

November 19, 2024

To whom it may concern:

Company FUJI SOFT INCORPORATED
Name:
Representative: Satoyasu Sakashita, President &
Representative Director
(Code Number: 9749; TSE Prime Market)
Contact: Shinsuke Konishi, General Manager,
Corporate Finance Department
(TEL: 045-650-8811)

Company FK Co., Ltd.
Name:
Representative: Michael Longo, Representative Director

Notice Regarding the Commencement of Tender Offer for
the Shares of FUJI SOFT INCORPORATED (Securities Code: 9749)
by FK Co., Ltd.

FK Co., Ltd. announces that, as of today, it has published the attached “Notice Regarding the Commencement of Tender Offer for the Shares of FUJI SOFT INCORPORATED (Securities Code: 9749).”

End

This press release is published by FK Co., Ltd. (Tender Offeror) in accordance with Article 30, paragraph (1), item (iv) of the Order for Enforcement of the Financial Instruments and Exchange Act based on a request made by FUJI SOFT INCORPORATED (the Target Company in the Tender Offer).

(Attachment)

“Notice Regarding the Commencement of Tender Offer for the Shares of FUJI SOFT INCORPORATED (Securities Code: 9749)” dated November 19, 2024

November 19, 2024

To whom it may concern:

Company FK Co., Ltd.
Name:
Representative: Michael Longo, Representative Director

**Notice Regarding the Commencement of Tender Offer for
the Shares of FUJI SOFT INCORPORATED (Securities Code: 9749)**

As announced in the “(Amendment) Notice Regarding the Commencement of Tender Offer for the Shares of FUJI SOFT INCORPORATED (Securities Code: 9749) by FK Co., Ltd.” Following Submission of Amendment Statement to the Tender Offer Registration Statement by FK Co., Ltd.” dated September 19, 2024, if the First Tender Offer was completed (as defined in “(1) Outline of the Tender Offers” in “1. Purpose of the Tender Offer” below), FK Co., Ltd. (“Tender Offeror”) decided it would conduct a second tender offer with the aim of acquiring all of the common shares (“Target Company Shares”) and Share Options (as defined in “(II) Share Options” in “(3) Purchase Price” in “2. Outline of the Purchase” below; the same shall apply hereinafter; the “Target Company Shares” and the “Share Options” are referred to collectively as the “Target Company Securities”) of FUJI SOFT INCORPORATED (Securities Code: 9749; Prime Market of the Tokyo Stock Exchange, Inc. (“TSE”); “Target Company”) other than those acquired through the First Tender Offer (which includes Restricted Shares and Target Company Shares delivered upon exercise of the Share Options but excludes treasury shares owned by the Target Company), and if the Tender Offeror acquired 33,658,500 or more Target Company Shares in the First Tender Offer, the Second Tender Offer would not be conducted. However, as the number of Shares tendered in the First Tender Offer (“First Tender Offer Tendered Shares”) was 22,131,902 shares, which is less than 33,658,500 shares, as announced in the “Notice Regarding the Commencement of Tender Offer for the Shares of FUJI SOFT INCORPORATED (Securities Code: 9749)” dated November 15, 2024, the Tender Offer decided on the same day to acquire the Target Company Securities through a tender offer (“Second Tender Offer” or “Tender Offer”, together with the First Tender Offer, the “Tender Offers”) under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; “Act”) and relevant laws and regulations. It was planned that the Tender Offer would be commenced as soon as practicable once the disclosure documentation was prepared, which was expected to be mid-week during the week of November 18, 2024.

The Tender Offeror hereby announces that it decided today to commence the Second Tender Offer from November 20, 2024.

1. Purpose of the Tender Offer

(1) Outline of the Tender Offers

The Tender Offeror is a stock company established on July 26, 2024, the principal business of which is to acquire and own the Target Company Securities through the First Tender Offer and the Second Tender Offer, and to control and manage the business activities of the Target Company after the completion of the Tender Offers. As of today, all of the Tender Offeror’s issued shares are owned by FK Holdings Co., Ltd. (“Tender Offeror Parent Company”), a stock company established on July 26, 2024. As of today, the Tender Offeror owns 21,413,302 Target Company Shares (Ownership Ratio (Note 1): 33.97%), 1,013 Fifth Series Share Options (as defined in “(II) Share Options” in “(3)

Purchase Price” in “2. Outline of the Purchase” below; the same shall apply hereinafter), 1,230 Sixth Series Share Options (as defined in “(II) Share Options” in “(3) Purchase Price” in “2. Outline of the Purchase” below; the same shall apply hereinafter), and 2,700 Seventh Series Share Options (as defined in “(II) Share Options” in “(3) Purchase Price” in “2. Outline of the Purchase” below; the same shall apply hereinafter) (22,131,902 shares on an as-converted basis (Ownership Ratio: 35.11%)). In addition, as of today, FK Investment L.P. (“KKR Fund”), a limited partnership established under the laws of Ontario, Canada on July 24, 2024, which is indirectly operated by Kohlberg Kravis Roberts & Co. L.P. (including affiliates and related funds; “KKR”), an investment advisory firm established under the laws of Delaware, U.S.A., owns all of the issued shares of the Tender Offeror Parent Company. The Tender Offeror Parent Company and the KKR Fund do not own Target Company Shares as of today.

(Note 1) “Ownership Ratio” means the percentage (figures are rounded to the nearest two decimal places) of the number of shares (63,028,271 shares) (hereinafter referred to as the “Total Number of Shares after Taking into Account the Potential Shares of the Target Company”), obtained by adding (i) the total number of outstanding shares of the Target Company as of September 30, 2024 (67,400,000 shares), as stated in the Consolidated Financial Results for the Third Quarter of the Fiscal Year Ended December 31, 2024 (Under Japanese GAAP) (“Consolidated Financial Results for the Third Quarter of the Target Company”) submitted by the Target Company on November 7, 2024, to (ii) the number of shares (217,800 shares) subject to the Fifth Series Share Options (1,089 options), remaining as of October 15, 2024, reported by the Target Company, and whose exercise period expired as of today, less the number of shares (202,600 shares) subject to the Fifth Series Share Options (1,013 options) owned by the Tender Offeror as of today (equal to 15,200 shares), such sum of item (i) and (ii) being 67,415,200 shares, and subtracting (iii) the number of treasury shares owned by the Target Company as of September 30, 2024 (4,386,929 shares) (Note 2). Among the Share Options, the first day of the exercise period for the Sixth and Seventh Series Share Options are April 1, 2025 and March 27, 2026, respectively. During the Second Tender Offer Period, as the exercise of the Sixth and Seventh Series Share Options and the issuance of or transfer of Target Company Shares to the holders of the share options is not expected to occur; the number of shares subject to the Sixth Series Share Options (1,310 options) and the Seventh Series Share Options (2,900 options) (the Sixth Series Share Options: 262,000 shares, the Seventh Series Share Options: 290,000 shares) have not been added to the Total Number of Shares after Taking into Account the Potential Shares of the Target Company. In addition, according to the Target Company, the exercise period of the Fourth Series Share Options as stated in the 54th Securities Report submitted by the Target Company on March 27, 2024 expired on March 26, 2024, and all of the Fourth Series Share Options that existed at that time were extinguished.

(Note 2) According to the Target Company, the 4,388,528 shares of treasury stock as of September 30, 2024 stated in the Consolidated Financial Results for the Third Quarter of the Target Company include 1,599 shares, which is equivalent to 40% (the Target Company’s voting rights in Nihon Business Soft Incorporation) of the 3,998 shares of the Target Company Shares (Ownership Ratio: 0.01%) held by Nihon Business Soft Incorporation, an equity-method affiliate of the Target Company, and the number of treasury shares held by the Target Company as of September 30, 2024 is 4,386,929 shares (4,388,528 shares less 1,599 shares).

KKR is an international investment company that was established in 1976, which has approximately 578 billion dollars in assets under management throughout the world, including private equity investments; the shares of KKR are listed on the New York Stock Exchange. KKR has an investment philosophy that focuses on investing with a long-term perspective based on partnerships with management. As a partner to companies and their management with excellent business foundations and potential, KKR aims to create a leading company in the industry by utilizing the various

management resources, knowledge, and networks of KKR.

Since the opening of its Tokyo office in 2006, KKR has been expanding its investment activities in the Japanese market actively; it is operated by employees who are well aware of commercial business practices in Japan and have a range of backgrounds. In particular, with respect to tender offers, it is considered that KKR leverages the strengths of its global network and has leading operational experience as a private equity fund (“PE Fund”) in Japan, for example, having achieved tender offers for Hitachi Transport System, Ltd. (currently LOGISTEED, Ltd.; “LOGISTEED”) in 2022 (the largest M&A transaction in Japan) (total purchase amount: 449.2 billion yen), and Calsonic Kansei Corporation (currently Marelli Corporation) (total purchase amount: 345.5 billion yen), Hitachi Koki Co., Ltd. (currently Koki Holdings Co., Ltd.) (total purchase amount: 88.2 billion yen) and Hitachi Kokusai Electric Inc. (currently KOKUSAI ELECTIRIC CORPORATION; “KE”) (total purchase amount: 143.9 billion yen) in 2017. In particular, with respect to KE, after a corporate split following its delisting, in partnership with KKR, as a specialized manufacturer of semiconductor manufacturing equipment, KE deals in the manufacture and sale of coating equipment and treatment equipment for front-end processes, and has established a rock-solid management base, for example, by having the No. 1 worldwide share in the batch ALD equipment field (2023) (Source: “TI_ALD Tools_Yearly” by TechInsights Inc. (VLSI) in April 2024). Thereafter, considering not only the recovery in the semiconductor cycle, but also that the market environment in which the demand for coating/treatment technology of which KE takes advantage is expected to continue to increase, given an industry environment in which semiconductor devices become smaller and more complex at an accelerating rate, KE achieved re-listing of its shares on the Prime Market of Tokyo Stock Exchange, Inc. (“TSE”) in October 2023. Currently, KE has grown to have a market capitalization of more than 560 billion yen (as of November 18, 2024), and KE is believed to be an example of KKR’s aspiration to “create a leading company in the industry by utilizing the various management resources, knowledge and networks of KKR.”

