

October 29, 2025

To whom it may concern:

Company name: SCSK Corporation
Representative: Takaaki Touma
President and Representative Director
Code: 9719 (TSE Prime Section)
Contact: Satoko Nakaoka
General Manager, Corporate Communications Dept.
(TEL. 03-5166-1150)

Notice Concerning the Expression of an Opinion in Favor of and Recommendation to Tender for the Tender Offer for the Company's Shares, etc. by SC Investments Management Inc., a Subsidiary of Sumitomo Corporation, the Company's Parent Company

SCSK Corporation (the "Company") hereby announces that at the meeting of its Board of Directors held today, it resolved as follows to, in connection with the tender offer (hereinafter referred to as the "Tender Offer") by SC Investments Management Inc. (hereinafter referred to as the "Tender Offeror"), in which the Company's controlling shareholder (parent company) Sumitomo Corporation (hereinafter referred to as "Sumitomo") holds 100% of the shares, for the Company's common stocks (hereinafter referred to as the "Company's Shares"), the Stock Acquisition Rights (defined in "(2) Stock Acquisition Rights" of "2. Purchase Price, etc." below; the same shall apply hereinafter), express an opinion in favor of the Tender Offer, recommend that the Company's shareholders tender their shares in the Tender Offer, and leave the decision of whether or not to tender in the Tender Offer to the discretion of the holders of the Stock Acquisition Rights (hereinafter referred to as the "Stock Acquisition Rights Holders")

The aforementioned resolution of the Board of Directors was made on the premise that Sumitomo intends to make the Company a wholly-owned subsidiary through the Tender Offer and a subsequent series of procedures aimed at delisting the Company's Shares, and that the Company's Shares are scheduled to be delisted.

1. Profile of the Tender Offeror

(1)	Name	SC Investments Management Inc.	
(2)	Address	2-3-2 Otemachi, Chiyoda-ku, Tokyo	
(3)	Title and Name of Representative	Eisuke Takenaka, Representative Director	
(4)	Description of Business	The Tender Offeror's principal business is the acquisition and holding of the Company's shares, etc.	
(5)	Paid-in Capital	50,000 yen (as of October 29, 2025)	
(6)	Date of Establishment	September 16, 2025	
(7)	Major Shareholders and Shareholding Ratios (as of October 29, 2025)	Sumitomo Corporation	100%
(8)	Relationship between the Company and the Tender Offeror		
	Capital Relationship	There are no applicable matters. However, as of today, Sumitomo, the parent company of the Tender Offeror, holds 158,091,477 shares of the Company (ownership ratio (Note 1): 50.54%) and the Company is a consolidated subsidiary of Sumitomo.	
	Personnel Relationship	There are no applicable matters. However, as of today, 1 of the Company's 11 directors also	

	serves as an executive officer of Sumitomo, the parent company of the Tender Offeror. In addition to the above, as of today, 11 employees of the Company are seconded to Sumitomo, and 20 employees of Sumitomo are seconded to the Company.
Business Relationship	There are no applicable matters. However, Sumitomo, the parent company of the Tender Offeror, purchases software development, information processing services, hardware, software, and other products from the Company.
Applicability as a Related Party	The Company is a consolidated subsidiary of Sumitomo, the parent company of the Tender Offeror, and is applicable as the related party of Sumitomo, the parent company of the Tender Offeror.

(Note 1) The “ownership ratio” refers to the percentage of ownership (rounded to two decimal places; the same shall apply hereinafter to the calculation of the ownership ratio) in relation to the total number of shares (312,793,110 shares) (hereinafter referred to as the “Total Number of Shares After Accounting Diluted Shares”) which is calculated by (i) adding the number of the Company’s Shares underlying the total of 64 Stock Acquisition Rights (as defined below) outstanding as of September 30, 2025 (19,200 shares) to the total number of issued shares of the Company as of September 30, 2025 (313,125,263 shares) as stated in the “Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2026 (April 1, 2025 - September 30, 2025) [IFRS]” (hereinafter referred to as the “Company’s Financial Results”), announced by the Company today (313,144,463 shares), and (ii) deducting the number of treasury shares held by the Company as of the same date (351,353 shares).

2. Purchase Price, etc.

- (1) 5,700 yen per share of common stocks (The purchase price, etc. per share of the Company’s Shares in the Tender Offer shall hereinafter be referred to as the “Tender Offer Price.”)
- (2) Stock acquisition rights (The stock acquisition rights described in [1] and [2] below shall hereinafter be collectively referred to as the “Stock Acquisition Rights.” The purchase price, etc. per Stock Acquisition Right in the Tender Offer shall hereinafter be collectively referred to as the “Stock Acquisition Right Purchase Price.”)
 - [1] 1 yen per stock acquisition right issued pursuant to the resolution of the Company’s Board of Directors on June 27, 2007 (hereinafter referred to as the “2nd Series Stock Acquisition Rights”) (exercise period is from July 28, 2007 to July 26, 2027)
 - [2] 1 yen per stock acquisition right issued pursuant to the resolution of the Company’s Board of Directors on June 25, 2010 (hereinafter referred to as the “8th Series Stock Acquisition Rights”) (exercise period is from July 31, 2010 to July 29, 2030)

3. Content, Basis, and Reasons for the Opinion Regarding the Tender Offer

(1) Content of the Opinion

At the meeting of the Board of Directors held today, the Company resolved, based on the grounds and reasons stated in “(2) Basis and Reasons for the Opinion” below, to, as the Company’s opinion at this time in relation to the Tender Offer, express an opinion in favor of the Tender Offer, recommend that the Company’s shareholders tender their shares in the Tender Offer, and leave the decision of whether or not to tender in the Tender Offer to the discretion of the Stock Acquisition Rights Holders.

The aforementioned resolution of the Board of Directors was passed in accordance with the method described in “[8] Approval by All of the Company’s Directors Who Do not Have a Conflict of Interest (Including Those Who Are Audit and Supervisory Committee Members)” of “(6) Measures to Ensure Fairness of the Tender Offer, such as Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest” below.

(2) Basis and Reasons for the Opinion

The statements concerning the Tender Offeror, Etc. among the basis and reasons for the opinion regarding Sumitomo and the Tender Offer (collectively, the “Tender Offeror, Etc.”) are based on the explanation received from the Tender Offeror, Etc.

[1] Overview of the Tender Offer

According to the Tender Offeror, it was established on September 16, 2025 as a corporation mainly for the purpose of acquiring and owning the Company’s Shares and the Stock Acquisition Rights (Note 1) listed on the Prime Market of the Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”) through the Tender Offer. As of today, according to the Tender Offeror, all of its issued shares are owned by Sumitomo. As of today, according to the Tender Offeror, it does not own any shares, etc. of the Company, but Sumitomo, the parent company of the Company, owns 158,091,477 shares of the Company’s Shares (ownership ratio: 50.54%) and considers the Company to be a consolidated subsidiary.

According to the Tender Offeror, it has decided today to implement the Tender Offer as part of a series of transactions (the “Transactions”) in order to acquire all of shares, etc. of the Company (excluding the Company’s Shares held by Sumitomo and treasury shares held by the Company), for the purpose of making the Company a private company with the Tender Offeror, Etc. its sole shareholders.

According to the Tender Offeror, it has set 50,347,400 shares (ownership ratio: 16.10%) as the minimum number of shares to be purchased (Note 2) in the Tender Offer, and if the total number of shares etc. tendered in the Tender Offer (the “Tendered Shares, Etc.”) is less than the minimum number of shares to be purchased, the Tender Offeror will not purchase any Tendered Shares, Etc. On the other hand, according to the Tender Offeror, since it intends to acquire all of the Company’s Shares, etc. (excluding the Company’s Shares held by Sumitomo and treasury shares held by the Company), it has not set any maximum number of shares to be purchased, and it will purchase all of the Tendered Shares, Etc. if the total number of Tendered Shares, Etc. is equal to or greater than the minimum number of shares to be purchased (50,347,400 shares). According to the Tender Offeror, if the Tender Offer is completed but the Tender Offeror fails to acquire all of the Company’s Shares, etc. (excluding the Company’s Shares held by Sumitomo and treasury shares held by the Company) through the Tender Offer, then, following the completion of the Tender Offer, the Tender Offeror plans to implement a series of procedures to make the Tender Offeror, Etc. the sole shareholders of the Company (the “Squeeze-Out Procedures”) (for details, please refer to “(5) Post-Tender Offer Reorganization and Other Policies (Matters Relating to the ‘Two-Step Acquisition’)” below).

(Note 1) The details of the Stock Acquisition Rights remaining as of September 30, 2025 are as follows.

Name of the Stock Acquisition Rights	Number of Units	Number of Underlying Target Company Shares
2nd Series Stock Acquisition Rights	6 units	1,800 shares
8th Series Stock Acquisition Rights	58 units	17,400 shares

(Note 2) According to the Tender Offeror, the minimum number of shares to be purchased (50,347,400 shares) is calculated by deducting the number of voting rights (1,580,914 units) pertaining to the Company’s Shares owned by Sumitomo (158,091,477 shares), which are not expected to be tendered in the Tender Offer, and the number of voting rights (900 units) (Note 3) pertaining to the restricted shares allocated to the directors of the Company among the restricted shares allocated by the Company to the officers and employees of the

Company Group (Note 4) as restricted stock compensation (such restricted shares allocated to the officers and employees, the “Restricted Shares”) (485,712 shares) from the number of voting rights obtained by multiplying the number of voting rights (3,127,931 units) pertaining to the Total Number of Shares After Accounting Diluted Shares (312,793,110 shares) by two-thirds (2/3) (2,085,288 units; rounded up to the nearest whole number), and then multiplying the number of voting rights obtained therefrom (503,474 units) by 100 shares, which is the number of shares constituting one share unit of the Company. According to the Tender Offeror, the minimum number of shares to be purchased has been set to ensure that the Tender Offeror, Etc. and the directors of the Company who hold the Restricted Shares and are expected to support the procedures for the Share Consolidation will own two-thirds (2/3) or more of the voting rights of the Company required for a special resolution at a shareholders’ meeting, since, in the event that the share consolidation as described in “(5) Post-Tender Offer Reorganization and Other Policies (Matters Relating to the ‘Two-Step Acquisition’)” below is implemented as part of the Squeeze-Out Procedures to be conducted after the completion of the Tender Offer, a special resolution of a shareholders’ meeting, as stipulated in Article 309, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended; the same shall apply hereinafter), is required.

(Note 3) According to the Tender Offeror, the Restricted Shares may not be tendered in the Tender Offer as they are subject to transfer restrictions (as of today, there are no Restricted Shares scheduled to have their transfer restriction lifted by the last day of the period for purchase, etc. in the Tender Offer (hereinafter referred to as the “Tender Offer Period”), but the Company resolved at its board of directors meeting held on October 29, 2025 to express its opinion in favor of the implementation of the Tender Offer as part of the Transactions. Therefore, according to the Tender Offeror, if the Tender Offer is completed, the directors of the Company holding the Restricted Shares are expected to support the agenda items related to the Squeeze-Out Procedures at the shareholders’ meeting of the Company for the approval of the Share Consolidation to be conducted as part of the Squeeze-Out Procedures. Hence, according to the Tender Offeror, the number of voting rights pertaining to the Restricted Shares held by the directors of the Company has been deducted in considering the minimum number of shares to be purchased.

(Note 4) The “Company Group” refers to the Company and its consolidated subsidiaries and equity-method affiliates; the same shall apply hereinafter. As of September 30, 2025, the Company Group consists of the Company, 35 consolidated subsidiaries, and 2 equity-method affiliates.

[2] Background, Purpose, and Decision-Making Process Leading to the Tender Offeror, Etc.’s Decision to Conduct the Tender Offer

According to the Tender Offeror, Sumitomo, the parent company of the Tender Offeror, is a general trading company that was established on December 24, 1919 and is listed on the Prime Market of the Tokyo Stock Exchange. According to the Tender Offeror, the Sumitomo Group (referring collectively to Sumitomo and its subsidiaries and equity-method affiliates; the same shall apply hereinafter) integrates its business foundations, which consists of the trust cultivated over the years, its global network in Japan and overseas, global relationships with business partners in various fields, and its intellectual capital, with capabilities such as business development, logistics solutions, financial services, IT solutions, risk management, and intelligence gathering and analysis, thereby meeting the diverse needs of its customers and developing multifaceted business activities on a global consolidated basis. According to the Tender Offeror, Sumitomo is divided into nine business groups, i.e., Steel, Automotive, Transportation & Construction Systems, Diverse Urban Development, Media & Digital, Lifestyle Business, Mineral Resources, Chemical Solutions, Electronics, Agriculture and Energy Transformation Business, each bringing together the Strategic Business Units (SBUs) having high strategic affinity—these SBUs being the basic unit of Sumitomo centered on strategy. According to the Tender Offeror, Sumitomo aims, in its “Medium-Term Management Plan 2026” announced on May 2, 2024, to reach new heights by each of its business lines striving to become No. 1 in their respective fields. According to the

Tender Offeror, through concentration of management resources in areas where the Sumitomo Group has strengths and in areas of high growth potential, the Sumitomo Group as a whole aims to achieve significant growth under the theme “No. 1 in Each Field.” According to the Tender Offeror, as a common theme across all SBUs, Sumitomo advocates “Refine with digital, Profit with digital,” and Sumitomo’s Digital and AI Strategy aims to bolster the strengths and competitive advantages of the Sumitomo Group’s businesses through digital technology and accelerate their growth, build new value creation models utilizing digital technology and AI in all business frontlines, and lead the society and industry. According to the Tender Offeror, the Sumitomo Group encompasses business frontlines of approximately 900 operational companies and a global customer base of 100,000 companies, and it believes that combining its strengths, such as issue identification, customer interface, and business planning capabilities, with the digital solution functions that the Sumitomo Group possesses and will continue to expand, will lead to the realization of its aims; and the Transactions are part of measures implemented based on this strategy.

According to the Tender Offeror, the Tender Offeror, under the trade name SC Investments Management Inc., was established on September 16, 2025, with the primary purpose of acquiring and owning the shares, etc. of the Company through the Tender Offer, and is a corporation whose issued shares are wholly owned by Sumitomo as of today.

Meanwhile, the Company was established in October 2011 through a merger with Sumisho Computer Systems Corporation (an information services provider established in October 1969 as a subsidiary of Sumitomo under the trade name Sumisho Computer Service Corporation, listed on the Second Section of the Tokyo Stock Exchange in February 1989, moved to the First Section of the Tokyo Stock Exchange in September 1991, and changed its trade name to Sumisho Computer Systems Corporation in October 1992) as the surviving company and CSK CORPORATION (an independent information services provider established in October 1968 under the trade name Computer Service Corporation, listed on the Second Section of the Tokyo Stock Exchange in June 1982, and moved to the First Section of the Tokyo Stock Exchange in March 1985) as the absorbed company. The Company is currently listed on the Prime Market of the Tokyo Stock Exchange.

As of September 30, 2025, the Company Group is composed of the Company, 35 consolidated subsidiaries, and 2 equity-method affiliates. It conducts businesses related to the reporting segments of “Industrial IT,” “Financial IT,” “IT Solutions,” “IT Platforms,” “IT Management,” and “Others,” and mainly provides various IT services such as IT consulting, system development, verification services, IT infrastructure construction, IT management, IT hardware/software sales, and BPO (Note 5).

The Company Group has placed the concept of “sustainability management,” which aims for sustainable growth by contributing to the resolution of social issues, at the core of its management under the management philosophy “Create Our Future of Dreams.” Furthermore, as a compass to promote sustainability management, in April 2020, the Company identified important issues for practicing its management philosophy as the “Seven Material Issues” (Note 6) and formulated the “Grand Design 2030” as the medium- to long-term vision for the Company Group, promoting the corporate image of a “Co-creative IT Company”. This represents a corporate group that continues to provide new value to solve various issues by promoting co-creation (Note 7) with customers, partners, and society through the enhancement of the Company Group’s human capital. In addition, it outlines two directions for corporate management to realize the Co-creative IT Company: “a dramatic improvement in comprehensive corporate value (Note 8)” and “the challenge of achieving 1 trillion yen in net sales.”

Also, in April 2023, the Company formulated the “Medium-Term Management Plan (FY2023-2025)”, and promotes three basic strategies as concrete measures (Basic Strategy 1: Decisive Business Shifts, Basic Strategy 2: Development of Market-Leading Businesses in Growth Markets, and Basic Strategy 3: Advancement of Next-Generation Digital Businesses through Co-Creation with Society) to dramatically

improve comprehensive corporate value through “the reorganization of business areas and redevelopment of business models to continue providing new value to customers and society” and “the maximization of the market value of all employees based on the recognition that the growth of employees drives the growth of the SCSK Group.”

Furthermore, in aiming for sustainable growth with an eye on medium- to long-term social, market, and cutting-edge technology trends etc., the Company believes that in addition to pursuing autonomous growth by making maximum use of internal capital, innovating its business portfolio and strengthening its business foundation through external collaboration, partnerships, etc., are extremely important elements. It conducted a tender offer for Net One Systems Co., Ltd. (hereinafter referred to as “Net One Systems”), and as a result of this tender offer, the company became a consolidated subsidiary on December 25, 2024.

While the domestic IT services market is expected to continue expanding in the medium term, the future of the Japanese market itself is uncertain amid the expected acceleration in the decline of the working-age population. The Company also recognizes that the competitive environment continues to intensify. Consulting firms with deep knowledge of their clients’ businesses are evolving into players that handle everything from consulting to IT system implementation by flexibly expanding their service capabilities through M&A and other means. In addition, hyperscalers (Note 9) are rapidly increasing their presence as their cloud-based (Note 10) architecture (Note 11) becomes mainstream, and they are actively providing advanced services and expanding their platforms. Among domestic competitors in the same industry, there is an accelerating trend of strengthening corporate capabilities through organizational restructuring to accelerate DX, improve global competitiveness, and optimize management resource allocation across the entire group. Under such an environment, it is essential for the Company to advance selection and concentration based on a strategic business portfolio, grow net sales with the industrial IT and IT infrastructure domains (Note 12) where the Company has a particular advantage as the driving force, and shift from the conventional contract-based approach to a proposal-based approach that directly contributes to customers’ business growth. To that end, the Company recognizes that expanding its consulting functions to accurately grasp and propose solutions for customers’ management issues, as well as continuously securing highly skilled IT engineers, are also challenges. Furthermore, the Company recognizes that determining how to expand its primarily domestic business overseas is one of its key management challenges.

(Note 5) “BPO (Business Process Outsourcing)” refers to the service of undertaking various business operations of a company as an external vendor.

(Note 6) “Seven Material Issues” refers to the key issues that the Company Group has identified as particularly important and prioritizes, which were formulated to achieve the Company Group’s corporate philosophy of “Create a Brighter Future Together,” through assessing various social challenges from a business perspective and pursuing growth together with society..

(Note 7) “Co-creation” refers to the process of creating new value not by the Company alone, but together with customers, partners, and society.

(Note 8) “Comprehensive corporate value” refers to the corporate value that the Company Group aims to achieve as its essential corporate strength in the Medium-Term Management Plan (FY2023-FY2025), in order to practice “sustainability management as a growth strategy” and realize its vision of becoming a Co-creative IT Company in 2030, and encompasses “economic value” as well as non-financial elements such as “social value” and “human capital value.”

(Note 9) “Hyperscalers” refers to collective term of cloud service providers that operate large-scale data centers globally and offer services such as storage and network.

(Note 10) “Cloud-based” refers to a form in which a company utilizes services or systems via the internet without installing its own servers.

(Note 11) “Architecture” refers to collective term of the overall structure and design principles of a system.

(Note 12) The “IT infrastructure domain” refers to the foundational technology domain that supports the

operation of applications.

According to the Tender Offeror, Sumitomo understands that the current SI and NI market (Note 13) surrounding the Company is supported by the strong demand from customers for the renewal of conventional systems and environments, and by the advanced utilization of cloud systems, leading to its stable progression. On the other hand, according to the Tender Offeror, due to the dramatic advances in AI-related technologies such as generative AI and AI agents, Sumitomo understands that the SI and NI industry is facing a necessity for transformation of capabilities and business models that differ fundamentally from the past. According to the Tender Offeror, this necessity for transformation arises from trends such as the internalization of system development by customers themselves and the shift of the department leading system developments on the customer side from IT departments to business units.

(Note 13) “SI (System Integration)” refers to services that comprehensively handle everything from planning, designing, and implementing systems, to the operation and maintenance thereof. “NI (Network Integration)” refers to services that comprehensively undertake the design, construction, operation, and maintenance of communication networks for enterprises.

According to the Tender Offeror, Sumitomo understands that based on such business environment, the Company aims to transform its business model and evolve into a corporate group that leads the resolution of societal issues and operates multiple businesses with overwhelming presence and influence. According to the Tender Offeror, Sumitomo understands that since the merger of Sumisho Computer Systems Corporation and CSK Corporation in 2011 to further expand the business amid the maturation of the domestic IT service market, the Company has been promoting the integration of human resources and intellectual property of both companies, aiming to be a global IT company offering a full lineup of services from system development to sales of IT hardware and software, and BPO, and has established a stable foundation with 13 consecutive fiscal years of increased profits and revenue, and further, in 2025, it made Net One Systems a wholly-owned subsidiary, thereby establishing a framework to provide new value to customers through the integration of SI and NI. According to the Tender Offeror, Sumitomo strongly empathizes with this direction and intends to offer maximum support by investing the assets, functions, relationships, and resources possessed and to be expanded by the Sumitomo Group for realization of such direction, and to move forward jointly toward significant future growth.

According to the Tender Offeror, grounded in the above mindset, Sumitomo aims to establish an environment where the Company can fully utilize the business assets held by the Sumitomo Group. According to the Tender Offeror, if there is any deficiency, Sumitomo plans to invest its human and financial resources to the maximum extent towards comprehensively supporting the growth and transformation of the Company. Furthermore, according to the Tender Offeror, it believes it is important to share strategies aimed at achieving the next major growth for both companies, and to advance agile cooperation while respecting each other's growth.

According to the Tender Offeror, since the establishment of Sumisho Computer Systems Corporation by Sumitomo, the predecessor of the Company, in 1969, both companies have built a relationship of trust through active dialogue, collaborated with each other, and jointly pursued the creation of value that could not have been achieved by either company alone by mutually leveraging diverse management resources within the Sumitomo Group.

However, according to the Tender Offeror, under the current capital structure, about half of the fruits resulting from Sumitomo's support would attribute to minority shareholders, rather than to Sumitomo. According to the Tender Offeror, this makes it difficult to provide a rational explanation to stakeholders, including Sumitomo's shareholders, regarding Sumitomo investing more resources into the Company and further supporting its future growth strategy. Moreover, according to the Tender Offeror, for the realization of the Company's growth, it is important that Sumitomo and the Company thoroughly share strategies, act with a

mid to long-term perspective in mind, and quickly implement measures. However, according to the Tender Offeror, as long as the Company is listed, it is necessary to implement such measures while considering the interests of minority shareholders and confirming that there are no conflicts of interest between Sumitomo and the Company, which may hinder the swift implementation of such measures. According to the Tender Offeror, from these perspectives, Sumitomo believes that making the Company a wholly-owned subsidiary is the best way for Sumitomo to comprehensively commit to the Company's growth.

According to the Tender Offeror, it believes that the following synergies can be expected through making the Company a wholly-owned subsidiary.

According to the Tender Offeror, as mentioned earlier, amid the changing environment surrounding the Company, digital and IT companies that compete with Sumitomo are accelerating their efforts to acquire new capabilities and transform their business models. According to the Tender Offeror, for the Sumitomo Group, including the Company, to continue growing in this market, Sumitomo believes it is necessary not only to make its traditionally strong domains, such as industrial IT and IT infrastructure, overwhelmingly stronger, but also to actively propose and implement digital solutions that take into account society, industries, and the management challenges of customers, and support their transformation. Furthermore, according to the Tender Offeror, it believes that strengths can be further sharpened by pursuing both growth and efficiency through productivity improvements, particularly in the development process, achieved by the utilization of AI.

According to the Tender Offeror, regarding the Company's focus areas of industrial IT and security, Sumitomo will provide comprehensive support. According to the Tender Offeror, it believes that this will enable the Company to pursue high-value-added transformation, including industry-specific offerings, service enhancements, and synergies with Net One Systems, thereby promoting further growth through business model transformation.

Furthermore, according to the Tender Offeror, when exploring and developing the next generation of revenue pillars, the Company can leverage Sumitomo and approximately 900 Sumitomo Group companies as Customer Zero (Note 14). According to the Tender Offeror, by utilizing its understanding and empathy for the industrial challenges of its customers, along with its access to management teams and business divisions of customers, Sumitomo believes that the Company can support the development of products and services that stand apart from other companies, and effective proposals to customers. To achieve this, according to the Tender Offeror, it recognizes that measures such as strengthening its consulting capabilities, enhancing its global infrastructure, redefining BPO and data centers, and establishing a structure for proposing and delivering services to management teams of customers are viable approaches. Sumitomo believes that the above objective can be realized not only through its own proprietary development but also by acquiring and strengthening capabilities through partnerships with and investments in potential domestic and international partners. According to the Tender Offeror, Sumitomo intends to discuss and consider providing support to the Company, which would include large-scale investments aimed at fostering its growth through the acquisition of external resources, by leveraging Sumitomo's financial strength, global network, and expertise in business investments.

Furthermore, according to the Tender Offeror, in Sumitomo's Digital and AI Strategy, Sumitomo expects the Company to serve as the core of the Sumitomo Group's digital solutions business, driving business creation and transformation within the Sumitomo Group, and leading the transformation of society and industry with Sumitomo.

(Note 14) "Customer Zero" is an initiative in which a company acts as its own first customer by proactively introducing and testing new products, services, and solutions internally.

According to the Tender Offeror, based on the above understanding, Sumitomo appointed Nagashima Ohno & Tsunematsu as its legal advisor in mid-November 2024, and SMBC Nikko Securities Inc. ("SMBC Nikko Securities") as its financial advisor and third-party valuation institution independent of the Sumitomo Group, including Sumitomo and the Company, and Goldman Sachs Japan Co., Ltd. as its financial advisor independent of the Sumitomo Group, including both Sumitomo and the Company, in mid-December 2024. This structure

was established to conduct a specific review regarding taking the Company private and making it a wholly-owned subsidiary of Sumitomo.

According to the Tender Offeror, in late January 2025, Sumitomo made an initial approach to the Company regarding consideration of the Transactions that would contribute to the Company's growth strategy, and after several rounds of discussions from early March 2025 regarding the possibility of collaboration between the two companies, including capital policy, the Company requested, in early May 2025, that a formal proposal be submitted. According to the Tender Offeror, Sumitomo submitted a non-binding preliminary letter of intent to the Company on May 27, 2025, explaining the strategic significance of the Transactions and the background to its proposal, expressed its intent to conduct due diligence, and received, on June 2, 2025, a notice from the Company of its intention to accept the request for disclosure of materials for due diligence. According to the Tender Offeror, subsequently, on July 10, 2025, Sumitomo received written questions from the Company regarding the strategic significance of the Transactions, including the synergies of the Transactions, the structure of the Transactions, and the Company's management policy after the Transactions. According to the Tender Offeror, it provided explanations regarding these questions on July 17, 2025. Furthermore, according to the Tender Offeror, based on the content of the explanations, on August 5, 2025, Sumitomo received additional written questions from the Special Committee (defined below in "[4] Decision-making Process and Reasons Leading to the Company's Approval of the Tender Offer, and the Reasons Therefor"; the same shall apply hereinafter) and provided explanations on August 14, 2025. Furthermore, according to the Tender Offeror, at the Special Committee meetings held on August 22, 2025 and August 28, 2025, a question-and-answer session was conducted with the Special Committee. In addition, according to the Tender Offeror, Sumitomo received an explanation regarding due diligence from Nomura Securities Co., Ltd. ("Nomura Securities"), the financial advisor to the Company, on July 18, 2025, and conducted due diligence on the Company from mid-July to late August 2025. Based on the results thereof, according to the Tender Offeror, it submitted a formal letter of intent to the Company on September 29, 2025. According to the Tender Offeror, in the formal letter of intent, Sumitomo explained the purpose of and background to the Transactions once again, with regard to the Tender Offer Price, proposed 5,050 yen (representing a premium of 10.62% (rounded off to the second decimal place; the same shall apply hereinafter to the calculation of premium ratios) over the closing price of 4,565 yen for the Company Shares on the Prime Market of the Tokyo Stock Exchange on September 26, 2025) on the premise that no year-end dividend will be distributed by the Company, and decided that, with regard to the Stock Acquisition Right Purchase Price, the policy for handling it will be determined through discussions with the Company. According to the Tender Offeror, on September 30, 2025, the Company and the Special Committee requested an increase in the price, stating that the proposed price significantly undervalued the Company's intrinsic value, and therefore could not be considered a fair price for its minority shareholders. According to the Tender Offeror, in response, on October 2, 2025, Sumitomo proposed to set the Tender Offer Price at 5,100 yen (representing a 16.54% premium over the closing price of 4,376 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 1, 2025). However, according to the Tender Offeror, on October 3, 2025, the Company and the Special Committee requested a significant increase, stating that the proposed price still significantly undervalued the Company's intrinsic value that the premium level was also significantly lower than those observed in past cases (Note 15), and therefore could not be considered a fair price for its minority shareholders. In response, according to the Tender Offeror, on October 6, 2025, Sumitomo proposed to set the Tender Offer Price again at 5,100 yen (representing a 20.48% premium over the closing price of 4,233 yen for the Company Shares on the Prime Market of the Tokyo Stock Exchange on October 3, 2025). However, according to the Tender Offeror, on October 7, 2025, the Company and the Special Committee requested a significant increase, stating that the proposed price significantly undervalued the Company's intrinsic value that the premium level was also significantly lower than those observed in past cases, and therefore could not be considered a fair price for its minority shareholders. According to the Tender Offeror, in response, on October 14, 2025, Sumitomo proposed to set the Tender Offer Price at 5,150 yen (representing a

19.13% premium over the closing price of 4,323 yen for the Company Shares on the Prime Market of the Tokyo Stock Exchange on October 10, 2025). However, according to the Tender Offeror, on October 16, 2025, the Company and the Special Committee requested an increase stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Company Shares and therefore remained significantly below the level at which the Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Company's shareholders tender their shares. According to the Tender Offeror, in response, on October 17, 2025, Sumitomo proposed to set the Tender Offer Price at 5,300 yen (representing a 26.61% premium over the closing price of 4,186 yen for the Company Shares on the Prime Market of the Tokyo Stock Exchange on October 16, 2025). However, according to the Tender Offeror, on October 20, 2025, the Company and the Special Committee requested a significant increase stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Company Shares and therefore remained below the level at which the Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Company's shareholders tender their shares. According to the Tender Offeror, in response, on October 22, 2025, Sumitomo proposed to set the Tender Offer Price at 5,410 yen (representing a 28.17% premium over the closing price of 4,221 yen for the Company Shares on the Prime Market of the Tokyo Stock Exchange on October 21, 2025). However, according to the Tender Offeror, on October 24, 2025, the Company and the Special Committee requested a significant increase stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Company Shares and therefore remained below the level at which the Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Company's shareholders tender their shares. According to the Tender Offeror, in response, on October 27, 2025, Sumitomo proposed to set the Tender Offer Price at 5,600 yen (representing a 30.63% premium over the closing price of 4,287 yen for the Company Shares on the Prime Market of the Tokyo Stock Exchange on October 24, 2025). However, according to the Tender Offeror, on the same day, the Company and the Special Committee requested a significant increase stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Company Shares and therefore remained below the level at which the Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Company's shareholders tender their shares. According to the Tender Offeror, in response, on October 28, 2025, Sumitomo proposed to set the Tender Offer Price at 5,700 yen (representing a 30.76% premium over the closing price of 4,359 yen for the Company Shares on the Prime Market of the Tokyo Stock Exchange on October 27, 2025). According to the Tender Offeror, on the same day, the Company and the Special Committee responded that while the final decision would be made through a resolution by the board of directors of the Company based on the recommendation of the Special Committee, they would agree to the proposal.

(Note 15) Among 78 cases of tender offers announced between June 28, 2019—the date on which the Ministry of Economy, Trade and Industry (METI) released the “Fair M&A Guidelines”—and May 8, 2025 that were conducted by parent companies for the purpose of privatizing their listed subsidiaries, the average premium levels over the simple averages of the closing prices for the one-month, three-month, and six-month periods were 40.59%, 40.32%, and 38.72%, respectively.

According to the Tender Offeror, with respect to the Stock Acquisition Right Purchase Price, since the Stock Acquisition Rights would be non-exercisable even if acquired by the Tender Offeror, the Tender Offeror proposed on October 20, 2025 that the Stock Acquisition Right Purchase Price be set at 1 yen, and neither the Company nor the Special Committee raised any particular objections.

According to the Tender Offeror, following discussions and negotiations above with the Company, on October 29, 2025, the Tender Offeror, Etc. decided to implement the Tender Offer, setting the Tender Offer Price

at 5,700 yen per share and the Stock Acquisition Right Purchase Price at 1 yen.

[3] Post-Tender Offer Management Policy

According to the Tender Offeror, Sumitomo has established a group management policy with the aim of enhancing the corporate value of the group by building a robust business foundation and creating new value through autonomous management, dialogue, and collaboration between Sumitomo and its group companies. After the Transactions as well, the fundamental approach is to comprehensively support the Company's sustainable growth and transformation while respecting its autonomy. According to the Tender Offeror, as described above in "[2] Background, Purpose, and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer" the Tender Offeror intends to share the growth strategy envisioned by the Company and Sumitomo, and work to realize further upside. Furthermore, according to the Tender Offeror, with respect to the composition of the Company's board of directors after the Transactions, no decision has been made at this time, including matters related to personnel such as a dispatch of officers. However, according to the Tender Offeror, as mentioned earlier, based on Sumitomo's group management policy, while respecting the Company's autonomy and taking into account that the Tender Offeror, Etc. will become the Company's sole shareholder, the Tender Offeror will have discussions with the Company following the Transactions, regarding the establishment of a structure that enables the swift and flexible execution of Sumitomo's Digital and AI Strategy. According to the Tender Offeror, with respect to the execution structure, the Tender Offeror does not currently anticipate making significant changes to the existing framework. However, according to the Tender Offeror, to establish an appropriate structure that enables swift decision-making to realize the growth strategy, the Tender Offeror plans to commence specific discussions with the Company at an appropriate time. Furthermore, According to the Tender Offeror, with respect to employees of the Company, the Tender Offeror generally does not anticipate any changes following the Transactions that would worsen the employment or working conditions under the Company's current system. However, the Tender Offeror intends to discuss the specific details going forward.

Based on this, according to the Tender Offeror, Sumitomo has received, with respect to the Company Group, from the Company its intentions regarding the maintenance of employment and working conditions of officers and employees, the consideration of incentive schemes for officers and employees, respect for managerial independence and autonomy, the establishment of a governance structure reflecting the Company's intentions, and the creation of a framework for discussions between the two companies and the formulation of medium- to long-term business plans to generate synergies. According to the Tender Offeror, taking these intentions into account, Sumitomo intends to engage in good-faith examination and discussion with the Company going forward.

In addition, according to the Tender Offeror, Sumitomo is considering to convert the Tender Offeror into a holding company that consolidate the businesses related to the Transactions within the Sumitomo Group by transferring the Company's Shares owned by Sumitomo to the Tender Offeror, among other possibilities. However, according to the Tender Offeror, as of today, the details remain undetermined.

[4] Decision-making Process and Reasons Leading to the Company's Approval of the Tender Offer

(i) Background of the Establishment of the Review Structure

As described in "[2] Background, Purpose, and Decision-Making Process Leading to the Tender Offeror, Etc.'s Decision to Conduct the Tender Offer" above, the Company received an initial approach from Sumitomo in late January 2025, and after several discussions from early March 2025 regarding the possibility of collaboration between the two companies, including capital policy, the Company, in early May 2025, requested that Sumitomo make a formal proposal. Subsequently, the Company received a letter of intent from Sumitomo on May 27, 2025 and received an explanation regarding the strategic significance and background of the proposal of the Transaction, and Sumitomo expressed its intention to conduct due diligence. In response, when

considering the Transactions and engaging in discussions and negotiations with Sumitomo regarding the Transactions, the Company, in consideration of the fact that Sumitomo is the Company's controlling shareholder (parent company), that the Transactions including the Tender Offer constitute significant transactions, etc. with a controlling shareholder, and that the Transactions are of a type where issues of structural conflicts of interest and information asymmetry typically exist, appointed Nomura Securities as its financial advisor and third-party valuation institution and Nishimura & Asahi (Gaikokuho Kyodo Jigyo) (hereinafter referred to as "Nishimura & Asahi") as its legal advisor which are independent of the Sumitomo Group, the Company Group, and the success or failure of the Transactions, in early June 2025 in order to address these issues and ensure the fairness of the Transactions.

Furthermore, to ensure the fairness of the Transactions, the Company, with advice from Nishimura & Asahi, began establishing a structure for consideration, negotiation, and judgment regarding the Transactions from a standpoint independent of the Sumitomo Group, from the perspectives of enhancing the Company's corporate value and securing the interests of the Company's general shareholders. Specifically, as described in "[1] Establishment of an Independent Special Committee at the Company and Acquisition of a Report from the Special Committee" of "(6) Measures to Ensure Fairness of the Tender Offer, such as Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest" below, the Company proceeded with preparations for the establishment of a special committee. Then, by a resolution at the Company's Board of Directors meeting held on June 12, 2025, the Company established a special committee consisting of three members: Ms. Yumiko Waseda (Independent Outside Director and Audit and Supervisory Committee Member of the Company, Attorney-at-Law, Outside Audit and Supervisory Board Member of IHI Corporation, and Outside Audit and Supervisory Board Member of Chugai Pharmaceutical Co., Ltd.), Mr. Shouei Yamana (Independent Outside Director of the Company, Outside Director of TDK Corporation, Outside Director of Zensho Holdings Co., Ltd., and Outside Director of Japan Post Insurance Co, Ltd.), and Mr. Hidetaka Matsuishi (Independent Outside Director and Audit and Supervisory Committee Member of the Company, and Outside Director of JDC Corporation) (hereinafter referred to as the "Special Committee"; for the details of the Special Committee's review process and judgment, please refer to "[1] Establishment of an Independent Special Committee at the Company and Acquisition of a Report from the Special Committee" of "(6) Measures to Ensure Fairness of the Tender Offer, such as Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest" below). The Company consulted the Special Committee regarding (a) the reasonableness of the purpose of the Transactions (including whether the Transactions contribute to the enhancement of the Company's corporate value), (b) the fairness of the terms and conditions of the Transactions, (c) the fairness of the procedures related to the Transactions, (d) whether conducting the Transactions is fair to the Company's general shareholders, (e) whether the Company's Board of Directors should express an opinion in favor of the Tender Offer and recommend that the Company's shareholders tender their shares in the Tender Offer, and (f) other matters that the Company's Board of Directors may consult the Special Committee on from time to time in its consideration of the Transactions (hereinafter collectively referred to as the "Consulted Matters").

Furthermore, upon establishing the Special Committee, the Company resolved that (a) it shall make decisions regarding the Transactions with the utmost respect for the judgment of the Special Committee, and if the Special Committee judges that the terms of the Transactions are not fair, the Company shall not approve the Transactions, (b) the Special Committee shall have the authority to appoint its own financial advisors, third-party valuation institutions, and legal advisors (hereinafter referred to as "Advisors, etc."), (c) if the Special Committee determines that it can rely on the Company's Advisors, etc. for professional advice, it may seek such advice, and the Company shall bear the reasonable expenses for the professional advice of the Special Committee's Advisors, etc., (d) the Special Committee shall be granted the authority to require the attendance of the Company's directors, employees, and other persons deemed necessary by the Special Committee and to request explanations on necessary information, and (e) the Special Committee shall, as

necessary, negotiate the terms and conditions of the Transactions, etc., and even if the Special Committee does not directly conduct such negotiations, it shall, as necessary, strive to ensure that it is substantially involved in the negotiation process of the terms and conditions of the Transactions, etc., for example, by confirming the negotiation policy in advance, receiving timely reports on the status of negotiations, and expressing opinions and giving instructions or requests at important junctures, and the Company shall cooperate to ensure such a situation is maintained (for the background on the establishment of the Special Committee, etc., please refer to “[1] Establishment of an Independent Special Committee at the Company and Acquisition of a Report from the Special Committee” of “(6) Measures to Ensure Fairness of the Tender Offer, such as Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest” below).

As described in “[1] Establishment of an Independent Special Committee at the Company and Acquisition of a Report from the Special Committee” of “(6) Measures to Ensure Fairness of the Tender Offer, such as Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest” below, on July 1, 2025, the Special Committee, based on the aforementioned authority, decided to appoint PLUTUS CONSULTING Co., Ltd. (hereinafter referred to as “Plutus Consulting”) as its own financial advisor and third-party valuation institution, independent of the Sumitomo Group, the Company Group, and the success or failure of the Transactions, and Gaiken Partners as its own legal advisor, independent of the Sumitomo Group, the Company Group, and the success or failure of the Transactions.

Also, as described in “[1] Establishment of an Independent Special Committee at the Company and Acquisition of a Report from the Special Committee” of “(6) Measures to Ensure Fairness of the Tender Offer, such as Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest” below, the Special Committee has confirmed that, Nomura Securities, the Company’s financial advisor and third-party valuation institution, and Nishimura & Asahi, the Company’s legal advisor, have no issues in relation to their independence from the Sumitomo Group, the Company Group, and the success or failure of the Transactions, their expertise, or their track record, and the Company has received the Special Committee’s approval for their appointments.

Furthermore, as described in “[6] Establishment of an Independent Review Structure at the Company” of “(6) Measures to Ensure Fairness of the Tender Offer, such as Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest” below, the Company has established within the Company a structure for considering, negotiating, and making judgments on the Transactions from a standpoint independent of the Sumitomo Group (including the scope and duties of the Company’s officers and employees involved in the consideration, negotiation, and judgment of the Transactions) and has received the approval of the Special Committee that there are no issues with this review structure from the perspective of independence and fairness.

(ii) Background of the Review and Negotiations

Having established the review structure as described above, the Company received a report on the results of the valuation of the Company’s Shares, advice on the negotiation policy with the Tender Offeror, Etc., and other financial advice from Nomura Securities, as well as legal advice on measures to ensure the fairness of the procedures in the Transactions and other matters from Nishimura & Asahi. Based on these, the Company has carefully considered the advisability and the appropriateness of the terms and conditions of the Transactions, while respecting the opinions of the Special Committee to the fullest extent.

Furthermore, since receiving the letter of intent from Sumitomo on May 27, 2025, the Company has continuously consulted and negotiated with Sumitomo regarding the terms and conditions of the Transactions, including the Tender Offer Price, while listening to the opinions of the Special Committee and receiving its approval, instructions, and requests.

Specifically, upon receiving the letter of intent on May 27, 2025, the Company proceeded with reviews and discussions with the Special Committee. On July 10, 2025, the Company submitted written questions to

Sumitomo regarding the strategic significance of the Transactions, including synergies, the structure of the Transactions, and the Company's management policy after the Transactions. On July 17, 2025, the Company received written answers to those questions, and the Company also verbally confirmed those answers with Sumitomo. Furthermore, based on the content of those answers, the Special Committee submitted additional written questions to Sumitomo dated August 5, 2025, received written answers to those additional questions on August 14, 2025, and thereafter, at the Special Committee meetings held on August 22 and August 28, 2025, received explanations from Sumitomo regarding the answers to the additional questions, and a Q&A session was held between the Special Committee and Sumitomo. Thereafter, on September 18, 2025, the Company held a meeting with Sumitomo to discuss the Company's management policy following the Transaction, and on September 26, 2025, the Company reported the details of the meeting to the Special Committee, and exchanged opinions with the Special Committee.

Regarding the Tender Offer Price, the Company has engaged in multiple rounds of negotiations with Sumitomo since September 29, 2025. Specifically, on September 29, 2025, the Company received a proposal from Sumitomo regarding the terms and conditions of the Transactions, including a Tender Offer Price of 5,050 yen (representing a premium of 10.62% over the closing price of 4,565 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange on September 26, 2025), on the assumption that no year-end dividend will be distributed by the Company, as a formal proposal resulting from comprehensive consideration and deliberation of various factors such as the results of its due diligence on the Company, the external environment surrounding the Company, the Business Plan (as defined below) received from the Company, and the results of the valuation of the Company's Shares. In response, on September 30, 2025, the Company and the Special Committee requested that Sumitomo raise the price, stating that the price significantly undervalued the Company's intrinsic value cannot be considered fair for the Company's minority shareholders. In response, on October 2, 2025 the Company received a proposal from Sumitomo with a Tender Offer Price of 5,100 yen (representing a premium of 16.54% over the closing price of 4,376 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 1, 2025). However, on October 3, 2025, the Company and the Special Committee requested that Sumitomo raise the price significantly, stating that the proposed price significantly undervalued the Company's intrinsic value and is significantly lower than those observed in past transactions, and therefore could not be considered a fair price for its minority shareholders. In response, on October 6, 2025, the Company received a proposal from Sumitomo with a Tender Offer Price of 5,100 yen (representing a premium of 20.48% over the closing price of 4,233 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 3, 2025). However, on October 7, 2025, the Company and the Special Committee requested that Sumitomo raise the price significantly, stating that the proposed Tender Offer Price was significantly below the intrinsic value of the Company and is significantly lower than those observed in past transactions, and cannot be considered fair for the Company's minority shareholders. In response, on October 14, 2025, the Company received a proposal from Sumitomo with a Tender Offer Price of 5,150 yen (representing a premium of 19.13% over the closing price of 4,323 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 10, 2025). However, on October 16, 2025, the Company and the Special Committee requested that Sumitomo raise the price, stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Company Shares and therefore remained significantly below the level at which the Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Company's shareholders tender their shares. In response, on October 17, 2025, Sumitomo proposed to set the Tender Offer Price at 5,300 yen (representing a 26.61% premium over the closing price of 4,186 yen for the Company Shares on the Prime Market of the Tokyo Stock Exchange on October 16, 2025). However, on October 20, 2025, the Company and the Special Committee requested that Sumitomo raise the price significantly, stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Company Shares and therefore remained significantly below the level at which the Company and

the Special Committee could express an opinion in favor of the Transactions and recommend that the Company's shareholders tender their shares. In response, on October 22, 2025, Sumitomo proposed to set the Tender Offer Price at 5,410 yen (representing a 28.17% premium over the closing price of 4,221 yen for the Company Shares on the Prime Market of the Tokyo Stock Exchange on October 21, 2025). However, on October 24, 2025, the Company and the Special Committee requested that Sumitomo raise the price significantly, stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Company Shares and therefore remained significantly below the level at which the Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Company's shareholders tender their shares. In response, on October 27, 2025, Sumitomo proposed to set the Tender Offer Price at 5,600 yen (representing a 30.63% premium over the closing price of 4,287 yen for the Company Shares on the Prime Market of the Tokyo Stock Exchange on October 24, 2025). However, on the same day, the Company and the Special Committee requested that Sumitomo raise the price significantly, stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Company Shares and therefore remained significantly below the level at which the Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Company's shareholders tender their shares. In response, on October 28, 2025, Sumitomo proposed to set the Tender Offer Price at 5,700 yen (representing a 30.76% premium over the closing price of 4,359 yen for the Company Shares on the Prime Market of the Tokyo Stock Exchange on October 27, 2025). On the same day, the Company and the Special Committee responded that while the final decision would be made through a resolution by the board of directors of the Company based on the recommendation of the Special Committee, they would agree to the proposal.

Throughout the above review and negotiation process, the Company has conducted its discussions and negotiations with Sumitomo regarding the Tender Offer Price based on the opinions received from the Special Committee and advice from Nomura Securities and Nishimura & Asahi. During this time, the Special Committee has received advice from its advisors, Plutus Consulting and Gaiken Partners, as needed, exchanged opinions with the Company and its advisors, and provided confirmation and approval as appropriate. Specifically, the reasonableness of the content, significant assumptions, and preparation process of the Company's business plan (hereinafter referred to as the "Business Plan") (Note 1), which Nomura Securities and Plutus Consulting used as the basis for their valuation of the Company's Shares, was confirmed and approved by the Special Committee in advance before the Company presented it to Sumitomo. Furthermore, the Company conducted negotiations with Sumitomo in accordance with the negotiation policy deliberated and decided upon in advance by the Special Committee. Each time a proposal regarding the Tender Offer Price was received from Sumitomo, it was immediately reported to the Special Committee, and responses were made in accordance with the opinions, instructions, and requests, etc., received from the Special Committee regarding the negotiation policy with Sumitomo.

(Note 1) The Business Plan was prepared after the Company began its review of the Transactions. Although 1 employee who holds concurrent positions at the Company and Sumitomo was involved in the preparation of the Business Plan, there were significant concerns about the adequacy and feasibility of the Business Plan prepared without their involvement, given their knowledge and experience. Based on the high necessity of involving the 1 employee in the Business Plan preparation process, the employee was involved in the preparation process on the condition that the validity of the content would be confirmed by a superior without a conflict of interest (Representative Director and President, Takaaki Touma, Executive Vice President, Tsutomu Ozaki, Managing Executive Officer, Takayuki Okuhara, and General Manager of the Planning Division of the Company). This handling has been approved by the Special Committee.

Then, on October 29, 2025, the Company received a report from the Special Committee (hereinafter referred

to as the “Report”) stating that (a) the Transactions are considered as contributing to the enhancement of the Company’s corporate value, and the purpose of the Transaction is considered to be reasonable, (b) the Tender Offer Price is a fair price that can be reasonably assessed as an amount that appropriately reflects the intrinsic value of the Company in light of the respective share valuation results, etc. of Plutus Consulting and Nomura Securities, and the terms and conditions of the Transaction are considered to be fair, (c) appropriate measure to ensure fairness have been taken in the Transaction, and the negotiation process and the procedures leading to the decision-making for the Transactions are considered to be fair, (d) the Transactions are considered to be fair to the Company’s general shareholders, and (e) it is considered appropriate for the Company’s Board of Directors (i) to express an opinion in favor of the Tender Offer and (ii) to recommend that the Company’s shareholders tender their shares in the Tender Offer and (iii) to leave it to the discretion of the Stock Acquisition Rights Holders whether or not to tender their Stock Acquisition Rights in this Tender Offer. (for details of the Report, please refer to Appendix 1). Furthermore, on October 28, 2025, the Special Committee received from Plutus Consulting a share valuation report regarding the Company’s Shares (hereinafter referred to as the “Share Valuation Report (Plutus Consulting)”) and a fairness opinion (hereinafter referred to as the “Fairness Opinion”) stating its view that the Tender Offer Price of 5,700 yen per share is fair from a financial perspective to the Company’s shareholders (excluding Sumitomo and the Company). (For an overview of the Share Valuation Report (Plutus Consulting) and the Fairness Opinion, please refer to “[2] Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee” of “(3) Matters Concerning Valuation” below).

(iii) Content of Judgment

Under the circumstances described above, at the meeting of the Company’s Board of Directors held today, the Company carefully discussed and considered whether the Transactions, including the Tender Offer, will contribute to the enhancement of the Company’s corporate value and whether the terms and conditions of the Transactions, including the Tender Offer Price, are appropriate. This was done while giving maximum respect to the judgment of the Special Committee as indicated in the Report, and based on the legal advice received from Nishimura & Asahi, the financial advice received from Nomura Securities, and the content of the share valuation report regarding the Company’s Shares submitted by Nomura Securities on October 28, 2025 (hereinafter referred to as the “Share Valuation Report (Nomura Securities)”).

As a result, as described below, the Company has also concluded that making the Tender Offeror, Etc. the Company’s sole shareholder through the Transactions, including the Tender Offer by the Tender Offeror, will contribute to the enhancement of the Company’s corporate value.

To date, for many years, the Company has fostered a corporate culture of sincerely engaging with customers and standing by them as an IT partner, and have accumulated a wealth of experience and achievements by providing services ranging from the design and development of applications and IT infrastructure in a wide range of industries and sectors to maintenance, operation, BPO services, and verification services.

With the rapid progress of digitalization in society, the demand for IT services is no longer limited to conventional business efficiency improvements and system implementations, but is shifting toward business transformation aimed at realizing a sustainable society, including digital business transformation and business modernization, and the modernization of networks has become increasingly urgent. The Company recognizes that the need for digital technology to support business transformation has become even more sophisticated, and a shift from the conventional contract-based IT services to proposal-based IT services aimed at directly contributing to customers’ businesses has become inevitable. Furthermore, while the domestic IT services market is expected to expand to a certain extent in the medium to long term, the acceleration in the decline of the working-age population is expected, and the supply and demand environment for IT personnel may become unstable in the future. Also, major Japanese companies are accelerating their overseas expansion, and social issues such as energy and the creation of an affluent society are increasingly being required on a global market

rather than just domestically.

