



March 30, 2026

To All Concerned:

Company Name: Hogy Medical Co., Ltd.  
President: Hideki Kawakubo, President and  
CEO  
Securities code: 3593 (Tokyo Stock Exchange,  
Prime Market)  
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## **Notice Regarding Holding of an Extraordinary Shareholders' Meeting for Share Consolidation, Abolishment of Provisions Regarding the Share Unit Number, and Partial Amendment to the Articles of Incorporation**

Hogy Medical Co., Ltd. (the “Company”) announced in the press release dated February 27, 2026 titled “Notice Regarding the Setting of the Record Date for Convening an Extraordinary General Meeting of Shareholders” that it has decided hold an extraordinary shareholders’ meeting (the “Extraordinary Shareholders’ Meeting”) and to set the record date therefor as March 18, 2026.

With respect to the Extraordinary Shareholders’ Meeting, the Company hereby announces as set out below that it has determined pursuant to the resolution at the Board of Directors meeting held today to convene the Extraordinary Shareholders’ Meeting and to submit to the Extraordinary Shareholders’ Meeting proposals related to a share consolidation as well as the abolishment of provisions regarding the share unit number and a partial amendment to the articles of incorporation.

In the course of the above procedures, the common shares of the Company (the “Company Shares”) will come to fall under the delisting criteria provided for in the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”). As a result, after the Company Shares are designated as “stock to be delisted” during the period from April 24, 2026 to May 14, 2026, they will be delisted as of May 15, 2026. Please note that after delisting, the Company Shares will no longer be traded on the Prime Market of the Tokyo Stock Exchange.

### **I. Date and Venue of the Extraordinary Shareholders’ Meeting**

#### **1. Time and Date**

10:00 a.m. on Friday, April 24, 2026

#### **2. Venue**

Conference Room on the Basement Level (B1) of the Company’s Former Head Office (Address: 2-7-7 Akasaka, Minato-ku, Tokyo)

### **II. Proposals to be Submitted to the Extraordinary Shareholders’ Meeting**

Matters to be Resolved:

Proposal 1: Share Consolidation

Proposal 2: Partial Amendment to the Articles of Incorporation

### **III. Share Consolidation**

#### **1. Purposes of and Reasons for the Share Consolidation**

As stated in the press release published by the Company on December 17, 2025 entitled “Notice Regarding Expression of Opinion in Support of Tender Offer for Company Shares by TCG2509 Co., Ltd. and Recommendation to Tender” (including the amendments and changes thereto pursuant to the press release published on December 25, 2025 entitled “(Amendment) Notice Regarding Amendment of ‘Notice Regarding Expression of Opinion in Support of Tender Offer for Company Shares by TCG2509 Co., Ltd. and Recommendation to Tender,’” the press release published on January 6, 2026 entitled “(Amendment) Notice Regarding Amendment of ‘Notice Regarding Expression of Opinion in Support of Tender Offer for Company Shares by TCG2509 Co., Ltd. and Recommendation to Tender,’” the press release published on February 5, 2026 entitled “(Amendment) Notice Regarding Amendment of ‘Notice Regarding Expression of Opinion in Support of Tender Offer for Company Shares by TCG2509 Co., Ltd. and Recommendation to Tender,’” and the press release published on February 13, 2026 entitled “(Amendment) Notice Regarding Amendment of ‘Notice Regarding Expression of Opinion in Support of Tender Offer for Company Shares by TCG2509 Co., Ltd. and Recommendation to Tender,’”; the original press release and all aforementioned amendments thereto, the “Opinion Press Release”), TCG2509 Co., Ltd. (the “Offeror”) decided to commence the tender offer for the Company Shares (the “Tender Offer”), as part of the transactions (the “Transactions”) to acquire all Company Shares listed on the Prime Market of Tokyo Stock Exchange (excluding the treasury shares held by the Company) and to privatize the Company Shares.

As stated in the press release published by the Company on March 3, 2026 entitled “Notice Regarding Results of the Tender Offer for the Company Shares by TCG2509 Co., Ltd. and Changes in the Parent Company, a Major Shareholder and the Largest Shareholder that is a Major Shareholder,” as a result of the Tender Offer, the Offeror has come to hold 18,892,230 shares of the Company Shares (ownership ratio (Note 1): 87.63%) as of March 9, 2026 (the commencement date of settlement for the Tender Offer).

(Note 1) “Ownership ratio” refers to the ratio against 21,559,712 shares, which is the figure obtained by deducting the number of treasury shares held by the Company as of December 31, 2025 (975,751 shares) from the total number of issued shares of the Company as of December 31, 2025 (22,535,463 shares), each as stated in the “Summary of Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2026 (Japanese GAAP) (Consolidated)” (the “Company’s Third Quarter Financial Results Summary”) published by the Company on January 29, 2026. Ownership ratios are rounded to the nearest second decimal place.

Although the details of the purposes and background of the Transactions (including the Tender Offer and the Share Consolidation (as defined below)) have been announced in the Opinion Press Release, the summary thereof is explained below again. The statements below, particularly regarding the Offeror, are based on explanations received from the Offeror.

The Company commenced discussions with multiple external potential partners from late March 2020. These discussions were mainly centered on exchanging opinions regarding the long-term management environment outlook and business strategy, the most appropriate capital policy, the possible contributions by external potential partners toward resolving management challenges of the Company, and other matters.

While continuously holding discussions with external potential partners, mainly regarding the future direction of the Company as well as the possibility of accelerating overseas expansion, by sharing future trends in the industry and the business environment faced by the Company, the Company made pivotal management decisions on its management, such as changes in the management structure in April 2024 and transitioning to a company with audit and supervisory committee in June 2024. Based on this, amid an increasingly challenging business environment, the Company has come to recognize again that in order to sustain growth going forward, it is necessary to consider options such as not only relying solely on its own managerial resources, but also collaborating with external potential partners through capital strategies. Under these circumstances, in order to proceed with the specific consideration of the Company's capital strategies, in mid-April 2025, the Company appointed Nomura Securities Co., Ltd. ("Nomura Securities") as its financial advisor and third-party valuation firm and Mori Hamada & Matsumoto Gaikokuho Kyodo Jigyo ("Mori Hamada & Matsumoto") as its legal advisor, both of which are independent from the Company, the Potential Partners (as defined below) (including Carlyle, Carlyle Fund, the Offeror's Grandparent Company, the Offeror Parent Company, and the Offeror (collectively, the "Offeror's Affiliates")), and NIPPON ACTIVE VALUE FUND PLC ("NAVF") (holding 1,993,200 shares, ownership ratio: 9.25%), NAVF Select LLC ("NAVF LLC") (holding 592,900 shares, ownership ratio: 2.75%), and Dalton Investments, Inc. ("Dalton Inc.;" holding 3,419,300 shares; ownership ratio: 15.86%; NAVF, NAVF LLC, Dalton Inc., and their respective affiliates are collectively referred to as the "Dalton Group"). In addition, the Company held several meetings with multiple external potential partners including Carlyle and received initial intentions and proposals without economic conditions regarding the privatization of the Company, and the Company proceeded with its consideration of the Company's capital strategies from the standpoint of enhancing the Company's corporate value and securing the common interests of the shareholders. Then, under the recent considerably uncertain macro environment, the Company determined from the standpoint of further enhancing the Company's corporate value that it would be most appropriate to make agile and strategic decision-making that contribute to enhancing corporate value from a medium-to-long-term perspective by allowing the external potential partners to privatize the Company Shares and utilizing the abundant management resources to be provided by the external potential partners, without being constrained by the pursuit of short-term earnings driven by consideration of shareholders. Following such determination, the Company commenced a bidding process (the "Process") involving the Potential Partners that were expected to show interest in the Company's business from around mid-July 2025 on the assumption that the Company Shares would be privatized.

In addition, as described below in "(ii) Establishment of an independent special committee for the Company and obtainment of the special committee report from the special committee" in "(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest" in "3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters," prior to the deliberations and resolutions on whether to implement the Transactions, because (i) the Tender Offer will be conducted in order to privatize the Company Shares and (ii) in the Transactions, the intention of Dalton Group is important from a feasibility standpoint and there is likely to be certain conflicts of interest between Dalton Group and the minority shareholders (general shareholders) of the Company, on July 25, 2025, the Company established a special committee (the "Special Committee") consisting of three members – Mr. Yuji Takada (an Outside Director and Audit & Supervisory Committee Member of the Company), Mr. Katsusuke Higuchi (an Outside Director and Audit & Supervisory Committee Member of the Company), and Ms. Mime Egami (an Outside Director and Audit & Supervisory Committee Member of the Company) – while being independent from the Company, the Potential Partners (including the Offeror's Affiliates) and Dalton Group and ensuring a balance of knowledge, experience, and capabilities of the Special Committee as a whole, from the standpoint of eliminating arbitrariness and possible conflicts of

interest in the decision-making process leading to the decision to conduct the Tender Offer as well as ensuring the fairness of the procedures and terms of the Transactions and, in turn, ensuring the appropriate performance of duty of care as directors. Then, the Company has consulted with the Special Committee on the matters that the Company's Board of Directors or the Company's Representative Director considers it necessary to consult with respect to the Transactions in consideration of (i) the reasonableness of the purpose of the Transactions (including whether the Transactions will contribute to enhancement of the corporate value of the Company), (ii) the fairness and appropriateness of the procedures related to the Transactions, (iii) the fairness and appropriateness of the terms of the Transactions, (iv) (if the Tender Offer is conducted as part of the Transactions) whether the Company's Board of Directors should express an opinion in support of the Tender Offer and recommend shareholders to tender in the Tender Offer, (v) based on the above, whether the Company's Board of Director's decision on the implementation of the Transactions would be fair to the Company's minority shareholders (general shareholders), and (vi) any other matters relating to the Transactions that the Board of Directors or the representative director of the Company deems necessary to consult with the Special Committee, in light of the purpose for which the Special Committee has been established (collectively referred to as the "Advisory Matters."). In addition, in establishing the Special Committee, the Company's Board of Directors resolved that (a) the Board of Directors would make decisions regarding the implementation of the Transactions by fully respecting the judgments of the Special Committee, and (b) if the Special Committee determined that the implementation or terms of the Transactions were not appropriate, the Board of Directors would not approve the implementation of the Transactions . Additionally, the Board of Directors resolved to grant the Special Committee the authority to: (i) be substantially involved in the process of negotiations conducted by the Company with respect to the Transactions (including, as necessary, giving instructions or requests about the negotiation policy, or conducting direct negotiations), (ii) appoint its own financial and legal advisors (at the Company's expense), or designate or approve (including post-approval) the Company's financial and legal advisors, as necessary, in reviewing or deciding on the Advisory Matters, and (iii) receive necessary information from the Company's officers or employees or other persons deemed necessary by the Special Committee for reviewing and deciding on the Advisory Matters, as necessary. Further, the Special Committee has confirmed that there are no issues with the independence of Nomura Securities and Mori Hamada & Matsumoto from the Company, the Potential Partners (including the Offeror's Affiliates), and Dalton Group as described in "(v) Obtainment by the Company of advice from an independent law firm" in "(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest" in "3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters" below and "(vi) Obtainment by the Company of a share valuation report from an independent financial advisor and third-party valuation firm" in "3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters" below. In addition, as described below in "(ii) Establishment of an independent special committee for the Company and obtainment of the special committee report from the special committee" in "(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest" in "3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters," based on the above authority, on July 25, 2025, the Special Committee appointed PwC Advisory LLC ("PwC Advisory") as its own financial advisor and third-party valuation firm and Momo-o, Matsuo & Namba as its own legal advisor, both of which are independent from the Company, the Potential Partners (including the Offeror's Affiliates), and Dalton Group.