In addition, KKR is considered to have extensive investment and management experience in the IT and software fields and DX (Note 3) field related to the business of the Target Company. In March 2021, KKR acquired shares of Seiyu Co., Ltd., a major supermarket company under the umbrella of Walmart Inc., jointly with Rakuten DX Solution G.K., a subsidiary of Rakuten, Inc. (currently Rakuten Group, Inc.; “Rakuten”), and supports the promotion of DX by fusing the internet with real life retail through the alliance with Rakuten. For companies with such high growth potential in the future, KKR takes measures to support acceleration of the companies’ growth and system development by providing KKR’s capital, human resources, and network. In March 2022, KKR acquired Yayoi Co., Ltd. (“Yayoi”), which provides business software and has the No. 1 share in Japan in cloud accounting software for sole proprietors (Source: “Survey of Use of Cloud Accounting Software (March 31, 2024)” by MM Research Institute, Ltd.), from ORIX Corporation. While more than 99% of Japanese companies are small and medium-sized enterprises (as defined in Article 2, paragraph (1) of the Basic Act on Small and Medium-Sized Enterprises (Act No. 154 of July 20, 1963) (Note 4)), Yayoi is considered to play a key role in supporting improvements to business efficiency and enhancement of productivity in small and medium-sized enterprises, as well as promoting DX and cloud computing; therefore, Yayoi seems to have considerable room for future growth. KKR is considered to have extensive global investment experience in the software, cloud, and SaaS (Note 5) fields, and KKR is supporting Yayoi’s new growth using its experience and knowledge.

(Note 3) “DX” stands for “digital transformation” and means providing new value and experiences and social transformation through the use of digital technology.

(Note 4) “Small and medium-sized enterprises” means (i) companies with stated capital or total contribution amounts of 0.3 billion yen or less and companies and individuals with 300 or fewer full-time employees, which engage in manufacturing business, construction business, transportation business and other

businesses (excluding wholesale business, service business and retail business) as their principal business;
(ii) companies with stated capital or total contributions of 0.1 billion yen or less and companies and individuals with 100 or fewer full-time employees, which engage principally in the wholesale business;
(iii) companies with stated capital or total contributions of 50 million yen or less and companies and individuals with 100 or fewer full-time employees, which engage principally in service businesses; and
(iv) companies with stated capital or total contributions of 50 million yen or less and companies and individuals with fifty or fewer full-time employees, which engage principally in retail businesses.

(Note 5) “SaaS” stands for “software as a service” and means providing software functions as services via the internet.

In addition, KKR is considered to have extensive investment experience working with start-up companies in the DX solutions field. In August 2019, KKR invested in FromScratch Co., Ltd (currently dataX Inc.; “dataX”), which develops and provides a data marketing platform and supports the development and provision of a SaaS-type data marketing platform called “b→dash” for unified acquisition, integration, utilization, and analysis of all big data existing in business processes. Given that data use by companies is becoming more and more important, it is believed that the future growth of dataX can be expected to a great extent, not only in the Japanese market but also in global markets, especially in Asia; therefore, KKR is supporting dataX’s further business expansion, and expansion into global markets, as a SaaS company originating in Japan, through KKR’s global network. In April 2021, KKR invested in NETSTARS Co., Ltd. (“NETSTARS”), which provides “StarPay,” a QR code multi-payment gateway, and is supporting the provision of innovative solutions for disseminating and promoting cashless payments. KKR supports NETSTARS’ ongoing business expansion in the Japanese and overseas markets through KKR’s global network and investee companies related to Fintech (Note 6). In addition, after KKR supported the strengthening of NETSTARS’ governance structure towards the listing of its shares, NETSTARS shares were listed on the Growth Market of the TSE in September 2023. In July 2024, KKR invested in SmartHR, Inc. (“SmartHR”), which operates cloud-based human resources and labor management software and promotes digitalization and dissemination of cloud in HR operations and talent management, through cloud human resources and labor management software called “SmartHR,” which is one of the leading SaaS platforms for human resources and labor management in Japan. KKR will play a key role in enhancing labor productivity in Japan by utilizing KKR’s global expertise, best practices, and networks to support SmartHR’s ongoing growth.

(Note 6) “Fintech” is a term that combines “finance” and “technology,” and means various innovative movements that combine financial services and information technology.

KKR is also focusing on investment activities in the real estate field in Japan. In April 2022, KKR acquired a real estate management company, Mitsubishi Corp.-UBS Realty Inc. (currently KJR Management, “KJRM”) from Mitsubishi Corporation and UBS Group AG. By utilizing the resources and network of KJRM, which has a strong business foundation and total assets under management of 1.6 trillion yen, and KKR, which has developed a global real estate investment business, KKR supports the further enhancement of KJRM’s value. With respect to KJRM, collaboration with the investee companies of KKR is also promoted, and in 2024, KJRM implemented securitization of assets exceeding 200 billion yen, in which the 33 distribution centers in Japan owned by LOGISTEED were transferred to Industrial & Infrastructure Fund Investment Corporation (“IIF”), by which KJRM is entrusted with asset management and a private placement fund formed for the purpose of acquiring the target properties. It is considered that this project will contribute the enhancement of KJRM’s corporate value through the acquisition of an excellent industrial real estate portfolio, and also that in the process of considering a “shift to the asset-light business model,” which is the main business model in global logistics companies, in order for LOGISTEED to achieve “relisting as a global logistics company,” this project will contribute to further business growth and the enhancement of the corporate

value of LOGISTEED by realizing the shift to an asset-light business model and the improvement of capital efficiency. In addition, in November 2023, Central Tank Terminal Co., Ltd. (“CTT”), in which KKR has invested, transferred the three tank terminal properties owned by CTT to IIF, and also implemented a sale-and-leaseback transaction for which a lease agreement was executed with IIF. It is considered that this project is an initiative which will lead to both enhancement of CTT’s corporate value as a major tank terminal operator, through CTT’s asset-light strategy, and that of KJRM, through the acquisition of a prime asset in the form of a rare tank terminal site with high stability and profitability at IIF.

In addition, starting with its 2010 investment in Intelligence, Ltd., which provides comprehensive human resources services, in 2014 KKR supported Panasonic Healthcare Co., Ltd. (“PHC”) in achieving independence from Panasonic Corporation, in 2015 KKR invested in the DJ equipment business (currently, Pioneer DJ Corporation), a division of Pioneer Corporation, in 2016 PHC acquired the diabetes care business of Bayer Aktiengesellschaft and its subsidiary, Bayer Healthcare, and in 2019 KKR acquired the anatomical pathology business (currently EpreDia) of Thermo Fisher Scientific, Inc. and acquired LSI Medience Corporation, a major Japanese clinical laboratory under the umbrella of Mitsubishi Chemical Holdings Corporation. Thus, by expanding its investment activities in the Japanese market and promoting both organic (i.e., a method using existing management resources) and inorganic (i.e., via an alliance with another company, acquisition of another company, or other means) growth strategies, as well as promoting improvement of profitability and business efficiency, KKR is working to support business growth and enhance the corporate value of the investee companies.

As described in the Tender Offer Registration Statement submitted on September 5, 2024 (including the matters amended in the amendment statement to the Tender Offer Registration Statement submitted on September 13, 2024, the amendment statement to the Tender Offer Registration Statement submitted on September 19, 2024, the amendment statement to the Tender Offer Registration Statement submitted on September 27, 2024, the amendment statement to the Tender Offer Registration Statement submitted on October 1, 2024 and the amendment statement to the Tender Offer Registration Statement submitted on October 21, 2024; the “First Tender Offer Registration Statement”), the Tender Offer conducted a tender offer (“First Tender Offer”) with a tender offer price per Target Company Share of 8,800 yen (“First Tender Offer Price”) and a tender offer period of September 5, 2024 until November 5, 2024 (“First Tender Offer Period”), without setting any minimum or maximum number of shares to be purchased, with the aim of acquiring all of the Target Company Shares (including the restricted shares of the Target Company granted to the directors and executive officers of the Target Company as restricted stock compensation (“Restricted Shares”) and the Target Company Shares to be delivered upon the exercise of the Share Options, excluding the treasury shares held by the Target Company) and all of the Share Options, through which the Tender Offeror will be made the sole shareholder of the Target Company, as part of a series of transactions aimed at privatizing the Target Company Shares which were listed on the TSE’s Prime Market as of the submission date of First Tender Offer Registration Statement (“Transaction”). The First Tender Offer was completed, with the number of First Tender Offer Tendered Shares being 22,131,902 shares (Note 7) (Ownership Ratio: 35.11%). Subsequently the settlement of the First Tender Offer was completed on November 12, 2024, and as of today, the Tender Offeror has acquired 22,131,902 Target Company Shares (Ownership Ratio: 35.11%).

(Note 7) The number of Share Options is the number of shares after conversion based on their terms of issuance.