Looking at the competitive environment surrounding the Company Group, consulting firms with deep knowledge of their clients' businesses are evolving into players that handle everything from consulting to IT system implementation by flexibly expanding their service capabilities through M&A and other means. In addition, hyperscalers are rapidly increasing their presence as their cloud-based architecture becomes mainstream, and they are actively providing advanced services and expanding their platforms. Also, among competitors in the same industry, there is an accelerating trend of strengthening corporate capabilities through organizational restructuring to accelerate DX, improve global competitiveness, and optimize management resource allocation across the entire group. In this way, the market and business environment that traditional system integrators and network integrators have operated in are undergoing major structural changes, and it is expected that these changes will continue in the future.

In response to these qualitative changes in the demand for IT services, there is a need for new software engineering services that integrate advanced and state-of-the-art IT infrastructure technology and application service technology, as well as the development of digital services that utilize cutting-edge technologies such as generative AI. It has become essential to expand the Company's capabilities and deploy its business with a sense of speed, including problem-solving abilities to propose solutions for industrial and management issues rather than just providing the means, advanced technologies such as AI that continue to evolve and highly skilled engineers, and the ability to socially implement cutting-edge technologies including digital technology to solve social issues on a global scale. The Company recognizes that in order to proactively respond to these environmental changes and achieve the required transformation, growth through acquisitions and partnerships is necessary in addition to autonomous growth.

However, in order to achieve transformation amidst significant changes in the business environment, it is necessary to flexibly make bold, forward-looking investments from a medium- to long-term perspective. Since such investments involve uncertainty, there is a possibility that the Company's business performance may deteriorate in the short term. As long as the Company is listed, it must pursue the interests of its shareholders, making it difficult to simultaneously and swiftly execute medium- to long-term investments and business reforms that are not constrained by short-term profits.

Furthermore, the Company has been informed that under the current capital relationship between Sumitomo and the Company, there is an issue where a portion of the profits of the Company Group, generated from management resources invested in the Company Group by Sumitomo, flows out to the Company's minority shareholders. This means that Sumitomo cannot fully capture the profits from the resources it has invested, creating a structural conflict of interest between Sumitomo and the Company's minority shareholders. This makes it difficult to provide a reasonable explanation to stakeholders, including Sumitomo's shareholders, and imposes constraints on the speed of decision-making and policy execution in the collaboration between the two companies, as well as on the investment of management resources by Sumitomo into the Company Group.

Based on the business environment surrounding the Company Group as described above, the Company has concluded that going private through the Transactions, thereby resolving the structural conflict of interest between Sumitomo and the Company's minority shareholders and enabling Sumitomo to intensively and flexibly invest further management resources into the Company Group, will contribute to the further enhancement of the Company's corporate value.

By combining the Sumitomo Group's wide-ranging industry and customer network spanning Japan and overseas, its position in various industries cultivated through approximately 900 group operating companies in diverse industrial fields, and its business conceptualization capabilities as a general trading company, with the Company's advanced IT solution provision capabilities and operational knowledge acquired through business with over 10,000 customers, the Company believes that it will be able to contribute to global social issues and national-level industrial changes utilizing advanced technologies such as AI and data analysis. Furthermore, the Company believes that the Company Group can transform into a next-generation problem-

solving company by accumulating experience in implementing IT services that originate from the business needs of the Sumitomo Group's sales and business sites.

By going private through the Transactions, the structural conflict of interest between Sumitomo and the Company's minority shareholders will be resolved, enabling more active personnel exchange. This will allow both companies to operate with a sense of unity, develop businesses that merge their respective strengths, enable disciplined allocation of management resources by Sumitomo, and facilitate agile decision-making, which is expected to generate unprecedented synergies through collaboration. This collaboration between the two companies will create a greater social impact. For the Company, which advocates for human capital management, this will provide employees with the opportunity to tackle global and national-level challenges on a different scale than before. This will lead to a sense of contribution to society, further job satisfaction, and experiences that enhance each individual's market value, resulting in unprecedented growth opportunities for its employees. The Company believes that the Company Group can leap forward to become a company that continues to create new value.

The Company, under its "Grand Design 2030," aims for a dramatic improvement in comprehensive corporate value, the creation of value for society, and a direct contribution to customers' businesses. The Company seeks to grow together with its customers and society by expanding the value provided to client companies and society through its core business of IT services, while also proactively taking the initiative to create value for society. The Company believes that collaboration with the Sumitomo Group through the Transactions will accelerate the realization of these goals. Specifically, the Company expects the following synergies to be generated after the Transactions.

I. Provide Comprehensive Digital Solutions from Business Conceptualization to Digital Implementation

By combining Sumitomo's strengths in conceiving new businesses based on global and national-level social issues, global-level partnering, and fundraising capabilities including capital resources, with the Company Group's digital services and solution-related business expertise, the Company believes it will be possible to realize comprehensive digital solutions on a one-stop basis, from business conceptualization to digital implementation.

Through the relationships with top management in the industries and business customers of Sumitomo's nine business groups, the Company will gain real-world knowledge of industry and management challenges. This will enable the Company to shift from providing IT services as a means to delivering digital utilization and value that directly contributes to solving management issues and driving business growth, which other companies cannot offer. By fully leveraging the foundation of Sumitomo's approximately 900 group operating companies as "Customer Zero," the Company will not only gain a unique competitive advantage in planning and proposing services and products that are deeply integrated into business sites and directly solve problems, but also be able to deploy competitive digital services to markets and business frontlines that the Company has not been able to reach before, by leveraging Sumitomo's vast customer network and industrial base.

II. Strengthen Upstream Consulting Functions and Digital Capabilities

By leveraging Sumitomo's brand power and capital resources to strengthen upstream consulting functions through enhanced recruitment, acquisitions, and partnering, and combining these with advanced digital technology, the Company can expand its ability to propose new value creation and solutions for social issues to its customers.

Furthermore, in addition to bringing together the digital marketing functions of SC Digital Co., Ltd. (Note 1), a wholly-owned subsidiary of Sumitomo, and the AI engineers of Insight Edge, Inc. (Note 2), which Sumitomo is promoting, the Company expects to acquire world-class advanced digital

engineers, knowledge, and infrastructure with cutting-edge technologies by strengthening alliances using Sumitomo's network with domestic and international digital companies.

(Note 1) This company provides services to clients, primarily in the marketing domain, utilizing data and digital technologies, including consulting, system implementation and operation, and the provision of creative services.

(Note 2) This company utilizes technologies such as AI and digital solutions to transform business models and operational processes, supporting clients in enhancing their competitiveness.

III. Accelerate Global Expansion

By utilizing Sumitomo's extensive overseas network, bases, and global human resources, the Company believes it will become easier to access local partners and customers globally. The Company believes the execution of its global strategy will be accelerated through dynamic collaborations, including developing partners necessary for the overseas expansion of Japanese companies and capital and business alliances with technology companies that have a certain scale of business foundation in specific regions. Furthermore, in areas and technology fields where the Company has strengths, such as IT infrastructure including security, mobility, and ERP (Note 3), the Company believes it will be possible to expand its overseas revenue through the launch of services by establishing local overseas subsidiaries or joint ventures, and through the joint promotion of projects in specific regions.

The Company Group will be able to utilize the business know-how, risk management, and compliance functions that Sumitomo has cultivated in operating its overseas businesses, enabling the Company to respond flexibly and steadily to various risks during overseas expansion. In addition, the Company believes this will lead to the expansion of capabilities necessary for overseas business development, such as M&A utilizing Sumitomo's capital resources and the management of local companies by global management talent. Also, by dispatching personnel from the Company Group to Sumitomo's overseas bases or on overseas projects, including secondments, the Company believes it will be possible to cultivate global human resources with international cultural awareness, adaptability to different cultures, and international connections.

(Note 3) "ERP" refers to systems that integrates core business operations, such as corporate accounting and human resources, to improve efficiency and centralize information.

IV. Development of Next-Generation Digital Businesses that Contribute to Solving Social Issues

By combining Sumitomo's experience in business development across various industries and capital resources with the Company Group's operational expertise, advanced technological capabilities, and digital workforce, the Company believes that it can further accelerate the creation of next-generation digital businesses that address identified potential social issues and industry transformation needs that are different from conventional ones. Whereas the launch and pilot testing of next-generation digital businesses previously required consultations across the groups, the strategic decision-making and resource allocation between the two companies can now be integrated, enabling a structure that allows for faster and more flexible execution.

Moreover, early-stage investments in such new businesses inherently involve uncertainty. While the Company was publicly listed, it was difficult to make large-scale investments due to the need to pursue the interests of its shareholders. By going private, the Company believes it will become possible to undertake significant medium- to long-term investments.

Furthermore, the Company has considered the potential for a decline in employee motivation and the impact on business partners and other stakeholders due to the loss of brand power as a listed company as a result of going private through the Transactions. However, Sumitomo has indicated that it plans to hold discussions

between Sumitomo and the Company after the Transactions with the aim of creating a system for the Company's management structure and board composition that achieves appropriate governance respecting the Company's uniqueness and maximizes the synergistic effects for the Sumitomo Group, including the Company, even after the Transactions, and has also indicated that it generally does not intend to make changes that would materially deteriorate the employment and working conditions of the Company's employees under the current system after the Transactions. Furthermore, in order to maintain the motivation of the Company's employees and expand business partners, Sumitomo intends to establish a system to discuss with the Company and reflect its intentions to the maximum extent possible regarding measures that will lead to the improvement of the Company's branding. Based on these points, the Company believes that going private through the Transactions will be acceptable to the Company Group's business partners, employees, and other stakeholders.

Although the Company's delisting will limit its means of fundraising in the stock and capital markets, the Company believes this will not be a dis-synergy of the Transactions, as the Company will be able to flexibly utilize the fundraising capabilities of its parent company, Sumitomo.

Overall, the Company believes that while there is a potential for even more synergies to be generated through further collaboration between Sumitomo and the Company as a result of the Transactions, no significant dis-synergies that would have a material impact on its business are expected to arise.

Furthermore, for the following reasons, the Company has comprehensively judged that the Tender Offer Price of 5,700 yen is an appropriate price that reflects the intrinsic value of the Company and secures the profits that its general shareholders should enjoy, and that the Tender Offer provides a reasonable opportunity for its general shareholders to sell their shares of the Company and secure profits at a price with an appropriate premium, also in light of the recent stock price trends that reflect the current business environment surrounding the Company Group.

(a) The price was agreed upon as a result of sincere and repeated negotiations with Sumitomo, with the substantial involvement of the Special Committee, after sufficient measures were taken by the Company to ensure the fairness of the terms and conditions of the Transactions, including the Tender Offer Price, as described in “(6) Measures to Ensure Fairness of the Tender Offer, such as Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest” below.

(b) The price is above the upper limit of the calculation results of the market share price method, comparable company analysis and comparable transactions analysis, and is above the median of the range of the calculation results of the discounted cash flow method (hereinafter referred to as the “DCF method”), among the results of the valuation of the Company's Shares by Nomura Securities in the Share Valuation Report (Nomura Securities) described in “[1] Acquisition of the Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Institution at the Company” of “(3) Matters Concerning Valuation” below.

(c) The price is above the upper limit of the calculation results of the market share price method and comparable company analysis, and is above the median of the range of the calculation results of the DCF method, among the results of the valuation of the Company's Shares by Plutus Consulting in the Share Valuation Report (Plutus Consulting) described in “[2] Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee” of “(3) Matters Concerning Valuation” below. Furthermore, as described in “[2] Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee” of “(3) Matters Concerning Valuation” below, a Fairness Opinion has been issued by Plutus Consulting stating its view that the Tender Offer Price of 5,700 yen per share is fair from a financial perspective to the Company's shareholders (excluding Sumitomo and the Company).

(d) The price includes a premium of 33.87% over the closing price of the Company's Shares of 4,258 yen on the Tokyo Stock Exchange on October 28, 2025, the business day prior to the announcement of the implementation of the Tender Offer; 32.59% over the simple average of the closing prices for the last month up to the same day of 4,299 yen; 25.47% over the simple average of the closing prices for the last three months of 4,543 yen; and 29.11% over the simple average of the closing prices for the last six months of 4,415 yen. Generally, stocks with high PBRs tend to command lower premiums relative to market prices in tender offers and M&A deals, as their corporate value is already highly valued in the stock market. As of October 28, 2025, the Company's PBR stands at approximately 4.6 times. Tender offers announced after June 28, 2019, when the Ministry of Economy, Trade and Industry released the "Fair M&A Guidelines" and completed by October 28, 2025 (limited to: (i) Tender offers or MBOs where the target company was a consolidated subsidiary of either the acquirer, the acquirer's ultimate parent company, or a company jointly planning the target company's delisting with the acquirer; and (ii) Cases specifically aimed at delisting the target company. Excluding: (iii) hostile tender offers, two-step tender offers, cases involving leaks or speculative reports, cases where the premium on the day before the announcement was a discount, failed cases, and cases where the target company was insolvent or there was concern that insolvency might cause it to violate the listing maintenance standards set by the Tokyo Stock Exchange.) Among these, 20 cases where the target company's PBR was twice or higher (hereinafter referred to as the "Similar Cases") Among these cases, the most frequently observed premium range was 15 to 20% for the closing price on the business day prior to the announcement date, with four cases. For the simple average closing price for the most recent month up to the business day prior to the announcement date, the most frequently observed premium range was 20 to 25%, with four cases. For the simple average closing price for the most recent three months up to the business day prior to the announcement date, the most frequently observed premium range was 20 to 25%, with five cases. For the simple average closing price for the most recent six months up to the business day prior to the announcement date, the most frequently observed premium range was 25 to 30%, with four cases. Considering the above, the Tender Offer Price is considered to carry a reasonable premium when compared to the Similar Cases.

(e) The price is also judged to be appropriate in the Report obtained from the Special Committee, as described in "[1] Establishment of an Independent Special Committee at the Company and Acquisition of a Report from the Special Committee" of "(6) Measures to Ensure Fairness of the Tender Offer, such as Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest" below.

Based on the above, the Company has determined that the Transactions will contribute to the enhancement of its corporate value and that the terms and conditions of the Transactions, including the Tender Offer Price, are appropriate. At the meeting of the Company's Board of Directors held today, the Company resolved, as its opinion at this time, to express an opinion in favor of the Tender Offer, recommend that the Company's shareholders tender their shares in the Tender Offer, and leave the decision of whether or not to tender in the Tender Offer to the discretion of the Stock Acquisition Rights Holders.

For the method of resolution at the said Board of Directors meeting, please refer to "[8] Approval by All of the Company's Directors Who Do not Have a Conflict of Interest (Including Those Who Are Audit and Supervisory Committee Members)" of "(6) Measures to Ensure Fairness of the Tender Offer, such as Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest" below.

(3) Matters Concerning Valuation

[1] Acquisition of the Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Institution at the Company

(i) Name of the Valuation Institution and its Relationship with the Company and the Tender Offeror

In expressing its opinion on the Tender Offer, the Company, in order to ensure the fairness of its decision-

making regarding the Tender Offer Price presented by the Tender Offeror, Etc., requested a valuation of the Company's Shares from Nomura Securities, a financial advisor and third-party valuation institution independent of the Sumitomo Group, the Company Group, and the success or failure of the Transactions, and obtained the Share Valuation Report (Nomura Securities) (Note 1) dated October 28, 2025. The Company has not obtained a fairness opinion from Nomura Securities regarding the fairness of the Tender Offer Price because it has implemented measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest. Nomura Securities is not a related party of the Company or the Tender Offeror, Etc. and has no material interest in the Transactions, including the Tender Offer. In addition, the Special Committee, at its second meeting held on July 1, 2025, confirmed that there were no issues with the independence and expertise of Nomura Securities and approved it as the Company's financial advisor.

The compensation for Nomura Securities includes a success fee payable upon conditions such as the completion of the Transactions. The Company has appointed Nomura Securities as its financial advisor and third-party valuation institution with the above compensation structure, judging that the inclusion of a success fee payable upon conditions such as the completion of the Tender Offer does not negate its independence, considering the general practice in similar transactions and whether adopting a compensation structure that could impose a corresponding financial burden on the Company even if the Transactions were not completed would be appropriate.

(Note 1) In calculating the value of the Company's Shares, Nomura Securities has assumed that all information provided by the Company and public information, including the Business Plan (hereinafter referred to as the "Business Plan, Etc.") is accurate and complete, and has not independently verified their accuracy and completeness. It has not independently performed any valuation, appraisal, or assessment of the assets or liabilities (including financial derivatives, off-balance-sheet assets and liabilities, and other contingent liabilities) of the Company and its affiliates, including an analysis and valuation of individual assets and liabilities, nor has it requested an appraisal or assessment from a third-party institution. The Business Plan, Etc. is premised on the assumption that it has been reasonably reviewed or prepared based on the best and most sincere forecasts and judgments available to the Special Committee or the Company's management at this time. The valuation by Nomura Securities reflects the information and economic conditions available to Nomura Securities as of October 28, 2025. The valuation by Nomura Securities is intended solely to serve as a reference for the Company's Board of Directors in considering the value of the Company's Shares.

(ii) Overview of the Valuation

After considering the Company's financial condition, the market price trends of the Company's Shares, etc., Nomura Securities concluded that a multifaceted evaluation was appropriate. After examining multiple share valuation methods to be adopted for valuing the Company's Shares, it calculated the value of the Company's Shares using the market price average method because a market price exists, the comparable company analysis method because there are multiple listed companies comparable to the Company, making it possible to infer the value of the Company's Shares by comparison with similar companies, the comparable transactions analysis method because it is possible to infer the value of the Company's Shares by comparison with the transaction prices of similar transactions, and the DCF method to reflect the future business activities in the valuation, and the Company received from Nomura Securities the Share Valuation Report (Nomura Securities) dated October 28, 2025.

Market price average method:	4,258 yen to 4,543 yen
Comparable company analysis method:	3,295 yen to 4,843 yen

Comparable transactions analysis method: 3,526 yen to 5,249 yen

DCF method: 4,356 yen to 6,749 yen

Under the market price average method, with October 28, 2025 as the reference date, the per-share value of the Company's Shares is calculated to be in the range of 4,258 yen to 4,543 yen, based on the closing price on the reference date of 4,258 yen, the simple average of the closing prices for the last five business days of 4,302 yen, the simple average of the closing prices for the last month of 4,299 yen, the simple average of the closing prices for the last three months of 4,543 yen, and the simple average of the closing prices for the last six months of 4,415 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange.

Under the comparable company analysis method, Nomura Research Institute, Ltd., TIS Inc., NS Solutions Corporation, BIROGY Inc., and DENTSU SOKEN INC. were selected as listed companies engaged in businesses similar to the Company. The calculation was made using the EV/EBITDA multiple, EV/EBIT multiple, and PER, and the per-share value of the Company's Shares is calculated to be in the range of 3,295 yen to 4,843 yen.

Under the comparable transactions analysis method, the per-share value of the Company's Shares was calculated by selecting the transaction announced by ITOCHU Corporation in the "Announcement in Relation to Commencement of Tender Offer for Shares in ITOCHU Techno-Solutions Corporation (Code No. 4739)" dated August 2, 2023, and the transaction announced by NEC Corporation in the "NEC Announces the Commencement of Tender Offer for Shares of NEC Networks & System Integration Corporation (Securities Code: 1973)" dated October 29, 2024 (including subsequent corrections) as going-private transactions made public over the past few years that involve domestic companies engaged in businesses similar to that of the Company and are relatively comparable, and based on a comparison of transaction prices and financial indicators representing profitability, etc., the per-share value of the Company's Shares is calculated to be in the range of 3,526 yen to 5,249 yen.

Under the DCF method, the financial forecast for the Company that is included in the Business Plan that Nomura Securities used as a premise for its DCF analysis was prepared by the Company in consideration of its performance up to the most recent period and various measures for future growth in its businesses, including IT consulting, system development, verification services, IT infrastructure construction, IT management, IT hardware/software sales, and BPO. The forecast period is from the fiscal year ending March 2026 to the fiscal year ending March 2031, which is considered a period for which reasonable future forecasts are possible. Based on the Business Plan, Etc. prepared by the Company, Nomura Securities analyzed the Company's enterprise value and equity value by discounting the free cash flows that the Company is expected to generate from the second quarter of the fiscal year ending March 2026 onwards to their present value at a certain discount rate, based on factors such as the revenue forecasts and investment plans in the business plan for the six fiscal years from the fiscal year ending March 2026 to the fiscal year ending March 2031, and publicly available information. The per-share value of the Company's Shares is calculated to be in the range of 4,356 yen to 6,749 yen. The discount rate (the Weighted Average Cost of Capital) uses 5.25% to 6.25%. In calculating the terminal value, it is calculated to be 1,778,732 million yen to 2,662,951 million yen based on the perpetual growth method and the multiple method. For the perpetual growth method, a perpetual growth rate of 0.25% to 1.25% is used based on the long-term economic outlook surrounding the Company, and for the multiple method, the EV/EBITDA multiple, which is common in M&A valuation practice, is adopted, and a range of 11.5 times to 13.5 times is used based on the levels of companies in the industry.

The Business Plan, Etc. used by Nomura Securities for its DCF analysis includes fiscal years in which significant increases or decreases in profit and loss and significant increases or decreases in free cash flow are projected. Specifically, due to the consolidation of Net One Systems as a subsidiary on December 25, 2024, a significant increase in net sales, operating profit, EBITDA, and free cash flow is projected for the fiscal year ending March 2026.

The synergies expected to be realized through the Transactions are difficult to estimate specifically at this time and have therefore not been factored into the following financial projections.

The financial projections underlying the DCF analysis are as follows.

(Unit: million yen)

	FYE March 2026 (9 months)	FYE March 2027	FYE March 2028	FYE March 2029	FYE March 2030	FYE March 2031
Net sales	623,394	864,915	914,961	971,091	1,035,356	1,109,777
Operating profit	67,778	97,445	108,382	120,532	135,363	149,608
EBITDA	93,526	134,380	146,670	160,215	174,612	190,602
Free cash flow	26,803	57,028	70,705	81,483	89,579	99,409

The Stock Acquisition Rights were issued as stock options to the directors and executive officers of the Company and, in principle, may be exercised only for two years in the case of the 2nd Series Stock Acquisition Rights and only for ten years in the case of the 8th Series Stock Acquisition Rights from the day following the date on which the holder loses both positions as a director and as an executive officer of the Company. Accordingly, since such stock acquisition rights would be non-exercisable even if acquired by the Tender Offeror, the Tender Offeror has set the Stock Acquisition Right Purchase Price at 1 yen. Taking into account this explanation provided by the Tender Offeror, the Company has not obtained a valuation report or fairness opinion from a third-party valuation institution regarding the Stock Acquisition Right Purchase Price.

[2] Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee

(i) Name of the Valuation Institution and its Relationship with the Company and the Tender Offeror

In considering the Consulted Matters, the Special Committee, in order to ensure the appropriateness of the terms and conditions of the Transactions, including the Tender Offer Price, requested that Plutus Consulting, a financial advisor and third-party valuation institution independent of the Sumitomo Group and the Company Group, value the Company's Shares and express an opinion on the fairness from a financial perspective to the Company's minority shareholders of the terms and conditions of the Transactions, including the Tender Offer Price, and obtained the Share Valuation Report (Plutus Consulting) and the Fairness Opinion dated October 28, 2025.

Plutus Consulting is not a related party of the Tender Offeror, Etc. or the Company and has no material interest in the Transactions, including the Tender Offer. In addition, the compensation for Plutus Consulting related to the Transactions consists only of a fixed fee payable regardless of the completion or failure of the Transactions and does not include a success fee payable upon conditions such as the completion of the Transactions, including the Tender Offer.

(ii) Overview of the Valuation

After examining multiple valuation methods to be adopted for valuing the Company's Shares, assuming that the Company is a going concern, and based on the belief that a multifaceted evaluation was appropriate for the valuation of the Company's Shares, Plutus Consulting calculated the value of the Company's Shares using the market price method because the Company's Shares are listed on the Prime Market of the Tokyo Stock Exchange and a market price exists, the comparable company analysis method because there are multiple listed companies comparable to the Company, making it possible to infer the value of the Company's Shares by comparison with similar companies, and the DCF method to reflect the details, forecasts, etc. of the

Company's business performance in the valuation, and the Special Committee received from Plutus Consulting the Share Valuation Report (Plutus Consulting) dated October 28, 2025.

The ranges of the per-share value of the Company's Shares that were calculated using the aforementioned valuation methods are as follows:

Market price method:	4,258 yen to 4,543 yen
Comparable company analysis method:	3,252 yen to 3,613 yen
DCF method:	4,651 yen to 5,920 yen

Under the market price method, with October 28, 2025 as the reference date, the per-share value of the Company's Shares is calculated to be in the range of 4,258 yen to 4,543 yen, based on the closing price on the reference date of 4,258 yen, the simple average of the closing prices for the last month of 4,299 yen, the simple average of the closing prices for the last three months of 4,543 yen, and the simple average of the closing prices for the last six months of 4,415 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange.

Under the comparable company analysis method, Nomura Research Institute, Ltd., TIS Inc., BIPROGY Inc., NS Solutions Corporation, Internet Initiative Japan Inc., DTS CORPORATION, and NSD Co., Ltd. were selected as listed companies engaged in businesses similar to the Company. The calculation was made using EV/EBIT multiple and EV/EBITDA multiple for the enterprise value, and the per-share value of the Company's Shares is calculated to be in the range of 3,252 yen to 3,613 yen.

Under the DCF method, the financial forecast for the Company that is included in the Business Plan and that Plutus Consulting used as a premise for its DCF analysis was prepared by the Company in consideration of its performance up to the most recent period and various measures for future growth in its businesses, including IT consulting, system development, verification services, IT infrastructure construction, IT management, IT hardware/software sales, and BPO. The forecast period is from the fiscal year ending March 2026 to the fiscal year ending March 2031, which is considered a period for which reasonable future forecasts are possible. Based on the Business Plan, Etc. prepared by the Company, Plutus Consulting analyzed the Company's enterprise value and equity value by discounting the free cash flows that the Company is expected to generate from the second quarter of the fiscal year ending March 2026 onwards to their present value at a certain discount rate, based on factors such as the revenue forecasts and investment plans in the business plan for the six fiscal years from the fiscal year ending March 2026 to the fiscal year ending March 2031, and publicly available information. The per-share value of the Company's Shares is calculated to be in the range of 4,651 yen to 5,920 yen. The weighted average cost of capital (WACC) is used as a discount rate, and the rate of 5.7% to 7.6% is used. In calculating the terminal value, it is calculated to be 2,059,760 million yen to 2,379,139 million yen based on the multiple method. For the multiple method, the EV/EBIT multiple and the EV/EBITDA multiple are adopted, and a range of 13.8 times to 15.3 times is used for the EV/EBIT multiple and a range of 10.8 times to 11.4 times is used for the EV/EBITDA multiple based on the levels of companies in the industry.

Non-operating assets include surplus cash and deposits after deducting necessary working capital (determined by comprehensively considering the Company's past cash flow performance and other factors), investment securities, and other financial instruments.

The Business Plan, Etc. used by Plutus Consulting for its DCF analysis includes fiscal years in which significant increases or decreases in profit and loss are projected. Specifically, due to the consolidation of Net One Systems as a subsidiary on December 25, 2024, a significant increase in net sales, operating profit, EBITDA, and free cash flow is projected for the fiscal year ending March 2026.

The synergies expected to be realized through the Transactions are difficult to estimate specifically at this

time and have therefore not been factored into the following financial projections, except for the effects of the reduction of listing maintenance costs.

The financial projections underlying the DCF analysis are as follows.

(Unit: million yen)

	FYE March 2026 (9 months)	FYE March 2027	FYE March 2028	FYE March 2029	FYE March 2030	FYE March 2031
Net sales	623,394	864,915	914,961	971,091	1,035,356	1,109,777
Operating profit	67,778	97,445	108,382	120,532	135,363	149,608
EBITDA	93,526	134,380	146,670	160,215	174,612	190,602
Free cash flow	9,676	56,411	68,684	79,085	86,826	96,425

(iii) Overview of the Fairness Opinion

The Special Committee received from Plutus Consulting on October 28, 2025 the Fairness Opinion stating that the Tender Offer Price of 5,700 yen per share is fair from a financial perspective to the Company's minority shareholders (Note 2). The Fairness Opinion expresses the opinion that the Tender Offer Price of 5,700 yen per share is fair from a financial perspective to the Company's minority shareholders in light of the share valuation results, etc. based on the business plan prepared by the Company. In addition, the Fairness Opinion was issued after Plutus Consulting considered the share valuation results for the Company conducted by it after receiving disclosure of the Company's current business status, future business plans, etc., and an explanation regarding them from the Company, the Q&A with the Company regarding the outline, background, and purpose of the Tender Offer, and the Company's business environment, economic, market, and financial conditions, etc. within the scope recognized as necessary by Plutus Consulting, and after a review process by a review committee independent of the engagement team at Plutus Consulting.

(Note 2) In preparing the Fairness Opinion, Plutus Consulting has assumed that the basic materials provided by the Company and materials available to the public, as well as information obtained from the Company, are accurate and complete. Plutus Consulting has not conducted its own investigation or verification of the accuracy or completeness of such information and is not obligated to do so. Therefore, Plutus Consulting shall not be liable for any deficiencies in these materials or for the non-disclosure of important facts.

Plutus Consulting assumes that the business plans and other materials used as the basis for the Fairness Opinion have been prepared reasonably based on the best estimates and judgments at the time of preparation of such materials. Plutus Consulting does not guarantee the feasibility of these plans and does not express any opinions on the analyses or forecasts that served as the basis for the preparation of the business plans and other materials or the assumptions on which those analyses or forecasts were based.

Plutus Consulting is not a legal, accounting, or tax professional. Therefore, Plutus Consulting does not express any opinions on legal, accounting, or tax issues related to the Tender Offer, nor is it obligated to do so.

Plutus Consulting has not conducted an independent evaluation or appraisal of the assets and liabilities (including off-balance-sheet assets and liabilities and other contingent liabilities) of the Company and its affiliates, including analysis and evaluation of individual assets and liabilities, and has not received any evaluation or appraisal reports in this regard. Accordingly, Plutus Consulting has not evaluated the solvency of the Company and its affiliates.

The Fairness Opinion expresses an opinion on the fairness of the Tender Offer Price from a financial

point of view for the purpose of assisting the Company in expressing its opinion on the Tender Offer. Therefore, the Fairness Opinion does not express any opinions on the relative merits of transactions that may be alternative options to the Tender Offer, the benefits to be obtained by the implementation of the Tender Offer, or the advantages and disadvantages of implementing the Tender Offer.

The Fairness Opinion does not express any opinions to the holders of securities issued by the Company, creditors, or other related parties. Therefore, Plutus Consulting shall not be liable to any shareholders or third parties who rely on the Fairness Opinion.

Plutus Consulting does not solicit investment in the Company and has no authority to do so. Therefore, the Fairness Opinion does not recommend that shareholders take any action, including tendering their shares in the Tender Offer.

The Fairness Opinion expresses an opinion, as of the date of submission of the Fairness Opinion, on whether the Tender Offer Price is fair to the minority shareholders of the Company from a financial point of view. The Fairness Opinion is based on the financial and capital markets, economic conditions, and other circumstances as of the date of submission of the Fairness Opinion, and on information provided to Plutus Consulting or obtained by Plutus Consulting as of that date. Plutus Consulting is not obligated to revise, change, or supplement its opinion even if these assumptions change due to future circumstances.

The Fairness Opinion does not infer or imply any opinions other than those expressly stated in the Fairness Opinion or regarding matters after the date of submission of the Fairness Opinion.

[3] Acquisition of Share Valuation Report from an Independent Third-party Valuation Institution at Sumitomo
(i) Common Stock

According to the Tender Offeror, Sumitomo requested SMBC Nikko Securities, a financial advisor of Sumitomo, as a third-party valuation institution that is independent of the Sumitomo Group, including the Company, to calculate the share value of the Company's Shares for determining the Tender Offer Price.

According to the Tender Offeror, after considering which valuation methods should be applied to calculate the share value of the Company's Shares among various share valuation methods, SMBC Nikko Securities calculated the share value of the Company's Shares using each method of (i) the market price method since the Company is listed on the Prime Market of the Tokyo Stock Exchange and a market price exists, (ii) the comparable listed company method since it is possible to infer the share value of the Company's Shares by comparison with similar listed companies and (iii) the DCF method in order to reflect the future business activities in the valuation. Sumitomo obtained a share valuation report regarding the share value of the Company's Shares (the "Share Valuation Report (Tender Offeror)") from SMBC Nikko Securities on October 28, 2025. According to the Tender Offeror, the Tender Offeror, Etc. has not obtained an opinion concerning the fairness of the Tender Offer Price (a fairness opinion) from SMBC Nikko Securities since they believe that sufficient consideration has been given to the interests of the minority shareholders of the Company, having comprehensively considered the various factors stated in "(6) Measures to Ensure Fairness of the Tender Offer, such as Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest" below.

According to the Tender Offeror, the results of calculation of the share value per share of the Company's Shares by SMBC Nikko Securities are as follows:

Market price method:	4,299 yen to 4,543 yen
Comparable listed company method:	3,334 yen to 4,249 yen
DCF method:	3,662 yen to 6,133 yen

According to the Tender Offeror, under the market price method, the range of share value per share was calculated to be from 4,299 yen to 4,543 yen as of October 28, 2025, as the record date for calculation. This

range was based on the simple average closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange for the past one (1) month up to the record date for calculation, which was 4,299 yen, the past three (3) months up to such date, which was 4,543 yen, and the past six (6) months up to such date, which was 4,415 yen.

According to the Tender Offeror, under the comparable listed company method, the range of share value per share of the Company's Shares was calculated to be from 3,334 yen to 4,249 yen as a result of the calculation of the share value of the Company's Shares by comparing the market prices of shares and financial indicators showing profitability of listed companies engaged in businesses similar to those conducted by the Company.

According to the Tender Offeror, under the DCF method, the range of share value per share was calculated to be from 3,662 yen to 6,133 yen as a result of the evaluation of the corporate value and share value of the Company by discounting the free cash flow that is expected to be generated by the Company in and after the 2nd quarter of the fiscal year ending March 2026, based on the future financial projections of the Company as adjusted by Sumitomo, to the present value at a specific discount rate, based on the Business Plan for the period from the fiscal year ending March 2026 through the fiscal year ending March 2031 provided by the Company, and taking into account various factors such as management interviews with the Company, recent business performance trends, and publicly disclosed information. According to the Tender Offeror, the future financial projections of the Company, on which the DCF method was based, includes a fiscal year in which a significant increase or decrease in earnings and free cash flow is expected. Specifically, as a result of making Net One Systems a consolidated subsidiary as of December 25, 2024, a significant increase in net sales, operating profit, EBITDA, and free cash flow is expected for the fiscal year ending March 2026. The synergy that can be expected to be realized through the implementation of the Transactions is not added because it is difficult to estimate the value of such synergy specifically at this time.

In addition to the valuation results indicated in the Share Valuation Report (Tender Offeror) provided by SMBC Nikko Securities, the Tender Offeror, Etc. comprehensively reviewed several factors, such as the result of the due diligence on the Company conducted from mid July to late August 2025, the likelihood that the Company's board of directors would support the Tender Offer, the trend of the market price of the Company's Shares, and the prospect of shares being tendered in the Tender Offer; and took into consideration the results of the discussions and negotiations with the Company. As a result, according to the Tender Offeror, the Tender Offeror, Etc. ultimately set the Tender Offer Price at 5,700 yen on October 29, 2025.

According to the Tender Offeror, it should be noted that SMBC Nikko Securities does not fall under a related party of the Tender Offeror, Etc. or the Company and has no material interest in the Tender Offer. SMBC Nikko Securities is a member of Sumitomo Mitsui Financial Group, Inc., same as Sumitomo Mitsui Banking Corporation ("SMBC"), and SMBC conducts loan transactions, etc., with Sumitomo, the parent company of the Tender Offeror, and the Company as a part of its ordinary banking transactions and plans to provide financing to Sumitomo for the settlement funds related to the Tender Offer. According to the Tender Offeror, however, according to SMBC Nikko Securities, it has established and implemented an appropriate system to control conflict of interests, such as information barrier measures between SMBC Nikko Securities and SMBC in accordance with the applicable provisions of Article 36, Paragraph 2 of the Act and Article 70-4 of the Cabinet Office Order on Financial Instruments Business (Cabinet Office Order No. 52 of 2007, as amended), and calculates the share value of the Company from a position independent of SMBC's status as a shareholder and lender.

According to the Tender Offeror, the Tender Offer Price of 5,700 yen is the price including (a) a premium of 33.87% added to 4,258 yen, which is the closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 28, 2025, the business day immediately preceding the date of announcement of the implementation of the Tender Offer; (b) a premium of 32.59% added to 4,299 yen, which is the simple average closing price of the Company's Shares for the past one (1) month up to such date; (c) a premium of 25.47% added to 4,543 yen, which is the simple average closing price for the past three (3) months

up to such date; and (d) a premium of 29.11% added to 4,415 yen, which is the simple average closing price for the past six (6) months up to such date.

(ii) Stock Acquisition Rights

The Stock Acquisition Rights were issued as stock options to the directors and executive officers of the Company and, in principle, may be exercised only for two years in the case of the 2nd Series Stock Acquisition Rights and only for ten years in the case of the 8th Series Stock Acquisition Rights from the day following the date on which the holder loses both positions as a director and as an executive officer of the Company. Accordingly, according to the Tender Offeror, since such stock acquisition rights would be non-exercisable even if acquired by the Tender Offeror, the Tender Offeror has set the Stock Acquisition Right Purchase Price at 1 yen. According to the Tender Offeror, in determining the Stock Acquisition Right Purchase Price, the Tender Offeror, Etc. have not obtained a valuation report or opinion (fairness opinion) from an independent third-party valuation institution, since the Tender Offeror, Etc. have determined the Stock Acquisition Right Purchase Price as described above.

(4) Possibility of Delisting and the Reasons Therefor

As of today, the Company's Shares are listed on the Prime Market of the Tokyo Stock Exchange. However, since the Tender Offeror has not set a maximum number of shares to be purchased in the Tender Offer, the Company's Shares may, depending on the result of the Tender Offer, be delisted pursuant to the prescribed procedures in accordance with the criteria for delisting prescribed by the Tokyo Stock Exchange. In addition, even in the case where the Company's Shares do not meet such criteria at the time of the completion of the Tender Offer, if the Squeeze-Out Procedures described in "(5) Post-Tender Offer Reorganization and Other Policies (Matters Relating to the 'Two-Step Acquisition'))" below are implemented after the Tender Offer is completed, the Company's Shares will meet the criteria for delisting prescribed by the Tokyo Stock Exchange and will be delisted pursuant to the prescribed procedures. In such case, the Company's Shares will no longer be traded on the Prime Market of the Tokyo Stock Exchange after the delisting.

(5) Post-Tender Offer Reorganization and Other Policies (Matters Relating to the 'Two-Step Acquisition').

According to the Tender Offeror, as described in "[1] Overview of the Tender Offer" above, if the Tender Offeror is unable to acquire all of the shares, etc. of the Company (excluding the Company's Shares held by Sumitomo and treasury shares held by the Company) in the Tender Offer, after the completion of the Tender Offer, the Tender Offeror plans to implement the Squeeze-Out Procedures by the following methods, for the purpose of making the Tender Offeror, Etc. the sole shareholders of the Company.

[1] Demand for Shares, Etc. Cash-Out

According to the Tender Offeror, if, upon completion of the Tender Offer, the total number of voting rights of the Company held by the Tender Offeror, Etc. amounts to 90% or more of the voting rights of all shareholders of the Company, and Sumitomo becomes a special controlling shareholder as stipulated in Article 179, Paragraph 1 of the Companies Act, Sumitomo plans to, promptly after the completion of the settlement of the Tender Offer, demand that all of the Company's shareholders (excluding the Tender Offeror, Etc. and the Company) (the "Shareholders Subject to Cash-Out") sell all of the Company's Shares held by them, pursuant to the provisions of Part II, Chapter II, Section 4-2 of the Companies Act (the "Demand for Share Cash-Out"), and demand that all of the Stock Acquisition Rights Holders (the "Stock Acquisition Rights Holders Subject to Cash-Out") sell all of the Stock Acquisition Rights held by them (the "Demand for Stock Acquisition Right Cash-Out"; and together with the Demand for Share Cash-Out, the "Demand for Share, Etc. Cash-Out"). In the Demand for Share Cash-Out, Sumitomo plans to stipulate that the amount equivalent to the Tender Offer Price will be delivered to the Shareholders Subject to Cash-Out as the per-share price of the

Company's Shares, and in the Demand for Stock Acquisition Right Cash-Out, Sumitomo plans to stipulate that the amount equivalent to the Stock Acquisition Right Purchase Price will be delivered to the Stock Acquisition Rights Holders Subject to Cash-Out as the per-unit price of the Stock Acquisition Rights. According to the Tender Offeror, in the said cases, Sumitomo plans to notify the Company to the said effect and to request the Company to approve the Demand for Share, Etc. Cash-Out. If the Company approves the Demand for Share, Etc. Cash-Out by a resolution of its board of directors, Sumitomo will acquire, as of the acquisition date set forth in the Demand for Share, Etc. Cash-Out, all of the Company's Shares held by all of the Shareholders Subject to Cash-Out and all of the Stock Acquisition Rights held by all of the Stock Acquisition Rights Holders Subject to Cash-Out, in accordance with the procedures set forth in the relevant laws and regulations and without individual approvals from the Shareholders Subject to Cash-Out and the Stock Acquisition Rights Holders Subject to Cash-Out. According to the Tender Offeror, in such case of acquisition, Sumitomo plans to deliver an amount equivalent to the Tender Offer Price to each of the Shareholders Subject to Cash-Out as the per-share price of the Company's Shares held by each of the Shareholders Subject to Cash-Out, and to deliver an amount equivalent to the Stock Acquisition Right Purchase Price to each of the Stock Acquisition Rights Holders Subject to Cash-Out as the per-unit price of the Stock Acquisition Rights held by each Stock Acquisition Rights Holders Subject to Cash-Out.

With respect to the Restricted Shares, the allotment agreement provides that (a) if, during the transfer restriction period, matters concerning the Demand for Share Cash-Out with respect to the shares of common stock of the Company are approved at the board of directors meeting of the Company (limited to cases where the acquisition date of the shares subject to cash out (the "Effective Date of Demand for Cash-Out") arrives before the expiration of the transfer restriction period), the transfer restriction shall be lifted, pursuant to a resolution of the board of directors of the Company, immediately prior to the business day preceding the Effective Date of Demand for Cash-Out, with respect to the number of the Restricted Shares held by the grantee as of the date of such approval multiplied by the number obtained by dividing by 12 (or 1 if the calculation result is greater than 1) (any fractional shares resulting from the calculation will be rounded down) the number of months in the period from the month following the month in which the service period commencement date (meaning, if the grantee is a director of the Company Group, the date of the ordinary shareholders' meeting that immediately precedes the share issuance date in each year; and if the grantee is not a director of the Company Group, April 1 immediately preceding the share issuance date in each year) falls (or, if the grantee is not a director of the Company Group, the month in which the service period commencement date falls) to the month in which the date of such approval falls; and that (b) in the case provided in the foregoing (a), the Company shall automatically acquire, on the business day immediately preceding the Effective Date of Demand for Cash-Out, and for no consideration, all of the Restricted Shares in relation to which the transfer restriction has not been lifted as of the said day. In the Squeeze-Out Procedures, the Restricted Shares in relation to which the transfer restriction has been lifted as of the business day immediately preceding the Effective Date of Demand for Cash-Out will be subject to the Demand for Share Cash-Out in accordance with the provision (a) of the abovementioned allotment agreement, and the Restricted Shares in relation to which the transfer restriction has not been lifted as of the business day immediately preceding the Effective Date of Demand for Cash-Out will be acquired by the Company for no consideration in accordance with the provision (b) of the abovementioned allotment agreement.

If the Company receives from Sumitomo a notice regarding Demand for Share, Etc. Cash-Out and a notice regarding the matters set forth in each item of Article 179-2, Paragraph 1 of the Companies Act, the Company plans to approve the Demand for Share, Etc. Cash-Out at its board of directors meeting.

The Companies Act provides that, in order to protect the rights of minority shareholders and stock acquisition rights holders in connection with the Demand for Share, Etc. Cash-Out, the Shareholders Subject to Cash-Out and the Stock Acquisition Rights Holders Subject to Cash-Out may file a petition with a court for determination of the purchase price of the Company's Shares or the Stock Acquisition Rights held by them, in

accordance with Article 179-8 of the Companies Act, and other relevant laws and regulations. In the event that such petition is filed, the purchase price of the Company's Shares or the Stock Acquisition Rights will be ultimately determined by the court.

[2] Share Consolidation

According to the Tender Offeror, if, upon completion of the Tender Offer, the Tender Offeror, Etc. hold less than 90% of the voting rights of all shareholders of the Company, the Tender Offeror plans to request that the Company hold an extraordinary shareholders' meeting (the "Extraordinary Shareholders' Meeting") around February 2026, the agenda of which includes (a) a proposal to implement consolidation of the Company's Shares (the "Share Consolidation") pursuant to Article 180 of the Companies Act and (b) a proposal to partially amend the articles of incorporation, subject to the Share Consolidation becoming effective, for the purpose of abolishing the provision regarding the number of shares constituting one share unit. If the Company receives such request from the Tender Offeror, Etc., the Company plans to comply with the request. According to the Tender Offeror, the Tender Offeror, Etc. plan to vote in favor of each of the above proposals at the Extraordinary Shareholders' Meeting.

If the proposal for the Share Consolidation is approved at the Extraordinary Shareholders' Meeting, the number of the Company's Shares held by the shareholders of the Company will be changed, as of the effective date of the Share Consolidation, in proportion to the ratio of the Share Consolidation approved at the Extraordinary Shareholders' Meeting. In the case where any fractional shares arise as a result of the Share Consolidation, the cash to be obtained by selling to the Company or Sumitomo or the Tender Offeror the number of Company's Shares equivalent to the aggregate number of such fractional shares (any fraction of such aggregate number will be rounded down; the same shall apply hereinafter) will be delivered to the shareholders of the Company who hold such fractional shares, pursuant to the procedures provided in Article 235 of the Companies Act, and other relevant laws and regulations. According to the Tender Offeror, with respect to the sale price of the number of Company's Shares equivalent to the aggregate number of such fractional shares, the Tender Offeror, Etc. plan to request the Company to calculate such price in a manner that ensures that the amount of money to be delivered, as a result of such sale, to the shareholders of the Company (excluding the Tender Offeror, Etc. and the Company) who did not tender their shares in the Tender Offer will be equal to the amount obtained by multiplying the Tender Offer Price by the number of Company's Shares held by such shareholders, and to file a petition with a court for permission for such voluntary sale.

According to the Tender Offeror, although the ratio of the Share Consolidation has not yet been determined as of today, it is contemplated that the ratio will be determined so as to ensure that only the Tender Offeror, Etc. will hold all of the Company's Shares (excluding the treasury shares held by the Company) and that the number of the Company's Shares held by the shareholders of the Company (excluding the Tender Offeror, Etc. and the Company) who did not tender their shares in the Tender Offer will be less than one share.

The Companies Act provides that, in order to protect the rights of minority shareholders in connection with the Share Consolidation, in the case where any fractional share arises as a result of the Share Consolidation, the shareholders of the Company (excluding the Tender Offeror, Etc. and the Company) who did not tender their shares in the Tender Offer may, pursuant to the provisions of Articles 182-4 and 182-5 of the Companies Act, and other relevant laws and regulations, request the Company to purchase all of their fractional shares of the Company at a fair price and file a petition with a court for determination of the price of the Company's Shares. In the event that such petition is filed, the purchase price of the Company's Shares will be ultimately determined by the court.

With respect to the Restricted Shares, the allotment agreement provides that (a) if, during the transfer restriction period, a share consolidation (limited to cases where the share consolidation results in the grantee holding a fractional number of Restricted Shares) is approved at a shareholders' meeting of the Company (limited to cases where the effective date of such share consolidation (the "Effective Date of Share

Consolidation”) arrives before the expiration of the transfer restriction period), the transfer restriction shall be lifted, pursuant to a resolution of the board of directors of the Company, immediately prior to the business day preceding the Effective Date of Share Consolidation, with respect to the number of the Restricted Shares held by the grantee as of the date of such approval multiplied by the number obtained by dividing by 12 (or 1 if the calculation result is greater than 1) (any fractional shares resulting from the calculation will be rounded down) the number of months from the month following the month in which the service period commencement date (meaning, if the grantee is a director of the Company Group, the date of the ordinary shareholders’ meeting that immediately precedes the share issuance date in each year; and if the grantee is not a director of the Company Group, April 1 immediately preceding the share issuance date in each year) falls (or, if the grantee is not a director of the Company Group, the month in which the service period commencement date falls) to the month in which the date of such approval falls; and that (b) in the case provided in the foregoing (a), the Company shall automatically acquire, on the business day immediately preceding the Effective Date of Share Consolidation, and for no consideration, all of the Restricted Shares in relation to which the transfer restriction has not been lifted as of the said day. In the Squeeze-Out Procedures, the Restricted Shares in relation to which the transfer restriction has been lifted as of the business day immediately preceding the Effective Date of Share Consolidation will be subject to the Share Consolidation in accordance with the provision (a) of the abovementioned allotment agreement, and the Restricted Shares in relation to which the transfer restriction has not been lifted as of the business day immediately preceding the Effective Date of Share Consolidation will be acquired by the Company for no consideration in accordance with the provision (b) of the abovementioned allotment agreement.

According to the Tender Offeror, in the event that, after completion of the Tender Offer, the Tender Offeror, Etc. hold less than 90% of the voting rights of all shareholders of the Company and the Tender Offeror, Etc. are unable to acquire all of the Stock Acquisition Rights in the Tender Offer and the Stock Acquisition Rights remain unexercised, the Tender Offeror, Etc. will request the Company to take or will take the procedures reasonably necessary to execute the Transactions, such as acquisition of the Stock Acquisition Rights and solicitation of waiver of the Stock Acquisition Rights by stock acquisition rights holders.

Each of the procedures described in (I) and (II) above may take longer than anticipated, or the method of carrying them out may be changed due to amendment or enforcement of the relevant laws and regulations, or the interpretation by the authorities of the relevant laws and regulations. However, even in such cases, if the Tender Offer is completed, the Tender Offeror plans to adopt such measures as are necessary to, ultimately, pay cash to the shareholders of the Company (excluding the Tender Offeror, Etc. and the Company) who did not tender their shares in the Tender Offer and to cause the amount of cash to be paid to such shareholders of the Company to be equal to the amount obtained by multiplying the Tender Offer Price by the number of the Company’s Shares held by such shareholders of the Company.

The specific procedures and schedules for the respective cases above will be announced by the Company once they are determined through discussion between the Tender Offeror, Etc.

In the Tender Offer, there is no intention to solicit the affirmative vote of the shareholders of the Company at the Extraordinary Shareholders’ Meeting. In addition, the shareholders of the Company are advised to consult with their certified tax accountants and other experts at their own responsibility regarding the tax implications related to tendering their shares in the Tender Offer or regarding any of the procedures above.

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

In light of the fact that the Company is a consolidated subsidiary of Sumitomo, the Tender Offeror’s parent company, and that the Transactions including the Tender Offer constitute significant transactions with a controlling shareholder and are of a type in which structural conflicts of interest and informational

asymmetries exist between the Tender Offeror, Etc. and the Company's general shareholders, the Tender Offeror and the Company have implemented the following measures to ensure the fairness of the Tender Offer Price, to eliminate arbitrariness in the decision-making process concerning the Transactions including the Tender Offer, and to avoid conflicts of interest.

As described in "[1] Overview of the Tender Offer" of "(2) Basis and Reasons for the Opinion" above, because Sumitomo, as of today, owns 158,091,477 shares of the Company (ownership ratio: 50.54%), setting a lower limit for the number of shares to be purchased under the so-called "Majority of Minority" would render the completion of the Tender Offer unstable and could conversely fail to serve the interests of general shareholders who wish to tender; therefore, no lower limit for the number of shares to be purchased under the so-called "Majority of Minority" has been set for the Tender Offer. However, in view of the measures taken by the Tender Offeror, Etc. and the Company below, it is considered that sufficient consideration has been given to the interests of the Company's general shareholders, and the Company makes the same judgment.

In addition, among the following descriptions, the measures implemented by the Tender Offeror, Etc. are based on explanations received from the Tender Offeror, Etc.