The Company held discussions about external potential partners, and approached six private equity funds, including Carlyle (the "Potential Partners"), who were expected to show interest in the

Company's business to participate in the Process from around mid-July 2025 on the assumption that the Company Shares would be privatized. As a result, as the Company confirmed that the Potential Partners showed interest in the participation in the Process, the Company received confidentiality letter of undertaking from those Potential Partners and initiated the bidding process for the privatization of the Company Shares (the "First Bidding Process") on July 14, 2025. At that time, the Company submitted to the Potential Partners the business plans for three fiscal years from the fiscal year ending March 2026 to the fiscal year ending March 2028.

The Company then received a non-legally binding first letter of intent from six Potential Partners who participated in the First Bidding Process, including Carlyle, on July 31, 2025. After carefully considering the understanding of the Company's business, the support system after the Transactions, the possibility of corporate value enhancement of the Company in light of the track record of support in past cases, etc., the financial aspects, the proposed purchase price per Company Share presented, and other matters, the Company invited four Potential Partners, including Carlyle (the "Final Potential Partners"), for the final bidding process (the "Final Bidding Process") for submitting a legally binding proposal concerning the delisting of the Company Shares on August 29, 2025.

Thereafter, the Company provided to three Final Potential Partners who participated in the Final Bidding Process, excluding one Final Potential Partner who withdrew from participation, the opportunities to conduct due diligence and interviews with the management team of the Company including interview with the employees of the Company Group with respect to the business, finances, taxes and legal affairs of the Company Group (Note 2).

(Note 2) The "Company Group" means the corporate group comprised of the Company, its two subsidiaries, and two second-tier subsidiaries, for a total of five companies. The same applies hereinafter.

Then, on October 27, 2025, the Company received a legally binding proposal (the "Final Proposal") from two Final Potential Partners and a non-legally binding Final Proposal from one Final Potential Partner. The Company and the Special Committee carefully reviewed the Final Proposals received from two Final Potential Partners from the perspective of (i) the comparison mainly on the tender offer price relating to the Transactions, and the appropriate form of growth strategies and support system for enhancing corporate value, and (ii) the past value-enhancement track record, the expected investment period and future exit policy, the discussion policy with Dalton Group, and other perspectives. Then, after confirming the contents of the proposal through face-to-face discussions, based on the fact that Carlyle proposed the highest tender offer price, the Company and the Special Committee finally determined that it was appropriate to develop the Process based on the Final Proposal received from Carlyle from the perspective of enhancing the Company's corporate value and maximizing the interests of the minority shareholders of the Company. As a result, on November 21, 2025, after obtaining approval from the Special Committee, the Company notified Carlyle that the Company would hold final discussions about the Process with Carlyle as the Final Potential Partner, and submitted to Carlyle through Nomura Securities a document requesting Carlyle to consider further increase in the tender offer price of 6,700 yen that was proposed in the Final Proposal received from Carlyle on October 27, 2025 from the perspective of maximizing the interests of the minority shareholders of the Company and obtaining the approval of a greater number of the shareholders. Then, on November 25, 2025, the Company received a response from Carlyle that the price proposed in the Final Proposal was the maximum price that Carlyle was able to present, and there would be no room for any increase in the tender offer price. In response to that, on December 2, 2025, based on the consultations with the Special Committee, the Company notified Carlyle that such proposal would not necessarily damage the interests of the shareholders of the Company, but

the Company expected that there would be a room for Carlyle to make another proposal for a price that would fully reflect the intrinsic value of the Company Shares, and the Company requested Carlyle to further increase the tender offer price. Subsequently, on December 3, 2025, the Company received a response from Carlyle stating that (i) the price proposed in the Final Proposal was the best proposal that Carlyle was able to present, which assumed no further proposal and represented its best and final offer, leaving no room for any increase, and therefore there would be no room for any increase in the tender offer price, and (ii) Carlyle desired an early grant of exclusive negotiation rights. Based on such response, on December 8, 2025, the Special Committee held a meeting with Carlyle with the attendance of its advisors, PwC Advisory and Momo-o, Matsuo & Namba, and conducted negotiations to confirm whether there would be room for any further increase in the tender offer price. However, Carlyle responded that there was no room for an increase in the tender offer price on December 9, 2025. Then, based on the consultations with the Special Committee, on December 10, 2025, the Company decided to execute a memorandum concerning exclusive negotiation rights with the Offeror and grant to the Offeror exclusive negotiation rights. Through these processes, the Special Committee was substantially involved in the selection process of Carlyle in the Process, while also examining the fairness of the Transactions, including the Tender Offer Price proposed by Carlyle, and holding question-and-answer sessions with Carlyle regarding the proposed price and other terms of the Transactions.

Then, as a result of sharing information of the Process described above, and the discussions and negotiations with Carlyle, the Special Committee considered the Advisory Matters based on the advice from PwC Advisory and Momo-o, Matsuo & Namba, and the contents of the share valuation report (the “Share Valuation Report (PwC)”); for the details, please refer to “(iv) Obtainment by the special committee of a share valuation report from an independent third-party valuation firm” in “(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below.) obtained from PwC Advisory on December 17, 2025, and submitted to the Company on December 17, 2025 a report (the “Special Committee Report”) stating that it is appropriate that the Company’s Board of Directors would express an opinion in support of the Tender Offer to be conducted as part of the Transactions and express an opinion to recommend that the shareholders of the Company tender their shares in the Tender Offer and that the decision-making on the implementation of the Transactions by the Company’s Board of Directors would be fair to the interests of the minority shareholders (general shareholders) of the Company (for the details of the Special Committee Report and the specific activities, etc. of the Special Committee, please refer to “(ii) Establishment of an independent special committee for the Company and obtainment of the special committee report from the special committee” in “(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below.).

In addition, the Company announced the downward revision of the consolidated earnings forecast for the second quarter of the fiscal year ending March 2026 (interim period) and for the fiscal year ending March 2026 in the “Notice Regarding Revision of Interim and Full-Year Earnings Forecasts for the Fiscal Year Ending” dated October 15, 2025. The Company’s consolidated earnings forecast for the fiscal year ending March 31, 2026 had factored in the impact from price competition, in addition to anticipated expansion in sales of value-added, problem-solving products—such as the Premium Surgical Kit—starting from the second quarter. However, in response to further deterioration in its operating environment, including growth in the number of deficit-running hospitals, the Company has adopted a sales strategy prioritizing customer loyalty maintenance, and SG&A expenses have risen due to front-loaded investment-type expenditures—including spending

for recruitment and training, R&D, repairs, and digital transformation—and one-off outlays associated with the relocation of the Company’s head office and restructuring measures. Consequently, the Company has lowered its consolidated earnings forecast for the second quarter of the fiscal year ending March 2026 (interim period) and for the fiscal year ending March 2026.

Following the above process, the Company, at the Board of Directors meeting held on December 17, 2025, carefully discussed and considered whether the Transactions, including the Tender Offer, would contribute to enhancing the Company’s corporate value, and whether the terms of the Transactions, including the Tender Offer Price (as defined below), were appropriate, based on Nomura Securities’ advice from a financial perspective, the content of the share valuation report on the results of valuation of the Company Share submitted by Nomura Securities on December 17, 2025 (the “Share Valuation Report (Nomura Securities)”) and legal advice from Mori Hamada & Matsumoto, while fully respecting the judgment of the Special Committee as indicated in the Special Committee Report.

As a result, the Company concluded that the Transactions would contribute to enhancing the Company’s corporate value for the following reasons.

Under the new medium-term business plan (FY 2024 to FY 2026) published on July 16, 2024 (the “Medium-Term Business Plan”), the Company aims to become a solution provider centered on high-value-added surgical kits. The Company has also laid out its policy to become a company like none other, playing a part in the advancement of medical care in Japan and the ASEAN region by strengthening its supply chain and promoting overseas businesses, and through Carlyle’s proposal and related discussions, the Company and Carlyle have reached a shared understanding regarding the broad direction of the Company’s intention to evolve from a surgical kit manufacturer to a solution provider that addresses a wide range of challenges faced by medical institutions by offering higher value-added products and services. The Company believes that the Transactions will enable the Company to strategically implement measures to enhance its corporate value from a medium-to-long-term perspective, specifically in the manner as described below, by working in cooperation with Carlyle, and based thereon, leveraging Carlyle’s management resources such as its networks and expertise.

- (i) Promote growth of domestic business, strengthen cost competitiveness and improve profitability

As a leading company in Japan’s surgical kit market, the Company has supported safe and efficient operating room management and ideal hospital operations at medical institutions. In order to evolve into a “true solution provider that meets the needs of medical institutions,” the Company believes that expanding sales of Premium Surgical Kits and enhancing the functionality of Opera Master is essential, and to achieve those goals, the Company believes that it is necessary to increase the number of its sales representatives and other personnel, establish an organizational sales structure, and substantially broaden its range of equipment and materials that can be incorporated into surgical kit products, while enhancing the competitiveness of its Premium Surgical Kits through collaboration with medical device wholesalers. To that end, by leveraging Carlyle’s extensive human network and its proven management expertise—backed by a track record of value creation in its portfolio companies within the medical devices and consumables areas, which is the Carlyle’s most important global investment area—the Company believes that it will be able to expand sales of Premium Surgical Kits, enhance the value proposition of Opera Master, thereby accelerating the growth of domestic operations, strengthening cost competitiveness, and improving profitability.

- (ii) Promote overseas business with a focus on Southeast Asia

Although the Company has been developing its business in Southeast Asia and working to improve the profitability of its supply chain, it has remained dependent on the domestic market for revenue due to limited resources at its overseas bases and insufficient penetration of the value proposition of its products. In this regard, by leveraging the global platform and specialized expertise of the global industry-dedicated teams of Carlyle, the Company believes that it will be possible to redesign its sales and marketing strategies, organizational structures, and systems in Southeast Asia, and by utilizing Carlyle's extensive network of medical institutions and healthcare companies in Southeast Asia, the Company will be able to promote overseas operations centered on Southeast Asia through the establishment of an optimal supply chain.

