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January 27, 2026

To Whom It May Concern:



Company name: BrainPad Inc.

Representative: Tomohiro Sekiguchi, Representative Director, President and CEO
(Securities code: 3655, Listing: The Prime Market of the Tokyo Stock Exchange)

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Notice Regarding Share Consolidation, Abolition of the Provision on Share Units and Partial Amendment to the Articles of Incorporation

BrainPad Inc. (the “Company”) hereby announces that, as stated below, at the Board of Directors meeting (the “Board of Directors Meeting”) held today, the Company resolved to convene an extraordinary shareholders’ meeting that is scheduled to be held on February 26, 2026 (the “Extraordinary Shareholders’ Meeting”) and to submit to the Extraordinary Shareholders’ Meeting a proposal for a share consolidation, the abolition of the provision on share units and partial amendment to the Articles of Incorporation.

In the course of the above procedures, the shares of common stock of the Company (the “Company Shares”) will meet the delisting criteria stipulated in the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. (the “TSE”). As a result, the Company Shares are scheduled to be designated as securities to be delisted (*seiri meigara*) between February 26, 2026 and March 16, 2026 and subsequently delisted on March 17, 2026. Please note that, after being delisted, the Company Shares will no longer be traded on the Prime Market of the TSE.

I. Share Consolidation

1. Purpose of and Reasons for the Share Consolidation

As stated in the “Notice Regarding the Opinion in Support of the Tender Offer for the Shares of the Company by Fujitsu Limited, Recommendation to Tender the Shares, and Execution of the Business Integration Agreement” (as amended; the “Press Release on the Company’s Opinion”) published by the Company on October 30, 2025, Fujitsu Limited (the “Tender Offeror”), as part of transactions (the “Transactions”) intended to acquire all of the Company Shares (excluding treasury shares held by the Company; the same applies hereinafter) and make the Company a wholly-owned subsidiary of the Tender Offeror, implemented a tender offer (the “Tender Offer”) for the Company Shares and designated the period for purchase (the “Tender Offer Period”) as October 31, 2025 to December 15, 2025.

As stated in the “Notice Regarding Results of the Tender Offer for the Shares of the Company by Fujitsu Limited and Changes in respect of the Parent Company, the Largest Shareholder Among Major Shareholders, and a Major Shareholder” published by the Company on December 16, 2025, as a result of the Tender Offer, the Tender Offeror has come to hold 18,044,811 shares of the Company (ownership ratio (Note): 86.30%) as of December 22, 2025, the settlement commencement date of the Tender Offer.

(Note): “Ownership ratio” means the percentage (rounded up or down to the nearest two decimal places) of the number of shares (20,908,981 shares) equal to the total number of issued shares of the Company as of September 30, 2025 (22,300,596 shares) stated in the “Consolidated Financial Results for the First Quarter Ended June 30, 2026 (Under Japanese GAAP)” published by the Company on November 14, 2025 less the number of treasury shares held by the Company as of October 30, 2025 (1,391,615 shares) stated in the Press Release on the Company’s Opinion; the same applies to statements regarding ownership ratios below, unless otherwise specified.

The purpose and background of the Transactions, including the Tender Offer and the consolidation of the shares to make the Tender Offeror the only shareholder of the Company (the “Share Consolidation”), have been announced in the Press Release on the Company’s Opinion, and are outlined again below. Of the following statements, the descriptions regarding the Tender Offeror are based on the explanation received from the Tender Offeror.

(i) Process of Establishment of the Review Framework

Since receiving initial proposals in late July 2024 regarding capital alliances, including capital alliances involving a series of transactions to acquire 100% of the Company Shares, from several business companies including the Tender Offeror, the Company engaged continuously in discussions with each business company, while evaluating various strategic options to ensure the continued growth of the Company Group (the Company, its three consolidated subsidiaries and its one equity method affiliate; the same applies hereinafter). On July 23, 2024, to ensure fairness and transparency in its internal decision-making process, the Company established a committee consisting of four members, i.e., Mr. Ryuichi Ishii (External/Independent Director of the Company), Mr. Tetsuya Sano (External/Independent Director of the Company), Mr. Kazutaka Okubo (External/Member of the Audit and Supervisory Committee/Independent Director of the Company) and Ms. Makiko Ushijima (External/Member of the Audit and Supervisory Committee/Independent Director of the Company) (the “External Directors Committee”). Additionally, the Company appointed Nagashima Ohno & Tsunematsu as its legal advisor in late July 2024, after confirming their independence.

Subsequently, in mid-May 2025, the Company received a non-binding letter of intent from one of the aforementioned business companies other than the Tender Offeror (“Company Z”) for a series of transactions to acquire 100% of the Company Shares (“Company Z’s Letter of Intent”). Prompted by the receipt of Company Z’s Letter of Intent, taking into consideration the business environment surrounding the Company, the Company began contemplating options beyond pursuing its business independently such as business or capital alliances with third parties or the privatization of the Company Shares with the cooperation of a third party, to achieve further medium to long-term growth and increased corporate value. Based on these considerations, on May 23, 2025, the Company appointed Nomura Securities Co., Ltd. (“Nomura Securities”) as its financial advisor and third-party valuation agent, after confirming their independence. Thereafter, the Company began detailed examinations of strategic options, including the potential privatization of the Company by partners beneficial to its medium to long-term corporate value enhancement, including Company Z.

Subsequently, taking into account discussions with the External Directors Committee, Nagashima Ohno & Tsunematsu and Nomura Securities, in order to (i) form its opinion upon carefully evaluating whether the proposal outlined in Company Z’s Letter of Intent would contribute to the enhancement of its corporate value and securing the common interests of its shareholders and to (ii) achieve “negotiation aimed at best available transaction terms for shareholders” as indicated in the “Guidelines for Corporate Takeovers” established by the Ministry of Economy, Trade, and Industry on August 31, 2023 (the “Guidelines for Corporate Takeovers”), the Company began preparations to implement a process to not only scrutinize the contents of Company Z’s Letter of Intent through negotiations with Company Z, but also to identify any potential partners other than Company Z who may contribute to the enhancement of its medium-to-long-term corporate value

(the “Process”).

As stated above, the Company had established the External Directors Committee on July 23, 2024 upon receiving the initial proposal from Company Z to acquire 100% of the Company Shares through a series of transactions. However, in implementing the Bidding Process, considering the potential impact on its shareholders and in order to eliminate any potential arbitrariness concerning Company Z’s Letter of Intent and the Bidding Process and to establish a fair, transparent and objective decision-making process, as stated in “C. Establishment of an Independent Special Committee by the Company and Obtainment of a Report from the Special Committee” in “(3) Measures to Ensure the Fairness of the Transactions and Measures to Avoid Conflicts of Interest” in “3. Rationale, etc. for the Amount of Cash Expected to Be Delivered to the Shareholders in Compensation for the Fractional Shares Resulting from the Share Consolidation,” on June 19, 2025, by resolution of the Board of Directors of the Company and upon clarifying the scope of authority of the committee and the matters to be advised on, the Company established a special committee (the “Special Committee”) consisting of four independent external directors, i.e., Mr. Ryuichi Ishii (External/Independent Director of the Company), Mr. Tetsuya Sano (External/Independent Director of the Company), Mr. Kazutaka Okubo (External/Member of the Audit and Supervisory Committee/Independent Director of the Company) and Ms. Makiko Ushijima (External/Member of the Audit and Supervisory Committee/Independent Director of the Company), who have no conflicts of interest regarding the Company, the Prospective Tendering Shareholders (i.e., DisciPline Inc., the 2nd-largest shareholder of the Company as of October 30, 2025, Mr. Seinosuke Sato (“Mr. Sato”), Director and the 3rd largest shareholder of the Company as of October 30, 2025, Itochu Corporation, the 5th-largest shareholder of the Company as of October 30, 2025, Resona Holdings, Inc., the 6th-largest shareholder of the Company as of October 30, 2025, and Mr. Takafumi Takahashi (“Mr. Takahashi”), Chairman and the 10th-largest shareholder of the Company as of October 30, 2025; the same applies hereinafter), the Potential Partners (as defined in “(ii) Process of Review and Negotiation” below), or the success of the Transactions including the Tender Offer. For detailed information about the establishment and the specific activities of the Special Committee, please refer to “C. Establishment of an Independent Special Committee by the Company and Obtainment of a Report from the Special Committee” in “(3) Measures to Ensure the Fairness of the Transactions and Measures to Avoid Conflicts of Interest” in “3. Rationale, etc. for the Amount of Cash Expected to Be Delivered to the Shareholders in Compensation for the Fractional Shares Resulting from the Share Consolidation” below.

(ii) Process of Review and Negotiation

After establishing the aforementioned structures and processes for review and receiving legal advice including guidance on measures to ensure the fairness of procedures during the Bidding Process from Nagashima Ohno & Tsunematsu, the Company, to further increase its medium-to-long-term corporate value and to maximize the interests of its minority shareholders, conducted interviews of multiple business entities and private equity funds, including the Tender Offeror, through Nomura Securities, regarding their interest in acquiring the Company Shares, including the possibility of privatization. In late June 2025, the Company received non-binding letters of intent for a series of transactions to acquire 100% of the Company Shares from four potential partners, including the Tender Offeror (together with Company Z, the “Potential Partners”) (these letters of intent, together with Company Z’s Letter of Intent, collectively referred to as the “Potential Partners’ Letters of Intent”).

The Company carefully reviewed the content of the Potential Partners’ Letters of Intent, considering not only the tender offer price but also factors such as the likelihood of realizing the proposals, the preconditions for their financing, their understanding of the Company, their potential contribution to the medium-to-long-term growth of the Company, synergies expected between the Potential Partners and the Company, and management policies after the successful completion of the Transactions. As a result, in late July 2025, the Company selected the Tender Offeror, who presented the highest tender offer price and was evaluated to have the deepest

understanding of the Company and the most potential to contribute to the corporate value of the Company based on its strategy and measures for enhancing the corporate value of the Company in the medium to long term, as the candidate to prioritize negotiations with. Consequently, only the Tender Offeror was invited to participate in the due diligence process for implementing the Transactions.

Subsequently, over approximately six weeks from early August 2025 through mid-September 2025, the Tender Offeror conducted due diligence on the Company Group regarding business, financial, tax and legal matters. Concurrently, from late August 2025 to late September 2025, the Company engaged in detailed discussions with the Tender Offeror concerning the post-Transactions management structures and business policies and other aspects of the business alliance.

On October 8, 2025, the Company received a written proposal from the Tender Offeror proposing a purchase price per share of the Company Shares in the Tender Offer (the “Tender Offer Price”) of 2,706 yen per share ((i) a premium of 95.52% over 1,384 yen, which is the closing price on the Prime Market of the TSE on October 7, 2025, the business day immediately preceding the proposal date, i.e., October 8, 2025, (ii) a premium of 100.30% over 1,351 yen, the simple average value of the closing prices for the one month immediately preceding that date, (iii) a premium of 106.41% over 1,311 yen, the simple average value of the closing prices for the three months immediately preceding that date, and (iv) a premium of 114.08% over 1,264 yen, the simple average value of the closing prices for the six months immediately preceding that date).

Upon receiving this proposal, the Special Committee conducted a Q&A session with the Tender Offeror on October 10, 2025, to confirm the process of review from the submission date of the Potential Partners’ Letters of Intent and whether there was any room to increase the proposed price. The Tender Offeror clearly responded that there was no room to increase the Tender Offer Price. The Company responded on October 15, 2025, indicating that it did not have any objections to the current Tender Offer Price at that time and continued discussions with the Tender Offeror regarding the details of the business integration agreement between the Company and the Tender Offeror (the “Business Integration Agreement”). Subsequently, on October 29, 2025, the Company agreed on the details of the Business Integration Agreement with the Tender Offeror and conveyed through Nomura Securities that it accepts the Tender Offer Price of 2,706 yen.

After careful deliberations on the various terms of the Transactions, including the Tender Offer Price, and the significance of the Transactions, on October 29, 2025, the Special Committee submitted to the Company a report (the “Report”) stating that (i) the purpose of the Transactions is considered to be reasonable and the Transactions are considered to contribute to the enhancement of the corporate value of the Company, (ii) the terms and conditions of the Transactions (including the implementation methods of the Transactions (i.e., the implementation methods of a series of procedures to make the Tender Offeror the only shareholder of the Company and make the Company a wholly-owned subsidiary of the Tender Offeror (the “Squeeze-Out Procedures”) after the successful completion of the Tender Offer if the Tender Offeror fails to acquire all of the Company Shares through the Tender Offer) and the type of consideration for the Transactions) are considered to be appropriate, (iii) the procedures for the Transactions (including the process of selecting the Potential Partners) are considered to be fair, (iv) it is appropriate for the Board of Directors of the Company to express their opinion in support of the Tender Offer and to recommend that the shareholders of the Company tender their shares in the Tender Offer, and (v) the Transactions are considered to be not disadvantageous to the general shareholders of the Company (including minority shareholders). (For an overview of the Report, please refer to “C. Establishment of an Independent Special Committee by the Company and Obtainment of a Report from the Special Committee” in “(3) Measures to Ensure the Fairness of the Transactions and Measures to Avoid Conflicts of Interest” in “3. Rationale, etc. for the Amount of Cash Expected to Be Delivered to the Shareholders in Compensation for the Fractional Shares Resulting from the Share Consolidation” below).

(iii) Details of Decision

Through the foregoing process, at the Board of Directors meeting of the Company held on October 30, 2025, based upon the advice received from Nomura Securities from a financial perspective, the contents of the share valuation report obtained from Nomura Securities dated October 29, 2025 (the “Share Valuation Report (Nomura Securities)”) and the legal advice received from Nagashima Ohno & Tsunematsu regarding points to consider when making decisions concerning the Transactions, including the Tender Offer, and with full respect to the contents of the Report dated October 29, 2025, the Company carefully discussed and considered whether the Transactions would enhance the corporate value of the Company and whether the terms of the Transactions, including the Tender Offer Price, were appropriate.

