th Fiscal Year Annual Securities Report of the Company submitted on June 25, 2025.

(2) Class of Share Certificates, Etc. to be Acquired

Common shares

(3) Schedule Etc.

(a) Schedule

Board of Directors' resolution date	Friday, August 8, 2025
Date of public notice for commencement of tender offer	Tuesday, August 12, 2025 Electronic public notice will be posted, and a notice to this effect will be published in the Nihon Keizai Shimbun. (Electronic notice address: https://disclosure2.edinet-fsa.go.jp/)
Tender offer registration statement submission date	Tuesday, August 12, 2025

(b) Initial Tender Offer Period

Tuesday, August 12, 2025 to Wednesday, September 24, 2025 (30 business days)

(c) Possibility of Extension at the Request of Company

There are no applicable items.

(d) Contact for Confirmation of Extension

There are no applicable items.

(4) Tender Offer Price

1,750 yen per common share

(5) Basis for Calculating the Tender Offer Price

(a) Basis of Calculation

The Tender Offeror, in order to ensure the fairness of the Tender Offer Price, requested Mizuho Securities, a financial advisor and third-party appraiser independent from the Tender Offeror, the Company, Infroneer, Maeda, and Yamauchi-No.10 Family Office, to evaluate the value of the Company Shares, and obtained the Share Valuation Report (Mizuho Securities) dated August 7, 2025.

Mizuho Securities is not a related party of the Tender Offeror, the Company, Infroneer, Maeda, or Yamauchi-No.10 Family Office and does not have any material interest in the Tender Offer. While Mizuho Bank, Ltd. ("**Mizuho Bank**"), a group company of Mizuho Securities, is a shareholder of the Tender Offeror and conducts lending transactions with the Tender Offeror, the Company, Infroneer, and Maeda as part of its ordinary banking business, and Mizuho Trust & Banking Co., Ltd. ("**Mizuho Trust Bank**"), another group company of Mizuho Securities, also conducts lending transactions with the Tender Offeror as part of its ordinary banking business, none of these relationships constitutes a material interest involving a conflict of interest with the Tender Offeror, the Company, Infroneer, Maeda, or Yamauchi-No.10 Family Office with respect to the Transaction. According to Mizuho Securities, it has established and implemented appropriate conflict of interest management systems, including information barrier measures between Mizuho Securities and Mizuho Bank as well as Mizuho Trust Bank on the other, in accordance with Article 36 of the Act and Article 70-4 of the Cabinet Office Ordinance on Financial Instruments Business, etc. (Cabinet Office Ordinance No. 52 of 2007, as amended), and has conducted the valuation independently from its group companies despite their positions as shareholders or lenders. Taking into consideration that such information barrier measures have been appropriately implemented between Mizuho Securities and Mizuho Bank as well as Mizuho Trust Bank, that Mizuho Securities' status as a third-party appraiser is recognized since the Tender Offeror and Mizuho Securities

conduct transactions on terms equivalent to those of ordinary business relationships, and that Mizuho Securities has a proven track record as a third-party appraiser in similar transactions, the Tender Offeror selected Mizuho Securities as an independent third-party appraiser.

After examining the financial condition of the Company and the trends in the market price of the Company Shares, Mizuho Securities considered it appropriate to conduct a multifaceted evaluation and, having examined the valuation methodologies to be adopted from among multiple methods, evaluated the value of the Company Shares using the market price method, the comparable company method, and the DCF method.

The range of the per share value of the Company Shares using each of the above methods are as follows:

Market Price Method: 1,415 yen to 1,700 yen

Comparable Company Method: 1,093 yen to 1,574 yen

DCF Method: 1,166 yen to 2,164 yen

The Tender Offer Price of 1,750 yen represents a premium of 2.94 % over 1,700 yen, the closing price of the Company Shares on the Tokyo Stock Exchange Prime Market as of August 7, 2025, the business day immediately preceding the announcement date of the Tender Offer; a premium of 8.49 % over 1,613 yen, the simple average closing price of the Company Shares for the past one-month period; a premium of 17.29% over 1,492 yen, the simple average closing price for the past three-month period; and a premium of 23.67% over 1,415 yen, the simple average closing price for the past six-month period.

