(Translation)

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Notice on the Introduction of the Fundamental Policy on Corporate Control of the Company Based on Specific Concerns that Reno Co., Ltd. and Other Parties will Carry Out Large-Scale Acquisition Activities in respect of the Company's Shares and the Response Policy for Large-Scale Acquisition Activities in respect of the Company's Shares

Fuji Media Holdings, Inc. (the "Company") has become aware that Reno Co., Ltd. ("Reno"), Ms. Aya Nomura, S-GRANT. CO., LTD. ("S-GRANT") and City Index First Co., Ltd. (together with Reno, Ms. Aya Nomura and S-GRANT, collectively referred to as "Reno and Other Parties") have been rapidly and extensively acquiring common shares of the Company (the "Company's Shares") on the stock market (the "Share Buying-up") since January 2025. According to the Large Shareholding Report Amendment No. 8 pertaining to the Company's Shares submitted by Reno and Other Parties on July 8, 2025, Reno and Other Parties had acquired 35,272,300 shares of the Company, equivalent to a shareholding ratio (meaning the shareholding ratio stipulated in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act. The same shall apply hereinafter.) of 15.06% as of July 1, 2025.

At the request of Mr. Yoshiaki Murakami ("Mr. Murakami"), the Company conducted multiple meetings between Mr. Murakami and his eldest daughter, Ms. Aya Nomura, and the members of the Board of Directors from February 2025 to July 2, 2025 (including meetings conducted when the current Independent Outside Directors of the Company were candidates for the member of the Board of Directors). At such meetings, Ms. Aya Nomura and Mr. Murakami indicated the possibility to continue to purchase large amount of the Company's Shares (the "Additional Share Purchases") and acquire the Company's Shares up to 33.3%. In addition, it was indicated that they had an intention to spin-off subsidiaries of the Company and transfer management control of the spun-off companies to Mr. Murakami. Furthermore, on July 7, 2025, the Company received a letter from Reno requesting, among other things, that the Company consider spinning off its subsidiaries. However, Reno and Other Parties have not held substantive discussions with the Company regarding the Share Buying-up and the Additional Share Purchases, and the Company has not received any substantive explanation of specific purposes or the terms and conditions of the Share Buying-up and the Additional Share Purchases, or of their intention or degree of involvement in the management of the Company after the Additional Share Purchases.

If Reno and Other Parties conduct the Additional Share Purchases, depending on their voting rights ratio, Reno and Other Parties may exert a strong influence on the management decisions of the Company by effectively acquiring a veto right over special resolutions of the Company's General Meetings of Shareholders. Even if their voting rights ratio does not reach that level, they will be in a position to exert substantial influence not only on the decisions to be made at General Meetings of Shareholders through the exercise of voting rights, but also on the management decisions of the Company. Ms. Aya Nomura and Mr. Murakami are considering, among other options, spinning off subsidiaries of the Company and having Mr. Murakami acquire management control of the spun-off company. This appears to be aimed at divesting the Company's important assets from the Company and placing the Company's subsidiaries under the control of Reno and Other Parties. Given that Reno and Other Parties are seeking to place the Company's

subsidiaries under their control, the Company is concerned that Reno and Other Parties will act to maximize their own interests and not from the perspective of the common interests of shareholders. In addition, under the new management structure, the Company is currently reviewing and considering various measures to enhance corporate value, including spin-offs, taking into account the advantages and disadvantages of such measures from a mid-to-long-term perspective. If Reno and Other Parties rapidly acquire the Company's Shares and gain substantial influence over the management decisions of the Company, there is a possibility that spin-offs will actually be implemented through coordination with other shareholders in respect of the spin-off without sufficient consideration or explanation regarding various things including the future direction of the business in the Urban Development, Hotels & Resorts Segment and the subsequent management policy of the Media & Content Segment, which should be considered from the perspective of enhancing the mid-to-long-term corporate value. However, there is insufficient information regarding the purpose and details of the Share Buying-up currently conducted by Reno and Other Parties, as well as the specific details of the spin-off, their influence on management after the spin-off, and their management policies. At least, the shareholders of the Company are completely unaware of the intentions of Reno and Other Parties and the Company believes that sufficient information to make an appropriate decision on the Share Buying-up from the perspective of the Company's corporate value and the common interests of shareholders has not been provided. The Company believes that it is undeniable that the Share Buying-up by Reno and Other Parties, coordination with other shareholders who agree with the spin-off of the Company's subsidiaries as intended by Reno and Other Parties and ultimately the management takeover of the Company's subsidiaries by Mr. Murakami could prevent maximization of the Company's corporate value and, consequently, the common interests of shareholders and damage them, which is becoming a realistic and imminent risk, given factors including (i) the court's finding of the previous investment activities of investors, including Mr. Murakami who has powerful influence on Reno and Other Parties, and the funds over which he exercises influence ("Murakami Funds") as stated in Exhibit 1 (for example, in the Yokohama District Court decision rendered on May 20, 2019, the Court found that Mr. Murakami and Murakami Funds purchased a large number of shares in multiple listed companies from 2012 to 2019, placed their management under pressure, and earned resale gains by causing those listed companies or their affiliated companies to purchase at high prices all or a substantial part of the shares purchased (page 126 of the *Siryoban Shojihomu* No. 424)).

Based on this belief, the Board of Directors has reasonably determined that there is a specific concern that Reno and Other Parties may conduct share acquisition activities with the aim of increasing their voting rights ratio to 20% or more through the Additional Share Purchase (i.e., the Large-Scale Acquisition Activities (as defined in III-2(2); the same shall apply hereinafter)) and it has concluded that in order to ensure that shareholders of the Company have the necessary information and time to make an appropriate decision about the potential impact of such Large-Scale Acquisition Activities on the corporate value of the Company and the sources thereof as well as the common interests of shareholders, and to enable the Board of Directors to negotiate or discuss with the Large-Scale Acquirer (as defined in III-2(2); the same shall apply hereinafter) regarding the Large-Scale Acquisition Activities or the Company's management policies, implementation of such Large-Scale Acquisition Activities in accordance with specific procedures established by the Board of Directors will contribute to the maximization of the Company's corporate value and the common interests of shareholders.

As a result, at today's Board of Directors meeting, the Board of Directors resolved to establish the Fundamental Policy on the Control of the Company's Financial and Business Policies (Article 118, Item 3 of the Companies Act Enforcement Regulations) with the aim of securing and enhancing corporate value of the Company and the common interests of shareholders. Furthermore, as a measure, in light of the Fundamental Policy, to prevent inappropriate parties from controlling decisions regarding the Company's financial and business policies (Article 118, Item 3, (b).2 of the Companies Act Enforcement Regulations), the Board of Directors resolved to introduce the response policy (the "Response Policy"), which consists of:

1. Addressing the Large-Scale Acquisition Activities of Reno and Other Parties that specifically raise concerns; and

2. Addressing other potential Large-Scale Acquisition Activities that may be planned under circumstances where there is a specific concern regarding Reno and Other Parties' Large-Scale Acquisition Activities in respect of the Company's Shares.

Accordingly, the Company announces the adoption of the Response Policy as outlined below. The Response Policy is primarily intended to address specific concerns regarding the Share Buying-up, which has already been materialized as a concrete issue. It differs from the so-called pre-warning takeover defense measures, which are introduced during normal circumstances.

The introduction of the Response Policy has been unanimously approved by the entire Board of Directors, including 6 Independent Outside Directors, at the above-mentioned Board of Directors meeting.

Alongside the above resolution, the Board of Directors has also decided to establish an Independent Committee to prevent arbitrary decision-making by the Board of Directors and to further enhance the fairness and objectivity in the implementation of the Response Policy. The Board of Directors has appointed six Independent Outside Directors as members of the Independent Committee. For further details on the establishment of the Independent Committee and the appointment of its members, please refer to the separate document titled "Notice Regarding Establishment of the Independent Committee and Appointment of Independent Committee Members" dated today.

Considering that the introduction of the Response Policy itself is not based on an explicit shareholder decision through a resolution at a General Meeting of Shareholders, the countermeasures under the Response Policy (specifically, the gratis allotment of stock acquisition rights) will only be activated by a resolution of the Board of Directors, fully respecting the recommendations of the Independent Committee, in the following cases: (a) where approval has been obtained at a General Meeting of Shareholders (the "Shareholders' Will Confirmation Meeting") and the Large-Scale Acquirer does not withdraw the Large-Scale Acquisition Activities; or (b) where the Large-Scale Acquirer fails to comply with the procedures set forth in III-2(3) below and attempts to carry out the Large-Scale Acquisition Activities. Even in the case (b), the Board of Directors may, in its discretion, decide to make the approval of the Shareholders' Will Confirmation Meeting a condition for the activation of countermeasures in order to respect the intentions of shareholders of the Company as much as possible.

Furthermore, the introduction of the Response Policy has been unanimously approved by the entire Board of Directors, including six Independent Outside Directors, at the above-mentioned Board of Directors meeting. If there is any amendment to the Companies Act, the Financial Instruments and Exchange Act or other laws, any rule, cabinet order, cabinet office order or ministerial order, or any rule of the financial instruments exchange on which the Company's Shares are listed (collectively referred to as the "Laws") (including a name change of any Law, and the enactment of any new Law to replace a former Law; the same shall apply hereinafter), and any such amendment is enforced, the provisions of the Laws quoted in the Response Policy will be respectively replaced by the relevant provisions of the amended Laws that substantively replace those former Laws, unless separately determined by the Board of Directors.

I. Fundamental Policy on the Manner in Which Control Over Decisions on the Company's Financial and Business Policies Should Be Exercised

As a publicly listed company, the Company believes that when a purchase proposal is made by a certain party that would have a significant impact on its fundamental management policies, the final decision on whether to accept or reject such a proposal should ultimately be entrusted to its shareholders. The Company also recognizes that, in making an appropriate decision, shareholders must be provided with the necessary and sufficient information to make an informed judgment.

When the Large-Scale Acquisition Activities are conducted, without the necessary and sufficient information being provided by the Large-Scale Acquirer, it would be difficult for shareholders to accurately assess how such Large-

Scale Acquisition Activities might impact on the corporate value of the Company and, consequently, the common interests of shareholders. Furthermore, certain Large-Scale Acquisition Activities may damage the corporate value that the Company has maintained and enhanced and, consequently, the common interests of shareholders, such as those with intentions of acquiring temporary and substantial control of the Company to transfer key tangible and intangible management assets to the Large-Scale Acquirer or its affiliated entities, utilizing the Company's assets to repay the debts of the Large-Scale Acquirer, forcing the Company or its affiliates to repurchase shares at a higher price despite having no genuine intent to participate in management (so-called "Greenmailing"), selling off the Company's high-value assets or directly distributing such assets as dividends to temporarily boost dividends without consideration for long-term sustainability, damaging the Company's good relationships with its stakeholders, thereby undermining its mid-to-long-term corporate value, preventing the Company's shareholders and Board of Directors from properly assessing the acquisition or purchase proposal and presenting an alternative proposal by withholding reasonably necessary time and information, or failing to appropriately reflect the true corporate value of the Company. The Company is a certified broadcasting holding company under the Broadcasting Act, and the voting rights that may be held by any one person (including a person who has any special relationship with that person as defined in the Broadcasting Act Enforcement Regulations) are limited to one-third or less (Article 164 of the Broadcasting Act). However, even under such restriction, if a person holds a percentage of voting rights close to one-third, it is possible for that person to exert a strong influence on the management decisions of the Company by effectively acquiring a veto right over special resolutions of the Company's General Meeting of Shareholders. Even if the percentage of voting rights held by that person does not reach that level, they will be in a position to exert substantial influence not only on the decisions to be made at General Meetings of Shareholders through the exercise of voting rights, but also on the management decisions of the Company. Furthermore, the restriction on voting rights based on the Broadcasting Act are intended to ensure the plurality, diversity, and regionality of broadcasting, and are not intended to secure the corporate value of certified broadcasting holding companies or the common interests of their shareholders. Therefore, even if such restriction is stipulated under the Broadcasting Act, it cannot be said that there is no risk that the corporate value of the Company and, consequently, the common interests of shareholders will be damaged by the Large-Scale Acquisition Activities. The occurrence of the Large-Scale Acquisition Activities as described above may damage the corporate value that the Company has maintained and enhanced and, consequently, the common interests of shareholders, which is no different from other listed companies.

In light of this recognition, the Company believes that it is the responsibility of the Board of Directors (i) to ensure that the Large-Scale Acquirer provides necessary and sufficient information to shareholders so that they can make an informed judgment, (ii) to assess and review the impact of the Large-Scale Acquirer's proposal on the corporate value of the Company and, consequently, the common interests of shareholders, and to provide the results of this evaluation as a reference for shareholders' decision-making, and, in some cases, (iii) to negotiate or discuss with the Large-Scale Acquirer regarding the Large-Scale Acquisition Activities or the Company's management policies or to present the Board of Directors' alternative management strategies to shareholders.

Based on this fundamental policy, the Board of Directors will require the Large-Scale Acquirer to provide the necessary and sufficient information to allow shareholders to make an appropriate decision. Additionally, the Company will timely and appropriately disclose the provided information and take appropriate measures within the scope permitted by the Laws and the Articles of Incorporation to safeguard and maximize the corporate value of the Company and, consequently, the common interests of shareholders.

The fundamental policy on the manner in which control over decisions on the Company's financial and business policies should be exercised is as described above. The Board of Directors believes that when the Large-Scale Acquirer seeks to carry out the Large-Scale Acquisition Activities, it should be a condition that shareholders are provided, in advance, with sufficient time and information necessary to review the purpose and details of such Large-Scale Acquisition Activities and determine their appropriateness, and that shareholders ultimately agree to the execution of such Large-Scale Acquisition Activities. From this perspective, as long as the Large-Scale Acquirer

complies with the procedures set forth in the Response Policy, the Board of Directors will convene a Shareholders' Will Confirmation Meeting as a forum for shareholders to conduct such review and make their judgment before deciding to activate any countermeasures under the Response Policy. If, at the Shareholders' Will Confirmation Meeting, shareholders express their intention to approve the proposed Large-Scale Acquisition Activities (in principle, such intention shall be expressed by the approval of a resolution at the Shareholders' Will Confirmation Meeting, whereby the majority of the voting rights exercised by shareholders attending the meeting vote in favor of authorizing the Company to implement the prescribed countermeasures in response to the Large-Scale Acquisition Activities. However, if the Independent Committee deems it inappropriate to grant voting rights to the Large-Scale Acquirer or other Ineligible Persons (as defined in 3(1)e.(a); the same shall apply hereinafter) based on the nature of the Large-Scale Acquisition Activities, a different method may be adopted while fully respecting the recommendations of the Independent Committee), then, provided that the Large-Scale Acquisition Activities are carried out in accordance with the conditions and details disclosed at the Shareholders' Will Confirmation Meeting, the Board of Directors will not take actions to effectively block such activities.

Accordingly, the countermeasures under the Response Policy (specifically, the gratis allotment of stock acquisition rights) will only be activated by a resolution of the Board of Directors, fully respecting the recommendations of the Independent Committee, in the following cases: (a) where approval has been obtained at the Shareholders' Will Confirmation Meeting and the Large-Scale Acquirer does not withdraw the Large-Scale Acquisition Activities; or (b) where the Large-Scale Acquirer fails to comply with the procedures set forth in III-2(3) below and attempts to carry out the Large-Scale Acquisition Activities. Even in the case (b), the Board of Directors may, in its discretion, decide to make the approval of the Shareholders' Will Confirmation Meeting a condition for the activation of countermeasures in order to respect the intentions of shareholders of the Company as much as possible.

II. Special Measures to Implement the Fundamental Policy

1. Initiatives to Enhance Corporate Value and Shareholder Common Interests

(1) Basic Management Policy

The Fuji Media Holdings Group (the "Group"), constantly recognizing its duty to the public and social responsibility as a broadcaster, has established a basic management policy of contributing to fuller and richer lives for all through the Media & Content Segment, Urban Development, Hotels & Resorts Segment, and other businesses.

(2) Strategies for Implementing the Basic Management Policy

With the highest priority placed on respecting human rights, the Company will be strongly committed to raising awareness of human rights and compliance and undertaking fundamental governance reforms, while aiming to steadily increase medium- to long-term corporate value of the Group by promoting growth strategies and improving return on capital of the Group.

a. Raising Awareness of Human Rights and Compliance

The Company believes it is essential to raise awareness of human rights and compliance across the Group and reform our corporate culture, and with the highest priority placed on respecting human rights, the Company will promote human capital management to maximize the value of its people. Specifically, in addition to continuing to conduct human rights due diligence, the Company will create a work environment to enhance the "psychological safety" of its employees and formulate and thoroughly implement training programs and guidelines. Furthermore, the Company aims to achieve sustainable growth by promoting the active participation of diverse personnel and by developing and recruiting talent with a business mindset. In

order to ensure that these reforms are implemented, the Company will introduce a system that quantifies engagement scores and the level of understanding of human rights and compliance, and incorporates these metrics into management objectives, and links achievement levels to executive compensation through regular progress checks.

b. Fundamental Governance Reforms

The Company will implement a highly independent and objective decision-making process, while also establishing a stronger risk management framework. Through these measures, the Company aims to further enhance its management oversight functions. Under the new management structure established after the ordinary general meeting of shareholders held in June this year (the "84th Ordinary General Meeting of Shareholders"), the Company has significantly reduced the total number of Directors and made the majority of them the Independent Outside Directors. In addition, to ensure diversity and promote multifaceted discussions, the Company has set a general rule that at least 30% of Directors should be women. Furthermore, the Company will establish the Risk Policy Committee, composed of the Independent Outside Directors and external experts to oversee key risks, including human rights risks, across the group organization. By strengthening the Board of Directors' check and oversight functions over management, the Company aims to build a management structure that is resilient to risks. In addition, the Company will establish the Nomination and Compensation Committee with a majority of the Independent Outside Directors, which will be responsible for deliberating on Director candidates and making recommendations to the Board of Directors, as well as formulating the succession plan. The Company will clarify the criteria for executive compensation and link it to management targets such as the engagement score to clarify accountability for organizational transformation, while increasing the proportion of stock-based compensation to share profits with stakeholders. Furthermore, with the aim of establishing a more effective and transparent nomination and compensation system, the Company will consider transitioning to a Company with a Nominating Committee, etc. under the new structure of the Board of Directors.

In addition, to prevent the long-term concentration of authority in specific individuals, the Company has introduced provisions regarding mandatory retirement for full-time Directors and term limits for Outside Directors. Furthermore, through amendment of Articles of Incorporation at the 84th Ordinary General Meeting of Shareholders, the Company has decided to allow an Independent Outside Director to serve as Chair of the Board of Directors and to abolish the senior advisor (*sodan-yaku*) system. Concurrently, the Company has also abolished the advisor (*komon*) system, in which former Directors, etc. assumed the title.

c. Promotion of the Group's Growth Strategy

The business environment surrounding the terrestrial TV business, which has been the mainstay of the Group, continues to change, and Fuji Television Network, Inc. ("Fuji Television") needs to proceed with comprehensive reforms to shift from a media-centric business structure such as broadcasting business to one that can generate diverse revenues based on strength in content. Concurrently, the Company will develop new growth strategies for the businesses of the Media & Content Segment by other than Fuji Television, which has generated revenue in areas relating to broadcasting, and the Company aims to drive evolution and transformation across the entire business portfolio.

Fuji Television reorganizes its organization and business structure to evolve into a "content company" centered on content and IPs. Fuji Television will maximize the value of content/IPs of TV programs and its related services while striving to realize an IP development cycle through which new revenue opportunities will be created. To this end, in addition to promoting the strengthening of dramas, movies, and anime content, and expansion of sales channels for the streaming-related businesses, Fuji Television will strategically invest in new areas of the content supply chain. Further, Fuji Television aims to promote the utilization of generative AI and strengthen DX to improve content production efficiency, and implement measures such as establishing a system to manage and operate investment efficiency by setting KPI on each content.

In addition, as part of the Company's efforts to reform and grow the Group's business portfolio, the Company will accelerate measures to address inefficient and unprofitable departments and invest its management capital intensively in business areas with growth potential. In the Urban Development area, the Company will invest in a variety of assets while considering sound finances to improve investment efficiency, and, in the tourism segment, will accelerate growth by capturing strong inbound demand.

d. Improvement of return on capital

The Company will promote capital allocation to achieve an optimal capital structure to enhance the medium- to long-term corporate value. The Company aims to sell shares held for the purpose of strategic shareholdings exceeding 100 billion yen within three years and reduce them to less than 15% of the net assets by the end of FY2027, with further reductions to follow. We will allocate cash generated through operating cash flow and the flexible use of interest-bearing debt, focusing on investments in the areas expected to grow such as IPs and content businesses and the development of new areas of business, with the aim of expanding our performance base. It is expected that the total investments for growth, including human capital investment, DX investments, and the expansion of the business base for the Urban Development, Hotels & Resorts Segment, will reach a scale of 250 billion yen over the next five years.

The Company recognizes improving capital efficiency as an important management issue and, assuming a business recovery, plans to repurchase over 100 billion yen by FY2029. In addition, the Company will, barring extraordinary circumstances, keep a high-standard and stable dividends aiming for consolidated dividend payout ratio of 50%, and enhance its shareholder return.

Through these initiatives, the Company will aim for achieving ROE of 8% or higher through improved business performance and return on capital.

2. Corporate Governance Initiatives

(1) Basic Approach to Corporate Governance

The Company is a certified broadcasting holding company under the Broadcasting Act.