As a result, considering the following points, among others, the Company has determined that the privatization of the Company by the Tender Offeror through the Transactions will create the synergies outlined below and the Transactions will contribute to the enhancement of the Company Group’s corporate value.

- (a) Significant acceleration of the growth of the Company by leveraging the Tender Offeror’s robust business foundation, which is the largest of its kind in Japan

The Tender Offeror, as the largest IT business in Japan, possesses an extensive customer base which the Company would find difficult to attain independently, as well as operational centers located nationwide and overseas. Leveraging this robust business foundation is expected to significantly accelerate the growth of the Company. In particular, gaining access to customer portfolios of industries that play significant economic and social roles in Japan, such as manufacturing, energy and finance, which the Company has not sufficiently penetrated, presents a substantial opportunity for expanding the business of the Company. Moreover, the Tender Offeror’s collaboration with global alliance partners in the Data & AI domain, its track record in overseas M&A, and utilization of talent across its delivery centers, which are domestic and international service delivery hubs, will not only mitigate the risks of the Company in talent acquisition but also propel the overseas business expansion of the Company. The Company believes this is essential for establishing a global service delivery framework for major Japanese companies.

- (b) Improved management flexibility and bold investments for mid-to-long-term growth as a result of the delisting of the Company Shares

Through the Transactions, by taking the Company private and welcoming new shareholders, the Company will be able to undertake bold business transformation from a broader, longer-term perspective, without being unduly constrained by short-term profit generation or share price fluctuations. This will enable the Company to dynamically execute bold and flexible upfront investments to strengthen business models that will be at the core of future growth, such as SaaS (Software as a Service), which is key to the transition of the Company from a labor-intensive business model, BPaaS (Business Process as a Service), which combines IT and human services for operational support, and AI agents, which are automation tools utilizing AI. Additionally, this will enable the Company to focus steadfastly on time- and cost-consuming strategies, such as expanding operations outside the Kanto region, which is currently the core of its operations, and entering overseas markets.

- (c) Promotion of the utilization of unique cutting-edge technologies

The Tender Offeror possesses Japan’s leading development capabilities and unique technologies in various cutting-edge fields, such as its unique AI technology, quantum computing, and security. Going forward, the Company will be able to readily access these

technologies, and by integrating the Data & AI utilization expertise of the Company, will be able to develop more advanced and competitive solutions. The Company recognizes that this will not only enhance the technological capabilities of the Company but will also expand its role as an IT company originating from Japan alongside the Tender Offeror.

In addition to creating the synergies mentioned above, the Tender Offeror, respecting the brand of the Company and experience as a pioneer in supporting Data & AI utilization in Japan, as well as the talent gathered at the Company and the culture they foster, will, for the time being after the successful completion of the Transactions, place importance on the independence of the brand and management of the Company, positioning the brand of the Company as one of its core brands in the Data & AI domain. Furthermore, recognizing the value of the talent of the Company, the Tender Offeror intends to hold discussions with the Company following the successful completion of the Tender Offer to establish a new incentive plan to support their continuous creation of value. The Company recognizes this as a reflection of the Tender Offeror's strong commitment not only to strive for remarkable growth in the Data & AI domain but also to boldly transition its business model as a solution provider focused on resolving social challenges. This commitment is something the Company strongly identifies with, as it aligns with the philosophy that the Company has followed since its establishment in 2004, which is to aim to solve social challenges for the purpose of "Promoting data utilization to create a sustainable future."

The disadvantages associated with privatizing the Company and becoming a group company of the Tender Offeror include the loss of benefits it previously enjoyed as a listed company, such as enhanced recognition and social credibility. Additionally, the Company has carefully considered the potential impacts of privatization, including the effects on employee motivation, the effects on the independence of the management and business operations of the Company, and the effects on its business partners, alliances and customers.

As a result, the Company has concluded that the disadvantages associated with privatizing the Company will be limited, based on, among other reasons, the following: (a) given that the Company Group has already established a certain level of recognition, awareness and social credibility within the industry, and it is considered that there will be no significant negative impact of privatizing the Company; (b) as a result of becoming a group company of the Tender Offeror, the Company expects to further enhance its recognition and expand its business by leveraging extensive customer base of the Tender Offeror Group (i.e., the corporate group consists of the Tender Offeror and its 271 consolidated subsidiaries and 14 equity method affiliates (as of March 31, 2025)); and (c) regarding the post-Transactions framework, from the perspective of the continuity of the management of the Company, maintaining a certain degree of management independence and preserving the brand has been confirmed as fundamental policies.

Furthermore, considering various circumstances such as those stated below, the Company has determined that the Tender Offer Price of 2,706 yen per share is an appropriate price that secures the benefits the minority shareholders of the Company should receive, and that the Tender Offer provides the minority shareholders of the Company with reasonable opportunity to sell the Company Shares at a price that includes an appropriate premium.

- (a) The Tender Offer Price was agreed upon as a result of thorough negotiations between the Tender Offeror and the Company, conducted with the participation of the Special Committee, with sufficient measures taken by the Company to ensure the fairness of the terms and conditions of the Transactions, including the Tender Offer Price, as described in "(3) Measures to Ensure the Fairness of the Transactions and Measures to Avoid Conflicts of Interest" in "3. Rationale, etc. for the Amount of Cash Expected to Be Delivered to the Shareholders in Compensation for the Fractional Shares Resulting from the Share Consolidation" below. Furthermore, the Tender Offer Price is the highest final proposal price among those submitted by the Potential Partners.

- (b) The Tender Offer Price exceeds the upper limit of the respective ranges set based on the average market price analysis and the comparable company analysis, and also exceeds the median of the range pertaining to the discounted cash flow method (the “DCF Method”) (2,654 yen) and falls within that range in Nomura Securities’ valuation of the Company Shares in the Share Valuation Report (Nomura Securities).
- (c) The Tender Offer Price is the price after applying (i) a premium of 100.00% over 1,353 yen, which is the closing price on the Prime Market of the TSE on October 29, 2025, the business day immediately preceding the announcement date of the Transactions, (ii) a premium of 103.15% over 1,332 yen, the simple average value of the closing prices for the one month immediately preceding that date, (iii) a premium of 104.54% over 1,323 yen, the simple average value of the closing prices for the three months immediately preceding that date, and (iv) a premium of 107.67% over 1,303 yen, the simple average value of the closing prices for the six months immediately preceding that date. The level of such premiums of the Tender Offer Price is extremely high compared to the premium levels observed in 52 examples of tender offers by other companies, which were conducted for the purpose of full acquisition or privatization of domestic listed companies, did not set an upper limit on the number of shares to be purchased, and were announced and successfully completed between January 1, 2022 and October 29, 2025 ((i) the median of premiums over the closing prices on the business day immediately prior to the respective announcement dates (53.26%); (ii) the median of premiums over the simple average value of the closing prices for the one month immediately preceding the said business day (53.88%); (iii) the median of premiums over the simple average value of the closing prices for the three months immediately preceding the said business day (57.59%); and (iv) the median of premiums over the simple average value of the closing prices for the six months immediately preceding the said business day (56.94%)).
- (d) The Tender Offer Price has been determined to be appropriate in the Report received from the Special Committee, as described in “C. Establishment of an Independent Special Committee by the Company and Obtainment of a Report from the Special Committee” in “(3) Measures to Ensure the Fairness of the Transactions and Measures to Avoid Conflicts of Interest” in “3. Rationale, etc. for the Amount of Cash Expected to Be Delivered to the Shareholders in Compensation for the Fractional Shares Resulting from the Share Consolidation” below.

Based on the above, the Company determined that the Transactions, including the Tender Offer, will contribute to enhancing the corporate value of the Company, and that the terms and conditions of the Transactions, including the Tender Offer Price, are appropriate, and at the Board of Directors meeting of the Company held on October 30, 2025, the Company resolved to express its opinion in support of the Tender Offer and to recommend the shareholders of the Company to tender their shares in the Tender Offer.

Subsequently, although the Tender Offer was successfully completed, the Tender Offeror failed to acquire all of the Company Shares in the Tender Offer. Therefore, the Company, at the request of the Tender Offeror, in order to make the Tender Offeror the only shareholder of the Company, resolved at the Board of Directors Meeting to convene the Extraordinary Shareholders’ Meeting for the Share Consolidation, in which 2,787,398 shares of the Company Shares will be consolidated into 1 share, as stated in “B. Consolidation Ratio” in “(2) Details of the Share Consolidation” in “2. Summary of the Share Consolidation” below, subject to the approval of the shareholders at the Extraordinary Shareholders’ Meeting.

As a result of the Share Consolidation, the number of Company Share(s) held by the shareholders of the Company other than the Tender Offeror is expected to be less than one share.

For details of the Transactions, please also refer to the Press Release on the Company’s Opinion.

2. Summary of the Share Consolidation

(1) Schedule of the Share Consolidation

Date of public notice of the record date for convening the Extraordinary Shareholders' Meeting	Thursday, December 11, 2025
Record date for convening the Extraordinary Shareholders' Meeting	Wednesday, December 31, 2025
Date of resolution at the Board of Directors Meeting	Tuesday, January 27, 2026
Date of the Extraordinary Shareholders' Meeting	Thursday, February 26, 2026 (tentative)
Date of assignment of the Company Shares to the securities to be delisted	Thursday, February 26, 2026 (tentative)
Last trading date of the Company Shares	Monday, March 16, 2026 (tentative)
Date of delisting of the Company Shares	Tuesday, March 17, 2026 (tentative)
Effective date of the Share Consolidation	Thursday, March 19, 2026 (tentative)

(2) Details of the Share Consolidation

A. Class of Shares to be Consolidated

Common shares

B. Consolidation Ratio

Every 2,787,398 shares of the Company Shares will be consolidated into 1 share.

C. Reduction in the Total Number of Outstanding Shares

20,832,201 shares (tentative)

(Note) Since the Company resolved at the Board of Directors Meeting to cancel its 1,468,388 treasury shares (equivalent to the total number of treasury shares held by the Company as of December 31, 2025 (1,391,615 shares) combined with the number of restricted shares for the officers and employees that the Company intends to acquire without consideration as treasury shares in the future (76,773 shares)) as of March 18, 2026, the "Reduction in the Total Number of Outstanding Shares" is based on the total number of outstanding shares after the cancellation. The cancellation of the treasury shares is subject to the proposal relating to the Share Consolidation being approved as originally proposed at the Extraordinary Shareholders' Meeting.

D. Total Number of Outstanding Shares prior to the Effective Date of the Share Consolidation

20,832,208 shares (tentative)

(Note) Since the Company resolved at the Board of Directors Meeting to cancel its 1,096,770 treasury shares (equivalent to the total number of treasury shares held by the Company as of December 31, 2025 (1,391,615 shares) combined with the number of restricted shares for the officers and employees that the Company intends to acquire without consideration as treasury shares in the future (76,773 shares)) as of March 18, 2026, the "Total Number of Outstanding Shares prior to the Effective Date of the Share Consolidation" is the total

number of outstanding shares after the cancellation. The cancellation of the treasury shares is subject to the proposal relating to the Share Consolidation being approved as originally proposed at the Extraordinary Shareholders' Meeting.

- E. Total Number of Outstanding Shares after the Effective Date of the Share Consolidation
7 shares
- F. Total Number of Shares Authorized to be Issued as of the Effective Date of the Share Consolidation
28 shares
- G. Method of Processing of Fractions Less Than One Share, and Amount of Cash Expected to Be Delivered to the Shareholders as a Result of the Processing of Fractions
- (i) Whether the Company Intends to Proceed pursuant to Article 235, Paragraph 1 of the Companies Act, or Article 234, Paragraph 2 as Applied *Mutatis Mutandis* under Article 235, Paragraph 2 of the Companies Act, and the Reasons therefore

As described in “1. Purpose and Reasons for the Share Consolidation” above, due to the Share Consolidation, the number of Company Share(s) held by each of the shareholders of the Company other than the Tender Offeror is expected to be less than one share.

With respect to the fractional shares resulting from the Share Consolidation, the Company will, in accordance with the provisions of Article 235 of the Companies Act (Act No. 86 of 2005, as amended; the same applies hereinafter) and other relevant laws and regulations, sell the Company Share(s) equivalent to the total number of such fractional shares (the “Shares Equivalent to Fractional Shares”) (if the total number includes a fraction of less than one share, the fraction will be rounded down pursuant to the provisions of Article 235, Paragraph 1 of the Companies Act), and deliver the proceeds of such sale to the shareholders in proportion to their fractional shares.

With respect to such sale, in view of the facts that the Share Consolidation is to be carried out as part of the Transactions intended to make the Tender Offeror the only shareholder of the Company, and that the Company Shares will be delisted as of March 17, 2026 and will become non-marketable shares and therefore it is considered that the possibility of a new purchaser appearing through an auction process is low, the Company plans to sell the Shares Equivalent to Fractional Shares to the Tender Offeror with the permission of the court pursuant to the provisions of Article 234, Paragraph 2 of the Companies Act as applied *mutatis mutandis* under Article 235, Paragraph 2 of the Companies Act.

If the above permission of the court is obtained as planned, the sale price in such case is planned to be set at a price that will result in the delivery to the shareholders of the cash equivalent to the amount obtained by multiplying the number of Company Shares held by each shareholder recorded in writing or digitally in the final shareholders' register of the Company as of March 18, 2026, which is the business day immediately preceding the effective date of the Share Consolidation, by 2,706 yen, which is the same amount as the Tender Offer Price. However, the amount of cash that will be actually delivered to the shareholders may differ from the above amount in cases where the Company is unable to obtain the permission of the court or it is necessary to make adjustments for fractions in the calculation or in other similar cases.