(b) Calculation Process

As stated in (a) “Background, Purpose and Decision-Making Process of the Tender Offeror to Decide to Conduct the Tender Offer” of “(2) Background, Purpose and Decision-Making Process of the Decision to Conduct the Tender Offer, and Management Policy after the Tender Offer” of “1. Purpose of the Tender Offer” above, by resolution of the Board of Directors dated today, the Tender Offeror has decided to conduct the Tender Offer at the Tender Offer Price of 1,750 yen.

For the details of the calculation process, please see (a) “Background, Purpose and Decision-Making Process of the Tender Offeror to Decide to Conduct the Tender Offer” of “(2) Background, Purpose and Decision-Making Process of the Decision to Conduct the Tender Offer, and Management Policy after the Tender Offer” of “1. Purpose of the Tender Offer” above.

(c) Relationship with the Valuation Advisor

Mizuho Securities, the Tender Offeror’s financial advisor and third-party valuation advisor, is not a related party to the Tender Offeror Group, the Company, Infroneer, Maeda, and Yamauchi-No.10 Family Office, and does not have any material interest in the Tender Offer.

(6) Number of Share Certificates, Etc., to be Acquired

Class of Share Certificates, Etc.	Number of Shares to be Acquired	Minimum Number of Shares to be Acquired	Maximum Number of Shares to be Acquired
Common shares	75,278,965 shares	33,035,700 shares	— shares
Total	75,278,965 shares	33,035,700 shares	— shares

(Note 1) If the total number of Tendered Shares is less than the minimum number to be acquired

(33,035,700 shares), the Tender Offeror will not acquire any of the Tendered Shares. If the total number of Tendered Shares is equal to or greater than the minimum number to be acquired (33,035,700 shares), the Tender Offeror will acquire all of the Tendered Shares.

(Note 2) The Tender Offeror does not intend to acquire treasury shares held by the Company through the Tender Offer.

(Note 3) Since no maximum number of shares to be acquired is set in the Tender Offer, the number of shares to be acquired is stated as 75,278,965 shares, which is obtained by subtracting the Shares Agreed Not to Be Tendered (19,047,510 shares) from the Base Number of Shares (94,326,475 shares).

(Note 4) Shares constituting less than one unit are also subject to the Tender Offer. If shareholders exercise their right to demand the purchase of such shares under the Companies Act, the Company may purchase its own shares during the Tender Offer Period in accordance with applicable laws and regulations.

(7) Change in Share Ownership Percentage as a Result of the Tender Offer

Number of Voting Rights Represented by the Shares Owned by the Tender Offeror prior to the Tender Offer	— units	(Share ownership ratio prior to the Tender Offer: —%)
Number of Voting Rights Represented by the Shares Owned by Special Related Parties prior to the Tender Offer	190,475 units	(Share ownership ratio prior to the Tender Offer: 20.19 %)
Number of Voting Rights Represented by the Shares Owned by the Tender Offeror after the Tender Offer	752,789 units	(Share ownership ratio after the Tender Offer: 79.81 %)
Number of Voting Rights Represented by the Shares Owned by Special Related Parties after the Tender Offer	190,475 units	(Share ownership ratio after the Tender Offer: 20.19 %)
Number of Voting Rights of All Shareholders of the Company	942,204 units	

(Note 1) The “Number of Voting Rights Represented by the Share Owned by Special Related Parties prior to the Tender Offer” indicates the total number of voting rights represented by the Company Shares owned by each special related party (excluding, however, those who are excluded from special related parties in accordance with Article 3, Paragraph 2, Item 1 of the TOB Order in calculating the ownership ratio of the Company Shares under each item of Article 27-2, Paragraph 1 of the Act). The Tender Offeror will confirm the Company Shares owned by special related parties after the commencement of the Tender Offer and will disclose any necessary corrections if required.

(Note 2) The “Number of Voting Rights of All Shareholders of the Company” refers to the number of voting rights of all shareholders as of March 31, 2025, as stated in the Company’s Annual Securities Report (calculated based on 100 shares per unit). However, since shares constituting less than one unit (excluding treasury shares of less than one unit held by the

Company) are also subject to the Tender Offer, the denominator for calculating the “Ownership Percentage prior to the Tender Offer” and the “Ownership Percentage after the Tender Offer” is the number of the voting rights (943,264 units), which corresponds to the Base Number of Shares (94,326,475 shares).

(Note 3) The “Share ownership ratio prior to Tender Offer” and the “Share ownership ratio after the Tender Offer” are rounded off to the second decimal place.