In order to promptly respond to changes in the business environment and to enhance the corporate value of the Company and its subsidiaries, it is necessary to optimally allocate management resources. The Company believes that a certified broadcasting holding company is the most appropriate organizational format to achieve this goal.

The Group aims to steadily enhance its medium- to long term corporate value by promoting human capital management, promoting growth strategies through business reforms and improving return on capital, while placing the highest priority on respect for human rights. The Company recognizes that appropriate group governance is essential to achieving these goals.

On the other hand, the Company's subsidiary Fuji Television operates a broadcasting business with licensed airwaves, which are publicly owned assets. In order to fulfill our role as part of the social infrastructure, such as providing emergency broadcasts as a backbone medium to maintain lifeline functions, the Company believes that it is necessary to give utmost consideration to this mission. The Company believes that, as a result, this will contribute to enhancing the corporate value of the Group as a whole.

Accordingly, as a certified broadcasting holding company, the Company is respectful of the public nature inherent in broadcasting. Based on the fundamental principle of fulfilling the Company's social responsibility, in order to strive for sustained growth as a publicly listed company and the enhancement of the corporate value on a medium- to long term, we will continue to examine and consider the status of corporate governance structure for the Group.

(2) Overview of the Corporate Governance Structure

As of today, the Company has three Outside Directors out of seven Directors (excluding Directors who are Audit & Supervisory Committee Members) and three Outside Directors out of four Directors who are Audit & Supervisory Committee Members. All six Outside Directors are notified as independent directors with the Tokyo Stock Exchange.

Outside Directors attend, in principle, regular meetings once a month as well as the Board of Directors meetings and other meetings that are temporarily held as necessary and provide advice and recommendations based on their experience and expertise as appropriate.

In addition, the Company has established the Executive Committee as another body for business execution, for which meetings were held 12 times in FY2024. The Executive Committee, which is mainly composed of full-time Directors (including Directors who are full-time Audit & Supervisory Committee Members), discusses important management issues, deliberates in advance on important matters to be submitted to the Board of Directors, and shares information on the status of business execution in each department.

Further, the Management Advisory Committee established by the Company in June 2025 deliberates as an advisory body to the Board of Directors such matters as the appointment and dismissal of, and the decision on remuneration of, Directors and Executive Managing Officers, and succession plan from an independent and objective viewpoint, and provides advice and recommendations.

The audit by the Audit & Supervisory Committee at the Company is conducted in accordance with the Audit & Supervisory Committee auditing standards set by the Audit & Supervisory Committee, and based on the audit policy and annual audit plan. It involves hearing of business reports from directors, employees etc., understanding of the management trends of subsidiaries through on-site inspections, reviewing important documents related to decision-making, and hearing of reports from the Internal Audit Department and Internal Control Departments from time to time.

III. Measures to Prevent the Company's Financial and Business Policy Decisions from Being Controlled by an Inappropriate Party in Light of the Fundamental Policy

1. Purpose of the Response Policy

The Response Policy is introduced in accordance with the Fundamental Policy outlined in "I: Fundamental Policy on the Manner in Which Control Over Decisions on the Company's Financial and Business Policies Should Be Exercised," with the aim of maximizing the Company's corporate value and the common interests of its shareholders.

The Board of Directors believes that the final decision on whether to accept or reject any Large-Scale Acquisition Activities should be made by the shareholders, based on the perspective of maximizing the Company's corporate value and the common interests of its shareholders. In order for shareholders to make an appropriate and well-informed decision regarding such acquisitions, adequate information must be provided by the Large-Scale Acquirer, and shareholders must be given sufficient time for deliberation.

Based on this recognition, the Board of Directors has established the Response Policy as a framework to ensure that, when a Large-Scale Acquisition Activity is proposed, shareholders can assess whether such an acquisition would hinder the maximization of the Company's corporate value and the common interests of shareholders based on sufficient prior information. Accordingly, the Company will require the Large-Scale Acquirer to provide the necessary information and will establish a mechanism to secure the time required for shareholders to carefully consider whether to approve or reject the acquisition. The procedures set forth in the Response Policy are designed to provide shareholders with the necessary and sufficient information and time to appropriately assess whether to accept or reject a proposed Large-Scale Acquisition Activity. The Board of Directors firmly believes that this approach contributes to the maximization of the Company's corporate value and the common interests of its shareholders.

Therefore, the Board of Directors intends to require Large-Scale Acquirers to comply with the Response Policy and, in cases where such acquirers fail to comply with the policy, take certain countermeasures, fully respecting the opinion

of the Independent Committee, in order to maximize the Company's corporate value and the common interests of its shareholders.

The Response Policy has been introduced in response to the fact that Reno and Other Parties have purchased Company's Shares on the market through the Share Buying-up and now hold 15.06% of the Company's Shares. Given these circumstances, the Board of Directors has determined that it is necessary to establish certain procedures regarding Reno and Other Parties' Large-Scale Acquisition of the Company's Shares to ensure the maximization of the Company's corporate value and the common interests of its shareholders. Whether or not the Company will implement the prescribed countermeasures against Reno and Other Parties will ultimately be entrusted to the will of the shareholders through the Shareholders' Will Confirmation Meeting, provided that Reno and Other Parties comply with the procedures set forth in the Response Policy. Consequently, on the premise that sufficient time and information are secured to properly evaluate and examine the details of the Large-Scale Acquisition, if the activation of countermeasures is approved at the Shareholders' Will Confirmation Meeting after the Board of Directors fulfills its duty to explain to the shareholders, such countermeasures can be regarded as reflecting the rational will of the shareholders, and such countermeasures should be considered reasonable (for further details on the mechanisms enhancing the reasonableness of this Response Policy, please refer to 5 below).

2. Content of the Response Policy

(1) Overview

a. Procedures Related to The Response Policy

As stated above, the Company believes that the final decision on whether to accept or reject a Large-Scale Acquisition should ultimately be made by the shareholders. Accordingly, if the approval of shareholders is obtained at the Shareholders' Will Confirmation Meeting and the Large-Scale Acquisition is not withdrawn, the Company will implement the prescribed countermeasures to maximize its corporate value and the common interests of shareholders, while fully respecting the opinion of the Independent Committee.

Furthermore, the Response Policy requires the Large-Scale Acquirer to provide the necessary information as a prerequisite for shareholder decision-making. It also ensures that shareholders have sufficient time to carefully consider whether the proposed Large-Scale Acquisition should be accepted. Based on this, the policy aims to confirm the shareholders' intent regarding the Large-Scale Acquisition through the Shareholders' Will Confirmation Meeting. In the event that this objective is not achieved—namely, if the Large-Scale Acquirer fails to follow the procedures stipulated in (3) below and attempts to proceed with the Large-Scale Acquisition without compliance—the Board of Directors will, while fully respecting the opinion of the Independent Committee, activate the prescribed countermeasures. Even in such case, the Board of Directors may, in its discretion, decide to make the approval of the Shareholders' Will Confirmation Meeting a condition for the activation of countermeasures in order to respect the intentions of shareholders of the Company as much as possible.

b. Establishment of the Independent Committee

To ensure the proper implementation of the Response Policy, prevent arbitrary decisions by the Board of Directors, and maintain objectivity and rationality in decision-making, the Company has established an Independent Committee. This committee is composed of six independent outside directors, based on the Independent Committee Rules (for an overview, please refer to Exhibit 2). The names and brief biographies of the Independent Committee members are provided in Exhibit 3. The Independent Committee will provide recommendations to the Board of Directors on the activation of countermeasures and other necessary matters in accordance with the Response Policy. The Board of Directors will fully respect these recommendations when making decisions regarding the activation of countermeasures.

The Independent Committee may, as necessary, obtain advice from external professionals independent of both the Board of Directors and the Independent Committee, such as financial advisors, attorneys, certified public accountants, and tax accountants. The Company will bear all reasonable costs associated with obtaining such advice.

Decisions of the Independent Committee will, in principle, require the attendance of all current members and be made by a majority vote. However, in cases where a member is unable to attend due to unforeseen circumstances or other special reasons, decisions may be made with the attendance of a majority of members and approval by the majority of those present.

c. Utilization of Gratis Allotment of Stock Acquisition Rights as a Countermeasure

In the event that the countermeasure described in a. above is triggered, the Company will allot stock acquisition rights (the "Stock Acquisition Rights") to all shareholders through a gratis allotment of stock acquisition rights (pursuant to Article 277 and subsequent articles of the Companies Act). The Stock Acquisition Rights will be issued with discriminatory exercise conditions, whereby Ineligible Persons (as defined in 3(1)e.(a) below; the same shall apply hereinafter) will not be permitted to exercise their rights. Additionally, the Stock Acquisition Rights held by shareholders other than Ineligible Persons will be acquired by the Company in exchange for shares of the Company's common stock, whereas the Stock Acquisition Rights held by Ineligible Persons will be acquired in exchange for alternative stock acquisition rights with certain exercise conditions and acquisition clauses attached. (For details, please refer to 3 below.)

d. Acquisition of the Stock Acquisition Rights by the Company

If the Stock Acquisition Rights are allotted gratuitously under the Response Policy, and the Company acquires them in exchange for delivering shares to shareholders other than Non-Eligible Persons, the proportion of the Company's shares held by Non-Eligible Persons will be diluted to a certain extent.

(2) Targeted Large-Scale Acquisition Activities

Under the Response Policy, "Large-Scale Acquisition Activities" refers to such actions as reasonably deemed:

(i) Any acquisition of the Company's Share Certificates, etc. (Note 3) (including, but not limited to, the commencement of a tender offer) that aims to increase the Voting Rights Ratio (Note 2) of a Specific Shareholder Group (Note 1) to 20% or more;

(ii) Any acquisition of the Company's Share Certificates, etc. that results in the Voting Rights Ratio of a Specific Shareholder Group reaching 20% or more;

(iii) Regardless of whether the activities set forth in (i) or (ii) above have been implemented, any actions taken between a Specific Shareholder Group and other shareholders of the Company (including multiple shareholders, the same shall apply hereinafter in this (iii)) that, as a result, cause such other shareholders to fall under the category of a joint holder of the Specific Shareholder Group, or any actions reasonably deemed to establish a relationship between the Specific Shareholder Group and such other shareholders whereby one effectively controls the other, or they act in concert or coordinate their actions (Note 4) (provided, however, that this shall only apply where the combined shareholding ratio of such Specific Shareholder and such other shareholders reaches 20% or more with respect to the Company's Share Certificates, etc. issued by the Company).

Even though an activity falls under any of above categories, it should not constitute Large-Scale Acquisition Activities when the Board of Directors has given prior consent (Note 5). A "Large-Scale Acquirer" refers to any party that conducts or intends to conduct Large-Scale Acquisition Activities either alone or in concert with other parties.

(Note 1) A "Specific Shareholder Group" refers to:

(i) Holders of the Company's Share Certificates, etc. (as defined in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act (the "FIEA")), including those deemed as holders pursuant to Paragraph 3 of the same Article, as well as their Joint Holders (as defined in Paragraph 5 of the same Article, including those deemed as Joint Holders pursuant to Paragraph 6 of the same Article, hereinafter the same applies);

(ii) Persons conducting acquisitions of the Company's Share Certificates, etc. (as defined in Article 27-2, Paragraph 1 of the FIEA, including acquisitions conducted on financial instrument exchanges) and their Specially Related Parties (as defined in Article 27-2, Paragraph 7 of the FIEA, hereinafter the same applies); and

(iii) Affiliates of the persons specified in (i) or (ii), including investment banks, securities firms, and other financial institutions that have entered into financial advisory agreements with them, other entities sharing substantial interests with them, tender offer agents, lawyers, accountants, tax accountants, or any other advisors, as well as any entities substantially controlled by or acting in concert with them, as reasonably determined by the Board of Directors.

(Note 2) The "Voting Rights Ratio" shall be calculated based on the specific method of acquisition employed by the Specific Shareholder Group and shall be defined as follows:

(i) If the Specific Shareholder Group consists of holders of the Company's Share Certificates, etc. (as defined in Article 27-23, Paragraph 1 of the FIEA) and their Joint Holders, the Shareholding Ratio of such holders (as defined in Article 27-23, Paragraph 4 of the FIEA). In this case, the number of Share Certificates, etc. held by the Joint Holders (as defined in the same Article) shall also be considered in the calculation; or

(ii) If the Specific Shareholder Group consists of persons conducting acquisitions of the Company's Share Certificates, etc. (as defined in Article 27-2, Paragraph 1 of the FIEA) and their Specially Related Parties, the aggregate Shareholding Ratio (as defined in Article 27-2, Paragraph 8 of the FIEA) of such acquirers and their Specially Related Parties.

For the calculation of the Shareholding Ratio under (i) above, unless the Independent Committee determines that there is no issue from the perspective of the Company's corporate value and the common interests of shareholders:

(a) Specially Related Parties (as defined in Article 27-2, Paragraph 7 of the FIEA),

(b) Investment banks, securities firms, and other financial institutions that have entered into financial advisory agreements with the relevant shareholder, as well as the shareholder's tender offer agents, lead managing securities firms, lawyers, accountants, tax accountants, and other advisors,

(c) Persons who have acquired the Company's Share Certificates, etc. from those listed in (a) and (b) through off-market transactions or Tokyo Stock Exchange's ToSTNeT-1 trading system, shall be deemed Joint Holders of the relevant shareholder under the Response Policy.

For the calculation of the Shareholding Ratio under (ii):

Joint Holders (including those deemed Joint Holders under the Response Policy) shall be deemed Specially Related Parties of the relevant shareholder under the Response Policy.

Furthermore, the total number of issued shares (as defined in Article 27-23, Paragraph 4 of the FIEA) and the total number of voting rights (as defined in Article 27-2, Paragraph 8 of the FIEA) shall be based on the most recent securities reports, semi-annual reports, or share repurchase reports submitted.

(Note 3) "Share Certificates, etc." refers to Share Certificates, etc. as defined in Article 27-23, Paragraph 1 of the FIEA.

(Note 4) The determination of whether a "Specific Shareholder Group and other shareholders have established a relationship where one effectively controls the other or they act in concert or coordinate their actions" shall be made based on factors such as capital relationships, business alliances, transactional or contractual relationships, overlapping officers, financial support arrangements, credit provision relationships, patterns of share acquisitions, patterns of voting rights exercise regarding the Company's Share Certificates, etc., formation of substantial interests through derivatives or securities lending, and any direct or indirect influence the Specific Shareholder Group and the other shareholders may exert on the Company, pursuant to the Identification Criteria for Joint and Concerted Action (Exhibit 4; provided, however, that the Independent Committee may revise such criteria to a reasonable extent, in light of revisions of Laws, trends in court precedents, and other relevant factors).

(Note 5) The determination of whether any of the activities described in (i) to (iii) of the Response Policy have been conducted shall be made by the Board of Directors based on reasonable judgment (with the Board of Directors maximizing respect for recommendations by the Independent Committee). Furthermore, the Board of Directors may request necessary information from the Company's shareholders to make such determinations.

Additionally, under the Response Policy, if, at the time of the announcement of the introduction of the Response Policy, the Voting Rights Ratio of a Specific Shareholder Group is already 20% or more, or the combined Shareholding Ratio of a Specific Shareholder Group and other shareholders is 20% or more as a result of any of the actions set forth in (iii) above, such Specific Shareholder Group shall be deemed to be a "Large-Scale Acquirer." With respect to such Specific Shareholder Group, any acquisition set forth in (i) or (ii) above that will be newly conducted by such Specific Shareholder Group (for the avoidance of doubt, including new acquisition of one share of the Company's Share Certificates, etc.), or any action set forth in (iii) above that will be newly conducted by such Specific Shareholder Group with other shareholders, shall be treated as "Large-Scale Acquisition Activities."

Therefore, if, at the time of the announcement of the introduction of the Response Policy, the Voting Rights Ratio of a Specific Shareholder Group is already 20% or more, or the combined Shareholding Ratio of a Specific Shareholder Group and other shareholders is 20% or more as a result of any of the actions listed in (iii) above, it would be necessary to follow the procedures prescribed in the Response Policy with respect to any acquisition set forth in (i) or (ii) above that will be newly conducted by such Specific Shareholder Group (for the avoidance of doubt, including new acquisition of one share of the Company's Share Certificates, etc.), or any action set forth in (iii) above that will be newly conducted by such Specific Shareholder Group with the other shareholders.

(3) Measures Leading to the Activation of Countermeasures

The Response Policy is designed to ensure that the Company secures an opportunity for shareholders to express their intentions regarding whether to accept a Large-Scale Acquisition Activity. However, holding the Shareholders' Will Confirmation Meeting requires a certain amount of time. Additionally, the Response Policy is structured to provide shareholders with sufficient time to carefully consider and express their intentions.

Accordingly, in order to obtain information from the Large-Scale Acquirer regarding the Large-Scale Acquisition Activity, ensure shareholders have adequate time for deliberation, and allow the Shareholders' Will Confirmation Meeting to be held with certainty, the Large-Scale Acquirer is required to follow the procedures set forth in the Response Policy as outlined below.

a. Submission of the Statement of Intent for Large-Scale Acquisition Activities

A Large-Scale Acquirer who intends to engage in an activity that qualifies as a Large-Scale Acquisition Activity after the introduction of the Response Policy must submit a Statement of Intent for Large-Scale Acquisition Activities in writing to the Board of Directors at least 60 business days in advance.

The Statement of Intent for Large-Scale Acquisition Activities must be prepared in Japanese and include details regarding the content, structure, and method of the planned Large-Scale Acquisition Activity, in accordance with the disclosure requirements specified in Article 27-3, Paragraph 2 of the Financial Instruments and Exchange Act. The statement must also be signed or stamped by the Large-Scale Acquirer or its representative. If the document is signed or stamped by a representative, a certificate of qualification verifying the authority of the representative must be attached.

If the Board of Directors receives a Statement of Intent for Large-Scale Acquisition Activities from a Large-Scale Acquirer, the Company will promptly disclose the receipt of the document and, if necessary, disclose its contents in a timely and appropriate manner.

b. Provision of Information

The Company will request the Large-Scale Acquirer to provide necessary information (hereinafter referred to as "Required Information") that is deemed essential for shareholders to decide whether to accept or reject the Large-Scale Acquisition Activity at the Shareholders' Will Confirmation Meeting. This request will be made no later than five (5) business days (excluding the first day) from the date the Board of Directors receives the Statement of Intent for Large-Scale Acquisition Activities. The general categories of Required Information are outlined in Exhibit 5. The specific details of the Required Information may vary depending on the nature of the Large-Scale Acquirer and the specifics of the proposed Large-Scale Acquisition Activity. However, in all cases, the information requested will be limited to the scope necessary and sufficient for shareholders to make an informed decision and for the Board of Directors to form its opinion.

If the Required Information is submitted, the Company will, in a timely and appropriate manner, disclose the fact and the content of such information to the extent necessary or useful for shareholders to decide whether to accept or reject the Large-Scale Acquisition Activity. If, in light of the content, manner and the like of such Large-Scale Acquisition Activity, the Board of Directors reasonably determines that the information received from the Large-Scale Acquirer is insufficient for shareholders to decide whether to accept or reject the Large-Scale Acquisition Activity, the Board of Directors may request the Large-Scale Acquirer to provide additional information after setting an appropriate deadline for response (in making such decision, the Board of Directors will give the utmost respect to the opinion of the Independent Committee). In such case, the Large-Scale Acquirer shall additionally provide such information to the Board of Directors by such deadline. If such information is provided, the Company will also, in a timely and appropriate manner, disclose the fact and the content of such information to the extent necessary or useful for shareholders to decide whether to accept or reject the Large-Scale Acquisition Activity.

c. Board Evaluation Period

The Board of Directors will establish a Board Evaluation Period within 60 business days from the date the Statement of Intent for Large-Scale Acquisition Activities is received from the Large-Scale Acquirer. This period will be used to evaluate and assess whether the proposed Large-Scale Acquisition Activity should be accepted or opposed. If the Board of Directors determines that completing the evaluation within the designated period is difficult, it may extend the Board Evaluation Period for the minimum necessary duration, based on the recommendation of the Independent Committee. In such cases, the Company will disclose the reason for the extension and the duration of the extended period. It should be noted that the starting point for the Board Evaluation Period is the date the Statement of Intent for Large-Scale Acquisition Activities is received, not the date the Required Information is fully provided. Accordingly, the Board Evaluation Period is measured in business days, not calendar days.

Any future Large-Scale Acquisition Activity should be conducted only after the Board Evaluation Period has elapsed. However, if a Shareholders' Will Confirmation Meeting is held, the Large-Scale Acquisition Activity should only be conducted after both the proposal to trigger countermeasures is rejected and the Shareholders' Will Confirmation Meeting is concluded.

d. Convening of the Shareholders' Will Confirmation Meeting

If the Board of Directors determines that it opposes the execution of the Large-Scale Acquisition Activities and that countermeasures should be activated in response, it will decide to convene a Shareholders' Will Confirmation Meeting within 60 business days from the receipt of the Large-Scale Acquisition Activity Statement and will promptly hold the meeting after making such a decision. At the Shareholders' Will Confirmation Meeting, shareholders will be asked to express their views on whether to accept the Large-Scale Acquisition Activities by voting on a proposal regarding the activation of countermeasures. Furthermore, the Board of Directors may propose an alternative plan aimed at maximizing the Company's long-term corporate value and the interests of shareholders as an alternative to the Large-Scale Acquisition Activities. In making such a proposal, the Board of Directors will give the utmost respect to the opinion of the Independent Committee.