- (iii) Achieve discontinuous growth through mergers, acquisitions, and partnerships with an eye to industry restructuring

In order to evolve into a "true solution provider meeting the needs of medical institutions," the Company believes that the key is to achieve discontinuous growth by strengthening mergers, acquisitions and partnerships with companies that can realize broad and deep improvements in hospital management, without being bound by the existing business framework. To this end, the Company believes that it is essential to have the ability to collect and analyze information on mergers, acquisitions and partnerships, as well as the ability to evaluate and make judgments when considering strategies. Carlyle has an extensive track record of investments in the medical equipment and consumables areas globally, and has made a cumulative total of approximately 40 investments in Japan. By leveraging the networks and execution capabilities of Carlyle, the Company will aim to achieve discontinuous growth, and in turn, will itself take the lead in industry restructuring.

As stated above, the Company believes that promoting agile and strategic decision-making for a medium-to-long-term growth together with Carlyle through the Transactions will contribute to further enhancing the Company's corporate value. However, while the implementation of those measures is expected to contribute to the growth and corporate value enhancement of the Company on a medium-to-long-term basis, the Company considers that such implementation may require significant time and investment as well as reform of existing businesses, and cause a temporary reduction in profit levels and cash flows, and that if the Transactions are not premised on privatization, there is a concern that it may adversely affect the market price of the Company Shares on a short-term basis and undermine the interests of the minority shareholders of the Company.

On the other hand, since the Transactions are premised on taking the Company Shares private, the Company also considered the impact on the name recognition and social credibility the Company has enjoyed as a listed company, as well as the impact on its fundraising from capital markets, primarily through equity financing. The Company has determined that the possibility of a negative impact on its social credibility is limited because the Company believes that the impact on the name recognition it has enjoyed by being a listed company is minimal considering that it operates in the so-called B2B business sector and that it has built relationships of trust with its customers, mainly medical institutions, based on its past track record in business dealings and the products and services that the Company offers. The Company also believes that it can sufficiently enhance its external credibility by leveraging Carlyle's global networks and name recognition in society. Furthermore, based on the current financial position of the Company, the need for equity financing is not high for the foreseeable future, and thus the impact on fundraising is also expected to be limited. Through discussions with Carlyle, the Company has also determined that financial burdens and operational

constraints or the like in connection with the implementation of the Transactions will cause a limited impact on business operations following the Transactions. The Company acknowledges that because the major shareholders of the Company, excluding the Dalton Group, are financial investors whose purpose is to purely invest, and since they have no specific relationship with the Company's businesses, the Company does not expect any demerits from the loss of capital relationships with those major shareholders. The Company also does not expect any demerits caused by Carlyle becoming the Company's shareholder as a result of privatization other than the general demerits relating to the privatization described above.

In addition, as stated in "(v) Matters concerning the amount expected to be delivered to the shareholders as a result of the handling of fractions of less than one share and the reasonableness of the amount" in "B. Method of handling if fractions of less than one share arise and matters concerning the amount expected to be delivered to the shareholders as a result thereof and the reasonableness of the amount" in "3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters" below, among other factors, the Company has determined that the tender offer price of 6,700 yen per share (the "Tender Offer Price") is an appropriate price that secures the interests that should be enjoyed by the Company's general shareholders, and that the Tender Offer provides the Company's general shareholders with a reasonable opportunity to sell their Company Shares at a price with an appropriate premium.

In light of the above, the Company determined that the Transactions will contribute to the enhancement of the corporate value of the Company and that the transaction terms for the Transactions (including the Tender Offer Price) were appropriate, and at the Board of Directors meeting held on December 17, 2025, the Company resolved to express its opinion in support of the Tender Offer and recommend that the Company's shareholders tender their shares in the Tender Offer.

For details on the method of resolution at the Board of Directors meeting, please refer to "(vii) Unanimous approval by the disinterested directors of the Company (including directors who are Audit and Supervisory Committee Members)" in "(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest" in "3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters" below.

Although the Tender Offer was subsequently successfully completed as stated above, the Offeror has not acquired all of the Company Shares (excluding the treasury shares held by the Company) through the Tender Offer. Therefore, as stated in the Opinion Press Release, the Company has decided to implement a share consolidation (the "Share Consolidation") in which 7,186,355 shares of the Company Shares will be consolidated into one share in order to have the Offeror become the sole shareholder of the Company as stated in "B. Share consolidation ratio" in "(2) Details of the Share Consolidation" in "2. Outline of the Share Consolidation" below.

Please note that, as a result of the Share Consolidation, the number of shares held by the shareholders other than the Offeror will be a fraction of less than one share.

## **2. Outline of the Share Consolidation**

### **(1) Schedule of the Share Consolidation**

Date for public notice of record date for the Extraordinary Shareholders' Meeting	Tuesday, March 3, 2026
Record date for the Extraordinary Shareholders' Meeting	Wednesday, March 18, 2026
Date of resolution by Board of Directors meeting	Monday, March 30, 2026
Date of the Extraordinary Shareholders' Meeting	Friday, April 24, 2026 (scheduled)
Date of designation as stock to be delisted	Friday, April 24, 2026 (scheduled)
Last trading date	Thursday, May 14, 2026 (scheduled)
Delisting date	Friday, May 15, 2026 (scheduled)
Effective date of the Share Consolidation	Tuesday, May 19, 2026 (scheduled)

**(2) Details of the Share Consolidation**

A. Class of shares subject to share consolidation

Common Shares

B. Share consolidation ratio

The Company will consolidate 7,186,355 shares of the Company Shares into one share.

C. Number of shares by which the total number of issued shares will be reduced

22,535,460 shares

D. Total number of issued shares before the share consolidation takes effect

22,535,463 shares (including the treasury shares held by the Company)

E. Total number of issued shares after the share consolidation takes effect

3 shares

F. Total number of shares authorized to be issued as of the effective date

12 shares

G. Method of handling of fractions less than one share, and amount expected to be delivered to the shareholders as a result of the handling of fractions

As stated in "1. Purposes of and Reasons for the Share Consolidation" above, as a result of the Share Consolidation, the number of Company Shares held by each shareholder other than the Offeror will be a fraction of less than one share.

For the fractions of less than one share resulting from the Share Consolidation, a number of Company Shares equal to the aggregate number of fractional shares (with such aggregate sum rounded down to the nearest whole number) will be sold off, and the amount of proceeds from the sale of the shares will be delivered to the shareholders in proportion to the fractional shares attributed to them.

For this sale, in light of the fact that the Share Consolidation will be conducted as part of the Transactions to ultimately make the Offeror the sole shareholder of the Company and that the Company Shares will become shares without a market price as they are intended to be delisted as of May 15, 2026, thus, are less likely to have a purchaser upon public auction, it is planned that the shares will be sold to the Offeror after obtaining permission from a court pursuant to the provisions of Article 234, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended; hereinafter the same), which applies mutatis mutandis to Article 235, Paragraph 2 of the same Act.

In this case, if the above court permission is obtained as planned, the purchase price would be set at a price that will ensure delivery of the amount of money derived by multiplying the number of the Company Shares held by each shareholder by 6,700 yen, which is the amount equal to the Tender Offer Price.

**3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters**

**(1) Grounds and Reasons for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share**

A. Matters taken into consideration in a manner that would not be disadvantageous to the Company's shareholders other than its parent company, etc. (if a parent company, etc. exists)

While the Share Consolidation will be conducted as the second step of a so-called two-step acquisition after the Tender Offer, the Offeror did not hold any of the Company Shares as of December 17, 2025, which was the date on which the Offeror decided to implement the Tender Offer, and thus the Tender Offer did not constitute a tender offer by its controlling shareholder. In addition, it is not planned that all or part of the management team of the Company will directly or indirectly invest in the Offeror, and thus the Transactions, including the Tender Offer, do not constitute a so-called management buyout (MBO) transaction. However, because (i) the Tender Offer will be conducted in order to privatize the Company Shares and (ii) in the Transactions, the intention of Dalton Group is important from a feasibility standpoint and there is likely to be certain conflicts of interest between Dalton Group and the minority shareholders (general shareholders) of the Company, the Offeror and the Company have taken the measures stated in “(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest” below from the standpoint of eliminating arbitrariness and possible conflicts of interest in the decision-making process leading to the decision to conduct the Tender Offer as well as ensuring the fairness of the procedures and terms of the Transactions and, in turn, ensuring the appropriate performance of duty of care as directors.

(Note) A management buyout (MBO) is a transaction in which the tender offeror implements the tender offer based on an agreement with the target company's officers and which has shared interests therewith.

B. Method of handling if fractions of less than one share arise and matters concerning the amount expected to be delivered to the shareholders as a result thereof and the reasonableness of the amount

(i) Whether fractions will be handled in accordance with the provisions of Article 235, Paragraph 1 of the Companies Act or of Article 234, Paragraph 2 of the Companies Act

that apply mutatis mutandis through Article 235, Paragraph 2 of the Companies Act, and reason for that handling

Please refer to “G. Method of handling of fractions less than one share, and amount expected to be delivered to the shareholders as a result of the handling of fractions” in “(2) Details of the Share Consolidation” in “2. Outline of the Share Consolidation” above.

- (ii) Name or company name of the person who is expected to purchase shares subject to sale

TCG2509 Co., Ltd.

- (iii) Method to be used by the person who is expected to purchase shares subject to sale in order to secure funds for payment of the price for that sale, and appropriateness of that method

As stated in “1. Overview of the Tender Offer” in “B. Grounds and Reasons for the Opinion Regarding the Tender Offer” in “III. Details of, and Grounds, and Reasons for, the Opinion Regarding the Tender Offer” in the Opinion Press Release, if the Tender Offer is successfully completed, then by the commencement date of settlement of the Tender Offer, the Offeror plans to receive a capital contribution from the Offeror Parent Company, and to obtain a loan of up to 90 billion yen in total from MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation, The Bank of Yokohama, Ltd., Sumitomo Mitsui Trust Bank, Limited, and SBI Shinsei Bank, Limited. The Offeror intends to use these funds to pay for the settlement of the Tender Offer. The Company confirmed the method through which the Offeror would secure the funds by confirming the tender offer registration statement filed by the Offeror on December 18, 2025, and the loan certificate and other documents attached thereto.

In addition, according to the Offeror, the Offeror intends to use these funds to pay for the sale price for a number of the Company Shares equivalent to the aggregate number of fractions of less than one share resulting from the Share Consolidation, and no event has occurred that would possibly cause a hinderance to such payment, and the Offeror is not aware of any possibility that such event will occur in the future.

Based on the above, the Company has determined that the method of securing funds to be used by the Offeror to pay the sale price for a number of shares equivalent to the aggregate number of fractions of less than one share is appropriate.

- (iv) Time of sale and expected time of delivery of proceeds from sale to the shareholders

The Company will file a petition with a court to obtain permission to sell to the Offeror a number of the Company Shares equivalent to the aggregate number of fractions of less than one share resulting from the Share Consolidation in or around late May 2026 in accordance with the provisions of Article 234, Paragraph 2 of the Companies Act that apply mutatis mutandis through Article 235, Paragraph 2 of the Companies Act. The time when that permission will be obtained may vary depending on the status of the court or other factors, but the Company expects that after it sells the Company Shares by way of the Offeror purchasing the Company Shares in or after late June upon obtaining the court’s permission, and then makes the necessary arrangements

for delivering the proceeds from that sale to the shareholders, the Company will deliver the proceeds from that sale to the shareholders in or after late August 2026.