[1] Establishment of an Independent Special Committee at the Company and Acquisition of a Report from the Special Committee

(i) Background of Establishment, etc.

As described in "[4] Decision-making Process and Reasons Leading to the Company's Approval of the Tender Offer" of "(2) Basis and Reasons for the Opinion" above, the Company resolved at the Board of Directors meeting held on June 12, 2025 to establish this Special Committee; prior to the establishment of the Special Committee, in order to establish a structure for consideration, negotiation, and judgment on the Transactions from a standpoint independent of Sumitomo, with the aim of enhancing the Company's corporate value and securing the interests of the Company's general shareholders, and with advice from Nishimura & Asahi, the Company individually explained to outside directors of the Company who did not have material conflicts of interest with Sumitomo at that time that the Company had received notice from Sumitomo that it had commenced consideration toward implementing the Transactions, and that, because the Transactions are of a type where issues of structural conflicts of interest and information asymmetry typically exist, it is necessary, in considering and negotiating the Transactions, to take sufficient measures to ensure the fairness of the terms and conditions, including the establishment of the Special Committee. In parallel, with advice from Nishimura & Asahi, the Company confirmed the independence, qualifications, etc. of outside directors of the Company as candidates for members of the Special Committee, and also confirmed that they did not have material conflicts of interest with Sumitomo and did not have material interests differing from those of the general shareholders with respect to the success or failure of the Transactions. On that basis, following discussions among the Company's outside directors with advice from Nishimura & Asahi and confirmation that there were no objections, on May 29, 2025, the Company selected three individuals, Yumiko Waseda (Independent Outside Director and Audit and Supervisory Committee Member of the Company, Attorney-at-Law, Outside Audit and Supervisory Board Member of IHI Corporation, and Outside Audit and Supervisory Board Member of Chugai Pharmaceutical Co., Ltd.), Shouei Yamana (Independent Outside Director of the Company, Outside Director of TDK Corporation, Outside Director of Zensho Holdings Co., Ltd., and Outside Director of Japan Post Insurance Co, Ltd.), and Hidetaka Matsuishi (Independent Outside Director and Audit and Supervisory Committee Member of the Company, and Outside Director of JDC Corporation)—as candidates for members of the Special Committee (note that Yumiko Waseda, an Independent Outside Director of the Company, serves as the chair of the Special Committee, and the membership of the Special Committee has not changed since its establishment). The Company has six Independent Outside Directors; however, the Company appointed Yumiko Waseda, Shouei Yamana and Hidetaka Matsuishi as the members of the Special Committee, rather than appointing all Independent Outside Directors, as the Company believed that a

committee consisting of three members enables the review and negotiations related to the Transaction to be conducted in a prompt and efficient manner. In addition, the Company believed that the three members would possess the necessary and sufficient experience and expertise from the perspectives of corporate management, finance and accounting, legal and risk management, and global matters to appropriately review and negotiate the Transaction.

Thereafter, as described in “[4] Decision-making Process and Reasons Leading to the Company’s Approval of the Tender Offer” of “(2) Basis and Reasons for the Opinion” above, the Company, by resolution of the Board of Directors at its meeting held on June 12, 2025, established the Special Committee and submitted the Consulted Matters to the Special Committee. Furthermore, upon establishing the Special Committee, the Company’s Board of Directors resolved that (a) it shall make decisions regarding the Transactions with the utmost respect for the judgment of the Special Committee, and if the Special Committee judges that the terms of the Transactions are not fair, the Company shall not approve the Transactions, (b) the Special Committee shall have the authority to appoint its own Advisors, etc., (c) if the Special Committee determines that it can rely on the Company’s Advisors, etc. for professional advice, it may seek such advice, and the Company shall bear the reasonable expenses for the professional advice of the Special Committee’s Advisors, etc., (d) the Special Committee shall be granted the authority to require the attendance of the Company’s directors, employees, and other persons deemed necessary by the Special Committee and to request explanations on necessary information, and (e) the Special Committee shall, as necessary, negotiate the terms and conditions of the Transactions, etc., and even if the Special Committee does not directly conduct such negotiations, it shall, as necessary, strive to ensure that it is substantially involved in the negotiation process of the terms and conditions of the Transactions, etc., for example, by confirming the negotiation policy in advance, receiving timely reports on the status of negotiations, and expressing opinions and giving instructions or requests at important junctures, and the Company shall cooperate to ensure such a situation is maintained.

At the Board of Directors meeting of the Company held on June 12, 2025, in view of the facts that, among the Company’s 11 directors, Mr. Shinichi Kato concurrently serves as an executive officer of Sumitomo, Mr. Hideki Yamao previously served as a representative director of Sumitomo, Mr. Tsutomu Ozaki previously served as an executive officer of Sumitomo, and Mr. Hiromichi Jitsuno previously served as a corporate officer of Sumitomo, and from the perspective of eliminating to the maximum extent possible any effects on the Board’s deliberations and resolutions arising from structural conflicts of interest and informational asymmetries in the Transactions, the above resolutions were made unanimously by the seven directors (including Audit and Supervisory Committee Members) other than Shinichi Kato, Hideki Yamao, Tsutomu Ozaki, and Hiromichi Jitsuno, after deliberation. Note that Mr. Hideki Yamao and Mr. Tsutomu Ozaki served as directors of the Company until the Ordinary General Meeting of Shareholders held on June 24, 2025, after which they resigned as directors of the Company.

Fixed remuneration is to be paid to each member of the Special Committee as consideration for their duties, regardless of the content of the report.

(ii) Background of the Review

The Special Committee was convened a total of 20 times over approximately 17 hours in total between June 12, 2025 and October 28, 2025, and, as necessary between meeting dates, conducted reporting, information sharing, deliberations and decision-making via email and web conferences, thereby performing its duties relating to the Consulted Matters.

Specifically, after considering its independence, expertise and track record, on July 1, 2025, the Special Committee decided to appoint Gaiken Partners as its own legal advisor, independent of the Sumitomo Group, the Company Group, and the success or failure of the Transactions, and to appoint Plutus Consulting as its own financial advisor and third-party valuation institution, independent of the Sumitomo Group, the Company Group, and the success or failure of the Transactions.

The Special Committee also confirmed that there were no issues regarding the independence, expertise or track record of Nomura Securities as the Company's financial advisor and third-party valuation institution, and approved its appointment, and likewise confirmed and approved the appointment of Nishimura & Asahi as the Company's legal advisor.

Furthermore, the Special Committee confirmed, from the perspectives of independence and fairness, that there were no issues with the internal structure the Company had established for reviewing the Transactions (including the scope and duties of the Company's officers and employees involved in consideration, negotiations and judgment on the Transactions) and approved that structure.

On that basis, taking into account legal advice received from Gaien Partners and opinions received from Nishimura & Asahi, the Special Committee considered measures that should be taken to ensure the fairness of the procedures in the Transactions.

On July 10, 2025, the Special Committee submitted written questions to the Tender Offeror regarding the strategic significance of the Transactions including synergies of the Transactions, the structure of the Transactions, and the Company's management policies after the Transactions; written responses to those questions were received on July 17, 2025, and the Company confirmed those responses orally with Sumitomo. Furthermore, based on those responses, the Special Committee submitted additional written questions to the Tender Offeror on August 5, 2025, received written responses to those additional questions on August 14, 2025, and at meetings of the Special Committee held on August 22 and August 28, 2025 received explanations from the Tender Offeror regarding the answers to the additional questions from Sumitomo and conducted Q&A thereon. In addition, on September 26, 2025, the Special Committee received a report on the details of the meeting between the Company and Sumitomo regarding the Company's management policy following the Transaction, and exchanged opinions with the Company.

Moreover, the Special Committee received explanations from the Company regarding the contents of the Business Plan, Etc. that formed the basis for negotiations with Sumitomo and the basis for Nomura Securities' and Plutus Consulting's valuations of the Company's Shares, including key assumptions and the process of preparation, conducted Q&A, and confirmed and approved the reasonableness of these matters. Thereafter, as described in "[3] Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee" and "[5] Acquisition of the Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Institution at the Company" below, Nomura Securities and Plutus Consulting conducted valuations of the Company's Shares based on the contents of the Business Plan, etc.; the Special Committee received explanations from Nomura Securities and Plutus Consulting regarding their respective valuation methods employed for the Company's Shares, the reasons for adopting those methods, the details of calculation based on each method, and the key assumptions, conducted Q&A, deliberated and reviewed, and confirmed the reasonableness of these matters.

In addition, as described in "[2] Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee" of "(3) Matters Concerning Valuation," the Special Committee received the Fairness Opinion from Plutus Consulting, and received explanations from Plutus Consulting regarding the issuance procedures for the Fairness Opinion and conducted Q&A.

From the time the Company received the Tender Offeror's initial proposal for the Tender Offer Price on September 29, 2025, each time the Company received a proposal regarding the Tender Offer Price from the Tender Offeror, the Special Committee received timely reports from Nomura Securities, the Company's financial advisor, regarding the contents and negotiation history, deliberated and reviewed the contents taking into account opinions received from Nomura Securities, received prior explanations from Nomura Securities regarding proposed negotiation policies with the Tender Offeror and draft response letters to the Tender Offeror, expressed opinions as necessary, conducted Q&A and provided approvals, and gave instructions and requests regarding the negotiation with the Tender Offeror, Etc..

The Special Committee received multiple explanations from Nishimura & Asahi, the Company's legal advisor, and from Nomura Securities, the Company's financial advisor, regarding drafts of press releases, etc., conducted Q&A, and confirmed that robust information disclosure was planned.

(iii) Content of Judgment

Under the circumstances described below, taking into account the legal advice received from Gaien Partners, the advice from Plutus Consulting from a financial perspective, and the contents of the Share Valuation Report (Plutus Consulting) and the Fairness Opinion submitted on October 28, 2025, the Special Committee carefully discussed and reviewed the Consulted Matters and, on October 29, 2025, submitted to the Company's Board of Directors the Report by unanimous consent of all committee members. For details of the Report, please refer to Appendix 1.

[2] Advice from an Independent Law Firm to the Special Committee

As described in "[4] Decision-making Process and Reasons Leading to the Company's Approval of the Tender Offer" of "(2) Basis and Reasons for the Opinion" above, the Special Committee appointed Gaien Partners as its own legal advisor, independent of the Sumitomo Group, the Company Group, and the success or failure of the Transactions, and received legal advice including measures that should be taken to ensure the fairness of the procedures in the Transactions, and advice on the methods and process of the Special Committee's deliberations relating to the Transactions.

Gaien Partners is not a related party of the Tender Offeror, Etc. or the Company and has no material interest in the Transactions, including the Tender Offer. Compensation to Gaien Partners consists only of hourly fees payable regardless of the success or failure of the Transactions, and does not include any success fee contingent upon consummation of the Transactions.

[3] Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee

As described in "[2] Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee" of "(3) Matters Concerning Valuation" above, the Special Committee appointed Plutus Consulting as its financial advisor and third-party valuation institution independent of the Sumitomo Group, the Company Group, and the success or failure of the Transactions, requested a valuation of the Company's Shares and an expression of its opinion on the fairness of the Tender Offer Price (Fairness Opinion), received advice and assistance from a financial perspective including advice on negotiation policy with the Tender Offeror, Etc., and on October 28, 2025 obtained the Share Valuation Report (Plutus Consulting) and the Fairness Opinion. For an overview of the Share Valuation Report (Plutus Consulting) and the Fairness Opinion, please refer to "[2] Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee" of "(3) Matters Concerning Valuation" above.

Plutus Consulting is not a related party of the Tender Offeror, Etc. or the Company and has no material interest in the Transactions, including the Tender Offer. In addition, the compensation for Plutus Consulting related to the Transactions consists only of a fixed fee payable regardless of the completion or failure of the Transactions and does not include a success fee payable upon conditions such as the completion of the Transactions, including the Tender Offer.

[4] Advice from an External Law Firm to the Company

As described in "[4] Decision-making Process and Reasons Leading to the Company's Approval of the Tender Offer" of "(2) Basis and Reasons for the Opinion" above, the Company appointed Nishimura & Asahi as its external legal advisor and received legal advice including measures that should be taken to ensure the

fairness of the procedures in the Transactions, the various procedures for the Transactions, and the methods, process, etc. of the Company's decision-making relating to the Transactions.

Nishimura & Asahi is not a related party of the Tender Offeror, Etc. or the Company and has no material interest in the Transactions, including the Tender Offer. Compensation to Nishimura & Asahi consists only of hourly fees payable regardless of the success or failure of the Transactions, and does not include any success fee contingent upon consummation of the Transactions.

[5] Acquisition of the Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Institution at the Company

As described in "[1] Acquisition of the Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Institution at the Company" of "(3) Matters Concerning Valuation" above, the Company requested a valuation of the Company's Shares from Nomura Securities, a financial advisor and third-party valuation institution independent of the Sumitomo Group, the Company Group, and the success or failure of the Transactions, and on October 28, 2025 obtained the Share Valuation Report (Nomura Securities). The Company has not obtained a Fairness Opinion from Nomura Securities regarding the fairness of the Tender Offer Price because it has implemented measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest.

Nomura Securities is not a related party of the Tender Offeror, Etc. or the Company and has no material interest in the Transactions, including the Tender Offer.

[6] Establishment of an Independent Review Structure at the Company

As described in "[4] Decision-making Process and Reasons Leading to the Company's Approval of the Tender Offer" of "(2) Basis and Reasons for the Opinion" above, the Company established an internal structure for consideration, negotiation, and judgment regarding the Transactions from a standpoint independent of the Sumitomo Group other than the Company Group. Specifically, (i) with respect to the Company's directors, including those who currently concurrently serve as officers or employees of Sumitomo and those equivalent to directors who formerly held positions as officers or employees of Sumitomo are treated as "directors with a special interest" (Article 369 (2) of the Companies Act) or as equivalent thereto with respect to the Transactions, and, not only at the stage of the Board of Directors resolution on the Company's final expression of opinion regarding the Tender Offer, but also as members of the Board of Directors of the Company, they are, in principle, not to participate in deliberations, consideration or negotiations regarding the Transactions; and (ii) with respect to secondees from Sumitomo other than the Company's directors, if their knowledge, skills or expertise are useful for discussions, consideration or negotiations relating to the Transactions, then, even if they currently concurrently serve as officers or employees of Sumitomo or formerly held positions as officers or employees of Sumitomo, their involvement in the Company's consideration of the Transactions will be permitted to an appropriate extent on the premise that they bear strict confidentiality obligations so as not to cause information leakage or transmission to external parties including Sumitomo and pledge to act only as members of the Company's review structure for the Transactions.

Including the handling described above, the internal structure the Company has established for reviewing the Transactions (including the scope and duties of the officers and employees of the Company and Net One Systems involved in consideration, negotiation and judgment regarding the Transactions; specifically, 17 officers (including directors, executive officers, and managing officers) (Takaaki Tsuma, Takafumi Takeshita, Shouei Yamana, Sadayo Hirata, Tetsuya Kubo, Yasuo Miki, Yumiko Waseda, Hidetaka Matsuishi, Tsutomu Ozaki, Takuya Tanaka, Takayuki Okuhara, Yasushi Shimizu, Yasuhiko Oka, Kazuaki Ishibashi, Kenji Inoue, Yoshinari Kobayashi, and Masahiro Otani) and 12 employees of the Company and Net One Systems) was based on advice from Nishimura & Asahi, and the Special Committee has approved that there are no issues

from the perspectives of independence and fairness.

[7] Acquisition of the Share Valuation Report from an Independent Third-party Valuation Institution at Sumitomo

According to the Tender Offeror, Sumitomo has obtained from SMBC Nikko Securities a Share Valuation Report dated October 28, 2025. For details, please refer to “[3] Acquisition of Share Valuation Report from an Independent Third-party Valuation Institution at Sumitomo” of “(3) Matters Concerning Valuation” above.

[8] Approval by All of the Company’s Directors Who Do not Have a Conflict of Interest (Including Those Who Are Audit and Supervisory Committee Members)

As described in “[4] Decision-making Process and Reasons Leading to the Company’s Approval of the Tender Offer” of “(2) Basis and Reasons for the Opinion” above, the Company’s Board of Directors, while giving maximum respect to the legal advice received from Nishimura & Asahi, the financial advice received from Nomura Securities, the Share Valuation Report (Nomura Securities), and the judgment of the Special Committee set forth in the Report, carefully discussed and considered whether the Transactions including the Tender Offer would contribute to enhancing the Company’s corporate value and whether the terms and conditions of the Transactions including the Tender Offer Price were appropriate.

As a result, as described in “[4] Decision-making Process and Reasons Leading to the Company’s Approval of the Tender Offer” of “(2) Basis and Reasons for the Opinion” above, the Company has determined that the Transactions will contribute to the enhancement of its corporate value and that the terms and conditions of the Transactions, including the Tender Offer Price, are appropriate, and, at the meeting of the Company’s Board of Directors held today, unanimously resolved by all directors who participated in the deliberations and resolution to, as the Company’s opinion at this time, express an opinion in favor of the Tender Offer, recommend that the Company’s shareholders tender their shares in the Tender Offer, and leave the decision of whether or not to tender in the Tender Offer to the discretion of the Stock Acquisition Rights Holders.

At the said Board of Directors meeting, 8 of the Company’s 11 directors (including Audit and Supervisory Committee Members), excluding Mr. Masaki Nakajima, Mr. Shinichi Kato, and Mr. Hiromichi Jitsuno, attended, and each attending director expressed that they had no objection to adopting the above resolution. In view of the facts that Mr. Shinichi Kato, the Company’s director, concurrently serves as an executive officer of Sumitomo, Mr. Masaki Nakajima, the Company’s director, formerly served as an executive officer of Sumitomo, and Mr. Hiromichi Jitsuno, the Company’s director, formerly served as a corporate officer of Sumitomo, and from the perspective of eliminating the risk of influence arising from structural conflicts of interest in the Transactions, none of these directors participated in the deliberations of the above Board of Directors meeting and they refrained from expressing opinions at the time of the resolution.

[9] Ensuring Objective Circumstances to Secure the Fairness of the Tender Offer

The Tender Offeror has set the Tender Offer Period at 30 business days, whereas the statutory minimum period is 20 business days. By setting the Tender Offer Period relatively longer than the statutory minimum, the Tender Offeror intends to secure an appropriate opportunity for the Company’s shareholders and the Stock Acquisition Rights Holders to decide whether to tender their shares in the Tender Offer, and to secure an opportunity for any competing bidder to make a competing tender or the like for the Company’s Shares, thereby ensuring the fairness of the Tender Offer Price.

In addition, neither the Tender Offeror, Etc. nor the Company has entered into any agreement that would restrict contact between the Company and any competing bidder, including any agreement containing deal protection provisions that would prohibit the Company from contacting such bidder. In this manner, together with the setting of the Tender Offer Period described above, by securing opportunities for competing tenders and the like, consideration has been given to ensuring the fairness of the Tender Offer.

[10] Measures to Secure an Opportunity for the Company's Shareholders to Make an Appropriate Decision on Whether to Tender Their Shares in the Tender Offer

As described in “(5) Policies on Organizational Restructuring after the Tender Offer (Matters Concerning a So-called Two-step Acquisition)” above, the Tender Offeror plans (i) to make the Demand for Share, Etc. Cash-Out in proportion to the number of shares it acquires as a result of the completion of the Tender Offer or, to request that the Company convene the Extraordinary Shareholders' Meeting that includes a proposal to conduct a share consolidation and amend the Articles of Incorporation to abolish the provisions regarding the number of shares per unit effective upon the completion of the share consolidation, and will not adopt methods that fail to secure for the Company's shareholders appraisal rights or rights to petition for a determination of the share price; and (ii) when making the Demand for Share, Etc. Cash-Out or conducting the Share Consolidation, the cash to be delivered as consideration to the Company's general shareholders will be calculated so as to be equal to the Tender Offer Price multiplied by the number of the Company's Shares held by each shareholder (excluding the Tender Offeror, Etc. and the Company), thereby securing an appropriate opportunity for the Company's shareholders to decide whether to tender their shares in the Tender Offer and avoiding coerciveness.

While the Company did not conduct an investigation or examination as to the presence of other potential acquirers (so-called active market check) in implementing the Transactions, the Company considers that solely the absence of an active market check does not render the measures to ensure fairness of the Tender Offer insufficient because (a) from the perspective of information management, conducting a practical and active market check is not necessarily easy; and (b) as of today, Sumitomo, the proposer of the Transactions, is the Company's largest shareholder holding 158,091,477 shares (ownership ratio: 50.54%) and, under the de facto control standard, consolidates the Company as a subsidiary, and therefore a counter-proposal to the Tender Offeror, Etc.'s acquisition proposal is unlikely.

4. Matters Relating to Important Agreements Concerning Tendering Shares in the Tender Offer Between the Tender Offeror and the Company's Shareholders, Directors, Etc.

Not applicable.

5. Details of Benefits Provided by the Tender Offeror or Its Special Related Parties

Not applicable.

6. Response Policy Concerning the Basic Policy on Company Control

Not applicable.

7. Questions to the Tender Offeror

Not applicable.

8. Request for Extension of the Tender Offer Period

Not applicable.

9. Future Outlook

Please refer to “[3] Post-Tender Offer Management Policy” in “(2) Basis and Reasons for the Opinion,” “(4) Prospect of Delisting and the Reasons Therefor,” and “(5) Policies on Organizational Restructuring after the Tender Offer (Matters Concerning a So-called Two-step Acquisition)” of “3. Content, Basis, and Reasons for the Opinion Regarding the Tender Offer” above.

10. Matters Concerning MBO, Etc.

(1) Status of Conformity with the Guidelines on Measures to Protect Minority Shareholders in Transactions with a Controlling Shareholder

The Tender Offeror is the wholly-owned subsidiary of Sumitomo, the Company's controlling shareholder (parent company), and the expression of opinion regarding the Tender Offer is subject to the "Compliance matters concerning MBO, etc." set forth in Article 441 of the Tokyo Stock Exchange Securities Listing Regulations.

In the Corporate Governance Report disclosed on June 25, 2025, the Company stated, as "Guidelines on Measures to Protect Minority Shareholders in Transactions with a Controlling Shareholder," that "With respect to transactions with its parent company, Sumitomo, the Company conducts such transactions on terms equivalent to those of ordinary transactions with counterparties with whom it has no capital relationship, so as not to disadvantage minority shareholders. In addition, for important transactions among such transactions, the Company consults with the Advisory Committee on Conflict-of-Interest Transaction Management, which consists of independent outside directors and independent external experts, obtain its report, and then the Board of Directors decides whether to proceed with the transaction."

With respect to the Transactions including the Tender Offer, as described in "(6) Measures to Ensure Fairness of the Tender Offer, such as Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest" of "3. Content, Basis, and Reasons for the Opinion Regarding the Tender Offer," the Company has addressed issues of structural conflicts of interest and informational asymmetries and has taken measures to ensure the fairness of the terms and conditions of the Transactions including the Tender Offer Price; in particular, similar to the Advisory Committee on Conflict-of-Interest Transaction Management consisting of independent outside directors and independent external experts, the Company established a Special Committee composed of certain independent outside directors and conducted rigorous deliberations and review.

Accordingly, the Company believes the responses above conform to the said guidelines.

(2) Matters Concerning Measures to Ensure Fairness and to Avoid Conflicts of Interest

As described in "(1) Status of Conformity with the Guidelines on Measures to Protect Minority Shareholders in Transactions with a Controlling Shareholder," since the Transactions including the Tender Offer constitute transactions with a controlling shareholder for the Company, the Company determined that measures to ensure fairness and to avoid conflicts of interest were necessary, and, by taking the measures described in "(6) Measures to Ensure Fairness of the Tender Offer, such as Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest" of "3. Content, Basis, and Reasons for the Opinion Regarding the Tender Offer" above, the Company ensured fairness and avoided conflicts of interest before making its judgment.

(3) Opinion of the Special Committee that the Transactions are Fair to the General Shareholders

On October 29, 2025, the Company received from the Special Committee a Report stating that the decisions by the Company's Board of Directors regarding the Transactions (to approve the Tender Offer; to recommend that the Company's shareholders tender their shares in the Tender Offer; and to leave the decision of whether or not to tender in the Tender Offer to the discretion of the Stock Acquisition Rights Holders and the decision to implement the Squeeze-Out Procedures) are considered fair to the Company's general shareholders. For details of the Report, please refer to Appendix 1.

The Report also serves as the opinion that, after the Tender Offer is consummated, the Tender Offeror, Etc.'s making the Company a wholly-owned subsidiary as described in "(5) Policies on Organizational Restructuring after the Tender Offer (Matters Concerning a So-called Two-step Acquisition)" of "3. Content, Basis, and Reasons for the Opinion Regarding the Tender Offer" is fair to the Company's general shareholders.

11. Other Matters Necessary for Investors to Properly Understand and Assess Company Information

(1) Publication of the "Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2026 (April 1, 2025 - September 30, 2025) [IFRS]"

The Company has published the Company's Financial Results today. For details, please refer to the contents of the said publication.

(2) Publication of the "Notice Regarding Revision of Year-end Dividend Forecast (No Dividends)"

At the Board of Directors meeting held today, in light of the planned commencement of the Tender Offer, the Company resolved to revise the dividend forecast for the fiscal year ending March 31, 2026 that was announced on April 30, 2025, and not to distribute the year-end dividend for the fiscal year ending March 31, 2026. For details, please refer to the "Notice Regarding Revision of Year-end Dividend Forecast (No Dividends)" published by the Company today.

End

Reference: Report (Appendix 1)

Notice Regarding the Commencement of a Tender Offer for the Shares, Etc. of SCSK Corporation (Securities Code: 9719) (Appendix 2)

[Solicitation Regulations]

This press release is a news release issued in relation to the Company's opinion regarding the Tender Offer and is not prepared for the purpose of soliciting sales. When making an offer to sell, please be sure to read the tender offer registration statement relating to the Tender Offer and make the application at your own discretion. This press release does not constitute, and is not part of, an offer or solicitation of an offer to sell, or a solicitation of an offer to purchase, any securities, and neither this press release (or any part of it) nor the fact of its distribution will form the basis of any contract relating to the Tender Offer, and you may not rely upon it in connection with any contract.

[US Regulations]

The Tender Offer targets the shares, etc. of the Company which is established in Japan. The Tender Offer will be conducted in compliance with the procedures and disclosure standards set forth in Japanese law, and such procedures and standards are not necessarily the same as those in the United States. In particular, Section 13(e) or Section 14(d) of the US Securities Exchange Act of 1934 (as amended, the "US Securities Exchange Act") and the rules promulgated thereunder do not apply to the Tender Offer, and the Tender Offer is not conducted in accordance with such procedures and standards. Financial information contained in this press release and in the documents incorporated by reference herein is prepared in accordance with Japanese accounting standards, which may differ materially from accounting standards in the US and other countries. In addition, as the Tender Offeror and the Company are companies established outside the United States and some or all of their officers may not be residents of the United States, it may be difficult to enforce rights and claims pursuant to the US Securities Exchange Act. Furthermore, it may not be possible to initiate legal proceedings in courts outside the United States against non-US companies or their officers based on violations of the US Securities Exchange Act. Moreover, there is no assurance that non-US companies or their subsidiaries or affiliates can be made subject to the jurisdiction of US courts.

Unless otherwise specifically stated, all procedures relating to the Tender Offer will be conducted in Japanese. While all or part of the documents relating to the Tender Offer will be prepared in English, in the event of any discrepancy between the English documents and the Japanese documents, the Japanese documents shall prevail.

The Tender Offeror and its affiliates, the financial advisors of the Tender Offeror and the Company, and the Tender Offer Agent (including their affiliates), in the ordinary course of their business, may, to the extent permitted under Japanese financial instruments and exchange related laws and regulations and other applicable laws, and in compliance with Rule 14e-5(b) under the US Securities Exchange Act, purchase the Company's Shares, etc. for their own account or for the account of customers before the commencement of the Tender Offer or during the period of the Tender Offer otherwise than pursuant to the Tender Offer, or engage in actions toward such purchases. Such purchases may be made at market prices through market transactions or at prices determined through off-market negotiations. If information on such purchases is disclosed in Japan, disclosure in English will also be made on the website (or by other means of disclosure) of the party making such purchases, etc.

[Other Countries]

In certain countries or regions, the announcement, issuance or distribution of this press release may be legally restricted. In such cases, please be mindful of and comply with such restrictions. The announcement, issuance or distribution of this press release does not constitute a solicitation of an offer to purchase or sell the Company's Shares, etc. in connection with the Tender Offer and shall be deemed to be the distribution of materials for information purposes only.

[Future Projection]

This press release and the documents incorporated by reference herein contain "forward-looking statements" as defined in Section 27A of the US Securities Act of 1933 (as amended) and Section 21E of the US Securities Exchange Act. Actual results may differ materially from those explicitly or implicitly indicated by such forward-looking statements due to known or unknown risks, uncertainties or other factors. Neither the Tender Offeror, the Company nor any of their respective affiliates guarantees that the projections or other forward-looking statements, whether expressed or implied, will ultimately prove to be accurate. The forward-looking statements in this press release and the documents incorporated by reference herein are prepared based on information possessed by the Tender Offeror and the Company as of the date of this press release, and, except as required by laws or stock exchange rules, none of the Tender Offeror, the Company or their respective affiliates has any obligation to update or revise such statements to reflect future events or circumstances.

October 29, 2025

To the Board of Directors of SCSK Corporation

Report

The Special Committee of SCSK Corporation

Chairman Yumiko Waseda

Committee Member Hidetaka Matsuishi

Committee Member Shouei Yamana

This Report describes the content of the report (hereinafter referred to as "this Report") resolved by the Special Committee (hereinafter referred to as the "Special Committee"), which was established by the Board of Directors of SCSK Corporation (hereinafter referred to as the "Company"), after careful deliberation on the matters on which it was consulted by the Company's Board of Directors, from a standpoint independent of SC Investments Management Inc. (a company established on September 16, 2025, for the primary purpose of acquiring and holding the Company's shares, etc. through the Tender Offer (defined below), and all of whose issued shares are held by Sumitomo Corporation (hereinafter referred to as "Sumitomo"); hereinafter referred to as the "Tender Offeror"), Sumitomo, other parties related to the Transactions, and the success or failure of the Transactions (defined below), with respect to the series of transactions (the Tender Offer and the Squeeze-Out Procedures (defined below) are hereinafter collectively referred to as the "Transactions"), comprising the tender offer (hereinafter referred to as the "Tender Offer") conducted by the Tender Offeror to acquire all of the common stock (hereinafter referred to as the "Company's Shares") and the stock

acquisition rights¹ (hereinafter referred to as the "Stock Acquisition Rights", and the holders thereof shall be referred to as "Stock Acquisition Rights Holders") of the Company in order to make Sumitomo and the Tender Offeror the sole shareholders of the Company, and the subsequent procedures such as a demand for share, etc. cash-out or a share consolidation as stipulated in the Companies Act (Act No. 86 of 2005; including subsequent amendments, hereinafter referred to as the "Companies Act") (hereinafter referred to as the "Squeeze-Out Procedures").

I. Matters on which the Special Committee was Consulted

The matters on which the Company consulted the Special Committee (hereinafter referred to as the "Consulted Matters") are as follows.

- (1) The reasonableness of the purpose of the Transactions (including whether the Transactions will contribute to the enhancement of the Company's corporate value).
- (2) The fairness of the terms and conditions of the Transactions.
- (3) The fairness of the procedures for the Transactions.
- (4) Whether conducting the Transactions is fair to the Company's general shareholders.
- (5) Whether it is appropriate for the Company's Board of Directors to express an opinion in favor of the Tender Offer and recommend that the Company's shareholders tender their shares in the Tender Offer.
- (6) Other matters on which the Special Committee is consulted by the Company's Board of Directors from time to time in its consideration of the Transactions.

¹ Refers to (1) the stock acquisition rights issued pursuant to the resolutions of the Company's general shareholders' meeting and the Company's Board of Directors held on June 27, 2007 (exercise period is from July 28, 2007 to July 26, 2027; as of September 30, 2025, there are 6 outstanding units (representing 1,800 Company's Shares); hereinafter referred to as the "Second Series Stock Acquisition Rights."), and (2) the stock acquisition rights issued pursuant to the resolutions of the Company's general shareholders' meeting and the Company's Board of Directors held on June 25, 2010 (exercise period is from July 31, 2010 to July 29, 2030; as of September 30, 2025, the number of outstanding units is 58 (representing 17,400 Company's Shares); hereinafter referred to as the "Eighth Series Stock Acquisition Rights.").

II. Deliberations, etc. Conducted by the Special Committee

In preparing this report on the Consulted Matters, the Special Committee took the following actions.

1. Approval of Advisors with Independence and Expertise and Receipt of Advice from Said Advisors

The Special Committee, after confirming their independence from the Company, the Tender Offeror, and Sumitomo, as well as their expertise, etc., approved the appointments of Nomura Securities Co., Ltd. (hereinafter referred to as "Nomura Securities") as the Company's financial advisor and third-party valuation institution and Nishimura & Asahi (Gaikokuho Kyodo Jigyo) (hereinafter referred to as "Nishimura & Asahi") as the Company's legal advisor, respectively. In addition, the Special Committee decided to appoint PLUTUS CONSULTING Co., Ltd. (hereinafter referred to as "Plutus") as its own financial advisor and third-party valuation institution, and Gaien Partners (hereinafter referred to as "Gaien") as its own legal advisor, each of whom is independent of the Company, the Tender Offeror, and Sumitomo and possesses expertise regarding the Transactions, and received professional advice from them as necessary in its consideration of the Consulted Matters.

2. Meetings, etc. of the Special Committee

The Special Committee was held a total of 20 times between June 12, 2025 and October 28, 2025, and deliberated on the Consulted Matters. In addition, between meetings, reports, information sharing, deliberations, and decision-making, etc. were conducted via email, etc. as necessary. As a result, as of the date of preparation of this Report, the Special Committee approved this Report by a unanimous vote of all three committee members.

3. Review of Publicly Available Related Materials and Materials and Documents Submitted by the Company and Sumitomo

The Special Committee reviewed documents, etc. that it deemed reasonably necessary or appropriate for its review, including drafts of the Company's press release regarding the Transactions (hereinafter referred to as the "Company's Opinion Press"), materials concerning the share valuation prepared by

Nomura Securities, materials concerning the share valuation prepared by Plutus, materials received by the Company from Sumitomo, materials sent from the Company to Sumitomo, other publicly available related documents, and materials received from the Company.

4. Conducting of Hearings, etc.

The Special Committee conducted hearings, interviews, Q&A sessions, etc., including on the following matters.

- (1) Q&A session with the Company concerning matters related to the significance and purpose of the Transactions, the impact of the Transactions on the Company's business, the content of the business plan (hereinafter referred to as the "Business Plan") which served as the premise for the share valuations by Plutus and Nomura Securities, the content of the proposal from Sumitomo, and the meetings, etc. conducted between the Company and Sumitomo, etc.
- (2) Q&A session with Sumitomo concerning matters related to the business environment, business content, the purpose, background, and significance, etc. of the Transactions, the scheme of the Transactions, the fairness of the procedures for the Transactions, the terms and conditions of the Transactions, and the management policy for the Company after the Transactions, etc.
- (3) Q&A session with Plutus and Nomura Securities concerning matters related to the valuation of the Company's Shares etc.
- (4) Q&A session with Gaien concerning matters related to the content of measures to ensure the fairness of the procedures for the Transactions and measures to avoid conflicts of interest, etc.

III. Opinion of the Special Committee

As a result of its review, the Special Committee, by unanimous resolution of all committee members, reports the following opinions regarding the Consulted Matters.

- (1) The Transactions are recognized as contributing to the enhancement of the Company's corporate value, and the purpose of the Transactions is considered to be reasonable.

- (2) The purchase price of the Company's Shares in the Tender Offer is a fair price that can be reasonably assessed as an amount that appropriately reflects the intrinsic value of the Company in light of the respective share valuation results, etc. of Plutus and Nomura Securities, and the terms and conditions of the Transactions are considered to be fair.
- (3) Appropriate measures to ensure fairness have been taken in the Transactions, and the negotiation process and the procedures leading to the decision-making for the Transactions are considered to be fair.
- (4) Based on (1) through (3) above, the Transactions are considered to be fair to the Company's general shareholders.
- (5) It is considered appropriate for the Company's Board of Directors (i) to express an opinion in favor of the Tender Offer and (ii) to recommend that the Company's shareholders tender their shares in the Tender Offer and (iii) to leave it to the discretion of the Stock Acquisition Rights Holders whether or not to tender their Stock Acquisition Rights in this Tender Offer.

IV. Overview of the Reasons for the Opinion and Content of the Review

1. Reasonableness of the Purpose of the Transactions (Including Whether the Transactions Will Contribute to the Enhancement of the Company's Corporate Value)

(1) Purpose, etc. of the Transactions

The Special Committee questioned the Company and Sumitomo regarding the purpose of the Transactions and the specific content of the Company's corporate value that is expected to be enhanced by the Transactions, etc., and received responses from the Company and Sumitomo. According to said responses and the Company's Opinion Press, etc., the outline is as follows.

- A. Overview of the Tender Offeror and Sumitomo, and the Purpose and Synergies of the Transactions as Considered by Sumitomo
 - (a) Overview of the Tender Offeror and Sumitomo

The Tender Offeror, under the trade name SC Investments Management Inc., was established on September 16, 2025, with the primary purpose of acquiring and owning the Company's shares, etc. through the Tender Offer, and is a corporation whose issued shares are wholly owned by Sumitomo as of the filing date of this Report.

Sumitomo, the Tender Offeror's parent company, is a general trading company that was established on December 24, 1919, and is listed on the Prime Market of the Tokyo Stock Exchange. The Sumitomo Group² integrates its business foundations, which consists of the cultivated over the years, its global network in Japan and overseas, global relationships with business partners in various fields, and its intellectual capital, with capabilities such as business development, logistics solutions, financial services, IT solutions, risk management, and intelligence gathering and analysis, thereby meeting the diverse needs of its customers and developing multifaceted business activities on a global consolidated basis. Sumitomo is divided into nine business groups³, each bringing together the Strategic Business Units (SBUs) having high strategic affinity—these SBU being the basic unit of Sumitomo centered on strategy. Sumitomo aims, in its "Medium-Term Management Plan 2026" announced on May 2, 2024, to reach new heights by each of its business line striving to become No. 1 in their respective fields. Through concentration of management resources in areas where the Sumitomo Group has strengths and in areas of high growth potential, the Sumitomo Group as a whole aims to achieve significant growth under the theme "No. 1 in Each Field." As a common theme across all SBUs, Sumitomo advocates "Refine with digital, Profit with digital," and its Sumitomo's Digital and AI strategy aims to bolster the strengths and competitive advantages of the Sumitomo Group's businesses through digital technology and accelerate their growth, build new value creation models utilizing digital technology and AI in all business frontlines, and lead the society and industry. The Sumitomo Group encompasses business frontlines of approximately 900 operational companies and a global customers base of 100,000

² Refers to Sumitomo and its consolidated subsidiaries and equity-method affiliates.

³ Refers to Steel, Automotive, Transportation & Construction Systems, Diverse Urban Development, Media & Digital, Lifestyle Business, Mineral Resources, Chemical Solutions, Electronics, Agriculture and Energy Transformation Business.

companies, and it believes that combining its strengths, such as issue identification, customer interface, and business planning capabilities, with the digital solution functions that the Sumitomo Group possesses and will continue to expand, will lead to the realization of its aims, and the Transactions are part of measures implemented based on this strategy.

(b) Purpose and Synergies of the Transactions as Considered by Sumitomo

Sumitomo understands that the current SI and NI⁴ market surrounding the Company is supported by the strong demand from customers for the renewal of conventional systems and environments, and by the advanced utilization of cloud systems, leading to its stable progression. On the other hand, due to the dramatic advances in AI-related technologies such as generative AI and AI agents, the SI and NI industry recognizes the necessity for transformation of capabilities and business models that differ fundamentally from the past. This necessity for transformation arises from trends such as the internalization of system development by customers themselves and the shift of the department leading system developments on the customer side from IT departments to business units. Based on such business environment, Sumitomo understands that the Company aims to transform its business model and evolve into a corporate group that leads the resolution of social issues and operates multiple businesses with overwhelming presence and influence.

Since the merger of Sumisho Computer Systems Corporation and CSK Corporation in 2011 to further expand business amid the maturation of the domestic IT service market, the Company has been promoting the integration of human resources and intellectual property of both companies, aiming to be a global IT company offering a full lineup of services from system development to sales of IT hardware and software, and BPO, and has established a stable foundation with 13 consecutive fiscal years of increased profit and revenue, and further, in 2025, it made Net One Systems Co., Ltd. (hereinafter "Net One Systems") a wholly-owned subsidiary, thereby establishing a framework to

⁴"SI (System Integration)" refers to service that comprehensively handle everything from planning, designing, and implementing systems, to the operation and maintenance, thereof. "NI (Network Integration)" refers to services that comprehensively undertake the design, construction, operation, and maintenance of communication network for enterprises.

provide new value to customers through the integration of SI and NI. Sumitomo strongly empathizes with this direction and intends to offer maximum support by investing the assets, functions, relationships, and resources possessed and to be expanded by the Sumitomo Group for realization of such direction, and to move forward jointly toward significant future growth.

Grounded in the above mindset, Sumitomo aims to establish an environment where the Company can fully utilize the business assets held by the Sumitomo Group. If there is any deficiency, Sumitomo plans to invest its human and financial resources to the maximum extent towards comprehensively supporting the growth and transformation of the Company. Furthermore, Sumitomo believes it is important to share strategies aimed at achieving the next major growth for both companies, and to advance agile collaboration while respecting each other's growth.

Since the establishment of Sumisho Computer Systems Corporation by Sumitomo, the predecessor of the Company, in 1969, both companies have built a relationship of trust through active dialogue, collaborated with each other, and jointly pursued the creation of value that could not have been achieved by either company alone by mutually leveraging diverse management resources within the Sumitomo Group. However, under the current capital structure, about half of the fruits resulting from Sumitomo's support would attribute to minority shareholders, rather than to Sumitomo. This makes it difficult to provide a rational explanation to stakeholders, including Sumitomo's shareholders, regarding Sumitomo investing more resources into the Company and further supporting its future growth strategy. Moreover, for the realization of the Company's growth, it is important that Sumitomo and the Company thoroughly share strategies, act with a med- to long-term perspective in mind, and quickly implement measures. However, as long as the Company is listed, it is necessary to implement such measures while considering the interests of minority shareholders and confirming that there are no conflicts of interest between Sumitomo and the Company, which may hinder the swift implementation of such measures. From these perspectives, Sumitomo believes that making the Company a wholly-owned subsidiary is the best way for Sumitomo to comprehensively commit to the Company's growth.

Sumitomo believes that making the following synergies can be expected through making the

Company a wholly-owned subsidiary.

- Amid the changing environment surrounding the Company, digital and IT companies that compete with Sumitomo are accelerating their efforts to acquire new capabilities and transform their business models. For the Sumitomo Group, including the Company, to continue growing further in this market, it is necessary to not only to make our traditionally strong domains, such as industrial IT and IT infrastructure, overwhelmingly strong, but also to actively propose and implement digital solutions that take into account society, industries, and the management challenges of customers, and support their transformation. Furthermore, strengths can be further sharpened by pursuing both growth and efficiency through productivity improvements, particularly in the development process, achieved by the utilization of AI.
- Regarding the Company's focus areas of industrial IT and security, Sumitomo will provide comprehensive support. This will enable the Company to pursue high-value-added transformation, including industry-specific offerings, service enhancements, and synergies with Net One Systems, thereby promoting further growth through business model transformation.
- When exploring and developing the next generation of revenue pillars, the Company can leverage Sumitomo and approximately 900 Sumitomo Group companies as Customer Zero⁵. By utilizing its understanding and empathy for the industrial challenges of its customers, along with its access to management teams and business divisions of customers, the Company can support the development of products and services that stand apart from other companies, and effective proposals to customers. To achieve this, measures such as strengthening its consulting capacities, enhancing its global infrastructure, redefining BPO and data centers, and establishing a structure for proposing and delivering services to management teams of customers are viable approaches. The above objective can be realized not only through its own proprietary development but also by acquiring and strengthening capabilities through

⁵ "Customer Zero" is an initiative in which a company acts as its own first customer by proactively introducing and testing new products, services, and solutions internally.

partnerships with and investments in potential domestic and international partners. (In addition, Sumitomo intends to discuss and consider providing support to the Company, which would include large-scale investments aimed at fostering its growth through the acquisition of external resources, by leveraging Sumitomo's financial strength, global network, and expertise in business investments.)

- In Sumitomo's Digital and AI Strategy, the Company is expected to serve as the core of the Sumitomo Group's digital solutions function, Sumitomo driving business creation and transformation within the Sumitomo Group, and to leading the transformation of society and industry with Sumitomo.

B. Overview of the Company and Purpose, etc. of the Transactions as Considered by the Company

(a) Overview of the Company

The Company was established in October 2011 through a merger with Sumisho Computer Systems Corporation (an information services provider established in October 1969 as a subsidiary of Sumitomo under the trade name Sumisho Computer Service Corporation, listed on the Second Section of the Tokyo Stock Exchange in February 1989, moved to the First Section of the Tokyo Stock Exchange in September 1991, and changed its trade name to Sumisho Computer Systems Corporation in October 1992) as the surviving company and CSK CORPORATION (an independent information services provider established in October 1968 under the trade name Computer Service Corporation, listed on the Second Section of the Tokyo Stock Exchange in June 1982, and moved to the First Section of the Tokyo Stock Exchange in March 1985) as the absorbed company. The Company is currently listed on the Prime Market of the Tokyo Stock Exchange.

As of the September 30, 2025, the Company Group⁶ is composed of the Company, 35 consolidated subsidiaries, and 2 equity-method affiliates. It conducts businesses in the reporting segments of "Industrial IT," "Financial IT," "IT Solutions," "IT Platforms," "IT Management," and "Others;" and

⁶ Refers to the Company and its consolidated subsidiaries and equity-method affiliates.

mainly provides various IT services such as IT consulting, system development, verification services, IT infrastructure construction, IT management, IT hardware/software sales, and BPO⁷.

The Company Group has placed the concept of "sustainability management," which aims for sustainable growth by contributing to the resolution of social issues, at the core of its management under the management philosophy "Create Our Future of Dreams." In addition to identifying the "Seven Material Issues⁸" as important and priority issues for its realization, the Company Group has formulated the "Grand Design 2030" as the medium- to long-term vision for the Company Group, promoting the corporate image of a "Co-creative IT Company." This represents a corporate group that continues to provide new value to solve various issues by promoting co-creation⁹ with customers, partners, and society through the enhancement of the Company Group's human capital. Also, it outlines two directions for corporate management to realize the Co-creative IT Company: "a dramatic improvement in comprehensive corporate value¹⁰" and "the challenge of achieving 1 trillion yen in net sales." Furthermore, in April 2023, the Company formulated the "Medium-Term Management Plan (FY2023–2025)," and promotes three basic strategies as concrete measures (Basic Strategy 1: Decisive Business Shifts, Basic Strategy 2: Development of Market-Leading Businesses in Growth Markets, and Basic Strategy 3: Advancement of Next-Generation Digital Businesses through Co-Creation with Society) to dramatically improve comprehensive corporate value .

In aiming for sustainable growth with an eye on medium- to long-term social, market, and cutting-edge technology trends etc., the Company believes that in addition to pursuing autonomous growth

⁷ "BPO (Business Process Outsourcing)" refers to the service of undertaking various business operations of a company as an external vendor.

⁸ Refers to the issues identified as particularly important and to be prioritized, which were formulated to achieve the management philosophy ("Create Our Future of Dreams") by evaluating various societal challenges from a business perspective in order to grow together with society.

⁹ "Co-creation" refers to the process of creating new value not by the Company alone, but together with customers, partners, and society.

¹⁰ In the Company's Medium-Term Management Plan (FY2023–FY2025), this is stated to mean the value that the Company Group aims for as its essential corporate strength in order to practice "sustainability management as a growth strategy" and realize the Co-creative IT Company in 2030, and refers to corporate value that encompasses "economic value" as well as non-financial elements such as "social value," and "human capital value."

by making maximum use of internal capital, innovating its business portfolio and strengthening its business foundation through external collaboration, partnerships, etc., are extremely important elements. It conducted a tender offer for Net One Systems, and as a result of this tender offer, the company became a consolidated subsidiary on December 25, 2024.

(b) Purpose and Synergies of the Transactions as Considered by the Company

The Company recognizes the current business environment and challenges, etc. primarily as follows.

- With the rapid progress of digitalization in society, the demand for IT services is no longer limited to conventional business efficiency improvements and system implementations, but is shifting toward business transformation aimed at realizing a sustainable society, including digital business transformation and business modernization, and the modernization of networks has become urgent .
- The need for digital technology to support business transformation has become even more sophisticated, and a shift from the conventional contract-based IT services to proposal-based IT services aimed at directly contributing to customers' businesses has become inevitable.
- While the domestic IT services market is expected to expand to a certain extent in the medium- to long- term, acceleration in the decline of the working-age population is expected, and the supply and demand environment for IT personnel may become unstable in the future .
- Major Japanese companies are accelerating their overseas expansion, and social issues such as energy and the creation of an affluent society are increasingly being required on a global market rather than just domestically.
- The market and business environment that traditional system integrators and network integrators have operated in are undergoing major structural changes, and it is expected that these changes will continue in the future.
- In response to these qualitative changes in the demand for IT services , there is a need for new software engineering services that integrate advanced and state-of-the-art IT

infrastructure technology and application service technology, as well as the development of digital services that utilize cutting-edge technologies such as generative AI.

- It has become essential to expand the Company's capabilities and deploy its business with a sense of speed, including problem-solving abilities to propose solutions for industrial and management issues rather than just providing the means, advanced technologies such as AI that continue to evolve and highly skilled engineers, and the ability to socially implement cutting-edge technologies including digital technology to solve social issues on a global scale. In order to actively respond to these environmental changes and achieve the required transformation, growth through acquisitions and partnerships, is necessary in addition to autonomous growth.
- In order to achieve transformation amidst significant changes in the business environment, it is necessary to flexibly make bold, forward-looking investments from a medium- to long-term perspective. Since such investments involve uncertainty, there is a possibility that the Company's business performance may deteriorate in the short term.
- As long as the Company is listed, it must pursue the interests of its shareholders, making it difficult to simultaneously and swiftly execute medium- to long-term investments and business reforms that are not constrained by short-term profits.

Based on the business environment surrounding the Company Group as described above, the Company has concluded that going private through the Transactions, thereby resolving the structural conflict of interest between Sumitomo and the Company's minority shareholders, and enabling Sumitomo to intensively and flexibly invest further management resources into the Company Group will contribute to the further enhancement of the Company's corporate value. By combining the Sumitomo Group's wide-ranging industry and customer network spanning Japan and overseas, its position in various industries cultivated through approximately 900 group operating companies in diverse industrial fields, and its business conceptualization capabilities as a general trading company, with the Company's advanced IT solution provision capabilities and operational knowledge acquired

through business with over 10,000 customers, the Company believes that it will be able to contribute to global social issues and national-level industrial changes utilizing advanced technologies such as AI and data analysis. Also, the Company believes that it can transform into a next-generation problem-solving company by accumulating experience in implementing IT services that originate from the business needs of the Sumitomo Group's sales and business sites. In addition, by going private through the Transactions, the structural conflict of interest between Sumitomo and the Company's minority shareholders will be resolved, enabling more active personnel exchange. This will allow both companies to operate with a sense of unity, develop businesses that merge their respective strengths, enable disciplined allocation of management resources by Sumitomo, and facilitate agile decision-making, which is expected to generate unprecedented synergies through collaboration. Furthermore, the Company believes that this collaboration between the two companies will create a greater social impact. For the Company, which advocates for human capital management, this will provide employees with the opportunity to tackle global and national-level challenges on a different scale than before. This will lead to a sense of contribution to society, further job satisfaction, and experiences that enhance each individual's market value, resulting in unprecedented growth opportunities for its employees. The Company believes that the Company Group can leap forward to become a company that continues to create new value.

The specific synergies that the Company expects after the Transactions are as follows.

(1) Provide Comprehensive Digital Solutions from Business Conceptualization to Digital Implementation

- By combining Sumitomo's strengths in conceiving new businesses based on global and national-level social issues, global-level partnering, and fundraising capabilities including capital resources, with the Company Group's digital services and solution-related business expertise, it will be possible to realize comprehensive digital solutions on a one-stop basis, from business conceptualization to digital implementation.