Shareholders will be required to review the information related to the Large-Scale Acquisition Activities and express their decision on whether to accept the acquisition by voting for or against the proposal regarding the activation of countermeasures as presented by the Board of Directors. If the majority of the voting rights exercised at the Shareholders' Will Confirmation Meeting (subject to the possibility of a different voting method depending on the nature of the Large-Scale Acquisition Activities) support the proposal, the proposal regarding the activation of countermeasures will be deemed approved. If a Shareholders' Will Confirmation Meeting is convened, the Board of Directors will provide shareholders with a document containing the necessary information disclosed by the Large-Scale Acquirer, the Board of Directors' opinion on such information, the Board of Directors' alternative proposals, and any other relevant matters deemed appropriate by the Board of Directors. This document will be sent to shareholders along with the notice of convocation of the Shareholders' Meeting and disclosed in a timely and appropriate manner. Additionally, if a Shareholders' Will Confirmation Meeting is held, details such as the scope of shareholders eligible to exercise voting rights (the Company intends to appropriately determine the scope of such shareholders, taking into consideration recent court precedents and the manner and other factors of the Large-Scale Acquisition Activities), the record date for voting rights, the date and time of the meeting, and the method of confirming shareholder intentions will be announced through appropriate and timely means.

e. Countermeasures

If, at the Shareholders' Will Confirmation Meeting, the shareholders approve the proposal regarding the activation of countermeasures as proposed by the Board of Directors, and if the Large-Scale Acquirer does not withdraw the Large-Scale Acquisition Activities, the Board of Directors will implement the countermeasures described in 3 (i.e., the gratis allotment of stock acquisition rights with discriminatory exercise conditions and acquisition provisions), in accordance with the shareholders' decision and with the utmost respect for the opinion of the Independent Committee. Conversely, if the shareholders do not approve the proposal regarding the activation of countermeasures at the Shareholders' Will Confirmation Meeting, the Board of Directors will respect the shareholders' decision and will not activate the countermeasures.

However, if the Large-Scale Acquirer fails to comply with the procedures set forth in a. through c. above and proceeds with the execution of the Large-Scale Acquisition Activities, the shareholders will not have sufficient time to carefully consider the disclosed information from the Large-Scale Acquirer, nor will they have the opportunity to express their will regarding whether to accept the Large-Scale Acquisition Activities. Therefore, in such cases, the Board of Directors may activate the countermeasures without going through the Shareholders' Will Confirmation Meeting, unless there are special circumstances; however, the Board of Directors may, in its discretion, decide to make the approval of the Shareholders' Will Confirmation Meeting a condition for the activation of countermeasures in order to respect the intentions of shareholders of the Company as much as possible. In determining whether to activate the countermeasures, the Board of Directors will give the utmost respect to the opinion of the Independent Committee.

If the Board of Directors adopts a resolution regarding the activation of countermeasures, the Company will, in a timely and appropriate manner, disclose the opinion of the Board of Directors and the reasons therefor as well as other information deemed appropriate in accordance with applicable Laws.

3. Overview of Countermeasures (Gratis Allotment of Stock Acquisition Rights)

The overview of the gratis allotment of Stock Acquisition Rights, which the Company will implement as a countermeasure based on the Response Policy, is as follows. (In addition to the provisions outlined below, the specific details of the Stock Acquisition Rights shall be separately determined by the Board of Directors in the resolution regarding the gratis allotment of stock acquisition rights.)

(1) Details of the Stock Acquisition Rights to be Allotted

a. Type of Shares Subject to the Stock Acquisition Rights

The shares subject to the Stock Acquisition Rights shall be the Company's common shares.

b. Number of Shares Subject to the Stock Acquisition Rights

The number of shares subject to each Stock Acquisition Right shall be determined separately by the Board of Directors.

c. Amount of Assets to be Contributed Upon Exercise of the Stock Acquisition Rights

The assets to be contributed upon the exercise of the Stock Acquisition Rights shall be in cash, and the amount shall be determined by multiplying JPY 1 by the number of shares subject to each Stock Acquisition Right.

d. Exercise Period of the Stock Acquisition Rights

The period during which the Stock Acquisition Rights may be exercised shall be a certain period separately determined by the Board of Directors.

e. Conditions for Exercising the Stock Acquisition Rights

(a) Stock Acquisition Rights held by Ineligible Persons (including those held indirectly) cannot be exercised.

"Ineligible Persons" refer to any of the following. With respect to the determination set forth in (iv)(Y) below, the Board of Directors will determine an Ineligible Person, while giving the utmost respect to the recommendations of the Independent Committee pursuant to the Identification Criteria for Joint and Concerted Action (Exhibit 4), and, if a Shareholders' Will Confirmation Meeting is convened, the Board of Directors will include the determination of such Ineligible Person in the proposal regarding the activation of countermeasures and submit such proposal to the shareholders for deliberation.

(i) A Large-Scale Acquirer

(ii) A joint holder of the Large-Scale Acquirer (including those deemed joint holders under the Response Policy)

(iii) A specially related party of the Large-Scale Acquirer (including those deemed specially related parties under the Response Policy)

(iv) Any person reasonably determined by the Board of Directors, based on recommendations from the Independent Committee, to fall under any of the following:

(X) A person who has acquired or inherited the Stock Acquisition Rights from any of (i) through (iv) above without the Company's approval

(Y) A "related party" of any of (i) through (iv) above. "Related party" refers to an entity such as an investment bank, securities company, or other financial institution that has entered into a financial advisory agreement or a tender offer agency agreement with such persons, or any other person who shares substantial interests with such persons, including tender offer agents, attorneys, accountants, tax accountants, or any party

who substantially controls, or acts jointly or cooperatively with, such persons. In the case of funds or investment partnerships, the determination of a "related party" shall take into account factors such as the substantive identity of the fund manager and other relevant circumstances.

(b) A stock acquisition right holder may exercise the Stock Acquisition Rights only upon submitting a written statement to the Company affirming that they are not an Ineligible Person under (a) above (or, in cases where the exercise is made on behalf of a third party, that the third party is not an Ineligible Person under (a) above). The stock acquisition right holder must also provide documentation proving compliance with reasonable conditions specified by the Company, as well as documents required by applicable laws and regulations.

(c) If compliance with prescribed procedures or fulfillment of specific conditions is required under applicable foreign securities laws or other relevant laws and regulations for a person located in the relevant jurisdiction to exercise the Stock Acquisition Rights, such a person may only exercise the Stock Acquisition Rights if the Company deems that all such procedures and conditions have been met. Even if the exercise of Stock Acquisition Rights in the relevant jurisdiction becomes possible through the Company's fulfillment of such procedures and conditions, the Company shall not be obligated to fulfill or satisfy them.

(d) The confirmation of compliance with the conditions under (c) above shall be conducted in accordance with procedures specified by the Board of Directors, following the procedures outlined in (b) above.

f. Acquisition Provisions

(a) The Company may acquire Stock Acquisition Rights that remain unexercised on a date determined by the Board of Directors after the effective date of the gratis allotment of the Stock Acquisition Rights. The number of common shares of the Company to be delivered in exchange for the acquisition of such Stock Acquisition Rights shall be the integer portion obtained by multiplying the number of Stock Acquisition Rights acquired by the number of shares per Stock Acquisition Right. However, this shall only apply to Stock Acquisition Rights that can be exercised under the provisions of e.(a) and (b) (i.e., those not held by Ineligible Persons, including those held by persons specified in e.(c), referred to as "Eligible Stock Acquisition Rights" in (b) below).

(b) The Company may acquire Stock Acquisition Rights that remain unexercised on a date determined by the Board of Directors after the effective date of the gratis allotment of Stock Acquisition Rights, except for Eligible Stock Acquisition Rights, in exchange for the same number of new stock acquisition rights that contain certain restrictions on the exercise by Ineligible Persons ("Second Stock Acquisition Rights," which shall be subject to the exercise conditions, acquisition provisions, and other terms determined by the Board of Directors as specified below).

(i) Exercise Conditions

Ineligible Persons may only exercise the Second Stock Acquisition Rights if they meet all of the following conditions or other conditions separately determined by the Board of Directors. The exercise shall be limited to a scope where, after exercising the Second Stock Acquisition Rights, the Shareholding Ratio of the Large-Scale Acquirer (as recognized by the Board of Directors) falls below 20% or another ratio separately determined by the Board of Directors (if, as of the announcement date of the Response

Policy, the Shareholding Ratio of the Large-Scale Acquirer with respect to the Company's Share Certificates, etc. exceeds 20%, then, with respect to such Large-Scale Acquirer, "20% or another ratio determined by the Board of Directors" shall be replaced with "the Shareholding Ratio of the Large-Scale Acquirer as of as of the announcement date of the Response Policy"; the same shall apply hereinafter).

(X) The Large-Scale Acquirer has ceased or withdrawn the Large-Scale Acquisition Activities and has pledged in writing not to engage in such activities in the future.

(Y) Either:

α) The Shareholding Ratio of the Large-Scale Acquirer (calculated by considering Ineligible Persons other than the Large-Scale Acquirer and its joint holders as joint holders of the Large-Scale Acquirer while excluding Second Stock Acquisition Rights that have not met the exercise conditions) is below 20% or another ratio determined by the Company's Board of Directors; or

β) In cases where the Shareholding Ratio of the Large-Scale Acquirer (as recognized by the Company) exceeds 20% or another ratio separately determined by the Board of Directors, the Large-Scale Acquirer or other Ineligible Persons shall delegate a Company-approved securities firm to dispose of the Company's Shares through market transactions, and after such disposal, the Shareholding Ratio of the Large-Scale Acquirer (as recognized by the Board of Directors) must fall below 20% or another ratio determined by the Board of Directors.

(ii) Acquisition Provisions

If, ten years after the issuance of the Second Stock Acquisition Rights, unexercised Second Stock Acquisition Rights remain, the Company may acquire such unexercised rights (limited to those that have not met the exercise conditions) in exchange for a monetary amount equivalent to their fair market value at the time.

(c) The confirmation of fulfillment of conditions for the forced acquisition of the Stock Acquisition Rights shall follow the procedures outlined in e.(b) and be determined by the Board of Directors. Furthermore, at any time before the commencement date of the exercise period of the Stock Acquisition Rights, if the Board of Directors deems it appropriate, the Company may acquire all Stock Acquisition Rights at no cost on a date separately determined by the Board of Directors.

g. Approval for Transfer

The acquisition of the Stock Acquisition Rights through transfer shall require the approval of the Board of Directors.

h. Matters Concerning Capital and Reserves

The increase in capital and capital reserves resulting from the exercise of the Stock Acquisition Rights or their acquisition based on the acquisition provisions shall be determined in accordance with applicable laws and regulations.

i. Treatment of Fractions

If the number of shares to be delivered upon the exercise of the Stock Acquisition Rights includes a fraction of less than one share, such fraction shall be rounded down. However, when multiple Stock Acquisition Rights are

exercised simultaneously by the same right holder, the number of shares to be delivered upon exercise shall be calculated in aggregate, and any fractional shares shall be determined accordingly.

j. Issuance of Stock Acquisition Right Certificates

No stock acquisition right certificates shall be issued for these Stock Acquisition Rights.

(2) Number of Stock Acquisition Rights to Be Allocated to Shareholders

Each common share of the Company (excluding shares held by the Company) shall be allocated one Stock Acquisition Right.

(3) Shareholders Eligible for the Gratis Allotment of Stock Acquisition Rights

The Stock Acquisition Rights shall be allocated to all shareholders (excluding the Company) of the Company's common shares as of the record date separately determined by the Board of Directors who are, through the General Shareholders Notice, notified of rights, other than voting rights, that may be exercised by the shareholders recorded in the shareholders' register as of the record date.

(4) Total Number of Stock Acquisition Rights

The total number of Stock Acquisition Rights shall be equal to the total number of issued and outstanding common shares of the Company as of the record date separately determined by the Board of Directors (excluding common shares held by the Company).

(5) Effective Date of the Gratis Allotment of Stock Acquisition Rights

The effective date of the gratis allotment of Stock Acquisition Rights shall be a date separately determined by the Board of Directors, following the record date separately determined by the Board of Directors.

(6) Other Conditions

The gratis allotment of Stock Acquisition Rights shall become effective only if either of the following conditions is satisfied:

a. The approval of shareholders has been obtained at the Shareholder Confirmation General Meeting, and the Large-Scale Acquisition Activity has not been withdrawn (if, upon later verification, it is reasonably confirmed that a Large-Scale Acquisition Activity has been executed, and if the ownership or potential execution of a Large-Scale Acquisition Activity has not been resolved within a reasonable period specified by the Board of Directors based on the recommendation of the Independent Committee).
b. The Large-Scale Acquirer fails to comply with the procedures set forth in 2(3) above and attempts to carry out a Large-Scale Acquisition Activity (if, upon later verification, it is reasonably confirmed that a Large-Scale Acquisition Activity has been executed, and if the ownership or potential execution of a Large-Scale Acquisition Activity has not been resolved within a reasonable period specified by the Board of Directors based on the recommendation of the Independent Committee).

4. Impact on Shareholders and Investors

(1) Impact of the Introduction of The Response Policy on Shareholders and Investors at the Time of Its Implementation

At the time of the introduction of the Response Policy, the gratis allotment of Stock Acquisition Rights will not be implemented. Therefore, the introduction of the Response Policy will not have any direct or tangible impact on the rights and economic interests of shareholders and investors.

(2) Impact of the Gratis Allotment of Stock Acquisition Rights on Shareholders and Investors

Since the Stock Acquisition Rights will be allocated automatically to all shareholders, there will be no forfeited rights due to the allocation of the Stock Acquisition Rights. If the gratis allotment of Stock Acquisition Rights is implemented, there will be dilution of the per-share value of the Company's stock held by shareholders; however, there will be no dilution of the overall value of the shares held by shareholders. As a result, it is not anticipated that this measure will have any direct or tangible impact on the legal rights or economic interests of shareholders and investors. Additionally, before the exercise period of the Stock Acquisition Rights begins, the Company plans to acquire all of them simultaneously under the acquisition clause and issue Company shares to the extent that the exercise conditions are met.

However, for the Ineligible Persons stipulated in 3(1)e.(a), if the countermeasures are triggered, their legal rights or economic interests may be adversely affected.

Furthermore, if the Company conducts a gratis allotment of Stock Acquisition Rights, it will set a record date for shareholders eligible to receive the allocation. Since the gratis allotment of Stock Acquisition Rights results in the dilution of the per-share value of the Company's stock, the stock price may decline after the shareholders eligible to receive the Stock Acquisition Rights are determined. The Board of Directors will set the record date for the gratis allotment of Stock Acquisition Rights after considering the nature of the Large-Scale Acquisition Activities and other relevant circumstances. If such a record date is set, the Company will disclose it in a timely and appropriate manner. If the Large-Scale Acquirer complies with the procedures set forth in 2(3) and if the proposal for implementing countermeasures is not approved at the Shareholders' Will Confirmation Meeting, the gratis allotment of Stock Acquisition Rights will not be implemented. Furthermore, if the Board of Directors determines, after initiating the procedures for implementing countermeasures, that their implementation is no longer necessary (for example, if the Large-Scale Acquirer withdraws the Large-Scale Acquisition Activity and pledges in writing not to carry out any future Large-Scale Acquisition Activities), the Board of Directors may cancel or suspend the implementation of the countermeasures (in such cases, timely and appropriate disclosure will be made in accordance with applicable laws and regulations). Shareholders and investors who engage in transactions based on the expectation of dilution in the per-share value of the Company's stock may incur losses due to fluctuations in stock prices if any of the above situations arise.

(3) Procedures Required for Shareholders in the Event of the Gratis Allotment of Stock Acquisition Rights

a. Procedures for the Gratis Allotment of Stock Acquisition Rights

If the Board of Directors resolves to implement the gratis allotment of Stock Acquisition Rights, the Company will determine a record date for the allotment and disclose it in a timely and appropriate manner. Shareholders who are listed or recorded in the final shareholder register as of the record date will receive the Stock Acquisition Rights free of charge in proportion to the number of common shares they own. Accordingly, shareholders listed or recorded in the final shareholder register as of the record date will receive the allotted Stock Acquisition Rights automatically without requiring any additional procedures.

b. Procedures for the Acquisition of Stock Acquisition Rights

As outlined in 3, the Stock Acquisition Rights allocated to shareholders are subject to specific conditions and exercise procedures. However, in principle, before the commencement of the exercise period, on a date separately determined by the Board of Directors, the Company plans to acquire the Stock Acquisition Rights under the acquisition clause. In such cases, the Company will make an announcement at least two weeks before the acquisition date in accordance with applicable laws and regulations. If the Company acquires the Stock Acquisition Rights under the acquisition clause as per 3(1)f., shareholders will receive the Company's common stock as consideration for the acquisition without having to pay any exercise price. However, Ineligible Persons may be subject to different treatment regarding the acquisition or exercise of Stock Acquisition Rights compared to other shareholders.

c. Other Matters

The Company will disclose the details of these procedures in a timely and appropriate manner in accordance with applicable laws and regulations when such procedures become necessary. Shareholders are encouraged to review these announcements accordingly.

5. Mechanisms to Enhance the Rationality of the Response Policy

(1) Consideration of the Intent of Guidelines on Ordinary Course Anti-Takeover Measures

Although the Response Policy differs from pre-warning-type anti-takeover measures introduced during normal times, it has been formulated in consideration of the principles outlined in various guidelines and regulations. These include the Guidelines on Anti-Takeover Measures for Securing or Enhancing Corporate Value and Shareholders' Common Interests published by the Ministry of Economy, Trade and Industry (METI) and the Ministry of Justice on May 27, 2005, as well as the recommendations in the report The Nature of Anti-Takeover Measures in Light of Recent Environmental Changes issued by the METI Corporate Value Study Group on June 30, 2008. Additionally, it aligns with the Guidelines on Corporate Takeovers—Enhancing Corporate Value and Securing Shareholders' Interests—, which was published by the METI on August 31, 2023, and the Tokyo Stock Exchange's rules on the introduction of anti-takeover measures during normal times, as well as the Corporate Governance Code (as revised on June 11, 2021), which was introduced by the Tokyo Stock Exchange through an amendment to the Securities Listing Regulations and has been applicable since June 1, 2015. Specifically, it reflects the intent of Principle 1-5: So-called Anti-Takeover Measures. Furthermore, among the requirements specified in these guidelines, those that are also applicable to response policies in the event of an actual hostile acquisition attempt are duly met within the Response Policy.

(2) Respect for Shareholder Intent (A Mechanism that Directly Reflects the Will of Shareholders)

In implementing countermeasures based on the Response Policy, the Company will, in principle, hold a Shareholders' Will Confirmation Meeting to reflect the will of shareholders. As long as the Large-Scale Acquirer adheres to the procedures outlined in 2(3) above, the activation of countermeasures will be determined solely based on the shareholders' decision at the Shareholders' Will Confirmation Meeting.

If the Large-Scale Acquirer does not adhere to the procedures specified in 2(3) above and attempts to execute a Large-Scale Acquisition Activity, the Board of Directors may activate the countermeasures solely at its discretion, while giving the utmost respect to the opinion of the Independent Committee. However, such a decision is based on the fact that the Large-Scale Acquirer has deliberately chosen to proceed without allowing shareholders the necessary time and sufficient information to thoroughly consider the pros and cons of the Large-Scale Acquisition Activity. In such cases, the activation of countermeasures is deemed unavoidable to protect the Company's corporate value and the common interests of shareholders. As stated above, even if the Large-Scale Acquirer does not adhere to the procedures specified in 2(3) above, the Board of Directors may, in

its discretion, decide to make the approval of the Shareholders' Will Confirmation Meeting a condition for the activation of countermeasures in order to respect the intentions of shareholders as much as possible.

Furthermore, as stated in 6 below, the Response Policy will take effect as of today, and its validity period will, in principle, extend until the conclusion of the first Board of Directors meeting held after the Company's Annual General Meeting of Shareholders in 2026.

Through this structure, the Response Policy is designed to maximize respect for shareholder intent.

(3) Elimination of Arbitrary Decisions by Directors

As stated in (2) above, the Company will hold a Shareholders' Will Confirmation Meeting to determine whether to implement countermeasures against a Large-Scale Acquisition Activity in accordance with the will of shareholders. As long as the Large-Scale Acquirer complies with the procedures outlined in 2(3) above, whether to activate countermeasures will be determined based on whether the proposal regarding the activation of countermeasures is approved at the Shareholders' Will Confirmation Meeting. If the Large-Scale Acquirer does not adhere to these procedures and attempts to execute a Large-Scale Acquisition Activity, the Board of Directors will activate the prescribed countermeasures while giving utmost respect to the opinion of the Independent Committee. Thus, countermeasures will not be activated based on arbitrary discretion by the Board of Directors.

Furthermore, as stated in 2(1)b. above, to ensure the necessity and appropriateness of the Response Policy and to prevent its misuse for managerial entrenchment, the Company will seek recommendations from the Independent Committee regarding the necessity of activating countermeasures and other necessary actions in accordance with the Response Policy. Additionally, to ensure the fairness of its decisions and to eliminate arbitrary judgment, the Board of Directors will give the utmost respect to the opinions of the Independent Committee. The Independent Committee may also seek advice from external experts independent of both the Board of Directors and the Committee, such as financial advisors, lawyers, certified public accountants, and tax accountants. This mechanism ensures the objectivity and rationality of the Independent Committee's decisions.