In light of the period of time necessary for the series of procedures for the sale after the effective date of the Share Consolidation, the Company has determined that a sale of a number of the Company Shares equivalent to the aggregate number of fractions of less than one share resulting from the Share Consolidation will be made and the proceeds from that sale will be delivered to the shareholders at each of the times stated above.

- (v) Matters concerning the amount expected to be delivered to the shareholders as a result of the handling of fractions of less than one share and the reasonableness of the amount

Upon the Share Consolidation, it is planned that the amount of money derived by multiplying the number of the Company Shares held by the shareholders by 6,700 yen, which is the amount equal to the Tender Offer Price, will be delivered to the shareholders.

For the following reasons, the Company comprehensively determined that the Tender Offer Price of 6,700 yen is an appropriate price that will secure the benefits that should be enjoyed by the Company's general shareholders and reflects the intrinsic value of the Company, that the Tender Offer will provide the Company's general shareholders with a reasonable opportunity to sell their Company Shares, and will ensure profits at a price with an appropriate premium in light of the share price trends reflecting the current business environment surrounding the Company Group.

- (i) The Company conducted the Process after taking sufficient measures to ensure the fairness of the terms of the Transactions, including the Tender Offer Price, as set out in “(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest” below, and the tender offer price for the Transactions proposed by Carlyle during the Process was the highest price compared to the prices offered by other Final Potential Partners.
- (ii) Of the results of valuation of the Company Shares by Nomura Securities in the Share Valuation Report (Nomura Securities) as stated in “(vi) Obtainment by the Company of a share valuation report from an independent financial advisor and third-party valuation firm” in “(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest” below, the price exceeds the upper limits of the results of valuation using the average market price method and the comparable company method and is within the range of the results of valuation using the DCF Method (as defined in “b. Outline of calculation” in “(vi) Obtainment by the Company of a share valuation report from an independent financial advisor and third-party valuation firm” in “(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest” below).
- (iii) Of the results of valuation of the Company Shares by PwC in the Share Valuation Report (PwC) as stated in “(iv) Obtainment by the special committee of a share valuation report from an independent third-party valuation firm” in “(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest” below, the price exceeds the upper limits of the results of

valuation using the market price analysis and the comparable company analysis and is within the range of the results of valuation using the DCF Method (as defined in “b. Outline of calculation” in “(vi) Obtainment by the Company of a share valuation report from an independent financial advisor and third-party valuation firm” in “(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest” below).

- (iv) While it is considered that expectations for accomplishing the plan to take the Company private could be factored into in the market prices of the Company Shares from July 26, 2025 onwards due to the speculative report made by Mergermarket after the trading hours on July 25, 2025, which referred to the possibility of taking the Company Shares private (the “Speculative Report (Mergermarket)”), the Tender Offer Price represents a premium of 69.19% on the closing price (3,960 yen) of the Company Shares on the Prime Market of the Tokyo Stock Exchange on July 25, 2025, as of which the market prices of the Company Shares are considered to have been unaffected by the Speculative Report (Mergermarket), and a premium of 70.83% on the simple average closing price over the one-month period preceding July 25, 2025 of 3,922 yen, a premium of 70.44% on the simple average closing price over the three-month period preceding July 25, 2025 of 3,931 yen, and a premium of 55.74% on the simple average closing price over the six-month period preceding July 25, 2025 of 4,302 yen. In addition, it can be determined that the level of premiums of the Tender Offer Price is considered to be comparable with that of the premiums in similar transactions because the median premiums in other 59 cases of tender offers for shares of other companies similar to the Transactions, in which target companies were Japanese listed companies and which were announced on and after January 1, 2021 and the settlement of which have commenced on or before December 16, 2025 (this only includes tender offers in which no maximum number of shares to be purchased was set, that were conducted with the aim of making the target companies wholly-owned subsidiaries of the tender offerors, and in which the voting rights ratios of the tender offerors (including those held by specially related parties of the tender offerors) as of the business day before the announcement date were less than 15% and the target companies expressed their opinion in support of the tender offers and recommended that their shareholders tender their shares in the respective tender offers, and excludes tender offers that constituted MBO transactions, step-one transactions of two-step tender offers, and tender offers at discounted prices (i.e., where the premiums on the closing prices as of the business day before the announcement date and the premiums on the simple average closing prices over the preceding one-month, three-month, and six-month periods were all negative)) was 47.92% on the closing prices of the relevant shares on the business day before the announcement of the relevant tender offers, and were 52.50% on the simple average closing prices over the one-month period preceding the business day before the announcement thereof, 54.55% on the simple average closing prices over the three-month period preceding the business day before the announcement thereof, and 56.03% on the simple average closing prices over the six-month period preceding the business day before the announcement thereof (for the avoidance of doubt, during the market hours on December 15, 2025, the Nikkei released news reports speculating on the privatization of the Company Shares by Carlyle (the “Speculative Reports (Nikkei)”), and the closing price on December 15, 2025 became 6,750 yen that was higher than the Tender Offer Price. However, as the

Company published a press release titled “Regarding Media Reports” before the market hours on December 16, 2025, and disclosed accurate information as of that time regarding the total purchase price of the Tender Offer, the closing price on December 16, 2025, which is the business day immediately preceding the announcement date of the Tender Offer, was 6,580 yen, which was lower than the Tender Offer Price. Therefore, the Company believes that such sudden market changes in the share price was temporary due to the effect of the Speculative Reports (Nikkei) that included inaccurate information regarding the total purchase price of the Tender Offer and that the pricing of the share price after the Speculative Reports (Nikkei) was not necessarily done in an appropriate manner.).

- (v) The price has also been judged to be appropriate in the Special Committee Report obtained from the Special Committee as stated in “(ii) Establishment of an independent special committee for the Company and obtainment of the special committee report from the special committee” in “(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest” below.

In addition, the Company expressed its opinion in support of the Tender Offer and recommend that the Company’s shareholders tender their shares in the Tender Offer. After that, the Company confirmed that no material change has occurred in the conditions that formed the basis for the Company’s decision on the Tender Offer Price until the time of resolution at the Board of Directors meeting of the Company on March 30, 2026, at which the Board of Directors of the Company resolved to convene the Extraordinary Shareholders’ Meeting.

In light of the above, the Company has determined that the method of handling of fractions and the amount of money that is expected to be delivered to the Company’s shareholders as a result of the handling of fractions is reasonable.

C. Disposal of material assets, assumption of large obligations, and other events having a material effect on the status of company finances arising since the last day of the Company’s last business year

(i) Tender Offer

As stated in “1. Purposes of and Reasons for the Share Consolidation” above, as a result of the Tender Offer, the Offeror came to hold 18,892,230 shares of the Company Shares (ownership ratio: 87.63%) as of March 9, 2026 (the commencement date of settlement of the Tender Offer).

(ii) No distribution of dividends

As announced in the press release as of December 17, 2025 entitled “Notice Regarding Revision of Dividend Forecast (No Dividends) and Abolition of Shareholder Benefit Program,” at the Board of Directors meeting of the Company held on December 17, 2025, the Company passed a resolution not to distribute any dividends for the third quarter of the fiscal year ending March 2026 nor any year-end dividends for the same fiscal year. For details, see the contents of said press release.

(iii) Cancellation of treasury shares

By the resolution at the Board of Directors meeting today, the Company decided to cancel all of the treasury shares held by the Company as of May 18, 2026. The cancellation of such treasury shares is subject to the approval and adoption of the proposal of the Share Consolidation in its original form at the Extraordinary Shareholders' Meeting.

## **(2) Expectation of Delisting**

### **(i) Delisting**

As stated in “1. Purposes of and Reasons for the Share Consolidation” above, in order to make the Offeror the sole shareholder of the Company, the Company will implement the Share Consolidation subject to shareholders' approval at the Extraordinary Shareholders' Meeting. As a result, the Company Shares are planned to be delisted through the prescribed procedures in accordance with the delisting standards of the Tokyo Stock Exchange.

As for the schedule, after being designated as stock to be delisted between April 24, 2026 and May 14, 2026, the delisting is planned to take effect on May 15, 2026. After the delisting, the Company Shares will no longer be traded on the Prime Market of the Tokyo Stock Exchange.

### **(ii) Reasons for pursuing delisting**

As stated in “1. Purposes of and Reasons for the Share Consolidation” above, the Company has concluded that taking the Company Shares private will contribute to further enhancing its corporate value.

### **(iii) Impact on minority shareholders and rationale therefor**

As stated in “(ii) Establishment of an independent special committee for the Company and obtainment of the special committee report from the special committee” in “(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest” below, the Company received a report on December 17, 2025 from the Special Committee to the effect that Board of Directors of the Company making decisions regarding the Transactions (i.e., a decision to express an opinion in support of the Tender Offer as well as to recommend that the Company's shareholders tender their shares in the Tender Offer and a decision to implement the series of procedures to make the Offeror the sole shareholder of the Company through the demand for the sale of shares, etc. a cash-out, or a share consolidation to be implemented after the Tender Offer as part of the Transactions) would be fair to the Company's minority shareholders (general shareholders).

## **(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest**

While the Share Consolidation will be conducted as the second step of a so-called two-step acquisition after the Tender Offer, the Offeror did not hold any of the Company Shares as of December 17, 2025, which was the date on which the Offeror decided to implement the Tender Offer, and thus the Tender Offer did not constitute a tender offer by its controlling shareholder. In addition, it is not planned that all or part of the management team of the Company will directly or indirectly invest in the Offeror, and thus the Transactions, including the Tender Offer, do not constitute a so-called management buyout (MBO) transaction. However, because (i) the Tender Offer will be conducted in order to privatize the Company Shares and (ii) in the Transactions, the intention of Dalton Group is important from a feasibility standpoint

and there is likely to be certain conflicts of interest between Dalton Group and the minority shareholders (general shareholders) of the Company, the Offeror and the Company have taken the following measures from the standpoint of eliminating arbitrariness and possible conflicts of interest in the decision-making process leading to the decision to conduct the Tender Offer as well as ensuring the fairness of the procedures and terms of the Transactions and, in turn, ensuring the appropriate performance of duty of care as directors.

(i) Implementation of bidding process

As described in “1. Purposes of and Reasons for the Share Consolidation” above, the Company has been conducting the First Bidding Process targeting the Potential Partners since mid-July 2025, and it received non-legally binding first letters of intent from the Potential Partners, including Carlyle. In light of evaluation criteria including ensuring the benefit of shareholders, the Company comprehensively and carefully selected four Final Potential Partners, including Carlyle, to be the participants in the Closing Bid Process. After providing such Final Potential Partners with opportunities to perform due diligence from early September 2025 until late October 2025, the Company received legally binding final letters of intent from two of the Final Potential Partners (including Carlyle) and a non-legally binding final letter of intent from one of the Final Potential Partners on October 27, 2025. In addition to the fact that the tender offer price for the Transactions presented by Carlyle was the highest compared to any of the other tender offer prices for the Transactions presented by the other Final Potential Partners, the Company has determined that its management policy after the Transactions and the support system of Carlyle will contribute to the enhancement of the Company’s corporate value, and therefore the Company has decided to conduct the final negotiations to implement the Transactions with Carlyle. In addition, no Final Potential Partner has offered more favorable terms for the shareholders of the Company than the proposal presented by Carlyle. Accordingly, the Company has implemented the Process and ensured opportunities to receive various proposals to enhance the Company’s corporate value.