- (ii) Name of a Person Who is Expected to Become the Purchaser of the Shares pertaining to the Sale
Fujitsu Limited (the Tender Offeror)
- (iii) Method by which a Person Who is Expected to Become the Purchaser of the Shares pertaining to the Sale Secures Funds for Payment of the Purchase Price pertaining to the Sale, and the

Appropriateness of Such Method

The Tender Offeror will cover the funds for the acquisition of the Shares Equivalent to Fractional Shares by using funds deposited with Fujitsu Capital Limited (“Fujitsu Capital”), a subsidiary of the Tender Offeror. The Company has confirmed the deposit balance certificate dated October 29, 2025 pertaining to the deposit balance of Fujitsu Capital, which was submitted as an attachment to the Tender Offer Registration Statement regarding the Tender Offer. In addition, according to the Tender Offeror, no event has occurred that might hinder the Tender Offeror’s payment pertaining to the acquisition of the Shares Equivalent to Fractional Shares, and the Tender Offeror is not aware of any possibility of such an event occurring in the future.

Therefore, the Company has determined that the Tender Offeror’s method of securing funds for the acquisition of the Shares Equivalent to Fractional Shares is appropriate.

(iv) Prospect of the Timing of the Sale and the Timing of Delivery of Proceeds from the Sale to Shareholders

The Company intends to file a petition with the court for permission to sell the Shares Equivalent to Fractional Shares to the Tender Offeror by around early-April 2026 after the effective date of the Share Consolidation pursuant to the provisions of Article 234, Paragraph 2 of the Companies Act as applied *mutatis mutandis* under Paragraph 2 of Article 235 of the Companies Act. The timing of obtaining such permission may vary depending on, among others, the circumstances of the court, but the Company expects to sell the Shares Equivalent to Fractional Shares to the Tender Offeror by around mid-April 2026 with the permission of the court, and after making the necessary preparations to deliver the proceeds obtained through such sale to the shareholders of the Company, the Company expects to deliver such proceeds to the shareholders from early-July 2026.

In consideration of the period required for the series of procedures pertaining to the sale from the effective date of the Share Consolidation, the Company has determined that at each timing as described above, the Shares Equivalent to Fractional Shares will be sold and the proceeds obtained through such sale will be delivered to the shareholders of the Company.

3. Rationale, etc. for the Amount of Cash Expected to Be Delivered to the Shareholders in Compensation for the Fractional Shares Resulting from the Share Consolidation

(1) Rationale and Reason for the Amount of Cash Expected to Be Delivered to the Shareholders in Compensation for the Fractional Shares

A. Matters Noted So That the Interests of the Shareholders of the Company Other Than the Parent Company and Subsidiaries (If Any) Are Not Impaired

As part of the Transactions, the Share Consolidation is to be carried out as the second step of the so-called two-step acquisition process following the Tender Offer. However, the Tender Offer does not constitute a tender offer by a controlling shareholder or any of its affiliates. The Transaction, including the Tender Offer, also does not constitute a so-called management buyout (MBO) transaction (Note).

However, considering the fact that the Transactions are being implemented for the purpose of taking the Company private and making the Company a wholly-owned subsidiary of the Tender Offeror, and from the perspective of protecting the interests of the shareholders of the Company, the Company and the Tender Offeror have implemented the measures during the process of review of the Transactions as stated in “(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest” below in order to ensure the fairness and transparency of the Transactions, by eliminate any arbitrariness or potential conflicts of interest in the decision-making process of the Company.

(Note) “Management buyout (MBO)” means a transaction in which the tender offeror conducts a tender offer under an agreement with the officers of the target company and in which the tender offeror shares common interests with the officers of the target company.

B. Method of Processing of Fractions Less Than One Share, and Amount of Cash Expected to Be Delivered to the Shareholders as a Result of the Processing of Fractions and Matters Relating to the Appropriateness of Such Amount

The amount of cash expected to be delivered to the shareholders as a result of the processing of fractions will be the number of the Company Shares held by the shareholders recorded in writing or digitally in the Company’s final shareholders’ register as of March 18, 2026, which is the business day immediately preceding the effective date of the Share Consolidation, multiplied by 2,706 yen, the same amount as the Tender Offer Price, as stated in “(i) Whether the Company Intends to Proceed pursuant to Article 235, Paragraph 1 of the Companies Act, or Article 234, Paragraph 2 as Applied *Mutatis Mutandis* under Article 235, Paragraph 2 of the Companies Act, and the Reasons therefor” in “G. Method of Processing of Fractions Less Than One Share, and Amount of Cash Expected to Be Delivered to the Shareholders as a Result of the Processing of Fractions” in “(2) Details of the Share Consolidation” in “2. Summary of the Share Consolidation” above.

Considering various circumstances such as those stated below, the Company has determined that the Tender Offer Price and other terms and conditions of the Tender Offer are in the best interests of the Shareholders of the Company, and that the Tender Offer provides the minority shareholders of the Company with reasonable opportunity to sell the Company Shares at a price that includes an appropriate premium.

- (i) The Tender Offer Price was agreed upon as a result of thorough negotiations between the Tender Offeror and the Company, conducted with the participation of the Special Committee, with sufficient measures taken by the Company to ensure the fairness of the terms and conditions of the Transactions, including the Tender Offer Price, as described in “(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest” below. Furthermore, the Tender Offer Price is the highest final proposal price among those submitted by the Potential Partners.
- (ii) The Tender Offer Price exceeds the upper limit of the respective ranges set based on the average market price analysis and the comparable company analysis, and also exceeds the median of the range pertaining to the DCF Method (2,654 yen) and falls within that range in Nomura Securities’ valuation of the Company Shares in the Share Valuation Report (Nomura Securities).
- (iii) The Tender Offer Price is the price after applying (i) a premium of 100.00% over 1,353 yen, which is the closing price on the Prime Market of the TSE on October 29, 2025, the business day immediately preceding the announcement date of the Transactions, (ii) a premium of 103.15% over 1,332 yen, the simple average value of the closing prices for the one month immediately preceding that date, (iii) a premium of 104.54% over 1,323 yen, the simple average value of the closing prices for the three months immediately preceding that date, and (iv) a premium of 107.67% over 1,303 yen, the simple average value of the closing prices for the six months immediately preceding that date. The level of such premiums of the Tender Offer Price is extremely high compared to the premium levels observed in 52 examples of tender offers by other companies, which were conducted for the purpose of full acquisition or privatization of domestic listed companies, did not set an upper limit on the number of shares to be purchased, and were announced and successfully completed between January 1, 2022 and October 29, 2025 ((i) the median of premiums over the closing prices on the business day immediately prior to the respective announcement dates (53.26%); (ii)

the median of premiums over the simple average value of the closing prices for the one month immediately preceding the said business day (53.88%); (iii) the median of premiums over the simple average value of the closing prices for the three months immediately preceding the said business day (57.59%); and (iv) the median of premiums over the simple average value of the closing prices for the six months immediately preceding the said business day (56.94%).

- (iv) The Tender Offer Price has been determined to be appropriate in the Report received from the Special Committee, as described in “C. Establishment of an Independent Special Committee by the Company and Obtainment of a Report from the Special Committee” in “(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest” below.

In addition, the Company has confirmed that no factors have arisen that would require the Company to change its judgment regarding the Transactions since the Board of Directors meeting held on October 30, 2025 that decided to (i) express its opinion in support of the Tender Offer and (ii) recommend that the Company’s shareholders tender their shares in the Tender Offer, up until the Board of Directors Meeting that decided to convene the Extraordinary Shareholders’ Meeting.

Based on the above, the Company has determined that the amount of cash expected to be delivered to the shareholders as a result of the processing of fractions is appropriate.

C. Disposals by the Company of Material Assets, Assumption of Material Debts, and Other Events That Materially Affect the Company’s Financial Condition After the Last Day of the Last Fiscal Year

(i) Acquisition of a Company through Share Purchase

As stated in the press release titled “Notice Regarding the Acquisition of Shares of activecore, inc. (Subsidiarization)” published by the Company on August 8, 2025, the Company's board of directors meeting, held on the same day, resolved to acquire all shares of activecore, inc. and make it a subsidiary. For details, please refer to the aforementioned press release.

Subsequently, on October 1, 2025, the Company acquired all shares of activecore, inc., making it a subsidiary.

(ii) Disposal of Treasury Shares

As stated in the press release titled “Notice Regarding Disposal of Treasury Shares as Restricted Stocks to Our Directors, Executive Officers, and Employees” published by the Company on September 25, 2025, the Company disposed of 20,390 shares of its common stock at 1,401 yen per share (total disposal value: 28,566,390 yen) to the following individuals: 3 directors of the Company (excluding directors who are members of the Audit and Supervisory Committee and outside directors), 13 executive officers, and 14 employees, with a payment date of October 24, 2025. For details, please refer to the aforementioned press release.

(iii) Tender Offer

As stated in “1. Purpose of and Reasons for the Share Consolidation” above, the Tender Offeror carried out the Tender Offer with the Tender Offer Period lasting from October 31, 2025 to December 15, 2025. As a result the Tender Offer, as of December 22, 2025 (the day of commencement of settlement of the Tender Offer), the Tender Offeror has come to hold 18,044,811 Company Shares (ownership ratio: 86.30%).

(iv) Revision to Year-End Dividend Forecast (No Dividend)

As stated in the press release titled “Notice Regarding Revision to Year-End Dividend Forecast (No Dividend) for Fiscal Year Ending June 2026” published by the Company as of October 30, 2025, the Company resolved at the meeting of its Board of Directors held on the same day that, on the condition that the Tender Offer is successfully completed, it shall revise the dividend forecast of the fiscal year ending June 30, 2026 and it shall not perform a distribution of dividends for the fiscal year ending June 30, 2026. For details, please refer to the aforementioned press release.

(v) Cancellation of Treasury Shares

At the Board of Directors Meeting, the Company resolved to cancel 1,468,388 shares of the treasury shares (equivalent to all of the treasury shares held by the Company as of December 31, 2025 (1,391,615 shares) combined with the number of restricted shares for the officers and employees that the Company intends to acquire without consideration as treasury shares in the future (76,773 shares)) on March 18, 2026. The cancellation of the treasury shares is subject to the proposal relating to the Share Consolidation being approved as originally proposed at the Extraordinary Shareholders’ Meeting, and the total number of outstanding shares of the Company after cancellation will be 20,832,208 shares.

(2) Prospects of Delisting

A. Delisting

As stated in “1. Purpose of and Reasons for the Share Consolidation” above, the Company will carry out the Share Consolidation subject to shareholders’ approval at the Extraordinary Shareholders’ Meeting, and make the Tender Offeror the only shareholder of the Company.

As a result, the Company Shares will be delisted through the prescribed procedures in accordance with the delisting criteria as specified in the Securities Listing Regulations of the TSE. As for the schedule, the Company Shares are scheduled to be designated as securities to be delisted (*seiri meigara*) between February 26, 2026 and March 16, 2026 and subsequently delisted on March 17, 2026. After being delisted, the Company Shares will no longer be traded on the Prime Market of the TSE.

B. Reasons for Pursuing Delisting

As stated in “1. Purpose of and Reasons for the Share Consolidation” above, the Company has determined that the privatization of the Company Shares through the Transactions will contribute to the enhancement of the corporate value of the Company.

C. Impact on Minority Shareholders and Rationale Therefor

As stated in “C. Establishment of an Independent Special Committee by the Company and Obtainment of a Report from the Special Committee” in “(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest” below, the Company consulted with the Special Committee regarding whether the Transactions would be disadvantageous to its minority shareholders, and on October 29, 2025, the Company received from the Special Committee the Report stating that implementing the Transactions is not disadvantageous to the minority shareholders of the Company.

(3) Measures to Ensure the Fairness of the Transactions and Measures to Avoid Conflicts of Interest

As part of the Transactions, the Share Consolidation is to be carried out as the second step of the so-called two-step acquisition process following the Tender Offer. However, the Tender Offer does not constitute a tender offer by a controlling shareholder or any of its affiliates, and the Transactions,

including the Tender Offer, do not constitute a so-called management buyout (MBO) transaction.

However, considering the fact that the Transactions are being implemented for the purpose of taking the Company private and making the Company a wholly-owned subsidiary of the Tender Offeror, and from the perspective of protecting the interests of the shareholders of the Company, the Company and the Tender Offeror have implemented the following measures during the process of review of the Transactions in order to ensure the fairness and transparency of the Transactions, by eliminating arbitrariness and any potential conflicts of interest in the decision-making process of the Company. Of the measures set out below, descriptions of the measures that have been implemented by the Tender Offeror are based on the explanations given by the Tender Offeror.

A. Obtainment by the Tender Offeror of a Share Valuation Report from an Independent Third-Party Valuation Agent

In deciding the Tender Offer Price, in order to ensure the fairness of the Tender Offer Price, the Tender Offeror requested Daiwa Securities Co., Ltd. (“Daiwa Securities”), a financial advisor as a third-party valuation agent independent from the Company, the Prospective Tendering Shareholders, and the Tender Offeror, to calculate the share price of the Company Shares. Daiwa Securities is not a related party of the Tender Offeror, the Company, or the Prospective Tendering Shareholders nor does it have material interests in the Tender Offer.

On the assumption that the Company is a going concern, and that a multifaceted valuation of the Company Shares is appropriate, Daiwa Securities, after considering which of several calculation methods to adopt for the calculation of the share price of the Company Shares, applied the following methods in calculating the share price of the Company Shares: (i) the market price method, to take into account trends in the market prices of the Company, (ii) the comparable company method, as there are multiple listed companies which are comparable to the Company, which makes it possible to calculate the share price of the Company Shares by comparing it to comparable companies, and (iii) the DCF Method, to take into account the performance, forecasts, and other factors of the Company, and the Tender Offeror obtained a share price valuation report (the “Share Valuation Report (Daiwa Securities)”) from Daiwa Securities on October 29, 2025. The Tender Offeror did not obtain an opinion regarding the fairness of the Tender Offer Price from Daiwa Securities (a fairness opinion).