(8) Total Acquisition Price: 131,738 million yen

(Note) The total acquisition price is calculated by multiplying the number of shares to be acquired (75,278,965 shares) by the Tender Offer Price (1,750 yen).

(9) Method of Settlement

(a) Name and Head Office Address of the Securities Company / Bank in Charge of Settlement of Tender Offer

Mizuho Securities Co., Ltd 1-5-1 Otemachi, Chiyoda-ku, Tokyo
Rakuten Securities Inc. (Sub-Agent) 2-6-21 Minami-Aoyama, Minato-ku, Tokyo

(b) Commencement Date of Settlement

September 30, 2025 (Tuesday)

(c) Method of Settlement

(In the case applications will be submitted through Mizuho Securities Co., Ltd.)

Without delay after the end of the Tender Offer Period, a notice regarding acquisition by way of Tender Offer will be mailed to the address of the Tendering Shareholders (or their standing proxy in case of foreign shareholders). The Tender Offer will be settled in cash. The consideration for the shares acquired will be remitted to the designated location of the Tendering Shareholder (or their standing proxy in case of foreign shareholders) by the Tender Offer agent, or paid to the account of the Tendering Shareholder used when applying through the Tender Offer agent, in accordance with each Tendering Shareholder’s instruction without delay after the commencement date of settlement.

(In the case applications will be submitted through Rakuten Securities Inc.)

Without delay after the end of the Tender Offer Period, a notice regarding acquisition by way of Tender Offer will be delivered electronically. The Tender Offer will be settled in cash. The consideration for the shares acquired will be paid to the account of the Tendering Shareholder (or their agents) by the Sub-Agent without delay after the commencement date of settlement.

(d) Method to Return the Shares

(For shares tendered through Mizuho Securities Co., Ltd.)

If all of the Tendered Shares will not be acquired in accordance with the terms described in “a. Conditions Under Each Item of Article 27-13, Paragraph 4 of the Act and Details Thereof” or “b. Conditions for Withdrawal of the Tender Offer, Details Thereof and Method of Disclosure of Withdrawal” of “(10) Other Conditions and Methods of the Tender Offer” below, the Tender Offer agent shall return the Tendered Shares that need to be returned to the status immediately prior to when the Company Shares

to be returned were tendered, promptly on or after the second business day following the final day of the Tender Offer Period (or the withdrawal date, if the Tender Offeror withdraws the Tender Offer).

(For shares tendered through Rakuten Securities Inc.)

In accordance with the terms described in “a. Conditions Under Each Item of Article 27-13, Paragraph 4 of the Act and Details Thereof” or “b. Conditions for Withdrawal of the Tender Offer, Details Thereof and Method of Disclosure of Withdrawal” of “(10) Other Conditions and Methods of the Tender Offer” below, the Sub-Agent shall return the Tendered Shares that need to be returned to the status immediately prior to when the Company Shares to be returned were tendered, promptly on or after the second business day following the final day of the Tender Offer Period (or the withdrawal date, if the Tender Offeror withdraws the Tender Offer).

(10) Other Conditions and Methods of the Tender Offer

(a) Conditions under Each Item of Article 27-13, Paragraph 4 of the Act and Details Thereof

If the total number of the Tendered Shares is less than the minimum number of the shares to be acquired (33,035,700 shares), the Tender Offeror will not acquire any of the Tendered Shares. If the total number of the Tendered Shares is more than the minimum number of the shares to be acquired (33,035,700 shares), the Tender Offeror will acquire all of the Tendered Shares.

(b) Conditions for Withdrawal of the Tender Offer, Details Thereof and Method of Disclosing Withdrawal

If any of the matters arise that are provided for in the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965; as amended, the “Order”), Article 14, Paragraph 1, Item 1, Sub-items (a) through (j) or (m) through (s); or Item 3, Sub-items (a) through (h) or (j); or Paragraph 2, Items 3 through 6 of the same Article, the Tender Offeror may withdraw the Tender Offer. The matters that correspond to “the facts equivalent to those set forth in (a) to (i)” provided in Article 14, Paragraph 1, Item 3, Sub-item (j) of the Order are: (i) regarding statutory disclosure documents submitted by the Company in the past, a false statement concerning a material matter is found, or a material matter required to be included in such document is found to have been omitted, or (ii) a matter provided under Article 14, Paragraph 1, Item 3, Sub-items (a) through (g) arises in a material subsidiary of the Company.