(ii) Establishment of an independent special committee for the Company and obtainment of the special committee report from the special committee

a. Background of establishment

Because (i) the Tender Offer will be conducted in order to privatize the Company Shares and (ii) in the Transactions, the intention of Dalton Group is important from a feasibility standpoint and there is likely to be certain conflicts of interest between Dalton Group and the minority shareholders (general shareholders) of the Company, the Company consulted with all of its independent directors regarding the selection of the candidates to be the members of the Special Committee from the standpoint of eliminating arbitrariness and possible conflicts of interest in the decision-making process leading to the decision to conduct the Tender Offer as well as ensuring the fairness of the procedures and terms of the Transactions and, in turn, ensuring the appropriate performance of duty of care as directors. Subsequently, as described in “1. Purposes of and Reasons for the Share Consolidation” above, the Company established the Special Committee by a resolution at the Board of Directors meeting held on July 25, 2025. The Special Committee consists of the following three independent directors of the Company who are independent of each of the Potential Partners, the Offeror, Dalton Group, and the Company: Mr. Yuji Takada (independent Outside Director and Audit & Supervisory Committee Member of the Company), Ms. Mime Egami (independent Outside Director and Audit & Supervisory Committee Member of the Company), and Mr. Katsusuke Higuchi (independent Outside Director and Audit & Supervisory Committee Member of the Company). Mr. Yuji Takada was appointed as chairperson of the Special Committee. It has been confirmed that no members of the Special Committee have any interest with the Potential Partners, the Offeror, or Dalton Group, nor with the success or failure of the Transactions. Each member of the Special

Committee has been paid a fixed amount of compensation for their duties, regardless of the content of the Special Committee Report, and the compensation does not include a success fee contingent upon the successful completion of the Transactions. The Company selected these three individuals as members of the Special Committee from the time of its establishment, and there has been no change in the members of the Special Committee.

As described in “1. Purposes of and Reasons for the Share Consolidation” above, the Company established the Special Committee by a resolution at the Board of Directors meeting held on July 25, 2025 and consulted the Special Committee regarding the Advisory Matters. In addition, in establishing the Special Committee, the Company’s Board of Directors resolved that (a) the Board of Directors would make decisions regarding the implementation of the Transactions by fully respecting the judgments of the Special Committee, and (b) if the Special Committee determined that the implementation of the Transactions or the transaction terms were not appropriate, the Board of Directors would not approve the implementation of the Transactions. Additionally, the Board of Directors resolved to grant the Special Committee the authority to: (i) be substantially involved in the process of negotiations conducted by the Company with respect to the Potential Partners (including, as necessary, giving instructions or requests about the negotiation policy with the Potential Partners, or conducting direct negotiations with the Potential Partners), (ii) appoint its own financial and legal advisors (at the Company’s expense), or designate or approve (including post-approval) the Company’s financial and legal advisors, as necessary, in reviewing or deciding on the Advisory Matters, and (iii) receive necessary information from the Company’s officers or employees or other persons deemed necessary by the Special Committee for reviewing and deciding on the Advisory Matters, as necessary. Pursuant to the above authority, in July 2025, the Special Committee appointed PwC Advisory as its own financial advisor and third-party valuation firm independent from the Company, the Offeror’s affiliates, Dalton Group and appointed Momo-o, Matsuo & Namba as its legal advisor.

b. Background of review

After having been commissioned to submit the Special Committee Report on July 25, 2025, the Special Committee has held a total of 20 meetings until December 17, 2025 and has carefully considered the Advisory Matters.

Specifically, the Special Committee confirmed with respect to each of Nomura Securities, the Company’s financial advisor and third-party valuation firm, and Mori Hamada & Matsumoto, the Company’s legal advisor, that there were no issues with their independence pertaining to the success or failure of the Transactions, nor with the Company, the Potential Partners (including the Offeror’s Affiliates), or Dalton Group, as well as their expertise. The Special Committee also confirmed that with respect to each of PwC Advisory and Momo-o, Matsuo & Nambe, there were no issues with their independence pertaining to the success or failure of the Transactions, nor with the Company, the Potential Partners (including the Offeror’s Affiliates), or Dalton Group, as well as their expertise, and appointed PwC Advisory as its financial advisor and third-party valuation firm and Momo-o, Matsuo & Namba as its legal advisor.

Subsequently, the Special Committee collected and examined various review materials submitted to it and other necessary information, materials, and the like. The Special Committee also conducted written and oral questioning with the parties that it requested to attend Special Committee meetings, including the Company, on the details, background and significance of the Transactions, the impact of the Transactions on the Company’s corporate value, the reasonableness of the calculation methods of the Tender Offer Price, the background leading to the Offeror’s decision-making, the background and details of discussions and negotiations between the Company and

Carlyle, and other matters related to the Transactions, and has carefully considered and examined the Advisory Matters including by conducting reporting, information sharing, deliberations, and decision-making as necessary through email and other means between meetings. Furthermore, the Special Committee received explanations from Nomura Securities and PwC Advisory regarding the calculation of the share price of the Company Shares. The Special Committee also received explanations from the Company regarding the Company's business plans based on which the share price was calculated and held question-and-answer sessions on these matters. Through these processes, the Special Committee was substantially involved in the selection process of Carlyle in the Process, while also examining the fairness of the Transactions, including the Tender Offer Price proposed by Carlyle, and holding question-and-answer sessions with Carlyle regarding the proposed price and other terms of the Transactions. In addition to the foregoing, the Special Committee received advice from Mori Hamada & Matsumoto and Momo-o, Matsuo & Namba regarding measures to ensure the fairness of the procedures in the Transactions, measures to avoid conflicts of interest, and other general matters related to the Transactions, and held question-and-answer sessions on these matters.

As result of the careful discussions and considerations under the background stated above, at the 20th Special Committee meeting held on December 17, 2025, the Special Committee resolved on the details of the report in response to the Advisory Matters with the unanimous consent of all members.

c. Content of decision

As result of careful discussions on and consideration of the Advisory Matters based on the background stated above, the Special Committee submitted the Special Committee Report to the Company's Board of Directors on December 17, 2025 with the unanimous consent of all members. For the details of the report from the Special Committee and its reasons therefor, please refer to the details of Attachment 1 attached to the Opinion Press Release.

(iii) Advice obtained by the special committee from an independent law firm

In considering the Transactions, in order to ensure the fairness thereof, the Special Committee received professional advice from Momo-o, Matsuo & Namba, which was appointed as its legal advisor independent from the Potential Partners (including the Offeror's Affiliates), the Dalton Group, and the Company. Momo-o, Matsuo & Namba advised the Special Committee on the measures to be taken to ensure the fairness of the procedures in the Transactions, various procedures related to the Transactions, and the method, process, and the like of decision-making by the Company.

It should be noted that Momo-o, Matsuo & Namba is not a related party of the Potential Partners (including the Offeror's Affiliates), the Dalton Group, or the Company, and has no material interest in connection with the Transactions needing to be disclosed. The compensation to Momo-o, Matsuo & Namba does not include any success fees that are paid subject to the successful completion of the Transactions or the like.

The Special Committee confirmed that there were no issues with the independence and expertise of Momo-o, Matsuo & Namba and approved it as its own legal advisor.

(iv) Obtainment by the special committee of a share valuation report from an independent third-party valuation firm

a. Name of valuation firm and its relationship with the Offeror and the Company

The Special Committee, in examining the Transactions, and to ensure the fairness of the Tender Offer Price presented by Carlyle and otherwise ensure the fairness of the Transactions, including the Tender Offer, requested PwC Advisory, as its own financial advisor and third-party valuation firm independent of the Potential Partners (including the Offeror's Affiliates), the Dalton Group, and the Company, to calculate the share price of the Company Shares, and obtained the Share Valuation Report (PwC) on December 17, 2025.

It should be noted that PwC Advisory is not a related party of the Potential Partners (including the Offeror's Affiliates), the Dalton Group, or the Company, and has no material interest in connection with the Transactions needing to be disclosed. In addition, the Special Committee did not obtain an opinion regarding the fairness of the Tender Offer Price (a fairness opinion) from PwC Advisory because the Company believed that sufficient consideration has been given to the interests of the general shareholders of the Company in light of other measures that have been taken to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest when implementing the Transactions.

It should also be noted that compensation payable to PwC Advisory does not include success fees that are paid upon the satisfaction of certain conditions, such as the successful completion of the Transactions.

b. Outline of calculation

PwC Advisory, after considering multiple valuation methods to apply in calculating the value of the Company Shares in the Tender Offer, concluded that a multifaceted evaluation of the value of the Company Shares would be appropriate, based on the assumption that the Company is a going concern, and it applied: (i) the market price analysis, given that the Company is listed on the Tokyo Stock Exchange Prime Market; (ii) the comparable company analysis, as there are publicly listed companies engaged in relatively similar businesses to the Company, making it possible to infer the share value by comparisons with comparable companies; and (iii) the DCF Method to reflect the future business activities of the Company in the valuation. The Special Committee obtained the Share Valuation Report (PwC) from PwC Advisory on December 17, 2025. It should be noted that the Special Committee did not obtain an opinion regarding the fairness of the Tender Offer Price (a fairness opinion) from PwC Advisory because the Company believed that sufficient consideration has been given to the interests of the general shareholders of the Company in light of other measures that have been taken to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest when implementing the Transactions.

The ranges of the value per Company Share as calculated by each of the above methods in the Share Valuation Report (PwC) is as follows:

Market price analysis (Record Date 1):	3,922 yen to 4,302 yen
Market price analysis (Record Date 2):	5,051 yen to 6,580 yen
Comparable company analysis:	4,289 yen to 5,773 yen
DCF Method:	5,187 yen to 6,838 yen

Under the market price analysis, the share value per share of the Company Shares was (a) calculated to range from 3,922 yen to 4,302 yen, using July 25, 2025 as the Record Date 1, which is considered to not be impacted by the Speculative Report (Mergermarket) by Mergermarket after the trading hours on July 25, 2025 regarding taking the Company Shares private, based on (i) the closing price of the Company Shares of 3,960 yen on the Prime Market of the Tokyo Stock Exchange on Record Date 1, (ii) the simple average closing price of 3,922 yen for the preceding one month, (iii) the simple average closing price of 3,931 yen for the preceding three months, and (iv) the simple average closing price of 4,302 yen for the preceding six months, and (b) calculated to range from 5,051 yen to 6,580 yen, using December 16, 2025, which is the business day immediately preceding the announcement date of the Tender Offer, as the Record Date 2, based on (i) the closing price of the Company Shares of 6,580 yen on the Prime Market of the Tokyo Stock Exchange on Record Date 2, (ii) the simple average closing price of 5,829 yen for the preceding one month, (iii) the simple average closing price of 5,506 yen for the preceding three months, and (iv) the simple average closing price of 5,051 yen for the preceding six months.