According to the Share Valuation Report (Daiwa Securities), the methods adopted and the ranges of the share price per Company Share calculated based on those methods are as follows.

Market price method: From 1,303 yen to 1,353 yen

Comparable company method: From 2,302 yen to 2,571 yen

DCF Method: From 2,344 yen to 3,608 yen

Under the market price method, the reference date of calculation was set as October 29, 2025, which is the business day immediately preceding the announcement date of the Tender Offer, and the estimated range of the share value per Company Share is 1,303 yen to 1,353 yen, based on the closing price of 1,353 yen for the Company Shares quoted on the Prime Market of the TSE on the reference date, the simple average closing price of 1,332 yen for the preceding one-month period (September 30, 2025 to October 29, 2025) (rounded to the nearest one yen; the same applies for each calculation of the simple average closing prices below), the simple average closing price of 1,323 yen for the preceding three-month period (July 30, 2025 to October 29, 2025), and the simple average closing price of 1,303 yen for the preceding six-month period (April 30, 2025 to October 29, 2025).

Under the comparable company method, the estimated range of the share value per Company Share is 2,302 yen to 2,571 yen which was derived by calculating the share value of the Company through comparison with the market share prices and financial indicators such as the profitability

of listed companies engaged in businesses that are relatively similar to those that the Company operates.

Under the DCF Method, the estimated range of the share value per Company Share is 2,344 yen to 3,608 yen, which was derived by analyzing the corporate and share value of the Company as calculated by discounting to present value, at a certain discount rate, the free cash flow that the Company is expected to generate from the fiscal year ending June 2026 onward, in the business plan adjusted by the Tender Offeror in light of the acquisition timing, based on revenue forecasts and investment plans under the business plan prepared by the Company for the period from the fiscal year ending June 2026 to the fiscal year ending June 2030, as well as publicly available information and other relevant factors. The business plan used by Daiwa Securities for analysis under the DCF Method includes fiscal years in which significant fluctuations in profit and loss are anticipated. Specifically, for the fiscal year ending December 2026, a significant increase in operating profit (an increase of 36.7% year-on-year) is projected, mainly due to a decrease in depreciation expenses and an increase in sales resulting from the expansion of personnel in the Professional Services business, in addition to a temporary increase in investment costs in the previous fiscal year. Further, for the fiscal year ending December 2027, a substantial increase in operating profit (an increase of 32.5% year-on-year) is expected, primarily due to reduced depreciation expenses and higher sales from the expansion of personnel in the Professional Services business, and significant growth in free cash flow (an increase of 30.0% year-on-year) is expected as a result of increased operating profit. The potential synergies expected to be realized as a result of the Transactions are not reflected in the analysis, as it is difficult at this stage to specifically estimate their impact on earnings.

Taking into comprehensive account the fact that the valuation results stated in the Share Valuation Report (Daiwa Securities) obtained from Daiwa Securities on October 29, 2025 exceeded the maximum value of the calculation results of the market price method and comparable company method, and was within the range of the calculation results of the DCF Method, the results of the due diligence on the Company conducted by the Tender Offeror from early August 2025 to mid-September 2025, benefits that the Transactions bring to the business of the Company, examples of premiums that have been provided upon determination of the tender offer price in past tender offers for share certificates, etc. conducted by parties other than the issuer for the purpose of making a company a wholly-owned subsidiary, trends in the market prices of the Company Shares, the likelihood of the Board of Directors of the Company supporting the Tender Offer and the expected outlook for tenders in the Tender Offer, the results of the discussions and negotiations with the Prospective Tendering Shareholders, and other factors, the Tender Offeror ultimately decided by resolution at its Board of Directors meeting held on October 30, 2025 to set the Tender Offer Price at 2,706 yen per share.

The Tender Offer Price of 2,706 yen includes (i) a premium of 100.00% on 1,353 yen, the closing price for the Company Shares quoted on the Prime Market of the TSE on October 29, 2025, which was the business day immediately preceding the announcement date of the Tender Offer, (ii) a premium of 103.15% on 1,332 yen, the simple average closing price for the preceding one-month period (from September 30, 2025 to October 29, 2025), (iii) a premium of 104.54% on 1,323 yen, the simple average closing price for the preceding three-month period (from July 30, 2025 to October 29, 2025, and (iv) a premium of 107.67% on 1,303 yen, the simple average closing price for the preceding six-month period (from April 30, 2025 to October 29, 2025, respectively.

B. Obtainment by the Company of a Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Agent

In expressing its opinion regarding the Tender Offer, in order to ensure fairness in its decision-making process regarding the Tender Offer Price, the Company requested Nomura Securities, as its financial advisor and third-party valuation agent independent from the Company, the Prospective Tendering Shareholders and the Tender Offeror, to calculate the share value of the Company Shares. Nomura Securities is not a related party of the Company, the Prospective

Tendering Shareholders nor the Tender Offeror and does not have any significant interest in relation to the Transactions.

Since the Company believes that the interests of the Company's minority shareholders have been sufficiently considered based on the other measures to ensure the fairness of the Tender Offer Price which have been implemented in relation to the Transactions, the Company has not obtained from Nomura Securities any opinion concerning the fairness of the Tender Offer Price (fairness opinion).

The remuneration to Nomura Securities for the Transactions includes contingency fees to be paid subject to conditions such as the successful completion of the Tender Offer. However, considering general customary practices in similar kinds of transactions, the Company determined that the independence of Nomura Securities would not be denied by the fact that the remuneration for Nomura Securities includes contingency fees to be paid subject to the successful completion of the Tender Offer and, accordingly, appointed Nomura Securities as its financial advisor and third-party valuation agent based on the above remuneration system.

Upon considering the valuation method for the Tender Offer and based on the premise that the Company is a going concern and based on the view that it is appropriate to evaluate the value of the Company Shares from various perspectives, Nomura Securities calculated the value of the Company Shares by applying (i) average market price analysis, since the Company Shares are listed on the Prime Market of the TSE, (ii) comparable company analysis, since similar listed companies comparable to the Company exist and the value of the Company Shares can be inferred by comparing similar listed companies, and (iii) DCF Method in order to reflect the Company's future state of business activities in the valuation.

According to Nomura Securities, the valuation methods applied to calculate the value of the Company Shares and the ranges of values per share of the Company Shares calculated based on such valuation methods are as follows.

Average market price analysis: From 1,303 yen to 1,353 yen

Comparable company analysis: From 986 yen to 2,381 yen

DCF Method: From 2,083 yen to 3,225 yen

The range of values per share of the Company Shares obtained from the average market price analysis is 1,303 yen to 1,353 yen, which is calculated based on the following prices quoted on the Prime Market of the TSE, using October 29, 2025 as the record date for calculation: 1,353 yen, the closing price of the Company Shares as of the record date; 1,345 yen, the simple average closing price over the most recent five business days; 1,332 yen, the simple average closing price over the most recent one-month period; 1,323 yen, the simple average closing price over the most recent three-month period; and 1,303 yen, the simple average closing price over the most recent six-month period.

The range of values per share of the Company Shares obtained from the comparable company analysis is 986 yen to 2,381 yen, which is derived through comparison with market share prices and financial indicators such as profitability of listed companies deemed comparable to the Company.

The range of values per share of the Company Shares obtained from the DCF Method is 2,083 yen to 3,225 yen, which is derived by evaluating the corporate value of the Company based on the free cash flow expected to be generated by the Company on or after July 1, 2025, taking into consideration assumptions deemed reasonable, such as revenue forecasts and investment plans based on the business plan (the "Business Plan") prepared by the Company for the fiscal years

ending June 2026 to June 2030, and discounting this to the present value at a certain discount rate that reflects the business risks, and by making certain financial adjustments, such as adding the value of cash equivalents held by the Company.

The Business Plan, which was used by Nomura Securities for the calculation under the DCF Method, includes fiscal years with significant projected revenue increases or decreases. Specifically, for the fiscal years ending June 2027 and June 2028, a significant increase in operating profit (up 41% and 32% year-on-year, respectively) is expected, primarily driven by the increase in net sales resulting from the increase in headcount in the Professional Services segment. Additionally, for the fiscal year ending June 2029, a significant increase in operating profit (up 32% year-on-year) is expected due to growth within the Product Services segment. Furthermore, for the fiscal years ending June 2026, June 2027, and June 2029, significant growth in free cash flow (up 46%, 44% and 31% year-on-year, respectively) is expected as a result of increased operating profit. The synergistic effects expected to be realized through the implementation of the Transactions are not included in these financial projections because it is difficult to estimate them specifically at this time.

(Note) In calculating the value of the Company Shares, Nomura Securities has not independently verified the accuracy or completeness of public information and any information provided by the Company, on the assumption that such information was accurate and complete. Nomura Securities has not independently evaluated, appraised or assessed and has not requested any third-party institution to appraise or assess the assets or liabilities (including derivatives, off-balance-sheet assets and liabilities, and other contingent liabilities) of the Company and its affiliated companies, including any analysis and valuation of individual assets and liabilities. It is assumed that the Company's business plan has been reasonably reviewed or prepared by the Company's management based on the best and good faith estimates and judgments available at the time of calculation. The calculation by Nomura Securities reflected information and economic conditions obtained by Nomura Securities before October 29, 2025. The sole purpose of the calculation by Nomura Securities is to serve as a reference for the Company's Board of Directors in its consideration of the value of the Company Shares.

- C. Establishment of an Independent Special Committee by the Company and Obtainment of a Report from the Special Committee
- (i) Background of Establishment of Special Committee, Etc.

As stated in "(i) Process of Establishment of the Review Framework" in "1. Purpose of and Reasons for the Share Consolidation" above, by a resolution at the Company's Board of Directors Meeting held on June 19, 2025, the Company established the Special Committee consisting of four members, i.e., Mr. Ryuichi Ishii (the Company's External/Independent Director), Mr. Tetsuya Sano (the Company's External/Independent Director), Mr. Kazutaka Okubo (the Company's External/Member of the Audit and Supervisory Committee/Independent Director) and Ms. Makiko Ushijima (the Company's External/Member of the Audit and Supervisory Committee/Independent Director), who have no conflicts of interest with the Company, the Prospective Tendering Shareholders and the Potential Partners, nor the success of the Transactions including the Tender Offer. Mr. Ryuichi Ishii was nominated as the Chairperson of the Special Committee among the members of the Special Committee. The members of the Special Committee have not changed since its establishment. In addition, it has been decided that a fixed amount of remuneration is to be paid to each member of the Special Committee as compensation for his or her duties regardless of the contents of their Report, and such remuneration does not include contingency fees, which are payable subject to successful completion of the Transactions.

Subsequently, as stated in "(i) Process of Establishment of the Review Framework" in "1. Purpose

of and Reasons for the Share Consolidation” above, the Company resolved to consult the Special Committee regarding the following matters (collectively, the “Consulted Matters”): (i) the legitimacy and reasonableness of the purpose of the Transactions (including whether the Transactions will contribute to the enhancement of the corporate value of the Company), (ii) the appropriateness of the terms and conditions of the Transactions (including the appropriateness of the method of implementation of, and the type of consideration for the Transactions), (iii) the procedures for the Transactions (including the review of to what extent measures should be taken to ensure fairness), (iv) the propriety for the Company’s Board of Directors to express an opinion in support of the Tender Offer and to recommend that the Company’s shareholders tender their shares in the Tender Offer, and (v) whether the Transactions are not disadvantageous to the Company’s general shareholders (including minority shareholders; the same shall apply hereinafter).

The Company’s Board of Directors adopted a resolution: (a) to respect the Special Committee’s Report as much as possible in making important decisions on the Transactions; and (b) to refrain from making a decision to implement the Transactions (including refraining from supporting the Tender Offer and from recommending shareholders to tender their shares in the Tender Offer) if the Special Committee concludes that the terms and conditions, etc. of the Transactions are not appropriate. In addition, the Company’s Board of Directors authorized the Special Committee: (i) to provide necessary advice to the Company’s executive directors and others in their consideration of the Transactions; (ii) to review the Company’s policies for discussions and negotiations with the Tender Offeror on the Transactions in advance, to receive reports on the status of those discussions and negotiations in a timely manner, to express the Special Committee’s opinion regarding discussions and negotiations on the Transactions, to make recommendations and requests to the Company’s Board of Directors, and to directly discuss and negotiate with third parties, including the Tender Offeror, where necessary and to the extent permitted by law; (iii) to request reports and information on the progress of, the status of discussion on, and other aspects of, the Transactions from the Company’s executive directors and others at any time; and (iv) (a) to appoint a financial advisor, third-party valuation agent and/or legal advisor or their equivalents (the “Advisors, Etc.”) for the Special Committee at the Company’s expense, to the extent necessary to fulfill the functions of the Special Committee, and (b) to evaluate the Company’s Advisors, Etc., and express the Special Committee’s opinion on, or give the Special Committee’s approval (including subsequent approval) to, their appointment.

(ii) Process of Review

The Special Committee held a total of 12 meetings for approximately 11 hours in total during the period from June 26, 2025 to October 29, 2025. In addition, the members of the Special Committee performed their duties regarding the Consulted Matters by, among others, frequently reporting and sharing information with each other, deliberating, and making decisions through e-mails, online meetings, etc. between meetings.

Specifically, the Special Committee first confirmed that there were no issues with the independence and expertise of Nomura Securities and Nagashima Ohno & Tsunematsu, and approved them as the Company’s financial advisor and third-party valuation agent, and legal advisor, respectively. In addition, the Special Committee confirmed that the Special Committee would receive expert advice from Nomura Securities and Nagashima Ohno & Tsunematsu as necessary.