If the Tender Offeror is to withdraw the Tender Offer, the Tender Offeror will issue an electronic public notice and will place a notice to that effect on the Nihon Keizai Shimbun. However, if it is difficult to issue the public notice by the final day of the Tender Offer Period, the Tender Offeror will make a public announcement in accordance with the method provided for in Article 20 of the TOB Order and thereafter immediately issue the public notice.

(c) Conditions for Reduction of Tender Offer Price, Details Thereof and Method to Disclose Reduction

In accordance with Article 27-6, Paragraph 1, Item 1 of the Act, if the Company takes an action provided for in Article 13, Paragraph 1 of the Order during the Tender Offer Period, the Tender Offeror may reduce the Tender Offer Price in accordance with the criteria provided for in Article 19, Paragraph 1 of the TOB Order.

If the Tender Offeror is to reduce the Tender Offer Price, it will issue an electronic public notice and will place a notice to that effect on the Nihon Keizai Shimbun. However, if it is difficult to issue the public notice by the final day of the Tender Offer Period, the Tender Offeror will make a public

announcement in accordance with the method provided for in Article 20 of the TOB Order and thereafter immediately issue the public notice. If the Tender Offeror reduces the Tender Offer Price, the Tendered Shares tendered on or before the day of the public notice will also be acquired at the reduced price.

(d) Tendering Shareholders' Right to Cancel the Agreement

(For shares tendered through Mizuho Securities Co., Ltd.)

Tendering Shareholders may cancel their agreement regarding the Tender Offer at any time during the Tender Offer Period. In order to cancel the agreement, Tendering Shareholders are requested to deliver or mail a written notification for the cancellation of the agreement regarding the Tender Offer ("**Cancellation Document**") to the head office or any of the branches nationwide of the Tender Offer agent which accepted the tender, by 3:30 p.m. of the final day of the Tender Offer Period. The cancellation takes effect when the Cancellation Document is delivered to or arrives at the Tender Offer agent. Please be warned that if the cancellation is to be delivered by mail, the cancellation will not become effective unless the Cancellation Document arrives by 3:30 p.m. of the final day of the Tender Offer Period.

Person Authorized to Receive the Cancellation Document

Mizuho Securities Co., Ltd. 1-5-1 Otemachi, Chiyoda-ku, Tokyo
(or all other branches of Mizuho Securities Co., Ltd. nationwide)

(For shares tendered through Rakuten Securities Inc.)

Tendering Shareholders may cancel their agreement regarding the Tender Offer at any time during the Tender Offer Period. In order to cancel the agreement, Tendering Shareholders are requested login to the website of the Sub Agent (<https://www.rakuten-sec.co.jp/>), select "Domestic Stocks" to "Take Over Bid (TOB)" and process the cancellation by 3:30 p.m. of the final day of the Tender Offer Period.

Person Authorized to Accept the Cancellation

Rakuten Securities Inc. 2-6-21 Minami-Aoyama, Minato-ku, Tokyo

The Tender Offeror will not claim for payment of any damages or liquidated damages to the Tendering Shareholders even if the Tendering Shareholders cancel the agreement. The expense to return the Tenders Shares shall be borne by the Tender Offeror. If a cancel is requested, after the procedure to request for cancellation is completed, the relevant Tendered Shares will be promptly returned by the method described in "d. Method to Return the Shares" of "(9) Method of Settlement" above.

(e) Method of Disclosure in the Event of Amendment to Acquisition Terms and Conditions

The Tender Offeror may amend the acquisition terms of conditions during the Tender Offer Period, except when doing so is prohibited under Article 27-6, Paragraph 1 of the Act and Article 13 of the Order. If the Tender Offeror desires to amend an acquisition terms and conditions, the Tender Offeror will issue an electronic public notice regarding the details of the amendment and will place a notice to that effect on the Nihon Keizai Shimbun. However, if it is difficult to issue the public notice by the final day of the Tender Offer Period, the Tender Offeror will make a public announcement in accordance with the method provided for in Article 20 of the TOB Order and thereafter immediately issue the public notice. If an acquisition terms and conditions is amended, the Tendered Shares tendered on or before the day of the public notice will also be acquired in accordance with the amended acquisition terms and conditions.