- Through the relationships with the top management in the industries and business customers of Sumitomo's nine business groups, the Company will gain real-world knowledge of industry and management challenges. This will enable the Company to shift from providing IT services as a means to delivering digital utilization and value that directly contributes to solving management issues and driving business growth, which other companies cannot offer.
- By fully leveraging the foundation of Sumitomo Group's approximately 900 group operating companies as "Customer Zero," the Company will not only gain a unique competitive advantage in planning and proposing services and products that are deeply integrated into business sites and directly solve problems, but also be able to deploy competitive digital services to markets and business frontlines that the Company has not been able to reach before, by leveraging Sumitomo's vast customer network and industrial base.

(2) Strengthen Upstream Consulting Functions and Digital Capabilities

- By leveraging Sumitomo's brand power and capital resources to strengthen upstream consulting functions through enhanced recruitment, acquisitions, and partnering, and combining these with advanced digital technology, the Company can expand its ability to propose new value creation and solutions for social issues to its customers.
- In addition to bringing together the digital marketing functions of SC Digital Co., Ltd.¹¹, [a wholly-owned subsidiary of Sumitomo, and the AI engineers of Insight Edge, Inc.¹², which Sumitomo is promoting, the Company expects to acquire world-class advanced digital engineers, knowledge, and infrastructure with cutting-edge technologies by strengthening alliances using Sumitomo's network with domestic and international digital companies.

¹¹ The Company provides services to client companies, primarily in the marketing domain, utilizing data and digital technology, including consulting, system implementation and operation, and the provision of creative services.

¹² This Company utilizes technologies such as AI and digital solutions to transform their business models and business processes, supporting clients in enhancing their competitiveness.

(3) Accelerate Global Expansion

- By utilizing Sumitomo's extensive overseas network, bases, and global human resources, it will become easier to access local partners and customers globally.
- The execution of the Company's its global strategy will be accelerated through dynamic collaborations, including developing partners necessary for the overseas expansion of Japanese companies and capital and business alliances with technology companies that have a certain scale of business foundation in specific regions.
- In areas and technology fields where the Company has strengths, such as IT infrastructure including security, mobility, and ERP¹³, it will be possible to expand its overseas revenue through the launch of services by establishing local overseas subsidiaries or joint ventures, and through the joint promotion of projects in specific regions.
- The Company Group will be able to utilize the business know-how, risk management, and compliance functions that Sumitomo has cultivated in operating its overseas businesses, enabling the Company to respond flexibly and steadily to various risks during overseas expansion.
- This will lead to the expansion of capabilities necessary for overseas business development, such as M&A utilizing Sumitomo's capital resources and the management of local companies by global management talent.
- By dispatching personnel from the Company Group to overseas bases or on overseas projects, including secondments, it will be possible to cultivate global human resources with international cultural awareness, adaptability to different cultures, and international connections.

(4) Development of next-generation digital businesses that contribute to solving social issues

¹³ "ERP" refers to a system for integrating core business operations such as a company's accounting and human resources operations in order to improve efficiency and centralize information.

- By combining Sumitomo's experience in business development and across various industries and capital resources with the Company Group's operational expertise, advanced technological capabilities, and digital workforce, further accelerate the creation of next-generation digital businesses, that address identified potential social issues and industry transformation needs that are different from conventional ones.
- The launch and pilot testing of next-generation digital businesses previously required consultations across the groups, the strategic decision-making and resource allocation between Sumitomo and the Company can now be integrated, enabling a structure that allows for faster and more flexible execution.
- Early stage investments in such new businesses inherently involve uncertainty. While the Company was publicly listed, it was difficult to make large-scale investments due to the need to pursue the interests of its shareholders. By going private, it will become possible to undertake significant medium- to long-term investments.

(c) The Company's View on the Disadvantages of Going Private

The Company has considered the following (a) and (b) as disadvantages of going private due to the Transactions, but came to think about each as follows.

- (a) Potential decline in employee motivation and the impact on business partners and other stakeholders due to the loss of brand power as a listed company

Sumitomo has indicated its policy that it plans to hold discussions between Sumitomo and the Company after the Transactions with the aim of creating a system for the Company's management structure and board composition that achieves appropriate governance respecting the Company's uniqueness and maximizes the synergistic effects for the Sumitomo Group, including the Company, even after the Transactions, and has also indicated that it generally does not intend to make changes that would materially deteriorate the employment and working conditions of the Company's employees under the current system after the Transaction.

Furthermore, in order to maintain the motivation of the Company's employees and expand business partners, Sumitomo intends to establish a system to discuss with the Company and reflect its intentions to the maximum extent possible regarding measures that will lead to the improvement of the Company's branding. Based on these points, the Company believes that going private through the Transactions will be acceptable to the Company Group's business partners, employees, and other stakeholders.

(b) Limitation of Fundraising Means in the Stock and Other Capital Markets

Although the Company's delisting will limit its means of fundraising in the stock and capital markets, the Company believes this will not be a dis-synergy of the Transactions, as the Company will be able to flexibly utilize the fundraising capabilities of Sumitomo.

(2) Review by the Special Committee

The Special Committee conducted a detailed review of the appropriateness and reasonableness of the specific details of the purpose of the Transactions surrounding the Company as described above, the impact of the Transactions on the Company's employees, business partners, etc., and, based on these, the potential for enhancing the Company's corporate value. Specifically, the Special Committee conducted a comprehensive verification, including what kind of corporate value enhancement measures Sumitomo envisions in the Company's current business environment, to what extent they are concrete and practical, whether it is necessary to implement the Transactions to put them into practice, what kind of business merits the implementation of the Transactions would bring, and on the other hand, the existence and extent of any disadvantages that are anticipated.

As a result, the Special Committee came to the conclusion that there are no particularly unreasonable points in the significance and purpose of the Transactions, including the Tender Offer, as envisioned by the Company and Sumitomo as described in (1) "Purpose, etc. of the Transactions" above, and that they are recognized as being the result of reasonable consideration.

In addition, the Special Committee came to the conclusion that by the Tender Offeror making the

Company a wholly-owned subsidiary through the Transactions, synergies and merits that would be difficult to realize if the Company remained listed can be expected, and that the Transactions will contribute to the enhancement of the Company's corporate value. In comparison to this, it concluded that the necessity of remaining listed and the disadvantages of going private are limited.

The background leading to this conclusion and the specific synergies and merits expected from the Transactions are as follows.

- (i) In its "Grand Design 2030," the Company aims to be a "Co-creative IT Company," that is, a corporate group that promotes co-creation with customers, partners, and society, and continues to provide new value to solve various issues. In its "Medium-Term Management Plan (FY2023–2025)," it aims to dramatically improve comprehensive corporate value through "the restructuring of business fields and business models to continue providing new value to customers and society" and "the constant maximization of the market value of each employee, based on the recognition that employee growth is the driver of the company's growth."
- (ii) The Sumitomo Group has stated that it recognizes the following (1) through (3) as management issues that the Company will face in the intensifying competitive environment. The Special Committee also believes that addressing these management issues is important for enhancing the Company's corporate value, and that addressing these management issues is necessary to realize the Company's medium- to long-term vision as described above.
 - (1) The need to shift the business from the conventional contract-based approach to a proposal-based approach that directly contributes to customers' business growth.
 - (2) The need to continuously secure consulting functions that can accurately grasp and propose solutions for customer's management issues, advanced technologies including AI, and highly skilled engineers.
 - (3) The need to strengthen the global system and expand the Company's primarily domestic business overseas.
- (iii) The synergies of the Transactions intended by Sumitomo and the Company are, in summary, (1)

the provision of comprehensive digital solutions from business conceptualization to digital implementation, (2) the strengthening of consulting functions and digital capabilities, and (3) the acceleration of global expansion, etc. All of these have the effect of addressing the important management issues described above and are recognized as contributing to the enhancement of the Company's corporate value.

(iv) It is considered that the synergistic effects aimed for by Sumitomo and the Tender Offeror for the Company are feasible, in light of the following points:

- The Transactions are positioned within the strategy based on the Sumitomo's overall slogan "Refine with Digital, Earn with Digital" set forth in Sumitomo's own medium-term management plan, and the enhancement of the Company's corporate value is a premise of that strategy.
- Amid the changing environment surrounding the Company, for the Sumitomo Group, including the Company, to continue to grow further in this market, it is considered necessary to not only make its traditionally strong domains overwhelmingly strong, but also to actively propose and implement digital solutions that decipher the management issues of society, industry, and customers and support transformation. To achieve this, possible measures include strengthening the Company's consulting capabilities, enhancing its global infrastructure, redefining BPO and data centers, and establishing a structure for proposing and delivering services to management teams of customers. This requires acquiring and strengthening functions through alliances and investments with potential domestic and international partners, in addition to construction on its own. In this regard, Sumitomo will make a considerable investment in the Transactions and is expected to implement further M&A, acquisitions, enhanced recruitment, partnering, etc. after the Transactions through large-scale additional investments utilizing its financial strength and network (In addition, this fact is clearly stated in the disclosure documents).
- Sumitomo already has an extensive overseas network, bases, and global human resources, and

Sumitomo has also expressed its intention to provide human resources to the Company from its side to strengthen overseas business development and consulting functions.

- Sumitomo has approximately 900 group operating companies, and the Company will be able to utilize these group companies as Customer Zero to create new offering models and horizontally deploy use cases utilizing the data obtained to other customers.
 - The above is important and beneficial from the perspective of enabling the Company to enter customers' business sites and plan and propose services and products that are directly linked to solving problems as it explores and develops the next generation of revenue pillars. In addition, it is recognized that being able to obtain such data belonging to various industries provides an advantage over competitors.
 - At hearings, specific conceptual examples regarding collaboration with the Company for each business group were presented from Sumitomo as well.
- (v) On the other hand, general disadvantages of going private include difficulties in recruiting human resources, a decline in employee motivation, and the departure of business partners. However, Sumitomo has stated that it does not fundamentally anticipate any changes to the employment and working conditions under the Company's current system that would worsen them for the Company's employees following the Transactions. In addition, with regards to the Company Group, Sumitomo recognizes our preferences regarding the maintenance of its officers' and employees' employment and working conditions, the consideration of incentive design for officers and employees, respect for management independence and autonomy, the establishment of a governance structure that takes the Company's proposals into account, and the establishment of a framework for discussions between both companies aimed at creating synergies and formulating mid-to-long-term business plans, and Sumitomo has stated that Sumitomo intends to engage in good-faith discussions and consultations with the Company going forward based on these points. In addition, it is thought that after the Transactions, the collaboration between the two companies will create a greater social impact, enabling employees to tackle global and national-level

challenges on a different scale than before; this is expected to lead to an enhanced sense of contribution to society and further job satisfaction for employees, as well as growth opportunities and an increase in the market value of each individual; and it has been confirmed that Sumitomo's policy is to establish a system to reflect its intentions to the maximum extent possible after consultation with the Company regarding measures that will lead to the improvement of the Company's branding, in order to maintain the motivation of the Company's employees and expand business partners, etc. Based on the above, it is considered that the possibility of an adverse impact on the status and motivation of employees and on human resource recruitment is low, and that even if it were to occur, it would be limited. In addition, based on the Company's branding, which is premised on these measures, and the relationship of trust based on past business performance, it is considered that there are no concerns about the departure of business partners. Based on the above, it can be considered that the synergies expected from the Transactions outweigh the disadvantages of conducting the Transactions.

(3) Summary

Based on the points above, as a result of careful discussion and consideration, the Special Committee has concluded that the Transactions will contribute to the enhancement of the Company's corporate value and that the purpose of the Transactions is reasonable.

2. Fairness of the Terms and Conditions of the Transactions

(1) Process of Discussions and Negotiations with the Sumitomo

The Company established the Special Committee after deciding that it would not approve the Tender Offer if the Special Committee judged that the terms and conditions of the Tender Offer or the Transactions were not fair. In accordance with the negotiation policy approved in advance by the Special Committee, the Company and the Special Committee conducted multiple rounds of discussions and negotiations with Sumitomo regarding the Tender Offer Price from the perspective of protecting the

interests of general shareholders. Specifically, the process was as follows.

(i) First Proposal

On September 29, 2025, the Company and the Special Committee received a proposal from Sumitomo with the purchase price, etc. per share of the Company's Shares in the Tender Offer (hereinafter referred to as the "Tender Offer Price") of 5,050 yen (representing a premium of 10.62% over the closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on September 26, the business day prior to the proposal date, of 4,565 yen; a premium of 6.99% over the simple average of the closing prices for the past one month up to the same day of 4,720 yen; a premium of 11.16% over the simple average of the closing prices for the past three months of 4,543 yen; and a premium of 17.63% over the simple average of the closing prices for the past six months of 4,293 yen) (hereinafter referred to as the "First Proposal").

In response, on September 30, 2025, the Company and the Special Committee requested that Sumitomo consider raising the price, stating that the price proposed in the First Proposal was significantly below a price level that reflected the intrinsic value of the Company, and could not be considered fair to general shareholders.

(ii) Second Proposal

On October 2, 2025, the Company and the Special Committee received a proposal from Sumitomo with a Tender Offer Price of 5,100 yen (representing a premium of 16.54% over the closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 1, the business day prior to the proposal date, of 4,376 yen; a premium of 8.79% over the simple average of the closing prices for the past one month up to the same day of 4,688 yen; a premium of 12.21% over the simple average of the closing prices for the past three months of 4,545 yen; and a premium of 18.25% over the simple average of the closing prices for the past six months of 4,313 yen) (hereinafter referred to as the "Second Proposal").

In response, on October 3, 2025, the Company and the Special Committee requested that Sumitomo consider raising the price, stating that the price in the Second Proposal was still

significantly below a price level that reflected the intrinsic value of the Company, and that the price is not considered to be a fair price for general shareholders because the premium level was also below the levels in past cases. In addition, in making this request, they also requested that Sumitomo explain, with respect to the DCF valuation that formed the premise of its proposal, the forecast of the Company's free cash flow that served as the premise (and details of any changes made to the business plan presented by the Company based on findings from due diligence (hereinafter referred to as "DD Findings") or synergistic effects expected through the Transactions, etc.), the items and amounts of DD Findings reflected in the calculation of net interest-bearing debt, and the numerical values of parameters such as the discount rate, perpetual growth rate, and exit multiple.

(iii) Third Proposal

On October 6, 2025, the Company and the Special Committee received a proposal from Sumitomo, which, stating that the 5,100 yen from the Second Proposal appropriately reflected the intrinsic value of the Company and provided a reasonable sales opportunity for the Company's minority shareholders, again proposed a Tender Offer Price of 5,100 yen (representing a premium of 20.48% over the closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 3, the business day prior to the proposal date, of 4,233 yen; a premium of 9.91% over the simple average of the closing prices for the past one month up to the same day of 4,640 yen; a premium of 12.24% over the simple average of the closing prices for the past three months of 4,544 yen; and a premium of 18.00% over the simple average of the closing prices for the past six months of 4,322 yen) (hereinafter referred to as the "Third Proposal"). In addition, in connection with said proposal, Sumitomo responded that its valuation was based on the business plan provided by the Company and took into account the results of due diligence, etc. on the Company; that Sumitomo believed there were no significant discrepancies from the Company's business plan regarding the matters Sumitomo was premising; that in the calculation of net interest-bearing debt, in addition to general items such as cash and deposits and borrowings from financial

institutions, dividends planned by closing were considered, but no other special adjustments were taken into account; and that the various parameters in the DCF valuation were set based on the Company's business growth prospects, industry environment, market and financial conditions, etc., as well as the valuation of listed companies engaged in businesses similar to the Company.

In response, on October 7, 2025, the Company and the Special Committee requested that Sumitomo consider raising the price, stating that the price in the Third Proposal was still significantly below a price level that reflected the intrinsic value of the Company, and that the price is not considered to be a fair price for general shareholders because the premium level was also below the levels in past cases.

(iv) Fourth Proposal

On October 14, 2025, the Company and the Special Committee received a proposal from Sumitomo with a Tender Offer Price of 5,150 yen (representing a premium of 19.13% over the closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 10, the business day prior to the proposal date, of 4,323 yen; a premium of 13.24% over the simple average of the closing prices for the past one month up to the same day of 4,548 yen; a premium of 13.09% over the simple average of the closing prices for the past three months of 4,554 yen; and a premium of 18.17% over the simple average of the closing prices for the past six months of 4,358 yen) (hereinafter referred to as the "Fourth Proposal").

In response, on October 16, 2025, the Company and the Special Committee requested that Sumitomo consider raising the price, stating that the price in the Fourth Proposal was still difficult to call a price that reflected the intrinsic value of the Company, and that it was significantly divergent from a level at which the Company and the Special Committee could approve the Transactions and recommend tendering.

(v) Fifth Proposal

On October 17, 2025, the Company and the Special Committee received a proposal from Sumitomo with a Tender Offer Price of 5,300 yen (representing a premium of 26.61% over the

closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 16, the business day prior to the proposal date, of 4,186 yen; a premium of 18.94% over the simple average of the closing prices for the past one month up to the same day of 4,456 yen; a premium of 16.20% over the simple average of the closing prices for the past three months of 4,561 yen; and a premium of 21.06% over the simple average of the closing prices for the past six months of 4,378 yen) (hereinafter referred to as the "5th Proposal").

In response, on October 20, 2025, the Company and the Special Committee requested that Sumitomo consider raising the price, stating that the price in the Fifth Proposal was still difficult to call a price that reflected the intrinsic value of the Company, and that it was divergent from a level at which the Company and the Special Committee could approve the Transactions and recommend tendering.

(vi) Sixth Proposal

On October 22, 2025, the Company and the Special Committee received a proposal from Sumitomo with a Tender Offer Price of 5,410 yen (representing a premium of 28.17% over the closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 21, the business day prior to the proposal date, of 4,221 yen; a premium of 24.31% over the simple average of the closing prices for the past one month up to the same day of 4,352 yen; a premium of 18.98% over the simple average of the closing prices for the past three months of 4,547 yen; and a premium of 23.23% over the simple average of the closing prices for the past six months of 4,390 yen) (hereinafter referred to as the "Sixth Proposal").

In response, on October 24, 2025, the Company and the Special Committee requested that Sumitomo consider raising the price, stating that the price in the Sixth Proposal was still difficult to call a price that reflected the intrinsic value of the Company, and that it was divergent from a level at which the Company and the Special Committee could approve the Transactions and recommend tendering.

(vii) Seventh Proposal

On October 27, 2025, the Company and the Special Committee received a proposal from Sumitomo with a Tender Offer Price of 5,600yen (representing a premium of 30.63% over the closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 24, the business day prior to the proposal date, of 4,287yen; a premium of 29.48% over the simple average of the closing prices for the past one month up to the same day of 4,325yen; a premium of 23.27% over the simple average of the closing prices for the past three months of 4,543yen; and a premium of 27.13% over the simple average of the closing prices for the past six months of 4,405yen) (hereinafter referred to as the "Seventh Proposal"). At the request of Sumitomo, the Company and the Special Committee had a meeting with Sumitomo, who explained the premises and other matters concerning the price in the Seventh proposal, and the Special Committee addressed the opinions and points of concern regarding such explanation. At the meeting, while Sumitomo explained that it considers the proposed price to be reasonable and sufficient based on its calculations including the DCF method, the Special Committee communicated to Sumitomo its position that the following must be taken into consideration: that the Company announced the postponement of the merger with Net One Systems on September 19, 2025 (hereinafter referred to as the "Merger Postponement Announcement"), that the Company's stock price has fallen to a certain extent thereafter, and that, in relation to our stock price before the Merger Postponement Announcement, the premium level is low compared to past precedents.

Furthermore, on the same day, the Company and the Special Committee requested that Sumitomo consider raising the price, stating that the price in the seventh proposal is still difficult to regard as a price reflecting the intrinsic value of the Company, and that it was divergent from a level at which the Company and the Special Committee could approve the Transactions and recommend tendering.

(viii) Eighth Proposal

On October 28, 2025, the Company and the Special Committee received a proposal from

Sumitomo with a Tender Offer Price of 5,700yen, referring to it as "the price offered in utmost good faith" (representing a premium of 33.87% over the closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 28, the proposal date, of 4,258yen; a premium of 32.59% over the simple average of the closing prices for the past one month up to the same day of 4,299yen; a premium of 25.47% over the simple average of the closing prices for the past three months of 4,543yen; and a premium of 29.11% over the simple average of the closing prices for the past six months of 4,415yen) (hereinafter referred to as the "Seventh Proposal").

The Company and the Special Committee, regarding the Eighth Proposal, as described below (3) "the Tender Offer Price," Sub-item (b) "Examination of the Level of the Premium Included in the Tender Offer Price, Etc.," the Company and the Special Committee concluded, that even when considering that the Company's stock price has declined to a certain extent since the Merger Postponement Announcement, and evaluated based on the stock price prior to the Merger Postponement Announcement, a reasonable premium is included. Therefore, the Company and the Special Committee responded that they would accept the Eighth Proposal price of 5,700yen as the Tender Offer Price.

Throughout the above negotiation process, the Special Committee deliberated and reviewed Sumitomo's proposals regarding the terms and conditions of the Transactions, based on reports and advice from a financial perspective from Plutus and Nomura Securities, as well as legal advice, etc. from Gaiken and Nishimura & Asahi, as needed, and continuously reviewed and stated its opinions to the Company regarding the negotiation policy on the terms and conditions of the Transactions, including the Tender Offer Price, with Sumitomo. In addition, when holding discussions and negotiations with Sumitomo regarding the Transactions, the Company promptly reported to the Special Committee each proposal on the terms and conditions of the Transactions received from Sumitomo, received opinions, instructions, requests, etc. from the Special Committee, and acted in accordance therewith. In this way, the Special Committee was substantially involved in the discussions and negotiations between the Company and Sumitomo. Furthermore, measures were

taken to prevent directors who might have a conflict of interest in the Transactions, due to their relationship with Sumitomo, from being involved in the deliberation of agenda items concerning the review of the Transactions, the review of the Transactions from the Company's standpoint, and the discussions and negotiations with Sumitomo regarding the Transactions.

As a result of such negotiation, the final price was increased by 650 yen (12.87% (rounded to two decimal places)) in aggregate from Sumitomo's initial proposal (5,050 yen per share of the Company's Shares).

In light of the above, it can be concluded that a situation that can be regarded as an arm's-length transaction was secured in the negotiation process between the Company and Sumitomo on the terms and conditions of the Transactions.

(2) Reasonableness of the Content of the Share Valuation and of the Financial Projections and Assumptions used as its basis

a Reasonableness of the Business Plan

The Business Plan is used as a premise for the valuations of the Company's Shares conducted by Plutus and Nomura Securities. The Special Committee received explanations from the Company regarding the contents of the Business Plan, including key assumptions and the process of preparation, and conducted Q&A.

The Business Plan was prepared as of August 2025 for the purpose of reviewing the fairness of the terms and conditions of the Transactions, taking into account subsequent events to a reasonably anticipated extent. Specifically, the Business Plan was prepared in light of external environmental factors based on objective evidence (such as industry growth rate and data on the market environment) and internal factors (factors unique to the Company). In addition, the Business Plan was prepared on a stand-alone basis that is not premised on the execution of the Transactions because the synergies expected to be realized through the Transactions are difficult to estimate specifically at this time. Moreover, the Company's future financial projections include fiscal years in which

significant increases or decreases in profit and loss and significant increases or decreases in free cash flow are projected, and specifically, due to the consolidation of Net One Systems as a consolidated subsidiary effective December 25, 2024, the Company anticipates significant increases in sales, operating profit, EBITDA, and free cash flow for the fiscal year ending March 2026. However, there is nothing unreasonable in the Company's explanation regarding this anticipated increase, and no particular circumstances have been identified that would cast doubt on the fairness of the procedures used to consider it.

In light of the explanations and answers to the questions given by the Company and Nomura Securities regarding the Business Plan, no unreasonableness is found in the content or key assumptions of the Business Plan. Although 1 employee who holds concurrent positions at the Company and Sumitomo was involved in the preparation of the Business Plan, there were significant concerns about the adequacy and feasibility of a business plan prepared without their involvement, given their knowledge and experience. It was recognized that there was a high necessity of involving this 1 employee in the business plan preparation process. Based on this point, the Special Committee approved their involvement in the preparation process of the Business Plan on the condition that the validity of the content would be confirmed by a superior without a conflict of interest (Takaaki Toma, President and Representative Director, Chief Executive Officer; Tsutomu Ozaki, Executive Vice President; Takayuki Okuhara, Managing Executive Officer and General Manager of the Corporate Planning Division). As a result, no fact is found that suggests any influence of Sumitomo or its related parties. Furthermore, no fact is found, neither, that suggests that the Company prepared or revised the plan at the instruction of or upon presuming the intention of the Tender Offeror or Sumitomo. Therefore, no unfairness is found in the preparation procedures of the Business Plan.

Based on the above review, at its tenth meeting, the Committee confirmed the reasonableness of the contents of the Business Plan, including key assumptions and the process of preparation, and approved the submission to Sumitomo. At its 14th meeting, the Special Committee asked the Company and Nomura Securities questions about the difference between the figures included in the

Business Plan and those orally explained during the Q&A session of the briefing on the business integration with Net One Systems held by the Company on September 19, 2025. As a result, the Special Committee confirmed that the figures explained at the above-mentioned briefing were targets that were subject to change and judged that such difference would not raise any doubt about the contents of the Business Plan, key assumptions, the process of preparation and related procedures.

b Results of the Share Valuation Conducted by Plutus and the Reasonableness Thereof

The Special Committee received explanations from Plutus regarding the valuation methods used in the share valuation and other relevant information, including the reason why such valuation methods were adopted, the results of the valuation obtained by various valuation methods and key assumptions, and conducted Q&A. According to the Share Valuation Report obtained by the Special Committee from Plutus (hereinafter referred to as the "Share Valuation Report (Plutus Consulting)"), the per-share value of the Company's Shares is calculated to be in the range of 4,258 yen to 4,543 yen under the market price method, with October 28, 2025 as the reference date; 3,252 yen to 3,613 yen under the comparable company analysis method, with October 17, 2025 as the reference date; and 4,651 yen to 5,920 yen under the DCF method with October 17, 2025 as the reference date. The Tender Offer Price of 5,700 yen is above the upper limit of the calculation results of the market price method and comparable company analysis method, and above the median of the range of the calculation results of the DCF method.

Firstly, under the market price method, the value of the Company's shares is calculated by analyzing their most recent closing price and the averages of their closing prices for certain periods. Such calculation method is the most objective valuation method for listed shares and is commonly used in transactions similar to the Transactions. In addition, the adopted calculation periods are the ones that are commonly used. Moreover, no material event involving the Company occurred during those periods that would require the market share price to be adjusted. Accordingly, no unreasonableness is found in the calculation made under the market share price method.

Secondly, in the calculation under the comparable company analysis method, Nomura Research Institute, Ltd., TIS Inc., BIPROGY Inc., NS Solutions Corporation, Internet Initiative Japan Inc., DTS CORPORATION and NSD Co., Ltd. were selected as listed companies similar to the Company. No unreasonableness is found in the selection method as they were selected after selecting candidates based on the industry classification from an external information database, and then based on quantitative criteria after the opinion of the Company regarding the scale and description of the business was also considered. In addition, Plutus used EBIT and EBITDA multiple of enterprise value as comparable indicators, which are commonly used in the comparable company analysis. Accordingly, no unreasonableness is found in the calculation made under the comparable company analysis method.

Thirdly, the multiple method was used as the calculation method in the DCF method. Plutus reviewed and calculated such calculation method, multiple, handling of surplus cash and deposits and other similar matters from an expert's perspective as a third-party valuation institution. No unreasonableness is found in the basis for and method of calculating these figures and other relevant matters. In addition, the contents and key assumptions of the Business Plan, which is used as a premise for the share valuation by Plutus, are considered to be reasonable as discussed above.

c Review of the Fairness Opinion

The Special Committee obtained a fairness opinion from Plutus (hereinafter referred to as the "Fairness Opinion"). According to the Fairness Opinion, the Tender Offer Price of 5,700 yen per share is fair from a financial perspective to the Company's general shareholders in light of the results of the valuation of the Company's Shares based on the Business Plan prepared by the Company and other relevant information.

The Fairness Opinion was issued by Plutus, which has a high level of financial expertise, from a standpoint independent of the Company and Sumitomo, based on: the calculation results of the valuation of the Company's Shares, which was conducted after receiving from the Company the

disclosure of and explanations on the current conditions of the business, the Business Plan and other relevant information; the Q&A with the Company about the overview, background and purpose of the Tender Offer; the review of the Company's business environment, economic, market and monetary conditions and other relevant factors conducted to the extent deemed necessary by Plutus; and Plutus's review procedures conducted by its review committee that is independent of its engagement team. Therefore, no unreasonableness is found in the opinion. In addition, as described above, no unreasonableness is found in particular in the method and content of the share valuation by Plutus, which was referred to upon the submission of the Fairness Opinion.

Accordingly, the Special Committee believes that no unreasonableness is found in the issuance procedures and content of the Fairness Opinion.

d Results of the Share Valuation Conducted by Nomura Securities and the Reasonableness Thereof

The Special Committee received explanations from Nomura Securities regarding the valuation methods used in the share valuation and other relevant information, including the reason why such valuation methods were adopted, the results of the valuation obtained by various valuation methods and key assumptions, and conducted Q&A. According to the Share Valuation Report obtained by the Special Committee from Nomura Securities (hereinafter referred to as the "Share Valuation Report (Nomura Securities)"), the per-share value of the Company's Shares is calculated to be in the range of 4,258 yen to 4,543 yen under the market price average method, with October 28, 2025, the business day prior to the announcement of the Tender Offer, as the reference date; 3,295 yen to 4,843 yen under the comparable company analysis method; 3,526 yen to 5,249 yen under the comparable transactions analysis method; and 4,356 yen to 6,749 yen under the DCF method. The Tender Offer Price of 5,700 yen is above the upper limit of the calculation results of the market price average method, comparable company analysis method and comparable transactions analysis method, and is above the median of the calculation results of the DCF method.

Firstly, under the market price average method, the value of the Company's shares is calculated by

analyzing their most recent closing price and the averages of their closing prices for certain periods. Such calculation method is the most objective valuation method for listed shares and is commonly used in transactions similar to the Transactions. In addition, the adopted calculation periods are the ones that are commonly used. Moreover, no material event involving the Company occurred during those periods that would require the market share price to be adjusted. Accordingly, no unreasonableness is found in the calculation made under the market share price average method.

Secondly, in the calculation under the comparable company analysis method, Nomura Research Institute, Ltd., TIS Inc., NS Solutions Corporation, BIPROGY Inc., and DENTSU SOKEN INC. were selected as listed companies similar to the Company. No unreasonableness is found in the selection method as they were selected after the opinion of the Company regarding the scale and description of the business was considered. In addition, Nomura Securities used EV/EBITDA multiple and EV/EBIT multiple against the enterprise value and PER against the market capitalization as comparable indicators, which are commonly used in the comparable company analysis. Accordingly, no unreasonableness is found in the calculation made under the comparable company analysis method.

Thirdly, in the calculation using the comparable transactions analysis method, the Company's equity value is determined by comparing financial indicators reflecting profitability based on transaction prices from multiple publicly disclosed transactions deemed relatively similar, primarily focusing on privatization cases targeting domestic companies engaged in similar businesses over the past several years. The selected publicly disclosed transactions are within the Company's industry, and the profitability indicators used are the ones commonly employed. Based on the above, no unreasonable aspects were identified in the calculation performed using the comparable transaction method.

Furthermore, the perpetual growth rate and multiple methods were used as the calculation methods in the DCF method. Nomura Securities reviewed and calculated such calculation methods, perpetual growth rate, handling of surplus cash and deposits and other similar matters from an expert's

perspective as a third-party valuation institution. No unreasonableness is found in the basis for and method of calculating these figures and other relevant matters. In addition, the contents and key assumptions of the Business Plan, which is used as a premise for the share valuation by Nomura Securities, are considered to be reasonable as discussed above.

(3) The Tender Offer Price

a How the Tender Offer Price Is Positioned in the Calculation Results by the Third-Party Valuation Institution

As described in (1) above, the Tender Offer Price is above the upper limit of the calculation results of the market price average method and comparable company analysis method according to the valuation by Plutus, the third-party valuation institution engaged by the Special Committee, and is above the upper limit of the calculation results of the market price average method and comparable company analysis method made by Nomura Securities, the third-party valuation institution engaged by the Company. In addition, it is above the median of the calculation results of the DCF method made by Plutus and Nomura Securities that are based on the Company's Business Plan and take into account the Company's growth potential.

b Examination of the Level of the Premium Included in the Tender Offer Price, Etc.

The Tender Offer Price includes a premium of 33.87% (rounded to two decimal places; the same shall apply hereinafter to the figures (%) of the premiums over the stock price) over the closing price of the Company's Shares of 4,258 yen on the Prime Market of the Tokyo Stock Exchange on October 28, 2025, the business day prior to the announcement of the Tender Offer; 32.59% over the simple average of the closing prices for the past one month up to the same day of 4,299 yen (rounded to two decimal places; the same shall apply hereinafter to the calculation of the simple average of the closing prices); 25.47% over the simple average of the closing prices for the past three months up to the same day of 4,543 yen; and 29.11% over the simple average of the closing prices for the past six months

up to the same day of 4,415 yen. Generally, stocks with high PBRs tend to have lower premium ratios to market prices in tender offers and M&A deals, as their corporate value is already highly valued in the stock market. As of October 24, 2025, the Company's PBR stands at approximately 4.6 times. Furthermore, among the 17 cases of tender offers targeting listed subsidiaries and MBOs announced after June 28, 2019, when the Ministry of Economy, Trade and Industry published the “Guidelines on Fair M&A Practices” (hereinafter referred to as the “Fair M&A Guidelines”)¹⁴, and completed by August 29, 2025, having a target company PBR exceeding 2x(hereinafter the “Similar Cases”), it was confirmed that the most frequent premium level was 20% to 25% against the average stock price over the past month in 4 cases, similarly the most frequent premium level was 20% to 25% against the average stock price over the past three months in 6 cases, and the most frequent premium level was 15% to 20% against the average stock price over the past six months in 3 cases. Considering the above, the Tender Offer Price is deemed to include a premium comparable to Similar Cases.

In addition, as described above, the Company’s stock price has declined to a certain extent since the Merger Postponement Announcement on September 19, 2025 (the opening price on September 19, 2025 was 4,970 yen, while the closing price on the following business day, September 22, fell down to 4,555 yen; it has continued to decline gradually since then and is currently trading around the 4,300yen range). Compared to the Company’s stock price prior to this decline, the Tender Offer Price represents a 21.6% premium over the simple average closing price of 4,689 yen for the one-month period ending the day before the Merger Postponement Announcement, a 26.3% premium over the simple average closing price of 4,512 yen for the three months ending on the same day, and a 33.8% premium over the simple average closing price of 4,260 yen for the six months ending on

¹⁴ The "Guidelines for Corporate Takeovers" published by the Ministry of Economy, Trade and Industry on August 31, 2023 (hereinafter referred to as the "Takeover Guidelines") stipulate that, if a company receives a "bona fide offer" to acquire the rights of its management, it shall in general give "sincere consideration" to a such offer. The Takeover Guidelines require the company to take practical measures that constitute fair procedures to ensure the protection of the interests of general shareholders (hereinafter referred to as the "Fairness Ensuring Measures") when giving such "sincere consideration" depending on the degree of conflicts of interest or information asymmetry, as well as circumstances relating to the target company or its transaction structure, among others, in individual cases. In practice, the Fair M&A Guidelines are referred to when taking such Fairness Ensuring Measures.

the same day. Furthermore, the amount calculated from the average share price of 4,702 yen over the past month prior to the Merger Postponement Announcement, minus the share price decline (47 yen) due to the expected interim dividend for the fiscal year ending March 2026, resulting in 4,655 yen, multiplied by a reasonable premium level of 22.5% (this represents the midpoint of the most frequent premium levels observed in the Similar Cases, which range from 20-25% of the past one-month average stock price and the past three-month average stock price. Note that while the most frequent premium level relative to the past six-month average stock price is 15-20%, the higher range was adopted.) is about 5,702 yen (rounded to the nearest whole yen), which is nearly identical to the Tender Offer Price of 5,700 yen. Therefore, even considering the impact of the Merger Postponement Announcement, the Tender Offer Price is considered to carry a reasonable premium.

(4) Purchase Price of the Stock Acquisition Rights

The Stock Acquisition Rights were issued as stock options to the Company's directors and executive officers. In principle, the Stock Acquisition Rights may be exercised for a period of two years from the day following the date on which the director or executive officer ceases to hold such position, for the Second Series Stock Acquisition Rights, and for the Eighth Series Stock Acquisition Rights, for a period of ten years. The Tender Offeror interprets that even if it acquires these Stock Acquisition Rights, it cannot exercise them. Therefore, the Tender Offeror has set the purchase price for each of these Stock Acquisition Rights at 1 yen. Although it is debatable whether the above exercise conditions immediately preclude the Tender Offeror from exercising these rights even if acquired, the conditions can be interpreted reasonably as requiring the holder to have previously served as a director or executive officer of the Company as a prerequisite for exercise. Therefore, from the Tender Offeror's perspective, the above interpretation is not unreasonable. Furthermore, these Stock Acquisition Rights are exercisable during the tender offer period, and the payment amount per share of the Company's stock upon exercise of these rights is below the tender offer price. Therefore, the Stock Acquisition Rights Holders could exercise them to convert into shares of the Company and then tender those shares in the Tender Offer. Considering the above, it cannot be

concluded that setting the purchase price for the Stock Acquisition Rights at 1 yen is unreasonable. However, the Special Committee believes it is appropriate to refrain from stating an opinion on its adequacy and to resolve that whether the Stock Acquisition Rights Holders tender them in the Tender Offer should be left to the discretion of the Stock Acquisition Rights Holders.

(5) Fairness of Other Terms and Conditions

An appropriate opportunity has been secured for the general shareholders to decide whether to tender their shares in the Tender Offer as the period of the Tender Offer is relatively longer. Moreover, an opportunity has also been secured for persons other than the Tender Offeror to make a tender offer or the like for the Company's Shares. Therefore, the terms and conditions are not disadvantageous to the general shareholders.

In addition, in the Transactions, as a way to privatize the Company's shares, the Tender Offeror plans to implement the Tender Offer as the first step, and then to execute the Squeeze-Out Procedures through the Demand for Share, Etc. Cash-Out or the Share Consolidation as the second step. This is one of the methods that are commonly adopted in transactions to make a certain company an unlisted subsidiary of another company that are similar to the Transactions. Furthermore, in the Squeeze-Out Procedures, cash will be delivered in the end to the Company's shareholders who did not tender their shares in the Tender Offer (excluding Sumitomo and the Company). The amount of the cash to be delivered in such procedures will be calculated so as to be equal to the Tender Offer Price multiplied by the number of Company's Shares held by each of those shareholders (it is found that such plan will be clearly stated in a press release, etc.). By securing an appropriate opportunity for the general shareholders to decide whether to tender their shares in the Tender Offer, consideration has been given to avoid coerciveness. Furthermore, in this Squeeze-Out Procedures, the amount of cash to be delivered to the Stock Acquisition Rights Holders is expected to be calculated such that it is equivalent to the purchase price of these Stock Acquisition Rights multiplied by the number of such rights held by each respective Stock Acquisition Rights Holder. Therefore, as discussed in (4) above, the Special Committee reserves

its opinion regarding the appropriateness of this calculation.

(6) Summary

In light of (1) through (5) above, and as a result of its careful discussions and review, the Special Committee concluded that the Tender Offer Price is a fair price that can be reasonably considered as the one that adequately reflects the intrinsic value of the Company and that the Tender Offer Price and other terms and conditions are fair to the general shareholders.

3. Fairness of Procedures Related to the Transactions

This section reviews the fairness of the negotiation process of the Transactions and the procedures leading to the decision making thereon in accordance with the Fair M&A Guidelines.

(1) Establishment of an Independent Special Committee

a Timing of the Establishment

Regarding the Transactions, the Company received an initial proposal from Sumitomo in late January 2025, stating Sumitomo's intension to commence the review of possible take-private transaction of the Company, and subsequently received a letter of intent on May 27 of the same year. Pursuant to the resolution passed at the Board of Directors meeting held on June 12, 2025, the Company established the Special Committee, which held its first meeting on the same day.

As described above, in the process of Transactions, the Special Committee commenced to be involved in the Transactions at the early stage following the receipt of the letter of intent from Sumitomo. This indicates that the involvement of the Special Committee in the Transactions has been ensured from the initial stage of the formation process of the terms and conditions of the Transactions.

b Composition of the Committee (Independence, Attributes and Expertise)

As for the Transactions, for the purpose of ensuring careful decision-making by the Company regarding the Transactions, eliminating arbitrariness and potential conflicts of interest in the

decision-making process by the Company's Board of Directors, and ensuring fairness thereof, the Company's Board of Directors selected as members of the Special Committee three individuals who are Outside Directors of the Company and who also fall under independent officers as required by Tokyo Stock Exchange, namely, Ms. Yumiko Waseda (Independent Outside Director of the Company (Audit and Supervisory Committee member)), Mr. Hidetaka Matsuishi (Independent Outside Director of the Company (Audit and Supervisory Committee member)) and Mr. Shouei Yamana (Independent Outside Director of the Company), on June 12, 2025, with advice from Nishimura & Asahi, the Company's independent legal advisor, after confirming that they are independent of the Sumitomo and the Company and have no material interest that differs from the general shareholders with respect to the completion or non-completion of the Transactions.

As explained above, it has been confirmed that each of the members of the Special Committee is independent of the Tender Offeror, Sumitomo and the Company and has no material interest that differs from the general shareholders with respect to the completion or non-completion of the Transactions. It is also found that they were selected as a result of due consideration of their expertise and attributes.

c Involvement in the Negotiation Process with the Tender Offeror on the Terms and Conditions, Etc.

When negotiating with Sumitomo on the terms and conditions of the Transactions, etc., the Company shall make timely reports to the Special Committee on the status of negotiations, and receive its opinions, instructions or requests in critical situations, thereby ensuring the Special Committee's substantial involvement in the negotiation process of the Tender Offer Price and other terms and conditions as described above. In fact, the Special Committee gave instructions to the Company on the negotiation policy in the negotiations of the terms and conditions, including price negotiations.

As described above, it is found that the Special Committee has substantially been involved in the negotiation process of the Tender Offer Price and other terms and conditions between the Company

and Sumitomo.

d Advisors, Etc.

The Special Committee selected Plutus as its financial advisor and third-party valuation institution, and Gaien as its legal advisor, after confirming their respective independence, expertise, track record and other relevant information. In addition, it approved Nishimura & Asahi as the Company's independent legal advisor, and Nomura Securities as the Company's independent financial advisor after confirming their expertise, track record and other relevant information. The Special Committee also received advice from Nishimura & Asahi and Nomura Securities as necessary.

As described above, it is found that the Special Committee carefully reviewed and discussed the reasonableness of the purpose of the Transactions, the fairness of the terms and conditions of the Transactions and other relevant matters from a standpoint of the enhancement of the Company's corporate value and the protection of the interests of the general shareholders while receiving experts' advice, opinions and other information timely from each of the external advisors mentioned above in the process of reviewing the Transactions.

e Obtaining information

In establishing the Special Committee, the Board of Directors of the Company resolved to grant the Special Committee the authority to request directors, employees, and other personnel of the Company that the Special Committee considered as necessary to attend its meetings and explain about necessary information in order to make decisions on the Transactions.

In addition, in reviewing the Transactions, the Special Committee received legal advice on the decision-making process for the Transactions and the operation method for the Special Committee from Gaien and Nishimura & Asahi, and as described above, in addition to examining materials for the Transactions, the Special Committee held Q&A sessions to hear from the management personnel etc. of the Company about the rationale and purpose of the Transactions and the Company's Business

Plan, etc. and organized Q&A sessions with Sumitomo, and furthermore, by submitting additional questions to Sumitomo in writing and receiving answers several times, it obtained a sufficient amount of information to review the Transactions.

As described above, it is found that the Special Committee put in place a system that enabled it to obtain important information, including undisclosed information, and consider and determine whether the Transactions were appropriate or not and whether the terms and conditions of the Transactions were fair or not based on the information obtained.

f Compensation

In reviewing the Transactions, the Board of Directors of the Company determined to pay fixed compensation to the members of the Special Committee for their services irrespective of whether the Transactions would complete or not, which means that success fees are not adopted.

As mentioned above, in light of the fact that compensation for the Special Committee, which was required to fulfill its functions appropriately when reviewing the Transactions, would be paid irrespective of whether the Transactions would complete or not, it is found that each member of the Special Committee could easily commit his or her time and labor to his or her duties and that an environment was established that allowed him or her to make decisions from an independent standpoint irrespective of the completion or non-completion of the Transactions.

g Handling of the Special Committee's decisions at the Board of Directors

The Board of Directors of the Company resolved to position the Special Committee as a council independent from the Board of Directors when establishing it and resolved to respect the opinions of the Special Committee to the maximum extent when making decisions on the Transactions and not to support the Transactions if the Special Committee determined that the terms and conditions of the Transactions were not fair. The Board of Directors also resolved to grant the Special Committee the authority to substantially involve itself in the process of negotiation on the terms and conditions of

the Transactions by confirming the Company's policy to negotiate with Sumitomo in advance, receiving reports on the status of negotiation in a timely manner, and expressing its opinions, giving instructions, and making requests in important phases of negotiation as well as the authority to select its own advisor and other experts at the Company's reasonable expenses if it deemed as necessary to do so.

As described above, it is found that a system has been established that enabled the Board of Directors to respect the opinions of the Special Committee before making decisions on the Transactions.

h Internal review system of the Company

Since the Company received from Sumitomo the letter of intent as of May 27, 2025, in which the Sumitomo expressed its intention of beginning to consider the Company's take-private transaction, Mr. Shinichi Kato, Mr. Hideki Yamano, Mr. Tsutomu Ozaki, and Mr. Hiromichi Jitsuno, who all served on the Board of Directors of the Company at the time, have not participated in the deliberations and resolutions on the Transactions at the Board of Directors, including the meeting of the Board of Directors held on June 12, 2025, which resolved to establish the Special Committee, from the viewpoint of avoiding conflicts of interest, nor have they participated from the Company's standpoint in the review of the Transactions and in the consultations and negotiations on the terms and conditions of the Transactions including the Tender Offer Price between the Company and Sumitomo. Mr. Kato did not participate because he also served as executive officer at Sumitomo, Mr. Yamano did not participate because he had previously served as representative director at Sumitomo, Mr. Ozaki did not participate because he had previously served as executive officer at Sumitomo, and Mr. Jitsuno did not participate because he had previously served as corporate officer at Sumitomo (Regarding Mr. Tsutomu Ozaki, while he was not involved as a member of the Board of Directors, because his knowledge of the Company's business and expertise in legal affairs and risk management were particularly important for the consideration of the Transactions, not being currently a

Sumitomo-concurrently employed officer or employee, but rather a former Sumitomo employee, and since he resigned as a director before the deliberation on the Transactions became fully underway, his involvement as a member of the Company's project team has been permitted under the same conditions as the seconded personnel from Sumitomo described below). For clarity, Mr. Hideki Yamao and Mr. Tsutomu Ozaki served as directors of the Company until the ordinary shareholders' meeting held on June 24, 2025, and subsequently resigned from their positions as directors of the Company.

Furthermore, Mr. Masaki Nakajima, who became a new director following the ordinary shareholders' meeting held on June 24, 2025, previously served as an executive officer at Sumitomo and did not participate in the deliberations and resolutions of the Board of Directors concerning the Transactions, nor has he participated from the Company's standpoint in the review of the Transactions and in the consultations and negotiations on the terms and conditions of the Transactions including the Tender Offer Price between the Company and Sumitomo.

As for the personnel seconded from Sumitomo other than directors of the Company, if their knowledge, ability, expertise, etc. were useful for consultations, consideration, negotiations, etc. on the Transactions, and even if they were currently or had previously been an executive or employee of Sumitomo, they were allowed to involve themselves in the review of the Transactions at the Company within a reasonable range, on the assumption that they had the strict duty of confidentiality not to leak or communicate information to external parties including Sumitomo, and that they pledged to act only as a member of the Company's team to review the Transactions.

As mentioned above, it is found that as for the Transactions, the Company has established an internal system that enabled it to consider, negotiate, and otherwise act from a standpoint independent from the Tender Offeror and Sumitomo.

i Summary

As described above, it is found that measures to enhance the effectiveness of the Special

Committee were actively implemented, and thus the Special Committee functioned effectively regarding the contemplation of the Transactions.

(2) Obtaining independent professional advice, etc. from external specialists

As described below, it is found that the Company and the Special Committee respectively obtained independent professional advice, etc. from external specialists.

a Appointment of an independent legal advisor and the obtaining of advice

It is found that immediately after Sumitomo proposed the Transactions, the Company appointed Nishimura & Asahi, which was independent from Sumitomo and the Company, as its legal advisor for the Transactions and that the Company has since received necessary legal advice on measures to be taken to ensure the fairness of procedures in the Transactions, various procedures of the Transactions, the method the Company should use to make decisions on the Transactions and the decision-making process it should follow, etc. As mentioned above, the appointment by the Company of Nishimura & Asahi as its legal advisor was approved by the Special Committee.

Please refer to (1)d above for the appointment by the Special Committee of Gaiken as its own legal advisor to receive necessary legal advice on measures to be taken to ensure the fairness of procedures in the Transactions, the method the Special Committee should use to deliberate the Transactions and the process it should follow to do so, etc.

b Appointment of an independent financial advisor and a third-party calculation agency and the obtaining of the Share Valuation Report

The Company appointed Nomura Securities, which was independent from Sumitomo and the Company, as its financial advisor and third-party calculation agency for the Transactions and received advice on the structure of the Transactions and means of alternatives thereto, alternative transactions to be considered, price negotiations, etc., and in addition, the Company requested the

securities firm to calculate the value of its shares, and on October 28, 2025, it obtained the Share Valuation Report (Nomura Securities). The appointment by the Company of Nomura Securities as its financial advisor was approved by the Special Committee.

For the appointment by the Special Committee of Plutus Consulting as its own financial advisor and third-party calculation agency, please refer to (1)d above, and for the content of the Share Valuation Report (Plutus Consulting) obtained from Plutus on October 28, 2025, please refer to 2.(2)b above.

(3) Securing opportunities for other potential acquirers to make acquisition proposals (market check)

Since the Tender Offer period is set for 30 business days and since there were no agreements, including deal protection clauses, which would restrict alternative takeover bidders in their contacts with the Company, the so-called indirect market check was conducted for the Transaction, which is conducted by establishing an environment that enables other potential takeover bidders to make alternative acquisition proposals after the tender offer is published in order to execute M&A.

The Fair M&A Guidelines suggest that if the acquirer is a controlling shareholder, cases in which a market check functions as a measure to ensure fairness are limited in the first place and that in many cases, the significance of conducting a market check is scarce, but they also suggest that since there may be exceptional cases in which it functions, it is desirable for the Special Committee to confirm, among others, whether there are such exceptional circumstances or not. Based on the above, as such exceptional circumstances, the Fair M&A Guidelines specifically cite three cases: the case in which the percentage of voting rights held by the controlling shareholder is low, the case in which the controlling shareholder may accept the sale if a very attractive counter proposal is made, and the case in which the controlling shareholder acquires a subsidiary company first but then plans to sell all or part of it. The Special Committee considered whether there were exceptional circumstances, but Sumitomo, the Company's controlling shareholder, held a majority of shares in the Company, which meant that the case in which the percentage of voting rights held by the controlling shareholder was low did not apply. In addition,

the personnel interviewed clearly replied that the Transactions were essential to the business strategy of Sumitomo and that it was a disadvantage to Sumitomo that the parent-subsidiary relationship between Sumitomo and the Company was resolved, and even if a very attractive counter proposal was made, the likelihood of Sumitomo accepting the sale would be extremely low. Moreover, in the scheme of the Transactions, it is not assumed that the Tender Offeror will acquire the Company once but that it will subsequently plan to sell all or part of it.

Therefore, the Special Committee determined that in the Transactions, there were no exceptional circumstances that would require a proactive market check to be conducted.

(4) Matters related to the setting of a condition for Majority of Minority

Setting a condition for majority of minority refers to considering it as a prerequisite for completion of M&A to garner support from a majority of general shareholders when they express their opinion about whether the M&A should be completed by exercising their voting rights at the General Meeting of Shareholders or subscribing to the tender offer and to publicly announcing such a prerequisite, and its function is to place more emphasis on securing the opportunity of general shareholders to make a decision when M&A is carried out. The tender offer notification does not set the lower limit to the number of shares to be acquired, which is equivalent to the majority of minority, in the Tender Offer, assuming that in the Tender Offer, setting such a limit may make the completion of the Tender Offer unstable and may actually not contribute to the benefit of general shareholders who wish to subscribe to the Tender Offer.