The Tender Offeror decided on September 19, 2024 that if the First Tender Offer was completed, the Tender Offeror would conduct the Second Tender Offer with the aim of acquiring all of the Target Company Shares and Share Options other than those acquired through the First Tender Offer (which includes Restricted Shares and Target Company Shares delivered upon exercise of the Share Options but excludes treasury shares owned by the Target Company), and if the Tender Offeror acquired 33,658,500 or more Target Company Shares (Ownership Ratio: 53.40% (Note 8)) in the First

Tender Offer, the Second Tender Offer would not be conducted. However, as the number of First Tender Offer Tendered Shares was 22,131,902 shares (Ownership Ratio: 35.11%), which is less than 33,658,500 shares, the Tender Offeror decided to conduct the Second Tender Offer. In light of the fact that Target Company's share price has continued to trade above the First Tender Offer Price (8,800 yen), so as to increase the likelihood of the swift privatization of the Target Company, on November 15, 2024, the Tender Offeror decided to raise the purchase price for the Target Company Shares in the Second Tender Offer ("Second Tender Offer Price" or "Tender Offer Price") to 9,451 yen and decided to set to the purchase price per Share Option ("Second Share Option Purchase Price" or "Share Option Purchase Price") at the amount calculated by multiplying the difference between the Second Tender Offer Price (9,451 yen) and the exercise price per Share Option by the number of Target Company Shares which are subject to a Share Option (Fifth Series Share Options: 5,986 yen, Sixth Series Share Options: 5,299 yen and Seventh Series Share Options: 2,932 yen) (such amounts being Fifth Series Share Options: 1,197,200 yen, Sixth Series Share Options: 1,059,800 yen, Seventh Series Share Options: 293,200 yen) ("Price Increase"). Upon informing the Target Company of the same, the Target Company stated that at its board of directors meeting held on November 15, 2024, the Target Company resolved to express its opinion in opposition to Bain Capital's (as defined in "(III) Decision-making Process and Reasons Leading to the Target Company's Support of the Tender Offer" in "(2) Background, Purpose, and Decision-making Process Leading to the Determination to Conduct the Tender Offers, and the Management Policy After the Tender Offers" below) tender offer, and to express its opinion in support for the Second Tender Offer, and to recommend that the Target Company shareholders and Share Option holders ("Share Option Holders") tender their Target Company Securities in the in the Second Tender Offer. Therefore, on November 15, 2024, the Tender Offeror decided to commence the Second Tender Offer as soon as practicable once the disclosure documentation is prepared, which is expected to be mid-week during the week of November 18, 2024. Subsequently, as the disclosure documentation was prepared, on November 19, 2024, the Tender Offeror decided to commence the Second Tender Offer from November 20, 2024. In light of the Price Increase, from the perspective of fairness, if the Second Tender Offer is completed, the Tender Offeror intends on compensating all Target Company shareholders and Share Option Holders who tendered in the First Tender Offer in the amount of the difference between the purchase priced determined by the Price Increase, and the First Tender Offer Price and the Second Share Option Purchase Price (common shares: 651 yen, Fifth Series Share Options: 130,200 yen per option, Sixth Series Share Options: 130,200 yen per option, Seventh Series Share Options: 65,100 yen per option). However, details as to the timing and method of such compensation are currently under consideration and will be announced promptly as soon as it is decided.

(Note 8) The Ownership Ratio stated in the First Tender Offer Registration Statement is 53.22%. As the Total Number of Shares after Taking into Account the Potential Shares of the Target Company has decreased since the publication of the First Tender Offer Registration Statement, the Ownership Ratio has changed from that stated in the First Tender Offer Registration Statement; the same shall apply hereinafter.

With respect to the Tender Offer, the Tender Offeror executed an agreement as of August 8, 2024 with 3D Investment Partners Pte. Ltd. ("3DIP"), the largest shareholder of the Target Company at the time, to tender all of the Target Company Shares for which 3DIP has investment authority (number of shares held: 14,834,000 shares, Ownership Ratio: 23.54%) in the First Tender Offer ("3DIP Tender Agreement"). In addition, the Tender Offeror executed an agreement with Farallon Capital Partners, L.P. (number of shares held: 444,992 shares, Ownership Ratio (0.71%), Farallon Capital Institutional Partners, L.P. (number of shares held: 702,957 shares, Ownership Ratio (1.12%), Four Crossings Institutional Partners V, L.P. (number of shares held: 108,631 shares, Ownership Ratio (0.17%), Farallon Capital Institutional Partners II, L.P. (number of shares held: 150,040 shares, Ownership Ratio (0.24%), Farallon Capital Offshore Investors II, L.P. (number of shares held: 1,754,833 shares, Ownership Ratio (2.78%), Farallon Capital F5 Master I, L.P. (number of shares held: 314,460 shares, Ownership Ratio (0.50%), Farallon Capital (AM) Investors, L.P. (number of shares held: 57,458 shares, Ownership Ratio (0.09%), Farallon Capital Institutional Partners III, L.P. (number of shares held: 76,299 shares, Ownership Ratio (0.12%), and Cabrillo Funding Ltd. (number of shares held:

2,224,000 shares, Ownership Ratio (3.53%), (collectively, “Farallon”; 3DIP and Farallon are referred to collectively as the “Tendering Shareholders”), shareholders of the Target Company at the time, to tender all of the Target Company Shares held by Farallon at the time (number of shares held: 5,833,670 shares, Ownership Ratio: 9.26%) in the First Tender Offer (“Farallon Tender Agreement”; the 3DIP Tender Agreement and the Farallon Tender Agreement are collectively referred to as the “Tender Agreements,” and the Target Company Securities (total: 20,667,670 shares, Ownership Ratio: 32.79%) to be tendered under the Tender Agreements shall be referred to as the “Planned Tender Shares”). Subsequently, each of the Tendering Shareholders tendered their respective Planned Tender Shares in the First Tender Offer pursuant to their respective Tender Agreements, and the Tender Offeror acquired each of the Planned Tender Shares on the commencement date of settlement of the First Tender Offer (November 12, 2024).

As described in the amendment statement to the Tender Offer Registration Statement submitted on September 19, 2024, so that the shareholders of the Target Company and Share Option Holders who wish to assess whether Bain Capital would make a legally binding proposal in October 2024 and announce a planned tender offer as described in the “Notice of Submission of Proposal for Tender Offer for FUJI SOFT INCORPORATED (Securities Code: 9749) by Bain Capital” announced by Bain Capital on September 3, 2024 (“Bain Capital Press Release Dated September 3, 2024”), and the details thereof, will have a certain opportunity secured to sell the Target Company Shares at the same price as that of the First Tender Offer Price, and the Share Options at the difference between the First Tender Offer Price and the exercise price per Target Company Share even in the case that Bain Capital has not announced a planned tender offer, the Second Tender Offer Price was set at 8,800 yen. However, as described above, the Price Increase was decided upon. In addition, in the Tender Offer, the Tender Offeror has set 12,133,398 shares (Ownership Ratio: 19.25%) as the minimum number of shares to be purchased, which is the amount obtained by deducting 21,413,302 shares (Ownership Ratio: 33.97%), the number of Target Company Shares owned by the Tender Offeror as of today, from 33,546,700 shares (Ownership Ratio: 53.22%), and if the total number of the shares, etc. tendered in the Tender Offer (“Tendered Shares”) is less than the minimum number of shares to be purchased (12,133,398 shares), the Tender Offeror will not purchase any of the Tendered Shares. On the other hand, as the Tender Offeror aims to take the Target Company private by acquiring all of the Target Company Shares (which includes Restricted Shares and Target Company Shares delivered upon exercise of the Share Options but excludes Target Company Shares held by the Tender Offeror and treasury shares owned by the Target Company) and all of the Share Options (excluding Share Options held by the Tender Offeror), the Tender Offeror has not set a maximum number of shares to be purchased in the Tender Offer, and if the total number of Tendered Shares equals to or exceeds the minimum number of shares to be purchased, which is 12,133,398 shares, the Tender Offeror will purchase all of the Tendered Shares. The minimum number of shares to be purchased, which is 12,133,398 shares, is the number of shares derived by multiplying the number of voting rights for the Total Number of Shares after Taking into Account the Potential Shares of the Target Company (630,282 voting rights) by 53.25% (335,626 voting rights; rounded up to the nearest whole number), after deducting the number of voting rights (159 voting rights) for the number of Restricted Shares held by directors of the Target Company (totaling 15,937 shares, Ownership Ratio: 0.03%) (Note 9), and then multiplying such number of voting rights by 100 (33,546,700 shares), the share unit of the Target Company, and then deducting 21,413,302 shares (Ownership Ratio: 33.97%), the number of Target Company Shares owned by the Tender Offeror as of today, which amounts to 12,133,398 shares (Ownership Ratio: 19.25%).

(Note 9) Although the Restricted Shares cannot be tendered in the Tender Offer due to transfer restrictions attached thereto, at the meetings of the board of directors of the Target Company held on August 8, 2024, November 15, 2024 and November 19, 2024, resolutions were passed to express an opinion in favor of the Tender Offer, on the assumption of the delisting. At the time of such resolution, of the 12 directors of the Target Company, 11, excluding Tomoyasu Sakashita, Representative Director of the Target Company (“Mr. Sakashita”), participated in the deliberations and the resolution, and all of the directors who participated in the resolution voted in favor (given Mr. Sakashita is related by marriage to the Founding

Family Shareholders (as defined in “(III) Decision-making Process and Reasons Leading to the Target Company’s Support of the Tender Offer” in “(2) Background, Purpose, and Decision-making Process Leading to the Determination to Conduct the Tender Offers, and the Management Policy After the Tender Offers” below) and it is possible that he may be deemed to have a special interest in both the First Tender Offer proposed by the Tender Offeror, and the proposal to take the Target Company private by Bain Capital, on the assumption of an agreement between Bain Capital and the Founding Family Shareholders, at the board of directors meetings on November 15, 2024 and November 19, 2024, he did not participate in any review regarding the Transaction, or discussions or negotiations with the Tender Offeror on behalf of the Target Company in order to avoid the risk of a conflict of interest and to ensure the fairness of the Transaction). It is therefore expected that if the Tender Offer is completed, it is likely that the Squeeze-out Procedure (as defined below; the same shall apply hereinafter) will be supported, and thus in determining the minimum number of shares to be purchased, the number of voting rights for the Restricted Shares is deducted.