(f) Method of Disclosure in the Event of Filing of an Amendment Statement

If the Tender Offeror files an amendment statement to the Kanto Finance Bureau, except for cases provided in the proviso to Article 27-8, Paragraph 11 of the Act, the Tender Offeror will immediately issue a public announcement, by the method provided for in Article 20 of the TOB Order, regarding the details in the statement that relate to the information provided in the public notice regarding the commencement of the Tender Offer. It will also immediately amend the tender offer statement and amend

and deliver the amended tender offer statement to the Tendering Shareholders who had received the original tender offer statement. However, if the scope of amendment is minor, the Tender Offeror will make the amendment by preparing a document setting out the reasons for the amendment, the amended matter, and relevant details after the amendment, and delivering such document to the Tendering Shareholders.

(g) Method of Disclosure of the Tender Offer Result

The result of the Tender Offer will be publicly announced by the method provided in Article 9-4 of the TOB Order and Article 30-2 of the Ordinance on the day immediately following the final day of the Tender Offer Period.

(h) Other Matters

The Tender Offer is not directly or indirectly conducted within or towards the United States of America, does not use the United States postal service or any methods or means of interstate commerce or international commerce (including but not limited to telephone, telex, facsimile, email, and internet communications), and is not conducted through security exchange facilities within the United States of America. No Company Shares may be tendered to the Tender Offer through the above methods and means, through the above facilities, or from the United States of America. Furthermore, the tender offer notification and other related tender offer documents are not and shall not be sent or distributed through postal or any other method within, to, or from the United States of America. Tenders into the Tender Offer which directly or indirectly violate the above restrictions will not be accepted.

The Tendering Shareholders (or the standing proxies in the case of foreign shareholders) may be required to make the following representations and warranties when tendering in their Company Shares to the Tender Offer: (i) Both at the time of tendering its shares and sending application documents for the Tender Offer, the Tendering Shareholder is not in the United States of America; (ii) no information or documents (including copies thereof) related to the Tender Offer have been, directly or indirectly, received or sent within, to, or from the United States of America; (iii) the Tendering Shareholder have not used, directly or indirectly, the United States postal service or any other methods or means of interstate commerce, international commerce (including, without limitation, telephone, telex, facsimile, email, and internet communications) or security exchange facilities within the United States of America in relation to the Tender Offer in relation with the signing of application documents for the Tender Offer and the delivery thereof; and (iv) the Tendering Shareholder is not acting as an agent, trustee, or consignee without discretion on behalf of such other person (excluding when such other person is giving all instructions regarding the Tender Offer from outside of the United States of America).

(11) Date of Announcement of Commencement of Tender Offer

August 12, 2025 (Tuesday)

(12) Tender Offer Agent

Mizuho Securities Co., Ltd. 1-5-1 Otemachi, Chiyoda-ku, Tokyo

The Tender Offer agent has appointed the following Sub-Agent to delegate part of its duties:
Rakuten Securities Inc. (Sub-Agent) 2-6-21 Minami-Aoyama, Minato-ku, Tokyo

3. Policy after the Tender Offer and Future Prospects

For the details of the policy after the Tender Offer, please see “(2) Background, Purpose and Decision-Making Process of the Decision to Conduct the Tender Offer, and Management Policy after the Tender

Offer”, “(4) Policy for Reorganization, Etc. After the Tender Offer (Matters Concerning So-Called “Two-Step Acquisition”)”, and “(5) Prospects of and Reasons for Delisting” of “1. Purpose of the Tender Offer” above.

4. Others

(1) Agreement between the Tender Offeror and the Company or its Officers, and Details Thereof

(a) Statement of Opinion in Support of the Tender Offer

According to the Company Release, the Company has resolved to express its opinion to approve the Tender Offer at a meeting of its board of directors held today, and also, recommend that the shareholders of the Company tender their Company Shares in the Tender Offer.

For the details, please see the Company Release and “(e) The Company Obtaining Unanimous Approval of All Disinterested Directors of the Company and the Opinion of All Statutory Auditors of the Company that They Have No Objection” of “(3) Measures to Ensure the Fairness of the Tender Offer, such as Measures to Ensure the Fairness of the Tender Offer Price and Avoid Conflicts of Interest” of “1. Purpose of the Tender Offer” above.

(b) Treasury Share Acquisition

According to the Company Release, the Company plans to implement the Treasury Share Acquisition after the Share Consolidation becomes effective, which will be implemented following the successful completion of the Tender Offer, as part of the Transaction.

For the details, please see the Company Release and “(1) Overview of the Tender Offer” of “1. Purpose of the Tender Offer” above.