In addition, taking into consideration the advice from a financial perspective from Nomura Securities, the Special Committee confirmed the reasonableness of the content, material assumptions, and the circumstances surrounding preparation of the Business Plan when the Business Plan was disclosed to the Tender Offeror.

Furthermore, when reviewing the Consulted Matters, the Special Committee submitted a list of questions to the Tender Offeror and conducted Q&A sessions with the Tender Offeror in both

interview format and in writing on the process of review from the date of submission of the Potential Partners' Letters of Intent and on whether there was any room to increase the proposed price. Similarly, the Special Committee received explanations from the Company's management, and conducted Q&A sessions as necessary, on, among others, (i) the significance and purpose of the Transactions, (ii) the content of the business integration with the Tender Offeror and the management structure after the delisting of the Company Shares, and (iii) the Company's negotiation policy.

Also, as described in "B. Obtainment by the Company of a Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Agent" above, Nomura Securities calculated the share value of the Company Shares based on the Business Plan and the Special Committee received explanations on: the results of calculation of the share value; the methods for calculating the share value of the Company Shares; the reasons for employing those calculation methods; and the details of and important assumptions for, each of the calculation methods. The Special Committee confirmed the reasonableness of the above details after conducting Q&A sessions and due review and discussion.

Furthermore, the Special Committee deliberated and discussed the policy on negotiations between the Company and the Tender Offeror after obtaining Nomura Securities' opinion and taking into consideration financial advice from Nomura Securities and confirmed the negotiation policy of the Company.

(iii) Details of Decision

Under the above circumstances, the Special Committee submitted the Report outlined below to the Company's Board of Directors on October 29, 2025, with the unanimous agreement of its members, as a result of carefully and repeatedly discussing and deliberating the Consulted Matters, taking into consideration the legal advice from Nagashima Ohno & Tsunematsu, the advice from a financial perspective from Nomura Securities, and the content of the Share Valuation Report (Nomura Securities) submitted on the same day.

(a) Contents of the Report

- i. The purpose of the Transactions is considered to be legitimate and reasonable, and the Transactions are considered to contribute to the enhancement of the corporate value of the Company.
- ii. The terms and conditions of the Transactions (including the method of implementation of the Transactions and the type of consideration for the Transactions) are considered to be appropriate.
- iii. Appropriate measures to ensure fairness were taken during the negotiation process leading up to the Transactions, and the procedures for the Transactions are considered to be fair.
- iv. It is appropriate for the Company's Board of Directors to express an opinion in support of the Tender Offer and to recommend that the Company's shareholders tender their shares in the Tender Offer.
- v. The Transactions are considered not to be disadvantageous to the Company's general shareholders.

(b) Rationale of the Report

- i. Legitimacy and appropriateness of the purpose of the Transactions (including whether the Transactions will contribute to the enhancement of the corporate value

of the Company)

- (1) Significance and purpose of the Transactions, and overview of the expected synergies resulting from the Transactions

According to (i) the draft of the Tender Offer Registration Statement (the “Draft Tender Offer Registration Statement”) received by the Special Committee from the Tender Offeror, (ii) the explanations and supplementary materials obtained from the Tender Offeror by the Special Committee, and (iii) the explanations and supplementary materials obtained from the management of the Company by the Special Committee, the significance and purpose of the Transactions and an overview of the expected synergies resulting from the Transactions are as follows.

- A. Explanation by the Tender Offeror on the significance and purpose of the Transactions and an overview of the expected synergies resulting from the Transactions

The Tender Offeror has been strengthening its growth investments and allocation of human resources, particularly in the Data & AI field, which it is considering positioning as a core business area going forward. Competition surrounding AI implementation and data infrastructure development for clients has been intensifying in that field. The Tender Offeror believes that, in order to secure a leadership position, it is essential not only to advance its own initiatives but also to strategically complement and enhance its capabilities through collaboration with proven partners. The Tender Offeror believes that by collaborating with the Company, a pioneer in the data science business in Japan and one of the largest vendors specializing in Data & AI, it will be able to realize the following synergies and benefits, achieve discontinuous growth and an advanced level of Data & AI services which the Tender Offeror cannot achieve alone, as well as leading a fundamental transformation of the industrial and human infrastructure in Japan, a country with advanced social issues where labor shortages and digital trade deficits are accelerating.

- (i) Collaborative development of professional services business

The two companies will be able to accelerate the development of their professional services businesses in the domestic market by leveraging both the Tender Offeror’s business foundation, which has been built through the construction and operation of IT systems that support Japan’s industrial base and core social infrastructure over many years, as well as through the acceleration of its Data & AI business in those high-barrier-to-entry fields, together with the Company’s highly successful Data & AI business foundation and proven track record in financial, retail, manufacturing, and services.

In addition, after carrying out the Transactions, (i) both companies will work to expand the scale of the Company’s business and strengthen its organization through personnel exchange centering on highly skilled personnel from the Tender Offeror and proactive efforts to expand the Company’s teams through M&A, (ii) further expanding human resources by accelerating the reskilling of the Tender Offeror’s personnel through the Company’s Data & AI training programs, and combining the Company’s highly skilled personnel with the Tender Offeror’s reskilled personnel, will further enhance the delivery system and increase the number of projects that can be handled while maintaining quality, and (iii) in the area of system integration and operation, which is partially outsourced by the Company, the Tender Offeror will leverage its

offshore development base, the Global Delivery Center, and its Japan hub, the Japan Global Gateway, in order to optimize quality, cost, and speed while establishing a more stable development and operation system that integrates in-house production.

(ii) Collaborative development of the Product Business

With regard to the Company's advanced marketing products, such as Rtoaster and Ligla, the Tender Offeror's top-class domestic customer base will allow it to jointly promote the expansion of these products into diverse industries, including manufacturing and finance. In addition, the Tender Offeror can contribute to the creation of new development opportunities through the Tender Offeror's global business platform. Also, the Tender Offeror's Customer Engagement, DIPaaS, and other offerings can be combined with the Company's professional services and product services to enable solutions that can lead to larger and longer projects.

(iii) Co-creation of new businesses leveraging cutting-edge technologies and global partners for sustainable growth

The Tender Offeror values the formation of an ecosystem in which, in addition to its own technologies, diverse other leading-edge technologies are always close at hand and in which the strengths of each party can be maximized, through close collaboration with global technology leaders and capital alliances with other companies. By combining the Company's knowledge with the advanced technology available to the Tender Offeror after the Transactions, the two companies will be able to swiftly co-create new products and services in rapidly changing industries, achieve sustainable growth for both companies, and contribute to the competitiveness of Japanese industry and the sustainability of Japanese society as a whole.

(iv) Exchange and development of personnel

In recent years, the Tender Offeror has focused on creating an environment in which diverse personnel can flourish and improve engagement through the evolution of its human resources system, including cross-group exchanges within the Tender Offeror Group, work-style reforms, and the introduction of job-based human resource management. The addition of the Company to the Tender Offeror Group will provide the Company's officers and employees with more attractive opportunities for career development through the variety of educational programs that the Tender Offeror can provide, participation in large and diverse projects in Japan and overseas, and contact with advanced technologies in areas such as AI, quantum, and security. Meanwhile, incorporating the Company's education program into the Tender Offeror's reskilling measures will shorten the training cycle and expand human resources in Data & AI, creating a virtuous cycle that will help to grow both companies' businesses.

B. Explanation by the Company's management on the significance and purpose of the Transactions and an overview of the expected synergies resulting from the Transactions

The Company's management has come to believe that the Tender Offeror delisting the Company Shares through the Transactions will create the synergies outlined below and the Transactions will contribute to the enhancement of the

Company Group's corporate value.

- (a) Significant acceleration of the Company's growth by leveraging the Tender Offeror's robust business foundation, which is the largest of its kind in Japan

Leveraging the Tender Offeror's robust business foundation as the largest IT business in Japan, the Company will be able to, in particular, gain access to customer portfolios of industries that play significant economic and social roles in Japan, such as manufacturing, energy and finance, which the Company has not sufficiently penetrated. Moreover, the Tender Offeror's collaboration with global alliance partners in the Data & AI domain, its track record in overseas M&A, and utilization of talent across its domestic and international delivery centers, which are domestic and international service delivery hubs, will not only mitigate the risks of the Company in talent acquisition but also propel the overseas business expansion of the Company, and, thereby, will significantly accelerate the Company's growth.

- (b) Improved management flexibility and bold investments for mid-to-long-term growth as a result of the delisting of the Company Shares

Through the Transactions, the Company will be able to undertake bold business transformation from a broader, longer-term perspective, without being unduly constrained by short-term profit generation or share price fluctuations. This will enable the Company to dynamically execute bold and flexible upfront investments to strengthen business models that will be at the core of future growth, such as SaaS (Software as a Service), BPaaS (Business Process as a Service) and AI agents, which are key to the Company's transition from a labor-intensive business model. Additionally, this will enable the Company to focus steadfastly on time- and cost-consuming strategies, such as expanding operations outside the Kanto region, which is currently the core of its operations, and entering overseas markets.

- (c) Promotion of the utilization of unique cutting-edge technologies

The Tender Offeror possesses Japan's leading development capabilities and unique technologies in various cutting-edge fields, such as its unique AI technology, security solutions and quantum computing. After the successful completion of the Transactions, the Company will be able to readily access these technologies, and by integrating the Company's Data & AI utilization expertise, will be able to develop more advanced and competitive solutions.

(2) Review of the disadvantages of the Transactions

According to the Company's management, the disadvantages associated with privatizing the Company and becoming a group company of the Tender Offeror include the loss of benefits it previously enjoyed as a listed company, such as enhanced recognition and social credibility. Additionally, it is anticipated that there could be other impacts of ceasing to be a publicly listed company, including impacts on the motivation of its employees, the independence of the Company's management and business operations, and on its business partners, alliances and customers. In contrast, according to the Company's management, the Company believes that the disadvantages associated with delisting the Company and becoming a member of the Tender Offeror Group will be limited, based on, among other reasons, the following:

- (a) the Company Group has already established a certain level of recognition, awareness and social credibility within the industry, and it is considered that there

will be no significant negative impact from delisting the Company Shares; (b) as a result of becoming a group company of the Tender Offeror, the Company expects to further enhance its recognition and expand its business by leveraging the Tender Offeror Group's extensive customer base; and (c) regarding the structure after the Transactions, from the perspective of the continuity of the Company's management, respecting the current management structure of the Company and the Company's strength in rapid decision-making have been confirmed as fundamental policies..

(3) Necessity of delisting the Company Shares and the rationality of the method

According to the Tender Offeror, the Tender Offeror believes that it is essential to make the Company a wholly owned subsidiary of the Tender Offeror in order to enable swift decision-making for the prompt execution of necessary measures, which is considered necessary to maximize the synergies of the Transactions.

Furthermore, according to the Tender Offeror's explanation, the Tender Offeror believes that by making the Company a wholly owned subsidiary and allowing the Company to utilize the resources of the Tender Offeror while maintaining the Company's brand, management structure, and independence after the successful completion of the Transactions, this will enable further growth that leverages the unique characteristics of the Company. In fact, there are actual cases in which similar arrangements have been made in the Tender Offeror's past acquisitions.

(4) Opinion of the Special Committee

Based on the above, upon careful discussions and deliberations, the Special Committee recognizes that the explanations provided by the Tender Offeror and the Company regarding the significance and purpose of the Transactions, including the overview of synergies expected from the Transactions, have a certain degree of concreteness and are reasonable.

Furthermore, while it cannot be denied that certain general disadvantages associated with delisting the Company Shares might arise from the Transactions, the recognition, familiarity, and social credibility of the Company Group within the industry are not expected to diminish due to privatization. After the successful completion of the Transactions, as a member of the Tender Offeror Group, it is possible to further enhance the recognition of the Company Group and expand its business. Thus, it is reasonable to consider that the disadvantages associated with delisting the Company Shares will be limited. Additionally, there seems to be no concrete possibility that the Transactions will cause disadvantages that would clearly outweigh the synergies expected from the Transactions. Further, there is nothing particularly unreasonable regarding the selection of the method of making the Company a wholly-owned subsidiary of the Tender Offeror as a method of business integration.

Based on the above, upon careful discussions and deliberations, the Special Committee concluded that the purpose of the Transactions has legitimacy and reasonableness, and that the Transactions will contribute to the enhancement of the corporate value of the Company.

- ii. Appropriateness of the terms and conditions of the Transactions (including the method of implementation of the Transactions and the type of consideration for the Transactions)

(1) Selection of the Business Integration Partner

The Company, following the process stated in “(i) Process of Establishment of the Review Framework” in “1. Purpose of and Reasons for the Share Consolidation” above, selected the Tender Offeror as its business integration partner in late July 2025. This decision was made because the Tender Offeror presented the highest tender offer price among the proposed prices submitted in the letters of intent from the Potential Partners and was evaluated to have the deepest understanding of the Company and the most potential to contribute to the Company’s corporate value based on its strategy and measures for enhancing the Company’s corporate value in the medium to long term. In selecting the Tender Offeror as the final potential partner under the Bidding Process, the Special Committee substantively participated in the implementation of the Bidding Process and the interactions with the Potential Partners, including (a) verifying the fairness and appropriateness of the Bidding Process, (b) discussing with the Company’s management the policy for discussions and negotiations between the Potential Partners and the Company’s management, and (c) providing opinions to the Company’s management on multiple occasions.

Under these circumstances, the Tender Offer Price determined through negotiations described in (2) below with the Tender Offeror, who was selected as the business integration partner, can be evaluated as having a certain degree of appropriateness.