The reasons for setting the minimum number of shares to be purchased in the Tender Offer are as follows.

The “Fair M&A Guidelines: Enhancing Corporate Value and Securing Shareholders’ Interests” formulated by the Ministry of Economy, Trade and Industry on June 28, 2019, indicate that “in recent years, especially in Japan's capital market trends, the scale of passive index management funds (Note 10) has been expanding, and some investors do not, in principle, tender their shares in a tender offer regardless of the suitability of the transaction conditions.” The Tender Offeror understands that some of the passive index management funds that own the Target Company Shares will not tender their shares in the tender offer, in principle, regardless of the suitability of the terms of the tender offer, but in light of past cases, it understands that some of them intend to vote in favor of the proposal on the share consolidation at the general shareholders meeting following the squeeze-out procedure. In addition, the Target Company’s shareholders include pension asset management institutions (Note 11) other than passive index management funds, and in general, the voting behavior of pension asset management institutions follows the policies of the asset management companies to which they entrust the management of their assets. If the management policy of the pension reserve fund to be managed is passive, and the main investment assets of the asset management company to which management has been entrusted are passive index management funds, it is understood that the entrusting pension asset management institution will consequently adopt the same management policy and voting behavior as the passive index management funds, and although some passive index management funds may not tender their shares in the Tender Offer, if the Tender Offer is completed, it is expected that they will vote in favor of the proposal on the share consolidation at the general shareholders meeting in the subsequent squeeze-out procedure (hereinafter, such pension asset management institutions that are thought to have such management policy and voting behavior are collectively referred to as “passive index management funds”). Among the Target Company Shares owned by passive index management funds, at the time of publication on August 8, 2024 of the Notice Regarding the Planned Commencement of Tender Offeror for the Shares of FUJI SOFT INCORPORATED (Securities Code 9749) by FK Co., Ltd. (“Tender Offeror Press Release Dated August 8, 2024”), as the Tender Offeror did not have any specific estimates as to the most recent number of Target Company Shares owned by passive index management funds, including information about the number of Target Company Shares which are managed based on a passive index management policy, at such time the minimum number of shares to be purchased in the First Tender Offer was set at 42,142,900 shares (Ownership Ratio: 66.86%) such that the Tender Offeror would hold more than two-thirds of the total voting rights of the Target Company after the First Tender Offer (Note 12). However, while reviewing the shareholder identification survey of the Target Company as of June 30, 2024 conducted by the Target Company, which was shared by the Target Company on August 21, 2024 (the “Target Company Shareholder Identification Survey”), the Target Company recognized that a certain number of passive index management funds may hold the Target Company Shares. Taking into account the status of major

shareholders listed in the 55th Semiannual Report (the “Target Company Semiannual Report”) submitted by the Target Company on August 9, 2024, and the results of the Target Company Shareholder Identification Survey, and additional materials for the Target Company Shareholder Identification Survey received from the Target Company on August 29, 2024 (“Additional Materials for the Target Company Shareholder Identification Survey”), as it is expected that there is a certain number of Target Company Shares owned by the passive index management funds, the Tender Offeror requested that a third party estimate the expected number of Target Company Shares owned by the passive index management funds based on publicly available information, the results of the Target Company Shareholder Identification Survey, the Additional Materials for the Target Company Shareholder Identification Survey, and information provided by information vendors that provide various data services, such as information on financial markets, prior to the publication of the “Notice Regarding the Commencement of Tender Offer for the Shares of FUJI SOFT INCORPORATED (Securities Code: 9749) by FK Co., Ltd” dated September 4, 2024.

As a result, although it is difficult to accurately ascertain and estimate the number of Target Company Shares owned by the passive index management funds, it was estimated that the passive index management funds may own at least about 8.2% of the Target Company Shares.

As stated above, while some passive index management funds will not tender their shares in the Tender Offer, after the completion of the Tender Offers, if a proposal on the Share Consolidation (as defined in “(5) Policy on Post-Tender Offers Organizational Restructuring, Etc. (Matters Relating to the Two-Step Acquisition)” below) is submitted to the Extraordinary General Shareholders Meeting (as defined in “(5) Policy on Post-Tender Offers Organizational Restructuring, Etc. (Matters Relating to the Two-Step Acquisition)” below), some of them may vote in favor of the proposal, and as it generally can be inferred that they will exercise their voting rights in favor of the proposal at the general meeting of shareholders proposed after the company expresses its support for the proposal, even if the number of Target Company shares held by the Tender Offeror after completion of the Tender Offers is 33,546,700 shares (Ownership Ratio: 53.22%), it is expected that the Target Company Shares whose voting rights will be exercised in favor of the proposal on the Share Consolidation will reach 61.45% in terms of the ownership ratio (Note 13). Furthermore, considering the number of Target Company Shares required for the approval of the proposal on the Share Consolidation being at a level equivalent to the ratio (approximately 61.44%) calculated by multiplying 92.16%, which is the maximum voting rate at the general shareholders meeting for the most recent three fiscal years of the Target Company (rounded to the nearest three decimal places; the same shall apply hereinafter in the calculation of the voting rights ratio) by two-thirds, which is the voting rights ratio required for the approval of a special resolution at the general shareholders meeting, it is estimated that the level of the number of Target Company Shares whose voting rights will be exercised in favor of the proposal on the Share Consolidation (approximately 61.45%) will exceed the voting rights ratio of 61.44%, and in light of this, the Tender Offeror expects that the requirements for the approval of the proposal on the Share Consolidation will be satisfied.

Based on the information above, the Tender Offer has set the number of voting rights of the Target Company to be held by the Tender Offeror after the Tender Offer as at least equal to 53.22% of the total voting rights of the Target Company in order to ensure the stable completion of the Tender Offer and maximize the likelihood of the success of the Transaction and to ensure that the voting rights of the Target Company held by the Tender Offeror will reach a level at which the proposal on the Share Consolidation is approved at the Extraordinary General Shareholders Meeting, even if the Tender Offeror does not own two-thirds of the voting rights of all shareholders of the Target Company after the Tender Offers.

(Note 10) A passive index management fund is a fund that aims to secure a return on par with market averages by managing the fund for the purpose of linking investment results with indices, such as stock price indices, which serve as benchmarks for the market of stocks and other investment assets.

- (Note 11) A pension asset management institution is an institution that manages and operates pension funds deposited by members.
- (Note 12) The Ownership Ratio stated in the First Tender Offer Registration Statement is 66.64%. As the Total Number of Shares after Taking into Account the Potential Shares of the Target Company has decreased since the publication of the First Tender Offer Registration Statement, the Ownership Ratio has changed from that stated in the First Tender Offer Registration Statement; the same shall apply hereinafter. As described in the amendment statement to the Tender Offer Registration Statement submitted on September 19, 2024, on the same day, the Tender Offeror decided to remove the minimum number of shares to be purchased in the First Tender Offer.
- (Note 13) As mentioned in Note 9 above, as among the Restricted Shares, the number of shares held by the Target Company's directors (ownership ratio: 0.03%) are expected to support the Squeeze-out Procedure if the Tender Offer is completed, in addition to the Target Company Shares held by the passive index management funds (ownership ratio: approximately 8.2%), the number of the Restricted Shares (ownership ratio: 0.03%) has been added to 33,546,700 shares (ownership ratio: 53.22%), which is the total of the minimum number of shares to be purchased in the Tender Offer (12,133,398 shares (Ownership Ratio: 19.25%) and the number of Target Company Shares held by the Tender Offeror as of the submission date of today (21,413,302 shares (Ownership Ratio: 33.97%)).

The Tender Offeror plans to finance the funds required for the settlement of the Tender Offer by borrowing from financial institutions and through capital contributions and loans from the Tender Offeror Parent Company by 1 business day prior to the commencement date of settlement of the Tender Offer.

If the Tender Offeror is unable to acquire all of the Target Company Shares (which includes Restricted Shares and Target Company Shares delivered upon exercise of the Share Options but excludes treasury shares owned by the Target Company) and all of the Share Options through the Tender Offer, the Tender Offeror intends to implement a series of procedures after the completion of the Tender Offer to make the Tender Offeror the sole shareholder of the Target Company ("Squeeze-out Procedure"; for details, please refer to "(5) Policy on Post-Tender Offers Organizational Restructuring, Etc. (Matters Relating to the Two-Step Acquisition)").