Under the comparable company analysis, the value per share of the Company Shares was calculated to range from 4,289 yen to 5,773 yen, by selecting Sysmex Corporation, Asahi Intecc Co., Ltd., Nihon Kohden Corporation, Nipro Corporation, MANI, Inc., PHC Holdings Corporation, Nagaileben Co., Ltd., Daiken Medical Co., Ltd., and JMS Co., Ltd. as a publicly listed company that engages in relatively similar businesses, and using the enterprise-value-to-EBITDA multiple.

Under the DCF Method, the value per share of the Company Shares was calculated to range from 5,187 yen to 6,838 yen, which is based on analyzing the Company's corporate value and share value by discounting to the present value, using a certain discount rate, the free cash flow expected to be generated by the Company from the third quarter of the fiscal year ending March 2026 assuming various factors, such as earnings forecasts and investment plans as outlined in the business plan prepared by the Company covering the three fiscal years from the fiscal year ending March 2026 to the fiscal year ending March 2028 (the "Business Plan") for the period that is reasonably foreseeable at the time of calculation, and based on the Company's past performance, current earnings situation and the business environment surrounding the Company, and publicly available information. The discount rate (weighted average cost of capital) used ranged from 6.4% to 7.4%. The calculation of the discount rate took into account size risk premiums based on factors such as the size of the Company. The going concern value was calculated to be between 96,215 million yen and 134,604 million yen based on the perpetual growth rate method. For the perpetual growth rate method, a perpetual growth rate of 0.75% to 1.75% was used after comprehensively considering factors such as the external environment. In addition, assets related to the former headquarters and the like was added to the Company's corporate value as non-operational assets.

The Business Plan was prepared by the Company for the purpose of considering the Transactions based on the business plan prepared by using the business plan in the Medium-Term Business Plan announced by the Company on July 16, 2024 after lowering its consolidated earnings forecast for the second quarter of the fiscal year ending March 2026 (interim period) and for the fiscal year ending March 2026 as announced in the "Notice Regarding Revision of Interim and Full-Year Earnings Forecasts for the Fiscal Year Ending March 31, 2026" dated October 15, 2025 for the fiscal years ending March 2026, the business plan in the Medium-Term Business Plan for the fiscal year ending March 2027, and the business plan in the Medium-Term Business Plan and the next medium-term management plan for the fiscal year ending March 2030, as announced in the Medium-Term Management Plan for the fiscal year ending March 2028, and incorporates reasonable assumptions for each item.

The Business Plan, which PwC Advisory used as a premise for the valuation under the DCF Method, includes business years during which significant increases or decreases in profit and free cash flow are expected. Specifically, for the fiscal year ending March 2026, as described in “1. Purposes of and Reasons for the Share Consolidation” above, a deterioration in the business environment is expected, including an increase in loss-making facilities at medical institutions, and for the fiscal year ending March 2027, the Company plans to increase the number of facilities with Opera Master contracts and expand sales of products such as its Premium Surgical Kit, and for the fiscal year ending March 2028, while growth is expected for Opera Master and Premium Surgical Kits, it is expected that measures based on the medium-term management plan will progress as scheduled, such as the development of new equipment and materials and the expansion of DX products, and as a result, operating profit is projected to increase by approximately 4,738 million yen year-on-year in the fiscal year ending March 2027, and free cash flow is projected to decrease by approximately 5,452 million yen year-on-year in the fiscal year ending March 2026, increase by approximately 2,443 million yen year-on-year in the fiscal year ending March 2027, and increase by approximately 1,974 million yen year-on-year in the fiscal year ending March 2028. It should be noted that the synergy effects expected to be realized through the implementation of the Transactions have not been factored into the financial forecasts as it is difficult to specifically estimate them at the time of evaluation.

The financial forecasts used for the analysis pursuant to the DCF Method are as follows.

(Unit: million yen)

	Fiscal Year Ending March 2026 (six months)	Fiscal Year Ending March 2027	Fiscal Year Ending March 2028
Sales	20,387	46,700	50,500
Operating income	1,496	7,512	8,691
EBITDA	4,400	11,698	13,880
Free cash flow	1,001	3,305	5,279

(Note) PwC Advisory, when calculating the share value of the Company Shares, has assumed that it has, in principle, used the information provided by the Company, information obtained through interviews, publicly available information, and other information as presented, and all of such materials and information used are accurate and complete, and that there exist no circumstances that have not been disclosed to PwC Advisory that would have a material impact upon the calculation of the share value of the Company Shares. PwC Advisory did not independently verify the accuracy and completeness of the foregoing information. In addition, PwC Advisory has assumed that the information regarding the business plans of the Company had been reasonably prepared based on the best projections and judgments made by the management of the Company that were available at the time of evaluation. PwC Advisory has not conducted any independent evaluation, appraisal, or assessment of the assets and liabilities (including derivatives, off-balance-sheet assets and liabilities, and other contingent liabilities) of the Company, nor has PwC Advisory commissioned any evaluation, appraisal, or assessment from any third-party firm. The calculations of the share value of the Company Shares by PwC Advisory reflect the information above available to it as of December 16, 2025.

(v) Obtainment by the Company of advice from an independent law firm

As stated in “1. Purposes of and Reasons for the Share Consolidation” above, the Company appointed Mori Hamada & Matsumoto as its legal advisor independent of the Potential Partners

(including the Offeror's Affiliates), Dalton Group, and the Company, and has received legal advice therefrom, including advice on the measures to ensure the fairness of the procedures in the Transactions, various procedures in the Transactions, the method and process of the Company's decision-making regarding the Transactions, and other such matters.

Mori Hamada & Matsumoto is not a related party of the Potential Partners (including the Offeror's Affiliates), Dalton Group, or the Company, and has no material interest in the Transactions, including the Tender Offer. The Special Committee approved Mori Hamada & Matsumoto as its legal advisor after confirming that there were no issues with the independence of Mori Hamada & Matsumoto. The compensation to Mori Hamada & Matsumoto does not include any success fees that are paid subject to the successful completion the Transactions or the like.

(vi) Obtainment by the Company of a share valuation report from an independent financial advisor and third-party valuation firm

a. Name of valuation firm and its relationship with the Offeror and the Company

The Company, in expressing its opinion regarding the Tender Offer, and to ensure fairness in the decision-making process concerning the Tender Offer Price presented by Carlyle, requested Nomura Securities, a financial advisor and third-party valuation firm independent of the Potential Partners (including the Offeror's Affiliates), Dalton Group, and the Company, to calculate the value of the Company Shares, and obtained the Share Valuation Report (Nomura Securities) on December 17, 2025.

It should be noted that Nomura Securities is not a related party of the Potential Partners (including the Offeror's Affiliates), Dalton Group, or the Company, and has no material interest in connection with the Transactions needing to be disclosed. In addition, the Company did not obtain an opinion regarding the fairness of the Tender Offer Price (a fairness opinion) from Nomura Securities because the Company believed that sufficient consideration has been given to the interests of the minority shareholders of the Company in light of other measures that have been taken to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest when implementing the Transactions.

It should also be noted that compensation payable to Nomura Securities includes success fees that are paid upon the satisfaction of certain conditions, such as the successful completion of the Transactions. The Company, taking into account common market practices for the same type of transactions and the pros and cons of the fee arrangement, whereby the Company would be required to pay a corresponding amount even if the Transactions were not successfully completed, has determined that the independence of Nomura Securities should not be compromised even if its fees included success fees payable on the condition of completion of the Tender Offer, and the Company therefore appointed Nomura Securities as its financial advisor and third-party valuation firm based on the above fee arrangement.

b. Outline of calculation

Nomura Securities, after considering multiple valuation methods to apply in calculating the value of the Company Shares in the Tender Offer, concluded that a multifaceted evaluation of the value of the Company Shares would be appropriate, based on the assumption that the Company is a going concern, and it applied: (i) the average market price method, given that the Company is listed on the Tokyo Stock Exchange Prime Market; (ii) the comparable company method, as there are publicly listed companies engaged in relatively similar businesses to the Company, making it possible to infer the share value by comparisons with comparable companies; and (iii) the discounted

cash flow method (the “DCF Method”) to reflect the future business activities of the Company in the valuation. The Company obtained the Share Valuation Report (Nomura Securities) from Nomura Securities on December 17, 2025. It should be noted that the Company did not obtain an opinion regarding the fairness of the Tender Offer Price (a fairness opinion) from Nomura Securities because the Company believed that sufficient consideration has been given to the interests of the general shareholders of the Company in light of other measures that have been taken to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest when implementing the Transactions.

The ranges of the value per Company Share as calculated by each of the above methods in the Share Valuation Report (Nomura Securities) is as follows:

Average market price method (Record Date 1):	3,906 yen to 4,302 yen
Average market price method (Record Date 2):	5,051 yen to 6,580 yen
Comparable company method:	3,904 yen to 5,816 yen
DCF Method:	5,640 yen to 7,189 yen

Under the average market price method, the share value per share of the Company Shares was (a) calculated to range from 3,906 yen to 4,302 yen, using July 25, 2025 as the calculation record date (“Record Date 1”), which is considered to not be impacted by the Speculative Report (Mergermarket) by Mergermarket after the trading hours on July 25, 2025 regarding taking the Company Shares private, based on (i) the closing price of the Company Shares of 3,960 yen on the Prime Market of the Tokyo Stock Exchange on Record Date 1, (ii) the simple average closing price of 3,906 yen for the preceding five business days, (iii) the simple average closing price of 3,922 yen for the preceding one month, (iv) the simple average closing price of 3,931 yen for the preceding three months, and (v) the simple average closing price of 4,302 yen for the preceding six months, and (b) calculated to range from 5,051 yen to 6,580 yen, using December 16, 2025, which is the business day immediately preceding the announcement date of the Tender Offer, as the calculation record date (“Record Date 2”), based on (i) the closing price of the Company Shares of 6,580 yen on the Prime Market of the Tokyo Stock Exchange on Record Date 2, (ii) the simple average closing price of 6,086 yen for the preceding five business days, (iii) the simple average closing price of 5,829 yen for the preceding one month, (iv) the simple average closing price of 5,506 yen for the preceding three months, and (v) the simple average closing price of 5,051 yen for the preceding six months.

Under the comparable company method, the value per share of the Company Shares was calculated to range from 3,904 yen to 5,816 yen, by selecting Daiken Medical Co., Ltd. as a publicly listed company that engages in relatively similar businesses, and using the EBITDA multiple, operating income multiple, net income multiple and shareholders’ equity multiple.