- (2) Ensuring that, in discussions and negotiations of the transaction terms with the Tender Offeror, reasonable efforts have been made to conduct the M&A transaction on the best available transaction terms for general shareholders, while also increasing corporate value

On several occasions, the Company conducted, through the Bidding Process, negotiations and discussions with the Tender Offeror regarding the terms of the Transactions, while receiving (i) opinions, instructions, and requests from the Special Committee, including opinions and instructions on negotiation policies regarding the terms of the Transactions (such as the Tender Offer Price), during critical phases of the negotiation with the Tender Offeror; (ii) reports on the valuation results of the Company Shares, advice on negotiation policies with the Tender Offeror, and other advice, from a financial perspective, from Nomura Securities; and (iii) guidance on how to ensure the fairness of the procedures of the Transactions, as well as other legal advice, from Nagashima Ohno & Tsunematsu.

In this context, an active market check was conducted through the Bidding Process, and it can be assessed that effective procedures have been followed to achieve the most favorable terms possible for general shareholders in respect of the Tender Offer Price. The proposals from each candidate in the Bidding Process were merely non-binding initial expressions of intent, and generally speaking it would be possible to give multiple candidates the opportunity to conduct due diligence and to receive legally binding proposals from several candidates before selecting one; however, in light of the competitiveness of the Bidding Process, the price proposed by the Tender Offeror already included a sufficiently high premium. Additionally, given the risk of withdrawal of the proposal most advantageous in terms of enhancing corporate value and the common interests of shareholders due to not granting a right of exclusive negotiation at that point, and the risks of information leakage and the burden on management resources associated with allowing multiple candidates to conduct due diligence, granting the right of exclusive negotiation to the Tender Offeror and conducting negotiations solely with them for a certain period was not considered unreasonable (note that the exclusive negotiation right still allowed room for discussions with parties other than the Tender Offeror if certain conditions were met, meaning it did not completely preclude proposals from other parties and was thus deemed reasonable). Although the Tender Offer Price finally agreed upon was

lowered by 46 yen from the initial price of 2,752 yen proposed by the Tender Offeror, according to the explanation from the Tender Offeror, this reduction was based on the results of due diligence conducted on the Company Group, wherein the net interest-bearing debt of the Company Group, which is an item to be deducted when calculating the share value from the corporate value, was updated, and, after examining the feasibility of the Company's business plan and taking into comprehensive account the synergistic effects of the Transactions, there was no change in the evaluation of the Company Group's corporate value itself, which is a reasonable explanation. Further, even considering this reduction, the Tender Offer Price finally agreed upon includes, as detailed in (3) C. below, a very high premium compared to the premium levels in similar cases; and moreover, the Tender Offeror clearly responded that there was no room to increase the Tender Offer Price. Under the time constraints that both parties are facing in considering the Transactions, further price negotiations may jeopardize altogether the opportunity for the Transactions. Additionally, the Company's major shareholders, Mr. Sato and Mr. Takahashi (including their asset management companies) as well as Resona Holdings have indicated their intention to tender their shares in the Tender Offer at the Tender Offer Price. Given these circumstances, the Special Committee believes that the Company determined the Tender Offer Price as a result of good faith negotiations with the Tender Offeror, aimed at achieving the best possible transaction terms for shareholders of the Company.

(3) Details of the Share Valuation, which is an Important Basis for Judging the Reasonableness of Transaction Terms and the Rationality of the Financial Forecasts, Assumptions and Other Factors which are the Premises for Such Valuation

A. Valuation Method and Results and Reasonableness of Assumptions

As a measure to ensure the fairness and objectivity of the terms and conditions of the Transactions including the Tender Offer Price, the Company requested Nomura Securities, a financial advisor and third-party valuation institution independent from the Potential Partners (including the Tender Offeror) and the Company, to calculate the value of the Company Shares, and obtained the Share Valuation Report (Nomura Securities) from Nomura Securities on October 29, 2025.

After considering the valuation method to be applied to calculate the value of the Company Shares from among several valuation methods, and assuming that the Company is a going concern and keeping in mind that it is appropriate to evaluate the value of the Company Shares from various perspectives, Nomura Securities calculated the values per share of the Company Shares by applying (i) average market price analysis, since the Company Shares are listed on the Prime Market of TSE, (ii) comparable company analysis, since there are similar listed companies comparable to the Company, allowing for an analogical inference of the value of the Company Shares by comparable company analysis, and (iii) DCF Method in order to reflect the Company's status of future business activities in the valuation. The Special Committee received the results of the calculation of the share value, and also received explanations from Nomura Securities regarding each valuation method to calculate the value of the Company Shares, the reasons for selecting such valuation methods, the details of the calculation based on each valuation method, and important assumptions, and confirmed the reasonableness of these matters through questions and answers, deliberations, and examinations. In addition, the Special Committee also received an explanation of the Business Plan used for the calculation by the DCF Method and confirmed the reasonableness of the contents of the Business Plan.

Based on the above, the Special Committee believes that the valuation of the Company Shares in the Share Valuation Report (Nomura Securities) is reasonable in light of current practices.

B. Examination of the Valuation Results

According to the Share Valuation Report (Nomura Securities), the calculation results of values per share of the Company Shares are as follows.

Average market price analysis: From 1,303 yen to 1,353 yen

Comparable company analysis: From 986 yen to 2,381 yen

DCF Method: From 2,083 yen to 3,225 yen

The Tender Offer Price (2,706 yen per share) is (i) a price that exceeds the range of the results of the calculation based on the average market price analysis, (ii) a price that exceeds the range of the results of the calculation based on the comparable company analysis, and (iii) a price that falls within the range of the results of the calculation based on the DCF Method based on the Business Plan, and exceeds the median of the range, which is 2,654 yen.

C. Examination of the Premium Level

According to the Share Valuation Report (Nomura Securities), the Tender Offer Price is the price after applying (i) a premium of 100.00% over 1,353 yen, which is the closing price on the Prime Market of the TSE on October 29, 2025, the business day immediately preceding the announcement date of the Transactions, (ii) a premium of 103.15% over 1,332 yen, the simple average value of the closing prices for the one month immediately preceding that date, (iii) a premium of 104.54% over 1,323 yen, the simple average value of the closing prices for the three months immediately preceding that date, and (iv) a premium of 107.67% over 1,303 yen, the simple average value of the closing prices for the six months immediately preceding that date. The level of such premiums of the Tender Offer Price is extremely high compared to the premium levels observed in 52 examples of tender offers by other companies, which were conducted for the purpose of full acquisition or privatization of domestic listed companies, did not set an upper limit on the number of shares to be purchased, and were announced and successfully completed between January 1, 2022 and October 29, 2025 ((i) the median of premiums over the closing prices on the business day immediately prior to the respective announcement dates (53.26%); (ii) the median of premiums over the simple average value of the closing prices for the one month immediately preceding the said business day (53.88%); (iii) the median of premiums over the simple average value of the closing prices for the three months immediately preceding the said business day (57.59%); and (iv) the median of premiums over the simple average value of the closing prices for the six months immediately preceding the said business day (56.94%)).

(4) Reasonableness of the Acquisition Method and Types of Acquisition Consideration, etc.

According to the Draft Tender Offer Registration Statement, the Transactions are to be carried out in two steps: in the first step, the Tender Offeror will conduct the Tender Offer by setting a minimum number of shares to be purchased at the number

of shares which will result in the Tender Offeror's holding of two-thirds or more of the total number of voting rights of the Company when acquired; and in the second step, the Tender Offeror will carry out the Squeeze-Out Procedures through the Demand for Share Cash-Out or the Share Consolidation. Such scheme is a method commonly used to delist a listed company, and shareholders of the Company who are not satisfied with the Tender Offer Price can file a petition with the court for determination of the price after requesting the purchase of their shares.

Further, it is disclosed in the Draft Tender Offer Registration Statement that (i) the Squeeze-Out Procedures will be carried out promptly after the successful completion of the Tender Offer, and (ii) the amount of money to be delivered to the Company's general shareholders in the Squeeze-Out Procedures is planned to be equal to the Tender Offer Price.

In addition, the cash consideration for the Tender Offer has low risk in terms of value fluctuation, is highly liquid and, in addition, is relatively easy to evaluate when shareholders determine whether to tender their shares in the Tender Offer. Therefore, such cash consideration can be considered to be appropriate from the perspective of shareholder protection.

Based on the foregoing, the method and consideration of the Transactions are considered to be not disadvantageous to the Company's general shareholders.

(5) Sub-summary

As described above, it can be assessed that the increase in corporate value resulting from the Transactions will be appropriately distributed to the Company's shareholders and it can be evaluated that the fairness of the terms and conditions of the Transactions is ensured, considering various factors comprehensively, including (a) that the terms and conditions of the Transactions, including the Tender Offer Price, were obtained through the implementation of the Bidding Process; (b) in the process of forming the terms and conditions of the Transactions between independent parties, reasonable efforts were made to ensure that the Transactions would be conducted on the best available transaction terms for minority shareholders, while also increasing corporate value; (c) the Tender Offer Price is (i) above the range of the results of the calculation based on the average market price analysis, (ii) above the range of the results of the calculation based on the comparable company analysis, (iii) within the range of the results of the calculation based on the DCF Method and above the median value thereof, and (iv) above the highest closing price of the Company Shares for the past three years of 1,720 yen and the highest intra-day price of the Company Shares of 1,778 yen; and (d) the method of acquisition is not considered to be disadvantageous to the Company's general shareholders.

iii. The fairness of the procedures for the Transactions (including the review of to what extent measures should be taken to ensure fairness)

(1) Establishment of the Special Committee

The establishment of the Special Committee was resolved at a meeting of the Company's Board of Directors held on June 19, 2025 and at the time of its establishment, the Special Committee consisted of four independent outside directors of the Company.

Since receiving initial proposals in late July 2024 regarding capital alliances, including capital alliances involving a series of transactions to acquire 100% of the Company Shares, from several business companies including the Tender Offeror, the Company engaged continuously in discussions with each business company, while

evaluating various strategic options to ensure the continued growth of the Company Group. On July 23, 2024, to ensure fairness and transparency in its internal decision-making process, the Company established the External Directors Committee consisting of four members, i.e., Mr. Ryuichi Ishii (External/Independent Director of the Company), Mr. Tetsuya Sano (External/Independent Director of the Company), Mr. Kazutaka Okubo (External/Member of the Audit and Supervisory Committee/Independent Director of the Company) and Ms. Makiko Ushijima (External/Member of the Audit and Supervisory Committee/Independent Director of the Company).

Subsequently, in mid-May 2025, the Company received Company Z's Letter of Intent from Company Z. Prompted by the receipt of Company Z's Letter of Intent, the Company began contemplating the possibility that enhancing its medium- to long-term growth and corporate value might involve options beyond pursuing its business independently. These options could include business or capital alliances with third parties or the privatization of the Company Shares with the cooperation of a third party. With such considerations in mind, the Company started detailed examinations of strategic options, including the potential privatization of the Company by such business companies beneficial to its medium- to long-term corporate value enhancement, who may include Company Z.

Subsequently, in order to (i) form its opinion upon carefully evaluating and considering whether the proposal content described in Company Z's Letter of Intent would contribute to the enhancement of its corporate value and the securing of the common interests of its shareholders based on consultations with the External Directors Committee, Nagashima Ohno & Tsunematsu and Nomura Securities and to (ii) achieve the "negotiation aimed at best available transaction terms for shareholders" as indicated by the Guidelines for Corporate Takeovers, the Company began scrutinizing the contents of Company Z's Letter of Intent through negotiations with Company Z, and at the same time, began preparations for implementing the Bidding Process.

As stated above, the Company had already established the External Directors Committee on July 23, 2024 upon receiving the initial proposal from Company Z to acquire 100% of the Company Shares through a series of transactions. However, in implementing the Bidding Process, considering the potential impact on its shareholders and in order to eliminate any potential arbitrariness concerning Company Z's Letter of Intent and the Bidding Process and to establish a fair, transparent and objective decision-making process, on June 19, 2025, by resolution of the Company's Board of Directors and upon clarifying the scope of authority of the committee and the matters on which advice would be sought, the Company established the Special Committee consisting of four independent external directors, i.e., Mr. Ryuichi Ishii (External/Independent Director of the Company), Mr. Tetsuya Sano (External/Independent Director of the Company), Mr. Kazutaka Okubo (External/Member of the Audit and Supervisory Committee/Independent Director of the Company) and Ms. Makiko Ushijima (External/Member of the Audit and Supervisory Committee/Independent Director of the Company), who each have no conflicts of interest with the Company, the Prospective Tendering Shareholders, the Potential Partners, or the success of the Transactions including the Tender Offer. The Special Committee has been chaired by Mr. Ryuichi Ishii, an External Director (a Member of the Audit and Supervisory Committee) of the Company, with none of the original members of the Special Committee having been replaced since the External Directors Committee was first established.

Before the establishment of the Special Committee, the Company had, partly on the

advice of Nagashima Ohno & Tsunematsu: (i) provided the Company's independent outside directors who had no material interest in the Tender Offeror with an explanation to the effect, among others, that sufficient measures to ensure the fairness of the terms and conditions of the Transactions, including establishing the Special Committee, must be taken in conducting discussions, negotiations, etc. on the Transactions; and (ii) (a) provided those outside directors with (x) an explanation to the effect that the Company must ensure sufficient fairness of the procedures involved in the Transactions, and (y) explanations about the functions and other aspects of the Special Committee, and (b) exchanged questions and answers with these outside directors regarding the topics described above. In conjunction with the above, the Company, on the advice of Nagashima Ohno & Tsunematsu, reviewed the independence and qualifications, etc. of the above-mentioned four independent outside directors of the Company, who were candidates for members of the Special Committee, and checked that they had no material interest in the Tender Offeror and that they had no material interest that is different from the interest of the Company's general shareholders in whether or not the Transactions are completed. After subsequent discussions between the Company and its independent outside directors, with advice from Nagashima Ohno & Tsunematsu, it was confirmed that there were no objections to their nomination as candidates for members of the Special Committee.