As stated above, as the minimum number of shares to be purchased in the Tender Offer is set at 12,133,398 shares (Ownership Ratio: 19.25%), such that the number of Target Company Shares held by the Tender Offeror after the Tender Offer will, when combined with the number of Target Company Shares held by the Tender Offeror as of today (21,413,302 shares (Ownership Ratio: 33.97%)), be equal to or more than 33,546,700 shares (Ownership ratio: 53.22%), if the total number of voting rights of the Target Company held by the Tender Offeror is less than two-thirds of the total number of voting rights of all shareholders of the Target Company after the completion of the Tender Offer, it is possible that the proposal for the Share Consolidation to be conducted as part of the Squeeze-out Procedure will not be approved at the Extraordinary General Shareholders Meeting. However, even if approval is not obtained, the Tender Offeror will ultimately acquire all of the Target Company Shares (including the Target Company Shares to be delivered through the exercise of the Restricted Shares and the Share Options and excluding the Target Company Shares held by the Tender Offeror and treasury shares held by the Target Company) to take the Target Company private, and taking into account, among other matters, the status of tenders in the Tender Offer, status of ownership and attributes of the Target Company Shares of the Target Company shareholders, trends in the market share price, and the ratio of voting rights exercised at the Extraordinary General Shareholders Meeting, the Tender Offeror will acquire the Target Company Shares by all means until the proposal of the Share Consolidation is approved at the general shareholders meeting of the Target Company to take the Target Company private. Although there are no assumptions regarding the

acquisition at this time, the Tender Offeror will use the market price in the case of an on-market transaction, and in the case of a method other than an on-market transaction, the Tender Offeror will acquire the Target Company Shares at a price evaluated as being economically equivalent to the Tender Offer Price per share, unless there is an event that causes an adjustment to become necessary, such as a share consolidation or a share split by the Target Company. The specific timing and method of the additional acquisition and the period required for the subsequent approval of the proposal on the Share Consolidation at the general shareholders meeting cannot be determined at this time due to various circumstances, such as market conditions. However, the Tender Offeror intends to make every effort to implement the Share Consolidation as soon as practicable.

According to the “(Amendment) Partial Amendment to Notice Regarding Expression of Opinion in Support of the Tender Offer for the Company Share Certificates by FK Co., Ltd. and Recommendation to Tender Shares”, which the Target Company released on September 26, 2024 (“Target Company Press Release Dated September 26, 2024”), by a resolution dated the same date, pursuant to Article 370 of the Companies Act (a written resolution in lieu of a resolution of the board of directors), the Target Company decided to continue to express, as the Target Company’s opinion as of the same date, its support for the First Tender Offer, and to continue to recommend that shareholders of the Target Company and Share Option Holders tender their Target Company Securities in the in the First Tender Offer. However, the Target Company board of directors had not yet decided on its opinion regarding the Second Tender Offer, and planned to determine such opinion at the time of commencement of the Second Tender Offer.

According to the “(Amendment) Partial Amendment to “Notice Regarding Expression of Opinion in Support of the Tender Offer for the Company Share Certificates by FK., Ltd. and Recommendation to Tender Shares” which the Target Company released on October 22, 2024 (“Target Company Press Release Dated October 22, 2024”), in light of the Notice Regarding the Planned Commencement of Tender Offer for the Shares of FUJI SOFT INCORPORATED (Securities Code: 9749) published by Bain Capital on October 11, 2024 (“Bain Capital Press Release Dated October 11, 2024”), subsequently, at the board of directors meeting held on October 18, 2024, for the reasons described in “(iii) Content of Decision” in (III) Decision-making Process and Reasons Leading to the Target Company’s Support of the Tender Offer” in “(2) Background, Purpose, and Decision-making Process Leading to the Determination to Conduct the Tender Offers, and the Management Policy After the Tender Offers”, the Target Company resolved, by a majority of directors, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, to continue to express its opinion in support of the First Tender Offer, and to continue to recommend that its shareholders and Share Options Holders tender in the First Tender Offer, and while the Target Company continued to recommend tendering into the First Tender Offer, it added that taking into account the existence of Bain Capital’s proposal, it would be reasonable for its shareholders and Share Option Holders to not tender in the First Tender Offer by the Tender Offeror, but to choose to tender in the Second Tender Offer by the Tender Offeror taking into account the outcome of Bain Capital’s proposal. Regarding the continued expression of support for the First Tender Offer, all 11 directors, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, were in favor.

In addition, as of October 18, 2024, the Target Company considered Bain Capital’s proposal to be a sincere proposal and would continue to consider it.

Furthermore, as of October 18, 2024, the board of directors of the Target Company had not yet decided on its opinion regarding the Second Tender Offer by the Tender Offeror or the tender offer by Bain Capital, and it intended on determining its opinion at the time of commencement of each tender offer.

Subsequently, according to the “(Amendment) Notice of Expression of Opinion in Support of the Second Tender Offer for the Company’s Shares by FK Co., Ltd. and Recommendation to Tender”, published by the Target Company on November 19, 2024 (the "Target Company Press Release Dated November 19, 2024; together with the Target

Company Press Release Dated August 8, 2024 (as defined in “(V) Share Valuation Report and Fairness Opinion Obtained by the Special Committee from an Independent Third-Party Appraiser” in “(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below), the Target Company Press Release Dated September 4, 2024 (as defined in “(II) Discussion Between the Tender Offeror and the Target Company and 3DIP, and the Process of Decision-making by the Tender Offeror, etc.” in “(2) Background, Purpose, and Decision-making Process Leading to the Determination to Conduct the Tender Offers, and the Management Policy After the Tender Offers” below), the Target Company Press Release Dated September 26, 2024, and the Target Company Press Release Dated October 21, 2024, the "Target Company Press Release"), at the board of directors meeting held on November 15, 2024, the board of directors received submission of an additional opinion (“November 15, 2024 Opinion”) from the Special Committee on the same day (as defined in “(II) Discussion Between the Tender Offeror and the Target Company and 3DIP, and the Process of Decision-making by the Tender Offeror, etc.” in “(2) Background, Purpose, and Decision-making Process Leading to the Determination to Conduct the Tender Offers, and the Management Policy After the Tender Offers” below), and after sincerely and carefully discussing the Second Tender Offer while respecting the contents of the November 15, 2024 Opinion to the fullest extent, the Target Company resolved to express its support for the Second Tender Offer and to recommend its shareholders and Share Options Holders to tender their Target Company Securities in the Second Tender Offer. In addition, taking into account the receipt of an opinion from the Special Committee on November 18, 2024 (“November 18, 2024 Opinion”), and the receipt of notice from the Tender Offeror to the effect that the Second Tender Offer will be conducted with a tender offer period from November 20, 2024 to December 19, 2024, at the board of directors meeting of the Target Company on November 19, 2024, the Target Company resolved to continue to express its support for the Second Tender Offer and to recommend its shareholders and Share Options Holders tender their Target Company Securities in the Second Tender Offer.

For details of the resolution of the meetings of the board of directors of the Target Company held on November 15, 2024 and November 19, 2024 mentioned above, please refer to the Target Company Press Release Dated November 19, 2024 and “(VII) Approval of All Directors With No Interest in the Target Company and Opinion of No Objection of All Target Company Auditors With No Interest in the Target Company” in “(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below.

For details of the November 15, 2024 Opinion submitted by the Special Committee and the November 15, 2024 opinion of the board of directors of the Target Company, please refer to the “Notice Regarding Resolution to Express Opinion Regarding Second Tender Offer for the Company’s Shares by FK Co., Ltd. and Tender Offer for the Company’s Shares by BCJ-88 Co., Ltd.” published by the Target Company on November 15, 2024.

For the details of the November 18, 2024 Opinion of the Special Committee, please refer to the appendix of the Target Company Press Release Dated November 19, 2024.

(2) Background, Purpose, and Decision-making Process Leading to the Determination to Conduct the Tender Offers, and the Management Policy After the Tender Offers

The background, purpose, and decision-making process leading to the decision to conduct the Tender Offers, and the management policy after the Tender Offers are as follows. The following description of the Target Company is based on information made publicly available by the Target Company, the Target Company Press Release, and explanations from the Target Company.

(I) Business Environment Surrounding the Target Company, etc.

The Target Company was established in May 1970 in Yokohama, Kanagawa Prefecture with the trade name of Fuji Software Laboratory, Ltd. and was listed on the Second Section of the TSE in October 1992. Upon merging with ABC Co., Ltd. in October 1996, the Target Company's trade name was changed to FUJI SOFT ABC Incorporated. Following that, in September 1998, the Target Company changed its listing to the First Section of the TSE, and in July 2006, it changed its trade name to its current name, FUJI SOFT INCORPORATED. Since the restructuring of the TSE market classification in April 2022, the Target Company transitioned to the Prime Market of the TSE, which is where it is listed as of today.

The Target Company provides its customers with peace of mind, benefits, new technologies and added value under a thorough quality control system based on the spirit of “*hinoki*” (quality, timely delivery, and confidentiality). As a group of ICT (Note 1) professionals, the Target Company will continue its motto, “Challenge and Creation” and aim to achieve its medium-term policy: to become “an innovative corporate group that links ICT development to improving value for our customers.”

(Note 1) “ICT” stands for “information and communication technology.”

As of today, the Target Company Group (which means the Target Company, its subsidiaries and its affiliates, hereinafter the same) is composed of the Target Company, 32 consolidated subsidiaries, two equity method non-consolidated subsidiaries, and one equity method affiliate, and is principally engaged in the System Integration (SI) business (Note 2) and the Facility business. In the SI business, the Target Company develops embedded/control software for machine control systems and the automotive industry as well as business software for use in various industries. The Target Company also provides product services that sell its own products and other products based on strategic partnerships using system construction technology, as well as system construction, maintenance, and operation services.

(Note 2) “System Integration (SI)” means a business or service that comprehensively handles everything from the planning of computer systems requested by customers to system construction, operation, and maintenance, including the selection and implementation of necessary hardware and software.