Under the DCF Method, the value per share of the Company Shares was calculated to range from 5,640 yen to 7,189 yen, which is based on analyzing the Company’s corporate value and share value by discounting to the present value, using a certain discount rate, the free cash flow expected to be generated by the Company from the third quarter of the fiscal year ending March 2026 assuming various factors such as earnings forecasts and investment plans as outlined in the Business Plan and other publicly available information. In addition, in analyzing the share value, assets related to the former headquarters and the like were recorded as non-operational assets. The discount rate (weighted average cost of capital) used ranged from 5.50% to 6.00%. The going concern value was calculated to be between 97,577 million yen and 131,125 million yen based on the perpetual growth rate method and the multiple method. For the perpetual growth rate method, a perpetual growth rate of 0.25% to 1.25% was used based on factors such as the long-term economic outlook for the

Company, and for the multiple method, an EBITDA multiple was used, which is common practice in valuations for M&A transactions, using a multiple of 8.0 to 10.0 times based on the Company's levels in the past.

The Business Plan was prepared by the Company for the purpose of considering the Transactions based on the business plan prepared by using the business plan in the Medium-Term Business Plan announced by the Company on July 16, 2024 after lowering its consolidated earnings forecast for the second quarter of the fiscal year ending March 2026 (interim period) and for the fiscal year ending March 2026 as announced in the "Notice Regarding Revision of Interim and Full-Year Earnings Forecasts for the Fiscal Year Ending March 31, 2026" dated October 15, 2025 for the fiscal years ending March 2026, the business plan in the Medium-Term Business Plan for the fiscal year ending March 2027, and the business plan in the Medium-Term Business Plan and the next medium-term management plan for the fiscal year ending March 2030, as announced in the Medium-Term Management Plan, for the fiscal year ending March 2028, and incorporates reasonable assumptions for each item.

The Business Plan, which Nomura Securities used as a premise for the valuation under the DCF Method, includes business years during which significant increases or decreases in profit and free cash flow are expected. Specifically, for the fiscal year ending March 2026, as described in "1. Purposes of and Reasons for the Share Consolidation" above, a deterioration in the business environment is expected, including an increase in loss-making facilities at medical institutions, and for the fiscal year ending March 2027, the Company plans to increase the number of facilities with Opera Master contracts and expand sales of products such as its Premium Surgical Kit, and for the fiscal year ending March 2028, while growth is expected for Opera Master and Premium Surgical Kits, it is expected that measures based on the medium-term management plan will progress as scheduled, such as the development of new equipment and materials and the expansion of DX products, and as a result, operating profit is projected to increase by 4,738 million yen year-on-year in the fiscal year ending March 2027, and free cash flow is projected to decrease by 6,346 million yen year-on-year in the fiscal year ending March 2026, increase by 2,997 million yen year-on-year in the fiscal year ending March 2027, and increase by 2,257 million yen year-on-year in the fiscal year ending March 2028. It should be noted that the synergy effects expected to be realized through the implementation of the Transactions have not been factored into the financial forecasts as it is difficult to specifically estimate them at the time of evaluation.

The financial forecasts used for the analysis pursuant to the DCF Method are as follows.

(Unit: million yen)

	Fiscal Year Ending March 2026 (six months)	Fiscal Year Ending March 2027	Fiscal Year Ending March 2028
Sales	20,388	46,700	50,500
Operating income	1,496	7,512	8,691
EBITDA	4,400	11,749	13,931
Free cash flow	(132)	3,588	5,846

(Note) Nomura Securities, when calculating the share value of the Company Shares, has assumed that the publicly available information and all of the information provided by the Company is accurate and complete, and did not independently verify their accuracy and completeness. Nomura Securities has not conducted any independent evaluation, appraisal or assessment of the assets or liabilities (including derivatives, off-balance-sheet assets and liabilities, and other contingent liabilities) of the Company or its affiliates, including analysis and

evaluation of individual assets and liabilities, nor has Nomura Securities commissioned any appraisal or assessment from any third-party firm. Nomura Securities has assumed that the business plans of the Company had been reasonably considered or prepared based on the best projections and judgments made by the management of the Company that were available at the time of evaluation. The calculations by Nomura Securities reflect the information and the economic conditions available to it as of December 16, 2025. The calculations by Nomura Securities were performed solely to serve as a reference for the Company's board of directors in examining the share value of the Company Shares.

- (vii) Unanimous approval by the disinterested directors of the Company (including directors who are Audit and Supervisory Committee Members)

As stated in "1. Purposes of and Reasons for the Share Consolidation" above, in the Tender Offer, in consideration of the legal advice received from Mori Hamada & Matsumoto, the financial advice received from Nomura Securities, and the contents of the Share Valuation Report (Nomura Securities), and while paying the utmost respect to the decision of the Special Committee stated in the Special Committee Report, the Company carefully discussed and considered whether the Transactions, including the Tender Offer, would contribute to the enhancement of the Company's corporate value and whether the terms of the Transactions, including the Tender Offer Price, were appropriate.

As a result, as stated in "1. Purposes of and Reasons for the Share Consolidation" above, the Company determined that the Transactions would contribute to the enhancement of the Company's corporate value and that the terms of the Transactions, including the Tender Offer Price, were appropriate, and at its Board of Directors meeting held on December 17, 2025, the Company resolved, with the unanimous approval of all directors (including directors who are audit and supervisory committee members) of the Company (unanimous approval of five directors excluding Mr. James B. Rosenwald III) who participated in the deliberation and resolution, to express their support for the Tender Offer and to recommend that the Company's shareholders tender their shares in the Tender Offer.

Mr. James B. Rosenwald III serves as Chief Investment Officer at Dalton Investments, Inc., which executed the tender Agreement with the Offeror; therefore, from the perspective of avoiding any conflict of interests, Mr. James B. Rosenwald III did not participate in any deliberation or resolution regarding the agenda concerning the Transactions, including the abovementioned Board of Directors meeting, or any consultation or negotiation with the Offeror on behalf of the Company.

- (viii) Measures to secure opportunities to purchase from other buyers

As stated in "1. Implementation of Bidding Process" above, the Company has selected the Offeror by establishing the evaluation criteria from the perspectives such as enhancing its corporate value and maximizing its shareholder value, and by conducting a comprehensive evaluation in a reasonable manner based on the evaluation criteria after implementing the Process and ensuring that a competitive environment was maintained. Therefore, the Company believes that opportunities for persons other than the Offeror to purchase the Company Shares have already been sufficiently secured.

In addition, the Offeror plans to set the Tender Offer Period to be 30 business days, whereas the shortest period stipulated by laws and regulations is 20 business days (Article 27-2, Paragraph 2 of the Act; Article 8, Paragraph 1 of the Order for Enforcement of the Financial Instruments and Exchange Act) (Cabinet Order No. 321 of 1965, as amended) (Furthermore, on February 4, 2026, following the conclusion of discussions between the Offeror and the relevant authorities regarding

the notification required under Article 27, Paragraph 1 of the Foreign Exchange and Foreign Trade Act, the Offeror, upon receiving instructions from the Ministry of Economy, Trade and Industry and the Ministry of Health, Labor and Welfare, resubmitted the notification to the Minister of Finance and the competent Ministers in charge of the relevant business sector via the Bank of Japan on February 4, 2026, which was accepted on the same date. Consequently, the Offeror submitted an amendment to the Tender Offer Registration Statement and extended the Tender Offer Period to February 20, 2026, which is the date 10 business days after the submission date of the amendment statement on February 5, 2026 (the “Change in Tender Offer Terms (1)”). Following that, with respect to such notification, the statutory waiting period was reduced, enabling the acquisition of common stock of the Company from February 13, 2026. Consequently, the Offeror submitted an amendment to the Tender Offer Registration Statement and extended the Tender Offer Period to March 2, 2026, which is 10 business days after the submission date of the amendment statement on February 13, 2026 (the “Change in Tender Offer Terms (2)”). As a result, the Tender Offer Period has been extended to 40 business days due to the Change in the Tender Offer Terms (1), and the Tender Offer Period has been extended to 45 business days due to the Change in the Tender Offer Terms (2).). The Offeror intends to ensure that the Company’s shareholders have an opportunity to make appropriate decisions regarding their tender in the Tender Offer by setting the Tender Offer Period to be longer than the shortest period required by laws and regulations, and it also intends to ensure the fairness of the Tender Offer by ensuring that persons other than the Offeror have opportunities to make competing purchases for the Company Shares.

The Offeror and the Company have not entered into any agreement that obligates the Company to support the Tender Offer or recommend its shareholders to tender in the Tender Offer, nor have they entered into any agreement that would restrict competing offerors from contacting the Company, such as any agreement containing transaction protection provisions that would prohibit the Company from contacting competing offerors other than the Offeror. Accordingly, together with the setting of the Tender Offer Period, the Offeror has given consideration to ensure the fairness of the Tender Offer.

As stated in “1. Purposes of and Reasons for the Share Consolidation” above, in this matter, the Process has been implemented prior to the Tender Offer, and the Offeror was selected by comparing it with multiple other potential acquirers under a certain competitive situation. Therefore, the Company believes that sufficient opportunities for persons other than the Offeror to acquire the Company Shares have already been provided.

- (ix) Setting the minimum number of shares to be purchased to exceed the number equivalent to the majority of minority

The Offeror has set the minimum number of shares to be purchased at 14,362,400 shares (ownership ratio: 66.62%). If the total number of Share Certificates, Etc. tendered in response to the Tender Offer (the “Tendered Share Certificates, Etc.”) does not meet the minimum purchase number, the Offeror will not purchase any of the Tendered Share Certificates, Etc. The minimum number of shares to be purchased (14,362,400 shares, ownership ratio: 66.62%) exceeds the sum (13,752,587 shares) of (i) the majority of (x) the number of shares (15,614,372 shares, ownership ratio: 72.42%) representing the total number of issued shares of the Company as of September 30, 2025 (22,535,463 shares), as stated in the Company’s Second Quarter Financial Results Summary minus (y) the number of treasury shares held by the Company as of the same date (975,691 shares) and the number of the Company Shares held by Dalton Group that executed the Tender Agreement with the Offeror on December 17, 2025 (5,945,400 shares) (7,807,187 shares, ownership ratio: 36.21%) and (ii) the number of the Company Shares (5,945,400 shares) held by Dalton Group, which represents the number representing a majority of the Company Shares held by shareholders of the Company who

have no relationship of interest with the Offeror, i.e., the so-called “Majority of Minority.” Accordingly, in consideration of the wishes of the Company’s general shareholders, if the majority of shareholders who are not related parties of the Offeror do not give their consent, the Transactions, including the Tender Offer, will not take place.