The Special Committee's rules, which were formulated in consultation with the Special Committee, provide that the Company's Board of Directors shall respect the Special Committee's Report as much as possible, and refrain from making a decision to implement the Transactions (including refraining from supporting the Tender Offer and from recommending shareholders to tender their shares in the Tender Offer) if the Special Committee concludes that the terms and conditions of the Transactions are not appropriate. In addition, the Special Committee's rules provide that the Special Committee is authorized: (a) to provide necessary advice to the Company's executive directors and others in their consideration of the Transactions; (b) to review the Company's policies for discussions and negotiations with the Tender Offeror on the Transactions in advance, to receive reports on the status of those discussions and negotiations in a timely manner, to express the Special Committee's opinion regarding discussions and negotiations on the Transactions, to make recommendations and requests to the Company's Board of Directors, and to directly discuss and negotiate with third parties, including the Tender Offeror, where necessary and to the extent permitted by law; (c) to request reports and information on the progress of, the status of discussion on, and other aspects of, the Transactions from the Company's executive directors and others at any time; and (d)(i) to appoint the Advisors, Etc. for the Special Committee at the Company's expense, to the extent necessary to fulfill the functions of the Special Committee, and (ii) to evaluate the Company's Advisors, Etc., and express the Special Committee's opinion on, or give the Special Committee's approval (including subsequent approval) to, their appointment. The members of the Special Committee are intended to receive a fixed fee in consideration of their services, separately from their remuneration as outside directors, which is a system to ensure that the Special Committee members have no interest in whether or not the Transactions are completed.

The resolution of the Company's Board of Directors mentioned above was deliberated by the eight directors of the Company and was unanimously adopted by them.

As described above, the Special Committee, as an independent special committee at the Company, has been substantially involved in the examinations of strategic options, including business and capital alliances with third parties and the delisting

of the Company Shares with the cooperation of a third party, since late July 2024 when the Special Committee was established as the External Directors Committee. Since its establishment as the Special Committee on June 19, 2025, the Special Committee has been granted authority that allows the Special Committee to effectively function in the procedures for considering the Transactions. The Special Committee considers that it did actually function effectively. In particular, regarding price negotiations with the Tender Offeror, as stated in ii. (1) above, the Special Committee is not only substantially involved in the execution of the Bidding Process and interactions with the Potential Partners, but also, the Company sought confirmation from the Special Committee in advance of negotiations with the Tender Offeror on the Tender Offer Price. This allowed the Special Committee to secure a situation that allowed the Special Committee to exert substantive influence on the process of negotiations on the terms and conditions of the Transactions, by receiving reports on the status of negotiations in a timely manner, or by expressing its opinion, giving instructions, or making requests in critical phases, or by conducting hearings with the Tender Offeror. As for confirmation of the significance and purpose of the Transactions and as for the potential disadvantages that may result from the Transactions, the Special Committee obtained important information, including non-public information on the Transactions, on behalf of the Company's general shareholders by such means as receiving explanations from the Company's management as necessary, and conducting hearings with the Tender Offeror, and conducted discussions and made decisions based on such information.

(2) Obtainment of Expert Advice from External Advisors

A. Obtainment of Expert Advice

The Company appointed Nomura Securities and Nagashima Ohno & Tsunematsu as its financial advisor and legal advisor independent of the Tender Offeror and the Company, respectively. The Company deliberated on the Transactions while obtaining expert advice from Nomura Securities and Nagashima Ohno & Tsunematsu as needed.

Although the Special Committee did not appoint its own advisors, it deliberated on the Transactions from the perspective of enhancing the corporate value of the Company and the common interests of its shareholders, including the minority shareholders, while obtaining advice from Nomura Securities and Nagashima Ohno & Tsunematsu as needed.

B. Obtainment of a Share Valuation Report from a Third-Party Valuation Agent

In order to ensure the fairness of the Tender Offer Price, the Board of Directors of the Company obtained from Nomura Securities, its financial advisor and third-party valuation agent, which is independent of the Tender Offeror and the Company, the Share Valuation Report (Nomura Securities) as material regarding valuation results of the Company Shares.

In the Share Valuation Report (Nomura Securities), as detailed in ii.(3) above, several valuation methods were used to ensure that arbitrary share valuation did not occur. Additionally, with respect to the underlying Business Plan for such valuation, the Company's management explained that it was prepared based on the previous medium-term management plan (for the fiscal years ending June 2024 to June 2026), excluding the effects of undetermined M&A activities, and assuming steady growth primarily in the Company's current business activities. No circumstances were identified that would cast doubt on the fairness of the valuation.

- (3) Measures to Secure Opportunities for Other Offerors to Conduct a Tender Offer
- According to the Draft Tender Offer Registration Statement, the Tender Offeror set the Tender Offer Period at 30 business days. Setting a relatively longer Tender Offer Period is recognized as having the effect of securing the opportunity for shareholders to make appropriate decisions regarding participation in the Tender Offer, while also providing an opportunity for parties other than the Tender Offeror to conduct an offer for purchase of the Company Shares.

In addition, according to explanations from the Company and the Draft Tender Offer Registration Statement, an agreement has been made between the Company and the Tender Offeror that the Company may not withdraw its expression of opinion in support of the Tender Offer and recommendation that the Company's shareholders tender their shares in the Tender Offer, except under certain circumstances. Nevertheless, the Company may change or withdraw the expression of opinion under circumstances where the Company receives a legally binding, good faith acquisition offer from a third party to acquire all of the common shares of the Company (limited to cases where the tender offer price pertaining to such offer exceeds the Tender Offer Price by a certain percentage or more, and where the offer reasonably and significantly surpasses the Transactions from such perspectives as the feasibility of the transaction and the impact on the corporate value of the Company), the Company provides written notice to the Tender Offeror of such offeror and the details of the offer, and despite good-faith discussions between the Company and the Tender Offeror, (i) if the Tender Offeror does not modify the terms to be at least equivalent by the date a certain period has elapsed from the date of such notification, and (ii) if the Special Committee and the Board of Directors reasonably determine that there is reasonable risk that maintaining the expression of the supporting opinion (the opinion supporting the Tender Offer and recommending that the shareholders of the Company tender their shares in the Tender Offer) will constitute a breach of the duty of care of the directors of the Company. Such conditions can be considered reasonable, given that (x) the Company decided to perform the Transactions with the Tender Offeror after providing several Potential Partners, including the Tender Offeror, an opportunity to make a proposal through the Bidding Process, and therefore, it can be said that the Transactions were implemented after other transaction opportunities, such as the purchase of the Company Shares by parties other than the Tender Offeror, were actively provided, and (y) the Special Committee has received an explanation from the management of the Company that, during the period leading up to the announcement of the Transactions, careful discussions were held between the Tender Offeror and the Company, taking into account the impact of the transaction on the corporate value of the Company, and as a result of these discussions, it is anticipated that the business integration agreement will be reached under conditions that respect the independence of the Company regarding the management structure and the details of the business alliance after the Transactions.

Based on the above, it can be said that in the Transactions, in addition to the implementation of an active market check through the Bidding Process, by implementing the M&A after creating an environment in which other potential acquirers could make counterproposals following the announcement of the Tender Offer, the situation has been secured where a so-called indirect market check was also possible.

- (4) Enhancement of the Provision of Information to General Shareholders and Improvement of Process Transparency

In the press release regarding the Transactions, disclosures are planned in accordance with the applicable laws and regulations, as well as the timely disclosure rules of the

TSE. Additionally, certain disclosures are planned for the following: (i) information related to the Special Committee (including information on the independence and profiles of the committee members, details of the authority granted to the Special Committee, the review process by the Special Committee, the Special Committee's involvement in negotiations on transaction terms with the Tender Offeror, the content of the Report, and the remuneration system for the committee members), (ii) information on the results of the valuation of the Company Shares, (iii) other information related to the background and purpose of the Transactions, and the specific background of the discussions and negotiations on the transaction terms between the Company and the Tender Offeror. Therefore, it can be said that sufficient information will be disclosed to allow the Company's shareholders to make an informed judgment on matters such as the fairness of the transaction terms.

(5) Elimination of Coerciveness

According to the Draft Tender Offer Registration Statement, the Transactions employ a scheme where in the first stage the Tender Offer is conducted by setting the minimum number of shares to be purchased at a number at which the Tender Offeror will acquire at least two-thirds of all voting rights in the Company upon successful completion of the Tender Offer. This ensures that the Squeeze-Out Procedures will be carried out after successful completion of the Tender Offer. In the Squeeze-Out Procedures after the successful completion of the Tender Offer, the amount of money to be paid to the Company's general shareholders as compensation for the Squeeze-Out Procedures will be set at the amount calculated by multiplying the Tender Offer Price by the number of Company Shares held by these shareholders. This will be announced at the beginning of the Tender Offer. Based on the above, it is considered that measures are being taken to eliminate coerciveness of the Company's general shareholders with respect to the Transactions.

(6) Decision-Making Process at the Company

Since Mr. Sato and Mr. Takahashi, who are major shareholders and directors of the Company, are expected to enter into tender offer agreements and other contracts related to the Transactions with the Tender Offeror, it cannot be denied that, externally, they may appear to have interests that differ from those of the general shareholders. Therefore, in order to enhance the fairness, transparency, and objectivity of the decision-making process of the Company's Board of Directors concerning the Tender Offer and to avoid conflicts of interest, Mr. Sato and Mr. Takahashi are not planned to participate in the deliberations and resolutions of the Company's Board of Directors regarding the approval of the Transactions. Furthermore, Mr. Sato and Mr. Takahashi are not part of the Company's project team for the deliberation, negotiation, and decision-making process related to the Transactions, nor have they participated in discussions and negotiations with the Tender Offeror on behalf of the Company. Therefore, it is considered that the Company is taking prudent measures.

(7) Sub-summary

As described in (1) through (6) above, the Special Committee finds that, since the above-described measures to ensure fairness have been taken in discussing the Transactions, fair procedures have been followed in discussing the Transactions, and that sufficient consideration has been given to the interests of the Company's shareholders through these procedures.

iv. The propriety for the Company's Board of Directors to express an opinion in support

of the Tender Offer and to recommend that the Company's shareholders tender in the Tender Offer

In light of the detailed deliberations described in i. through iii. above, it is appropriate for the Company's Board of Directors to pass a resolution to express an opinion in support of the Tender Offer and to recommend that the Company's shareholders tender their shares in the Tender Offer.

- v. Whether the Transactions are not disadvantageous and are fair to the Company's general shareholders

The Special Committee concluded that, as detailed in i. above, the purpose of the Transactions is legitimate and reasonable and that the Transactions will contribute to the enhancement of the corporate value of the Company, and, in addition, the Special Committee has concluded that, as detailed in ii. and iii. above, for all of the Transactions, including the Tender Offer, the appropriateness of the Tender Offer Price and other terms and conditions of the Transactions, including the Tender Offer, has been ensured for the Company's general shareholders, and sufficient consideration has been given to the interests of the Company's general shareholders through fair procedures.

Therefore, it is recognized that the Transactions are not disadvantageous to the Company's general shareholders.

D. Obtainment by the Company of Advice from an Independent Legal Advisor

As stated in "(ii) Process of Review and Negotiation" in "1. Purpose of and Reasons for the Share Consolidation" above, the Company appointed Nagashima Ohno & Tsunematsu as its legal advisor independent from the Company, the Prospective Tendering Shareholders and the Tender Offeror, and the Company and received from Nagashima Ohno & Tsunematsu legal advice including advice concerning measures to be taken to ensure the fairness of the procedures in the Transactions, various procedures of the Transactions, and the method, process, etc. of the Company's decision-making regarding the Transactions.

Nagashima Ohno & Tsunematsu is not a related party of the Company, the Prospective Tendering Shareholders or the Tender Offeror, and does not have any significant interest in relation to the Transactions including the Tender Offer. The Special Committee confirmed that there was no issue in terms of the independence of Nagashima Ohno & Tsunematsu and approved the appointment of Nagashima Ohno & Tsunematsu as the legal advisor of the Company. Also, the remuneration for Nagashima Ohno & Tsunematsu does not include contingency fees, which would be payable subject to successful completion, etc. of the Transactions.

E. Approval of All Disinterested Directors (Including Members of the Audit and Supervisory Committee) of the Company

As stated in "1. Purpose of and Reasons for the Share Consolidation" above, the Company's Board of Directors carefully discussed and deliberated whether the Transactions including the Tender Offer will contribute to the enhancement of the corporate value of the Company and whether the terms and conditions of the Transactions including the Tender Offer Price are appropriate, taking into consideration the legal advice from Nagashima Ohno & Tsunematsu, advice from a financial perspective from Nomura Securities, and the content of the Share Valuation Report (Nomura Securities), with the highest degree of respect for the content of the decisions of the Special Committee expressed in the Report.

As a result, as stated in "1. Purpose of and Reasons for the Share Consolidation" above, the Company has determined that the Transactions will contribute to the enhancement of the

corporate value of the Company and that the terms and conditions of the Transactions including the Tender Offer Price are appropriate. Accordingly, the Company resolved, at its Board of Directors meeting held on October 30, 2025 and with unanimous approval of all of the Company's disinterested directors who participated in the deliberation and resolution (including those who are the members of the Audit and Supervisory Committee) (unanimous approval of all of the Company's six directors excluding Mr. Takahashi, who is the Chairman/Co-Founder of the Company and Mr. Sato, who is the Director/Co-Founder of the Company), to the effect that it shall (i) express its opinion in support of the Tender Offer, and (ii) recommend that the Company's shareholders tender their shares in the Tender Offer.