The environment surrounding the Target Company Group has been undergoing changes recently. These changes include not only macroeconomic factors such as the easing of COVID-19 restrictions, the resumption of consumer activity, prolonged supply chain disruptions, and rising prices, but also shifts in the information services market including the establishment of the new normal, the expansion of digital technology use in business reforms and innovation such as DX, an increased demand for strategic system investments aimed at productivity improvement, business efficiency, and automation due to labor shortages, and increased competition for IT talent accompanying those changes. In light of these circumstances, the Target Company has taken on the challenge of responding to macroeconomic changes and changes in the market in these unpredictable times, adapting to ever-evolving technological innovations, and challenging and creating new businesses. Under its management policy of “becoming the leading company providing systems/software and services in the IT x OT (Note 3) field to contribute to its customers and society,” the Target Company formulated a medium-term management plan (announced on February 14, 2024) covering the five-year period from FY 2024 to FY 2028 and is working to achieve sustainable growth and increased added value. Under that medium-term management plan, the Target Company is promoting measures such as growth in the contract business, improving profitability, reducing sales and administrative expenses through business reforms and DX promotion, growth in the product service business, taking on new businesses with higher added value, strengthening its technological capabilities, enhancing group synergies, expanding global operations, reinforcing its management foundation, strengthening corporate governance, and promoting sustainability management. Furthermore, the Target Company is focusing on key areas such as “DX + AIS-CRM (pronounced “ice cream”) (Note 4) + SD

(service design) + (5) G2 (5G and local 5G (Note 5))” and plans to strengthen DX solutions, focus on the areas of AI, IoT (Note 6), Security, Automotive, Mobile, Robot and Cloud Computing, strengthen upstream service design and IT consulting, take initiatives to advance 5G and local 5G, and expand global operations. The Target Company is also focusing on its own DX, promoting internal transformation and enhancing its business competitiveness through corporate reforms. It is committed to improving profitability through the development of new business domains with higher added value and improving productivity. The Target Company is working on intelligent technology and AI, and it began validating a service related to ChatGPT (Note 7) and has been studying efficient and effective ways of using ChatGPT. As of today, the Target Company has built its own ChatGPT environment and is continuing internal validation, aiming to contribute to its customers’ businesses by continuing to challenge itself with advanced technologies and providing its customers with improved services.

(Note 3) “OT” stands for “Operational Technology” and refers to the optimal “control and operation technology” of products, equipment, and systems.

(Note 4) “AIS-CRM” stands for “AI/IoT/Security/Cloud/Robotics/Mobile/Automotive” and represents the Target Company’s current new technology fields of focus and strength.

(Note 5) “Local 5G” refers to a private 5G service that leverages next-generation communications technology that enables ultra-high-speed and high-capacity communications and is built and utilized by businesses and local governments in areas such as bases or specific regions based on the individual needs of the region or industry.

(Note 6) “IoT” stands for “Internet of Things” and refers to systems where various devices that were not previously connected to the Internet are connected to a network and can exchange information with each other.

(Note 7) “ChatGPT” stands for “Chat Generative Pre-trained Transformer,” a type of large language model (LLM) (Note 8) released by OpenAI in November 2022.

(Note 8) “Large Language Model (LLM)” refers to an AI model constructed by learning from vast data sets of language.

(II) Discussion Between the Tender Offeror and the Target Company and 3DIP, and the Process of Decision-making by the Tender Offeror, etc.

Under the business environment described in “(I) Business Environment of the Target Company, Etc.” above, the Target Company established the Corporate Value Committee as announced on August 5, 2022 in “Establishment of the Corporate Value Committee.” Under that committee, various working groups (“WGs”) were formed to discuss management options to improve the corporate value of the Target Company. Those WGs include: (i) the Corporate Governance Review WG, (ii) the Shareholder and Investor Relations WG, (iii) the Business Review WG, (iv) the Group Companies Review WG, and (v) the Real Estate Review WG. In early July 2022, the Target Company appointed QuestHub Co., Ltd. as an external advisor for its corporate value enhancement strategy and it has been considering management options based on the advice of QuestHub Co., Ltd. Additionally, since late October 2022, as part of its review of measures to improve corporate value, the Target Company has had discussions with multiple PE funds, including KKR, which is believed to have extensive experience with taking listed companies private, about strategies that would contribute to accelerating its business growth and improving its corporate value for future growth. Subsequently, under the new board of directors, which includes five newly appointed outside directors (Takao Tsuji, Hidetaka Nishina, Hikari Imai, Yuya Shimizu, and Shintaro Ishimaru) appointed at the Extraordinary Meeting of Shareholders held on December 4, 2022, the Target Company has reviewed and had discussions on management issues and measures within the Corporate Value Committee and its respective WGs. Additionally, based on the belief that it is

necessary to compare and consider all options for enhancing its corporate value, the Target Company has also considered the possibility of taking its shares private as an option to enhance its corporate value. Additionally, to consider measures for enhancing its corporate value from more diverse perspectives, the Target Company appointed SMBC Nikko Securities Inc. (“SMBC Nikko Securities”) as a financial advisor and third-party appraiser independent of the Tender Offeror, the Tender Offeror’s Parent Company, multiple PE funds including KKR, and the Target Company in early June 2023. The Target Company also appointed Mori Hamada & Matsumoto as an external legal advisor for that consideration.

Amidst those developments, on July 3, 2023, the Target Company received a letter from 3DIP stating that it will implement a process to solicit from potential investors measures to enhance its corporate value by taking the Target Company Shares private, led by 3DIP (“3DIP Process”). The letter also mentioned that a right of first refusal concerning the capital policy related to the Target Company Shares owned by 3DIP would be granted to potential investors that have passed the 3DIP Process.

Under these circumstances, at the board of directors meeting held on July 25, 2023, the Target Company decided that it is important to improve the fairness and transparency of the review process when considering options to enhance its corporate value. To ensure this, the Target Company decided to establish a structure where only independent outside directors would conduct the review, maintaining independence from management. The Target Company therefore set up the Independent Directors WG, composed solely of independent outside directors, as a WG under the Corporate Value Enhancement Committee. Further, in early August 2023, although the Target Company had not yet concluded that taking the Target Company private would be the best measure to enhance its corporate value, in order to more seriously consider a transaction to take the Target Company private, based on the recognition of the need to compare and consider all possible options to enhance its corporate value, the Target Company implemented a process aimed at providing information on enhancing its corporate value (“Company Information Provision Process”) by inviting multiple potential investors, offering opportunities for due diligence necessary to examine measures to enhance its corporate value, and arranging meetings with the Target Company’s management, including its directors.

Since late October 2022, the Target Company has consulted with KKR regarding its financial and business strategies, and from late October 2022 KKR has held ongoing discussions with the Target Company on multiple occasions regarding measures that will contribute to accelerating business growth and enhancing corporate value for future growth. In early July 2023, KKR was approached by 3DIP to participate in the 3DIP Process. In response to this, in early July of the same year, KKR began considering whether to participate in the 3DIP Process. As KKR strengthens its investment in the IT, software, and DX fields, through its discussions with the Target Company to date, KKR has strengthened its view that there is significant room for accelerating the Target Company’s business growth and increasing its corporate value for future growth by utilizing KKR’s global network. Although it is extremely unusual for 3DIP, the largest shareholder, to execute the process without the consent of the Target Company, in the case of a tender offer for a company with a major shareholder such as the Transaction, KKR determined that it is extremely important from the perspective of both the Tender Offeror and the shareholders to increase the probability of executing the transaction through the conclusion of a tender agreement with the major shareholder and to disclose it appropriately, and that securing a preferential negotiation right with 3DIP regarding the capital policy of the Target Company Shares owned by 3DIP through the 3DIP Process has important significance for the Transaction. Therefore, given that the purpose of the 3DIP Process is not intended to create any conflict with the Target Company, KKR decided to participate in the 3DIP Process after communicating with the Target Company’s management. Subsequently, KKR conducted an initial review based on the sales and operating income results of the Target Company Group as a whole and by segment, the status of the Target Company’s assets and liabilities, and the mid-term business plan, etc., published by the Target Company. Although it was still at a preliminary stage prior to the conducting of due diligence based on information

provided by the Target Company, KKR came to believe that the Target Company has strong competitiveness, growth potential, and high potential, based on deepening its understanding of the industry characteristics and growth potential of the domestic SIer (Note 9) market to which the Target Company belongs, the competitive advantage that the Target Company has established in the domestic SIer market, the direction of the Target Company's growth strategy, and the potential for improving corporate value and stock value, and on August 18, 2023, KKR submitted a non-legally binding proposal ("3DIP Process Proposal") to 3DIP, and proposed the implementation of a transaction to take the Target Company private with a tender offer price of 6,400 yen per Target Company Share. The tender offer price in the 3DIP Process Proposal includes a premium of 41.59% (figures are rounded to the nearest two decimal places; the same shall apply hereinafter in the calculation of premiums) on the closing price of the Target Company Shares on the TSE Prime Market on August 17, 2023 (such date being the business day immediately preceding August 18, 2023) (4,520 yen) (figures are rounded to the nearest three decimal places; the same shall apply hereinafter in the calculation of simple average of closing prices), 37.28% on the simple average of the closing prices for the preceding one month (from July 18, 2023 to August 17, 2023) (4,662 yen) (Note 10), 39.59% on the simple average of the closing prices for the preceding three months (from May 18, 2023 to August 17, 2023) (4,585 yen), and 49.05% on the simple average of the closing prices for the preceding six months (from February 20, 2023 to August 17, 2023) (4,294 yen). A premium of 150.00% was given on the closing price on February 16, 2022 (2,560 yen), which is the business day immediately preceding February 17, 2022 when the news report on the first shareholder proposal to the Target Company through 3DIP ("Shareholder Proposal") was made, which triggered a fluctuation in the Target Company's stock price, a premium of 157.03% was given on the simple average of the closing prices for the preceding one month (from January 17, 2022 to February 16, 2022) (2,490 yen), a premium of 142.15% was given on the simple average of the closing prices for the preceding three months (from November 17, 2021 to February 16, 2022) (2,643 yen), and a premium of 130.96% was given on the simple average of the closing prices for the preceding six months (from August 17, 2021 to February 16, 2022) (2,771 yen). Subsequently, on August 31, 2023, KKR was notified that 3DIP would enter into an agreement with several candidates, including KKR, who passed the 3DIP Process, granting a preferential negotiation right regarding the capital policy of the Target Company Shares held by 3DIP ("3DIP Process Preferential Negotiation Right"; and such agreement between KKR and 3DIP granting the 3DIP Process Preferential Negotiation Right is referred to as the "3DIP Process Preferential Negotiation Right Agreement") and that 3DIP has submitted to the Target Company's board of directors non-legally binding proposals from several candidates who have been granted the 3DIP Process Preferential Negotiation Right, including KKR ("August 2023 Privatization Proposals").