Furthermore, as a result of the execution of a tender agreement (including the amendment agreement dated January 6, 2026; the “Tender Agreement (GMO)” dated December 25, 2025 between the Offeror and Grantham, Mayo, Van Otterloo & Co. LLC (“GMO”) (holding 2,256,100 shares, ownership ratio: 10.46%) thereafter, if the number of Company Shares held by GMO (2,256,100 shares) is deducted, the minimum number of shares to be purchased falls slightly below the number corresponding to the so-called “Majority of Minority”; however, the shortfall is limited to 518,237 shares (ownership ratio: 2.40 %). In addition, the execution of the Tender Agreement (GMO) may be evaluated as having obtained the support for the Tender Offer from GMO, which was in the position of a general shareholder at the commencement of the Tender Offer, and, in light of the Offeror’s confirmation and the terms of the Tender Agreement (GMO), it can be determined that GMO’s continued indirect investment following the Transactions pursuant to the Tender Agreement (GMO) will not affect the Company’s management policy following the Tender Offer as described in ““2. Background, Purposes and Decision-making Process Leading to the Implementation of the Tender Offer, and Management Policy After the Tender Offer” in “B. Grounds and Reasons for the Opinion Regarding the Tender Offer” in “III. Details of, and Grounds, and Reasons for, the Opinion Regarding the Tender Offer” in the Opinion Press Release. Based on the foregoing, the Company, having received advice from its legal advisors, has determined that such change does not impair the rationality of the purpose of the Transactions, the fairness and appropriateness of the procedures related to the Transactions, and the fairness and appropriateness of the terms of the Transactions.

#### **4. Future Prospects**

In conjunction with the implementation of the Share Consolidation, as stated in “(i) Delisting” in “(2) Expectation of Delisting” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” above, it is planned that the Company Shares will be delisted.

The Offeror intends to promote management as described in “2. Background Purposes and Decision-making Process Leading to the Implementation of the Tender Offer, and Management Policy After the Tender Offer” in “B. Grounds and Reasons for the Opinion Regarding the Tender Offer” in “III. Details of, and Grounds, and Reasons for, the Opinion Regarding the Tender Offer” in the Opinion Press Release.

#### **5. Matters Relating to Transactions Etc. with Controlling Shareholder**

##### **(1) Transactions, Etc. with the Controlling Shareholder and Status of Compliance with Guidelines relating to Policy to Protect Minority Shareholders**

As of the commencement date of settlement for the Tender Offer (March 9, 2026), because the Offeror became a parent company of the Company, transactions relating to the Share Consolidation constitute transactions, etc. with the controlling shareholder. In the Corporate Governance Report disclosed by the Company on July 25, 2025, the Company has not established the “guidelines relating to policy to protect minority shareholders in transactions etc. with the controlling shareholder.” However, in the case of transactions between the Company and the controlling shareholder, the Company’s policy is to take measures to ensure the fairness of the terms and conditions of such transactions and to make decisions at its Board of Directors meeting after careful deliberation such

as obtainment of advice from attorneys, third-party institutions, or the like as necessary, and to take appropriate measures to ensure that the interests of minority shareholders are not impaired.

In order to ensure the fairness of the Transactions, including the Tender Offer, the Company has taken measures as stated in “(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest” under “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” above, and it is considered that such treatment is in compliance with the above policy.

**(2) Matters Relating to Measures for Ensuring Fairness and Measures for Avoiding Conflicts of Interest**

Please refer to “(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” above.

**(3) Overview of Opinion Obtained from Person Who Do Not Have Any Interest in the Controlling Shareholder that the Transactions are Not Disadvantageous to Minority Shareholders**

As of December 17, 2025, the Company has obtained the Special Committee Report from the Special Committee stating that the decision of the Board of Directors of the Company on the Transactions will be fair to the Company’s minority shareholders (general shareholders). For details, please refer to “2. Establishment of an Independent Special Committee for the Company and Obtainment of the Special Committee Report from the Special Committee” in “(3) Measures for Ensuring the Fairness of the Transactions and Measures for Avoiding Conflicts of Interest” under “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” above.

**IV. Abolishment of the Provision on Share Units**

**1. Reasons for Abolishment**

In the case where the Share Consolidation takes effect, the Company’s total number of outstanding shares will be 3 shares, and it will cease to be necessary to specify the number of shares in a share unit.

**2. Planned Abolishment Date**

May 19, 2026 (Tuesday) (scheduled)

**3. Conditions of Abolishment**

The abolishment is subject to the proposal for the Share Consolidation and the proposal for partial amendment to the articles of incorporation related to abolishment of provisions regarding the share unit number (please refer to “V. Partial Amendment to the Articles of Incorporation” below) being passed as in the original drafts at the Extraordinary Shareholders’ Meeting, and the Share Consolidation taking effect.

## V. Partial Amendment to the Articles of Incorporation

### 1. Purpose of Proposal

- (1) If the proposal for the Share Consolidation at the Extraordinary Shareholders' Meeting is approved as in the current draft and the Share Consolidation takes effect, then in accordance with Article 182, Paragraph 2 of the Companies Act, the Articles of Incorporation of the Company is deemed to be amended to reduce the Company's total number of authorized shares to 12 shares. To clarify this point, subject to the Share Consolidation taking effect, Article 5 (Total Number of Authorized Shares) of the current Articles of Incorporation of the Company will be amended.
- (2) If the proposal for the Share Consolidation at the Extraordinary Shareholders' Meeting is approved as in the current draft and the Share Consolidation takes effect, because the total number of issued shares of the Company will be 3 shares, it is not necessary to specify the share unit number. Therefore, subject to the Share Consolidation taking effect, the entire text of Article 6 (Share Unit), Article 7 (Demand for Additional Purchase of Shares Less Than One Unit) and Article 8 (Restriction on Rights in Relation to Shareholdings Less Than One Unit) of the current Articles of Incorporation of the Company will be deleted to abolish provisions regarding the share unit number of the Company Shares specifying that one unit of shares currently consists of 100 shares, and the article numbers will be moved up. In addition, as a result of such deletion, part of the provisions regarding the share unit number in Article 9 (Share Handling Regulations) will be deleted.
- (3) If the proposal for the Share Consolidation at the Extraordinary Shareholders' Meeting is approved as in the current draft and the Share Consolidation takes effect, because the Offeror will be the only shareholder of the Company, the provisions regarding the record date and the provisions regarding the record date of the annual shareholders' meeting will no longer be necessary. Subject to the Share Consolidation taking effect, the entire text of Article 11 (Record Date) of the current Articles of Incorporation of the Company will be deleted, and the article numbers will be moved up.
- (4) If the proposal for the Share Consolidation at the Extraordinary Shareholders' Meeting is approved as in the current draft and the Share Consolidation takes effect, because the Company Shares will be delisted upon the execution of the Share Consolidation and the Offeror will be the only shareholder of the Company, the provisions regarding measures for electronic provision of materials for the shareholders' meeting will no longer be necessary. Subject to the Share Consolidation taking effect, the entire text of Article 14 (Measures for Electronic Provision, Etc.) of the current Articles of Incorporation of the Company will be deleted, and the article numbers will be moved up.

### 2. Content of Amendment to the Articles of Incorporation

The amendments are as stated below. Provided that the proposal for the Share Consolidation at the Extraordinary Shareholders' Meeting is approved at the Extraordinary Shareholders' Meeting as in the current draft, and the Share Consolidation takes effect, the amendments to the Articles of Incorporation with respect to this proposal are scheduled to take effect on May 19, 2026, which is the effective date of the Share Consolidation.

(The underlined parts indicate amendments.)

Current Articles of Incorporation	Proposed Amendments
Article 1 to Article 4 (Articles omitted)	Article 1 to Article 4 (No change)

<p>(Total Number of Authorized Shares) Article 5 The total number of authorized shares of the Company shall be <u>130,000,000</u> shares.</p>	<p>(Total Number of Authorized Shares) Article 5 The total number of authorized shares of the Company shall be <u>12</u> shares.</p>
<p>(Share Unit) <u>Article 6</u> <u>The number of shares constituting one unit of shares of the Company shall be 100 shares.</u></p>	<p>(Deleted)</p>
<p><u>(Demand for Purchase of Additional Shares Less Than One Unit)</u> <u>Article 7</u> <u>1. Any shareholder of the Company may demand that the Company sell to him or her the number of shares that, together with the number of shares less than one unit held by such shareholder, will constitute one unit of shares (a “Demand for Purchase”).</u> <u>2. The time and method of making a Demand for Purchase or the like shall be subject to the Share Handling Regulations stipulated by the Board of Directors.</u></p>	<p>(Deleted)</p>
<p><u>(Restriction on Rights in Relation to Shareholdings Less Than One Unit)</u> <u>Article 8</u> <u>Shareholders of the Company may not exercise any rights other than the following rights with respect to shareholdings of less than one unit.</u> <u>(1) Rights listed in each item of Article 189, Paragraph 2 of the Companies Act;</u> <u>(2) The right to demand acquisition of shares with put options;</u> <u>(3) The right to receive allotment of shares for subscription and share options for subscription;</u> <u>and</u> <u>(4) The right to make a Demand for Purchase of shares less than one unit prescribed in the preceding Article.</u></p>	<p>(Deleted)</p>
<p>(Share Handling Regulations) Article 9 Statement or record in the shareholders’ register and the register of share options, <u>purchase or additional purchase of shares less than one unit</u> and other handling of shares or share options, and procedures and fees for exercising shareholders’ rights shall be subject to the Share Handling Regulations stipulated by the directors delegated</p>	<p>(Share Handling Regulations) Article 6 Statement or record in the shareholders’ register and the register of share options and other handling of shares or share options, and procedures and fees for exercising shareholders’ rights shall be subject to the Share Handling Regulations stipulated by the directors delegated by the Board of Directors or the resolutions of the</p>

<p>by the Board of Directors or the resolutions of the Board of Directors as well as the laws or regulations, or the Articles of Incorporation.</p> <p>(Article omitted) Article <u>10</u></p> <p><u>(Record Date)</u> Article <u>11</u> <u>1. The Company shall deem the shareholders with voting rights stated or recorded in the final shareholders' register as of March 31 of each business year to be the shareholders entitled to exercise their voting rights at the Annual Shareholders' Meeting for that business year.</u> <u>2. In addition to the preceding paragraph, an extraordinary record date may be determined, when necessary, by giving prior public notice upon a resolution of the Board of Directors.</u></p> <p>(Article omitted) Article <u>12</u></p> <p>(Article omitted) Article <u>13</u></p> <p><u>(Measures for Electronic Provision, Etc.)</u> Article <u>14</u> <u>1. When convening a Shareholders' Meeting, the Company shall take measures to electronically provide information that includes the contents of the reference materials, etc. for the Shareholders' Meeting.</u> <u>2. The Company may omit any or all of the items specified by a Ministry of Justice ordinance that are subject to electronic provision measures in the documents delivered to shareholders who have requested documents to be delivered in paper form by the record date for voting rights.</u></p> <p>Article <u>15</u> to Article <u>41</u> (Articles omitted)</p>	<p>Board of Directors as well as the laws or regulations, or the Articles of Incorporation.</p> <p>Article <u>7</u> (No change)</p> <p>(Deleted)</p> <p>Article <u>8</u> (No change)</p> <p>Article <u>9</u> (No change)</p> <p>(Deleted)</p> <p>Article <u>10</u> to Article <u>36</u> (No change)</p>
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**3. Amendment Date**

May 19, 2026 (Tuesday) (scheduled)

**4. Conditions for Amendment**

The amendments to the Articles of Incorporation in this proposal will become effective on the condition that the proposal for the Share Consolidation is approved as in the current draft at the Extraordinary Shareholders' Meeting and the Share Consolidation takes effect.

End