The majority of minority is not used for the lower limit to the number of shares to be acquired in the Tender Offer, but if the fact that other measures to ensure fairness are taken as described in this Item 3 is taken into consideration, it is found that considerable consideration has been given to the general shareholders of the Company.

(5) Improving the Provision of Information to General Shareholders and Increasing the Transparency of

Processes

a Information on the Special Committee

The press release by the Company in the Transactions are expected to provide (1) information on the independence and expertise of Special Committee members, (2) information on details of authority granted to the Special Committee, (3) the resolution of the Board of Directors of the Company stating that if the Special Committee determines that the Tender Offer or the terms and conditions of the Transactions are not fair, the Board of Director should not support the Tender Offer or the Transactions, (4) the process of review at the Special Committee, (5) information on the Special Committee's practical involvement in the negotiations between the Company and Sumitomo, and (6) details of the Special Committee's report and its reasons (including the reasons for determining the appropriateness and reasonableness of the purpose of the Transactions, the fairness of procedures involved in the Transactions, the fairness of the terms and conditions of the Transactions, whether it is appropriate for the Board of Directors to express its opinions in favor of the Tender Offer and recommend the Company's shareholders to subscribe to the Tender Offer, and whether it is disadvantageous to general shareholders to conduct the Transactions), and it is found that the Company is expected to disclose information as required by the Fair M&A Guidelines.

b Information on the Share Valuation Report

The materials disclosed by the Company in the Transactions are expected to provide (1) information on the content of the Share Valuation Report (Plutus Consulting) and the Share Valuation Report (Nomura Securities), including the calculation summary (including financial projection, discount rate, continuing value, non-operating assets, and other assumptions) and (2) information on the fact that Plutus and Nomura Securities are independent from the Tender Offeror, Sumitomo, and the Company and do not have different important interests in the completion or non-completion of the Transactions from those of general shareholders, and it is found that the Company plans to disclose information as required by the Fair M&A Guidelines.

c Other Information

The materials disclosed by the Company in the Transaction are expected to provide (1) information on the process and other circumstances that led it to conduct the Transactions, (2) information on the reason and purpose for which the Company chose to conduct the Transaction at this time, (3) information on the internal review system that excluded directors of the Company who came from Sumitomo and those who also served as executive at Sumitomo in order to avoid structural conflicts of interest, (4) information on the circumstances under which the Company consulted and negotiated with Sumitomo about the terms and conditions of the Transactions, (5) information on whether there was an agreement that excessively prohibited the Company from contacting unsolicited takeover bidders, and (6) information on approval or disapproval for the Board of Directors' resolution to exclude persons who had conflicts of interest when deciding whether the Transactions were supported or not, and therefore, it is found that the Company plans to disclose information as required by the Fair M&A Guidelines.

(6) Exclusion of Coerciveness

In the Transactions, (1) after the Tender Offer, the Squeeze-Out Procedures through requests for the demand for Share, etc. cash-out or share consolidation to limit the Company's shareholders only to Sumitomo and the Tender Offeror are planned with no scheme planned that does not allow shareholders objecting to the Transactions to secure the right to claim share purchase, and (2) it will be notified (i) that the Squeeze-Out Procedures will be followed if the Tender Offer is completed and that (ii) the amount of money to be delivered to each of the Company's shareholders who do not subscribe to the Tender Offer in the Squeeze-Out Procedures is the same as the price obtained by multiplying the Tender Offer Price by the number of shares held by him or her. In other words, consideration is given to general shareholders so that they do not fall into a situation in which they are expected to be treated disadvantageously if they do not subscribe to the Tender Offer.

As described above, it can be said that consideration is given so that general shareholders do not feel that the Transactions are coercive, and it is found that measures are taken that contribute to ensuring the fairness of procedures.

(7) Summary

Based on the points discussed above, the Special Committee carefully consulted and reviewed the Transactions, and as a result, it determined that the negotiation process and the decision-making procedures in the Transactions were fair because appropriate measures to ensure fairness were taken in accordance with the various fairness guarantee measures stipulated in the Fair M&A Guidelines from the viewpoint of considering the benefit of the Company's shareholders.

4 Whether it is fair to the Company's general shareholders to conduct the Transactions

As reviewed in Item 1 to 3 above, the Special Committee determined that general shareholders would not be treated disadvantageously due to the terms and conditions of transactions for the Tender Offer. Furthermore, as the purchase price for these Stock Acquisition Rights is set at 1 yen, as stated in Section 2(4) above, it was deemed appropriate to leave the decision of whether or not to tender these rights in the Tender Offer to the discretion of the holders of these new share subscription rights.

With respect to matters other than those reviewed in Item 1 to 3, the Special Committee did not find that there were particular circumstances under which it considered the Transactions, including the Tender Offer, as disadvantageous to the Company's general shareholders.

Based on the foregoing, the Special Committee determines that conducting the Transactions, including the Tender Offer, is not disadvantageous to the Company's general shareholders.

5 Whether it is appropriate for the Board of Directors of the Company to resolve to express its support for the Tender Offer and recommend the Company's shareholders to subscribe to the

Tender Offer

As shown in Item 1 to 4 above, the Special Committee determined (1) that the Transactions were considered to contribute to enhancing the Company's corporate value and the purpose of the Transactions was appropriate and reasonable, (2) that appropriate measures to ensure fairness were taken in the Transactions and the negotiation process of the Transactions and the procedures leading up to decision-making were fair, and (3) that the Tender Offer Price was a fair one that could be reasonably evaluated as reflecting the Company's fundamental value properly and the Tender Offer would provide general shareholders with an opportunity of selling shares at such a fair price. Furthermore, as stated in 2.(4) above, the purchase price for these Stock Acquisition Rights is set at 1 yen. Therefore, we considered it appropriate to leave the decision of whether or not to tender these Stock Acquisition Rights in the Tender Offer to the judgment of the respective Stock Acquisition Rights Holders.

Based on the foregoing, the Special Committee determined that it could agree that the Board of Directors of the Company resolve to express its support for the Tender Offer and recommend the Company's shareholders to subscribe to the Tender Offer.

The possibility of important changes taking place to the terms and conditions of the Transactions, the situation surrounding the Company, etc. and counter proposals being made before the start of the Tender Offer cannot be denied, and in such cases, separate consideration may be required, and therefore, it should be added that what is written in this report indicates the decisions made by the Special Committee when the report was compiled.

V. Reservations and limitations

This report is subject to the reservations and limitations specified below.

- (1) The Special Committee did not investigate the facts related to the report independently, and the report depends only on the descriptions of the documents reviewed by the Committee and the results of interviews held by it for explanations and assumes that there are not other facts, materials, information, etc. that affect it.

- (2) The Special Committee assumes that the information and materials disclosed to compile the report were accurate, true, and complete when the report was compiled irrespective of whether they were provided in writing or orally.
- (3) Except for the matters explicitly described in the report, the Special Committee does not express any of its opinions about managerial, legal, tax, or accounting issues that are directly or indirectly related to the Transactions. The portion of the report which is related to share valuation and analysis as well as predictions and forecasts of the future is based on the Special Committee's valuation and analysis as well as predictions and forecasts based on the technical opinions of the Company's financial advisor and the Committee's financial advisor, and their accuracy is not guaranteed.
- (4) The purpose of the report is only to report to the Board of Directors of the Company, and the report was compiled on the assumption that the Company makes its content confidential. Therefore, the report must not be used in the Company for purposes other than those specified above, press releases related to the Transactions, or reasonable disclosures in position statements and other reports without the written prior consent of the Special Committee or must not be disclosed or used by third parties unless it is disclosed in accordance with laws and ordinances or court orders.

End of the Report

October 29, 2025

To whom it may concern

Sumitomo Corporation
Shingo Ueno
Representative Director, President and Chief Executive Officer
(Code No: 8053, [Prime Tokyo Stock Exchange])
Contact: Taketsugu Abe
Head of Corporate Communications Department
TEL: +81-3-6285-3100

SC Investments Management Inc.
Eisuke Takenaka
Representative Director

Notice Regarding Commencement of Tender Offer
for Shares, Etc. of SCSK Corporation (Securities Code: 9719)

Sumitomo Corporation (“Sumitomo”) and SC Investments Management Inc., a wholly-owned subsidiary of Sumitomo (the “Tender Offeror,” and Sumitomo and the Tender Offeror are collectively referred to as the “Tender Offeror, Etc.”) hereby announce, as below, that they have determined on October 29 that the Tender Offeror will acquire shares of common stock of SCSK Corporation (securities code: 9719, listed on the Prime Market of the Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”); the “Target Company”) (the “Target Company Shares”) and the Stock Acquisition Rights (as defined in “(II) Stock Acquisition Rights” of “(3) Price for Purchase, Etc.” of “3. Outline of Purchase, Etc.”; the same shall apply hereinafter) through the tender offer (the “Tender Offer”) under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the “Act”).

This document is disclosed by Sumitomo in accordance with the Securities Listing Regulations, and is also an official public announcement based on the Tender Offeror’s request to Sumitomo, the parent company of the Tender Offeror, pursuant to the provisions of Article 30, Paragraph 1, Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended; the “Enforcement Order”).

1. Outline of the Tender Offeror

(1) Name	SC Investments Management Inc.
(2) Location	3-2 Otemachi 2-chome, Chiyoda-ku, Tokyo
(3) Name and Title of Representative	Eisuke Takenaka, Representative Director
(4) Contents of Business	Acquiring and owning the shares, etc. of the Target Company
(5) Capital	50,000 yen

2. Purpose, Etc. of Purchase, Etc.

(1) Overview of the Tender Offer

The Tender Offeror was established on September 16, 2025 as a corporation mainly for the purpose of acquiring and owning the Target Company Shares and the Stock Acquisition Rights listed on the Prime Market of the Tokyo Stock Exchange through the Tender Offer. As of today, all of its issued shares are owned by Sumitomo. As of today, the Tender Offeror does not own any shares, etc. of the Target Company, but Sumitomo, the parent company of the Target Company, owns 158,091,477 shares of the Target Company Shares (ownership ratio (Note 1): 50.54%) and considers the Target Company to be a consolidated subsidiary.

(Note 1) The “ownership ratio” refers to the ratio (rounded to the second decimal place; hereinafter the same shall apply to the description of the ownership ratio) of (i) the total number of issued shares of the Target Company as of September 30, 2025, as stated in the “Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under IFRS)” (the “Target Company’s Financial Results”) announced by the Target Company on October 29, 2025 (313,125,263 shares), minus (ii) the number of treasury shares (351,353 shares) held by the Target Company as of the same date as stated in the Target Company’s Financial Results (312,773,910 shares), plus (iii) the number of the Target Company Shares (19,200 shares) underlying the Stock Acquisition Rights (64 units) reported as remaining as of the same date by the Target Company (312,793,110 shares; the “Total Number of Shares After Accounting Diluted Shares”). The same shall apply hereinafter.

(Note 2) The details of the Stock Acquisition Rights reported as remaining as of September 30, 2025 by the Target Company are as follows:

Name of the Stock Acquisition Rights	Number of Units	Number of Underlying Target Company Shares
2nd Series Stock Acquisition Rights	6 units	1,800 shares
8th Series Stock Acquisition Rights	58 units	17,400 shares

On October 29, 2025, the Tender Offeror decided to implement the Tender Offer as part of a series of transactions (the “Transactions”) for the purpose of making the Target Company a private company, rendering the Tender Offeror, Etc. its sole shareholders, in order to acquire all of the Target Company’s shares, etc. (excluding the Target Company Shares held by Sumitomo and treasury shares held by the Target Company).

The Tender Offeror has set 50,347,400 shares (ownership ratio: 16.10%) as the minimum number of shares to be purchased (Note 3) in the Tender Offer, and if the total number of shares etc. tendered in the Tender Offer (the “Tendered Shares, Etc.”) is less than the minimum number of shares to be purchased, the Tender Offeror will not purchase any Tendered Shares, Etc. On the other hand, since the Tender Offeror intends to acquire all of the Target Company’s shares, etc. (excluding the Target Company Shares held by Sumitomo and treasury shares held by the Target Company), the Tender Offeror has not set any maximum number of shares to be purchased, and the Tender Offeror will purchase all of the Tendered Shares, Etc. if the total number of Tendered Shares, Etc. is equal to or greater than the minimum number of shares to be purchased (50,347,400 shares).

If the Tender Offer is completed but the Tender Offeror fails to acquire all of the Target Company’s shares, etc. (excluding the Target Company Shares held by Sumitomo and treasury shares held by the Target Company) through the Tender Offer, then, following the completion of the Tender Offer, the Tender Offeror plans to implement a series of procedures to make the Tender Offeror, Etc. the sole shareholders of the Target Company

(the “Squeeze-Out Procedures”) (for details, please refer to “(4) Post-Tender Offer Reorganization and Other Policies (Matters Relating to the ‘Two-Step Acquisition’)” below).

(Note 3) The minimum number of shares to be purchased (50,347,400 shares) is calculated by deducting the number of voting rights (1,580,914 units) pertaining to the Target Company Shares owned by Sumitomo (158,091,477 shares), which are not expected to be tendered in the Tender Offer, and the number of voting rights (900 units) pertaining to the number of restricted shares allocated to the directors of the Target Company (Note 4) among the restricted shares allocated by the Target Company to the officers and employees of the Target Company Group (as defined in “(I) Background, Purpose, and Decision-Making Process Leading to the Decision by the Tender Offeror, Etc. to Implement the Tender Offer” of “(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Post-Tender Offer Management Policy” below) as restricted stock compensation (such restricted shares allocated to the officers and employees, the “Restricted Shares”) (485,712 shares) from the number of voting rights (2,085,288 units; rounded up to the nearest whole number) obtained by multiplying the number of voting rights (3,127,931 units) pertaining to the Total Number of Shares After Accounting Diluted Shares (312,793,110 shares) by two-thirds ($\frac{2}{3}$), and then multiplying the number of voting rights obtained therefrom (503,474 units) by 100 shares, which is the number of shares constituting one share unit of the Target Company. The minimum number of shares to be purchased has been set to ensure that the Tender Offeror, Etc. and the directors of the Target Company who hold the Restricted Shares and are expected to support the procedures for the Share Consolidation will own two-thirds ($\frac{2}{3}$) or more of the voting rights of the Target Company required for a special resolution at a shareholders’ meeting, since, in the event that the Share Consolidation as described in “(4) Post-Tender Offer Reorganization and Other Policies (Matters Relating to the ‘Two-Step Acquisition’)” below is implemented as part of the Squeeze-Out Procedures to be conducted after the completion of the Tender Offer, a special resolution of a shareholders’ meeting, as stipulated in Article 309, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended; the same shall apply hereinafter), is required.

(Note 4) The Restricted Shares may not be tendered in the Tender Offer as they are subject to transfer restrictions (as of today, there are no Restricted Shares scheduled to have their transfer restriction lifted by the last day of the period for purchase, etc. in the Tender Offer (the “Tender Offer Period”), but the Target Company resolved at its board of directors meeting held on October 29, 2025 to express its opinion in favor of the implementation of the Tender Offer as part of the Transactions. Therefore, if the Tender Offer is completed, the directors of the Target Company holding the Restricted Shares are expected to support the agenda items related to the Squeeze-Out Procedures at the shareholders’ meeting of the Target Company for the approval of the Share Consolidation to be conducted as part of the Squeeze-Out Procedures. Hence, the number of voting rights pertaining to the Restricted Shares held by the directors of the Target Company has been deducted in considering the minimum number of shares to be purchased.

As of today, the Target Company Shares are listed on the Prime Market of the Tokyo Stock Exchange. However, as described in “(5) Possibility of Delisting and Reasons Therefor” below, depending on the results of the Tender Offer, the shares might be delisted after undergoing specific procedures, and if the Tender Offer is completed and the procedures stated in “(4) Post-Tender Offer Reorganization and Other Policies (Matters Relating to the ‘Two-Step Acquisition’)” are implemented, the shares will be delisted after undergoing specific procedures.

According to the “Notice Concerning the Expression of an Opinion in Favor of and Recommendation to Tender for the Tender Offer for the Company’s Shares, etc. by SC Investments Management Inc., a Subsidiary of Sumitomo Corporation, the Company’s Parent Company” (the “Target Company’s Press Release”) announced

by the Target Company on October 29, 2025, the Target Company resolved at its board of directors meeting held on October 29, 2025 to (i) express an opinion in favor of the Tender Offer, (ii) recommend that the Target Company's shareholders tender their shares in the Tender Offer, and (iii) leave the decision of whether or not to tender their Stock Acquisition Rights in the Tender Offer to the discretion of the holders of the Stock Acquisition Rights (the "Stock Acquisition Rights Holders").

For details of decisions made by the Target Company, please refer to the Target Company's Press Release and "(II) Decision-Making Process and Reasons Leading to the Target Company's Approval of the Tender Offer" of "(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Post-Tender Offer Management Policy" below.

(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Post-Tender Offer Management Policy

(I) Background, Purpose, and Decision-Making Process Leading to the Decision by the Tender Offeror, Etc. to Implement the Tender Offer

Sumitomo, the parent company of the Tender Offeror, is a general trading company that was established on December 24, 1919 and is listed on the Prime Market of the Tokyo Stock Exchange. The Sumitomo Group (referring collectively to Sumitomo and its subsidiaries and equity-method affiliates; the same shall apply hereinafter) integrates its business foundations, which consists of the trust cultivated over the years, its global network in Japan and overseas, global relationships with business partners in various fields, and its intellectual capital, with capabilities such as business development, logistics solutions, financial services, IT solutions, risk management, and intelligence gathering and analysis, thereby meeting the diverse needs of its customers and developing multifaceted business activities on a global consolidated basis. Sumitomo is divided into nine business groups, i.e., Steel, Automotive, Transportation & Construction Systems, Diverse Urban Development, Media & Digital, Lifestyle Business, Mineral Resources, Chemical Solutions, Electronics, and Agriculture, and Energy Transformation Business, each bringing together the Strategic Business Units (SBUs) having high strategic affinity—these SBUs being the basic unit of Sumitomo centered on strategy. Sumitomo aims, in its "Medium-Term Management Plan 2026" announced on May 2, 2024, to reach new heights by each of its business lines striving to become No. 1 in their respective fields. Through concentration of management resources in areas where the Sumitomo Group has strengths and in areas of high growth potential, the Sumitomo Group as a whole aims to achieve significant growth under the theme "No. 1 in Each Field." As a common theme across all SBUs, Sumitomo advocates "Refine with digital, Profit with digital," and Sumitomo's Digital and AI Strategy aims to bolster the strengths and competitive advantages of the Sumitomo Group's businesses through digital technology and accelerate their growth, build new value creation models utilizing digital technology and AI in all business frontlines, and lead the society and industry. The Sumitomo Group encompasses business frontlines of approximately 900 operational companies and a global customer base of 100,000 companies, and it believes that combining its strengths, such as issue identification, customer interface, and business planning capabilities, with the digital solution functions that the Sumitomo Group possesses and will continue to expand, will lead to the realization of its aims; and the Transactions are part of measures implemented based on this strategy.

The Tender Offeror, under the trade name SC Investments Management Inc., was established on September 16, 2025, with the primary purpose of acquiring and owning the shares, etc. of the Target Company through the Tender Offer, and is a corporation whose issued shares are wholly owned by Sumitomo as of today.

Meanwhile, according to the Target Company's Press Release, the Target Company was established in October 2011 through a merger with Sumisho Computer Systems Corporation (an information services provider established in October 1969 as a subsidiary of Sumitomo under the trade name Sumisho Computer Service Corporation, listed on the Second Section of the Tokyo Stock Exchange in February 1989, moved to the First Section of the Tokyo Stock Exchange in September 1991, and changed its trade name to Sumisho Computer Systems Corporation in October 1992) as the surviving company and CSK CORPORATION (an independent information services provider established in October 1968 under the trade name Computer Service Corporation, listed on the Second Section of the Tokyo Stock Exchange in June 1982, and moved to the First Section of the Tokyo Stock Exchange in March 1985) as the absorbed company. The Target Company is currently listed on the Prime Market of the Tokyo Stock Exchange.

As of September 30, 2025, the Target Company Group (referring to the Target Company, and its consolidated subsidiaries and equity-method affiliates; the same shall apply hereinafter) is composed of the Target Company, 35 consolidated subsidiaries, and 2 equity-method affiliates. It conducts businesses related to the reporting segments of "Industrial IT," "Financial IT," "IT Solutions," "IT Platforms," "IT Management," and "Others," and mainly provides various IT services such as IT consulting, system development, verification services, IT infrastructure construction, IT management, IT hardware/software sales, and BPO (Note 1).

(Note 1) The "BPO (Business Process Outsourcing)" refers to the service of undertaking various business operations of a company as an external vendor.

The Target Company Group has placed the concept of "sustainability management," which aims for sustainable growth by contributing to the resolution of social issues, at the core of its management under the management philosophy "Create Our Future of Dreams." Furthermore, as a compass to promote sustainability management, in April 2020, the Target Company identified important issues for practicing its management philosophy as the "Seven Material Issues" (Note 2) and formulated the "Grand Design 2030" as the medium- to long-term vision for the Target Company Group, promoting the corporate image of a "Co-creative IT Company". This represents a corporate group that continues to provide new value to solve various issues by promoting co-creation (Note 3) with customers, partners, and society through the enhancement of the Target Company Group's human capital. In addition, it outlines two directions for corporate management to realize the Co-creative IT Company: "a dramatic improvement in comprehensive corporate value (Note 4)" and "the challenge of achieving 1 trillion yen in net sales."

(Note 2) The "Seven Material Issues" refers to the key issues that the Target Company Group has identified as particularly important and prioritizes, which were formulated to achieve the Target Company Group's corporate philosophy of "Create a Brighter Future Together," through assessing various social challenges from a business perspective and pursuing growth together with society.

(Note 3) The "Co-creation" refers to the process of creating new value not by the Target Company alone, but together with customers, partners, and society.

(Note 4) The "Comprehensive corporate value" refers to the corporate value that the Target Company Group aims to achieve as its essential corporate strength in the Medium-Term Management Plan (FY2023-FY2025), in order to practice "sustainability management as a growth strategy" and realize its vision of becoming a Co-creative IT Company in 2030, and encompasses "economic value" as well as non-financial elements such as "social value" and "human capital value."

Also, in April 2023, the Target Company formulated the "Medium-Term Management Plan (FY2023-2025)", and promotes three basic strategies as concrete measures (Basic Strategy 1: Decisive Business

Shifts, Basic Strategy 2: Development of Market-Leading Businesses in Growth Markets, and Basic Strategy 3: Advancement of Next-Generation Digital Businesses through Co-Creation with Society) to dramatically improve comprehensive corporate value through “the reorganization of business areas and redevelopment of business models to continue providing new value to customers and society” and “the maximization of the market value of all employees based on the recognition that the growth of employees drives the growth of the SCSK Group.”

Furthermore, in aiming for sustainable growth with an eye on medium- to long-term society, market, and cutting-edge technology trends etc., the Target Company believes that in addition to pursuing autonomous growth by making maximum use of internal capital, innovating its business portfolio and strengthening its business foundation through external collaboration, partnerships, etc., are extremely important elements. It conducted a tender offer for Net One Systems Co., Ltd. (“Net One Systems”), and as a result of this tender offer, the company became a consolidated subsidiary on December 25, 2024.

While the domestic IT services market is expected to continue expanding in the medium term, the future of the Japanese market itself is uncertain amid the expected acceleration in the decline of the working-age population. The Target Company also recognizes that the competitive environment continues to intensify. Consulting firms with deep knowledge of their clients’ businesses are evolving into players that handle everything from consulting to IT system implementation by flexibly expanding their service capabilities through M&A and other means. In addition, hyperscalers (Note 5) are rapidly increasing their presence as their cloud-based (Note 6) architecture (Note 7) becomes mainstream, and they are actively providing advanced services and expanding their platforms. Among domestic competitors in the same industry, there is an accelerating trend of strengthening corporate capabilities through organizational restructuring to accelerate DX, improve global competitiveness, and optimize management resource allocation across the entire group. Under such an environment, it is essential for the Target Company to advance selection and concentration based on a strategic business portfolio, grow net sales with the industrial IT and IT infrastructure domains (Note 8) where the Target Company has a particular advantage as the driving force, and shift from the conventional contract-based approach to a proposal-based approach that directly contributes to customers’ business growth. To that end, the Target Company recognizes that expanding its consulting functions to accurately grasp and propose solutions for customers’ management issues, as well as continuously securing highly skilled IT engineers, are also challenges. Furthermore, the Target Company recognizes that determining how to expand its primarily domestic business overseas is one of its key management challenges.

(Note 5) The “Hyperscalers” refers to collective term of cloud service providers that operate large-scale data centers globally and offer services such as storage and network.

(Note 6) The “Cloud-based” refers to a form in which a company utilizes services or systems via the internet without installing its own servers.

(Note 7) The “Architecture” refers to collective term of the overall structure and design principles of a system.

(Note 8) The “IT infrastructure domain” refers to the foundational technology domain that supports the operation of applications.

Sumitomo understands that the current SI and NI (Note 9) market surrounding the Target Company is supported by the strong demand from customers for the renewal of conventional systems and environments, and by the advanced utilization of cloud systems, leading to its stable progression. On the other hand, due to the dramatic advances in AI-related technologies such as generative AI and AI agents, the SI and NI industry recognizes the necessity for transformation of capabilities and business models

that differ fundamentally from the past. This necessity for transformation arises from trends such as the internalization of system development by customers themselves and the shift of the department leading system developments on the customer side from IT departments to business units.

(Note 9) “SI (System Integration)” refers to services that comprehensively handle everything from planning, designing, and implementing systems, to the operation and maintenance thereof. “NI (Network Integration)” refers to services that comprehensively undertake the design, construction, operation, and maintenance of communication networks for enterprises.

Sumitomo understands that based on such business environment, the Target Company aims to transform its business model and evolve into a corporate group that leads the resolution of societal issues and operates multiple businesses with overwhelming presence and influence. Sumitomo understands that since the merger of Sumisho Computer Systems Corporation and CSK Corporation in 2011 to further expand the business amid the maturation of the domestic IT service market, the Target Company has been promoting the integration of human resources and intellectual property of both companies, aiming to be a global IT company offering a full lineup of services from system development to sales of IT hardware and software, and BPO, and has established a stable foundation with 13 consecutive fiscal years of increased profits and revenue, and further, in 2025, it made Net One Systems a wholly-owned subsidiary, thereby establishing a framework to provide new value to customers through the integration of SI and NI. Sumitomo strongly empathizes with this direction and intends to offer maximum support by investing the assets, functions, relationships, and resources possessed and to be expanded by the Sumitomo Group for realization of such direction, and to move forward jointly toward significant future growth.

Grounded in the above mindset, Sumitomo aims to establish an environment where the Target Company can fully utilize the business assets held by the Sumitomo Group. If there is any deficiency, Sumitomo plans to invest its human and financial resources to the maximum extent towards comprehensively supporting the growth and transformation of the Target Company. Furthermore, Sumitomo believes it is important to share strategies aimed at achieving the next major growth for both companies, and to advance agile cooperation while respecting each other’s growth.

Since the establishment of Sumisho Computer Systems Corporation by Sumitomo, the predecessor of the Target Company, in 1969, both companies have built a relationship of trust through active dialogue, collaborated with each other, and jointly pursued the creation of value that could not have been achieved by either company alone by mutually leveraging diverse management resources within the Sumitomo Group.

However, under the current capital structure, about half of the fruits resulting from Sumitomo’s support would attribute to minority shareholders, rather than to Sumitomo. This makes it difficult to provide a rational explanation to stakeholders, including Sumitomo’s shareholders, regarding Sumitomo investing more resources into the Target Company and further supporting its future growth strategy. Moreover, for the realization of the Target Company’s growth, it is important that Sumitomo and the Target Company thoroughly share strategies, act with a mid- to long-term perspective in mind, and quickly implement measures. However, as long as the Target Company is listed, it is necessary to implement such measures while considering the interests of minority shareholders and confirming that there are no conflicts of interest between Sumitomo and the Target Company, which may hinder the swift implementation of such measures. From these perspectives, Sumitomo believes that making the Target Company a wholly-owned subsidiary is the best way for Sumitomo to comprehensively commit to the Target Company’s growth.

Sumitomo believes that the following synergies can be expected through making the Target Company a wholly-owned subsidiary.

As mentioned earlier, amid the changing environment surrounding the Target Company, digital and IT companies that compete with Sumitomo are accelerating their efforts to acquire new capabilities and transform their business models. For the Sumitomo Group, including the Target Company, to continue growing in this market, Sumitomo believes it is necessary not only to make its traditionally strong domains, such as industrial IT and IT infrastructure, overwhelmingly stronger, but also to actively propose and implement digital solutions that take into account society, industries, and the management challenges of customers, and support their transformation. Furthermore, Sumitomo believes that strengths can be further sharpened by pursuing both growth and efficiency through productivity improvements, particularly in the development process, achieved by the utilization of AI.

Regarding the Target Company's focus areas of industrial IT and security, Sumitomo will provide comprehensive support. Sumitomo believes that this will enable the Target Company to pursue high-value-added transformation, including industry-specific offerings, service enhancements, and synergies with Net One Systems, thereby promoting further growth through business model transformation.

Furthermore, when exploring and developing the next generation of revenue pillars, the Target Company can leverage Sumitomo and approximately 900 Sumitomo Group companies as Customer Zero (Note 10). By utilizing its understanding and empathy for the industrial challenges of its customers, along with its access to management teams and business divisions of customers, Sumitomo believes that the Target Company can support the development of products and services that stand apart from other companies, and effective proposals to customers. To achieve this, Sumitomo recognizes that measures such as strengthening its consulting capabilities, enhancing its global infrastructure, redefining BPO and data centers, and establishing a structure for proposing and delivering services to management teams of customers are viable approaches. Sumitomo believes that the above objective can be realized not only through its own proprietary development but also by acquiring and strengthening capabilities through partnerships with and investments in potential domestic and international partners. Sumitomo intends to discuss and consider providing support to the Target Company, which would include large-scale investments aimed at fostering its growth through the acquisition of external resources, by leveraging Sumitomo's financial strength, global network, and expertise in business investments.

Furthermore, in Sumitomo's Digital and AI Strategy, Sumitomo expects the Target Company to serve as the core of the Sumitomo Group's digital solutions business, driving business creation and transformation within the Sumitomo Group, and leading the transformation of society and industry with Sumitomo.

(Note 10) "Customer Zero" is an initiative in which a company acts as its own first customer by proactively introducing and testing new products, services, and solutions internally.

Based on the above understanding, Sumitomo appointed Nagashima Ohno & Tsunematsu as its legal advisor in mid-November 2024, and SMBC Nikko Securities Inc. ("SMBC Nikko Securities") as its financial advisor and third-party valuation institution independent of the Sumitomo Group, including Sumitomo and the Target Company, and Goldman Sachs Japan Co., Ltd. as its financial advisor independent of the Sumitomo Group, including Sumitomo and the Target Company, in mid-December 2024. This structure was established to conduct a specific review regarding taking the Target Company private and making it a wholly-owned subsidiary of Sumitomo.

In late January 2025, Sumitomo made an initial approach to the Target Company regarding consideration of the Transactions that would contribute to the Target Company's growth strategy, and after several rounds of discussions from early March 2025 regarding the possibility of collaboration between the two companies, including capital policy, the Target Company requested, in early May 2025, that a formal proposal be submitted. Sumitomo submitted a non-binding preliminary letter of intent to the Target Company on May 27, 2025, explaining the strategic significance of the Transactions and the background to its proposal, expressed its intent to conduct due diligence, and received, on June 2, 2025, a notice from

the Target Company of its intention to accept the request for disclosure of materials for due diligence. Subsequently, on July 10, 2025, Sumitomo received written questions from the Target Company regarding the strategic significance of the Transactions, including the synergies of the Transactions, the structure of the Transactions, and the Target Company's management policy after the Transactions. Sumitomo provided explanations regarding these questions on July 17, 2025. Furthermore, based on the content of the explanations, on August 5, 2025, Sumitomo received additional written questions from the Special Committee (defined below in "(II) Decision-Making Process and Reasons Leading to the Target Company's Approval of the Tender Offer"; the same shall apply hereinafter) and provided explanations on August 14, 2025. Furthermore, at the Special Committee meetings held on August 22, 2025 and August 28, 2025, a question-and-answer session was conducted with the Special Committee. In addition, Sumitomo received an explanation regarding due diligence from Nomura Securities Co., Ltd. ("Nomura Securities"), the financial advisor to the Target Company, on July 18, 2025, and conducted due diligence on the Target Company from mid-July to late August 2025. Based on the results thereof, it submitted a formal letter of intent to the Target Company on September 29, 2025. In the formal letter of intent, Sumitomo explained the purpose of and background to the Transactions once again, with regard to the price per Target Company Share for purchase, etc. (the "Tender Offer Price"), proposed 5,050 yen (representing a premium of 10.62% (rounded off to the second decimal place; the same shall apply hereinafter to the calculation of premium ratios) over the closing price of 4,565 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on September 26, 2025) on the premise that no year-end dividend will be distributed by the Target Company, and decided that, with regard to the purchase price per the Stock Acquisition Right (the "Stock Acquisition Right Purchase Price"), the policy for handling it will be determined through discussions with the Target Company. On September 30, 2025, the Target Company and the Special Committee requested an increase in the price, stating that the proposed price significantly undervalued the Target Company's intrinsic value, and therefore could not be considered a fair price for its minority shareholders. In response, on October 2, 2025, Sumitomo proposed to set the Tender Offer Price at 5,100 yen (representing a 16.54% premium over the closing price of 4,376 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on October 1, 2025). However, on October 3, 2025, the Target Company and the Special Committee requested a significant increase, stating that the proposed price still significantly undervalued the Target Company's intrinsic value and that the premium level was also significantly lower than those observed in past cases (Note 11), and therefore could not be considered a fair price for its minority shareholders. In response, on October 6, 2025, Sumitomo proposed to set the Tender Offer Price again at 5,100 yen (representing a 20.48% premium over the closing price of 4,233 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on October 3, 2025). However, on October 7, 2025, the Target Company and the Special Committee requested a significant increase, stating that the proposed price significantly undervalued the Target Company's intrinsic value and that the premium level was also significantly lower than those observed in past cases, and therefore could not be considered a fair price for its minority shareholders. In response, on October 14, 2025, Sumitomo proposed to set the Tender Offer Price at 5,150 yen (representing a 19.13% premium over the closing price of 4,323 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on October 10, 2025). However, on October 16, 2025, the Target Company and the Special Committee requested an increase stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Target Company Shares and therefore remained significantly below the level at which the Target Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Target Company's shareholders tender their shares. In response, on October 17, 2025, Sumitomo proposed to set the Tender Offer Price at 5,300 yen (representing a 26.61% premium over the closing price of 4,186 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on October 16, 2025). However, on October 20, 2025, the Target Company and the Special

Committee requested a significant increase stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Target Company Shares and therefore remained below the level at which the Target Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Target Company's shareholders tender their shares. In response, on October 22, 2025, Sumitomo proposed to set the Tender Offer Price at 5,410 yen (representing a 28.17% premium over the closing price of 4,221 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on October 21, 2025). However, on October 24, 2025, the Target Company and the Special Committee requested a significant increase stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Target Company Shares and therefore remained below the level at which the Target Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Target Company's shareholders tender their shares. In response, on October 27, 2025, Sumitomo proposed to set the Tender Offer Price at 5,600 yen (representing a 30.63% premium over the closing price of 4,287 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on October 24, 2025). However, on the same day, the Target Company and the Special Committee requested a significant increase stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Target Company Shares and therefore remained below the level at which the Target Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Target Company's shareholders tender their shares. In response, on October 28, 2025, Sumitomo proposed to set the Tender Offer Price at 5,700 yen (representing a 30.76% premium over the closing price of 4,359 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on October 27, 2025). On the same day, the Target Company and the Special Committee responded that, while the final decision would be made through a resolution by the board of directors of the Target Company based on the recommendation of the Special Committee, they would agree to the proposal.

(Note 11) According to the Target Company and the Special Committee, among 78 cases of tender offers announced between June 28, 2019—the date on which the Ministry of Economy, Trade and Industry (METI) released the “Fair M&A Guidelines”—and May 8, 2025 that were conducted by parent companies for the purpose of privatizing their listed subsidiaries, the average premium levels over the simple averages of the closing prices for the one-month, three-month, and six-month periods were 40.59%, 40.32%, and 38.72%, respectively.

With respect to the Stock Acquisition Right Purchase Price, since the Stock Acquisition Rights would be non-exercisable even if acquired by the Tender Offeror, the Tender Offeror proposed on October 20, 2025 that the Stock Acquisition Right Purchase Price be set at 1 yen, and neither the Target Company nor the Special Committee raised any particular objections.

Following discussions and negotiations above with the Target Company, on October 29, 2025, the Tender Offeror, Etc. decided to implement the Tender Offer, setting the Tender Offer Price at 5,700 yen per share and the Stock Acquisition Right Purchase Price at 1 yen.

(II) Decision-Making Process and Reasons Leading to the Target Company's Approval of the Tender Offer

(i) Background of the Establishment of the Review Structure

As described in “(I) Background, Purpose, and Decision-Making Process Leading to the Decision by the Tender Offeror, Etc. to Implement the Tender Offer” above, the Target Company received an initial approach from Sumitomo in late January 2025, and after several discussions from early March 2025 regarding the possibility of collaboration between the two companies, including capital policy, the Target Company, in early May 2025, requested that Sumitomo make a formal proposal. Subsequently, the Target

Company received a letter of intent from Sumitomo on May 27, 2025 and received an explanation regarding the strategic significance and background of the proposal of the Transactions, and Sumitomo expressed its intention to conduct due diligence. In response, when considering the Transactions and engaging in discussions and negotiations with Sumitomo regarding the Transactions, the Target Company, in consideration of the fact that Sumitomo is the Target Company's controlling shareholder (parent company), that the Transactions including the Tender Offer constitute significant transactions, etc. with a controlling shareholder, and that the Transactions are of a type where issues of structural conflicts of interest and information asymmetry typically exist, appointed Nomura Securities as its financial advisor and third-party valuation institution and Nishimura & Asahi (Gaikokuho Kyodo Jigyo) ("Nishimura & Asahi") as its legal advisor which are independent of the Sumitomo Group, the Target Company Group, and the success or failure of the Transactions, in early June 2025 in order to address these issues and ensure the fairness of the Transactions.

Furthermore, to ensure the fairness of the Transactions, the Target Company, with advice from Nishimura & Asahi, began establishing a structure for consideration, negotiation, and judgment regarding the Transactions from a standpoint independent of the Sumitomo Group, from the perspectives of enhancing the Target Company's corporate value and securing the interests of the Target Company's general shareholders. Specifically, as described in "(i) Establishment of an Independent Special Committee at the Target Company and Acquisition of a Report from the Special Committee" of "(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)" of "(II) Background of Calculation" of "(4) Basis, Etc. of Calculation of Price for Purchase, Etc." of "3. Outline of Purchase, Etc." below, the Target Company proceeded with preparations for the establishment of a special committee. Then, by a resolution at the Target Company's Board of Directors meeting held on June 12, 2025, the Target Company established a special committee consisting of three members: Ms. Yumiko Waseda (Independent Outside Director and Audit and Supervisory Committee Member of the Target Company, Attorney-at-Law, Outside Audit and Supervisory Board Member of IHI Corporation, and Outside Audit and Supervisory Board Member of Chugai Pharmaceutical Co., Ltd.), Mr. Shouei Yamana (Independent Outside Director of the Target Company, Outside Director of TDK Corporation, Outside Director of Zensho Holdings Co., Ltd., and Outside Director of Japan Post Insurance Co, Ltd.), and Mr. Hidetaka Matsuishi (Independent Outside Director and Audit and Supervisory Committee Member of the Target Company, and Outside Director of JDC Corporation) (the "Special Committee"; for the details of the Special Committee's review process and judgment, please refer to "(i) Establishment of an Independent Special Committee at the Target Company and Acquisition of a Report from the Special Committee" of "(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)" of "(II) Background of Calculation" of "(4) Basis, Etc. of Calculation of Price for Purchase, Etc." of "3. Outline of Purchase, Etc." below). The Target Company consulted the Special Committee regarding (a) the reasonableness of the purpose of the Transactions (including whether the Transactions contribute to the enhancement of the Target Company's corporate value), (b) the fairness of the terms and conditions of the Transactions, (c) the fairness of the procedures related to the Transactions, (d) whether conducting the Transactions is fair to the Target Company's general shareholders, (e) whether the Target Company's Board of Directors should express an opinion in favor of the Tender Offer and recommend that the Target Company's shareholders tender their shares in the Tender Offer, and (f) other matters that the Target Company's Board of Directors may consult the Special Committee on from time to time in its consideration of the Transactions (hereinafter collectively referred to as the "Consulted Matters").

Furthermore, upon establishing the Special Committee, the Target Company resolved that (a) it shall make decisions regarding the Transactions with the utmost respect for the judgment of the Special Committee,

and if the Special Committee judges that the terms of the Transactions are not fair, the Target Company shall not approve the Transactions, (b) the Special Committee shall have the authority to appoint its own financial advisors, third-party valuation institutions, and legal advisors (“Advisors, etc.”), (c) if the Special Committee determines that it can rely on the Target Company’s Advisors, etc. for professional advice, it may seek such advice, and the Target Company shall bear the reasonable expenses for the professional advice of the Special Committee’s Advisors, etc., (d) the Special Committee shall be granted the authority to require the attendance of the Target Company’s directors, employees, and other persons deemed necessary by the Special Committee and to request explanations on necessary information, and (e) the Special Committee shall, as necessary, negotiate the terms and conditions of the Transactions, etc., and even if the Special Committee does not directly conduct such negotiations, it shall, as necessary, strive to ensure that it is substantially involved in the negotiation process of the terms and conditions of the Transactions, etc., for example, by confirming the negotiation policy in advance, receiving timely reports on the status of negotiations, and expressing opinions and giving instructions or requests at important junctures, and the Target Company shall cooperate to ensure such a situation is maintained (for the background on the establishment of the Special Committee, etc., please refer to “(i) Establishment of an Independent Special Committee at the Target Company and Acquisition of a Report from the Special Committee” of “(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)” of “(II) Background of Calculation” of “(4) Basis, Etc. of Calculation of Price for Purchase, Etc.” of “3. Outline of Purchase, Etc.” below).

As described in “(i) Establishment of an Independent Special Committee at the Target Company and Acquisition of a Report from the Special Committee” of “(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)” of “(II) Background of Calculation” of “(4) Basis, Etc. of Calculation of Price for Purchase, Etc.” of “3. Outline of Purchase, Etc.” below, on July 1, 2025, the Special Committee, based on the aforementioned authority, decided to appoint PLUTUS CONSULTING Co., Ltd. (“Plutus Consulting”) as its own financial advisor and third-party valuation institution, independent of the Sumitomo Group, the Target Company Group, and the success or failure of the Transactions, and Gaien Partners as its own legal advisor, independent of the Sumitomo Group, the Target Company Group, and the success or failure of the Transactions.

Also, as described in “(i) Establishment of an Independent Special Committee at the Target Company and Acquisition of a Report from the Special Committee” of “(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)” of “(II) Background of Calculation” of “(4) Basis, Etc. of Calculation of Price for Purchase, Etc.” of “3. Outline of Purchase, Etc.” below, the Special Committee has confirmed that, Nomura Securities, the Target Company’s financial advisor and third-party valuation institution, and Nishimura & Asahi, the Target Company’s legal advisor, have no issues in relation to their independence from the Sumitomo Group, the Target Company Group, and the success or failure of the Transactions, their expertise, or their track record, and the Target Company has received the Special Committee’s approval for their appointments.

Furthermore, as described in “(vi) Establishment of an Independent Review Structure at the Target Company” of “(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)” of “(II) Background of Calculation” of “(4) Basis, Etc. of Calculation of Price for Purchase, Etc.” of “3. Outline of Purchase, Etc.” below, the Target Company has established within the Target Company a structure for considering, negotiating, and making judgments on the Transactions from a standpoint independent of the Sumitomo Group (including the scope and duties of the Target Company’s officers and employees involved in the consideration,

negotiation, and judgment of the Transactions) and has received the approval of the Special Committee that there are no issues with this review structure from the perspective of independence and fairness.

(ii) Background of the Review and Negotiations

Having established the review structure as described above, the Target Company received a report on the results of the valuation of the Target Company Shares, advice on the negotiation policy with the Tender Offeror, Etc., and other financial advice from Nomura Securities, as well as legal advice on measures to ensure the fairness of the procedures in the Transactions and other matters from Nishimura & Asahi. Based on these, the Target Company has carefully considered the advisability and the appropriateness of the terms and conditions of the Transactions, while respecting the opinions of the Special Committee to the fullest extent.

Furthermore, since receiving the letter of intent from Sumitomo on May 27, 2025, the Target Company has continuously consulted and negotiated with Sumitomo regarding the terms and conditions of the Transactions, including the Tender Offer Price, while listening to the opinions of the Special Committee and receiving its approval, instructions, and requests.

Specifically, upon receiving the letter of intent on May 27, 2025, the Target Company proceeded with reviews and discussions with the Special Committee. On July 10, 2025, the Target Company submitted written questions to Sumitomo regarding the strategic significance of the Transactions, including synergies, the structure of the Transactions, and the Target Company's management policy after the Transactions. On July 17, 2025, the Target Company received written answers to those questions, and the Target Company also verbally confirmed those answers with Sumitomo. Furthermore, based on the content of those answers, the Special Committee submitted additional written questions to Sumitomo dated August 5, 2025, received written answers to those additional questions on August 14, 2025, and thereafter, at the Special Committee meetings held on August 22 and August 28, 2025, received explanations from Sumitomo regarding the answers to the additional questions, and a Q&A session was held between the Special Committee and Sumitomo. Thereafter, on September 18, 2025, the Target Company held a meeting with Sumitomo to discuss the Target Company's management policy following the Transaction, and on September 26, 2025, the Target Company reported the details of the meeting to the Special Committee, and exchanged opinions with the Special Committee.

Regarding the Tender Offer Price, the Target Company has engaged in multiple rounds of negotiations with Sumitomo since September 29, 2025. Specifically, on September 29, 2025, the Target Company received a proposal from Sumitomo regarding the terms and conditions of the Transactions, including a Tender Offer Price of 5,050 yen (representing a premium of 10.62% over the closing price of 4,565 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on September 26, 2025, on the assumption that no year-end dividend will be distributed by the Target Company, as a formal proposal resulting from comprehensive consideration and deliberation of various factors such as the results of its due diligence on the Target Company, the external environment surrounding the Target Company, the Business Plan (as defined below) received from the Target Company, and the results of the valuation of the Target Company Shares. In response, on September 30, 2025, the Target Company and the Special Committee requested that Sumitomo raise the price, stating that the price significantly undervalued the Target Company's intrinsic value, and therefore cannot be considered fair for the Target Company's minority shareholders. In response, on October 2, 2025 the Target Company received a proposal from Sumitomo with a Tender Offer Price of 5,100 yen (representing a premium of 16.54% over the closing price of 4,376 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on October 1, 2025). However, on October 3, 2025, the Target Company and the Special Committee requested that Sumitomo raise the price significantly, stating that the proposed price

significantly undervalued the Target Company's intrinsic value and is significantly lower than those observed in past transactions, and therefore could not be considered a fair price for its minority shareholders. In response, on October 6, 2025, the Target Company received a proposal from Sumitomo with a Tender Offer Price of 5,100 yen (representing a premium of 20.48% over the closing price of 4,233 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on October 3, 2025). However, on October 7, 2025, the Target Company and the Special Committee requested that Sumitomo raise the price significantly, stating that the proposed Tender Offer Price was significantly below the intrinsic value of the Target Company and is significantly lower than those observed in past transactions, and cannot be considered fair for the Target Company's minority shareholders. In response, on October 14, 2025, the Target Company received a proposal from Sumitomo with a Tender Offer Price of 5,150 yen (representing a premium of 19.13% over the closing price of 4,323 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on October 10, 2025). However, on October 16, 2025, the Target Company and the Special Committee requested that Sumitomo raise the price, stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Target Company Shares and therefore remained significantly below the level at which the Target Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Target Company's shareholders tender their shares. In response, on October 17, 2025, Sumitomo proposed to set the Tender Offer Price at 5,300 yen (representing a 26.61% premium over the closing price of 4,186 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on October 16, 2025). However, on October 20, 2025, the Target Company and the Special Committee requested that Sumitomo raise the price significantly, stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Target Company Shares and therefore remained below the level at which the Target Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Target Company's shareholders tender their shares. In response, on October 22, 2025, Sumitomo proposed to set the Tender Offer Price at 5,410 yen (representing a 28.17% premium over the closing price of 4,221 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on October 21, 2025). However, on October 24, 2025, the Target Company and the Special Committee requested that Sumitomo raise the price significantly, stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Target Company Shares and therefore remained below the level at which the Target Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Target Company's shareholders tender their shares. In response, on October 27, 2025, Sumitomo proposed to set the Tender Offer Price at 5,600 yen (representing a 30.63% premium over the closing price of 4,287 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on October 24, 2025). However, on the same day, the Target Company and the Special Committee requested that Sumitomo raise the price significantly, stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Target Company Shares and therefore remained below the level at which the Target Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Target Company's shareholders tender their shares. In response, on October 28, 2025, Sumitomo proposed to set the Tender Offer Price at 5,700 yen (representing a 30.76% premium over the closing price of 4,359 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on October 27, 2025). On the same day, the Target Company and the Special Committee responded that while the final decision would be made through a resolution by the board of directors of the Target Company based on the recommendation of the Special Committee, they would agree to the proposal.

Throughout the above review and negotiation process, the Target Company has conducted its discussions and negotiations with Sumitomo regarding the Tender Offer Price based on the opinions received from the Special Committee and advice from Nomura Securities and Nishimura & Asahi. During this time, the

Special Committee has received advice from its advisors, Plutus Consulting and Gaien Partners, as needed, exchanged opinions with the Target Company and its advisors, and provided confirmation and approval as appropriate. Specifically, the reasonableness of the content, significant assumptions, and preparation process of the Target Company's business plan (the "Business Plan") (Note 1), which Nomura Securities and Plutus Consulting used as the basis for their valuation of the Target Company Shares, was confirmed and approved by the Special Committee in advance before the Target Company presented it to Sumitomo. Furthermore, the Target Company conducted negotiations with Sumitomo in accordance with the negotiation policy deliberated and decided upon in advance by the Special Committee. Each time a proposal regarding the Tender Offer Price was received from Sumitomo, it was immediately reported to the Special Committee, and responses were made in accordance with the opinions, instructions, and requests, etc., received from the Special Committee regarding the negotiation policy with Sumitomo.

(Note 1) The Business Plan was prepared after the Target Company began its review of the Transactions. Although 1 employee who holds concurrent positions at the Target Company and Sumitomo was involved in the preparation of the Business Plan, there were significant concerns about the adequacy and feasibility of the Business Plan prepared without their involvement, given their knowledge and experience. Based on the high necessity of involving the 1 employee in the Business Plan preparation process, the employee was involved in the preparation process on the condition that the validity of the content would be confirmed by a superior without a conflict of interest (Representative Director and President, Takaaki Touma, Executive Vice President, Tsutomu Ozaki, Managing Executive Officer, Takayuki Okuhara, and General Manager of the Planning Division of the Target Company). This handling has been approved by the Special Committee.

Then, on October 29, 2025, the Target Company received a report from the Special Committee (the "Report") stating that (a) the Transactions are considered as contributing to the enhancement of the Target Company's corporate value, and the purpose of the Transactions is considered to be reasonable, (b) the Tender Offer Price is a fair price that can be reasonably assessed as an amount that appropriately reflects the intrinsic value of the Target Company in light of the respective share valuation results, etc. of Plutus Consulting and Nomura Securities, and the terms and conditions of the Transactions are considered to be fair, (c) appropriate measure to ensure fairness have been taken in the Transactions, and the negotiation process and the procedures leading to the decision-making for the Transactions are considered to be fair, (d) the Transactions are considered to be fair to the Target Company's general shareholders, and (e) it is considered appropriate for the Target Company's Board of Directors (i) to express an opinion in favor of the Tender Offer and (ii) to recommend that the Target Company's shareholders tender their shares in the Tender Offer and (iii) to leave it to the discretion of the Stock Acquisition Rights Holders whether or not to tender their Stock Acquisition Rights in the Tender Offer. Furthermore, on October 28, 2025, the Special Committee received from Plutus Consulting a share valuation report regarding the Target Company Shares (the "Target Company's Share Valuation Report (Plutus Consulting)") and a fairness opinion (the "Fairness Opinion") stating its view that the Tender Offer Price of 5,700 yen per share is fair from a financial perspective to the Target Company's shareholders (excluding Sumitomo and the Target Company). (For an overview of the Target Company's Share Valuation Report (Plutus Consulting) and the Fairness Opinion, please refer to "(iii) Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee" of "(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)" of "(II) Background of Calculation" of "(4) Basis, Etc. of Calculation of Price for Purchase, Etc." of "3. Outline of Purchase, Etc." below).