(Note 9) "SIer" is an abbreviation of a business operator responsible for system integration, and "system integration" refers to a business or service that undertakes system development and operation, etc. in response to customer requests.

(Note 10) As the Target Company conducted a stock split under which common shares were split into two shares per share on July 1, 2023, the stock price before June 29, 2023 is calculated using the stock price after adjusting for the stock split by dividing the stock price by 2; the same shall apply hereinafter.

On August 4, 2023, KKR was approached by the Target Company to participate in the Target Company Information Provision Process and thereafter did so, and from early August to early September of the same year, KKR conducted due diligence on the Target Company's business, finance, legal affairs, etc., and management interviews with the Target Company's management regarding the Target Company's business strategy, and KKR proceeded with analysis and consideration regarding the acquisition of Target Company Shares. Based on the results of the due diligence conducted between early August and early September 2023, based on a multifaceted and comprehensive analysis of the Target Company's business and financial status, and by comparing the market share prices and financial indicators showing profitability of multiple listed companies that are relatively similar to the Target Company in terms of business contents, business scale, earnings status, etc., on September 8, 2023, KKR submitted a non-legally binding information provision

form (Target Company Process Information Provision Form), and based on the progress in understanding the Target Company's business based on the results of due diligence, KKR proposed the implementation of a transaction to take the Target Company private with a tender offer price of 6,800 to 7,200 yen per Target Company Share, which exceeded the proposed price of 6,400 yen in the 3DIP Process Proposal. The tender offer price in the Target Company Process Information Provision Form includes a premium of 52.64 to 61.62% on the closing price of the Target Company Shares on the TSE Prime Market on September 7, 2023 (such date being the business day immediately preceding September 8, 2023) (4,455 yen), 50.68 to 59.54% on the simple average of the closing prices for the preceding one month (from August 8, 2023 to September 7, 2023) (4,513 yen), 48.47 to 57.21% on the simple average of the closing prices for the preceding three months (from June 8, 2023 to September 7, 2023) (4,580 yen), and 56.57 to 65.78% on the simple average of the closing prices for the preceding six months (from March 8, 2023 to September 7, 2023) (4,343 yen). A premium of 165.63 to 181.25% was given on the closing price on February 16, 2022 (2,560 yen), which is the business day immediately preceding February 17, 2022 when the news report on the Shareholder Proposal was made, which triggered a fluctuation in the Target Company's stock price, a premium of 173.09 to 189.16% was given on the simple average of the closing prices for the preceding one month (from January 17, 2022 to February 16, 2022) (2,490 yen), a premium of 157.28 to 172.42% was given on the simple average of the closing prices for the preceding three months (from November 17, 2021 to February 16, 2022) (2,643 yen), and a premium of 145.40 to 159.83% was given on the simple average of the closing prices for the preceding six months (from August 17, 2021 to February 16, 2022) (2,771 yen).

According to the Target Company, following that, 3DIP shared with the Target Company on September 4, 2023 non-legally binding proposals that were provided to 3DIP by three potential investors that have been granted the 3DIP Process Preferential Negotiation Right including KKR. Taking into account the Guidelines for Corporate Takeovers published by the Ministry of Economy, Trade and Industry on August 31, 2023 ("Corporate Takeover Guidelines"), the Target Company determined that it was necessary to conduct a sincere review of those proposals while ensuring the fairness and transparency of the review process. Therefore, in a resolution of a meeting of the board of directors dated September 12, 2023, the Target Company decided to establish the Special Committee, composed solely of six independent outside directors (Chairman: Hikari Imai, Members: Tomoko Aramaki, Takao Tsuji, Hidetaka Nishina, Yuya Shimizu, and Shintaro Ishimaru), with greater authority than the abovementioned Independent Directors WG. The Special Committee was tasked with (a) comparing and reviewing the Target Company's corporate value enhancement measures with the corporate value enhancement measures proposed by the three potential investors in their proposals to take the Target Company private ("Privatization Proposals") to determine which would better secure or enhance the corporate value of the Target Company and the common interests of the Target Company's shareholders, and making recommendations or suggestions to the board of directors on which proposal is preferable and (b) if the Special Committee determines that the corporate value enhancement measures proposed by any of the three potential investors in the Privatization Proposals under (a) is more desirable than the corporate value enhancement measures formulated by the Target Company, reviewing that Privatization Proposal from the perspective of whether it would secure or enhance the corporate value of the Target Company and the common interests of the Target Company's shareholders, and making recommendations or suggestions to the board of directors on whether to approve that Privatization Proposal. The board of directors also resolved to respect the decisions of the Special Committee to the greatest extent possible when making decisions related to the above entrusted matters. In the middle of September 2023, the Special Committee appointed, as independent advisors exclusive to the Special Committee, JP Morgan Securities Japan Co., Ltd. ("JP Morgan Securities") as a financial advisor and Shiomizaka as a legal advisor. On September 15, 2023, the Special Committee recommended to the Target Company's board of directors to conduct a careful review of the proposals received from multiple potential investors via 3DIP, given that they are considered bona fide offers as defined in the Corporate Takeover Guidelines. Additionally, while the Target Company received information from four companies during the Target Company Information Provision Process, that information was solely related to corporate

value enhancement strategies and does not constitute offers to purchase the Target Company, so that information was not reviewed by the Special Committee.

From September 2023 to April 2024, KKR continued constructive discussions with the board of directors of the Target Company, the Special Committee, and the management of the Target Company on business strategies that contribute to maximizing the corporate value of the Target Company. Given the privatization through tender offer of the four listed consolidated subsidiaries of the Target Company (VINX CORP., Cyber COM Co., Ltd., Cybernet Systems Co., Ltd., and FUJI SOFT SERVICE BUREAU INCORPORATED) announced by the Target Company on November 8, 2023, the details of the financial results for the fiscal year ended December 2023 announced on February 14, 2024, the Mid-term Business Plan 2028 announced on the same day (“New Mid-term Business Plan”), and the details of the discussions to date between the Target Company’s board of directors and the Special Committee, KKR submitted a non-legally binding proposal that includes the tender offer price on the assumption that the Target Company Shares will be privatized (“Proposal Dated February 29 Concerning the Target Company Process”) to the Special Committee on February 29, 2024. KKR proposed a tender offer price of 7,800 to 8,100 yen per Target Company Share in the Proposal Dated February 29 Concerning the Target Company Process. The tender offer price in the Proposal Dated February 29 Concerning the Target Company Process includes a premium of 22.83 to 27.56% on the closing price of the Target Company Shares on the TSE Prime Market on February 28, 2024 (such date being the business day immediately preceding February 29, 2024) (6,350 yen), 23.87 to 28.63% on the simple average of the closing prices for the preceding one month (from January 29, 2024 to February 28, 2024) (6,297 yen), 25.81 to 30.65% on the simple average of the closing prices for the preceding three months (from November 29, 2023 to February 28, 2024) (6,200 yen), and 37.61 to 42.91% on the simple average of the closing prices for the preceding six months (from August 29, 2023 to February 28, 2024) (5,668 yen). A premium of 62.67 to 68.93% is given on the closing price on October 2, 2023 on which certain news media made speculative reports regarding the Transaction for the Target Company Shares (“Speculative Reporting”) (4,795 yen), a premium of 66.24 to 72.63% is given on the simple average of the closing prices for the preceding one month (from September 4, 2023 to October 2, 2023) (4,692 yen), a premium of 69.01 to 75.51% is given on the simple average of the closing prices for the preceding three months (from July 3, 2023 to October 2, 2023) (4,615 yen), and a premium of 75.32 to 82.06% is given on the simple average of the closing prices for the preceding six months (from April 3, 2023 to October 2, 2023) (4,449 yen). A premium of 204.69 to 216.41% is given on the closing price on February 16, 2022 (2,560 yen), which is the business day immediately preceding February 17, 2022 when the news report on the Shareholder Proposal was made, which triggered a fluctuation in the Target Company’s stock price (2,560 yen), a premium of 213.25 to 225.30% is given on the simple average of the closing prices for the preceding one month (from January 17, 2022 to February 16, 2022) (2,490 yen), a premium of 195.12 to 206.47% is given on the simple average of the closing prices for the preceding three months (from November 17, 2021 to February 16, 2022) (2,643 yen), and a premium of 181.49 to 192.31% is given on the simple average of the closing prices for the preceding six months (from August 17, 2021 to February 16, 2022) (2,771 yen).