Therefore, the Response Policy eliminated any arbitrary decision-making by the Directors.

(4) Not a Dead-Hand or Slow-Hand Takeover Defense

As stated in 6 below, the Response Policy can be abolished at any time by a resolution of the Board of Directors composed of directors elected by the General Meeting of Shareholders. Thus, it does not constitute either a Dead-Hand Takeover Defense (where the policy remains in effect even if the majority of the board is replaced) or a Slow-Hand Takeover Defense (where the policy cannot be immediately overturned due to a staggered board structure).

6. Procedures for the Abolition and Duration of the Response Policy

The Response Policy shall take effect as of today and remain in force until the conclusion of the first meeting of the Board of Directors held after the 2026 Annual General Meeting of Shareholders. However, if, at the conclusion of this Board of Directors meeting, there exists an entity that is either currently conducting or planning to conduct a Large-Scale Acquisition Activity, as determined by the Board of Directors, the validity period of the Response Policy shall be extended to the extent necessary to address such actions. As stated above, the Response Policy is primarily introduced to address specific Large-Scale Acquisition Activities, including the ongoing Share Accumulation. Therefore, once there are no longer any planned or ongoing Large-Scale Acquisition Activities, the Company does not intend to maintain the Response Policy.

Additionally, even before the expiration of the validity period, if the Board of Directors composed of directors elected at the General Meeting of Shareholders resolves to abolish the Response Policy, it shall be terminated immediately upon such resolution.

(End of Document)

Exhibit 1

Regarding previous investment cases of investors including Reno, Ms. Aya Nomura, S-GRANT, Mr. Murakami, and the funds over which he exercises influence

1. Investment Case in Accordia

According to publicly available information, Reno Co., Ltd. ("**Reno**"), C&I Holdings Co., Ltd. ("**C&I**"), Kabushiki Kaisha Minami-Aoyama Fudosan ("Minami-Aoyama Fudosan"), City Index Hospitality Co., Ltd. ("**City Index Hospitality**"), City Index Holdings Co., Ltd. ("**City Index HD**"), Fortis Co., Ltd. ("**Fortis**"), and Rebuild Co., Ltd. ("**Rebuild**"), which were under the influence of Mr. Yoshiaki Murakami ("**Mr. Murakami**") (hereinafter those funds over which Mr. Murakami exercises influence are collectively referred to as the "**Former Murakami-Fund Group**"), purchased a large number of shares in Accordia Golf Co., Ltd. ("**Accordia**") in the market, which had not had any prior warning-type takeover defense measures, after the commencement of the hostile tender offer (the "tender offer" is referred to as the "**TOB**") by PGM Holdings K.K. ("**PGM**") in November 2012, and continued to purchase more after the failure of the hostile TOB by PGM.

According to publicly available information, on January 13, 2013, while the hostile TOB by PGM was being conducted, Reno put pressure on Accordia by demanding that Accordia (1) come to the table to discuss the terms of the management integration with PGM, and (2) carry out measures to increase shareholder returns, such as an exhaustive share buyback program, and sending Accordia a document stating that if Accordia accepts the demand, Reno will not tender its shares in the TOB by PGM, but that if Accordia rejects the demand, Reno will tender its shares in the TOB by PGM and demand that Accordia provide its reply by noon of January 17, 2013, which was the last day of the TOB period.

According to publicly available information, the Former Murakami-Fund Group continued to purchase more and more shares in Accordia after that, and its shareholding ratio (hereinafter the "holding ratio of share certificates, etc." under the large-volume holdings reporting regulations is referred to as the "shareholding ratio" unless stated otherwise) in Accordia increased to approximately 24% by March 28, 2014. On the same day, under the agreement with Reno, C&I, Minami-Aoyama Fudosan, and City Index Hospitality, Accordia announced a corporate reorganization plan consisting of, among others, a planned sale of about 70% of its golf courses (90 courses out of 133 courses that the company held at that time) after the annual general meeting of shareholders in June 2014, and the use of more than 45 billion yen out of the total proceeds of the sale of 111.7 billion yen to conduct a share buyback by way of a large-scale TOB (hereinafter in the section the "TOB by Issuer"), which was equivalent to approximately 32% of the market capitalization of the company at that time. Prior to this announcement, the Former Murakami-Fund Group had reached an agreement with Accordia that the Former Murakami-Fund Group would tender their shares in the TOB by Issuer for all of their shareholdings. According to publicly available information, the TOB by Issuer was to propose to purchase approximately 30% of the total number of issued shares of Accordia at 1,400 yen per share. This was a so-called premium price, in that it was at a premium of 4.24% over the closing price of the shares of the company on the business day immediately preceding the date of the advance notice of the TOB by Issuer (March 28, 2014), and at a premium of 9.89% over the closing price on the business day immediately preceding the date of the announcement of the TOB by Issuer.

Regarding such a large-scale share buyback using the proceeds from the sale of a majority of the business assets of Accordia, the President of PGM at that time commented, "I wonder whether the company that remains after the divestiture of golf course assets has any growth potential. I have never seen any share buybacks carried out in this manner, like cutting one's own body into pieces rather than using excess funds. This seems to be the ultimate scorched earth tactic." (See Toyo Keizai Online article, dated March 30, 2014).

A TOB by an issuer at a premium price is generally considered to involve a relatively high risk that the medium- to long-term corporate value of the issuer company will decrease, because the shareholders tendering their shares in the

TOB will be paid an amount that exceeds the market price of the issuer company at that time. For this reason, there are only a small number of cases of a TOB by an issuer at a premium price, in practice.

In fact, Accordia's share price was 1,274 yen on the business day immediately preceding the announcement of the TOB by Issuer (August 1, 2014), but it declined gradually after the end of the TOB period (September 1, 2014), and dropped to around 1,000 yen in late November 2014.

According to publicly available information, the maximum number of shares to be purchased by Accordia in the TOB by Issuer was 32,143,000 shares. This was a very large number, representing approximately 30% of the total number of issued shares of the company at that time, which also exceeded 25,508,800 shares, the number of Accordia shares held by the Former Murakami-Fund Group immediately before the date of the advance notice of the TOB by Issuer. As stated above, Reno, C&I, Minami-Aoyama Fudosan, and City Index Hospitality had reached an agreement with Accordia that they would tender their shares in the TOB by Issuer, and the Former Murakami-Fund Group were given an opportunity to sell out Accordia shares through the TOB by Issuer at a higher price than that of the market (while avoiding the risk of a significant decline in selling price if the shares were sold in the market).

While Reno, C&I, Minami-Aoyama Fudosan, and City Index Hospitality had reached an agreement with Accordia that they would tender their shares in the TOB by Issuer as stated above, according to news reports, even after the announcement by Accordia of the corporate reorganization plan mentioned above on March 28, 2014, the Former Murakami-Fund Group continued to purchase more and more shares in Accordia through City Index HD, Fortis, and Rebuild, which were not obligated to tender their shares in the TOB by Issuer as they were not parties to the agreement, and continued to apply pressure on Accordia for shareholder returns as major shareholders of Accordia (See Toyo Keizai Online article, dated August 14, 2014).

And then, according to publicly available information, on August 5, 2014, the Former Murakami-Fund Group demanded the convocation of an extraordinary general meeting of shareholders of Accordia, proposing the dismissal of all six outside directors of Accordia and the election of five officers and employees from Reno as directors of Accordia, on the grounds that the investor returns after the TOB by Issuer were unsatisfactory with regard to their size and other aspects. Subsequently, on August 12, 2014, Accordia accepted the proposal of the Former Murakami-Fund Group by withdrawing the post-TOB-by-Issuer dividend reduction plan (the payout ratio would be reduced from the former 90% on a consolidated basis to 45% of "deemed consolidated net income") that it had announced together with the corporate reorganization plan mentioned above announced on March 28, 2014, and announcing to the effect that the company planned to distribute large shareholder returns also in two fiscal years after the TOB by Issuer (fiscal years ending March 2016 and March 2017), totaling 20 billion yen.

According to publicly available information, the shareholding ratio of the Former Murakami-Fund Group had increased to approximately 35% as of August 28, 2014. Once the announcement mentioned above was made, the Former Murakami-Fund Group withdrew the demand for convocation of an extraordinary general meeting of shareholders, and tendered their shares in the TOB by Issuer. They eventually sold a part of the Accordia shares (approximately 20% out of the prior shareholding ratio of approximately 35%) through the TOB by Issuer.

As explained above, during the period of about one year and ten months since the commencement of the acquisition of Accordia shares, the Former Murakami-Fund Group applied pressure on Accordia in various manners, including the demand for convocation of an extraordinary general meeting of shareholders, and successfully caused Accordia to conduct a share buyback at a high price through a TOB by Issuer, and also to agree to distribute large shareholder returns.

After that, according to publicly available information, the Former Murakami-Fund Group sold all Accordia shares to K.K. MBKP Resort (an investment vehicle of a foreign-affiliated investment fund MBK Partners; hereinafter, "**MBKP**") through the TOB announced in November 2016 by MBKP in consultation with Reno (which was a so-called TOB at a premium price in that the TOB price of 1,210 yen was at a premium of 15.8% (165 yen) over the closing price of Accordia shares (1,045 yen) on the day immediately preceding the announcement date of the TOB) pursuant to the tender agreement executed with MBKP.

According to publicly available information and news reports, when the TOB by MBKP was commenced, the Former Murakami-Fund Group held 18.95% of the total number of issued shares of Accordia, which represented 22.77% of the voting rights of all shareholders. By that time, the Former Murakami-Fund Group had invested slightly over 38 billion yen in total in Accordia shares since the commencement of the acquisition of Accordia shares in 2013. For this investment, the Former Murakami-Fund Group had already recovered nearly 29.6 billion yen in the TOB by an issuer mentioned above, and recovered an additional approximately 19.4 billion yen through the TOB by MBKP mentioned above. The final investment recovery amount was said to be approximately 49 billion yen (resulting in a profit of approximately 11 billion yen) (See Toyo Keizai Online article dated December 7, 2016).

Only in 2019, Accordia was reported to be considering repurchasing the land of golf courses that it sold in 2014 based on the judgment that its competitiveness will increase by investing in land for integrated management rather than focusing on the operation of golf courses (See Nikkei Newspaper (morning edition) article, dated December 18, 2019). In fact, Accordia decided to acquire 88 gold courses at a price of 65.2 billion yen in 2020 (See the press release by Accordia dated August 7, 2020).

2. Investment Case in MCJ

According to publicly available information, Reno started to purchase a large number of shares in MCJ Co., Ltd. ("**MCJ**") in the second half of 2012 and held 4,994,100 shares (shareholding ratio of 9.82%) as of March 29, 2013. Combined with the shareholdings of the representative director of Reno at that time and Attorney Fuminori Nakashima ("**Atty. Nakashima**"), who were the joint holders with Reno, the number of shares held by Reno in total was 9,928,600 shares (shareholding ratio of 19.52%). After cancelling the agreement regarding joint shareholding with the representative director of Reno at that time and Atty. Nakashima, Reno submitted to MCJ a letter of intent on a large-scale purchase action of MCJ shares (the "**Large-scale Purchase Action**") dated October 8, 2013. According to the press release of MCJ titled "Notice of the Receipt of a Letter of Intent on a Large-scale Purchase Action of the Company's Shares" dated the same day, Reno stated in the letter of intent that the purpose of the purchase of the Company [Note: MCJ]'s shares was a pure investment, which was to be made for the purpose of realizing the potential value of the Company's shares and seeking capital gains from the medium- to long-term enhancement of its corporate value. The closing price of MCJ shares on the same day was 191 yen, and following the release, the price rose to 241 yen on the following day (October 9), reaching the daily price limit.

After that, according to publicly available information, the board of directors of MCJ evaluated and analyzed the Large-scale Purchase Action on and after November 28, 2013, and MCJ issued a press release titled "Notice of Receipt of Recommendation of the Independent Committee and the Finalization of the Evaluation and Analysis Results of the Board of Directors of the Company Concerning the Large-scale Purchase Action of the Company's Shares" on December 12, 2013. In this press release, MCJ stated to the effect that "the board of directors of the Company does not intend to trigger any countermeasures against the Large-scale Purchase Action proposed by Reno, and will continue to monitor the investment trend of Reno and changes in the situation for the time being." According to publicly available information, the closing price of MCJ shares immediately before the announcement mentioned above (on December 12, 2013) was 268 yen, and the closing price rose sharply to 348 yen on the next day (December 13) following the announcement. On the next trading day (December 16), MCJ shares traded at 395 yen at the opening and subsequently dropped to 296 yen, but continued to close at a high price of 303 yen.

As stated above, MCJ announced that it would approve the conduct of the Large-scale Purchase Action by Reno, and would not take any countermeasures. Nevertheless, according to publicly available information, on December 16, 2013, which was only two business days after the announcement of MCJ that it would not take countermeasures, Reno sold 3,244,200 MCJ shares out of its shareholding (equivalent to a shareholding ratio of 6.38%) in the market while MCJ shares were trading at high levels as noted above in response to MCJ's announcement that it would not take countermeasures. This was contrary to its own letter of intent stating that Reno had the intention to purchase MCJ shares until its shareholding ratio or the percentage of voting rights reached 20% or above, taking into consideration, among others, the future trend in the stock market to realize the potential value of MCJ shares and the medium- to long-term enhancement of its corporate value.

3. Investment Case in Kuroda Electric

According to publicly available information, the Former Murakami-Fund Group, including Reno, C&I, Minami-Aoyama Fudosan, City Index Maiko Co., Ltd., Office Support K.K. ("**Office Support**"), ATRA Co., Ltd., Mr. Murakami, and Ms. Aya Nomura, who is the oldest daughter of Mr. Murakami, commenced to purchase a large number of shares in Kuroda Electric Co., Ltd. ("**Kuroda Electric**") in the market around 2015. According to news articles, in the early stage of these purchases, Mr. Murakami asserted that Kuroda Electric should play a central role among semiconductor trading companies in realizing the reorganization of semiconductor trading companies, despite the fact that Kuroda Electric was an electronic components trading company and semiconductors were not a major part of its business. An executive officer at that time who accepted a discussion with Mr. Murakami commented that Mr. Murakami "did not seem to realize what Kuroda Electric was doing in the first place." (See "Weekly Toyo Keizai, [Opening Feature Article: Murakami, Again] - Aya, Yoshiaki Murakami 's Oldest Daughter, Talks with Confidence - Murakami, Again" dated August 22, 2015, pp. 32-33).

In such situation, according to publicly available information, immediately after the closing of the annual general meeting of shareholders of Kuroda Electric held on June 26, 2015, on the same day, C&I and Minami-Aoyama Fudosan demanded the convocation of an extraordinary general meeting of shareholders of Kuroda Electric, proposing the election of four outside directors, including some of the Former Murakami-Fund Group. In response to the demand, Kuroda Electric decided and announced on July 10, 2015 to hold an extraordinary general meeting of shareholders and to object to the proposal submitted to the meeting (the election of four outside directors). The proposal was subsequently rejected at an extraordinary general meeting of shareholders held on August 21, 2015.

According to publicly available information, the Former Murakami-Fund Group continued to purchase a large number of shares in Kuroda Electric in the market, and Reno submitted a shareholder's proposal for the election of one outside director on May 2, 2017. At its meeting held on May 23, 2017, the board of directors of Kuroda Electric voted against the shareholder's proposal, and Kuroda Electric announced the opinion of the board of directors objecting to the shareholder's proposal on May 29. In its press release titled "Sequence of Events Leading to the Opinion of the Board of Directors of the Company on the Shareholder Proposal" dated June 7, 2017, which summarized the background of the shareholder's proposal, Kuroda Electric criticized the comments and the attitude of Mr. Murakami, stating "done in a manner to intimidate the management members present" and "overbearing behavior that was beyond the level of normal dialogue." The shareholder's proposal was subsequently approved at the annual general meeting of shareholders held on June 29, 2017 in spite of the objection of Kuroda Electric. As a result, Reno dispatched one outside director to Kuroda Electric. (According to publicly available information, the shareholding ratio of the Former Murakami-Fund Group in Kuroda Electric had risen to approximately 35% as of June 7, 2017.)

After that, according to publicly available information, the shareholding ratio of the Former Murakami-Fund Group in Kuroda Electric further rose to approximately 38% by early November 2017. However, on October 31, 2017, Kuroda Electric chose to delist its shares by accepting the TOB announced by KM Holdings Co., Ltd. ("**KM Holdings**"), which was an investment vehicle of the foreign-affiliated investment fund MBK Partners. As a result, the Former Murakami-Fund Group sold all shares they held in Kuroda Electric by March 2018, by tendering their shares in the TOB by KM Holdings and a TOB by an issuer undertaken by Kuroda Electric after the completion of the TOB by KM Holdings after executing a tender agreement with KM Holdings.

According to news reports, the Former Murakami-Fund Group earned a profit of approximately 8.4 billion yen, which is a rough estimate excluding the effect of taxes and the cancellation of margin transactions, from these transactions (See Toyo Keizai Online article, dated November 13, 2017).

As explained above, the Former Murakami-Fund Group reached an agreement to sell all shares in Kuroda Electric that they had, only four months after Reno dispatched an outside director to Kuroda Electric, and actually sold all these shares only four months after that. According to publicly available information, the Former Murakami-Fund Group made a profit of approximately 8.4 billion yen from these transactions.

4. Investment Case in ShinMaywa Industries, Ltd.

According to publicly available information, the Former Murakami-Fund Group, such as Reno, Minami-Aoyama Fudosan, S-Grant Co., Ltd. ("**S-Grant**"), and Rebuild, purchased a large number of shares in ShinMaywa Industries, Ltd. ("**ShinMaywa Industries**") in the market in 2018 and increased its shareholding ratio to 23.74% by February 19, 2019.

However, according to publicly available information, on January 21, 2019, less than a year after the commencement of the aforementioned massive purchase of shares, Reno tendered its shares in a TOB by an issuer announced by ShinMaywa Industries after discussions with Reno (the Former Murakami-Fund Group had indicated their intention to tender its own shares in ShinMaywa Industries in the above TOB by an issuer in advance), and in February 2019, it had sold a majority of its own shares in ShinMaywa Industries.

The above TOB by an issuer set the TOB price at 1,500 yen, which had a so-called premium price of 10.54% (143 yen) above 1,357 yen, the closing price of ShinMaywa Industries shares by the closing of January 18, 2019, the day immediately preceding the announcement.

As stated in Part 1 above, a TOB by an issuer at a premium price is generally considered to involve a relatively high risk that the medium- to long-term corporate value of the issuer company will decrease, because the shareholders tendering their shares in the TOB will be paid an amount that exceeds the market price of the issuer company at that time. For this reason, there are only a small number of cases of a TOB by an issuer at a premium price, in practice.

The price of ShinMaywa Industries' shares which stood at 1,357 yen on January 18, 2019, the business day immediately preceding the above announcement of the TOB by an issuer, declined to 1,338 yen by the final day of the TOB period, February 19 of the same year, and declined even further to 1,319 yen by the following day, February 20th.

According to publicly available information, the maximum number of shares to be purchased by ShinMaywa Industries in the above TOB by an issuer was 26,666,700 shares, which is of significant scale (equivalent to approximately 27.66% of the total number of issued shares of the corporation at that time), which also exceeded 22,882,900 shares, the total number of ShinMaywa Industries shares held by the Former Murakami-Fund Group immediately before the announcement of the TOB by an issuer. Therefore, through the above TOB by an issuer by ShinMaywa Industries, the Former Murakami-Fund Group were given an opportunity to sell their shares in ShinMaywa Industries at a price higher than that of the market (while avoiding the risk of a significant decline in share prices if the shares were sold in the market).

In media reports, concerns of an analyst from a domestic securities firm is quoted concerning the said TOB by an issuer as, "We hope that this does not have any impact on investments for growth in the future…" (Nikkei Newspaper (morning edition) article, dated February 20, 2019).

5. Investment Case in Yorozu Corporation

According to publicly available information, while delivering letters on multiple occasions to Yorozu Corporation (hereinafter, "Yorozu") demanding returns to its shareholders, including share buybacks, on May 10, 2019, Reno filed for a provisional disposition order for inclusion of a shareholder proposal (hereinafter, "Filing for provisional disposition order") requesting that Yorozu include an agenda item concerning abolition of takeover defense measures in the notice to convene and reference material.

The subject Filing for provisional disposition order was dismissed by the Yokohama District Court (the Yokohama District Court rendered its decision on May 20, 2019 (page 126 of the *Siryoban Shojihomu* No. 424 (July 2019 Edition)), hereinafter the "Original Decision on the provisional disposition"), and the immediate appeal was also dismissed by the Tokyo High Court (Tokyo High Court Decision rendered its decision on May 27, 2019 (See page 120 of the *Siryoban Shojihomu* No. 424), but according to the *Siryoban Shojihomu* No. 424 (July 2019 Edition), page 126 and the following, "Case of Filing Provisional Disposition Containing Proposals by Yorozu Shareholders, etc.," the Original Decision on the provisional disposition held that, while the presence of a right for preservation is questionable, the necessity for its preservation could not be found, finding the likelihood of its attempts to abolish the takeover defense measure which stood in its way, due to the reasons that (1) Reno is under the powerful influence of Mr.

Murakami, (2) similar to what Reno (or any other corporate entity under the powerful influence of Mr. Murakami) has done in the past to corporations it invested in, its intentions are to benefit from a significant amount of profit by purchasing a large number of shares in Yorozu, placing its management under pressure, and earning a resale gain by causing the company or their related companies to purchase at high prices the shares purchased in a short period of time.