(iii) Content of Judgment

Under the circumstances described above, at the meeting of the Target Company's Board of Directors held on October 29, 2025, the Target Company carefully discussed and considered whether the Transactions, including the Tender Offer, will contribute to the enhancement of the Target Company's corporate value and whether the terms and conditions of the Transactions, including the Tender Offer Price, are appropriate. This was done while giving maximum respect to the judgment of the Special Committee as indicated in the Report, and based on the legal advice received from Nishimura & Asahi, the financial advice received from Nomura Securities, and the content of the share valuation report regarding the Target Company Shares submitted by Nomura Securities on October 28, 2025 (the "Target Company's Share Valuation Report (Nomura Securities)").

As a result, as described below, the Target Company has also concluded that making the Tender Offeror, Etc. the Target Company's sole shareholder through the Transactions, including the Tender Offer by the Tender Offeror, will contribute to the enhancement of the Target Company's corporate value.

To date, for many years, the Target Company has fostered a corporate culture of sincerely engaging with customers and standing by them as an IT partner, and have accumulated a wealth of experience and achievements by providing services ranging from the design and development of applications and IT infrastructure in a wide range of industries and sectors to maintenance, operation, BPO services, and verification services.

With the rapid progress of digitalization in society, the demand for IT services is no longer limited to conventional business efficiency improvements and system implementations, but is shifting toward business transformation aimed at realizing a sustainable society, including digital business transformation and business modernization, and the modernization of networks has become increasingly urgent. The Target Company recognizes that the need for digital technology to support business transformation has become even more sophisticated, and a shift from the conventional contract-based IT services to proposal-based IT services aimed at directly contributing to customers' businesses has become inevitable. Furthermore, while the domestic IT services market is expected to expand to a certain extent in the medium to long term, the acceleration in the decline of the working-age population is expected, and the supply and demand environment for IT personnel may become unstable in the future. Also, major Japanese companies are accelerating their overseas expansion, and social issues such as energy and the creation of an affluent society are increasingly being required on a global market rather than just domestically.

Looking at the competitive environment surrounding the Target Company Group, consulting firms with deep knowledge of their clients' businesses are evolving into players that handle everything from consulting to IT system implementation by flexibly expanding their service capabilities through M&A and other means. In addition, hyperscalers are rapidly increasing their presence as their cloud-based architecture becomes mainstream, and they are actively providing advanced services and expanding their platforms. Also, among competitors in the same industry, there is an accelerating trend of strengthening corporate capabilities through organizational restructuring to accelerate DX, improve global competitiveness, and optimize management resource allocation across the entire group. In this way, the market and business environment that traditional system integrators and network integrators have operated in are undergoing major structural changes, and it is expected that these changes will continue in the future.

In response to these qualitative changes in the demand for IT services, there is a need for new software engineering services that integrate advanced and state-of-the-art IT infrastructure technology and application service technology, as well as the development of digital services that utilize cutting-edge technologies such as generative AI. It has become essential to expand the Target Company's capabilities

and deploy its business with a sense of speed, including problem-solving abilities to propose solutions for industrial and management business issues rather than just providing the means, advanced technologies such as AI that continue to evolve and highly skilled engineers, and the ability to socially implement cutting-edge technologies including digital technology to solve social issues on a global scale. The Target Company recognizes that in order to proactively respond to these environmental changes and achieve the required transformation, growth through acquisitions and partnerships is necessary in addition to autonomous growth.

However, in order to achieve transformation amidst significant changes in the business environment, it is necessary to flexibly make bold, forward-looking investments from a medium- to long-term perspective. Since such investments involve uncertainty, there is a possibility that the Target Company's business performance may deteriorate in the short term. As long as the Target Company is listed, it must pursue the interests of its shareholders, making it difficult to simultaneously and swiftly execute medium- to long-term investments and business reforms that are not constrained by short-term profits.

Furthermore, the Target Company has been informed that under the current capital relationship between Sumitomo and the Target Company, there is an issue where a portion of the profits of the Target Company Group, generated from management resources invested in the Target Company Group by Sumitomo, flows out to the Target Company's minority shareholders. This means that Sumitomo cannot fully capture the profits from the resources it has invested, creating a structural conflict of interest between Sumitomo and the Target Company's minority shareholders. This makes it difficult to provide a reasonable explanation to stakeholders, including Sumitomo's shareholders, and imposes constraints on the speed of decision-making and policy execution in the collaboration between the two companies, as well as on the investment of management resources by Sumitomo into the Target Company Group.

Based on the business environment surrounding the Target Company Group as described above, the Target Company has concluded that going private through the Transactions, thereby resolving the structural conflict of interest between Sumitomo and the Target Company's minority shareholders and enabling Sumitomo to intensively and flexibly invest further management resources into the Target Company Group, will contribute to the further enhancement of the Target Company's corporate value.

By combining the Sumitomo Group's wide-ranging industry and customer network spanning Japan and overseas, its position in various industries cultivated through approximately 900 group operating companies in diverse industrial fields, and its business conceptualization capabilities as a general trading company, with the Target Company's advanced IT solution provision capabilities and operational knowledge acquired through business with over 10,000 customers, the Target Company believes that it will be able to contribute to global social issues and national-level industrial changes utilizing advanced technologies such as AI and data analysis. Furthermore, the Target Company believes that the Target Company Group can transform into a next-generation problem-solving company by accumulating experience in implementing IT services that originate from the business needs of the Sumitomo Group's sales and business sites.

By going private through the Transactions, the structural conflict of interest between Sumitomo and the Target Company's minority shareholders will be resolved, enabling more active personnel exchange. This will allow both companies to operate with a sense of unity, develop businesses that merge their respective strengths, enable disciplined allocation of management resources by Sumitomo, and facilitate agile decision-making, which is expected to generate unprecedented synergies through collaboration. This collaboration between the two companies will create a greater social impact. For the Target Company, which advocates for human capital management, this will provide employees with the opportunity to tackle global and national-level challenges on a different scale than before. This will lead to a sense of contribution to society, further job satisfaction, and experiences that enhance each individual's market

value, resulting in unprecedented growth opportunities for its employees. The Target Company believes that the Target Company Group can leap forward to become a company that continues to create new value.

The Target Company, under its “Grand Design 2030,” aims for a dramatic improvement in comprehensive corporate value, the creation of value for society, and a direct contribution to customers’ businesses. The Target Company seeks to grow together with its customers and society by expanding the value provided to client companies and society through its core business of IT services, while also proactively taking the initiative to create value for society. The Target Company believes that collaboration with the Sumitomo Group through the Transactions will accelerate the realization of these goals. Specifically, the Target Company expects the following synergies to be generated after the Transactions.

I. Provision of Comprehensive Digital Solutions from Business Conceptualization to Digital Implementation

By combining Sumitomo’s strengths in conceiving new businesses based on global and national-level social issues, global-level partnering, and fundraising capabilities including capital resources, with the Target Company Group’s digital services and solution-related business expertise, the Target Company believes it will be possible to realize comprehensive digital solutions on a one-stop basis, from business conceptualization to digital implementation.

Through the relationships with top management in the industries and business customers of Sumitomo’s nine business groups, the Target Company will gain real-world knowledge of industry and management challenges. This will enable the Target Company to shift from providing IT services as a means to delivering digital utilization and value that directly contributes to solving management issues and driving business growth, which other companies cannot offer. By fully leveraging the foundation of Sumitomo’s approximately 900 group operating companies as Customer Zero, the Target Company will not only gain a unique competitive advantage in planning and proposing services and products that are deeply integrated into business sites and directly solve problems, but also be able to deploy competitive digital services to markets and business frontlines that the Target Company has not been able to reach before, by leveraging Sumitomo’s vast customer network and industrial base.

II. Strengthen Upstream Consulting Functions and Digital Capabilities

By leveraging Sumitomo’s brand power and capital resources to strengthen upstream consulting functions through enhanced recruitment, acquisitions, and partnering, and combining these with advanced digital technology, the Target Company can expand its ability to propose new value creation and solutions for social issues to its customers.

Furthermore, in addition to bringing together the digital marketing functions of SC Digital Co., Ltd. (Note 2), a wholly-owned subsidiary of Sumitomo, and the AI engineers of Insight Edge, Inc. (Note 3), which Sumitomo is promoting, the Target Company expects to acquire world-class advanced digital engineers, knowledge, and infrastructure with cutting-edge technologies by strengthening alliances using Sumitomo’s network with domestic and international digital companies.

(Note 2) This company provides services to clients, primarily in the marketing domain, utilizing data and digital technologies, including consulting, system implementation and operation, and the provision of creative services.

(Note 3) This company utilizes technologies such as AI and digital solutions to transform business models and operational processes, supporting clients in enhancing their competitiveness.

III. Accelerate Global Expansion

By utilizing Sumitomo's extensive overseas network, bases, and global human resources, the Target Company believes it will become easier to access local partners and customers globally. The Target Company believes the execution of its global strategy will be accelerated through dynamic collaborations, including developing partners necessary for the overseas expansion of Japanese companies and capital and business alliances with technology companies that have a certain scale of business foundation in specific regions. Furthermore, in areas and technology fields where the Target Company has strengths, such as IT infrastructure including security, mobility, and ERP (Note 4), the Target Company believes it will be possible to expand its overseas revenue through the launch of services by establishing local overseas subsidiaries or joint ventures, and through the joint promotion of projects in specific regions.

(Note 4) The "ERP" refers to systems that integrates core business operations, such as corporate accounting and human resources, to improve efficiency and centralize information.

The Target Company Group will be able to utilize the business know-how, risk management, and compliance functions that Sumitomo has cultivated in operating its overseas businesses, enabling the Target Company to respond flexibly and steadily to various risks during overseas expansion. In addition, the Target Company believes this will lead to the expansion of capabilities necessary for overseas business development, such as M&A utilizing Sumitomo's capital resources and the management of local companies by global management talent. Also, by dispatching personnel from the Target Company Group to Sumitomo's overseas bases or on overseas projects, including secondments, the Target Company believes it will be possible to cultivate global human resources with international cultural awareness, adaptability to different cultures, and international connections.

IV. Development of Next-Generation Digital Businesses that Contribute to Solving Social Issues

By combining Sumitomo's experience in business development across various industries and capital resources with the Target Company Group's operational expertise, advanced technological capabilities, and digital workforce, the Target Company believes that it can further accelerate the creation of next-generation digital businesses that address identified potential social issues and industry transformation needs that are different from conventional ones. Whereas the launch and pilot testing of next-generation digital businesses previously required consultations across the groups, the strategic decision-making and resource allocation between the two companies can now be integrated, enabling a structure that allows for faster and more flexible execution.

Moreover, early-stage investments in such new businesses inherently involve uncertainty. While the Target Company was publicly listed, it was difficult to make large-scale investments due to the need to pursue the interests of its shareholders. By going private, the Target Company believes it will become possible to undertake significant medium- to long-term investments.

Furthermore, the Target Company has considered the potential for a decline in employee motivation and the impact on business partners and other stakeholders due to the loss of brand power as a listed company as a result of going private through the Transactions. However, Sumitomo has indicated that it plans to hold discussions between Sumitomo and the Target Company after the Transactions with the aim of creating a system for the Target Company's management structure and board composition that achieves appropriate governance respecting the Target Company's uniqueness and maximizes the synergistic

effects for the Sumitomo Group, including the Target Company, even after the Transactions, and has also indicated that it generally does not intend to make changes that would materially deteriorate the employment and working conditions of the Target Company's employees under the current system after the Transactions. Furthermore, in order to maintain the motivation of the Target Company's employees and expand business partners, Sumitomo intends to establish a system to discuss with the Target Company and reflect its intentions to the maximum extent possible regarding measures that will lead to the improvement of the Target Company's branding. Based on these points, the Target Company believes that going private through the Transactions will be acceptable to the Target Company Group's business partners, employees, and other stakeholders.

Although the Target Company's delisting will limit its means of fundraising in the stock and capital markets, the Target Company believes this will not be a dis-synergy of the Transactions, as the Target Company will be able to flexibly utilize the fundraising capabilities of its parent company, Sumitomo.

Overall, the Target Company believes that while there is a potential for even more synergies to be generated through further collaboration between Sumitomo and the Target Company as a result of the Transactions, no significant dis-synergies that would have a material impact on its business are expected to arise.

Furthermore, for the following reasons, the Target Company has comprehensively judged that the Tender Offer Price of 5,700 yen is an appropriate price that reflects the intrinsic value of the Target Company and secures the profits that its general shareholders should enjoy, and that the Tender Offer provides a reasonable opportunity for its general shareholders to sell their shares of the Target Company and secure profits at a price with an appropriate premium, also in light of the recent stock price trends that reflect the current business environment surrounding the Target Company Group.

(a) The price was agreed upon as a result of sincere and repeated negotiations with Sumitomo, with the substantial involvement of the Special Committee, after sufficient measures were taken by the Target Company to ensure the fairness of the terms and conditions of the Transactions, including the Tender Offer Price, as described in “(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)” of “(II) Background of Calculation” of “(4) Basis, Etc. of Calculation of Price for Purchase, Etc.” of “3. Outline of Purchase, Etc.” below.

(b) The price is above the upper limit of the calculation results of the market share price method, comparable company analysis and comparable transactions analysis, and is above the median of the range of the calculation results of the discounted cash flow method (the “DCF method”), among the results of the valuation of the Target Company Shares by Nomura Securities in the Target Company's Share Valuation Report (Nomura Securities) described in “(v) Acquisition of the Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Institution at the Target Company” of “(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)” of “(II) Background of Calculation” of “(4) Basis, Etc. of Calculation of Price for Purchase, Etc.” of “3. Outline of Purchase, Etc.” below.

(c) The price is above the upper limit of the calculation results of the market share price method and comparable company analysis, and is above the median of the range of the calculation results of the DCF method, among the results of the valuation of the Target Company Shares by Plutus Consulting in the Target Company's Share Valuation Report (Plutus Consulting) described in “(iii) Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee” of “(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)” of “(II) Background of Calculation” of “(4) Basis, Etc. of Calculation of Price for Purchase, Etc.” of “3. Outline of Purchase,

Etc.” below. Furthermore, as described in “(iii) Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee” of “(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)” of “(II) Background of Calculation” of “(4) Basis, Etc. of Calculation of Price for Purchase, Etc.” of “3. Outline of Purchase, Etc.” below, a Fairness Opinion has been issued by Plutus Consulting stating its view that the Tender Offer Price of 5,700 yen per share is fair from a financial perspective to the Target Company’s shareholders (excluding Sumitomo and the Target Company).

(d) The price includes a premium of 33.87% over the closing price of the Target Company Shares of 4,258 yen on the Tokyo Stock Exchange on October 28, 2025, the business day prior to the announcement of the implementation of the Tender Offer; 32.59% over the simple average of the closing prices for the last month up to the same day of 4,299 yen; 25.47% over the simple average of the closing prices for the last three months of 4,543 yen; and 29.11% over the simple average of the closing prices for the last six months of 4,415 yen. Generally, stocks with high PBRs tend to command lower premiums relative to market prices in tender offers and M&A deals, as their corporate value is already highly valued in the stock market. As of October 28, 2025, the Target Company’s PBR stands at approximately 4.6 times. Tender offers announced after June 28, 2019, when the Ministry of Economy, Trade and Industry released the “Fair M&A Guidelines” and completed by October 28, 2025 (limited to: (i) Tender offers or MBOs where the target company was a consolidated subsidiary of either the acquirer, the acquirer’s ultimate parent company, or a company jointly planning the target company’s delisting with the acquirer; and (ii) Cases specifically aimed at delisting the target company. Excluding: (iii) hostile tender offers, two-step tender offers, cases involving leaks or speculative reports, cases where the premium on the day before the announcement was a discount, failed cases, and cases where the target company was insolvent or there was concern that insolvency might cause it to violate the listing maintenance standards set by the Tokyo Stock Exchange.) Among these, 20 cases where the target company’s PBR was twice or higher (the “Similar Cases”). Among these cases, the most frequently observed premium range was 15 to 20% for the closing price on the business day prior to the announcement date, with four cases. For the simple average closing price for the most recent month up to the business day prior to the announcement date, the most frequently observed premium range was 20 to 25%, with four cases. For the simple average closing price for the most recent three months up to the business day prior to the announcement date, the most frequently observed premium range was 20 to 25%, with five cases. For the simple average closing price for the most recent six months up to the business day prior to the announcement date, the most frequently observed premium range was 25 to 30%, with four cases. Considering the above, the Tender Offer Price is considered to carry a reasonable premium when compared to the Similar Cases.

(e) The price is also judged to be appropriate in the Report obtained from the Special Committee, as described in “(i) Establishment of an Independent Special Committee at the Target Company and Acquisition of a Report from the Special Committee” of “(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)” of “(II) Background of Calculation” of “(4) Basis, Etc. of Calculation of Price for Purchase, Etc.” of “3. Outline of Purchase, Etc.” below.

Based on the above, the Target Company has determined that the Transactions will contribute to the enhancement of its corporate value and that the terms and conditions of the Transactions, including the Tender Offer Price, are appropriate. At the meeting of the Target Company’s Board of Directors held today, the Target Company resolved, as its opinion at this time, to express an opinion in favor of the Tender Offer, recommend that the Target Company’s shareholders tender their shares in the Tender Offer,

and leave the decision of whether or not to tender in the Tender Offer to the discretion of the Stock Acquisition Rights Holders.

For the method of resolution at the said Board of Directors meeting, please refer to “(viii) Approval by All of the Target Company’s Directors Who Do not Have a Conflict of Interest (Including Those Who Are Audit and Supervisory Committee Members)” of “(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)” of “(II) Background of Calculation” of “(4) Basis, Etc. of Calculation of Price for Purchase, Etc.” of “3. Outline of Purchase, Etc.” below.

(III) Post-Tender Offer Management Policy

Sumitomo has established a group management policy with the aim of enhancing the corporate value of the group by building a robust business foundation and creating new value through autonomous management, dialogue, and collaboration between Sumitomo and its group companies. After the Transactions as well, the fundamental approach is to comprehensively support the Target Company’s sustainable growth and transformation while respecting its autonomy. As described above in “(I) Background, Purpose, and Decision-Making Process Leading to the Decision by the Tender Offeror, Etc. to Implement the Tender Offer,” the Tender Offeror intends to share the growth strategy envisioned by the Target Company and Sumitomo, and work to realize further upside. Furthermore, with respect to the composition of the Target Company’s board of directors after the Transactions, no decision has been made at this time, including matters related to personnel such as a dispatch of officers. However, as mentioned earlier, based on Sumitomo’s group management policy, while respecting the Target Company’s autonomy and taking into account that the Tender Offeror, Etc. will become the Target Company’s sole shareholder, the Tender Offeror will have discussions with the Target Company following the Transactions, regarding the establishment of a structure that enables the swift and flexible execution of Sumitomo’s Digital and AI Strategy. With respect to the execution structure, the Tender Offeror does not currently anticipate making significant changes to the existing framework. However, to establish an appropriate structure that enables swift decision-making to realize the growth strategy, the Tender Offeror plans to commence specific discussions with the Target Company at an appropriate time. Furthermore, with respect to employees of the Target Company, the Tender Offeror generally does not anticipate any changes following the Transactions that would worsen the employment or working conditions under the Target Company’s current system. However, the Tender Offeror intends to discuss the specific details going forward.

Based on this, Sumitomo has received, with respect to the Target Company Group, from the Target Company its intentions regarding the maintenance of employment and working conditions of officers and employees, the consideration of incentive schemes for officers and employees, respect for managerial independence and autonomy, the establishment of a governance structure reflecting the Target Company’s intentions, and the creation of a framework for discussions between the two companies and the formulation of medium- to long-term business plans to generate synergies. Taking these intentions into account, Sumitomo intends to engage in good-faith examination and discussion with the Target Company going forward.

In addition, Sumitomo is considering to convert the Tender Offeror into a holding company that consolidate the businesses related to the Transactions within the Sumitomo Group by transferring the Target Company Shares owned by Sumitomo to the Tender Offeror, among other possibilities. However, as of today, the details remain undetermined.

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

In light of the fact that (i) the Transactions, including the Tender Offer, constitute material transactions, etc. with a controlling shareholder because the Target Company is a consolidated subsidiary of Sumitomo, the parent company of the Tender Offeror, and (ii) the Transactions fall under the category of a transaction that typically involves issues related to structural conflicts of interest and information asymmetry between the Tender Offeror, Etc. and the general shareholders of the Target Company, the Tender Offeror, Etc. and the Target Company have implemented the following measures from the perspectives of eliminating any arbitrariness in the decision-making process regarding the Transactions, including the Tender Offer, and avoiding conflicts of interest.

In addition, although the Tender Offeror does not hold the Target Company Shares, Sumitomo, the parent company of the Tender Offeror, holds 158,091,477 Target Company Shares (ownership ratio: 50.54%) as of today as described in “(1) Overview of the Tender Offer” above, and therefore the Tender Offeror believes that setting a minimum number of shares to be purchased by a “Majority of Minority” in the Tender Offer may make the completion of the Tender Offer uncertain and may not contribute to the interests of the general shareholders of the Target Company who wish to tender their shares in the Tender Offer. Therefore, the Tender Offeror has not set a minimum number of shares to be purchased by a “Majority of Minority” in the Tender Offer. Nevertheless, since the Tender Offeror, Etc. and the Target Company are implementing the measures stated below to ensure the fairness of the Tender Offer, the Tender Offeror, Etc. believe that the interests of the general shareholders of the Target Company have been adequately considered, and it is understood that the Target Company holds the same view.

- (I) Establishment of an Independent Special Committee at the Target Company and Acquisition of a Report from the Special Committee
- (II) Advice from an Independent Law Firm to the Special Committee
- (III) Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee
- (IV) Advice from an External Law Firm to the Target Company
- (V) Acquisition of the Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Institution at the Target Company
- (VI) Establishment of an Independent Review Structure at the Target Company
- (VII) Acquisition of the Share Valuation Report from an Independent Third-Party Valuation Institution at Sumitomo
- (VIII) Approval by All of the Target Company’s Directors Who Do not Have a Conflict of Interest (Including Those Who Are Audit and Supervisory Committee Members)
- (IX) Securing Objective Conditions to Ensure the Fairness of the Tender Offer
- (X) Measures to Secure Opportunities for Shareholders of the Target Company to Make Appropriate Decisions Regarding Whether to Tender Their Shares in the Tender Offer

For details of the items above, please refer to “(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)” of “(II) Background of Calculation” of “(4) Basis, Etc. of Calculation of Price for Purchase, Etc.” of “3. Outline of Purchase, Etc.” below.

(4) Post-Tender Offer Reorganization and Other Policies (Matters Relating to the ‘Two-Step Acquisition’)

As described in “(1) Overview of the Tender Offer” above, if the Tender Offeror is unable to acquire all of the shares, etc. of the Target Company (excluding the Target Company Shares held by Sumitomo and treasury shares held by the Target Company) in the Tender Offer, after the completion of the Tender Offer, the Tender Offeror plans to implement the Squeeze-Out Procedures by the following methods, for the purpose of making the Tender Offeror, Etc. the sole shareholders of the Target Company.

(I) Demand for Share, Etc. Cash-Out

If, upon completion of the Tender Offer, the total number of voting rights of the Target Company held by the Tender Offeror, Etc. amounts to 90% or more of the voting rights of all shareholders of the Target Company, and Sumitomo becomes a special controlling shareholder as stipulated in Article 179, Paragraph 1 of the Companies Act, Sumitomo plans to, promptly after the completion of the settlement of the Tender Offer, demand that all of the Target Company’s shareholders (excluding the Tender Offeror, Etc. and the Target Company) (the “Shareholders Subject to Cash-Out”) sell all of the Target Company Shares held by them, pursuant to the provisions of Part II, Chapter II, Section 4-2 of the Companies Act (the “Demand for Share Cash-Out”), and demand that all of the Stock Acquisition Rights Holders (the “Stock Acquisition Rights Holders Subject to Cash-Out”) sell all of the Stock Acquisition Rights held by them (the “Demand for Stock Acquisition Right Cash-Out”; and together with the Demand for Share Cash-Out, the “Demand for Share, Etc. Cash-Out”). In the Demand for Share Cash-Out, Sumitomo plans to stipulate that the amount equivalent to the Tender Offer Price will be delivered to the Shareholders Subject to Cash-Out as the per-share price of the Target Company Shares, and in the Demand for Stock Acquisition Right Cash-Out, Sumitomo plans to stipulate that the amount equivalent to the Stock Acquisition Right Purchase Price will be delivered to the Stock Acquisition Rights Holders Subject to Cash-Out as the per-unit price of the Stock Acquisition Rights. In the said cases, Sumitomo plans to notify the Target Company to the said effect and to request the Target Company to approve the Demand for Share, Etc. Cash-Out. If the Target Company approves the Demand for Share, Etc. Cash-Out by a resolution of its board of directors, Sumitomo will acquire, as of the acquisition date set forth in the Demand for Share, Etc. Cash-Out, all of the Target Company Shares held by all of the Shareholders Subject to Cash-Out and all of the Stock Acquisition Rights held by all of the Stock Acquisition Rights Holders Subject to Cash-Out, in accordance with the procedures set forth in the relevant laws and regulations and without individual approvals from the Shareholders Subject to Cash-Out and the Stock Acquisition Rights Holders Subject to Cash-Out. In such case of acquisition, Sumitomo plans to deliver an amount equivalent to the Tender Offer Price to each of the Shareholders Subject to Cash-Out as the per-share price of the Target Company Shares held by each of the Shareholders Subject to Cash-Out, and to deliver an amount equivalent to the Stock Acquisition Right Purchase Price to each of the Stock Acquisition Rights Holders Subject to Cash-Out as the per-unit price of the Stock Acquisition Rights held by each Stock Acquisition Rights Holders Subject to Cash-Out.

With respect to the Restricted Shares, the allotment agreement provides that (a) if, during the transfer restriction period, matters concerning the Demand for Share Cash-Out with respect to the shares of common stock of the Target Company are approved at the board of directors meeting of the Target Company (limited to cases where the acquisition date of the shares subject to cash out (the “Effective Date of Demand for Cash-Out”) arrives before the expiration of the transfer restriction period), the transfer restriction shall be lifted, pursuant to a resolution of the board of directors of the Target Company, immediately prior to the business day preceding the Effective Date of Demand for Cash-Out, with respect to the number of the Restricted Shares held by the grantee as of the date of such approval multiplied by the number obtained by dividing by 12 (or 1 if the calculation result is greater than 1) (any fractional shares resulting from the calculation will be rounded down) the number of months in the period from the month following the month in which the service period commencement date (meaning, if the grantee is a

director of the Target Company Group, the date of the ordinary shareholders' meeting that immediately precedes the share issuance date in each year; and if the grantee is not a director of the Target Company Group, April 1 immediately preceding the share issuance date in each year) falls (or, if the grantee is not a director of the Target Company Group, the month in which the service period commencement date falls) to the month in which the date of such approval falls; and that (b) in the case provided in the foregoing (a), the Target Company shall automatically acquire, on the business day immediately preceding the Effective Date of Demand for Cash-Out, and for no consideration, all of the Restricted Shares in relation to which the transfer restriction has not been lifted as of the said day. In the Squeeze-Out Procedures, the Restricted Shares in relation to which the transfer restriction has been lifted as of the business day immediately preceding the Effective Date of Demand for Cash-Out will be subject to the Demand for Share Cash-Out in accordance with the provision (a) of the abovementioned allotment agreement, and the Restricted Shares in relation to which the transfer restriction has not been lifted as of the business day immediately preceding the Effective Date of Demand for Cash-Out will be acquired by the Target Company for no consideration in accordance with the provision (b) of the abovementioned allotment agreement.

According to the Target Company's Press Release, if the Target Company receives from Sumitomo a notice regarding Demand for Share, Etc. Cash-Out and a notice regarding the matters set forth in each item of Article 179-2, Paragraph 1 of the Companies Act, the Target Company plans to approve the Demand for Share, Etc. Cash-Out at its board of directors meeting.

The Companies Act provides that, in order to protect the rights of minority shareholders and stock acquisition rights holders in connection with the Demand for Share, Etc. Cash-Out, the Shareholders Subject to Cash-Out and the Stock Acquisition Rights Holders Subject to Cash-Out may file a petition with a court for determination of the purchase price of the Target Company Shares or the Stock Acquisition Rights held by them, in accordance with Article 179-8 of the Companies Act, and other relevant laws and regulations. In the event that such petition is filed, the purchase price of the Target Company Shares or the Stock Acquisition Rights will be ultimately determined by the court.

(II) Consolidation of Shares

If, upon completion of the Tender Offer, the Tender Offeror, Etc. hold less than 90% of the voting rights of all shareholders of the Target Company, the Tender Offeror plans to request that the Target Company hold an extraordinary shareholders' meeting (the "Extraordinary Shareholders' Meeting") around February 2026, the agenda of which includes (a) a proposal to implement consolidation of the Target Company Shares (the "Share Consolidation") pursuant to Article 180 of the Companies Act and (b) a proposal to partially amend the articles of incorporation, subject to the Share Consolidation becoming effective, for the purpose of abolishing the provision regarding the number of shares constituting one share unit. According to the Target Company's Press Release, if the Target Company receives such request from the Tender Offeror, Etc., the Target Company plans to comply with the request. The Tender Offeror, Etc. plan to vote in favor of each of the above proposals at the Extraordinary Shareholders' Meeting.

If the proposal for the Share Consolidation is approved at the Extraordinary Shareholders' Meeting, the number of the Target Company Shares held by the shareholders of the Target Company will be changed, as of the effective date of the Share Consolidation, in proportion to the ratio of the Share Consolidation approved at the Extraordinary Shareholders' Meeting. In the case where any fractional shares arise as a result of the Share Consolidation, the cash to be obtained by selling to the Target Company or Sumitomo or the Tender Offeror the number of Target Company Shares equivalent to the aggregate number of such fractional shares (any fraction of such aggregate number will be rounded down; the same shall apply hereinafter) will be delivered to the shareholders of the Target Company who hold such fractional shares,

pursuant to the procedures provided in Article 235 of the Companies Act, and other relevant laws and regulations. With respect to the sale price of the number of Target Company Shares equivalent to the aggregate number of such fractional shares, the Tender Offeror, Etc. plan to request the Target Company to calculate such price in a manner that ensures that the amount of money to be delivered, as a result of such sale, to the shareholders of the Target Company (excluding the Tender Offeror, Etc. and the Target Company) who did not tender their shares in the Tender Offer will be equal to the amount obtained by multiplying the Tender Offer Price by the number of Target Company Shares held by such shareholders, and to file a petition with a court for permission for such voluntary sale.

Although the ratio of the Share Consolidation has not yet been determined as of today, it is contemplated that the ratio will be determined so as to ensure that only the Tender Offeror, Etc. will hold all of the Target Company Shares (excluding the treasury shares held by the Target Company) and that the number of the Target Company Shares held by the shareholders of the Target Company (excluding the Tender Offeror, Etc. and the Target Company) who did not tender their shares in the Tender Offer will be less than one share.

The Companies Act provides that, in order to protect the rights of minority shareholders in connection with the Share Consolidation, in the case where any fractional share arises as a result of the Share Consolidation, the shareholders of the Target Company (excluding the Tender Offeror, Etc. and the Target Company) who did not tender their shares in the Tender Offer may, pursuant to the provisions of Articles 182-4 and 182-5 of the Companies Act, and other relevant laws and regulations, request the Target Company to purchase all of their fractional shares of the Target Company at a fair price and file a petition with a court for determination of the price of the Target Company Shares. In the event that such petition is filed, the purchase price of the Target Company Shares will be ultimately determined by the court.

With respect to the Restricted Shares, the allotment agreement provides that (a) if, during the transfer restriction period, a share consolidation (limited to cases where the share consolidation results in the grantee holding a fractional number of Restricted Shares) is approved at a shareholders' meeting of the Target Company (limited to cases where the effective date of such share consolidation (the "Effective Date of Share Consolidation") arrives before the expiration of the transfer restriction period), the transfer restriction shall be lifted, pursuant to a resolution of the board of directors of the Target Company, immediately prior to the business day preceding the Effective Date of Share Consolidation, with respect to the number of the Restricted Shares held by the grantee as of the date of such approval multiplied by the number obtained by dividing by 12 (or 1 if the calculation result is greater than 1) (any fractional shares resulting from the calculation will be rounded down) the number of months from the month following the month in which the service period commencement date (meaning, if the grantee is a director of the Target Company Group, the date of the ordinary shareholders' meeting that immediately precedes the share issuance date in each year; and if the grantee is not a director of the Target Company Group, April 1 immediately preceding the share issuance date in each year) falls (or, if the grantee is not a director of the Target Company Group, the month in which the service period commencement date falls) to the month in which the date of such approval falls; and that (b) in the case provided in the foregoing (a), the Target Company shall automatically acquire, on the business day immediately preceding the Effective Date of Share Consolidation, and for no consideration, all of the Restricted Shares in relation to which the transfer restriction has not been lifted as of the said day. In the Squeeze-Out Procedures, the Restricted Shares in relation to which the transfer restriction has been lifted as of the business day immediately preceding the Effective Date of Share Consolidation will be subject to the Share Consolidation in accordance with the provision (a) of the abovementioned allotment agreement, and the Restricted Shares in relation to which the transfer restriction has not been lifted as of the business day immediately preceding the Effective Date of Share Consolidation will be acquired by the Target Company for no consideration in accordance with the provision (b) of the abovementioned allotment agreement.

In the event that, after completion of the Tender Offer, the Tender Offeror, Etc. hold less than 90% of the voting rights of all shareholders of the Target Company and the Tender Offeror, Etc. are unable to acquire all of the Stock Acquisition Rights in the Tender Offer and the Stock Acquisition Rights remain unexercised, the Tender Offeror, Etc. will request the Target Company to take or will take the procedures reasonably necessary to execute the Transactions, such as acquisition of the Stock Acquisition Rights and solicitation of waiver of the Stock Acquisition Rights by stock acquisition rights holders.

Each of the procedures described in (I) and (II) above may take longer than anticipated, or the method of carrying them out may be changed due to amendment or enforcement of the relevant laws and regulations, or the interpretation by the authorities of the relevant laws and regulations. However, even in such cases, if the Tender Offer is completed, the Tender Offeror plans to adopt such measures as are necessary to, ultimately, pay cash to the shareholders of the Target Company (excluding the Tender Offeror, Etc. and the Target Company) who did not tender their shares in the Tender Offer and to cause the amount of cash to be paid to such shareholders of the Target Company to be equal to the amount obtained by multiplying the Tender Offer Price by the number of the Target Company Shares held by such shareholders of the Target Company.

The specific procedures and schedules for the respective cases above will be announced by the Target Company once they are determined through discussion between the Tender Offeror and the Target Company.

In the Tender Offer, there is no intention to solicit the affirmative vote of the shareholders of the Target Company at the Extraordinary Shareholders' Meeting. In addition, the shareholders of the Target Company are advised to consult with their certified tax accountants and other experts at their own responsibility regarding the tax implications related to tendering their shares in the Tender Offer or regarding any of the procedures above.

(5) Possibility of Delisting and Reasons Therefor

As of today, the Target Company Shares are listed on the Prime Market of the Tokyo Stock Exchange. However, since the Tender Offeror has not set a maximum number of shares to be purchased in the Tender Offer, the Target Company Shares may, depending on the result of the Tender Offer, be delisted pursuant to the prescribed procedures in accordance with the criteria for delisting prescribed by the Tokyo Stock Exchange. In addition, even in the case where the Target Company Shares do not meet such criteria at the time of the completion of the Tender Offer, if the Squeeze-Out Procedures described in “(4) Post-Tender Offer Reorganization and Other Policies (Matters Relating to the ‘Two-Step Acquisition’)” above are implemented after the Tender Offer is completed, the Target Company Shares will meet the criteria for delisting prescribed by the Tokyo Stock Exchange and will be delisted pursuant to the prescribed procedures. In such case, the Target Company Shares will no longer be traded on the Prime Market of the Tokyo Stock Exchange after the delisting.

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

Not applicable.

3. Outline of Purchase, Etc.

(1) Outline of the Target Company

(I)	Name	SCSK Corporation
(II)	Location	2-20, Toyosu 3-chome, Koto-ku, Tokyo

(III)	Name and Title of Representative	Takaaki Touma, Representative Director and President	
(IV)	Contents of Business	Information services business	
(V)	Capital	21,561 million yen (as of March 31, 2025)	
(VI)	Date of Incorporation	October 25, 1969	
(VII)	Major Shareholders and Shareholding Ratios (As of March 31, 2025)	Sumitomo Corporation	50.59%
		The Master Trust Bank of Japan, Ltd. (Trust Account)	8.89%
		Custody Bank of Japan, Ltd. (Trust Account)	5.66%
		SCSK Group Employee Stock Ownership Association	2.08%
		STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	1.55%
		STATE STREET BANK WEST CLIENT-TREATY 505234 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	1.29%
		ARGO GRAPHICS Inc.	0.97%
		Custody Bank of Japan, Ltd. (Trust Account 4)	0.93%
		GOVERNMENT OF NORWAY (Standing proxy: Citibank, N.A., Tokyo Branch)	0.87%
		STATE STREET BANK AND TRUST COMPANY 510312 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	0.70%
(VIII)	Relationship between the Tender Offeror and the Target Company		
	Capital Relationship	As of today, Sumitomo, the parent company of the Tender Offeror, holds 158,091,477 Target Company Shares (ownership ratio: 50.54%) and the Target Company is a consolidated subsidiary thereof.	
	Personnel Relationship	As of today, one of the 11 directors of the Target Company concurrently serves as an executive officer of Sumitomo, the parent company of the Tender Offeror. In addition to the above, as of today, 11 employees of the Target Company are seconded to Sumitomo, and 20 employees of Sumitomo are seconded to the Target Company.	
	Business Relationship	Sumitomo, the parent company of the Tender Offeror, purchases software development, information processing services, hardware, and software, etc. from the Target Company.	
	Status as Related Party	The Target Company is a consolidated subsidiary of Sumitomo, the parent company of the Tender Offeror, and it falls under a related party of Sumitomo, the parent company of the Tender Offeror.	

(Note) “Major Shareholders and Shareholding Ratios (As of March 31, 2025)” is based on the “Status of Major Shareholders” stated in the Target Company’s Annual Securities Report (57th Fiscal Year) filed by the Target Company on June 24, 2025 (the “Target Company’s Annual Securities Report”).

(2) Schedule, Etc.

(I) Schedule

Resolution of the Meeting of the Board of Directors	October 29, 2025 (Wednesday)
Date of Notice of Commencement of the Tender Offer	October 30, 2025 (Thursday) Public disclosures will be made electronically, and a notice of such disclosure will be published in the <i>Nihon Keizai Shimbun</i> . (URL of electronic public notice: https://disclosure2.edinet-fsa.go.jp/)
Filing Date of the Tender Offer Registration Statement	October 30, 2025 (Thursday)

(II) Period for Purchase, Etc. at the Time of Filing of the Tender Offer Registration Statement

From October 30, 2025 (Thursday) to December 12, 2025 (Friday) (30 business days)

(III) Possibility of an Extension of the Tender Offer Period upon the Request of the Target Company

Not applicable.

(3) Price for Purchase, Etc.

(I) 5,700 yen per share of common stock

(II) Stock Acquisition Rights

- (i) 1 yen per one unit for the stock acquisition rights issued based on the resolutions of the shareholders' meeting of the Target Company and the board of directors of the Target Company held on June 27, 2007 (the "2nd Series Stock Acquisition Rights") (the exercise period is from July 28, 2007 to July 26, 2027).
- (ii) 1 yen per one unit for the stock acquisition rights issued based on the resolutions of the shareholders' meeting of the Target Company and the board of directors of the Target Company held on June 25, 2010 (the "8th Series Stock Acquisition Rights;" the 2nd Series Stock Acquisition Rights and the 8th Series Stock Acquisition Rights are hereinafter collectively referred to as the "Stock Acquisition Rights") (the exercise period is from July 31, 2010 to July 29, 2030).

(4) Basis, Etc. of Calculation of Price for Purchase, Etc.

(I) Basis of Calculation

(i) Common stock

Sumitomo requested SMBC Nikko Securities, a financial advisor of Sumitomo, as a third-party valuation institution that is independent of the Sumitomo Group, including the Target Company, to calculate the share value of the Target Company Shares for determining the Tender Offer Price.

After considering which valuation methods should be applied to calculate the share value of the Target Company Shares among various share valuation methods, SMBC Nikko Securities calculated the share value of the Target Company Shares using each method of (i) the market price method since the Target Company is listed on the Prime Market of the Tokyo Stock Exchange and a market price exists, (ii) the

comparable listed company method since it is possible to infer the share value of the Target Company Shares by comparison with similar listed companies and (iii) the DCF method in order to reflect the future business activities in the valuation. Sumitomo obtained a share valuation report regarding the share value of the Target Company Shares (the “Share Valuation Report”) from SMBC Nikko Securities on October 28, 2025. The Tender Offeror, Etc. have not obtained an opinion concerning the fairness of the Tender Offer Price (a fairness opinion) from SMBC Nikko Securities since they believe that sufficient consideration has been given to the interests of the minority shareholders of the Target Company, having comprehensively considered the various factors stated in “(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)” of “(II) Background of Calculation” below.

According to SMBC Nikko Securities, the results of calculation of the share value per share of the Target Company Shares are as follows:

Market price method:	4,299 yen to 4,543 yen
Comparable listed company method:	3,334 yen to 4,249 yen
DCF method:	3,662 yen to 6,133 yen

Under the market price method, the range of share value per share was calculated to be from 4,299 yen to 4,543 yen as of October 28, 2025, as the record date for calculation. This range was based on the simple average closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange for the past one (1) month up to the record date for calculation, which was 4,299 yen, the past three (3) months up to such date, which was 4,543 yen, and the past six (6) months up to such date, which was 4,415 yen.

Under the comparable listed company method, the range of share value per share of the Target Company Shares was calculated to be from 3,334 yen to 4,249 yen as a result of the calculation of the share value of the Target Company Shares by comparing the market prices of shares and financial indicators showing profitability of listed companies engaged in businesses similar to those conducted by the Target Company.

Under the DCF method, the range of share value per share was calculated to be from 3,662 yen to 6,133 yen as a result of the evaluation of the corporate value and share value of the Target Company by discounting the free cash flow that is expected to be generated by the Target Company in and after the 2nd quarter of the fiscal year ending March 2026, based on the future financial projections of the Target Company as adjusted by Sumitomo, to the present value at a specific discount rate, based on the Business Plan for the period from the fiscal year ending March 2026 through the fiscal year ending March 2031 provided by the Target Company, and taking into account various factors such as management interviews with the Target Company, recent business performance trends, and publicly disclosed information. The future financial projections of the Target Company, on which the DCF method was based, includes a fiscal year in which a significant increase or decrease in earnings and free cash flow is expected. Specifically, as a result of making Net One Systems a consolidated subsidiary as of December 25, 2024, a significant increase in net sales, operating profit, EBITDA, and free cash flow is expected for the fiscal year ending March 2026. The synergy that can be expected to be realized through the implementation of the Transactions is not added because it is difficult to estimate the value of such synergy specifically at this time.

In addition to the valuation results indicated in the Share Valuation Report provided by SMBC Nikko Securities, the Tender Offeror, Etc. comprehensively reviewed several factors, such as the result of the due diligence on the Target Company conducted from mid-July to late August 2025, the likelihood that the Target Company’s board of directors would support the Tender Offer, the trend of the market price

of the Target Company Shares, and the prospect of shares being tendered in the Tender Offer; and took into consideration the results of the discussions and negotiations with the Target Company. As a result, the Tender Offeror, Etc. ultimately set the Tender Offer Price at 5,700 yen on October 29, 2025.

It should be noted that SMBC Nikko Securities does not fall under a related party of the Tender Offeror, Etc. or the Target Company and has no material interest in the Tender Offer. SMBC Nikko Securities is a member of Sumitomo Mitsui Financial Group, Inc., same as Sumitomo Mitsui Banking Corporation (“SMBC”), and SMBC conducts loan transactions, etc., with Sumitomo, the parent company of the Tender Offeror, and the Target Company as a part of its ordinary banking transactions and plans to provide financing to Sumitomo for the settlement funds related to the Tender Offer. However, according to SMBC Nikko Securities, it has established and implemented an appropriate system to control conflict of interests, such as information barrier measures between SMBC Nikko Securities and SMBC in accordance with the applicable provisions of Article 36, Paragraph 2 of the Act and Article 70-4 of the Cabinet Office Order on Financial Instruments Business (Cabinet Office Order No. 52 of 2007, as amended), and calculates the share value of the Target Company from a position independent of SMBC’s status as a shareholder and lender.

The Tender Offer Price of 5,700 yen is the price including (a) a premium of 33.87% added to 4,258 yen, which is the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on October 28, 2025, the business day immediately preceding the date of announcement of the implementation of the Tender Offer; (b) a premium of 32.59% added to 4,299 yen, which is the simple average closing price of the Target Company Shares for the past one (1) month up to such date; (c) a premium of 25.47% added to 4,543 yen, which is the simple average closing price for the past three (3) months up to such date; and (d) a premium of 29.11% added to 4,415 yen, which is the simple average closing price for the past six (6) months up to such date.

(ii) Stock Acquisition Rights

The Stock Acquisition Rights were issued as stock options to the directors and executive officers of the Target Company and, in principle, may be exercised only for two years in the case of the 2nd Series Stock Acquisition Rights and only for ten years in the case of the 8th Series Stock Acquisition Rights from the day following the date on which the holder loses both positions as a director and as an executive officer of the Target Company. Accordingly, since such stock acquisition rights would be non-exercisable even if acquired by the Tender Offeror, the Tender Offeror has set the Stock Acquisition Right Purchase Price at 1 yen.

In determining the Stock Acquisition Right Purchase Price, the Tender Offeror, Etc. have not obtained a valuation report or opinion (fairness opinion) from an independent third-party valuation institution, since the Tender Offeror, Etc. have determined the Stock Acquisition Right Purchase Price as described above.

(II) Background of Calculation

(Background Leading to the Determination of the Tender Offer Price and the Stock Acquisition Right Purchase Price)

Please refer to “(I) Background, Purpose, and Decision-Making Process Leading to the Decision by the Tender Offeror, Etc. to Implement the Tender Offer” of “(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Post-Tender Offer Management Policy” of “2. Purpose, Etc. of Purchase, Etc.” above.

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

In light of the fact that (i) the Transactions, including the Tender Offer, constitute material transactions, etc. with a controlling shareholder because the Target Company is a consolidated subsidiary of Sumitomo, the parent company of the Tender Offeror, and (ii) the Transactions fall under the category of a transaction that typically involves issues related to structural conflicts of interest and information asymmetry between the Tender Offeror, Etc. and the general shareholders of the Target Company, the Tender Offeror, Etc. and the Target Company have implemented the following measures from the perspectives of eliminating any arbitrariness in the decision-making process regarding the Transactions, including the Tender Offer, and avoiding conflicts of interest.

(i) Establishment of an Independent Special Committee at the Target Company and Acquisition of a Report from the Special Committee

(a) Background of Establishment, etc.

As described in “(II) Decision-Making Process and Reasons Leading to the Target Company’s Approval of the Tender Offer” of “(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Post-Tender Offer Management Policy” of “2. Purpose, Etc. of Purchase, Etc.” above, the Target Company resolved at the Board of Directors meeting held on June 12, 2025 to establish this Special Committee; prior to the establishment of the Special Committee, in order to establish a structure for consideration, negotiation, and judgment on the Transactions from a standpoint independent of Sumitomo, with the aim of enhancing the Target Company’s corporate value and securing the interests of the Target Company’s general shareholders, and with advice from Nishimura & Asahi, the Target Company individually explained to outside directors of the Target Company who did not have material conflicts of interest with Sumitomo at that time that the Target Company had received notice from Sumitomo that it had commenced consideration toward implementing the Transactions, and that, because the Transactions are of a type where issues of structural conflicts of interest and information asymmetry typically exist, it is necessary, in considering and negotiating the Transactions, to take sufficient measures to ensure the fairness of the terms and conditions, including the establishment of the Special Committee. In parallel, with advice from Nishimura & Asahi, the Target Company confirmed the independence, qualifications, etc. of outside directors of the Target Company as candidates for members of the Special Committee, and also confirmed that they did not have material conflicts of interest with Sumitomo and did not have material interests differing from those of the general shareholders with respect to the success or failure of the Transactions. On that basis, following discussions among the Target Company’s outside directors with advice from Nishimura & Asahi and confirmation that there were no objections, on May 29, 2025, the Target Company selected three individuals, Yumiko Waseda (Independent Outside Director and Audit and Supervisory Committee Member of the Target Company, Attorney-at-Law, Outside Audit and Supervisory Board Member of IHI Corporation, and Outside Audit and Supervisory Board Member of Chugai Pharmaceutical Co., Ltd.), Shouei Yamana (Independent Outside Director of the Target Company, Outside Director of TDK Corporation, Outside Director of Zensho Holdings Co., Ltd., and Outside Director of Japan Post Insurance Co, Ltd.), and Hidetaka Matsuishi (Independent Outside Director and Audit and Supervisory Committee Member of the Target Company, and Outside Director of JDC Corporation)—as candidates for members of the Special Committee (note that Yumiko Waseda, an Independent Outside Director of the Target Company, serves as the chair of the Special Committee, and the membership of the Special Committee has not changed since its establishment). The Target Company has six Independent Outside Directors; however, the Target Company appointed Yumiko Waseda, Shouei Yamana and Hidetaka Matsuishi as the members of the Special Committee, rather than appointing all Independent Outside Directors, as the Target Company believed that a committee consisting of three members enables the review and negotiations related to the

Transactions to be conducted in a prompt and efficient manner. In addition, the Target Company believed that the three members would possess the necessary and sufficient experience and expertise from the perspectives of corporate management, finance and accounting, legal and risk management, and global matters to appropriately review and negotiate the Transactions.

Thereafter, as described in “(II) Decision-Making Process and Reasons Leading to the Target Company’s Approval of the Tender Offer” of “(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Post-Tender Offer Management Policy” of “2. Purpose, Etc. of Purchase, Etc.” above, the Target Company, by resolution of the Board of Directors at its meeting held on June 12, 2025, established the Special Committee and submitted the Consulted Matters to the Special Committee. Furthermore, upon establishing the Special Committee, the Target Company’s Board of Directors resolved that (a) it shall make decisions regarding the Transactions with the utmost respect for the judgment of the Special Committee, and if the Special Committee judges that the terms of the Transactions are not fair, the Target Company shall not approve the Transactions, (b) the Special Committee shall have the authority to appoint its own Advisors, etc., (c) if the Special Committee determines that it can rely on the Target Company’s Advisors, etc. for professional advice, it may seek such advice, and the Target Company shall bear the reasonable expenses for the professional advice of the Special Committee’s Advisors, etc., (d) the Special Committee shall be granted the authority to require the attendance of the Target Company’s directors, employees, and other persons deemed necessary by the Special Committee and to request explanations on necessary information, and (e) the Special Committee shall, as necessary, negotiate the terms and conditions of the Transactions, etc., and even if the Special Committee does not directly conduct such negotiations, it shall, as necessary, strive to ensure that it is substantially involved in the negotiation process of the terms and conditions of the Transactions, etc., for example, by confirming the negotiation policy in advance, receiving timely reports on the status of negotiations, and expressing opinions and giving instructions or requests at important junctures, and the Target Company shall cooperate to ensure such a situation is maintained.

At the Board of Directors meeting of the Target Company held on June 12, 2025, in view of the facts that, among the Target Company’s 11 directors, Mr. Shinichi Kato concurrently serves as an executive officer of Sumitomo, Mr. Hideki Yamao previously served as a representative director of Sumitomo, Mr. Tsutomu Ozaki previously served as an executive officer of Sumitomo, and Mr. Hiromichi Jitsuno previously served as a corporate officer of Sumitomo, and from the perspective of eliminating to the maximum extent possible any effects on the Board’s deliberations and resolutions arising from structural conflicts of interest and informational asymmetries in the Transactions, the above resolutions were made unanimously by the seven directors (including Audit and Supervisory Committee Members) other than Shinichi Kato, Hideki Yamao, Tsutomu Ozaki, and Hiromichi Jitsuno, after deliberation. Note that Mr. Hideki Yamao and Mr. Tsutomu Ozaki served as directors of the Target Company until the Ordinary General Meeting of Shareholders held on June 24, 2025, after which they resigned as directors of the Target Company.