(2) Other Information Considered Necessary for Investors to Decide Whether to Tender their Shares in the Tender Offer

(a) Announcement of the Summary of Accounts for the First Quarter of Fiscal Year Ending March 31, 2026 [Japanese GAAP] (Consolidated)

The Company has published the Company’s First Quarter Financial Results on August 7, 2025. Please note that the content of the publication has not been reviewed by an auditing firm in accordance with the provisions of Article 193-2, Paragraph 1 of the Act. Below is the overview of the content of the announcement, which is an excerpt from the publication made by the Company. For further details, please see the content of the publication.

(i) Profit and Loss (Consolidated)

Accounting Period	Fiscal Year Ending March 31, 2026 First Quarter Consolidated Cumulative Period
Revenue	40,030 million yen
Cost of Sales	36,120 million yen
Selling, General and Administrative Expenses	3,275 million yen
Non-Operating Income	93 million yen

Non-Operating Expenses	193 million yen
Net Income Attributable to Parent Company Shareholders	539 million yen

(ii) Per Share Information (Consolidated)

Accounting Period	Fiscal Year Ending March 31, 2026 First Quarter Consolidated Cumulative Period
Quarterly Net Income per Share	5.74 yen
Dividend per Share	- yen
Net Assets per Share	764.39 yen

(b) Announcement of “ (b) Notice regarding Revision of Interim and Final Dividend Forecasts for the Fiscal Year Ending March 31, 2026 (No Dividends)”

The Company has resolved at the board of directors meeting held today to revise the dividend forecast for the fiscal year ending March 31, 2026, which was announced on August 7, 2025, and not to pay the interim and final dividends for the fiscal year ending March 31, 2026, subject to the completion of the Tender Offer. For the details, please refer to the notice titled “Notice regarding Revision of Interim and Final Dividend Forecasts for the Fiscal Year Ending March 31, 2026 (No Dividends)” announced by the Company today.

(c) Announcement of “ (c) Notice regarding Termination of Capital and Business Alliance”

The Company has resolved at the board of directors meeting held today to terminate the Capital and Business Alliance entered into with Maeda in July 2002, subject to the completion of the Tender Offer. For the details, please refer to the “Notice regarding Termination of Capital and Business Alliance” announced by the Company today.

[Restriction on solicitation]

This press release is an announcement for the media and for publicizing the Tender Offer to the public. It has not been prepared with the purpose of soliciting any sales. Those applying to sell must read the tender offer statement regarding the Tender Offer and then make their own decisions regarding the application. This press release does not constitute all or a part of any offer or solicitation towards a sale, or solicitation towards an offer to purchase any securities. Neither this press release nor its distribution shall be interpreted as a basis for any agreement in relation to the Tender Offer, nor shall it be relied upon when entering into any such agreement.

[Forward-looking statements]

This press release contains forward-looking statements of the Tender Offeror's management regarding future business developments in the event the shares of Toyo Construction Co., Ltd. are acquired. Actual results may deviate substantially from these statements as a result of numerous factors.

[U.S. regulations]

The Tender Offer, whether direct or indirect, will not be conducted in or towards the United States of America, nor will the United States postal service or any other methods or means of interstate commerce or international commerce be used (including, but not limited to, telephones, telex, facsimile, electronic mail and internet communications), and further, not through any security exchange facilities within the United States of America. No Company Shares may be tendered into the Tender Offer through the above methods and means, through the above facilities, or from the United States of America. Furthermore, press releases regarding the Tender Offer and other related documents are not and shall not be sent or distributed through postal or any other method within, to, or from the United States of America. Tenders into the Tender Offer which directly or indirectly violate the above restrictions will not be accepted.

The Tender Offeror does not solicit purchases of securities or equivalents from residents of the United States of America or within the United States of America, and will not accept if any residents of the United States of America send these to the Tender Offeror, or if these are sent to the Tender Offeror from the places within the United States of America.

[Other countries]

Legal restrictions may apply to the announcement, issuance or distribution of this press release depending on the country or region. Please pay careful attention and comply if such restrictions apply. Such actions shall not constitute a solicitation to purchase or sell any shares relating to the Tender Offer and shall be deemed a mere distribution of materials for information purposes only.

[Languages]

This press release, announced in the Japanese language at the Tokyo Stock Exchange on August 8, 2025, has been translated into English and is presented solely for the convenience of non-Japanese speaking users. If there is any discrepancy between the Japanese announcement and this English translation, the former shall prevail.