Incidentally, according to page 126 and the following, the aforementioned "Case of Filing Provisional Disposition Containing Proposals by Yorozu Shareholders, etc.," concerning the Original Decision on the provisional disposition finds for the time being that:

"a. The creditor (refers to Reno, hereinafter the same), Company B who is the 100% stakeholder of the creditor, C, who held 50% of the company's shares and also served as its representative director until December 1, 2014, Company D, for which the child of A (refers to Mr. Murakami, hereinafter the same) serves as the representative director, Company E, Company F, Company G, Company H, and Company I are all under the powerful influence of A (hereinafter, the aforementioned parties under the powerful influence of A are collectively, the "Creditors").

b. In 2015, when the Creditors acquired approximately 10% of outstanding shares in the debtor (refers to Yorozu, hereinafter the same), without indicating any concrete business plans or any business management enhancement plans towards the debtor, A insisted that the debtor's return to shareholders was inadequate and requested that the payout ratio be increased to 100% and to present a new medium- to long-term business plan which includes plans for sufficient shareholder returns, and unless A was satisfied with the medium- to long-term business plan which includes sufficient shareholder returns presented by the debtor, A would propose, "Let us carry out a TOB. Let's start the process," and "We'll have 11 of the board members resign. We'll keep 3 of them, dispatch 4 from our side, and the 7 will decide the dividend policy at a board meeting," while also commenting, "If the company decides to execute a large scale share buyback, I'll say OK and retract my previous proposal," and demanded, "You have 3 choices – increase shareholder value, become A's company, or execute an MBO." However, in the end, the Creditors sold-off all its shares after the share price of the debtor increased.

c. Come 2018, the creditor began acquiring the debtor's shares, and in 2019, prior to the total shareholding ratio of the debtor reaching 10%, without showing any interest in concrete business plans or business enhancement measures which would have resulted in profits to the debtor in the medium- to long-term, while demanding an "increase in shareholder value," the creditor demanded abolishment of takeover defense measures and execution of share buybacks, hinting at the exercise of shareholder's proposal rights and eventually exercising those rights, while continuing to acquire the debtor's shares after that.

d. Between 2012 and 2019, the Creditors purchased a large number of shares in Company J, Company K, Company L, Company M, and Company N, placing their management of the target companies under pressure, earning a resale gain by causing the target companies or their related companies to purchase at high prices all or a substantial part of the shares purchased.

e. Between 2002 and 2005, Company O and Company P, who were under the powerful influence of A, earned a resale gain in the same manner as the Creditors in d. above."

According to publicly available information, Reno subsequently requested on November 20, 2020 that Yorozu call for an extraordinary shareholders' meeting to consider a proposed change to the articles of association that would give the shareholders' meeting the power to decide on the abolition of the takeover defense measure. In response to that request, on November 25, 2020, Yorozu decided to express an intention to oppose that proposal and announced the same. At Yorozu's extraordinary shareholders' meeting held on January 22, 2021, the proposal was rejected with opposition exceeding 50%.

6. Investment Case in Excel Co., Ltd.

According to publicly available information, around in March 2019 (the Former Murakami-Fund Group owned 38.07% of Excel's issued shares as of March 31, 2019), Mr. Murakami initiated negotiations regarding a substantial sale of

Excel Co., Ltd. ("**Excel**") to Kaga Electronics Co., Ltd. ("**Kaga Electronics**") while being involved in the negotiations himself. Under that circumstance, Excel accepted to have Reno's representative director as an outside director of Excel in May 2019. At Excel's annual general meeting of shareholders held on June 26, 2019, Reno's representative director was elected as Excel's outside director and subsequently assumed the position.

Thereafter, on December 9, 2019, when only approximately five months passed since that assumption of the outside director, Excel decided to conduct a management integration with Kaga Electronics (the "**Management Integration**") and announced the same (the Former Murakami-Fund Group owned 39.93% as the percentage of voting rights of Excel as of that date).

According to publicly available information, the scheme of the Management Integration was (i) to conduct a share exchange with cash as consideration (the "**Cash Share Exchange**"), with City Index Eleventh Co., Ltd. ("**City Index Eleventh**"), which did not own any shares of Excel , as the wholly owning parent company resulting from the Cash Share Exchange, and with Excel as the wholly owned subsidiary company resulting from the Cash Share Exchange, (ii) then, after separating Excel's assets into (a) assets required for the business operation at Excel following the Management Integration (the "**Business Assets**") and (b) assets not necessarily required for the business operation at Excel following the Management Integration (the "**Non-transferred Assets**"), to transfer the Non-transferred Assets by way of dividends in kind from Excel to City Index Eleventh immediately after the Cash Share Exchange took effect, and (iii) for City Index Eleventh to assign all of Excel's shares to Kaga Electronics immediately after the implementation of the dividends in kind.

This scheme was intended to substantially divide Excel, which previously operated its business as one organization, into two, and moreover, to distribute the Non-transferred Assets in kind to City Index Eleventh, which was merely an investment vehicle.

As above, in approximately five months after Reno's representative director assumed the position of Excel's outside director in June 2019, under the lead of the Former Murakami-Fund Group, the Management Integration by way of dissolving Excel's business was announced, and ultimately, the Management Integration took effect on April 1, 2020.

7. Investment in Toshiba Machine (Currently Shibaura Machine)

According to publicly available information, the Former Murakami-Fund Group, i.e., Office Support and its joint holders Ms. Aya Nomura and S-Grant, purchased a large number of shares in Toshiba Machine Co., Ltd. (Toshiba Machine Co., Ltd changed its trade name to Shibaura Machine Co., Ltd. on April 1, 2020; however, hereinafter referred to as "**Toshiba Machine**" irrespective of the name change.) in the market and increased their shareholding ratio to 9.19% (the ratio of total voting rights was approximately 11.49%) by November 29, 2019. Subsequently, according to publicly available information, Office Support prepared for the TOB without having substantive discussions with Toshiba Machine, and gave notice of the TOB for shares of Toshiba Machine on or after January 10, 2020 without any explanation of the terms and conditions of the TOB or the management policy of Toshiba Machine after the TOB. On the 17th of the same month, upon notice of the TOB, the board of directors of Toshiba Machine unanimously resolved and announced the introduction of a response policy to a TOB for shares of Toshiba Machine from Office Support or its subsidiaries, or any other large-scale purchase actions that may be contemplated under the circumstances where such a TOB notice has been given ("**Toshiba Machine Response Policy**").

Despite the introduction of the Toshiba Machine Response Policy, City Index Eleventh, a subsidiary of Office Support, subsequently commenced a TOB for shares of Toshiba Machine without complying with the procedures set forth in the Toshiba Machine Response Policy (at that time, Office Support and S-Grant, the Former Murakami-Fund Group, together owned 12.75% of the shareholding ratio of Toshiba Machine shares.).

On February 12, 2020, Toshiba Machine decided to oppose the TOB by City Index Eleventh on the grounds of, among others, (i) City Index Eleventh Tender Offeror Group (collectively, Office Support, S-Grant, and City Index Eleventh, the Former Murakami-Fund Group; the same applies hereinafter) has not presented any

management policy of Toshiba Machine after the TOB, and the manner of involvement of City Index Eleventh Tender Offeror Group in the management of Toshiba Machine is completely unclear, (ii) according to the process leading to the TOB, it appeared that City Index Eleventh Tender Offeror Group has no intention to enhance the corporate value of Toshiba Machine and are interested only in acquiring cash by themselves, (iii) in light of past investments by entities under the influence of Mr. Murakami, the TOB for Toshiba Machine and the proposed shareholder value enhancement by City Index Eleventh Tender Offeror Group was highly likely to damage the corporate value of Toshiba Machine, (iv) City Index Eleventh Tender Offeror Group has continuously ignored the requests of Toshiba Machine in the process of the dialogue, and the TOB by City Index Eleventh was initiated in disregard of the Toshiba Machine Response Policy, (v) City Index Eleventh Tender Offeror Group was suspected of violating the Foreign Exchange and Foreign Trade Act and its eligibility of being the major shareholders of Toshiba Machine is questionable, (vi) the TOB by City Index Eleventh was coercive in that shareholders who oppose the transfer of control will rather have an incentive to tender their shares in the TOB. Accordingly, in order to solicit shareholders' opinion on whether or not to introduce the Toshiba Machine Response Policy and to take countermeasures based on the Toshiba Machine Response Policy (allotment of the share options subject to discriminatory exercise conditions and acquisition clause without contribution (hereinafter, the "Countermeasures" in this paragraph).

According to publicly available information, City Index Eleventh Tender Offeror Group thereafter put pressure on Toshiba Machine to make decision of a large-scale share buyback of approximately 12 billion yen by using the withdrawal of the TOB by City Index Eleventh as a "bargaining tool," by saying that they will withdraw the TOB without waiting for the meeting of shareholders' to confirm shareholders' intentions if Toshiba Machine decides to make a large-scale share buyback of approximately 12 billion yen in addition to the special dividend of approximately 3 billion yen that it had already announced. However, Toshiba Machine, after strongly contemning City Index Eleventh Tender Offeror Group for using the TOB by City Index Eleventh as a means of improperly pressuring Toshiba Machine to ultimately execute share buyback and thereby sell their own shares for a profit, saying that "there is a strong suspicion that its approach constitutes 'a case where a person is simply buying shares to raise the share price and force a company and its related parties to take over shares at a high price while they have no sincere intention of participating in corporate management,' which is one of the four categories of 'exploiting a company' by citing the Tokyo High Court's decision in the Nippon Broadcasting System case (Tokyo High Court Decision, March 23, 2005, *Hanrei-jiho* No. 1899, p. 56)," rejected the request for a large-scale share buyback of approximately 12 billion yen, and held a general meeting of shareholders on March 27, 2020 to confirm the shareholders' intentions. At the general meeting of shareholders, both the agendas on introduction of the Toshiba Machine Response Policy and the implementation of the Countermeasures were approved and passed by more than 62% of the total voting rights of the shareholders present.

According to publicly available information, Institutional Shareholder Services Inc. (ISS), the largest global advisory firm on the exercise of voting rights, which is known for its extremely negative stance on the introduction or renewal of takeover defense measures, also recommended the voting in favor of both the introduction of the Toshiba Machine Response Policy and the implementation of the Countermeasures by stating that, if the TOB by City Index Eleventh is approved, it is questionable that City Index Eleventh does not have a management policy even though it could acquire substantial management control.

Based on the results of the general meeting of shareholders to confirm the shareholders' intention, on March 27, 2020, Toshiba Machine passed a resolution for allotment of the share options subject to discriminatory exercise conditions and acquisition clause without contribution as countermeasures, and in response to this, City Index Eleventh withdrew the TOB on April 2, 2020.

8. Investment Case in Leopalace21

According to publicly available information, the Former Murakami-Fund Group, being Reno, S-Grant, Mr. Masahiro Ohmura ("**Mr. Ohmura**"), who is an employee of Reno, and City Index Eleventh, purchased a large number of shares in Leopalace21 Corporation ("**Leopalace21**") in the market from around 2019 and increased its shareholding ratio to 14.46% by December 11, 2019.

After that, on December 27, 2019, Reno and S-Grant demanded the convocation of an extraordinary general meeting of shareholders of Leopalace21 for the dismissal of all ten directors and the election of three directors. According to publicly available information, after that, Reno and S-Grant suddenly changed their plan on January 28, 2020 (due to reasons such as that they could not obtain approval from other major shareholders), withdrew its proposal to dismiss all the directors, and changed the remaining proposal from electing three directors to electing one director (Mr. Ohmura).

According to publicly available materials, Leopalace21 opposed to the shareholder proposal by Reno and S-Grant (i.e., the election of Mr. Ohmura as a director) for reasons including (i) the well-known fact that Murakami Fund Group has repeatedly taken measures to purchase a large number of shares in a company by advocating to improve corporate governance and thereafter put various pressures on the management of such company; (ii) the existence of a case in which the Murakami Fund Group appointed a director they nominated and repeatedly made demands (such as for impractically high shareholder returns) and pushed that company into delisting; (iii) the existence of several cases in which the Murakami Fund Group sold all or part of a company's assets on a piece-by-piece basis after acquiring the management rights of such company (i.e., a bust-up acquisition); and (iv) based on the communications with Reno and S-Grant up to date, it was obvious that Reno and S-Grant did not intend to work toward improving the medium- to long-term corporate value of Leopalace21; instead, it was presumed that they were planning on a "bust-up acquisition" of Leopalace21 through their shareholder proposal, and it was highly likely that Reno and S-Grant would pursue their own interests at the cost of the stakeholders' interests, including those of other shareholders.

Further, Leopalace21 revealed in its press release that Reno and S-Grant started acquiring the shares in Leopalace21 from around March 2019, which was after the construction defects issue in Leopalace21 came to light, and that during the interviews with Leopalace21 and communications through letters to Leopalace21 from April 2019 onwards, Reno and S-Grant made statements suggesting the bust-up acquisition and capital decrease of Leopalace21, and intended to pursue their short-term profits by implementing a bust-up acquisition of Leopalace21 or selling Leopalace21's assets on a piece-by-piece basis, referring to the cases of the "bust-up acquisitions" of other companies they had taken control of.

Thereafter, in the extraordinary general meeting of shareholders held on February 27, 2020, the company proposal by Leopalace21 (which was to elect two outside directors) was approved, and the shareholder proposal by Reno and S-Grant (which was to elect Mr. Ohmura as director) was rejected.

According to news reports, in the extraordinary general meeting of shareholders, every time a negative statement against Reno's side (such as "Why should we let a vulture fund take advantage of the company when the company is directed towards revitalization?") was made, there was a round of applause at the venue of the general meeting of shareholders. Further, during the voting at the extraordinary general meeting of shareholders, there were concerns raised against Mr. Murakami, who is the substantial owner of Reno, as indicated by opinions such as "I cannot trust Mr. Murakami and his affiliates. I do not accept the company being busted up," "If the company sells the business as stated by Reno, then the company may go out of business." In addition, there were also concerns over the fact that Reno is one of the companies of the Murakami Fund group, as well as concerns such as that "Reno might pursue only their interests." The news report analyzed that those concerns led to shareholders (mainly those who are property owners of Leopalace21) objecting to the shareholder proposal (i.e., the election of Mr. Ohmura as director) (see articles including pp. 1-2 of the Nikkei Business electronic edition dated February 27, 2020, "Leopalace rejected proposal by Murakami Fund, but this does not mean victory"; p. 1 of Fujisankei Business i. dated February 28, 2020 "Leopalace and Reno, still in confrontation - the extraordinary general meeting of shareholders rejects the proposal to elect an outside director"; and p. 10 of The Sankei Shimbun (Tokyo) morning edition dated February 28, 2020 "The Fund's

proposal rejected; Leopalace; shareholders' concerns are yet to be resolved; more time for business recovery and reform to rectify flaws").

9. **Investment Case in Sanshin Electronics**

(1) First TOB by Issuer

According to publicly available information, the Former Murakami-Fund Group, including C&I, Office Support, Minami-Aoyama Fudosan, S-Grant, and Ms. Aya Nomura, started to purchase a large number of shares in Sanshin Electronics Co., Ltd. ("**Sanshin Electronics**") in the market around April 2015. As a result, the shareholding ratio of the Former Murakami-Fund Group in Sanshin Electronics had ultimately risen to approximately 38%.

However, according to publicly available information, in May 2018, which was approximately three years and several months after commencing the acquisition of a large number of shares, C&I, Office Support, Minami-Aoyama Fudosan, and S-Grant tendered their shares in an issuer TOB undertaken by Sanshin Electronics (hereinafter, the "First TOB by Issuer") for a total of 19,712 million yen, and sold the majority of their shares in Sanshin Electronics through the First TOB by Issuer.

The First TOB by Issuer set the TOB price at 2,191 yen, which was a discount price compared to 2,234 yen, the closing price of Sanshin Electronics' shares at closing on May 11, 2018, the business day immediately preceding the announcement. However, the discount rate was only 1.92%, and that TOB price had a so-called premium price of approximately 120 yen to the simple average of the closing prices of Sanshin Electronics' shares for the past three months. The closing market price of Sanshin Electronics' shares three months before the announcement of the First TOB by Issuer was 1,826 yen (February 9, 2018), and the closing price on the business day immediately preceding the announcement of the First TOB by Issuer was 2,234 yen (May 11 of the same year). Although the share price of Sanshin Electronics increased by approximately 22% during that three-month period, as far as we can learn through the change report of the large shareholding report, the Former Murakami-Fund Group continued to acquire Sanshin Electronics' shares in the stock market in an amount equivalent to at least approximately 1% of the shareholding ratio during that period.

As stated in **Part 1** above, a TOB by an issuer at a premium price is generally considered to involve a relatively high risk that the medium- to long-term corporate value of the issuer company will decrease, because the shareholders tendering their shares in the TOB will be paid an amount that exceeds the market price of the issuer company at that time. For this reason, there are only a small number of cases of a TOB by an issuer at a premium price, in practice.

The price of Sanshin Electronics' shares which stood at 2,234 yen on May 11, 2018, the business day immediately preceding the announcement of the First TOB by Issuer, declined to 2,152 yen, which was below the TOB price of 2,191 yen, by the final day of the TOB period, June 11 of the same year, and declined even further to the 1,700 yen range after that.

According to publicly available information, the maximum number of shares to be purchased by Sanshin Electronics in the First TOB by Issuer was 9,000,100 shares, which is of a significant scale (equivalent to approximately 30.74% of the total number of issued shares of the corporation at that time), which was also close to 11,209,100 shares (equivalent to approximately 39.58% of the total number of issued shares of the corporation at that time and 40.98% of the total number of issued shares excluding its treasury shares), the total number of Sanshin Electronics' shares held by the Former Murakami-Fund Group immediately before the announcement of the First TOB by Issuer. As a result, through the First TOB by Issuer by Sanshin Electronics, the Former Murakami-Fund Group were given an opportunity to sell out their shares in Sanshin Electronics at a price higher than that of the market (while avoiding the risk of a significant decline in selling prices if the shares were sold in the market).

As the share buyback was implemented by way of a TOB by an issuer, rather than a market purchase, ToSTNeT-3, or ToSTNeT-2, it became possible for C&I, Office Support, and Minami-Aoyama Fudosan, which are domestic corporations (and investment vehicles constituting the Former Murakami-Fund Group) and which held the equivalent of more than 5% and one-third or less of the total number of issued shares of Sanshin Electronics, excluding treasury

shares (substantially equivalent to the percentage of voting rights; hereinafter in the section, the "Percentage of Voting Rights"), to enjoy 50% of the benefits arising from deducting dividend income with regard to the deemed dividends recognized as a result of tendering for the First TOB by Issuer, and they obtained a large tax benefit in the form of a large reduction in taxable income due to the deduction of 50% taxable income arising from the deemed dividends and the recognition of a large amount of taxable loss on the transfer of shares based thereon.

(2) The Second TOB by Issuer

According to publicly available information, as a result of tendering their shares in the First TOB by Issuer as stated in **1.** above, the Former Murakami-Fund Group have once decreased their shareholding ratio in Sanshin Electronics significantly (approximately 13.90% as of July 3, 2018). However, after that, the Former Murakami-Fund Group have come to purchase a large number of shares of Sanshin Electronics again, and increased their shareholding ratio to approximately 27.63% (the percentage of voting rights was 34.73%) by November 4, 2020.

However, according to publicly available information, in June 2021, City Index Eleventh and S-Grant tendered their shares in a TOB by an issuer company made by Sanshin Electronics amounting to 15,743 million yen in total (the "**Second TOB by Issuer**"), and thereby sold most of the shares of Sanshin Electronics held by themselves.

The Second TOB by Issuer set the TOB price at 2,249 yen. That price was so-called "premium price" which was consisted of 2,070 yen, the closing market price of Sanshin Electronics as of May 11, 2021 (a business day immediately preceding the announcement of the TOB), and a premium of 8.65% (179 yen)

As stated in **1.** above, a TOB by an issuer at a high premium price is generally considered to involve a relatively-high risk that the medium- to long-term corporate value of the issuer company will decrease, because the amount exceeding the share price of the issuer company as of that time is paid to the shareholders tendering their shares in the TOB. For this reason, in practice, there are only a small number of cases of a TOB by an issuer made at a premium price.

The share price of Sanshin Electronics, which stood at 2,070 yen on May 11, 2021, which was a business day immediately preceding the date on which the Second TOB by Issuer was announced, declined to 2,015 yen, which was below the TOB price of 2,070 yen, by July 19 of the same year, which was the final day of the TOB period.

According to publicly available information, the upper limit of the number of shares to be purchased in the Second TOB by Issuer was 7 million (equivalent to approximately 28.82% of the total number of issued shares of the company at that time). In this way, the upper limit was set at the number of shares that was slightly over 6,709,100 shares, which was the total number of shares of Sanshin Electronics held by City Index Eleventh and S-Grant as of the date immediately preceding the announcement of the Second TOB by Issuer. City Index Eleventh and S-Grant expressed their intention to tender their shares after the announcement of the Second TOB by Issuer. Consequently, in the same way as the First TOB by Issuer as stated in **1.** above, the Second TOB by Issuer also gave the Former Murakami-Fund Group an opportunity to sell out their shares of Sanshin Electronics (with being able to avoid a significant decline in the selling price, which should have happened if those shares had been sold in the market).

Further, we believe that in this case as well, the Former Murakami-Fund Group were able to enjoy a large amount of tax merit by tendering their shares in the Second TOB by Issuer after consolidating the shares of Sanshin Electronics held by themselves into City Index Eleventh as a result of using a method of a TOB by an issuer as a share buyback method.