Fixed remuneration is to be paid to each member of the Special Committee as consideration for their duties, regardless of the content of the report.

(b) Background of the Review

The Special Committee was convened a total of 20 times over approximately 17 hours in total between June 12, 2025 and October 28, 2025, and, as necessary between meeting dates, conducted reporting, information sharing, deliberations and decision-making via email and web conferences, thereby performing its duties relating to the Consulted Matters.

Specifically, after considering its independence, expertise and track record, on July 1, 2025, the Special Committee decided to appoint Gaien Partners as its own legal advisor, independent of the Sumitomo Group, the Target Company Group, and the success or failure of the Transactions, and to appoint Plutus

Consulting as its own financial advisor and third-party valuation institution, independent of the Sumitomo Group, the Target Company Group, and the success or failure of the Transactions.

The Special Committee also confirmed that there were no issues regarding the independence, expertise or track record of Nomura Securities as the Target Company's financial advisor and third-party valuation institution, and approved its appointment, and likewise confirmed and approved the appointment of Nishimura & Asahi as the Target Company's legal advisor.

Furthermore, the Special Committee confirmed, from the perspectives of independence and fairness, that there were no issues with the internal structure the Target Company had established for reviewing the Transactions (including the scope and duties of the Target Company's officers and employees involved in consideration, negotiations and judgment on the Transactions) and approved that structure.

On that basis, taking into account legal advice received from Gaien Partners and opinions received from Nishimura & Asahi, the Special Committee considered measures that should be taken to ensure the fairness of the procedures in the Transactions.

On July 10, 2025, the Special Committee submitted written questions to the Tender Offeror regarding the strategic significance of the Transactions including synergies of the Transactions, the structure of the Transactions, and the Target Company's management policies after the Transactions; written responses to those questions were received on July 17, 2025, and the Target Company confirmed those responses orally with Sumitomo. Furthermore, based on those responses, the Special Committee submitted additional written questions to the Tender Offeror on August 5, 2025, received written responses to those additional questions on August 14, 2025, and at meetings of the Special Committee held on August 22 and August 28, 2025 received explanations from the Tender Offeror regarding the answers to the additional questions from Sumitomo and conducted Q&A thereon. In addition, on September 26, 2025, the Special Committee received a report on the details of the meeting between the Target Company and Sumitomo regarding the Target Company's management policy following the Transactions, and exchanged opinions with the Target Company.

Moreover, the Special Committee received explanations from the Target Company regarding the contents of the Business Plan, Etc. that formed the basis for negotiations with Sumitomo and the basis for Nomura Securities' and Plutus Consulting's valuations of the Target Company Shares, including key assumptions and the process of preparation, conducted Q&A, and confirmed and approved the reasonableness of these matters. Thereafter, as described in "(iii) Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee" and "(v) Acquisition of the Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Institution at the Target Company" below, Nomura Securities and Plutus Consulting conducted valuations of the Target Company Shares based on the contents of the Business Plan, Etc.; the Special Committee received explanations from Nomura Securities and Plutus Consulting regarding their respective valuation methods employed for the Target Company Shares, the reasons for adopting those methods, the details of calculation based on each method, and the key assumptions, conducted Q&A, deliberated and reviewed, and confirmed the reasonableness of these matters.

In addition, as described in "(iii) Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee" below, the Special Committee received the Fairness Opinion from Plutus Consulting, and received explanations from Plutus Consulting regarding the issuance procedures for the Fairness Opinion and conducted Q&A.

From the time the Target Company received the Tender Offeror's initial proposal for the Tender Offer Price on September 29, 2025, each time the Target Company received a proposal regarding the Tender Offer Price from the Tender Offeror, the Special Committee received timely reports from Nomura

Securities, the Target Company's financial advisor, regarding the contents and negotiation history, deliberated and reviewed the contents taking into account opinions received from Nomura Securities, received prior explanations from Nomura Securities regarding proposed negotiation policies with the Tender Offeror and draft response letters to the Tender Offeror, expressed opinions as necessary, conducted Q&A and provided approvals, and gave instructions and requests regarding the negotiation with Sumitomo.

The Special Committee received multiple explanations from Nishimura & Asahi, the Target Company's legal advisor, and from Nomura Securities, the Target Company's financial advisor, regarding drafts of press releases, etc., conducted Q&A, and confirmed that robust information disclosure was planned.

(c) Content of Judgment

Under the circumstances described below, taking into account the legal advice received from Gaien Partners, the advice from Plutus Consulting from a financial perspective, and the contents of the Target Company's Share Valuation Report (Plutus Consulting) and the Fairness Opinion submitted on October 28, 2025, the Special Committee carefully discussed and reviewed the Consulted Matters and, on October 29, 2025, submitted to the Target Company's Board of Directors the Report, the summary of which is as follows, by unanimous consent of all committee members.

i. Opinions regarding the Consulted Matters

- (a) The Transactions are recognized as contributing to the enhancement of the Target Company's corporate value, and the purpose of the Transactions is considered to be reasonable.
- (b) The purchase price of the Target Company Shares in the Tender Offer is a fair price that can be reasonably assessed as an amount that appropriately reflects the intrinsic value of the Target Company in light of the respective share valuation results, etc. of Plutus and Nomura Securities, and the terms and conditions of the Transactions are considered to be fair.
- (c) Appropriate measures to ensure fairness have been taken in the Transactions, and the negotiation process and the procedures leading to the decision-making for the Transactions are considered to be fair.
- (d) Based on (a) through (c) above, the Transactions are considered to be fair to the Target Company's general shareholders.
- (e) It is considered appropriate for the Target Company's Board of Directors (i) to express an opinion in favor of the Tender Offer and (ii) to recommend that the Target Company's shareholders tender their shares in the Tender Offer and (iii) to leave it to the discretion of the Stock Acquisition Rights Holders whether or not to tender their Stock Acquisition Rights in this Tender Offer.

ii. Reasons for Opinions regarding the Consulted Matters

- (a) Reasonableness of the Purpose of the Transactions (Including Whether the Transactions Will Contribute to the Enhancement of the Target Company's Corporate Value)

a Purpose, etc. of the Transactions

- (i). Overview of the Tender Offeror and Sumitomo, and the Purpose and Synergies of the Transactions as Considered by Sumitomo
 - The Tender Offeror, under the trade name SC Investments Management Inc., was established on September 16, 2025, with the primary purpose of acquiring and owning the Target Company Shares, etc. through the Tender Offer, and is a corporation whose issued shares are

wholly owned by Sumitomo as of the filing date of this Report. Sumitomo, the Tender Offeror's parent company, is a general trading company that was established on December 24, 1919, and is listed on the Prime Market of the Tokyo Stock Exchange.

- Under the current capital structure, about half of the fruits resulting from Sumitomo's support would attribute to minority shareholders, rather than to Sumitomo. This makes it difficult to provide a rational explanation to stakeholders, including Sumitomo's shareholders, regarding Sumitomo investing more resources into the Target Company and further supporting its future growth strategy. Moreover, for the realization of the Target Company's growth, it is important that Sumitomo and the Target Company thoroughly share strategies, act with a mid- to long-term perspective in mind, and quickly implement measures. However, as long as the Target Company is listed, it is necessary to implement such measures while considering the interests of minority shareholders and confirming that there are no conflicts of interest between Sumitomo and the Target Company, which may hinder the swift implementation of such measures. From these perspectives, Sumitomo believes that making the Target Company a wholly-owned subsidiary is the best way for Sumitomo to comprehensively commit to the Target Company's growth. Sumitomo believes that making the following synergies can be expected through making the Target Company a wholly-owned subsidiary.
- Amid the changing environment surrounding the Target Company, digital and IT companies that compete with Sumitomo are accelerating their efforts to acquire new capabilities and transform their business models. For the Sumitomo Group, including the Target Company, to continue growing further in this market, it is necessary to not only to make our traditionally strong domains, such as industrial IT and IT infrastructure, overwhelmingly strong, but also to actively propose and implement digital solutions that take into account society, industries, and the management challenges of customers, and support their transformation. Furthermore, strengths can be further sharpened by pursuing both growth and efficiency through productivity improvements, particularly in the development process, achieved by the utilization of AI.
- Regarding the Target Company's focus areas of industrial IT and security, Sumitomo will provide comprehensive support. This will enable the Target Company to pursue high-value-added transformation, including industry-specific offerings, service enhancements, and synergies with Net One Systems, thereby promoting further growth through business model transformation.
- When exploring and developing the next generation of revenue pillars, the Target Company can leverage Sumitomo and approximately 900 Sumitomo Group companies as Customer Zero. By utilizing its understanding and empathy for the industrial challenges of its customers, along with its access to management teams and business divisions of customers, the Target Company can support the development of products and services that stand apart from other companies, and effective proposals to customers. To achieve this, measures such as strengthening its consulting capacities, enhancing its global infrastructure, redefining BPO and data centers, and establishing a structure for proposing and delivering services to management teams of customers are viable approaches. The above objective can be realized not only through its own proprietary development but also by acquiring and strengthening capabilities through partnerships with and investments in potential domestic and international partners. (In addition, Sumitomo intends to discuss and consider providing support to the Target Company, which would include large-scale investments aimed at fostering its growth

through the acquisition of external resources, by leveraging Sumitomo's financial strength, global network, and expertise in business investments.)

- In Sumitomo's Digital and AI Strategy, the Target Company is expected to serve as the core of the Sumitomo Group's digital solutions function, Sumitomo driving business creation and transformation within the Sumitomo Group, and to leading the transformation of society and industry with Sumitomo.

(ii) Overview of the Target Company and Purpose, etc. of the Transactions as Considered by the Target Company

- The Target Company was established in October 2011 through a merger with Sumisho Computer Systems Corporation (an information services provider established in October 1969 as a subsidiary of Sumitomo under the trade name Sumisho Computer Service Corporation, listed on the Second Section of the Tokyo Stock Exchange in February 1989, moved to the First Section of the Tokyo Stock Exchange in September 1991, and changed its trade name to Sumisho Computer Systems Corporation in October 1992) as the surviving company and CSK CORPORATION (an independent information services provider established in October 1968 under the trade name Computer Service Corporation, listed on the Second Section of the Tokyo Stock Exchange in June 1982, and moved to the First Section of the Tokyo Stock Exchange in March 1985) as the absorbed company. The Target Company is currently listed on the Prime Market of the Tokyo Stock Exchange.
- The Target Company recognizes the current business environment and challenges, etc. primarily as follows.
- With the rapid progress of digitalization in society, the demand for IT services is no longer limited to conventional business efficiency improvements and system implementations, but is shifting toward business transformation aimed at realizing a sustainable society, including digital business transformation and business modernization, and the modernization of networks has become urgent.
- The need for digital technology to support business transformation has become even more sophisticated, and a shift from the conventional contract-based IT services to proposal-based IT services aimed at directly contributing to customers' businesses has become inevitable.
- While the domestic IT services market is expected to expand to a certain extent in the medium- to long- term, acceleration in the decline of the working-age population is expected, and the supply and demand environment for IT personnel may become unstable in the future.
- Major Japanese companies are accelerating their overseas expansion, and social issues such as energy and the creation of an affluent society are increasingly being required on a global market rather than just domestically.
- The market and business environment that traditional system integrators and network integrators have operated in are undergoing major structural changes, and it is expected that these changes will continue in the future.
- In response to these qualitative changes in the demand for IT services, there is a need for new software engineering services that integrate advanced and state-of-the-art IT infrastructure

technology and application service technology, as well as the development of digital services that utilize cutting-edge technologies such as generative AI.

- It has become essential to expand the Target Company's capabilities and deploy its business with a sense of speed, including problem-solving abilities to propose solutions for industrial and management issues rather than just providing the means, advanced technologies such as AI that continue to evolve and highly skilled engineers, and the ability to socially implement cutting-edge technologies including digital technology to solve social issues on a global scale. In order to actively respond to these environmental changes and achieve the required transformation, growth through acquisitions and partnerships, is necessary in addition to autonomous growth.
- In order to achieve transformation amidst significant changes in the business environment, it is necessary to flexibly make bold, forward-looking investments from a medium- to long-term perspective. Since such investments involve uncertainty, there is a possibility that the Target Company's business performance may deteriorate in the short term.
- As long as the Target Company is listed, it must pursue the interests of its shareholders, making it difficult to simultaneously and swiftly execute medium- to long-term investments and business reforms that are not constrained by short-term profits.
- Based on the business environment surrounding the Target Company Group as described above, the Target Company has concluded that going private through the Transactions, thereby resolving the structural conflict of interest between Sumitomo and the Target Company's minority shareholders, and enabling Sumitomo to intensively and flexibly invest further management resources into the Target Company Group will contribute to the further enhancement of the Target Company's corporate value. By combining the Sumitomo Group's wide-ranging industry and customer network spanning Japan and overseas, its position in various industries cultivated through approximately 900 group operating companies in diverse industrial fields, and its business conceptualization capabilities as a general trading company, with the Target Company's advanced IT solution provision capabilities and operational knowledge acquired through business with over 10,000 customers, the Target Company believes that it will be able to contribute to global social issues and national-level industrial changes utilizing advanced technologies such as AI and data analysis. Also, the Target Company believes that it can transform into a next-generation problem-solving company by accumulating experience in implementing IT services that originate from the business needs of the Sumitomo Group's sales and business sites. In addition, by going private through the Transactions, the structural conflict of interest between Sumitomo and the Target Company's minority shareholders will be resolved, enabling more active personnel exchange. This will allow both companies to operate with a sense of unity, develop businesses that merge their respective strengths, enable disciplined allocation of management resources by Sumitomo, and facilitate agile decision-making, which is expected to generate unprecedented synergies through collaboration. Furthermore, the Target Company believes that this collaboration between the two companies will create a greater social impact. For the Target Company, which advocates for human capital management, this will provide employees with the opportunity to tackle global and national-level challenges on a different scale than before. This will lead to a sense of contribution to society, further job satisfaction, and experiences that enhance each individual's market value, resulting in unprecedented growth opportunities for its employees. The Target Company believes that the Target Company Group can leap forward to become a company that continues to create new value.

- The specific synergies that the Target Company expects after the Transactions are as follows.
 - (a) Provide Comprehensive Digital Solutions from Business Conceptualization to Digital Implementation
 - (b) Strengthen Upstream Consulting Functions and Digital Capabilities
 - (c) Accelerate Global Expansion
 - (d) Development of next-generation digital businesses that contribute to solving social issues
- The Target Company has considered the following (a) and (b) as disadvantages of going private due to the Transactions, but came to think about each as follows.

- (a) Potential decline in employee motivation and the impact on business partners and other stakeholders due to the loss of brand power as a listed company

Sumitomo has indicated its policy that it plans to hold discussions between Sumitomo and the Target Company after the Transactions with the aim of creating a system for the Target Company's management structure and board composition that achieves appropriate governance respecting the Target Company's uniqueness and maximizes the synergistic effects for the Sumitomo Group, including the Target Company, even after the Transactions, and has also indicated that it generally does not intend to make changes that would materially deteriorate the employment and working conditions of the Target Company's employees under the current system after the Transaction. Furthermore, in order to maintain the motivation of the Target Company's employees and expand business partners, Sumitomo intends to establish a system to discuss with the Target Company and reflect its intentions to the maximum extent possible regarding measures that will lead to the improvement of the Target Company's branding. Based on these points, the Target Company believes that going private through the Transactions will be acceptable to the Target Company Group's business partners, employees, and other stakeholders.

- (b) Limitation of Fundraising Means in the Stock and Other Capital Markets

Although the Target Company's delisting will limit its means of fundraising in the stock and capital markets, the Target Company believes this will not be a dis-synergy of the Transactions, as the Target Company will be able to flexibly utilize the fundraising capabilities of Sumitomo.

b Review by the Special Committee

The Special Committee came to the conclusion that there are no particularly unreasonable points in the significance and purpose of the Transactions, including the Tender Offer, as envisioned by the Target Company and Sumitomo as described in a "Purpose, etc. of the Transactions" above, and that they are recognized as being the result of reasonable consideration.

In addition, the Special Committee came to the conclusion that by the Tender Offeror making the Target Company a wholly-owned subsidiary through the Transactions, synergies and merits that would be difficult to realize if the Target Company remained listed can be expected, and that the Transactions will contribute to the enhancement of the Target Company's corporate value. In comparison to this, it concluded that the necessity of remaining listed and the disadvantages of going private are limited.

The background leading to this conclusion and the specific synergies and merits expected from the Transactions are as follows.

- (i) In its "Grand Design 2030," the Target Company aims to be a "Co-creative IT Company," that is, a corporate group that promotes co-creation with customers, partners, and society, and continues to provide new value to solve various issues. In its "Medium-Term Management Plan (FY2023–2025)," it aims to dramatically improve comprehensive corporate value through "the restructuring of business fields and business models to continue providing new value to customers and society" and "the constant maximization of the market value of each employee, based on the recognition that employee growth is the driver of the company's growth."
- (ii) The Sumitomo Group has stated that it recognizes the following (a) through (c) as management issues that the Target Company will face in the intensifying competitive environment. The Special Committee also believes that addressing these management issues is important for enhancing the Target Company's corporate value, and that addressing these management issues is necessary to realize the Target Company's medium- to long-term vision as described above.
 - (a) The need to shift the business from the conventional contract-based approach to a proposal-based approach that directly contributes to customers' business growth.
 - (b) The need to continuously secure consulting functions that can accurately grasp and propose solutions for customer's management issues, advanced technologies including AI, and highly skilled engineers.
 - (c) The need to strengthen the global system and expand the Target Company's primarily domestic business overseas.
- (iii) The synergies of the Transactions intended by Sumitomo and the Target Company are, in summary, (1) the provision of comprehensive digital solutions from business conceptualization to digital implementation, (2) the strengthening of consulting functions and digital capabilities, and (3) the acceleration of global expansion, etc. All of these have the effect of addressing the important management issues described above and are recognized as contributing to the enhancement of the Target Company's corporate value.
- (iv) It is considered that the synergistic effects aimed for by Sumitomo and the Tender Offeror for the Target Company are feasible, in light of the following points:
 - The Transactions are positioned within the strategy based on the Sumitomo's overall slogan "Refine with Digital, Earn with Digital" set forth in Sumitomo's own medium-term management plan, and the enhancement of the Target Company's corporate value is a premise of that strategy.
 - Amid the changing environment surrounding the Target Company, for the Sumitomo Group, including the Target Company, to continue to grow further in this market, it is considered necessary to not only make its traditionally strong domains overwhelmingly strong, but also to actively propose and implement digital solutions that decipher the management issues of society, industry, and customers and support transformation. To achieve this, possible measures include strengthening the Target Company's consulting capabilities, enhancing its global infrastructure, redefining BPO and data centers, and establishing a structure for proposing and delivering services to management teams of customers. This requires acquiring and strengthening functions through alliances and investments with potential domestic and international partners, in addition to construction on its own. In this regard, Sumitomo will make a considerable investment in the Transactions and is expected to implement further

M&A, acquisitions, enhanced recruitment, partnering, etc. after the Transactions through large-scale additional investments utilizing its financial strength and network (In addition, this fact is clearly stated in the disclosure documents).

- Sumitomo already has an extensive overseas network, bases, and global human resources, and Sumitomo has also expressed its intention to provide human resources to the Target Company from its side to strengthen overseas business development and consulting functions.
 - Sumitomo has approximately 900 group operating companies, and the Target Company will be able to utilize these group companies as Customer Zero to create new offering models and horizontally deploy use cases utilizing the data obtained to other customers.
 - The above is important and beneficial from the perspective of enabling the Target Company to enter customers' business sites and plan and propose services and products that are directly linked to solving problems as it explores and develops the next generation of revenue pillars. In addition, it is recognized that being able to obtain such data belonging to various industries provides an advantage over competitors.
 - At hearings, specific conceptual examples regarding collaboration with the Target Company for each business group were presented from Sumitomo as well.
- (v) On the other hand, general disadvantages of going private include difficulties in recruiting human resources, a decline in employee motivation, and the departure of business partners. However, Sumitomo has stated that it does not fundamentally anticipate any changes to the employment and working conditions under the Target Company's current system that would worsen them for the Target Company's employees following the Transactions. In addition, with regards to the Target Company Group, Sumitomo recognizes our preferences regarding the maintenance of its officers' and employees' employment and working conditions, the consideration of incentive design for officers and employees, respect for management independence and autonomy, the establishment of a governance structure that takes the Target Company's proposals into account, and the establishment of a framework for discussions between both companies aimed at creating synergies and formulating mid-to-long-term business plans, and Sumitomo has stated that Sumitomo intends to engage in good-faith discussions and consultations with the Target Company going forward based on these points.

In addition, it is thought that after the Transactions, the collaboration between the two companies will create a greater social impact, enabling employees to tackle global and national-level challenges on a different scale than before; this is expected to lead to an enhanced sense of contribution to society and further job satisfaction for employees, as well as growth opportunities and an increase in the market value of each individual; and it has been confirmed that Sumitomo's policy is to establish a system to reflect its intentions to the maximum extent possible after consultation with the Target Company regarding measures that will lead to the improvement of the Target Company's branding, in order to maintain the motivation of the Target Company's employees and expand business partners, etc. Based on the above, it is considered that the possibility of an adverse impact on the status and motivation of employees and on human resource recruitment is low, and that even if it were to occur, it would be limited. In addition, based on the Target Company's branding, which is premised on these measures, and the relationship of trust based on past business performance, it is considered that there are no concerns about the departure of business partners. Based on the above, it can be considered that

the synergies expected from the Transactions outweigh the disadvantages of conducting the Transactions.

c Summary

Based on the points above, as a result of careful discussion and consideration, the Special Committee has concluded that the Transactions will contribute to the enhancement of the Target Company's corporate value and that the purpose of the Transactions is reasonable.

(b) Fairness of the Terms and Conditions of the Transactions

a Process of Discussions and Negotiations with the Sumitomo

- The Target Company established the Special Committee after deciding that it would not approve the Tender Offer if the Special Committee judged that the terms and conditions of the Tender Offer or the Transactions were not fair. In accordance with the negotiation policy approved in advance by the Special Committee, the Target Company and the Special Committee conducted multiple rounds of discussions and negotiations with Sumitomo regarding the Tender Offer Price from the perspective of protecting the interests of general shareholders.
- As a result of such negotiation, the final price was increased by 650 yen (12.87% (rounded to two decimal places)) in aggregate from Sumitomo's initial proposal (5,050 yen per share of the Target Company Shares). In light of the above, it can be concluded that a situation that can be regarded as an arm's-length transaction was secured in the negotiation process between the Target Company and Sumitomo on the terms and conditions of the Transactions.

b Reasonableness of the Content of the Share Valuation and of the Financial Projections and Assumptions used as its basis

- The Business Plan was prepared as of August 2025 for the purpose of reviewing the fairness of the terms and conditions of the Transactions, taking into account subsequent events to a reasonably anticipated extent. Specifically, the Business Plan was prepared in light of external environmental factors based on objective evidence (such as industry growth rate and data on the market environment) and internal factors (factors unique to the Target Company). In addition, the Business Plan was prepared on a stand-alone basis that is not premised on the execution of the Transactions because the synergies expected to be realized through the Transactions are difficult to estimate specifically at this time. Moreover, the Target Company's future financial projections include fiscal years in which significant increases or decreases in profit and loss and significant increases or decreases in free cash flow are projected, and specifically, due to the consolidation of Net One Systems as a consolidated subsidiary effective December 25, 2024, the Target Company anticipates significant increases in sales, operating profit, EBITDA, and free cash flow for the fiscal year ending March 2026. However, there is nothing unreasonable in the Target Company's explanation regarding this anticipated increase, and no particular circumstances have been identified that would cast doubt on the fairness of the procedures used to consider it. In light of the explanations and answers to the questions given by the Target Company and Nomura Securities regarding the Business Plan, no unreasonableness is found in the content or key assumptions of the

Business Plan. Although 1 employee who holds concurrent positions at the Target Company and Sumitomo was involved in the preparation of the Business Plan, there were significant concerns about the adequacy and feasibility of a business plan prepared without their involvement, given their knowledge and experience. It was recognized that there was a high necessity of involving this 1 employee in the business plan preparation process. Based on this point, the Special Committee approved their involvement in the preparation process of the Business Plan on the condition that the validity of the content would be confirmed by a superior without a conflict of interest (Takaaki Toma, President and Representative Director, Chief Executive Officer; Tsutomu Ozaki, Executive Vice President; Takayuki Okuhara, Managing Executive Officer and General Manager of the Corporate Planning Division). As a result, no fact is found that suggests any influence of Sumitomo or its related parties. Furthermore, no fact is found, neither, that suggests that the Target Company prepared or revised the plan at the instruction of or upon presuming the intention of the Tender Offeror or Sumitomo. Therefore, no unfairness is found in the preparation procedures of the Business Plan. Based on the above review, at its tenth meeting, the Committee confirmed the reasonableness of the contents of the Business Plan, including key assumptions and the process of preparation, and approved the submission to Sumitomo. At its 14th meeting, the Special Committee asked the Target Company and Nomura Securities questions about the difference between the figures included in the Business Plan and those orally explained during the Q&A session of the briefing on the business integration with Net One Systems held by the Target Company on September 19, 2025. As a result, the Special Committee confirmed that the figures explained at the above-mentioned briefing were targets that were subject to change and judged that such difference would not raise any doubt about the contents of the Business Plan, key assumptions, the process of preparation and related procedures.

- The Special Committee received explanations from Plutus regarding the valuation methods used in the share valuation and other relevant information, including the reason why such valuation methods were adopted, the results of the valuation obtained by various valuation methods and key assumptions, and conducted Q&A. According to the Share Valuation Report obtained by the Special Committee from Plutus (hereinafter referred to as the "Share Valuation Report (Plutus Consulting)"), the per-share value of the Target Company's Shares is calculated to be in the range of 4,258 yen to 4,543 yen under the market price method, with October 28, 2025 as the reference date; 3,252 yen to 3,613 yen under the comparable company analysis method, with October 17, 2025 as the reference date; and 4,651 yen to 5,920 yen under the DCF method with October 17, 2025 as the reference date. The Tender Offer Price of 5,700 yen is above the upper limit of the calculation results of the market price method and comparable company analysis method, and above the median of the range of the calculation results of the DCF method. Firstly, under the market price method, the value of the Target Company's shares is calculated by analyzing their most recent closing price and the averages of their closing prices for certain periods. Such calculation method is the most objective valuation method for listed shares and is commonly used in transactions similar to the Transactions. In addition, the adopted calculation periods are the ones that are commonly used. Moreover, no material event involving the Target Company occurred during those periods that would require the market share price to be adjusted. Accordingly, no unreasonableness is found in the calculation made under the market share price method. Secondly, in the calculation under the comparable company analysis method, Nomura Research Institute, Ltd., TIS Inc., BIPROGY Inc., NS Solutions Corporation, Internet Initiative Japan Inc., DTS CORPORATION and NSD Co., Ltd. were selected as listed

companies similar to the Target Company. No unreasonableness is found in the selection method as they were selected after selecting candidates based on the industry classification from an external information database, and then based on quantitative criteria after the opinion of the Target Company regarding the scale and description of the business was also considered. In addition, Plutus used EBIT and EBITDA multiple of enterprise value as comparable indicators, which are commonly used in the comparable company analysis. Accordingly, no unreasonableness is found in the calculation made under the comparable company analysis method. Thirdly, the multiple method was used as the calculation method in the DCF method. Plutus reviewed and calculated such calculation method, multiple, handling of surplus cash and deposits and other similar matters from an expert's perspective as a third-party valuation institution. No unreasonableness is found in the basis for and method of calculating these figures and other relevant matters. In addition, the contents and key assumptions of the Business Plan, which is used as a premise for the share valuation by Plutus, are considered to be reasonable as discussed above.

- The Special Committee obtained a fairness opinion from Plutus (hereinafter referred to as the "Fairness Opinion"). According to the Fairness Opinion, the Tender Offer Price of 5,700 yen per share is fair from a financial perspective to the Target Company's general shareholders in light of the results of the valuation of the Target Company Shares based on the Business Plan prepared by the Target Company and other relevant information. The Fairness Opinion was issued by Plutus, which has a high level of financial expertise, from a standpoint independent of the Target Company and Sumitomo, based on: the calculation results of the valuation of the Target Company's Shares, which was conducted after receiving from the Target Company the disclosure of and explanations on the current conditions of the business, the Business Plan and other relevant information; the Q&A with the Target Company about the overview, background and purpose of the Tender Offer; the review of the Target Company's business environment, economic, market and monetary conditions and other relevant factors conducted to the extent deemed necessary by Plutus; and Plutus's review procedures conducted by its review committee that is independent of its engagement team. Therefore, no unreasonableness is found in the opinion. In addition, as described above, no unreasonableness is found in particular in the method and content of the share valuation by Plutus, which was referred to upon the submission of the Fairness Opinion. Accordingly, the Special Committee believes that no unreasonableness is found in the issuance procedures and content of the Fairness Opinion.
- The Special Committee received explanations from Nomura Securities regarding the valuation methods used in the share valuation and other relevant information, including the reason why such valuation methods were adopted, the results of the valuation obtained by various valuation methods and key assumptions, and conducted Q&A. According to the Share Valuation Report obtained by the Special Committee from Nomura Securities (hereinafter referred to as the "Share Valuation Report (Nomura Securities)"), the per-share value of the Target Company Shares is calculated to be in the range of 4,258 yen to 4,543 yen under the market price average method, with October 28, 2025, the business day prior to the announcement of the Tender Offer, as the reference date; 3,295 yen to 4,843 yen under the comparable company analysis method; 3,526 yen to 5,249 yen under the comparable transactions analysis method; and 4,356 yen to 6,749 yen under the DCF method. The Tender Offer Price of 5,700 yen is above the upper limit of the calculation results of the market price average method, comparable company analysis method and comparable transactions analysis method, and is above the median of the calculation results of the DCF method. Firstly, under

the market price average method, the value of the Target Company Shares is calculated by analyzing their most recent closing price and the averages of their closing prices for certain periods. Such calculation method is the most objective valuation method for listed shares and is commonly used in transactions similar to the Transactions. In addition, the adopted calculation periods are the ones that are commonly used. Moreover, no material event involving the Target Company occurred during those periods that would require the market share price to be adjusted. Accordingly, no unreasonableness is found in the calculation made under the market share price average method. Secondly, in the calculation under the comparable company analysis method, Nomura Research Institute, Ltd., TIS Inc., NS Solutions Corporation, BIPROGY Inc., and DENTSU SOKEN INC. were selected as listed companies similar to the Target Company. No unreasonableness is found in the selection method as they were selected after the opinion of the Target Company regarding the scale and description of the business was considered. In addition, Nomura Securities used EV/EBITDA multiple and EV/EBIT multiple against the enterprise value and PER against the market capitalization as comparable indicators, which are commonly used in the comparable company analysis. Accordingly, no unreasonableness is found in the calculation made under the comparable company analysis method. Thirdly, in the calculation using the comparable transactions analysis method, the Target Company's equity value is determined by comparing financial indicators reflecting profitability based on transaction prices from multiple publicly disclosed transactions deemed relatively similar, primarily focusing on privatization cases targeting domestic companies engaged in similar businesses over the past several years. The selected publicly disclosed transactions are within the Target Company's industry, and the profitability indicators used are the ones commonly employed. Based on the above, no unreasonable aspects were identified in the calculation performed using the comparable transaction method. Furthermore, the perpetual growth rate and multiple methods were used as the calculation methods in the DCF method. Nomura Securities reviewed and calculated such calculation methods, perpetual growth rate, handling of surplus cash and deposits and other similar matters from an expert's perspective as a third-party valuation institution. No unreasonableness is found in the basis for and method of calculating these figures and other relevant matters. In addition, the contents and key assumptions of the Business Plan, which is used as a premise for the share valuation by Nomura Securities, are considered to be reasonable as discussed above.

c The Tender Offer Price

- As described in a above, the Tender Offer Price is above the upper limit of the calculation results of the market price average method and comparable company analysis method according to the valuation by Plutus, the third-party valuation institution engaged by the Special Committee, and is above the upper limit of the calculation results of the market price average method and comparable company analysis method made by Nomura Securities, the third-party valuation institution engaged by the Target Company. In addition, it is above the median of the calculation results of the DCF method made by Plutus and Nomura Securities that are based on the Target Company's Business Plan and take into account the Target Company's growth potential.
- The Tender Offer Price includes a premium of 33.87% over the closing price of the Target Company's Shares of 4,258 yen on the Prime Market of the Tokyo Stock Exchange on October 28, 2025, the business day prior to the announcement of the Tender Offer; 32.59%

over the simple average of the closing prices for the past one month up to the same day of 4,299 yen; 25.47% over the simple average of the closing prices for the past three months up to the same day of 4,543 yen; and 29.11% over the simple average of the closing prices for the past six months up to the same day of 4,415 yen. Generally, stocks with high PBRs tend to have lower premium ratios to market prices in tender offers and M&A deals, as their corporate value is already highly valued in the stock market. As of October 24, 2025, the Target Company's PBR stands at approximately 4.6 times. Furthermore, among the 17 cases of tender offers targeting listed subsidiaries and MBOs announced after June 28, 2019, when the Ministry of Economy, Trade and Industry published the "Guidelines on Fair M&A Practices" (hereinafter referred to as the "Fair M&A Guidelines") (Note), and completed by August 29, 2025, having a target company PBR exceeding 2x(hereinafter the "Similar Cases"), it was confirmed that the most frequent premium level was 20% to 25% against the average stock price over the past month in 4 cases, similarly the most frequent premium level was 20% to 25% against the average stock price over the past three months in 6 cases, and the most frequent premium level was 15% to 20% against the average stock price over the past six months in 3 cases. Considering the above, the Tender Offer Price is deemed to include a premium comparable to Similar Cases. In addition, as described above, the Target Company's stock price has declined to a certain extent since the Merger Postponement Announcement on September 19, 2025 (the opening price on September 19, 2025 was 4,970 yen, while the closing price on the following business day, September 22, fell down to 4,555 yen; it has continued to decline gradually since then and is currently trading around the 4,300yen range). Compared to the Target Company's stock price prior to this decline, the Tender Offer Price represents a 21.6% premium over the simple average closing price of 4,689 yen for the one-month period ending the day before the Merger Postponement Announcement, a 26.3% premium over the simple average closing price of 4,512 yen for the three months ending on the same day, and a 33.8% premium over the simple average closing price of 4,260 yen for the six months ending on the same day. Furthermore, the amount calculated from the average share price of 4,702 yen over the past month prior to the Merger Postponement Announcement, minus the share price decline (47 yen) due to the expected interim dividend for the fiscal year ending March 2026, resulting in 4,655 yen, multiplied by a reasonable premium level of 22.5% (this represents the midpoint of the most frequent premium levels observed in the Similar Cases, which range from 20-25% of the past one-month average stock price and the past three-month average stock price. Note that while the most frequent premium level relative to the past six-month average stock price is 15-20%, the higher range was adopted.) is about 5,702 yen (rounded to the nearest whole yen), which is nearly identical to the Tender Offer Price of 5,700 yen. Therefore, even considering the impact of the Merger Postponement Announcement, the Tender Offer Price is considered to carry a reasonable premium.

(Note) The "Guidelines for Corporate Takeovers" published by the Ministry of Economy, Trade and Industry on August 31, 2023 (hereinafter referred to as the "Takeover Guidelines") stipulate that, if a company receives a "bona fide offer" to acquire the rights of its management, it shall in general give "sincere consideration" to a such offer. The Takeover Guidelines require the company to take practical measures that constitute fair procedures to ensure the protection of the interests of general shareholders (hereinafter referred to as the "Fairness Ensuring Measures") when giving such "sincere consideration" depending on the degree of conflicts of interest or information asymmetry, as well as circumstances relating to the target company

or its transaction structure, among others, in individual cases. In practice, the Fair M&A Guidelines are referred to when taking such Fairness Ensuring Measures.

- The Stock Acquisition Rights were issued as stock options to the Target Company's directors and executive officers. In principle, the Stock Acquisition Rights may be exercised for a period of two years from the day following the date on which the director or executive officer ceases to hold such position, for the Second Series Stock Acquisition Rights, and for the Eighth Series Stock Acquisition Rights, for a period of ten years. The Tender Offeror interprets that even if it acquires these Stock Acquisition Rights, it cannot exercise them. Therefore, the Tender Offeror has set the purchase price for each of these Stock Acquisition Rights at 1 yen. Although it is debatable whether the above exercise conditions immediately preclude the Tender Offeror from exercising these rights even if acquired, the conditions can be interpreted reasonably as requiring the holder to have previously served as a director or executive officer of the Target Company as a prerequisite for exercise. Therefore, from the Tender Offeror's perspective, the above interpretation is not unreasonable. Furthermore, these Stock Acquisition Rights are exercisable during the tender offer period, and the payment amount per share of the Target Company's stock upon exercise of these rights is below the tender offer price. Therefore, the Stock Acquisition Rights Holders could exercise them to convert into shares of the Target Company and then tender those shares in the Tender Offer. Considering the above, it cannot be concluded that setting the purchase price for the Stock Acquisition Rights at 1 yen is unreasonable. However, the Special Committee believes it is appropriate to refrain from stating an opinion on its adequacy and to resolve that whether the Stock Acquisition Rights Holders tender them in the Tender Offer should be left to the discretion of the Stock Acquisition Rights Holders.

d Fairness of Other Terms and Conditions

- An appropriate opportunity has been secured for the general shareholders to decide whether to tender their shares in the Tender Offer as the period of the Tender Offer is relatively longer. Moreover, an opportunity has also been secured for persons other than the Tender Offeror to make a tender offer or the like for the Target Company Shares. Therefore, the terms and conditions are not disadvantageous to the general shareholders.
- In addition, in the Transactions, as a way to privatize the Target Company Shares, the Tender Offeror plans to implement the Tender Offer as the first step, and then to execute the Squeeze-Out Procedures through the Demand for Share, Etc. Cash-Out or the Share Consolidation as the second step. This is one of the methods that are commonly adopted in transactions to make a certain company an unlisted subsidiary of another company that are similar to the Transactions. Furthermore, in the Squeeze-Out Procedures, cash will be delivered in the end to the Target Company's shareholders who did not tender their shares in the Tender Offer (excluding Sumitomo and the Target Company). The amount of the cash to be delivered in such procedures will be calculated so as to be equal to the Tender Offer Price multiplied by the number of Target Company Shares held by each of those shareholders (it is found that such plan will be clearly stated in a press release, etc.). By securing an appropriate opportunity for the general shareholders to decide whether to tender their shares in the Tender Offer, consideration has been given to avoid coerciveness. Furthermore, in this Squeeze-Out Procedures, the amount of cash to be delivered to the Stock Acquisition Rights Holders is expected to be calculated such that it is equivalent to the purchase price of these Stock Acquisition Rights multiplied by the number of such rights held by each respective Stock

Acquisition Rights Holder. Therefore, as discussed in c above, the Special Committee reserves its opinion regarding the appropriateness of this calculation.

e Summary

- In light of a through d above, and as a result of its careful discussions and review, the Special Committee concluded that the Tender Offer Price is a fair price that can be reasonably considered as the one that adequately reflects the intrinsic value of the Target Company and that the Tender Offer Price and other terms and conditions are fair to the general shareholders.

(c) Fairness of Procedures Related to the Transactions

a Establishment of an Independent Special Committee

- Regarding the Transactions, the Target Company received an initial proposal from Sumitomo in late January 2025, stating Sumitomo's intension to commence the review of possible take-private transaction of the Target Company, and subsequently received a letter of intent on May 27 of the same year. Pursuant to the resolution passed at the Board of Directors meeting held on June 12, 2025, the Target Company established the Special Committee, which held its first meeting on the same day. As described above, in the process of Transactions, the Special Committee commenced to be involved in the Transactions at the early stage following the receipt of the letter of intent from Sumitomo. This indicates that the involvement of the Special Committee in the Transactions has been ensured from the initial stage of the formation process of the terms and conditions of the Transactions.
- As for the Transactions, for the purpose of ensuring careful decision-making by the Target Company regarding the Transactions, eliminating arbitrariness and potential conflicts of interest in the decision-making process by the Target Company's Board of Directors, and ensuring fairness thereof, the Target Company's Board of Directors selected as members of the Special Committee three individuals who are Outside Directors of the Target Company and who also fall under independent officers as required by Tokyo Stock Exchange, namely, Ms. Yumiko Waseda (Independent Outside Director of the Target Company (Audit and Supervisory Committee member)), Mr. Hidetaka Matsuishi (Independent Outside Director of the Target Company (Audit and Supervisory Committee member)) and Mr. Shouei Yamana (Independent Outside Director of the Target Company), on June 12, 2025, with advice from Nishimura & Asahi, the Target Company's independent legal advisor, after confirming that they are independent of the Sumitomo and the Target Company and have no material interest that differs from the general shareholders with respect to the completion or non-completion of the Transactions. As explained above, it has been confirmed that each of the members of the Special Committee is independent of the Tender Offeror, Sumitomo and the Target Company and has no material interest that differs from the general shareholders with respect to the completion or non-completion of the Transactions. It is also found that they were selected as a result of due consideration of their expertise and attributes.
- When negotiating with Sumitomo on the terms and conditions of the Transactions, etc., the Target Company shall make timely reports to the Special Committee on the status of negotiations, and receive its opinions, instructions or requests in critical situations, thereby ensuring the Special Committee's substantial involvement in the negotiation process of the Tender Offer Price and other terms and conditions as described above. In fact, the Special

Committee gave instructions to the Target Company on the negotiation policy in the negotiations of the terms and conditions, including price negotiations. As described above, it is found that the Special Committee has substantially been involved in the negotiation process of the Tender Offer Price and other terms and conditions between the Target Company and Sumitomo.

- The Special Committee selected Plutus as its financial advisor and third-party valuation institution, and Gaien Partners as its legal advisor, after confirming their respective independence, expertise, track record and other relevant information. In addition, it approved Nishimura & Asahi as the Target Company's independent legal advisor, and Nomura Securities as the Target Company's independent financial advisor after confirming their expertise, track record and other relevant information. The Special Committee also received advice from Nishimura & Asahi and Nomura Securities as necessary. As described above, it is found that the Special Committee carefully reviewed and discussed the reasonableness of the purpose of the Transactions, the fairness of the terms and conditions of the Transactions and other relevant matters from a standpoint of the enhancement of the Target Company's corporate value and the protection of the interests of the general shareholders while receiving experts' advice, opinions and other information timely from each of the external advisors mentioned above in the process of reviewing the Transactions.
- In establishing the Special Committee, the Board of Directors of the Target Company resolved to grant the Special Committee the authority to request directors, employees, and other personnel of the Target Company that the Special Committee considered as necessary to attend its meetings and explain about necessary information in order to make decisions on the Transactions. In addition, in reviewing the Transactions, the Special Committee received legal advice on the decision-making process for the Transactions and the operation method for the Special Committee from Gaien Partners and Nishimura & Asahi, and as described above, in addition to examining materials for the Transactions, the Special Committee held Q&A sessions to hear from the management personnel etc. of the Target Company about the rationale and purpose of the Transactions and the Target Company's Business Plan, etc. and organized Q&A sessions with Sumitomo, and furthermore, by submitting additional questions to Sumitomo in writing and receiving answers several times, it obtained a sufficient amount of information to review the Transactions. As described above, it is found that the Special Committee put in place a system that enabled it to obtain important information, including undisclosed information, and consider and determine whether the Transactions were appropriate or not and whether the terms and conditions of the Transactions were fair or not based on the information obtained.
- In reviewing the Transactions, the Board of Directors of the Target Company determined to pay fixed compensation to the members of the Special Committee for their services irrespective of whether the Transactions would complete or not, which means that success fees are not adopted. As mentioned above, in light of the fact that compensation for the Special Committee, which was required to fulfill its functions appropriately when reviewing the Transactions, would be paid irrespective of whether the Transactions would complete or not, it is found that each member of the Special Committee could easily commit his or her time and labor to his or her duties and that an environment was established that allowed him or her to make decisions from an independent standpoint irrespective of the completion or non-completion of the Transactions.

- The Board of Directors of the Target Company resolved to position the Special Committee as a council independent from the Board of Directors when establishing it and resolved to respect the opinions of the Special Committee to the maximum extent when making decisions on the Transactions and not to support the Transactions if the Special Committee determined that the terms and conditions of the Transactions were not fair. The Board of Directors also resolved to grant the Special Committee the authority to substantially involve itself in the process of negotiation on the terms and conditions of the Transactions by confirming the Target Company's policy to negotiate with Sumitomo in advance, receiving reports on the status of negotiation in a timely manner, and expressing its opinions, giving instructions, and making requests in important phases of negotiation as well as the authority to select its own advisor and other experts at the Target Company's reasonable expenses if it deemed as necessary to do so. As described above, it is found that a system has been established that enabled the Board of Directors to respect the opinions of the Special Committee before making decisions on the Transactions.
- Since the Target Company received from Sumitomo the letter of intent as of May 27, 2025, in which the Sumitomo expressed its intention of beginning to consider the Target Company's take-private transaction, Mr. Shinichi Kato, Mr. Hideki Yamano, Mr. Tsutomu Ozaki, and Mr. Hiromichi Jitsuno, who all served on the Board of Directors of the Target Company at the time, have not participated in the deliberations and resolutions on the Transactions at the Board of Directors, including the meeting of the Board of Directors held on June 12, 2025, which resolved to establish the Special Committee, from the viewpoint of avoiding conflicts of interest, nor have they participated from the Target Company's standpoint in the review of the Transactions and in the consultations and negotiations on the terms and conditions of the Transactions including the Tender Offer Price between the Target Company and Sumitomo. Mr. Kato did not participate because he also served as executive officer at Sumitomo, Mr. Yamano did not participate because he had previously served as representative director at Sumitomo, Mr. Ozaki did not participate because he had previously served as executive officer at Sumitomo, and Mr. Jitsuno did not participate because he had previously served as corporate officer at Sumitomo (Regarding Mr. Tsutomu Ozaki, while he was not involved as a member of the Board of Directors, because his knowledge of the Target Company's business and expertise in legal affairs and risk management were particularly important for the consideration of the Transactions, not being currently a Sumitomo-concurrently employed officer or employee, but rather a former Sumitomo employee, and since he resigned as a director before the deliberation on the Transactions became fully underway, his involvement as a member of the Target Company's project team has been permitted under the same conditions as the seconded personnel from Sumitomo described below). For clarity, Mr. Hideki Yamao and Mr. Tsutomu Ozaki served as directors of the Target Company until the ordinary shareholders' meeting held on June 24, 2025, and subsequently resigned from their positions as directors of the Target Company. Furthermore, Mr. Masaki Nakajima, who became a new director following the ordinary shareholders' meeting held on June 24, 2025, previously served as an executive officer at Sumitomo and did not participate in the deliberations and resolutions of the Board of Directors concerning the Transactions, nor has he participated from the Target Company's standpoint in the review of the Transactions and in the consultations and negotiations on the terms and conditions of the Transactions including the Tender Offer Price between the Target Company and Sumitomo. As for the personnel seconded from Sumitomo other than directors of the Target Company, if their knowledge, ability, expertise, etc. were useful for consultations, consideration, negotiations, etc. on the Transactions, and even if they were currently or had previously been an executive

or employee of Sumitomo, they were allowed to involve themselves in the review of the Transactions at the Target Company within a reasonable range, on the assumption that they had the strict duty of confidentiality not to leak or communicate information to external parties including Sumitomo, and that they pledged to act only as a member of the Target Company's team to review the Transactions. As mentioned above, it is found that as for the Transactions, the Target Company has established an internal system that enabled it to consider, negotiate, and otherwise act from a standpoint independent from the Tender Offeror and Sumitomo.

- As described above, it is found that measures to enhance the effectiveness of the Special Committee were actively implemented, and thus the Special Committee functioned effectively regarding the contemplation of the Transactions.

b Obtaining independent professional advice, etc. from external specialists

- It is found that immediately after Sumitomo proposed the Transactions, the Target Company appointed Nishimura & Asahi, which was independent from Sumitomo and the Target Company, as its legal advisor for the Transactions and that the Target Company has since received necessary legal advice on measures to be taken to ensure the fairness of procedures in the Transactions, various procedures of the Transactions, the method the Target Company should use to make decisions on the Transactions and the decision-making process it should follow, etc. As mentioned above, the appointment by the Target Company of Nishimura & Asahi as its legal advisor was approved by the Special Committee. Please refer to a, above for the appointment by the Special Committee of Gaiken Partners as its own legal advisor to receive necessary legal advice on measures to be taken to ensure the fairness of procedures in the Transactions, the method the Special Committee should use to deliberate the Transactions and the process it should follow to do so, etc.
- The Target Company appointed Nomura Securities, which was independent from Sumitomo and the Target Company, as its financial advisor and third-party calculation agency for the Transactions and received advice on the structure of the Transactions and means of alternatives thereto, alternative transactions to be considered, price negotiations, etc., and in addition, the Target Company requested the securities firm to calculate the value of its shares, and on October 28, 2025, it obtained the Share Valuation Report (Nomura Securities). The appointment by the Target Company of Nomura Securities as its financial advisor was approved by the Special Committee. For the appointment by the Special Committee of Plutus Consulting as its own financial advisor and third-party calculation agency, please refer to (b)b above, and for the content of the Share Valuation Report (Plutus Consulting) obtained from Plutus on October 28, 2025, please refer to (b) b above.

c Securing opportunities for other potential acquirers to make acquisition proposals (market check)

- Since the Tender Offer period is set for 30 business days and since there were no agreements, including deal protection clauses, which would restrict alternative takeover bidders in their contacts with the Target Company, the so-called indirect market check was conducted for the Transaction, which is conducted by establishing an environment that enables other potential takeover bidders to make alternative acquisition proposals after the tender offer is published in order to execute M&A. The Fair M&A Guidelines suggest that if the acquirer is a

controlling shareholder, cases in which a market check functions as a measure to ensure fairness are limited in the first place and that in many cases, the significance of conducting a market check is scarce, but they also suggest that since there may be exceptional cases in which it functions, it is desirable for the Special Committee to confirm, among others, whether there are such exceptional circumstances or not. Based on the above, as such exceptional circumstances, the Fair M&A Guidelines specifically cite three cases: the case in which the percentage of voting rights held by the controlling shareholder is low, the case in which the controlling shareholder may accept the sale if a very attractive counter proposal is made, and the case in which the controlling shareholder acquires a subsidiary company first but then plans to sell all or part of it. The Special Committee considered whether there were exceptional circumstances, but Sumitomo, the Target Company's controlling shareholder, held a majority of shares in the Target Company, which meant that the case in which the percentage of voting rights held by the controlling shareholder was low did not apply. In addition, the personnel interviewed clearly replied that the Transactions were essential to the business strategy of Sumitomo and that it was a disadvantage to Sumitomo that the parent-subsidary relationship between Sumitomo and the Target Company was resolved, and even if a very attractive counter proposal was made, the likelihood of Sumitomo accepting the sale would be extremely low. Moreover, in the scheme of the Transactions, it is not assumed that the Tender Offeror will acquire the Target Company once but that it will subsequently plan to sell all or part of it. Therefore, the Special Committee determined that in the Transactions, there were no exceptional circumstances that would require a proactive market check to be conducted.

d Matters related to the setting of a condition for Majority of Minority

- Setting a condition for majority of minority refers to considering it as a prerequisite for completion of M&A to garner support from a majority of general shareholders when they express their opinion about whether the M&A should be completed by exercising their voting rights at the General Meeting of Shareholders or subscribing to the tender offer and to publicly announcing such a prerequisite, and its function is to place more emphasis on securing the opportunity of general shareholders to make a decision when M&A is carried out. The tender offer notification does not set the lower limit to the number of shares to be acquired, which is equivalent to the majority of minority, in the Tender Offer, assuming that in the Tender Offer, setting such a limit may make the completion of the Tender Offer unstable and may actually not contribute to the benefit of general shareholders who wish to subscribe to the Tender Offer. The majority of minority is not used for the lower limit to the number of shares to be acquired in the Tender Offer, but if the fact that other measures to ensure fairness are taken as described in this (c) is taken into consideration, it is found that considerable consideration has been given to the general shareholders of the Target Company.

e Improving the Provision of Information to General Shareholders and Increasing the Transparency of Processes

- The press release by the Target Company in the Transactions are expected to provide (1) information on the independence and expertise of Special Committee members, (2) information on details of authority granted to the Special Committee, (3) the resolution of the Board of Directors of the Target Company stating that if the Special Committee determines

that the Tender Offer or the terms and conditions of the Transactions are not fair, the Board of Director should not support the Tender Offer or the Transactions, (4) the process of review at the Special Committee, (5) information on the Special Committee's practical involvement in the negotiations between the Target Company and Sumitomo, and (6) details of the Special Committee's report and its reasons (including the reasons for determining the appropriateness and reasonableness of the purpose of the Transactions, the fairness of procedures involved in the Transactions, the fairness of the terms and conditions of the Transactions, whether it is appropriate for the Board of Directors to express its opinions in favor of the Tender Offer and recommend the Target Company's shareholders to subscribe to the Tender Offer, and whether it is disadvantageous to general shareholders to conduct the Transactions), and it is found that the Target Company is expected to disclose information as required by the Fair M&A Guidelines.