With respect to Mr. Takahashi and Mr. Sato, since (a) Mr. Takahashi has entered into the tender offer agreement (the "Tender Offer Agreement (Mr. Takahashi)") with the Tender Offeror under which Mr. Takahashi shall tender in the Tender Offer 256,000 shares (ownership ratio: 1.22%) (excluding the 12,190 restricted shares granted by the Company to Mr. Takahashi under the restricted share compensation plan, for which the restrictions on transfer were not been lifted as of October 30, 2025) (with respect to the 256,000 shares, 247,000 shares lent under the share lending agreement shall be limited to cases where share lending transactions for such shares have been closed and such shares have been returned to Mr. Takahashi on or before the last day of the Tender Offer Period (or, if the Tender Offer Period is extended, the last day of the extended Tender Offer Period; the same applies hereinafter)) and (b) Mr. Sato has entered into the tender offer agreement (the "Tender Offer Agreement (Mr. Sato)") with the Tender Offeror under which Mr. Sato shall tender in the Tender Offer 1,679,900 shares (ownership ratio: 8.03%) (excluding the 11,980 restricted shares granted by the Company to Mr. Sato under the restricted share compensation plan, for which the restrictions on transfer were not been lifted as of October 30, 2025) (with respect to the 1,679,900 shares, (i) 820,000 shares on which security interests are established shall be limited to cases where the security interests established thereon are released before the last day of the Tender Offer Period), and (ii) 223,000 shares that are lent under the share lending agreement shall be limited to cases where share lending transactions for such shares have been closed and such shares have been returned to Mr. Sato before the last day of the Tender Offer Period), and there is a possibility that their interests might not necessarily align with those of the minority shareholders of the Company, they have not participated in any deliberations or resolutions of the Board of Directors to avoid any potential conflicts of interest.

Moreover, as the Company was informed through Nomura Securities on July 30, 2025, that the Tender Offeror may propose to enter into the Tender Offer Agreement (Mr. Takahashi) and the Tender Offer Agreement (Mr. Sato) with Mr. Takahashi and Mr. Sato, respectively, to avoid any potential conflicts of interest and taking into consideration the legal advice received from Nagashima Ohno & Tsunematsu, its legal advisor, since that day, these individuals have not participated in any discussions or negotiations with the Tender Offeror in the capacity of the Company.

F. Measures to Secure an Opportunity for Other Offerors to Conduct a Tender Offer

The Tender Offeror and the Company have agreed in the Business Integration Agreement that, from the date of execution of the Business Integration Agreement until the expiration of the Tender Offer Period, the Company shall not, directly or indirectly, engage in solicitation or make proposals, conduct any consultations or negotiations, or provide any information in relation to any transaction or act with any party other than the Tender Offeror that conflicts with or contradicts the Transactions, or that may make it difficult or delay the execution of the Transactions, or otherwise hinder the implementation of the Transactions (including, without limitation, any transaction to acquire the Company Shares, whether through a tender offer, reorganization, or other method, or any transaction involving the disposal of all or a significant portion of the shares or businesses of the Company Group). Nonetheless, such agreement will not apply under circumstances where (i) the Company receives a legally binding, good faith acquisition offer from a third party to acquire all of the common shares of the Company (limited to cases where the tender offer price pertaining to such offer exceeds the Tender Offer Price by a

certain percentage or more, and where the offer reasonably and significantly surpasses the Transactions from such perspectives as the feasibility of the transaction, the impact on the Company's corporate value; an "Eligible Counter Offer") (in such case, the Company may, solely for the purpose of fulfilling the duty of care of its directors and to the extent reasonably determined necessary by the Board of Directors, engage in discussions, negotiations, or provide information to such third party(ies) related to such Eligible Counter Offer), and (ii) (x) despite the Company providing written notice to the Tender Offeror of such offeror and the details of the Eligible Counter Offer, the Tender Offeror has not made a new offer to change the Tender Offer Price to an amount equal to or greater than the tender offer price pertaining to the Eligible Counter Offer by the time a certain period has elapsed from the date of such notification, and (y) the Special Committee and the Board of Directors reasonably determine that there is reasonable risk that maintaining the expression of opinion in support of the Tender Offer will constitute a breach of the duty of care of the directors of the Company. As such, the Tender Offeror has not executed any agreement with the Company that excessively restricts Counter Offerors other than the Tender Offeror from contacting the Company, in order not to unfairly restrict opportunities for tender offers by parties other than the Tender Offeror, thereby taking care to ensure that opportunities for competing tender offers are not obstructed.

Furthermore, while the shortest tender offer period specified in the applicable laws and regulations is 20 business days, the Tender Offeror set the Tender Offer Period at a longer period of 30 business days. By setting the tender offer period at a longer period than the shortest tender offer period specified by the applicable laws and regulations, the Tender Offeror secures an opportunity for the Company's general shareholders to make an appropriate judgement on whether to tender their shares in the Tender Offer and an opportunity for persons other than the Tender Offeror to conduct a competing offer, thereby aiming to ensure fairness of the Tender Offer.

Moreover, as stated in "1. Purpose of and Reasons for the Share Consolidation" above, the Company decided to perform the Transactions with the Tender Offeror after providing several potential offerors, including the Tender Offeror, an opportunity to make a proposal through the implementation of an active market check. Therefore, it can be said that the Transactions came to be performed after other transaction opportunities, such as the purchase of the Company Shares by persons other than the Tender Offeror, were provided proactively.

Thus, the Company believes that opportunities for persons other than the Tender Offeror to purchase the Company Shares were sufficiently secured.

4. Future Prospects

As a result of the implementation of the Share Consolidation, as stated in "A. Delisting" in "(2) Prospects of Delisting" in "3. Rationale, etc. for the Amount of Cash Expected to Be Delivered to the Shareholders in Compensation for the Fractional Shares Resulting from the Share Consolidation" above, the Company Shares are scheduled to be delisted.

5. Details of Transactions, etc. with a Controlling Shareholder

(1) Applicability of Transactions, etc. with a Controlling Shareholder and Status of Compliance with Guidelines relating to Protection of Minority Shareholders

Since the Tender Offeror is a parent company of the Company as of today, transactions relating to the Share Consolidation constitute transactions with a controlling shareholder.

In the Corporate Governance Report disclosed by the Company on September 29, 2025, the Company did not establish the "guidelines relating to policies to protect minority shareholders in transactions, etc. with the controlling shareholder." However, the Company's basic policy is that, in conducting transactions, etc. with the controlling shareholder, it carries out procedures in compliance with laws and regulations and takes measures to ensure fairness of the content and terms and conditions of the transactions with the controlling shareholder and measures to avoid conflicts of interest, such as obtaining advice from experts and third-party institutions that have no material interest in either the

Company or the controlling shareholder, etc. as necessary, and takes appropriate actions so as not to harm the interests of minority shareholders.

In relation to the Transaction including the Tender Offer, the Company has taken measures to ensure fairness of the Transactions and measures to avoid conflicts of interest as stated in “(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest” in “3. Rationale, etc. for the Amount of Cash Expected to Be Delivered to the Shareholders in Compensation for the Fractional Shares Resulting from the Share Consolidation” above, and the Company believes that such actions are in compliance with the above policy.

(2) Details of Measures for Ensuring Fairness and Measures to Avoid Conflicts of Interest
Please refer to “(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest” in “3. Rationale, etc. for the Amount of Cash Expected to Be Delivered to the Shareholders in Compensation for the Fractional Shares Resulting from the Share Consolidation” above.

(3) Overview of Opinion Obtained from a Person Having No Conflicts of Interest with the Controlling Shareholder that these Transactions, etc. are Not Disadvantageous to Minority Shareholders

The Company received the Report submitted from the Special Committee on October 29, 2025, stating that conducting the Transactions is not disadvantageous to the Company’s minority shareholders. In addition, since the Report refers to the Transactions including the Share Consolidation following the successful completion of the Tender Offer, the Company has not obtained another opinion from a person having no conflicts of interest with the Controlling Shareholder in implementing the Share Consolidation.

For the details, please refer to “C. Establishment of an Independent Special Committee by the Company and Obtainment of a Report from the Special Committee” in “(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest” in “3. Rationale, etc. for the Amount of Cash Expected to Be Delivered to the Shareholders in Compensation for the Fractional Shares Resulting from the Share Consolidation” above.

II. Abolition of Provision on Share Units

1. Reason for Abolition

If the Share Consolidation becomes effective, the total number of outstanding shares of the Company will be 7 shares, which will eliminate the need for the provision on share units.

2. Scheduled Date of Abolition

March 19, 2026 (Thursday) (Scheduled)

3. Condition for Abolition

The provision on share units shall be abolished subject to the condition that the proposal concerning the Share Consolidation and the proposal concerning the partial amendments to the Articles of Incorporation regarding the abolition of the provision on share units (for details, please refer to “III. Partial Amendments to the Articles of Incorporation” below) are approved at the Extraordinary Shareholders’ Meeting as originally proposed and the Share Consolidation becomes effective.

III. Partial Amendments to the Articles of Incorporation

1. Purpose of the Amendments to the Articles of Incorporation

(1) If the proposal concerning the Share Consolidation is approved as originally proposed at the Extraordinary Shareholders’ Meeting and the Share Consolidation becomes effective, the total

number of the Company Shares authorized to be issued will be reduced to 28 shares pursuant to the provisions of Article 182, Paragraph 2 of the Companies Act. In order to clarify this point, Article 5 (Total Number of Shares Authorized to be Issued by the Company) of the Articles of Incorporation shall be amended subject to the condition that the Share Consolidation becomes effective.

- (2) If the proposal concerning the Share Consolidation is approved as originally proposed at the Extraordinary Shareholders' Meeting and the Share Consolidation becomes effective, the total number of outstanding shares of the Company will be 7 shares, which will eliminate the need for the share unit number provisions. As such, subject to the condition that the Share Consolidation becomes effective, the entire text of Article 7 (Number of Shares Constituting One Unit of Shares) and Article 8 (Restriction of Rights of Shareholders Holding Less Than One Unit) of the Articles of Incorporation shall be deleted in order to abolish the provision on share units, which currently stipulates one hundred shares per unit, and the number of articles associated with such amendment shall be renumbered.
- (3) If the proposal concerning the Share Consolidation is approved as originally proposed at the Extraordinary Shareholders' Meeting and the Share Consolidation becomes effective, the Company Shares will be delisted, and the Tender Offeror will become the only shareholder holding one or more shares of the Company Shares, which will eliminate the need for the provisions for acquiring treasury stock through market transactions or other means, the provisions for the record date of ordinary general shareholder's meetings, and the provisions for measures for electronic provision of materials for general meeting of shareholders. As such, subject to the condition that the Share Consolidation becomes effective, the entire text of Article 6 (Acquisition of Treasury Stock), Article 11 (Record Date) and Article 14 (Measures for Electronic Provision, Etc.) of the Articles of Incorporation shall be deleted, and the number of articles associated with such amendment shall be renumbered.

2. Details of the Amendments to the Articles of Incorporation

The details of the amendments to the Articles of Incorporation are as follows.

(The underlined portion indicates the amendments.)

Current Articles of Incorporation	Proposed Amendments
Articles 1 to 4 (Omitted)	Articles 1 to 4 (Unchanged)
(Total Number of Shares Authorized to be Issued by the Company) Article 5 The total number of shares authorized to be issued by the Company shall be <u>forty-two million (42,000,000)</u> shares.	(Total Number of Shares Authorized to be Issued by the Company) Article 5 The total number of shares authorized to be issued by the Company shall be <u>twenty-eight (28)</u> shares.
(Acquisition of Treasury Stock) Article 6 The Company may <u>acquire its own shares through market transactions or other means by resolution of the board of directors meeting.</u>	(Deleted)
(Number of Shares Constituting One Unit of Shares) Article 7 The number of shares constituting one <u>unit of shares of the Company shall be one hundred (100).</u>	(Deleted)

<p><u>(Restriction of Rights of Shareholders Holding Less Than One Unit)</u></p> <p><u>Article 8 Shareholders of the Company holding less than one unit may not exercise any rights other than those listed below:</u></p> <p>(1) <u>Rights listed in each item of Article 189, Paragraph 2 of the Companies Act;</u></p> <p>(2) <u>The right to request the acquisition of shares with put options; and</u></p> <p>(3) <u>The right to receive an allocation of offered shares or share options for subscription.</u></p>	<p>(Deleted)</p>
<p>Articles <u>9</u> to <u>10</u> (Omitted)</p>	<p>Articles <u>6</u> to <u>7</u> (Unchanged)</p>
<p><u>(Record Date)</u></p> <p><u>Article 11 1. With respect to the Company's shareholders meeting, shareholders recorded in writing or digitally in the final shareholder register as of June 30 each year shall be deemed eligible to exercise rights at the annual general meeting of shareholders for the relevant fiscal year.</u></p> <p><u>2. In addition to the provisions of the preceding paragraph and the Articles of Incorporation, the board of directors meeting may, when necessary, determine a record date by resolution after giving prior public notice.</u></p>	<p>(Deleted)</p>
<p>Articles <u>12</u> to <u>13</u> (Omitted)</p>	<p>Articles <u>8</u> to <u>9</u> (Unchanged)</p>
<p><u>(Measures for Electronic Provision, Etc.)</u></p> <p><u>Article 14. 1. In the convocation of general meetings of shareholders, the Company shall provide electronically information that is the content of reference documents for the general meeting of shareholders, etc.</u></p> <p><u>2. Of the matters to which electronic provision measures apply, the Company shall not to be required to record all or part of matters stipulated in the Ordinance of the Ministry of Justice in the physical documents provided to shareholders who made requests for the provision of physical documents by the record date for the voting rights.</u></p>	<p>(Deleted)</p>

Articles <u>15</u> to <u>39</u> (Omitted)	Articles <u>10</u> to <u>34</u> (Unchanged)
(Supplementary Provisions) (Omitted)	(Supplementary Provisions) (Unchanged)

3. Scheduled Date of the Amendments to the Articles of Incorporation

March 19, 2026 (Thursday) (Scheduled)

4. Condition for the Amendments to the Articles of Incorporation

The Articles of Incorporation shall be amended subject to the condition that the proposal concerning the Share Consolidation is approved at the Extraordinary Shareholders' Meeting as originally proposed and the Share Consolidation becomes effective.

End.