10. Investment Case in Hoosiers

According to publicly available information, the Former Murakami-Fund Group, such as City Index Eleventh, Office Support, Minami-Aoyama Fudosan, and S-Grant, purchased a large number of shares and share options in Hoosiers Holdings Co., Ltd. ("**Hoosiers**") in the market around 2018 and eventually increased the Former Murakami-Fund Group' shareholding ratio to approximately 37.57%.

However, according to publicly available materials, after City Index Eleventh and S-Grant consolidated their own Hoosiers shares to City Index Eleventh and increased City Index Eleventh's percentage of voting rights with respect to Hoosiers to more than one-third, they tendered their shares in the large-scale TOB by an issuer of approximately 14,812 million yen in total announced and conducted by Hoosiers on January 28, 2021 that was approximately three years after the commencement of purchase of shares by City Index Eleventh and others (in the TOB by an issuer, City Index Eleventh and S-Grant executed a tender agreement with Hoosiers for all of their own Hoosiers shares), and sold all of their own Hoosiers shares, including those remaining after the pro rata allocation of the tendered shares at the TOB and sold in the market.

The TOB by an issuer set the TOB price at 684 yen, which was a discount price that was one yen lower than 685 yen, the closing price of Hoosiers shares at closing on January 28, 2021, the date of the announcement. However, in comparison with 663 yen that was the simple average of the closing prices during the past one-month period until January 27, the business day immediately preceding the announcement, the price was at a premium of 3.17%, and similarly, in comparison with 685 yen that was the simple average of the closing prices during the past three months, the price was only one yen lower. Further, according to the change report of the large shareholding report submitted by C&I, before the above TOB by an issuer, during the period until December 17, 2020, C&I continued to purchase more Hoosiers shares in the market consistently, and the volume of the additional purchase during over one and a half months that were the first half of the above three months (from October 27, 2020 to December 17) was equivalent to a shareholding ratio of as much as 2.07%. The one-month average share price during July 2020 that was the period before such additional purchases was 534 yen, and subsequently, in and after August 2020 in which City Index Eleventh and others are considered to have commenced to purchase a large number of shares in the market, the share price rose sharply.

As mentioned in Part I above, a TOB by an issuer at a premium price is generally considered to involve a relatively high risk that the medium- to long-term corporate value of the issuer company will decrease because the shareholders tendering their shares in the TOB will be paid an amount that exceeds the market price of the issuer company at that time. For this reason, in practice, there are only a small number of cases of a TOB by an issuer at a premium price.

According to publicly available information, the maximum number of shares to be purchased in a TOB by an issuer was 21,637,500 shares, representing approximately 37.59% of the total number of issued shares of Hoosiers at that time, which was set to slightly exceed 21,570,200 shares, the number of Hoosiers shares held by the Former Murakami-Fund Group immediately before the date of the TOB announcement. In addition, as mentioned above, the Former Murakami-Fund Group and Hoosiers executed a tender agreement for the TOB by an issuer. As a result, the TOB by Hoosiers gave the Former Murakami-Fund Group an opportunity to sell out Hoosiers' shares (while avoiding the risk of a significant decline in selling price if the shares were sold in the market).

Further, as mentioned above, the TOB by an issuer above was a large-scale purchase totaling approximately 14,812 million yen. On January 14, 2021, two weeks before the announcement of the TOB by an issuer, Hoosiers closed an extraordinary financial results, which is extremely unusual for a listed company, for the purpose of "ensuring the flexibility and mobility of financial strategies by incorporating profit and loss for the period from April 1, 2020 to December 31, 2020 into the company's distributable amount," and as a result, the distributable amount, which is the source of the TOB by an issuer, was increased.

In addition, since the share buyback was implemented by way of a TOB by an issuer, rather than a market purchase, ToSTNeT-3, or ToSTNeT-2, it became possible for City Index Eleventh, which had more than one-third of the percentage of voting rights of Hoosiers, to enjoy 100% of the benefits arising from deducting dividends income with regard to the deemed dividends generated as a result of tendering for the TOB by an issuer, and it appears that City Index Eleventh obtained a large tax benefit in the form of a large reduction in taxable income due to the deduction of 100% of taxable income arising from the deemed dividends and the recognition of a large amount of taxable loss on the transfer of shares based thereon.

11. Investment Case in Nishimatsu Construction

According to publicly available information, the Former Murakami-Fund Group of City Index Eleventh, S-Grant, Minami-Aoyama Fudosan, and Ms. Aya Nomura, have bought up a large number of shares of Nishimatsu Construction Co., Ltd. ("**Nishimatsu Construction**") in the market, which increased the shareholding ratio of the Former Murakami-Fund Group to 22.84% as of May 10, 2021.

According to publicly available information, after that, the Former Murakami-Fund Group proposed to Nishimatsu Construction a large-scale share buyback of up to 200 billion yen, using the sale of real estate owned by Nishimatsu Construction and other source of funds. The Former Murakami-Fund Group also said that they wanted to increase the shareholding ratio in Nishimatsu Construction to more than one-third in terms of the percentage of voting rights, on the grounds that it would be possible for the Former Murakami-Fund Group to enjoy favorable tax effects if they tendered for the share buyback. Further, the Former Murakami-Fund Group had repeatedly proposed to Nishimatsu Construction to conduct M&A, including management integration, with Daiho Corporation ("**Daiho**"), which Murakami Fund held approximately 33.08% of the percentage of voting rights as of April 15, 2021.

On May 20, 2021, Nishimatsu Construction requested that the Former Murakami-Fund Group not purchase additional shares in which the total shareholding ratio in Nishimatsu Construction shares exceeds 25% and if the Former Murakami-Fund Group purchase additional shares against this request, they promptly dispose of the additionally purchased shares, etc. by sale in the market (excluding the method of ToSTNeT-1) or in a manner reasonably specified by Nishimatsu Construction (hereinafter in this section the "Request"). Nishimatsu Construction planned to submit a proposal for approval of the Request at the 84th annual general meeting of shareholders on June 29, 2021 in order to obtain approval and support from its shareholders for the Request.

However, according to publicly available information, Nishimatsu Construction received from the Former Murakami-Fund Group a written pledge stating that they would not make a purchase of Nishimatsu Construction shares, by which the total shareholding ratio by the Former Murakami-Fund Group would be more than 25%, during the period on and after May 21, 2021 to the date when Nishimatsu Construction announced the financial results of the second quarter of the fiscal year ending March 2022, and Nishimatsu Construction decided to reach an agreement with the same content and determined to withdraw the proposal above on June 2, 2021.

Thereafter, according to publicly available information, from early June 2021 to late July 2021, Nishimatsu Construction had had dialogues with the Former Murakami-Fund Group, but differences of their views were not dissolved. Therefore, in order to implement measures for maintenance of sustainable growth and medium- and long-term enhancement of its corporate value smoothly under the long-term vision and the medium-term management plan that were announced by Nishimatsu Construction, Nishimatsu Construction thought that it was necessary to realize flexible and stable business operation by the Former Murakami-Fund Group selling their own Nishimatsu Construction shares and facilitating planning and implementation of management strategies and capital policies of Nishimatsu Construction, and Nishimatsu Construction announced implementation of TOB by an issuer totaling 54.3 billion yen on September 21, 2021.

In the TOB by an issuer, the Former Murakami-Fund Group executed a tender agreement with Nishimatsu Construction for all of their own Nishimatsu Construction shares, and they actually tendered their shares in the TOB by an issuer and sold their own Nishimatsu Construction shares.

The above TOB by an issuer set the TOB price at 3,626 yen, which had a so-called premium price of 0.58% (21 yen) above 3,605 yen, the closing price of Nishimatsu Construction shares by the closing of September 17, 2021, the day immediately preceding the announcement.

As stated in Part 1 above, a TOB by an issuer at a premium price is generally considered to involve a relatively high risk that the medium- to long-term corporate value of the issuer company will decrease, because the shareholders tendering their shares in the TOB will be paid an amount that exceeds the market price of the issuer company at that time. For this reason, in practice, there are only a small number of cases of a TOB by an issuer at a premium price.

The price of Nishimatsu Construction' shares which stood at 3,605 yen on September 17, 2021, the business day immediately preceding the above announcement of the TOB by an issuer, declined to 3,425 yen, which is lower than 3,626 yen (the TOB price), by the final day of the TOB period, October 20 of the same year, and declined even further to 3,325 yen by the following day.

In addition, according to publicly available information, the maximum number of shares to be purchased in a TOB by an issuer was 15,000,100 shares, which was set to exceed 13,896,800 shares, the number of Nishimatsu Construction shares held by the Former Murakami-Fund Group immediately before the date of the announcement of the TOB by an issuer. In addition, as stated above, the Former Murakami-Fund Group and Nishimatsu Construction executed a tender agreement for the TOB by an issuer. As a result, the TOB by Nishimatsu Construction gave the Former Murakami-Fund Group an opportunity to sell out Nishimatsu Construction' shares (while avoiding the risk of a significant decline in selling price if the shares were sold in the market).

Thereafter, according to publicly available information, the Former Murakami-Fund Group transferred all remaining 4,022,800 Nishimatsu Construction shares held by them to ITOCHU Corporation ("**ITOCHU Corporation**") on December 15, 2021, in relation to the capital and business alliance agreement between Nishimatsu Construction and ITOCHU Corporation on the same date.

12. Investment Case in Daiho

According to publicly available information, since City Index Eleventh submitted a large shareholding report on Daiho share certificates, etc. for the first time on May 14, 2020, the Former Murakami-Fund Group, including City Index Eleventh, Ms. Aya Nomura, Office Support, ATRA Co., Ltd., Minami-Aoyama Fudosan, and S-Grant, purchased Daiho shares and bonds with share options in large volume in the market and increased the shareholding ratio of the Former Murakami-Fund Group to 41.66% (7,125,379 shares) as of December 28, 2021.

According to publicly available information, the Former Murakami-Fund Group had repeatedly requested Daiho to reduce its shareholders' equity by returning profits to shareholders through IR briefings and exchanges of opinions in each accounting period of Daiho since mid-June 2020. At the interview held on December 3, 2021, they requested (i) delisting through a management buyout (MBO), which the management team purchases the shares of Daiho, or (ii) increasing shareholder value thorough implementation of measures to improve ROE by reducing net assets (specifically, reducing net assets of approximately 74.1 billion yen at the Fiscal Year ended March 31, 2021 to 30 - 40 billion yen (hereinafter in this section the "Request"). In the letter dated December 14, 2021, the Former Murakami-Fund Group again made the Request.

On September 10, 2021, Daiho had received a notification from ASO Corporation ("**ASO**") concerning its intention to collaborate with Daiho, including making Daiso a consolidated subsidiary of the ASO group, and had begun to consider it. Daiho was concerned about the disadvantages caused by the delisting and the loss of financial soundness by the share buyback, in case that Daiho accepted the Request from the Former Murakami-Fund Group, and determined that such measures could not be adopted as a management strategy aimed at maintaining sustainable growth and raising corporate value over the medium- to long-term, and came to the view that Daiso should get out of the situation where the Former Murakami-Fund Group were the top shareholders and form an alliance with the Aso Group as a new major shareholders instead of the Former Murakami-Fund Group in order to aim to raise corporate value over the medium- to long-term by steady execution of the medium-term management plan. In January 2022, Daiho proposed to Mr. Murakami and other parties that they tender their Daiho shares in a TOB by Aso. However, Mr. Murakami and others responded that, (i) it was not acceptable to tender their shares in the TOB unless Daiho seeks tender offerors broadly and the highest TOB price, and (ii) if there was no choice other than being affiliated with ASO, Mr. Murakami and others had an intention to tender their shares in a TOB by an issuer of greater than or equal to 8 million shares (more than 50% of voting rights basis) with greater than or equal to 4,500 yen of TOB price (as of January 31, 2022, when Daiho was informed the price, the market price (opening price) was 3,655 yen). Further, with regard to the capital and business alliance with ASO, Mr. Murakami and others indicated that a third-party allotment should be made at a price higher than the TOB price of the TOB by an issuer in order to avoid the dilution of the shareholder value. Accordingly,

Daiho conducted a TOB by an issuer (hereinafter in this section the "TOB by the Issuer") with a TOB price of 4,730 yen per share, the total amount is approximately 41.9 billion yen, for a total of approximately 8.85 million shares to be purchased, and a third-party allotment of 8.5 million shares to Aso at an issue price of 4,750 yen per share (the paid amount is approximately 40.4 billion yen, a dilution rate of 49.93% based on the voting rights basis; hereinafter in this section the "Third-party Allotment"). Daiho also decided to use the paid-in amount of the Third-party Allotment for the repayment of the bridge loan for the settlement of the TOB by the Issuer, and announced on March 24, 2022 the implementation of a series of transactions, including the TOB by the Issuer and the Third-party Allotment (in the form of a preannounced TOB, as Daiso was required to conduct the capital reserve reduction procedure for the creation of the distributable amount to implement the TOB by the Issuer).

The Former Murakami-Fund Group executed an TOB agreement with Daiho for the TOB by the Issuer for all of Daiho shares held by them (total 7,200,640 shares as of March 24, 2022, 42.04% of shareholding ratio as of December 31, 2021), and tendered their shares in the TOB by the Issuer. As a result, the Former Murakami-Fund Group sold 7,338,000 shares of Daiho (39.8% of shareholding ratio). According to a large shareholding report submitted by City Index Elevens on July 22, 2022, the Former Murakami-Fund Group sold some shares in the market even during the period of the TOB by the Issuer, and the number of Daiho shares held by the Former Murakami-Fund Group immediately after the settlement of the TOB was 655,231 shares in total (3.55% of shareholding ratio).

The TOB by the Issuer set the TOB price offer at 4,730 yen, which had so-called premium price of 29.06 % (1,065 yen) above 3,665 yen, the closing price of Daiho shares by the closing of March 23, 2022, the day immediately preceding the announcement.

As stated in Part 1 above, a TOB by an issuer at a premium price is generally considered to involve a relatively high risk that the medium- to long-term corporate value of the issuer company will decrease, because the shareholders tendering their shares in the TOB will be paid an amount that exceeds the market price of the issuer company at that time. For this reason, in practice, there are only a small number of a TOB by an issuer at a premium price.

While the price of Daiho shares stood at 3,665 yen on March 23, 2022, the business day immediately preceding the above announcement of the series of transactions including the TOB by the Issuer and the Third-party Allotment, the market share price after the announcement remained well below the TOB price in the TOB by the Issuer and the issue price of the Third-party Allotment.

As stated above, the maximum number of shares to be purchased under the TOB by an issuer was set at an extremely large number of shares (approximately 51.67% of the Daiho's outstanding shares at the time) that exceeds the total number of shares held by Former Murakami-Fund Group immediately prior to the announcement of the TOB by an issuer. In addition, as stated above, the Former Murakami-Fund Group and Daiho executed a TOB agreement for the TOB by the Issuer. As a result, the TOB by Daiho gave the Former Murakami-Fund Group an opportunity to sell our Daiho's shares through the TOB by an issuer (while avoiding the risk of a substantial decline in selling price if the shares were sold in the market).

Additionally, as mentioned above, due to the sale of shares in response to the aforementioned the TOB by an issuer, the shareholding ratio of the Former Murakami-Fund Group in Daiho temporarily decreased to 3.55%. However, following the settlement of the TOB by an issuer, after July 19, 2022, City Index Eleventh (as well as Minami-Aoyama Fudosan after November 13, 2023 and Ms. Aya Nomura after July 25, 2024) began to purchase a significant amount of shares in Daiho, and as of December 12, 2024, the Former Murakami-Fund Group' shareholding ratio had reached approximately 17.78% (See the change report of the large shareholding report filed by Minami-Aoyama Fudosan as of December 19, 2024).

13. Investment Case in DAIDOH LIMITED

The Former Murakami-Fund Group, consisting of Minami-Aoyama Fudosan and Ms. Aya Nomura, began to purchase shares in DAIDOH LIMITED ("**DAIDOH**"), a manufacturer and seller of apparel, in the market around the end of April 2024. As of June 27, 2024, the Former Murakami-Fund Group held DAIDOH's shares equivalent to a

shareholding ratio of approximately 5.14% (See the large shareholding report filed by Minami-Aoyama Fudosan as of July 4, 2024).

Meanwhile, according to publicly available information, Strategic Capital, an activist fund, submitted a shareholder proposal on April 17, 2024, regarding the annual general meeting of shareholders scheduled for June 27, 2024, mainly including a proposal for election of its recommended candidates as directors, and engaged in a fierce proxy battle.

In this context, Mr. Murakami notified DAIDOH shortly before the date of its annual general meeting of shareholders (June 27, 2024) that he was "considering a tender offer," and immediately after the meeting, where five candidates proposed by DAIDOH and three candidates proposed by Strategic Capital were elected as directors, demanded that DAIDOH "implement shareholder returns if it does not want to be subject to a TOB" (See the Asahi Shimbun online article dated September 24, 2024, titled "Activist vs. Established Apparel Firm: the Reality Mr. Murakami, etc. Shows" and the Nikkei online article dated August 28, 2024, titled "80-Day Battle for DAIDOH: Silent Struggle by Activist Shareholders, Remaining Wounds from Massive Dividend Hike"). According to news reports, Mr. Murakami allegedly planned to carry out a so-called dismantling-type acquisition, which would involve separating the apparel business from DAIDHO after the TOB, selling all remaining assets such as real estate to external parties, and dissolving the company (See the Nikkei online article dated August 28, 2024). Under strong pressure from Mr. Murakami to implement shareholder returns to avoid a hostile TOB, DAIDOH announced on July 4, 2024, that it would increase the annual dividend for the fiscal year ending March 2025 from the previous forecast 5 yen per share to 200 yen per share, a 20-fold increase, and allocate up to 13 billion yen for shareholder returns (including 5 billion yen for share buybacks) over the next three years (See the press release titled "Notice Regarding the Revision of Shareholder Return Policy and Dividend Forecast (Dividend Increase)" dated July 4, 2024, by DAIDOH). In connection with the announcement of this significant dividend increase, Mr. Tsuyoshi Maruki, Representative Director of Strategic Capital, stated that he had heard from Mr. Masahiro Yamada, Chairman and CEO of DAIDOH, that "I was told by Mr. Murakami that he would launch a tender offer for the shares in DAIDOH and if I wanted to avoid it, I must implement such shareholder returns after obtaining Mr. Maruki's approval" and that Mr. Yamada was simply following Mr. Murakami's orders (See the Toyo Keizai Online article titled "Mr. Maruki Speaks on the Backgrounds of Controversial Sale of DAIDOH Shares" dated July 19, 2024, as well as the Toyo Keizai Online article titled "Murakami Fund Makes a Comeback, Causing Turmoil at an Established Apparel Company" dated July 10, 2024).

Furthermore, to secure the funds for such massive shareholder returns, DAIDOH held an extraordinary shareholders meeting on December 17, 2024, and decided to reduce its capital from approximately 6.89 billion yen to 100 million yen, while also liquidating nearly all of its capital reserves (approximately 3.12 billion yen) and the entire amount of its retained earnings (approximately 960 million yen) (See the notice of the extraordinary shareholders meeting of DAIDOH dated December 2, 2024).

As a result, on July 5, 2024, the day after DAIDOH announced the aforementioned extreme dividend increase, DAIDHO's stock price surged to 1,095 yen, an increase 150 yen from the previous day's closing price. However, the Former Murakami-Fund Group including Ms. Nomura seized the opportunity and sold all of DAIDOH shares they held in the market on the same day. Similarly, Strategic Capital also sold all of DAIDOH shares it held in the market. However, the fact of such sales was not disclosed until July 12, when Minami-Aoyama Fudosan filed a change report of the large shareholding report (See the change report of the large shareholding report filed by Minami-Aoyama Fudosan dated July 12, 2024). Additionally, the stock price of DAIDOH reached a temporary high of 1,329 yen, the highest since the beginning of the year, on the next business day after July 5. However, on July 16, the next business day after it became clear that the Former Murakami-Fund Group and Strategic Capital had sold all their shares, the stock price plummeted to 998 yen, a decrease of 80 yen from the previous day's closing price. It is currently trading around 900 yen.

The actions of the Former Murakami-Fund Group during this series of events have been reported as follows: "They lured the company with promises of enhancing corporate value, but then abandoned it to its fate when it suited their own interests." "Had they retained the massive shareholder returns, they could have been used for future growth investments. Instead, by divesting them, it is no different from a 'scorched earth strategy' where a company targeted

for acquisition lowers its own value to drive away the acquirer" (See the Nikkei online article dated August 28, 2024 and the "*Daiki Shoki*" column in the morning edition of the Nikkei Newspaper dated September 5, 2024,).

Additionally, regarding DAIDOH, as described in Section 15 below, MAC Asset Management Co., Ltd. ("**MAC**"), which once was a core company of the Former Murakami-Fund Group, increased its shareholding in DAIDOH to 19.82% through market purchases, and ultimately sold 14.29% of its shareholding at a price of 1,708 yen per share in a TOB by an issuer conducted by DAIDOH between February and March 2006.

The TOB price of 1,708 yen was determined as the average closing price of DAIDOH shares on the Tokyo Stock Exchange Prime Market over the one-month period ending on February 17, 2006, the business day prior to the board of directors' resolution to implement a TOB by an issuer (February 20, 2006). This price represented a premium of 4.78% over the closing price of 1,630 yen for DAIDOH shares on the Tokyo Stock Exchange Prime Market on the same day.