- The materials disclosed by the Target Company in the Transactions are expected to provide (1) information on the content of the Share Valuation Report (Plutus Consulting) and the Share Valuation Report (Nomura Securities), including the calculation summary (including financial projection, discount rate, continuing value, non-operating assets, and other assumptions) and (2) information on the fact that Plutus and Nomura Securities are independent from the Tender Offeror, Sumitomo, and the Target Company and do not have different important interests in the completion or non-completion of the Transactions from those of general shareholders, and it is found that the Target Company plans to disclose information as required by the Fair M&A Guidelines.
- The materials disclosed by the Target Company in the Transaction are expected to provide (1) information on the process and other circumstances that led it to conduct the Transactions, (2) information on the reason and purpose for which the Target Company chose to conduct the Transaction at this time, (3) information on the internal review system that excluded directors of the Target Company who came from Sumitomo and those who also served as executive at Sumitomo in order to avoid structural conflicts of interest, (4) information on the circumstances under which the Target Company consulted and negotiated with Sumitomo about the terms and conditions of the Transactions, (5) information on whether there was an agreement that excessively prohibited the Target Company from contacting unsolicited takeover bidders, and (6) information on approval or disapproval for the Board of Directors' resolution to exclude persons who had conflicts of interest when deciding whether the Transactions were supported or not, and therefore, it is found that the Target Company plans to disclose information as required by the Fair M&A Guidelines.

f Exclusion of Coerciveness

- In the Transactions, (1) after the Tender Offer, the Squeeze-Out Procedures through requests for the demand for Share, etc. cash-out or share consolidation to limit the Target Company's shareholders only to Sumitomo and the Tender Offeror are planned with no scheme planned that does not allow shareholders objecting to the Transactions to secure the right to claim share purchase, and (2) it will be notified (i) that the Squeeze-Out Procedures will be followed if the Tender Offer is completed and that (ii) the amount of money to be delivered to each of the Target Company's shareholders who do not subscribe to the Tender Offer in the Squeeze-Out Procedures is the same as the price obtained by multiplying the Tender Offer Price by the number of shares held by him or her. In other words, consideration is given to general shareholders so that they do not fall into a situation in which they are expected to be treated

disadvantageously if they do not subscribe to the Tender Offer. As described above, it can be said that consideration is given so that general shareholders do not feel that the Transactions are coercive, and it is found that measures are taken that contribute to ensuring the fairness of procedures.

g Summary

- Based on the points discussed above, the Special Committee carefully consulted and reviewed the Transactions, and as a result, it determined that the negotiation process and the decision-making procedures in the Transactions were fair because appropriate measures to ensure fairness were taken in accordance with the various fairness guarantee measures stipulated in the Fair M&A Guidelines from the viewpoint of considering the benefit of the Target Company's shareholders.

(d) Whether it is fair to the Target Company's general shareholders to conduct the Transactions

As reviewed in Item (a) to (c) above, the Special Committee determined that general shareholders would not be treated disadvantageously due to the terms and conditions of transactions for the Tender Offer. With respect to matters other than those reviewed in Item (a) to (c), the Special Committee did not find that there were particular circumstances under which it considered the Transactions, including the Tender Offer, as disadvantageous to the Target Company's general shareholders.

Based on the foregoing, the Special Committee determines that conducting the Transactions, including the Tender Offer, is not disadvantageous to the Target Company's general shareholders.

(e) Whether it is appropriate for the Board of Directors of the Target Company to resolve to express its support for the Tender Offer and recommend the Target Company's shareholders to subscribe to the Tender Offer

As shown in Item (a) to (d) above, the Special Committee determined (1) that the Transactions were considered to contribute to enhancing the Target Company's corporate value and the purpose of the Transactions was appropriate and reasonable, (2) that appropriate measures to ensure fairness were taken in the Transactions and the negotiation process of the Transactions and the procedures leading up to decision-making were fair, and (3) that the Tender Offer Price was a fair one that could be reasonably evaluated as reflecting the Target Company's fundamental value properly and the Tender Offer would provide general shareholders with an opportunity of selling shares at such a fair price. Furthermore, as stated in (b) c above, the purchase price for these Stock Acquisition Rights is set at 1 yen. Therefore, we considered it appropriate to leave the decision of whether or not to tender these Stock Acquisition Rights in the Tender Offer to the judgment of the respective Stock Acquisition Rights Holders.

Based on the foregoing, the Special Committee determined that it could agree that the Board of Directors of the Target Company resolve to express its support for the Tender Offer and recommend the Target Company's shareholders to subscribe to the Tender Offer.

(ii) Advice from an Independent Law Firm to the Special Committee

As described in “(II) Decision-making Process and Reasons Leading to the Target Company’s Approval of the Tender Offer” of “(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Post-Tender Offer Management Policy” of “2. Purpose, Etc. of Purchase, Etc.” above, the Special Committee appointed Gaiken Partners as its own legal advisor, independent of the Sumitomo Group, the Target Company Group, and the success or failure of the Transactions, and received legal advice including measures that should be taken to ensure the fairness of the procedures in the Transactions, and advice on the methods and process of the Special Committee’s deliberations relating to the Transactions.

Gaiken Partners is not a related party of the Tender Offeror, Etc. or the Target Company and has no material interest in the Transactions, including the Tender Offer. Compensation to Gaiken Partners consists only of hourly fees payable regardless of the success or failure of the Transactions, and does not include any success fee contingent upon consummation of the Transactions.

(iii) Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee

(a) Name of the Valuation Institution and its Relationship with the Target Company and the Tender Offeror

In considering the Consulted Matters, the Special Committee, in order to ensure the appropriateness of the terms and conditions of the Transactions, including the Tender Offer Price, requested that Plutus Consulting, a financial advisor and third-party valuation institution independent of the Sumitomo Group and the Target Company Group, value the Target Company Shares and express an opinion on the fairness from a financial perspective to the Target Company’s minority shareholders of the terms and conditions of the Transactions, including the Tender Offer Price, and obtained the Target Company’s Share Valuation Report (Plutus Consulting) and the Fairness Opinion dated October 28, 2025.

Plutus Consulting is not a related party of the Tender Offeror, Etc. or the Target Company and has no material interest in the Transactions, including the Tender Offer. In addition, the compensation for Plutus Consulting related to the Transactions consists only of a fixed fee payable regardless of the completion or failure of the Transactions and does not include a success fee payable upon conditions such as the completion of the Transactions, including the Tender Offer.

(b) Overview of the Valuation

After examining multiple valuation methods to be adopted for valuing the Target Company Shares, assuming that the Target Company is a going concern, and based on the belief that a multifaceted evaluation was appropriate for the valuation of the Target Company Shares, Plutus Consulting calculated the value of the Target Company Shares using the market price method because the Target Company Shares are listed on the Prime Market of the Tokyo Stock Exchange and a market price exists, the comparable company analysis method because there are multiple listed companies comparable to the Target Company, making it possible to infer the value of the Target Company Shares by comparison with similar companies, and the DCF method to reflect the details, forecasts, etc. of the Target Company’s business performance in the valuation, and the Special Committee received from Plutus Consulting the Target Company’s Share Valuation Report (Plutus Consulting) dated October 28, 2025.

The ranges of the per-share value of the Target Company Shares that were calculated using the aforementioned valuation methods are as follows

Market price method:	4,258 yen to 4,543 yen
Comparable company analysis method:	3,252 yen to 3,613 yen
DCF method:	4,651 yen to 5,920 yen

Under the market price method, with October 28, 2025 as the reference date, the per-share value of the Target Company Shares is calculated to be in the range of 4,258 yen to 4,543 yen, based on the closing price on the reference date of 4,258 yen, the simple average of the closing prices for the last month of 4,299 yen, the simple average of the closing prices for the last three months of 4,543 yen, and the simple average of the closing prices for the last six months of 4,415 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange.

Under the comparable company analysis method, Nomura Research Institute, Ltd., TIS Inc., BIPROGY Inc., NS Solutions Corporation, Internet Initiative Japan Inc., DTS CORPORATION, and NSD Co., Ltd. were selected as listed companies engaged in businesses similar to the Target Company. The calculation was made using the EV/EBIT multiple and the EV/EBITDA multiple for the enterprise value, and the per-share value of the Target Company Shares is calculated to be in the range of 3,252 yen to 3,613 yen.

Under the DCF method, the financial forecast for the Target Company that is included in the Business Plan and that Plutus Consulting used as a premise for its DCF analysis was prepared by the Target Company in consideration of its performance up to the most recent period and various measures for future growth in its businesses, including IT consulting, system development, verification services, IT infrastructure construction, IT management, IT hardware/software sales, and BPO. The forecast period is from the fiscal year ending March 2026 to the fiscal year ending March 2031, which is considered a period for which reasonable future forecasts are possible. Based on the Business Plan, Etc. prepared by the Target Company, Plutus Consulting analyzed the Target Company's enterprise value and equity value by discounting the free cash flows that the Target Company is expected to generate from the second quarter of the fiscal year ending March 2026 onwards to their present value at a certain discount rate, based on factors such as the revenue forecasts and investment plans in the business plan for the six fiscal years from the fiscal year ending March 2026 to the fiscal year ending March 2031, and publicly available information. The per-share value of the Target Company Shares is calculated to be in the range of 4,651 yen to 5,920 yen. The weighted average cost of capital (WACC) is used as a discount rate, and the rate of 5.7% to 7.6% is used. In calculating the terminal value, it is calculated to be 2,059,760 million yen to 2,379,139 million yen based on the multiple method. For the multiple method, the EV/EBIT multiple and the EV/EBITDA multiple are adopted, and a range of 13.8 times to 15.3 times is used for the EV/EBIT multiple and a range of 10.8 times to 11.4 times is used for the EV/EBITDA multiple based on the levels of companies in the industry.

Non-operating assets include surplus cash and deposits after deducting necessary working capital (determined by comprehensively considering the Target Company's past cash flow performance and other factors), investment securities, and other financial instruments.

The Business Plan, Etc. used by Plutus Consulting for its DCF analysis includes fiscal years in which significant increases or decreases in profit and loss are projected. Specifically, due to the consolidation of Net One Systems as a subsidiary on December 25, 2024, a significant increase in net sales, operating profit, EBITDA, and free cash flow is projected for the fiscal year ending March 2026.

The synergies expected to be realized through the Transactions are difficult to estimate specifically at this time and have therefore not been factored into the following financial projections, except for the effects of the reduction of listing maintenance costs.

The financial projections underlying the DCF analysis are as follows.

(Unit: million yen)

	FYE March 2026 (9 months)	FYE March 2027	FYE March 2028	FYE March 2029	FYE March 2030	FYE March 2031
Net sales	623,394	864,915	914,961	971,091	1,035,356	1,109,777
Operating profit	67,778	97,445	108,382	120,532	135,363	149,608
EBITDA	93,526	134,380	146,670	160,215	174,612	190,602
Free cash flow	9,676	56,411	68,684	79,085	86,826	96,425

(c) Overview of the Fairness Opinion

The Special Committee received from Plutus Consulting on October 28, 2025 the Fairness Opinion stating that the Tender Offer Price of 5,700 yen per share is fair from a financial perspective to the Target Company's minority shareholders (Note). The Fairness Opinion expresses the opinion that the Tender Offer Price of 5,700 yen per share is fair from a financial perspective to the Target Company's minority shareholders in light of the share valuation results, etc. based on the business plan prepared by the Target Company. In addition, the Fairness Opinion was issued after Plutus Consulting considered the share valuation results for the Target Company conducted by it after receiving disclosure of the Target Company's current business status, future business plans, etc., and an explanation regarding them from the Target Company, the Q&A with the Target Company regarding the outline, background, and purpose of the Tender Offer, and the Target Company's business environment, economic, market, and financial conditions, etc. within the scope recognized as necessary by Plutus Consulting, and after a review process by a review committee independent of the engagement team at Plutus Consulting.

(Note) In preparing the Fairness Opinion, Plutus Consulting has assumed that the basic materials provided by the Target Company and materials available to the public, as well as information obtained from the Target Company, are accurate and complete. Plutus Consulting has not conducted its own investigation or verification of the accuracy or completeness of such information and is not obligated to do so. Therefore, Plutus Consulting shall not be liable for any deficiencies in these materials or for the non-disclosure of important facts.

Plutus Consulting assumes that the business plans and other materials used as the basis for the Fairness Opinion have been prepared reasonably based on the best estimates and judgments at the time of preparation of such materials. Plutus Consulting does not guarantee the feasibility of these plans and does not express any opinions on the analyses or forecasts that served as the basis for the preparation of the business plans and other materials or the assumptions on which those analyses or forecasts were based.

Plutus Consulting is not a legal, accounting, or tax professional. Therefore, Plutus Consulting does not express any opinions on legal, accounting, or tax issues related to the Tender Offer, nor is it obligated to do so.

Plutus Consulting has not conducted an independent evaluation or appraisal of the assets and liabilities (including off-balance-sheet assets and liabilities and other contingent liabilities) of the Target Company and its affiliates, including analysis and evaluation of individual assets and liabilities, and has not received any evaluation or appraisal reports in this regard. Accordingly, Plutus Consulting has not evaluated the solvency of the Target Company and its affiliates.

The Fairness Opinion expresses an opinion on the fairness of the Tender Offer Price from a financial point of view for the purpose of assisting the Target Company in expressing its opinion on the Tender Offer. Therefore, the Fairness Opinion does not express any opinions on the relative merits of transactions that may be alternative options to the Tender Offer, the benefits to be obtained by the implementation of the Tender Offer, or the advantages and disadvantages of implementing the Tender Offer.

The Fairness Opinion does not express any opinions to the holders of securities issued by the Target Company, creditors, or other related parties. Therefore, Plutus Consulting shall not be liable to any shareholders or third parties who rely on the Fairness Opinion.

Plutus Consulting does not solicit investment in the Target Company and has no authority to do so. Therefore, the Fairness Opinion does not recommend that shareholders take any action, including tendering their shares in the Tender Offer.

The Fairness Opinion expresses an opinion, as of the date of submission of the Fairness Opinion, on whether the Tender Offer Price is fair to the minority shareholders of the Target Company from a financial point of view. The Fairness Opinion is based on the financial and capital markets, economic conditions, and other circumstances as of the date of submission of the Fairness Opinion, and on information provided to Plutus Consulting or obtained by Plutus Consulting as of that date. Plutus Consulting is not obligated to revise, change, or supplement its opinion even if these assumptions change due to future circumstances.

The Fairness Opinion does not infer or imply any opinions other than those expressly stated in the Fairness Opinion or regarding matters after the date of submission of the Fairness Opinion.

(iv) Advice from an External Law Firm to the Target Company

As described in “(II) Decision-making Process and Reasons Leading to the Target Company’s Approval of the Tender Offer” of “(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Post-Tender Offer Management Policy” of “2. Purpose, Etc. of Purchase, Etc.” above, the Target Company appointed Nishimura & Asahi as its external legal advisor and received legal advice including measures that should be taken to ensure the fairness of the procedures in the Transactions, the various procedures for the Transactions, and the methods, process, etc. of the Target Company’s decision-making relating to the Transactions.

Nishimura & Asahi is not a related party of the Tender Offeror, Etc. or the Target Company and has no material interest in the Transactions, including the Tender Offer. Compensation to Nishimura & Asahi consists only of hourly fees payable regardless of the success or failure of the Transactions, and does not include any success fee contingent upon consummation of the Transactions.

(v) Acquisition of the Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Institution at the Target Company

(a) Name of the Valuation Institution and its Relationship with the Target Company and the Tender Offeror

In expressing its opinion on the Tender Offer, the Target Company, in order to ensure the fairness of its decision-making regarding the Tender Offer Price presented by the Tender Offeror, Etc., requested a valuation of the Target Company Shares from Nomura Securities, a financial advisor and third-party valuation institution independent of the Sumitomo Group, the Target Company Group, and the success or

failure of the Transactions, and obtained the Target Company's Share Valuation Report (Nomura Securities) (Note) dated October 28, 2025. The Target Company has not obtained a fairness opinion from Nomura Securities regarding the fairness of the Tender Offer Price because it has implemented measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest. Nomura Securities is not a related party of the Target Company or the Tender Offeror, Etc. and has no material interest in the Transactions, including the Tender Offer. In addition, the Special Committee, at its second meeting held on July 1, 2025, confirmed that there were no issues with the independence and expertise of Nomura Securities and approved it as the Target Company's financial advisor.

The compensation for Nomura Securities includes a success fee payable upon conditions such as the completion of the Transactions. The Target Company has appointed Nomura Securities as its financial advisor and third-party valuation institution with the above compensation structure, judging that the inclusion of a success fee payable upon conditions such as the completion of the Tender Offer does not negate its independence, considering the general practice in similar transactions and whether adopting a compensation structure that could impose a corresponding financial burden on the Target Company even if the Transactions were not completed would be appropriate.

(Note) In calculating the value of the Target Company Shares, Nomura Securities has assumed that all information provided by the Target Company, including the Business Plan, and public information (the "Business Plan, Etc.") is accurate and complete, and has not independently verified their accuracy and completeness. It has not independently performed any valuation, appraisal, or assessment of the assets or liabilities (including financial derivatives, off-balance-sheet assets and liabilities, and other contingent liabilities) of the Target Company and its affiliates, including an analysis and valuation of individual assets and liabilities, nor has it requested an appraisal or assessment from a third-party institution. The Business Plan, Etc. is premised on the assumption that it has been reasonably reviewed or prepared based on the best and most sincere forecasts and judgments available to the Special Committee or the Target Company's management at this time. The valuation by Nomura Securities reflects the information and economic conditions available to Nomura Securities as of October 28, 2025. The valuation by Nomura Securities is intended solely to serve as a reference for the Target Company's Board of Directors in considering the value of the Target Company Shares.

(b) Overview of the Valuation

After considering the Target Company's financial condition, the market price trends of the Target Company Shares, etc., Nomura Securities concluded that a multifaceted evaluation was appropriate. After examining multiple share valuation methods to be adopted for valuing the Target Company Shares, it calculated the value of the Target Company Shares using the market price average method because a market price exists, the comparable company analysis method because there are multiple listed companies comparable to the Target Company, making it possible to infer the value of the Target Company Shares by comparison with similar companies, the comparable transactions analysis method because it is possible to infer the value of the Target Company Shares by comparison with the transaction prices of similar transactions, and the DCF method to reflect the future business activities in the valuation, and the Target Company received from Nomura Securities the Target Company's Share Valuation Report (Nomura Securities) dated October 28, 2025.

Market price average method:	4,258 yen to 4,543 yen
Comparable company analysis method:	3,295 yen to 4,843 yen
Comparable transactions analysis method:	3,526 yen to 5,249 yen
DCF method:	4,356 yen to 6,749 yen

Under the market price average method, with October 28, 2025 as the reference date, the per-share value of the Target Company Shares is calculated to be in the range of 4,258 yen to 4,543 yen, based on the closing price on the reference date of 4,258 yen, the simple average of the closing prices for the last five business days of 4,302 yen, the simple average of the closing prices for the last month of 4,299 yen, the simple average of the closing prices for the last three months of 4,543 yen, and the simple average of the closing prices for the last six months of 4,415 yen for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange.

Under the comparable company analysis method, Nomura Research Institute, Ltd., TIS Inc., NS Solutions Corporation, BIPROGY Inc., and DENTSU SOKEN INC. were selected as listed companies engaged in businesses similar to the Target Company. The calculation was made using the EV/EBITDA multiple, the EV/EBIT multiple and PER, and the per-share value of the Target Company Shares is calculated to be in the range of 3,295 yen to 4,843 yen.

Under the comparable transactions analysis method, the per-share value of the Target Company Shares was calculated by selecting the transaction announced by ITOCHU Corporation in the "Announcement in Relation to Commencement of Tender Offer for Shares in ITOCHU Techno-Solutions Corporation (Code No. 4739)" dated August 2, 2023, and the transaction announced by NEC Corporation in the "NEC Announces the Commencement of Tender Offer for Shares of NEC Networks & System Integration Corporation (Securities Code: 1973) " dated October 29, 2024 (including subsequent corrections) as going-private transactions made public over the past few years that involve domestic companies engaged in businesses similar to that of the Target Company and are relatively comparable, and based on a comparison of transaction prices and financial indicators representing profitability, etc., the per-share value of the Target Company' Shares is calculated to be in the range of 3,526 yen to 5,249 yen.

Under the DCF method, the financial forecast for the Target Company that is included in the Business Plan that Nomura Securities used as a premise for its DCF analysis was prepared by the Target Company in consideration of its performance up to the most recent period and various measures for future growth in its businesses, including IT consulting, system development, verification services, IT infrastructure construction, IT management, IT hardware/software sales, and BPO. The forecast period is from the fiscal year ending March 2026 to the fiscal year ending March 2031, which is considered a period for which reasonable future forecasts are possible. Based on the Business Plan, Etc. prepared by the Target Company, Nomura Securities analyzed the Target Company's enterprise value and equity value by discounting the free cash flows that the Target Company is expected to generate from the second quarter of the fiscal year ending March 2026 onwards to their present value at a certain discount rate, based on factors such as the revenue forecasts and investment plans in the business plan for the six fiscal years from the fiscal year ending March 2026 to the fiscal year ending March 2031, and publicly available information. The per-share value of the Target Company Shares is calculated to be in the range of 4,356 yen to 6,749 yen. The discount rate (the Weighted Average Cost of Capital) uses 5.25% to 6.25%. In calculating the terminal value, it is calculated to be 1,778,732 million yen to 2,662,951 million yen based on the perpetual growth method and the multiple method. For the perpetual growth method, a perpetual growth rate of 0.25% to 1.25% is used based on the long-term economic outlook surrounding the Target Company, and for the multiple method, the EV/EBITDA multiple, which is common in M&A valuation practice, is adopted, and a range of 11.5 times to 13.5 times is used based on the levels of companies in the industry.

The Business Plan, Etc. used by Nomura Securities for its DCF analysis includes fiscal years in which significant increases or decreases in profit and loss and significant increases or decreases in free cash flow are projected. Specifically, due to the consolidation of Net One Systems as a subsidiary on December 25, 2024, a significant increase in net sales, operating profit, EBITDA, and free cash flow is projected for the fiscal year ending March 2026.

The synergies expected to be realized through the Transactions are difficult to estimate specifically at this time and have therefore not been factored into the following financial projections.

The financial projections underlying the DCF analysis are as follows.

(Unit: million yen)

	FYE March 2026 (9 months)	FYE March 2027	FYE March 2028	FYE March 2029	FYE March 2030	FYE March 2031
Net sales	623,394	864,915	914,961	971,091	1,035,356	1,109,777
Operating profit	67,778	97,445	108,382	120,532	135,363	149,608
EBITDA	93,526	134,380	146,670	160,215	174,612	190,602
Free cash flow	26,803	57,028	70,705	81,483	89,579	99,409

The Stock Acquisition Rights were issued as stock options to the directors and executive officers of the Target Company and, in principle, may be exercised only for two years in the case of the 2nd Series Stock Acquisition Rights and only for ten years in the case of the 8th Series Stock Acquisition Rights from the day following the date on which the holder loses both positions as a director and as an executive officer of the Target Company. The Target Company received an explanation from the Tender Offeror that since such stock acquisition rights would be non-exercisable even if acquired by the Tender Offeror, the Tender Offeror has set the Stock Acquisition Right Purchase Price at 1 yen. Based on the explanation, the Target Company has not obtained a valuation report or fairness opinion from a third-party valuation institution regarding the Stock Acquisition Right Purchase Price.

(vi) Establishment of an Independent Review Structure at the Target Company

As described in “(II) Decision-Making Process and Reasons Leading to the Target Company’s Approval of the Tender Offer” of “(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Post-Tender Offer Management Policy” of “2. Purpose, Etc. of Purchase, Etc.” above, the Target Company established an internal structure for consideration, negotiation, and judgment regarding the Transactions from a standpoint independent of the Sumitomo Group other than the Target Company Group. Specifically, (i) with respect to the Target Company’s directors, including those who currently concurrently serve as officers or employees of Sumitomo and those equivalent to directors who formerly held positions as officers or employees of Sumitomo are treated as “directors with a special interest” (Article 369 (2) of the Companies Act) or as equivalent thereto with respect to the Transactions, and, not only at the stage of the Board of Directors resolution on the Target Company’s final expression of opinion regarding the Tender Offer, but also as members of the Board of Directors of the Target Company, they are, in principle, not to participate in deliberations, consideration or negotiations regarding the Transactions; and (ii) with respect to secondees from Sumitomo other than the Target Company’s directors, if their knowledge, skills or expertise are useful for discussions, consideration or negotiations relating to the Transactions, then, even if they currently concurrently serve as officers or employees of Sumitomo or formerly held positions as officers or employees of Sumitomo, their involvement in the Target Company’s consideration of the Transactions will be permitted to an appropriate extent on the premise that they bear strict confidentiality obligations so as not to cause information leakage or transmission to external parties including Sumitomo and pledge to act only as members of the Target Company’s review structure for the Transactions.

Including the handling described above, the internal structure the Target Company has established for reviewing the Transactions (including the scope and duties of the officers and employees of the Target

Company and Net One Systems involved in consideration, negotiation and judgment regarding the Transactions; specifically, 17 officers (including directors, executive officers, and managing officers) (Takaaki Tsuma, Takafumi Takeshita, Shouei Yamana, Sadayo Hirata, Tetsuya Kubo, Yasuo Miki, Yumiko Waseda, Hidetaka Matsuishi, Tsutomu Ozaki, Takuya Tanaka, Takayuki Okuhara, Yasushi Shimizu, Yasuhiko Oka, Kazuaki Ishibashi, Kenji Inoue, Yoshinari Kobayashi, and Masahiro Otani) and 12 employees of the Target Company and Net One Systems) was based on advice from Nishimura & Asahi, and the Special Committee has approved that there are no issues from the perspectives of independence and fairness.

(vii) Acquisition of the Share Valuation Report from an Independent Third-Party Valuation Institution at Sumitomo

Sumitomo obtained the Share Valuation Report regarding the results of the calculation of the value of the Target Company Shares from SMBC Nikko Securities on October 28, 2025. For details, please refer to “(I) Basis of Calculation” above.

(viii) Approval by All of the Target Company’s Directors Who Do not Have a Conflict of Interest (Including Those Who Are Audit and Supervisory Committee Members)

As described in “(II) Decision-Making Process and Reasons Leading to the Target Company’s Approval of the Tender Offer” of “(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Post-Tender Offer Management Policy” of “2. Purpose, Etc. of Purchase, Etc.” above, the Target Company’s Board of Directors, while giving maximum respect to the legal advice received from Nishimura & Asahi, the financial advice received from Nomura Securities, the Target Company’s Share Valuation Report (Nomura Securities), and the judgment of the Special Committee set forth in the Report, carefully discussed and considered whether the Transactions including the Tender Offer would contribute to enhancing the Target Company’s corporate value and whether the terms and conditions of the Transactions including the Tender Offer Price were appropriate.

As a result, as described in “(II) Decision-Making Process and Reasons Leading to the Target Company’s Approval of the Tender Offer” of “(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Post-Tender Offer Management Policy” of “2. Purpose, Etc. of Purchase, Etc.” above, the Target Company has determined that the Transactions will contribute to the enhancement of its corporate value and that the terms and conditions of the Transactions, including the Tender Offer Price, are appropriate, and, at the meeting of the Target Company’s Board of Directors held on October 29, 2025, unanimously resolved by all directors who participated in the deliberations and resolution to, as the Target Company’s opinion at this time, express an opinion in favor of the Tender Offer, recommend that the Target Company’s shareholders tender their shares in the Tender Offer, and leave the decision of whether or not to tender in the Tender Offer to the discretion of the Stock Acquisition Rights Holders.

At the said Board of Directors meeting, 8 of the Target Company’s 11 directors (including Audit and Supervisory Committee Members), excluding Mr. Masaki Nakajima, Mr. Shinichi Kato, and Mr. Hiromichi Jitsuno, attended, and each attending director expressed that they had no objection to adopting the above resolution. In view of the facts that Mr. Shinichi Kato, the Target Company’s director, concurrently serves as an executive officer of Sumitomo, Mr. Masaki Nakajima, the Target Company’s director, formerly served as an executive officer of Sumitomo, and Mr. Hiromichi Jitsuno, the Target Company’s director, formerly served as a corporate officer of Sumitomo, and from the perspective of eliminating the risk of influence arising from structural conflicts of interest in the Transactions, none of

these directors participated in the deliberations of the above Board of Directors meeting and they refrained from expressing opinions at the time of the resolution.

(ix) Securing Objective Conditions to Ensure the Fairness of the Tender Offer

The Tender Offeror set the Tender Offer Period at 30 business days, while the minimum period required by laws and regulations is 20 business days. The Tender Offeror intends to ensure the fairness of the Tender Offer Price by setting a relatively long Tender Offer Period in comparison to the minimum period required by laws and regulations to ensure that all of the shareholders and the Stock Acquisition Rights Holders of the Target Company have an appropriate opportunity to consider and decide whether to tender their shares in the Tender Offer and to ensure that any counter-offeror has an opportunity to make a counter-offer for the Target Company Shares.

The Tender Offeror, Etc. and the Target Company did not enter into any agreement that may restrict any persons proposing a counter-offer from contacting the Target Company, including any agreement providing a transaction protection clause that may prohibit the Target Company from contacting a person proposing a counter-offer. In these ways, the Tender Offeror has given consideration to ensuring the fairness of the Tender Offer by securing an opportunity for a counter-offer and setting the Tender Offer Period as mentioned above.

(x) Measures to Secure Opportunities for Shareholders of the Target Company to Make Appropriate Decisions Regarding Whether to Tender Their Shares in the Tender Offer

As stated in “(4) Post-Tender Offer Reorganization and Other Policies (Matters Relating to the ‘Two-Step Acquisition’)” of “2. Purpose, Etc. of Purchase, Etc.” above, the Tender Offeror, Etc. (i) promptly after the completion of the settlement of the Tender Offer and depending on the number of shares to be acquired by the Tender Offeror as a result of the completion of the Tender Offer, plan to implement the Demand for Share, Etc. Cash-Out, or to request the Target Company to hold the Extraordinary Shareholders’ Meeting, the agenda of which includes (a) a proposal to implement the Share Consolidation and (b) a proposal to partially amend the articles of incorporation, subject to the Share Consolidation becoming effective, for the purpose of abolishing the provision regarding the number of shares constituting one share unit, and, thus, the Tender Offeror, Etc. will not adopt any method that does not secure the right of shareholders of the Target Company to request the purchase of their shares or file a petition for the determination of the price, and (ii) have made it clear that the amount of money to be delivered to the shareholders of the Target Company as consideration for the Demand for Share, Etc. Cash-Out or the Share Consolidation will be equal to the amount obtained by multiplying the Tender Offer Price by the number of the Target Company Shares held by each of such shareholder of the Target Company (excluding the Tender Offeror, Etc. and the Target Company); thereby the Tender Offeror, Etc. have secured an opportunity for the shareholders of the Target Company to make an appropriate decision as to whether to tender their shares in the Tender Offer, and have given consideration to ensuring that this will not create coercion.

Although, in implementing the Transactions, the Target Company has not implemented any investigation and examination on the existence of potential offerors in the market (so-called proactive market checks), the Target Company considers that the non-implementation of the proactive market checks itself does not mean that fairness in the Tender Offer is not ensured given that (a) in practice, it is not necessarily easy to implement the proactive market checks from the viewpoint of information management, etc., and (b) Sumitomo, the proposer of the Transactions, is the largest shareholder of the Target Company holding 158,091,477 Target Company Shares (ownership ratio: 50.54%) as of today and considering the Target

Company to be a consolidated subsidiary based on the effective control standards, and, thereby, it is considered unlikely that there will be any counter-offer against the proposal by the Tender Offeror, Etc.

(III) Relationship with Valuation Institution

SMBC Nikko Securities, Sumitomo's financial advisor, does not fall under a related party of the Tender Offeror, Etc. or the Target Company and has no material interest in the Tender Offer.

(5) Number of Shares, Etc., to Be Purchased

Class of Shares	Number of Shares to Be Purchased	Minimum Number of Shares to Be Purchased	Maximum Number of Shares to Be Purchased
Common Stocks	154,701,633 (shares)	50,347,400 (shares)	– (shares)
Total	154,701,633 (shares)	50,347,400 (shares)	– (shares)

(Note 1) If the total number of the Tendered Shares, Etc. (including the number of the Target Company Shares underlying the Stock Acquisition Rights tendered in the Tender Offer; the same shall apply hereinafter) is less than the minimum number of shares to be purchased(50,347,400 shares), the Tender Offeror will not purchase any of the Tendered Shares, Etc. If the total number of the Tendered Shares, Etc. is equal to or greater than the minimum number of shares to be purchased (50,347,400 shares), the Tender Offeror will purchase all of the Tendered Shares, Etc.

(Note 2) Since the maximum number of shares to be purchased is not set in the Tender Offer, the number of shares to be purchased is the maximum number of shares, etc. of the Target Company to be purchased by the Tender Offeror in the Tender Offer (154,701,633 shares). Such maximum number of shares (154,701,633 shares) is calculated by deducting the number of the Target Company Shares held by Sumitomo (158,091,477 shares) from the Total Number of Shares After Accounting Diluted Shares (312,793,110 shares).

(Note 3) Shares constituting less than a unit will also be subject to the Tender Offer. The Target Company may, in accordance with the procedures stipulated in the laws and regulations, purchase its treasury shares during the Tender Offer Period from any shareholder who exercises the right to require the Target Company to purchase shares constituting less than a unit under the Companies Act.

(Note 4) The Tender Offeror does not intend to acquire, through the Tender Offer, any treasury shares held by the Target Company.

(Note 5) Any Target Company Shares issued upon exercise of Stock Acquisition Rights by the last day of the Tender Offer Period will be also subject to the Tender Offer.

(6) Change of Ownership Ratio of Shares, Etc., after Purchase, Etc.

Number of Voting Rights Represented by Shares, Etc., Held by the Tender Offeror prior to Purchase, Etc.	- units	(Ownership Ratio of Shares, Etc., prior to Purchase, Etc. - %)
Number of Voting Rights Represented by Shares, Etc., Held by Special Related Parties prior to Purchase, Etc.	1,580,914 units	(Ownership Ratio of Shares, Etc., prior to Purchase, Etc. 50.54%)

Number of Voting Rights Represented by Shares, Etc., Held by Tender Offeror after Purchase, Etc.	1,547,016 units	(Ownership Ratio of Shares, Etc., after Purchase, Etc. 49.46%)
Number of Voting Rights Represented by Shares, Etc., Held by Special Related Parties after Purchase, Etc.	1,580,914 units	(Ownership Ratio of Shares, Etc., after Purchase, Etc. 50.54%)
Total Number of Voting Rights of All Shareholders, Etc. of the Target Company	3,117,252 units	

(Note 1) The “Number of Voting Rights Represented by Shares, Etc., Held by Special Related Parties prior to Purchase, Etc.” is the total number of voting rights represented by the shares, etc. held by each special related party (provided that each party that is excluded from the special related parties pursuant to Article 3, Paragraph 2, Item 1 of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates by Persons Other Than Issuers (Ministry of Finance Order No. 38 of 1990, as amended; the “TOB Order”) in the calculation of the ownership ratio of the shares, etc. prescribed in each Item of Article 27-2, Paragraph 1 of the Act is not included).

(Note 2) The “Total Number of Voting Rights of All Shareholders, Etc. of the Target Company” is the total number of voting rights of all shareholders as of March 31, 2025. However, in the Tender Offer, as shares constituting less than a unit and the Stock Acquisition Rights are also subject to the purchase, etc., in calculating the “Ownership Ratio of Shares, Etc., after Purchase, Etc.” and the “Ownership Ratio of Shares, Etc., after Purchase, Etc.” the denominator is the number of voting rights (3,127,931 units) pertaining to the Total Number of Shares After Accounting Diluted Shares (312,793,110 shares)).

(Note 3) With respect to the “Ownership Ratio of Shares, Etc., prior to Purchase, Etc.” and the “Ownership Ratio of Shares, Etc., after Purchase, Etc.” the figures are rounded to two decimal places.

(7) Purchase Price

881,799,308,100 yen

(Note 1) The “Purchase Price” is calculated by multiplying the number of shares, etc. to be purchased through the Tender Offer (154,701,633 shares) by the Tender Offer Price (5700 yen) per share.

(8) Method of Settlement

(I) Name and Address of the Head Office of the Securities Companies / Banks in Charge of Settlement for Purchase, Etc.

SMBC Nikko Securities Inc.

3-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo

(II) Settlement Commencement Date

December 19, 2025 (Friday)

(III) Method of Settlement

A notice of purchase, etc., by way of the Tender Offer will be mailed to the address or the location of the Tendering Shareholder, Etc. (or the standing proxy in the case of the Foreign Shareholders), promptly after the end of the Tender Offer Period. The notice will be delivered by electromagnetic means for the applications via Nikko Easy Trade.

The purchase price will be settled in cash. The purchase price for the shares, etc., purchased will be remitted to the place designated by the Tendering Shareholders, Etc. (or the standing proxy in the case of the Foreign Shareholders), from the Tender Offer Agent promptly after the commencement date of settlement in accordance with the instruction of the Tendering Shareholders, Etc. (or the standing proxy in the case of the Foreign Shareholders).

(IV) Method of Returning Shares, Etc.

If all of the Tendered Shares, Etc. are not purchased in accordance with the terms described in “(I) Conditions set forth in each Item of Article 27-13, Paragraph 4 of the Act and Details thereof” or “(II) Conditions of Withdrawal, Etc., of the Tender Offer, Details thereof and Method of Disclosure of Withdrawal, Etc.” of “(9) Other Conditions and Methods of Purchase, Etc.” below, the Tender Offer Agent will return the shares, etc. that must be returned to their original condition at the time of the tender (the “original condition at the time of application” means the condition where the execution of the tender order for the Tender Offer has been cancelled) on the date two (2) business days after the last day of the Tender Offer Period (or the day of the withdrawal, etc. of the Tender Offer if the Tender Offer has been withdrawn, etc.) in the Tendering Shareholders’ Accounts with the Tender Offer Agent. Regarding the Stock Acquisition Rights, the documents which were submitted upon application, will be mailed or delivered to the Tendering Shareholders, Etc. (or their standing proxy in the case of a Stock Acquisition Rights Holder who resides outside Japan).

(9) Other Conditions and Methods of Purchase, Etc.

(I) Conditions set forth in each Item of Article 27-13, Paragraph 4 of the Act and Details thereof

If the Tendered Shares, Etc. is less than the minimum number of shares to be purchased (i.e., 50,347,400 shares), the Tender Offeror will not purchase any of the Tendered Shares, Etc. If the total number of the Tendered Shares, Etc., is equal to or greater than the minimum number of shares to be purchased (i.e., 50,347,400 shares), the Tender Offeror will purchase all of the Tendered Shares, Etc.

(II) Conditions of Withdrawal, Etc., of the Tender Offer, Details thereof and Method of Disclosure of Withdrawal, Etc.

The Tender Offer may be withdrawn upon the occurrence of any event listed in Article 14, Paragraph 1, Item 1, Sub-Items (a) through (j) and Sub-Items (m) through (s), Item 3, Sub-Items (a) through (h) and Sub-Item (j), and Paragraph 2, Items 3 through 6 of the Enforcement Order.

The “facts equivalent to those set forth in Sub-Items (a) through (i)” in Article 14, Paragraph 1, Item 3, Sub-Item (j) of the Enforcement Order means the cases (I) where it is found that there is a false statement regarding, or an omission of, a material matter required to be stated in the statutory disclosure documents that the Target Company previously submitted and the Tender Offeror did not know of such false

statement or omission and could not have known of it despite exercising due care, or (II) where the facts listed in Sub-Items (a) through (g) of the same Item have occurred at any important subsidiary of the Target Company.

Should the Tender Offeror intend to withdraw the Tender Offer, it will give public notice thereof through electronic disclosure as well as in the Nihon Keizai Shimbun. However, if it is difficult to give such notice within the Tender Offer Period, the Tender Offeror will make an official announcement pursuant to Article 20 of the TOB Order and give public notice promptly thereafter.

(III) Conditions of Reduction of Price for Purchase, Etc., Details thereof and Method of Disclosure of Reduction

Pursuant to Article 27-6, Paragraph 1, Item 1 of the Act, if the Target Company takes any action set forth in Article 13, Paragraph 1 of the Enforcement Order during the Tender Offer Period, the Tender Offeror may reduce the price for purchase, etc. pursuant to the standards set forth in Article 19, Paragraph 1 of the TOB Order.

Should the Tender Offeror intend to reduce the price for purchase, etc., it will give public notice thereof through electronic disclosure as well as in the Nihon Keizai Shimbun. However, if it is difficult to give such notice within the Tender Offer Period, the Tender Offeror will make an official announcement pursuant to Article 20 of the TOB Order and give public notice promptly thereafter.

If the price for purchase, etc. is reduced, the Tender Offeror will purchase the Tendered Shares, Etc. that are tendered on or prior to the date of such public notice at the reduced price for purchase, etc.

(IV) Matters Concerning Tendering Shareholders, Etc., Right of Cancellation of Contract

The Tendering Shareholders, Etc., may cancel a contract related to the Tender Offer at any time during the Tender Offer Period.

In order to cancel the contract, the Tendering Shareholders, Etc., are required to proceed with the procedures by personally delivering or mailing (by post) a written request for the cancellation of the contract related to the Tender Offer (the “Cancellation Documents”) to the entity designated below, or in any other manner by 15:30 on the last day of the Tender Offer Period (provided, however, the business hours or the securities handling hours may vary depending on each branch. Please confirm the business hours, etc., of the branch to be used before proceeding with the application). If cancellation is made by postal mail, the cancellation will not be effective unless the Cancellation Documents are delivered to the entity designated below by 15:30 on the last day of the Tender Offer Period (provided, however, the business hours or the securities handling hours may vary depending on each branch. Please confirm the business hours, etc., of the branch to be used in advance and proceed with the application).

In order to cancel a contract via Nikko Easy Trade, the Tendering Shareholders, Etc., after logging into Nikko Easy Trade, are required to complete the cancellation procedures in the manner prescribed on that website by 15:30 on the last day of the Tender Offer Period.

Entity authorized to receive the Cancellation Documents:

SMBC Nikko Securities Inc.

3-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo

(and branch offices of SMBC Nikko Securities Inc. located in Japan)

The Tender Offeror will demand no compensation for damages or penalty payment of any Tendering Shareholders, Etc. upon the cancellation of a contract by such Tendering Shareholder, Etc. The cost of returning the Tendered Shares Etc., will be borne by the Tender Offeror. In the case of any cancellation of any such contracts, the Tendered Shares, Etc., will be returned promptly after completing procedures for such cancellation in the manner described in “(IV) Method of Returning Shares, Etc.” of “(8) Method of Settlement” above.

(V) Method of Disclosure if the Conditions or other Terms of the Tender Offer are Changed

The Tender Offeror may change the conditions, etc., of the Tender Offer during the Tender Offer Period, except where it is prohibited pursuant to Article 27-6, Paragraph 1 of the Act and Article 13 of the Enforcement Order.

Should any terms or conditions of the Tender Offer be changed, the Tender Offeror will give public notice thereof through electronic disclosure as well as in the Nihon Keizai Shimbun. However, if it is difficult to give notice within the Tender Offer Period, the Tender Offeror will make an official announcement pursuant to Article 20 of the TOB Order and give such public notice promptly thereafter.

If the terms or conditions of the Tender Offer are changed, the Tender Offeror will purchase the Tendered Shares, Etc. that are tendered on or prior to the date of such public notice in accordance with the terms and conditions as changed.

(VI) Method of Disclosure if Amended Statement is Submitted

If the Tender Offeror submits an amendment to the Tender Offer Registration Statement to the Director-General of the Kanto Local Finance Bureau (except in the case prescribed in the proviso of Article 27-8, Paragraph 11 of the Act), the Tender Offeror will immediately make an official announcement of the details of such amended statement to the extent relevant to the contents of the public notice of the Tender Offer, pursuant to the method set forth in Article 20 of the TOB Order. The Tender Offeror will also immediately amend the explanatory statement and provide the amended explanatory statement to the Tendering Shareholders, Etc. who have received the original explanatory statement. If the scope of the amendment is narrow, however, the Tender Offeror will amend by preparing and delivering to the Tendering Shareholders, Etc. a document stating the reason for the amendments, the matters amended and the details thereof.

(VII) Method of Disclosure of Results of the Tender Offer

The Tender Offeror will announce the results of the Tender Offer in accordance with methods stipulated in Article 9-4 of the Enforcement Order and Article 30-2 of the TOB Order on the day immediately following the last day of the Tender Offer Period.

(10) Date of Public Notice of the Commencement of the Tender Offer

October 30, 2025 (Thursday)

(11) Tender Offer Agent

SMBC Nikko Securities Inc.

3-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo

4. Policies, Etc. and Future Outlook After the Tender Offer

(1) Policies, Etc. After the Tender Offer

Please refer to “(III) Post-Tender Offer Management Policy” of “(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Post-Tender Offer Management Policy”, “(4) Post-Tender Offer Reorganization and Other Policies (Matters Relating to the ‘Two-Step Acquisition’),” and “(5) Possibility of Delisting and Reasons Therefor” of “2. Purpose, Etc. of Purchase, Etc.” above.

(2) Future Outlook

The impact of the Tender Offer on the Tender Offeror’s performance will be promptly announced if any facts to be announced arise in the future.

5. Others

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

(I) Opinion in favor of the Tender Offer

According to the Target Company’s Press Release, the Target Company has resolved at its board of directors meeting held on October 29, 2025 to (i) express its opinion in favor of the Tender Offer, (ii) recommend that the shareholders of the Target Company tender their shares in the Tender Offer and (iii) leave the decision of whether or not to tender their Stock Acquisition Rights in the Tender Offer to the discretion of the Stock Acquisition Rights Holders.

For details, please refer to the Target Company’s Press Release and “(viii) Approval by All of the Target Company’s Directors Who Do not Have a Conflict of Interest (Including Those Who Are Audit and Supervisory Committee Members)” of “(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)” of “(II) Background of Calculation” of “(4) Basis, Etc. of Calculation of Price for Purchase, Etc.” of “3. Outline of Purchase, Etc.” above.

(II) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Post-Tender Offer Management Policy

Please refer to “(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Post-Tender Offer Management Policy” of “2. Purpose, Etc. of Purchase, Etc.” above.

(III) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest

Please refer to “(Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest)” of “(II) Background of

Calculation” of “(4) Basis, Etc. of Calculation of Price for Purchase, Etc.” of “3. Outline of Purchase, Etc.” above.

(2) Other Information Deemed Necessary for Investors to Decide Whether to Tender Their Shares, Etc. to the Offer, Etc.

(I) Announcement of “Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under IFRS)”

The Target Company has announced the Target Company’s Financial Results on October 29, 2025. An overview of the Target Company’s Financial Results based on the said announcement is as follows. The contents of the Target Company’s Financial Results have not undergone a quarterly review by an auditing firm pursuant to Article 193-2, Paragraph 1 of the Act. For details, please refer to the said announcement.

(i) Profit and Loss (Consolidated)

Accounting Period	The Six Months Ended September 30, 2025 (from April 1, 2025 to September 30, 2025)
Net sales	371,279 million yen
Operating profit	41,606 million yen
Profit before tax	49,608 million yen
Profit	35,647 million yen
Profit attributable to owners of parent	35,614 million yen
Comprehensive income	35,200 million yen

(ii) Per Share Information (Consolidated)

Accounting Period	The Six Months Ended September 30, 2025 (from April 1, 2025 to September 30, 2025)
Basic earnings per share	113.91 yen
Diluted earnings per share	113.91 yen

(II) Announcement of “Notice Concerning Revision of Year-End Dividend Forecast (No Dividend)”

Taking into consideration that the Tender Offer is scheduled to be implemented, the Target Company decided at its board of directors meeting on October 29, 2025, to revise its dividend forecasts for the fiscal year ending March 2026, and not to distribute a year-end dividend for the fiscal year ending March 2026. For details, please refer to the said announcement.

[Soliciting Regulations]

This press release is an announcement regarding the Tender Offer to the general public and is not prepared for the purpose of solicitation of selling. If a shareholder tenders his or her shares for selling, the shareholder is required to tender based on his/her own judgment after reading the tender offer explanatory statement concerning the Tender Offer. This press release shall neither be, nor constitute a part of, an offer to sell or a solicitation thereof, or a solicitation of an offer to purchase, any securities whatsoever. Moreover, this press release (or any part thereof) or the fact of distribution thereof shall not be interpreted to be the grounds for any agreement related to the Tender Offer, nor can it be relied in concluding any agreement.

[Regulations of the United States]

The Tender Offer is for the shares, etc. of the Target Company, which is a company incorporated in Japan. The Tender Offer is to be conducted in accordance with the procedures and information disclosure standards prescribed under the laws of Japan, and these procedures and information disclosure standards are not necessarily the same as the procedures and information disclosure standards in the U.S. In particular, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended; the same shall apply hereinafter), and the rules prescribed thereunder do not apply to the Tender Offer, and the Tender Offer does not conform to those procedures and standards. The financial statements contained in this press release and reference materials thereof have been prepared in accordance with Japanese accounting standards, which may substantially differ from generally accepted accounting principles in the U.S. and other countries. Moreover, as the Tender Offeror is a company incorporated outside of the U.S. and some or all of its directors are non-U.S. residents, it may be difficult to enforce any rights or claims arising under the U.S. securities laws. In addition, it may not be able to commence legal actions against a non-U.S. company or its directors in a non-U.S. court on the grounds of a violation of the U.S. securities laws. Furthermore, a company incorporated outside the U.S. and its subsidiaries and associated companies may not necessarily be compelled to submit to the jurisdiction of U.S. courts.

Unless otherwise provided, all procedures for the Tender Offer shall be conducted entirely in the Japanese language. Some or all of the documents relating to the Tender Offer are or will be prepared in the English language. However, should there be any inconsistency between the document in English and that in Japanese, the Japanese document shall prevail.

Prior to the commencement of the Tender Offer or during the Tender Offer Period, the Tender Offeror and each of its affiliates, each financial advisor to the Tender Offeror and the Target Company, and the Tender Offer Agent (including their respective affiliates) may, in the ordinary course of their business, and to the extent permitted under the related Japanese financial instruments and exchange laws and regulations and other applicable laws and regulations, and Rule 14e-5(b) under the U.S. Securities Exchange Act of 1934, make purchases or take actions toward the purchase of the Target Company Shares for their own accounts or for their customers' accounts outside of the Tender Offer. In such cases, the Target Company Shares may be purchased and sold at a market price through market transactions or at a price determined through negotiations outside of the market. If any information concerning such purchase is disclosed in Japan, such information will also be disclosed on the English website (or other means of disclosure) of the entity which made such purchase.

[Other Countries]

In certain countries or regions, the announcement, issue or distribution of this press release may be restricted under the laws thereof. In such cases, please take note of such restrictions and comply therewith. The announcement, issue, or distribution of this press release does not constitute any solicitation of an offer for selling, etc., or offer

for purchase, etc., of shares, etc. concerning the Tender Offer, and it constitutes nothing more than the distribution of materials for reference.

[Forward-looking Statements]

This press release or reference materials thereof contain “forward-looking statements” as defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the U.S. Securities Exchange Act of 1934. Due to any known or unknown risks, uncertainties, or any other factors, it is possible that actual results may substantially differ from the description as expressly or implicitly indicated in these forward-looking statements. Neither the Tender Offeror nor any of its affiliates gives any assurance that the results expressly or implicitly indicated in these forward-looking statements will be achieved. The “forward-looking statements” in this press release or reference materials thereof have been prepared based on the information held by the Tender Offeror as of the filing date of this press release, and unless otherwise required by applicable laws and regulations, neither the Tender Offeror nor any of its affiliates is obliged to amend or modify such statements in order to reflect any events or circumstances in the future.