The market price of DAIDOH's shares was 1,630 yen on February 17, 2006, the business day prior to the announcement of the TOB by an issuer, and 1,790 yen on March 13, 2006, the final day of the TOB period. However, the share price subsequently declined, and fell below the 1,600 yen mark on May 22, 2006, reaching 1,551 yen on June 13, three months after the TOB closed.

The maximum number of shares to be purchased by DAIDOH in the aforementioned TOB by an issuer was 7.2 million shares (equivalent to approximately 16.86% of the total issued shares of DAIDOH at that time), which was equivalent to the substantial portion of shares held by MAC as of February 2, 2005, which was 7,658,983 shares. According to public information and media reports, MAC participated in the aforementioned TOB by an issuer and significantly reduced the number of shares of DAIDOH it owned as of March 31, 2006, to 2,083,100 shares (equivalent to approximately 5.52% of the total number of issued shares of DAIDOH as of the same date). The aforementioned TOB by an issuer by DAIDOH provided the Former Murakami-Fund Group with an opportunity to sell its shares in DAIDOH (while avoiding a significant decline in the sale price that would have occurred if sold in the market).

14. Investment Case in Mitsui Matsushima Holdings, Inc

According to publicly available information, the Former Murakami-Fund Group, consisting of City Index Eleventh, Minami Aoyama Fudosan, Fortis, S-Grant, and Ms. Aya Nomura, has purchased large number of shares in Mitsui Matsushima Holdings, Inc. ("**Mitsui Matsushima**") after City Index Eleventh has submitted the first large shareholding report on May 13, 2024, and as of March 31, 2025, its shareholding ratio has increased to approximately 41.33% (4,698,700 shares).

According to publicly available information, since late May 2024, when the Former Murakami-Fund Group became a shareholder of Mitsui Matsushima, Mitsui Matsushima has been in continuous conversation with the Former Murakami-Fund Group as part of its regular IR activities. Since the beginning of the conversation, City Index Eleventh had expressed its opinion that it would be desirable for Mitsui Matsushima to reduce its capital adequacy through share buybacks in order to enhance its corporate value.

In response to the above, on May 13, 2025, Board of Directors of Mitsui Matsushima resolved to implement a large-scale share buyback of up to 20 billion yen and 3.5 million shares.

Subsequently, Mitsui Matsushima considered that, by conducting the buyback off-market, it would be possible to conduct the buyback on a considerable scale in a shorter period of time than by conducting it on the market, and considered acquiring the shares in Mitsui Matsushima held by the Former Murakami-Fund Group, and at an IR meeting on May 20, 2025, it expressed its intention to acquire the number of shares worth of up to 20 billion yen held by the Former Murakami-Fund Group via TOB, at a price discounted from the closing price on the day before the meeting (May 19), however, the Former Murakami-Fund Group rejected the offer. In response, Mitsui Matsushima has proposed to raise the price of its own shares to a price below the trading volume weighted average price from May 14 to 19 (5,146 yen), specifically, 5,000 yen (a 1.32% premium over the closing price of 4,935 yen on May 19), City Index Eleventh responded that it would be willing to tender its shares at this price. Based on this response, Mitsui Matsushima

conveyed its intension that it may raise the price to 5,000 yen and that the maximum number of shares to be acquired through the TOB may be raised to 4 million, on the assumption that the special committee to be established by Mitsui Matsushima will provide a positive report on the implementation of the TOB. City Index responded that it would consider tendering 4,213,600 shares (approximately 37.06% in shareholding ratio) which do not include the shares held by Ms. Aya Nomura, since the number of shares held by the Former Murakami-Fund Group (4,698,700) is more than 4 million shares.

Subsequently, on June 10, 2025, Mitsui Matsushima received a proposal from City Index Eleventh to reduce the number of tendering shares (4 million shares or more) to 3.3 million shares or more in order not to discourage the tenders from general shareholders, since the market share price (closing price of 4,650 yen) as of June 9, 2025 was below 5,000 yen and there was a possibility that the number of shares tendered by general shareholders would be higher than originally expected. Mitsui Matsushima accepted the proposal on June 13, 2025. Subsequently, Mitsui Matsushima approached the Former Murakami-Fund Group (excluding Ms. Aya Nomura), under the approval from a special committee consisting of three independent outside directors of the company established by the Board of Directors of Mitsui Matsushima, to enter into an agreement to tender 3.3 million or more shares in the TOB, and officially proposed that the purchase price per share in the TOB to be 5,000 yen. On June 18, 2025, the Former Murakami-Fund Group (excluding Ms. Aya Nomura) entered into a tender agreement with Mitsui Matsushima, under which the Former Murakami-Fund Group would jointly tender at least 3.3 million shares (approximately 29.02% in shareholding ratio) in the TOB. Based on the above, Mitsui Matsushima has made a resolution at a Board of Directors meeting on June 18, 2025, and commenced its TOB on June 19, 2025, with the number of shares to be purchased to be 3,999,900 shares, TOB price at 5,000 yen per share, funds required for purchase of 20,014,800,000 yen, and settlement to commence on August 8, 2025 (period of TOB was until July 16).

The TOB price of 5,000 yen for the above TOB is 8.23% premium over the closing price (4,620 yen) of Mitsui Matsushima's shares on the Tokyo Stock Exchange Prime Market on the record date of June 17, 2025, which is the business day immediately before the date of announcement of the TOB, and is 5.46%, 15.34% and 17.32% premium over the simple average closing price of 4,741 yen, 4,335 yen and 4,262 yen, respectively, for the latest one month, three months and six months prior to the record date, respectively. In this sense, the TOB conducted by Mitsui Matsushima was a TOB by an issuer with a premium. As mentioned in 1. above, since a TOB by an issuer at a high price with a premium results in the payment to the tendering shareholders of an amount exceeding the share price of the issuing company at that time, it is generally considered that there is a relatively high risk that the medium- to long-term corporate value of the company will decline, and in practice, it is rare that TOB by an issuer is conducted at a high price with a premium.

The funds required for the above TOB by an issuer conducted by Mitsui Matsushima will be provided by its own funds, as well as funds procured through borrowing up to 15 billion yen from Sumitomo Mitsui Banking Corporation.

15. Investment Case in JAFCO

(1) Announcement and non-implementation of share buyback offer

According to publicly available information, since City Index Eleventh submitted a large shareholding report on JAFCO Group Co., Ltd. ("**JAFCO**") Share Certificates, etc. for the first time on August 9, 2022, the Former Murakami-Fund Group, consisting of City Index Eleventh, Ms. Nomura and Minami-Aoyama Fudosan, purchased JAFCO shares in the large volume in the market and increased its Shareholding Ratio to approximately 19.53% (13,904,500 shares) as of November 1, 2022.

JAFCO conducted interviews with City Index Eleven on August 4, 2022, and with Mr. Murakami and the Former Murakami-Fund Group on August 5, 2022, regarding business strategies and capital policies. During the interview on August 5, JAFCO was informed that there was a possibility that they would increase their holdings of JAFCO shares to 51%, and was requested to liquidate a portion of its shares in Nomura Research Institute, Ltd. ("**NRI**") and repurchase approximately 50 billion yen worth of its own shares, equivalent to about one-third of the market capitalization and

40% of consolidated shareholders' equity. Since then, JAFCO engaged in discussions with Mr. Murakami and others through IR presentations and exchanges of opinions to enhance shareholder value.

Subsequently, at the Board of Directors meeting held on August 15, 2022, JAFCO adopted a basic policy regarding the appropriate role of those who control decisions on financial and business strategies, with the aim of ensuring and enhancing corporate value and the common interests of shareholders. Furthermore, as measures to prevent decisions on financial and business policies from being dominated by inappropriate persons or entities in accordance with the basic policy, the Board of Directors meeting resolved to introduce the following Response Policy: (i) to address the Large-Scale Acquisition Activities targeting JAFCO shares by the Former Murakami-Fund Group, which were a specific concern, and (ii) to address other Large-Scale Acquisition Activities that may be contemplated under circumstances where there is a specific concern that the Former Murakami-Fund Group may engage in the Large-Scale Acquisition Activities targeting JAFCO shares.

In light of the above, JAFCO has concluded that it should reduce its net assets and improve its return on equity (ROE) and that it should reduce the level of its future investment funds by half to 60 billion yen, then sell all of its NRI shares to convert them into cash and use 42 billion yen out of such cash to repurchase its own shares, for the purpose of stabilizing its management by facilitating the business operation, in particular fund raising, by reducing the Shareholding Ratio of the Former Murakami-Fund Group. After that, JAFCO entered into a confidentiality agreement on November 1, 2022, and commenced discussions with Mr. Murakami and others regarding the sale of JAFCO shares owned by the Former Murakami-Fund Group. During these discussions, JAFCO explained to Mr. Murakami and others that it was considering conducting a TOB for its own shares and requested the conclusion of an initial tender agreement stipulating that all JAFCO shares owned by the Former Murakami-Fund Group would be tendered in the TOB. JAFCO also proposed that the TOB price would be set at a certain price discounted from the market price. In response to this request, Mr. Murakami and others indicated that while they would consider participating in the share buyback, they could not agree to participate in the buyback offer unless the buyback price would be set at a fixed price at price-to-book ratio (PBR) of 1. On the same day, JAFCO determined that the proposal by Mr. Murakami and others was unacceptable. However, subsequent discussions were held on seven times of November 4, 8, 9, 11, 14, 17, and 21, 2022, and during the discussions on November 8, 2022, JAFCO proposed setting a lower and upper limit for the TOB price, with the lower limit set at 2,500 yen per share, representing a discount of approximately 5% on the net asset value per share. Mr. Murakami and others expressed their intention to respect this proposal and proposed setting the upper limit for the TOB price at 2,800 yen per share, which is the net asset value per share plus an amount equivalent to around 5% of the net asset value per share. Subsequently, at the discussion on November 11 of the same year, JAFCO proposed by Mr. Murakami and others that if the TOB price be determined based on the market price over a certain period following the conclusion of the tender agreement with the lower limit of the TOB price be set at 2,500 yen and the upper limit at 2,800 yen, they would enter into the tender agreement and offer all of the JAFCO shares owned by the Former Murakami-Fund Group (13,904,500 shares, Shareholding Ratio: 19.53%). Additionally, JAFCO has received a proposal to reduce its equity ratio in the JAFCO fund, enhance shareholder returns, and pursue a thorough improvement in ROE by reducing net assets. Taking into account these discussions with Mr. Murakami and others, JAFCO has decided to further advance detailed considerations for implementing the share buyback and negotiations with Mr. Murakami and others. Following the negotiations with Mr. Murakami and others regarding the specific terms of the tender agreement, JAFCO entered into a tender agreement with Mr. Murakami and others, which includes the condition that the TOB price set at 2,500 yen or more as a prerequisite for the subscription by the Former Murakami-Fund Group on November 25, 2022.

Based on the above, JAFCO resolved at the Board of Directors meeting held on November 25, 2022, to (i) it would conduct a tender offer for its own shares subject to the condition that all of the prerequisites including following conditions are satisfied or waived by JAFCO: the volume-weighted average price (VWAP) of JAFCO shares traded on the Tokyo Stock Exchange Prime Market during the period from November 30, 2022 to December 7, 2022 would be between 2,525 yen and 2,828 yen (the “Price Range”); (ii) the TOB price was planned to be set at a price discounted by 1% from the VWAP, (iii) the number of shares to be purchased was planned to be determined by dividing 42 billion yen by the tender offer price.

However, the VWAP was 2,362.4136 yen, which was below the lower limit of the Price Range and the Former Murakami-Fund Group stated that it had no intention to waive any part or all of the preconditions for the tender offer by City set forth in the tender agreement and participate in the tender offer pursuant to the tender agreement. As a result, JAFCO did not proceed with the share buyback and the tender agreement was terminated as of December 7, 2022.

(2) Implementation of another share buyback offer

JAFCO entered into another confidentiality agreement on December 7, 2022, and agreed to continue discussions with Mr. Murakami and others regarding the handling of JAFCO shares owned by the Former Murakami-Fund Group. JAFCO proposed to implement share buyback offer with a purchase price of 2,500 yen per share and a total purchase price of 42 billion yen. In response, Mr. Murakami and others indicated that the proposal was acceptable and requested that JAFCO consider increasing the dividend for the fiscal year ending March 2023 even if the total purchase price is reduced. Based on this, JAFCO continued discussions with Mr. Murakami and others, and it re-signed the tender agreement with Mr. Murakami and others on December 21, 2022. At the Board of Directors meeting held on the same day, it resolved to implement the share buyback and to increase the minimum dividend per share for the fiscal year ending March 2023 from 100 yen to 150 yen. On December 22, 2022, JAFCO commenced the share buyback with the following terms: the TOB price of 2,500 yen per share, 16.8 million shares (Shareholding Ratio: 23.60%) planned to be purchased, total funds required for the purchase of 42,092,630,100 yen, and the settlement commencement date set for February 16, 2023 (the TOB period was until January 25, 2023).

The TOB price of 2,500 yen per share for the aforementioned share buyback offer includes the following premiums: a 8.23% premium over the closing price of JAFCO shares on December 20, 2022 (2,310 yen), the business day prior to the announcement of the share buyback offer; a 5.31% premium over the simple average closing price of JAFCO shares over the past month up to December 20, 2022(2,374 yen); a 9.75% premium over the simple average closing price of JAFCO shares over the three months ending on the same date (2,278 yen); a 18.54% premium over the simple average closing price of JAFCO shares over the six months ending on the same date (2,109 yen). Therefore, the share buyback offer conducted by JAFCO was, in that sense, a share buyback offer with a premium. As stated in Part 1 above, a TOB by an issuer at a premium price is generally considered to involve a relatively high risk that the medium- to long-term corporate value of the issuer company will decrease, because the shareholders tendering their shares in the TOB will be paid an amount that exceeds the market price of the issuer company at that time. For this reason, in practice, it is rare to see a TOB by an issuer at high price with a premium.

Furthermore, the funds required for the aforementioned share buyback are planned to be fully funded from internal resources, with 42 billion yen from the proceeds of the sale of NRI shares to be allocated to the full amount of such internal resources.

The market price of JAFCO shares which stood at 2,310 yen on December 20, 2022, the business day prior to the announcement of the share buyback, declined to 2,365 yen, which was below the TOB price of 2,500 yen, by the final day of the TOB period, January 25, 2023. As of February 16, 2023, the settlement commencement date of the share buyback, it had further declined to 2,111 yen.

As mentioned above, the maximum number of shares to be purchased in the aforementioned TOB by an issuer was set to exceed the total number of JAFCO shares held by the Former Murakami-Fund Group immediately before the date of the announcement of the TOB by an issuer. In addition, as stated above, the Former Murakami-Fund Group and JAFCO executed a tender agreement for the TOB by an issuer. As a result, the TOB by JAFCO gave the Former Murakami-Fund Group an opportunity to sell out JAFCO shares (while avoiding the risk of a significant decline in selling price if the shares were sold in the market).

16. Investment Case in Central Glass Co., Ltd.

According to publicly available information, since Office Support and Ms. Nomura submitted a large shareholding report on Central Glass Co., Ltd. ("**Central Glass**") Share Certificates, etc. for the first time on July 6, 2018, the Former

Murakami-Fund Group, consisting of City Index Eleventh, S-GRANT, Minami-Aoyama Fudosan and Reno, purchased Central Glass shares in the large volume in the market and increased its Shareholding Ratio to approximately 30.20% (12,053,400 shares) as of September 12, 2022.

Although Central Glass had been conducting interviews with Mr. Murakami and others since mid-September 2018, disagreements over the direction of management strategy have become evident between Central Glass, which aims to enhance its corporate value over the medium- to long-term through the steady implementation of its medium-term management plan, and City Index Eleven or Mr. Murakami and others, which seeks management integration with other companies in the same industry and going private, in early August 2022. As a result, Central Glass decided to proceed with the consideration of acquiring the Central Glass shares held by the Former Murakami-Fund Group, and in mid-August 2022, they decided to proceed in earnest with the consideration of conducting a TOB by an issuer. In a telephone conference call with Mr. Murakami and others on August 19, 2022, Central Glass explained to them that it was considering implementing a TOB by an issuer, and they expressed their willingness to consider selling their shares in Central Glass by tendering their shares in the TOB as one of the options if it would contribute to enhancing the medium- to long-term corporate value of Central Glass. Central Glass held a discussion with Mr. Murakami and others on August 22, 2022, regarding the sale of Central Glass shares owned by the Former Murakami-Fund Group, and explained again to them that it is considering the implementation of a TOB by an issuer. It also proposed the TOB price of 3,400 yen (the closing price of Central Glass shares on the Tokyo Stock Exchange Prime Market on August 19, 2022, the business day prior to the aforementioned negotiation: 3,535 yen). However, Mr. Murakami and others indicated that they would consider tendering their shares in the TOB, but that they would not accept the tender offer if the TOB price was set as this price.

Thereafter, on August 23, 2022, Central Glass held another discussion with Mr. Murakami and others and received a proposal from them to set the TOB price at 3,515 yen, the closing price of Central Glass shares on the Prime Market of the Tokyo Stock Exchange on August 18, 2022, and other proposals. Central Glass responded that it would like to discuss the TOB price again after careful consideration. Subsequently, Central Glass held another negotiation with Mr. Murakami and others on August 26, 2022, and proposed to them that the TOB price would be set at 3,500 yen (the closing price of Central Glass shares on the Tokyo Stock Exchange Prime Market on August 25, 2022, the business day prior to the negotiation: 3,465 yen). Mr. Murakami and others expressed reservations about accepting this price as the TOB price but indicated their willingness to continue discussions regarding the TOB price. Central Glass held a discussion with Mr. Murakami and others on September 6, 2022, and proposed again the TOB price of 3,500 yen. Mr. Murakami and his group indicated their intention to respect the proposal and stated that if the TOB by an issuer were to be conducted at this price, they would enter into a tender agreement with Central Glass and tender all 12,053,400 shares in Central Glass (Shareholding Ratio: 30.20%) held by the Former Murakami-Fund Group. Central Glass further negotiated with the Former Murakami-Fund Group and concluded a tender agreement with Mr. Murakami and others on September 20, 2022.

Based on the above, Central Glass passed a resolution at the Board of Directors meeting on September 20, 2022, and commenced a TOB by an issuer on September 21, 2022, with the following terms (the TOB period was originally set to expire on October 20, but it was extended until October 27): the number of shares to be purchased was 14,285,700 shares, a TOB price was 3,500 yen per share, the funds required for the purchase and other matters were 50,056,950,000 yen, and the settlement commencement date was November 14, 2022 (following the extension of the TOB period as mentioned above, the settlement commencement date was changed to November 21).

The TOB price of 3,500 yen per share for the aforementioned TOB includes the following premiums: a 1.89% premium over the closing price of Central Glass shares on September 16, 2022 (3,435 yen), the business day prior to date of the Board of Directors meeting at which the resolution to implement the TOB was adopted (September 20, 2022); a 2.19% premium over the simple average closing price of Central Glass shares over the past month up to September 16, 2022 (3,425 yen); a 6.94% premium over the simple average closing price of Central Glass shares over the three months ending on the same date (3,273 yen); a 20.73% premium over the simple average closing price of Central Glass shares over the six months ending on the same date (2,899 yen). Therefore, the TOB conducted by Central Glass was, in that

sense, a TOB by an issuer at a premium price. As stated in Part 1 above, a TOB by an issuer at a premium price is generally considered to involve a relatively high risk that the medium- to long-term corporate value of the issuer company will decrease, because the shareholders tendering their shares in the TOB will be paid an amount that exceeds the market price of the issuer company at that time. For this reason, in practice, there are only a small number of cases of a TOB by an issuer at a premium price.

Furthermore, the funds required for the aforementioned TOB are planned to be financed using internal resources and an external loan of up to 50 billion yen from Mizuho Bank, Ltd.

The market price of Central Glass shares which stood at 3,435 yen on September 16, 2022, the business day prior to the announcement of the aforementioned TOB, declined to 3,285 yen, which was below the TOB price of 3,500 yen, by the last day of the extended TOB period, October 27, 2022.

As mentioned above, the maximum number of shares to be purchased in the aforementioned TOB by an issuer was set to exceed the total number of Central Glass shares held by the Former Murakami-Fund Group immediately before the date of the announcement of the TOB by an issuer. In addition, as stated above, the Former Murakami-Fund Group and Central Glass executed a tender agreement for the TOB by an issuer. As a result, the TOB by Central Glass gave the Former Murakami-Fund Group an opportunity to sell out Central Glass shares (while avoiding the risk of a significant decline in selling price if the shares were sold in the market).

17. Other Investment Cases

In addition, the following facts were found in non-registered cases in a Tokyo High Court case report, dated July 19, 2016 (specifically, a case in which appeals by plaintiffs Reno and C&I were dismissed, and which was settled when a denial of appeal was decided due to non-registry of case reports from the Judgment of the Supreme Court of Japan, 1st Petty Bench, December 15, 2016) concerning past investment cases involving funds over which Mr. Murakami exercises influence. (Quoted below, evidence is omitted.)

"a. M&A Consulting, one of former Murakami Fund's central investment vehicles, purchased shares in Nippon Broadcasting System, Inc., its shareholding ratio reaching 7.37% in 2003. Furthermore, M&A Consulting (represented by Murakami) increased its ownership ratio in Nippon Broadcasting System to 18.57% by January 2005, and placed pressure on Nippon Broadcasting System, Inc.'s major shareholder, Fuji Television Network, Inc. ("**Fuji Television**"), by threatening to engage in a proxy fight to demand the resignation of the management of Nippon Broadcasting System unless it carried out a TOB of Nippon Broadcasting System, Inc.'s shares, to which Fuji Television responded by initiating a TOB, but M&A Consulting offered Livedoor Co., Ltd. ("**Livedoor**") to sell the shares to Livedoor if it were to purchase the shares at a higher price, eventually proceeding forward to sell the shares to Livedoor at a higher price.

b. MAC Asset, one of the former Murakami Fund's central investment vehicles, submitted a large shareholding report on TBS shares on October 14, 2005, in which the fund's shareholding ratio was reported as 7.45% as of September 30, 2005. In August of the same year, MAC Asset pitched a proposal towards the management team of TBS to carry out an MBO for it to buy back the company's shares, and also attempted to acquire TBS through a consortium with …, eventually selling off its TBS shares. The shares were sold through a direct transaction without going through the market. It is reported that MAC Asset made 20 billion yen in profit through this transaction.

c. MAC, one of former Murakami Fund's central investment vehicles, acquired shares in Shoei K.K. ("**Shoei**") through a hostile TOB against Shoei in 2000, making a demand for a business management that places an emphasis on its shareholders, and enhanced plans to increase shareholder returns, and by 2002, it held 6.52% of Shoei's shares, but Shoei bought back these shares through a TOB by an issuer. The total number of shares Shoei bought back through this TOB by an issuer was 1,298,800 shares, of which 912,800 shares were sold by MAC.

d. M&A Consulting began to acquire shares in CyberAgent, Inc. ("**CyberAgent**") around 2001, and by 2002, it had acquired 9.2% of the company's issued shares and proposed to CyberAgent to carry out a share buyback. CyberAgent passed a resolution at its shareholders' meeting held at the end of the same year to set a share buyback limit of 19% of its total number of issued shares for the purpose of holding its treasury shares, and acquired its shares through a closing

price transaction on the Tokyo Stock Exchange (ToSTNeT-2). The purchase price was 350,000 yen per share, and according to a report by the Nikkei Newspaper, although the average cost of acquiring the shares is not disclosed, M&A Consulting seems to have gained a profit from the transaction.

e. On March 19, 2003, M&A Consulting sold all shares in Artvivant Co., Ltd. ("**Artvivant**") (equivalent to 10.35% of the total number of issued shares) to Artvivant in JASDAQ's extended-hours trading market, administered in accordance with the policies of the Japan Securities Dealers Association at the price of 600 yen per share.

f. In 2004, MAC acquired shares in Nippon Felt Co., Ltd. ("**Nippon Felt**") in a volume equivalent to 21.70% of the total number of issued shares through purchase of corporate bonds with a convertible price of 428 yen, and sold said shares, equivalent to 21.10% of shares outstanding, at a price point of 612 yen per share through a TOB (by an issuer) executed by Nippon Felt between February and March 2005.

g. MAC held a significant number of Daido Limited ("**Daido**") shares (equivalent to 19.82% of shares outstanding), but sold said shares, equivalent to 14.29% of shares outstanding, at a price point of 1,708 yen per share through a TOB by an issuer executed by Daido between February and March 2006.

h. On June 23, 2006, MAC sold its stake of 2,640,000 shares in Tokyo Soir Co., Ltd. ("**Tokyo Soir**") (equivalent to 12% of the total number of issued shares out) to Tokyo Soir through a TOB by an issuer executed by Tokyo Soir for 482 yen per share.

i. On August 30, 2006, MAC sold its stake 2,571,800 shares in Hoshiden Corporation ("**Hoshiden**") to Hoshiden through a purchase in Tokyo Stock Exchange's ToSTNeT-2 (trading at closing price) for 1,207 yen per share.

j. The appellant, Reno, with … as joint holder, acquired 62,408 shares (equivalent to 5.22% of the total number of issued shares) of Faith, Inc. ("**Faith**") by October 2012, and by July 8, 2015, increased its shares to 8.24% of total number of issued shares, but on the same day, exercised its right to request purchase of shares against Faith, and sold all shares.

k. On December 3, 2012, Accordia expressed its opposite opinion against PGM's TOB for Accordia shares (purchase price of 81,000 yen per share), which it commenced on November 16th of that same year. Reno [appellant], jointly with C&I [appellant] and Minami-Aoyama Fudosan, proceeded to purchase shares in Accordia, and by January of 2013, acquired 18.12% of Accordia's shares. Appellant Reno, sent a letter, dated January 13, 2013, to Accordia, demanding: (1) Come to the table to discuss the terms of the management integration with PGM, and (2) Carry out measures to increase shareholder returns, such as an exhaustive share buyback program. PGM's aforementioned TOB ended in failure after Accordia expressed its willingness to accept these demands and announced that it would actively carry out its share buyback programs. Accordia revealed plans to carry out a TOB by an issuer by selling-off a majority of the golf courses it owned and using the proceeds as funding. Reno [appellant] was unsatisfied with the size of shareholder return, and in a letter dated August 5, 2014, requested dismissal of Accordia's six outside directors, and asked that an extraordinary meeting of shareholders be convened. On August 12 of the same year, after Accordia announced that it would return 20 billion yen to its shareholders, Reno [appellant] withdrew its demand for an extraordinary meeting of shareholders. Appellant, Reno, together with six joint holders, tendered their shares in the TOB by Accordia, which began in August of the same year with all their holdings (35.20% of total number of issued shares), but due to the total number of shares tendered exceeding the planned number of shares to be purchased, the purchase was executed based on the proportional distribution method, resulting in MAC selling 20.07% of the total number of issued shares through the TOB."

In said ruling, it is found that, "The aforementioned share transactions found by …, carried out by the appellants [Reno and C&I] and with funds directly connected to Murakami using an event driven method, where one exploits a situation in which the acquired shares may be sold to either the issuing company or a strategic buyer without incurring any loss, leads one to recognize that the appellants, who are directly connected to Murakami, are quite skillful at this technique."

Exhibit 2

Summary of the Independent Committee Rules

1. The Independent Committee shall be established by resolution of the Board of Directors to prevent arbitrary decisions by the Board of Directors and to further enhance the fairness and objectivity of the operation of the Response Policy.
2. The Independent Committee shall consist of at least three members who are independent from the Company's executive management. Members shall be selected by a resolution of the Board of Directors from among the following: (1) Independent Outside Directors of the Company or (2) External Experts, such as experienced corporate executives, former government officials, attorneys, certified public accountants, scholars, or other equivalent professionals.
3. The term of office for committee members shall continue until the conclusion of the first Board of Directors held after the Annual General Meeting of Shareholders for the final fiscal year ending within one year from their appointment.
4. The Independent Committee may be convened by any Director or any Committee member.
5. The Chairperson of the Independent Committee shall be elected by mutual vote among the Committee members.
6. As a general rule, a resolution of the Board of Directors shall be passed by a majority vote with all Independent Committee members present. However, in cases where any member is unable to attend due to an accident or any other unavoidable circumstances, a resolution may be passed with a majority of those present, provided that more than half of the committee members are present.
7. The Independent Committee shall deliberate and decide on the following matters and provide recommendations to the Board of Directors, with reasoning attached: (1) whether to implement countermeasures under the Response Policy, (2) whether to suspend the countermeasures under the Response Policy, (3) other matters delegated to the Independent Committee under the Response Policy, (4) any other matters related to the Response Policy that the Board of Directors or the President voluntarily consults with the Committee
8. Each member of the Independent Committee shall make deliberations and resolutions of the Independent Committee solely from the perspective of whether or not it is in the interests of the Company’s corporate value and, consequently, contributes to the shared interests of shareholders, and shall not act for the purpose of pursuing the personal interests of itself or the Company's executive management.
9. The Independent Committee may have the Company’s Directors, employees, or any other individuals deemed necessary attend its meetings and request opinions or explanations on relevant matters.
10. In carrying out its duties, the Independent Committee may, at the Company’s expense, obtain advice from external professionals (including investment banks, securities firms, financial advisors, certified public accountants, attorneys, consultants, tax accountants, and other experts) who are independent of the Company's executive management.

Exhibit 3

Names and Biographies of Independent Committee Members

Members of the Independent Committee consist of the following six members.

Takashi Sawada

(Brief Biographical Outline)

April 1981	Joined ITOCHU Corporation
November 1998	Vice President, Fast Retailing Co., Ltd.
February 2003	Founded Kiacon Corporation, Representative Director and President
October 2005	Founded Revamp Corporation, Representative Director and President
April 2016	Representative Director and Chairman, Revamp Corporation
September 2016	Representative Director and President, FamilyMart Co., Ltd.
March 2022	Representative Director, Lotte Ventures Japan Co., Ltd.
June 2022	Representative Director and President, Hey Inc. (currently STORES, Inc.) (to date)
January 2024	Representative Director and CEO, CellSource Co., Ltd. (to date) Director, Lotte Ventures Japan Co., Ltd. (to date)
May 2025	Director, Seven & i Holdings Co., Ltd. (to date)
June 2025	Outside Director of the Company (to date) Executive Managing Director, Fuji Television Network, Inc. (to date)

Regarding Mr. Takashi Sawada, the Company has registered him with the Tokyo Stock Exchange as an independent officer in accordance with the Tokyo Stock Exchange Regulations. In addition, Mr. Takashi Sawada and the Company are not special interested parties to each other.

Tsutomu Horiuchi

(Brief Biographical Outline)

April 1984	Joined the Industrial Bank of Japan, Limited
April 1998	Joined Goldman Sachs Japan Co., Ltd.
March 2005	President & CEO, Mori Building Investment Management Co., Ltd.
July 2008	Senior Managing Director and CFO, Mori Building Co., Ltd.
February 2017	Non-Executive Director, LIFULL Investment Co., Ltd.
June 2018	Professor and Vice President, Center for Social Investment, Tama University (currently Tama University Center for Sustainability Management)
April 2021	Executive Officer and CCO, Vortex Co., Ltd.
February 2022	Representative Director and President, 100-Year Corporate Strategy Research Institute (to date)
April 2022	Director and Chairman, Vortex Co., Ltd.
April 2023	Professor, Tama Graduate School of Business Management & Information Sciences (to date) President, Tama University Center for Sustainability Management (to date)
June 2025	Outside Director of the Company (to date) Executive Managing Director, Fuji Television Network, Inc. (to date)

Regarding Mr. Tsutomu Horiuchi, the Company has registered him with the Tokyo Stock Exchange as an independent officer in accordance with the Tokyo Stock Exchange Regulations. In addition, Mr. Tsutomu Horiuchi and the Company are not special interested parties to each other.

Masahiko Inada

(Brief Biographical Outline)

April 2009	Joined Hakuhodo Incorporated
June 2013	Established Kabuku Inc., Representative Director
November 2018	Chairman and Director, Kabuku Inc.
July 2019	Investment Vice President, DNX Ventures
November 2020	President and CEO, Emium Corporation (to date)
March 2025	Executive Managing Director, Fuji Television Network, Inc. (to date)
June 2025	Outside Director of the Company (to date)

Regarding Mr. Masahiko Inada, the Company has registered him with the Tokyo Stock Exchange as an independent officer in accordance with the Tokyo Stock Exchange Regulations. In addition, Mr. Masahiko Inada and the Company are not special interested parties to each other.

Susumu Moriyama

(Brief Biographical Outline)

August 1991	Joined Audit Department, PriceWaterhouse UK
July 2000	Director, PwC Brussels office
October 2005	Partner, PwC Central & Eastern Europe
April 2007	Fellow, Institute of Chartered Accountants in England & Wales (to date)
July 2019	Senior Partner, International Markets, PwC Central & Eastern Europe
October 2022	Advisor, SoftBank Corp.
March 2025	Executive Managing Director, Fuji Television Network, Inc. (to date)
April 2025	Specially Appointed Professor, Sugiyama Jogakuen University (to date)
June 2025	Outside Director of the Company (to date)

Regarding Mr. Susumu Moriyama, the Company has registered him with the Tokyo Stock Exchange as an independent officer in accordance with the Tokyo Stock Exchange Regulations. In addition, Mr. Susumu Moriyama and the Company are not special interested parties to each other.

Saori Hanada

(Brief Biographical Outline)

April 2000	Joined Morita & Partners Law Office
May 2007	Joined Atsumi & Partners (currently Atsumi & Sakai)
January 2014	Partner, Atsumi & Sakai (to date)
February 2022	Member, Whistleblowers Response Committee for School Corporation (to date)
April 2023	Vice Chairperson, Gender Equality Committee, Daini Tokyo Bar Association (to date)
June 2025	Outside Director of the Company (to date) Executive Managing Director, Fuji Television Network, Inc. (to date)

Regarding Ms. Saori Hanada, the Company has registered him with the Tokyo Stock Exchange as an independent officer in accordance with the Tokyo Stock Exchange Regulations. In addition, Ms. Saori Hanada and the Company are not special interested parties to each other.

Nanako Ishido

(Brief Biographical Outline)

April 2002	Visiting Scholar, Massachusetts Institute of Technology Media Lab
November 2002	Founder and Chair of CANVAS (to date)
April 2018	Professor, Keio University Graduate School of Media Design (to date)
May 2018	Founder and President of Learning of Tomorrow (to date)
June 2021	Director, B Lab, Specially Appointed Professor, Professional University of Information and Management for Innovation (to date)
May 2022	Director, Matsuya Co., Ltd. (to date)
March 2025	Executive Managing Director, Fuji Television Network, Inc. (to date)
June 2025	Outside Director of the Company (to date)

Regarding Ms. Nanako Ishido, the Company has registered him with the Tokyo Stock Exchange as an independent officer in accordance with the Tokyo Stock Exchange Regulations. In addition, Ms. Nanako Ishido and the Company are not special interested parties to each other.

Exhibit 4

Identification Criteria for Joint and Concerted Action

* Identification shall be made by the method of comprehensive determination, taking into account, in addition to the factors set forth in the items below, whether there are direct or indirect facts that suggest that there has been "no" communication of intent between the subject of the identification (including such subject's parent company, subsidiaries, and other entities that are to be viewed as equivalent to the subject of the identification; "Identification Subject") and specified shareholders of the Company.
* An "Acquirer" includes the parent company and subsidiaries of the "Acquirer" (together with the Acquirer, the "Acquirer Group"), and officers and major shareholders of the Acquirer Group.

1. Whether the timing of the Identification Subject's acquisition of Company share certificates etc. overlaps with the timing of acquisition of Company share certificates etc. or act of making an important proposal, etc. or other substantial acquisition of management control of the Company or action to gain substantial influence over the Company management by the Acquirer.
2. Whether the number of acquired Company share certificates etc. by the Identification Subject has reached a significant amount.
3. Whether the time of commencement of the acquisition of Company share certificates etc. by the Identification Subject was close to the time of commencement of acquisition of the Company share certificates etc., or substantial acquisition of management control of the Company or action to gain substantial influence over the Company management by the Acquirer such as the expression of intent to engage in acquisition of management control of the Company or act of making an important proposal, etc. to the Company, or to the reference date of a general meeting of shareholders that included agenda items related to the Response Policies as objectives, or other event related to actions of the Acquirer.
4. Whether, during a time when the market trading status of Company share certificates etc. was abnormal (for example, when the trading volume was markedly higher than the average volume or when share prices had risen sharply compared to average share prices during the preceding period), the Identification Subject acquired Company share certificates etc., or there are other similarities, with respect to such person's acquisition, in the characteristics of the timing or manner of Acquirer's acquisition of the Company share certificates etc. (for example, whether margin buying is being utilized).
5. Whether the Identification Subject acquired share certificates of other listed companies that the Acquirer is acquiring (or has acquired), and whether the timing of such acquisition and the period of ownership overlaps with such specified shareholder.
6. Whether, during a period that overlaps with Paragraph 5 above, the exercise of shareholder rights (common benefit rights) by the Identification Subject against such other listed company (another listed company of which the Identification Subject, along with the Acquirer, is a shareholder) conformed with the exercise by the Acquirer. If such exercise conformed, the degree of conformity in light of the type, details, results of the shareholder rights, and so on.
7. Whether, as a result of exercise of voting rights or other common benefit rights by the Identification Subject and the Acquirer against such other listed company set forth in Paragraph 5 above (if there is any shareholder other than such Identification Subject that exercised voting rights or other common benefit rights in conformity with Acquirer, such shareholder), any director or other officer is elected or dismissed, and during the term of office of officers after such change, any likelihood of damage to the corporate value or shareholder value in the medium- to long-term of the listed company arises (for example, occurrence of an event that constitutes or is likely to constitute a material violation of laws and regulations, delisting, designation as a security requiring enhanced disclosure, bankruptcy or other legal insolvency procedures, or issuance of shares or share options resulting in

large-scale dilution). If such likelihood of damage has arisen, the degree of the likelihood of damage to corporate value or shareholder value in the medium- to long-term.

8. Whether there is or was any direct or indirect capital relationship or loan / borrowing relationship between the Identification Subject and the Acquirer.
9. Whether, between the Identification Subject and the Acquirer, there is or was a direct or indirect relationship of concurrent service of officers, familial relationship (including common-law marriage and other comparable relationship; hereinafter the same), business relationship, or personal relationship formed through a shared alma mater or other community affiliation, or a personal relationship such as one that is formed by the fact that one person is or was an employee, partner or member of the other person.
10. Whether the exercise of shareholder rights (common interest rights) by the Identification Subject against the Company conformed with the exercise by the Acquirer. If such exercise conformed, the degree of conformity in light of the type, details, results of the shareholder rights, and so on (this Paragraph 10 cannot be the only basis for identifying an Unqualified Person).
11. Whether the behavior etc. of the Identification Subject related to the business or management policy of the Company is similar to that of the Acquirer. If there is similar behavior etc., the degree of similarity in light of the timing and details of such behavior etc. (this Paragraph 11 cannot be the only basis for identifying an Unqualified Person).
12. Whether the Identification Subject's agent or advisor belongs or belonged to the same office, corporation or group as the Acquirer, has a business alliance, has worked together on similar matters, and / or has a familial relationship or other personal relationship with the Acquirer, or has any other relationship which facilitates communication of intent with the Acquirer (whether direct or indirect).
13. Whether there are any other direct or indirect facts that suggest that the Identification Subject has communicated its intent to the Acquirer.

Exhibit 5

Information Requested to be Submitted by the Large-Scale Acquirer

1. The details of the Large-Scale Acquirer and its group (including joint holders, specially related parties, partners (in the case of funds), and other members), such as (i) the specific name, (ii) business description, (iii) career or history, (iv) capital structure, (v) financial conditions, (vi) details of investment policies, (vii) information on experience, etc. in the same type of business as that of the Group, and (viii) details of account holders holding the Company's Shares.

2. Purpose, method and content of the Large-Scale Acquisition Activities, including (i) whether there is an intention to participate in management, (ii) type and number of Share Certificates, etc. subject to the Large-Scale Acquisition Activities and Shareholding Ratio of the Company's Share Certificates, etc. after the Large-Scale Acquisition Activities, (iii) type and value of consideration for the Large-Scale Acquisition Activities, (iv) timing of the Large-Scale Acquisition Activities, (v) counterparties to transactions related to the Large-Scale Acquisition Activities, (vi) schemes of related transactions, (vii) lawfulness of methods of the Large-Scale Acquisition Activities, (viii) feasibility of the Large-Scale Acquisition Activities and related transactions (if the Large-Scale Acquisition Activities is subject to certain conditions, the details of such conditions), and (ix) policy for holding the Share Certificates, etc. of the Company after completion of the Large-Scale Acquisition Activities (including whether there are plans to sell the Share Certificates, etc. to a third party and details thereof).

3. Basis of calculation of the consideration in relation to the Large-Scale Acquisition Activities and the process of such calculation, including (i) facts and assumptions underlying the calculation, (ii) the calculation method, (iii) the name of calculating institutions and information regarding such institutions, (iv) the numerical information used in the calculation, and (v) the amount of synergy and dis-synergy expected to arise from the series of transactions related to the Large-Scale Acquisition Activities., and the basis for such calculation.

4. The financial source of the Large-Scale Acquisition Activities, including (i) specific name of the providers of the procured funds (including substantial providers, irrespective of whether provided directly or indirectly), (ii) procurement methods, (iii) the existence or non-existence of conditions for the provision of funds, and the content thereof, (iv) the existence or non-existence of collateral or pledge after the provision of funds and the content thereof, and (v) details of related transactions.

5. (i) policies regarding the exercise of rights as a shareholder of the Company intended after the completion of the Large-Scale Acquisition Activities, (ii) intention regarding the dispatch of Directors (including Directors who serve as the Audit & Supervisory Committee Member), and (iii) the views on the Company's management policies, business plans, financial plans, capital plans, investment plans, and capital policies (including policies on share buybacks), and dividend policies (including plans for the sale, provision of collateral, dividends and other disposals of the Company's assets and plans for collaboration or alliances with third parties after the completion of the Large-Scale Acquisition Activities).

6. The views on how the Large-Scale Acquisition Activities will contribute to the corporate value of the Company and the shared interests of shareholders (including treatment policies for the Group's employees, business

partners, customers, and other stakeholders of the Company after the completion of the Large-Scale Acquisition Activities).

7. If the Large-Scale Acquirer does not intend to acquire all of the Company's Share Certificates, etc. through the Large-Scale Acquisition Activities, policy for addressing potential conflicts of interest with general shareholders after the completion of the Large-Scale Acquisition Activities.