Subsequently, from early April 2024 to early June 2024, KKR conducted additional analysis of the Target Company’s business, finance, legal affairs, etc., conducted management interviews with the Target Company’s management regarding its business strategy, and proceeded with considering the acquisition of Target Company Shares. KKR has come to believe that substantial growth of the Target Company is possible by forming a strategic partnership between the Target Company, which it believes has advanced technology, abundant human capital, and a solid customer base, and KKR, which it believes has abundant human and capital resources, experience in both the IT and real estate fields, and a global network, by privatizing the Target Company Shares, based on further deepening its understanding of the New Mid-term Business Plan and the Target Company’s medium- to long-term growth and future vision, in addition to deepening its understanding of the industry characteristics and growth potential of the domestic SIER market to which the Target Company belongs, the competitive advantage that the Target Company has established in the domestic SIER

market, the direction of the Target Company's medium- to long-term growth strategy, and the potential for improving corporate value and stock value. On June 14, 2024, based on a multifaceted and comprehensive analysis of the Target Company's business and financial status, and upon analyzing the value of the Target Company Shares in comparison with the market share prices and profitability of multiple listed companies that are relatively similar to the Target Company in terms of business contents, business scale, earnings status, etc., KKR submitted a legally binding final proposal regarding this matter ("Final Proposal Concerning the Target Company Process") to the Target Company, including a description of the tender offer price and the purchase price per Share Option ("First Share Option Purchase Price"), on the basis that the Target Company Shares will be privatized. In the Final Proposal Concerning the Target Company Process, KKR proposed that the tender offer price be 8,800 yen per Target Company Share, that the Share Options, including those for which the exercise period has not yet expired, be subject to a tender offer, and that the First Share Option Purchase Price be a price calculated by multiplying the difference between the tender offer price of the Target Company Shares (8,800 yen) and the exercise price per Share Option by the number of Target Company Shares which are subject to a Share Option (Fifth Series Share Options: 1,067,000 yen, Sixth Series Share Options: 929,600 yen, Seventh Series Share Options: 228,100 yen). The tender offer price in the Final Proposal Concerning the Target Company Process includes a premium of 30.76% on the closing price of the Target Company Shares on the TSE Prime Market on June 13, 2024 (such date being the business day immediately preceding June 14, 2024) (6,730 yen), 38.15% on the simple average of the closing prices for the preceding one month (from May 14, 2024 to June 13, 2024) (6,370 yen), 41.55% on the simple average of the closing prices for the preceding three months (from March 14, 2024 to June 13, 2024) (6,217 yen), and 41.16% on the simple average of the closing prices for the preceding six months (from December 14, 2023 to June 13, 2024) (6,234 yen). A premium of 83.52% is given on the closing price on October 2, 2023 on which the Speculative Reporting was made (4,795 yen), a premium of 87.55% is given on the simple average of the closing prices for the preceding one month (from September 4, 2023 to October 2, 2023) (4,692 yen), a premium of 90.68% is given on the simple average of the closing prices for the preceding three months (from July 3, 2023 to October 2, 2023) (4,615 yen), and a premium of 97.80% is given on the simple average of the closing prices for the preceding six months (from April 3, 2023 to October 2, 2023) (4,449 yen). A premium of 243.75% is given on the closing price on February 16, 2022 (2,560 yen), which is the business day immediately preceding February 17, 2022 when the news report on the Shareholder Proposal was made, which triggered a fluctuation in the Target Company's stock price (2,560 yen), a premium of 253.41% is given on the simple average of the closing prices for the preceding one month (from January 17, 2022 to February 16, 2022) (2,490 yen), a premium of 232.95% is given on the simple average of the closing prices for the preceding three months (from November 17, 2021 to February 16, 2022) (2,643 yen), and a premium of 217.57% is given on the simple average of the closing prices for preceding last six months (from August 17, 2021 to February 16, 2022) (2,771 yen).

Subsequently, on July 5, 2024, KKR was notified by the Target Company that KKR was granted exclusive negotiation rights for the Transaction. After continuing discussions with the Target Company from early July to early August of the same year regarding practical measures toward the implementation of the Transaction, such as the coordination of the business and financial information of the Target Company necessary for obtaining clearance pertaining to permits, authorizations, licenses, approvals, consents, registrations, notifications, and other acts or procedures equivalent thereto necessary under the competition laws of Japan and Vietnam and the Foreign Exchange and Foreign Trade Act of Japan (Act No. 228 of 1949, as amended; "Foreign Exchange and Foreign Trade Act") ("Clearance"), an agreement was reached on August 7, 2024 to implement the Transaction by setting the Tender Offer Price of the Target Company Shares at 8,800 yen per Target Company Share and setting the First Share Option Purchase Price at a price calculated by multiplying the difference between the First Tender Offer Price (8,800 yen) and the exercise price per Target Company Share for each Share Option by the number of Target Company Shares per Share Option, and on the same day, the Tender Offeror decided to implement the First Tender Offer.

In addition, in parallel with discussions with the Target Company, on July 8, 2024, KKR requested that 3DIP enter into a tender agreement based on the 3DIP Process Preferential Negotiation Right Agreement, after explaining the various terms and conditions of the First Tender Offer, including the First Tender Offer Price, as well as the details of discussions that KKR had with the Target Company regarding the enhancement of corporate value, and proposals from KKR. In response, on August 8, 2024, 3DIP agreed to tender in the First Tender Offer and entered into the 3DIP Tender Agreement with the Tender Offeror on the same day on the basis that the Target Company's board of directors resolved to express its opinion to support the First Tender Offer, such expression of opinion has been made public, and such expression of opinion has not been changed or withdrawn (for details, please refer to "(I) 3DIP Tender Agreement" in "(6) Matters Concerning Material Agreements relating to the Tender Offer" in the Tender Offer Registration Statement submitted on September 5, 2024). In addition, in parallel with discussions with the Target Company, on July 8, 2024, KKR requested that Farallon enter into a tender agreement, after explaining the various terms and conditions of the First Tender Offer, including the First Tender Offer Price, as well as the details of discussions that KKR had with the Target Company regarding the enhancement of corporate value, and proposals from KKR. In response, on August 8, 2024, Farallon agreed to tender in the First Tender Offer and entered into the Farallon Tender Agreement with the Tender Offeror on the same day on the basis that the Target Company's board of directors resolved to express its opinion to support the First Tender Offer, such expression of opinion has been made public, and such expression of opinion has not been changed or withdrawn (for details, please refer to "(II) Farallon Tender Agreement" in "(6) Matters Concerning Material Agreements relating to the Tender Offer" in the Tender Offer Registration Statement submitted on September 5, 2024). At the time of entering into the Tender Agreements, the Tender Offeror had expected to set the minimum number of shares to be purchased at 42,142,900 shares (Ownership Ratio: 66.86%). However, on September 4, 2024, the Tender Offeror decided to commence the First Tender Offer from September 5, 2024, with the minimum number of shares to be purchased set at 33,658,500 shares (Ownership Ratio: 53.40%), and on September 4, 2024, the Tender Offeror obtained the agreement of each Tendering Shareholder to tender the Planned Tender Shares under each Tender Agreement regardless of any change to the minimum number of shares to be purchased.

Subsequently, on August 26, 2024, the Tender Offeror informed the Target Company that that based on expectations for the necessary procedures and measures pursuant to the competition law in Vietnam ("Procedures in Response to Vietnamese Authorities"), the Tender Offeror will commence the First Tender Offer from September 5, 2024. Furthermore, on August 30, 2024, the Tender Offeror informed the Target Company that (i) the procedures in response to the authorities, except for the procedures and measures under the Foreign Exchange and Foreign Trade Act ("Foreign Exchange Act Procedures") and the Procedures in Response to Vietnamese Authorities, have been completed; (ii) in relation to condition 11 of the Conditions Precedent (Note 11), the Tender Offeror will waive the condition of the completion of acquisition of the Clearance related to the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities; and (iii) on the premise that the Conditions Precedent are satisfied (or waived by the Tender Offeror), the Tender Offeror planned to commence the First Tender Offer from September 5, 2024. Then, as the Tender Offeror confirmed that all of the Conditions Precedent (excluding the completion of acquisition of Clearance related to the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities) have been satisfied and it determined that the First Tender Offer is ready to commence, and the Tender Offeror waived the Conditions Precedent relating to completion of acquisition of Clearance related to the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities (condition 11), the Tender Offeror decided on September 4, 2024 to commence the First Tender Offer from September 5, 2024. As the Tender Offeror believes that there is no particular change in the factors considered in determining the First Tender Offer Price, even taking into account the situation from August 8, 2024, on which the Tender Offeror Press Release dated August 8, 2024 was published, to September 4 2024, the Tender Offeror determined that there is no need to change the First Tender Offer Price decided on August 8, 2024.

(Note 11) It was planned that the First Tender Offer would commence promptly once the following Conditions Precedent are satisfied or waived by the Tender Offeror:

- (1) the Special Committee established by the Target Company's board of directors has made a report containing positive opinions about the Target Company's board of directors' expression of opinion to support the First Tender Offer, and that report has not been changed or withdrawn;
- (2) the Target Company's board of directors has adopted a resolution expressing its opinion in support of the First Tender Offer, and that fact has been published in accordance with laws and regulations, and such expression of the opinion has not been changed or withdrawn;
- (3) there have been no judgments or decisions by judicial or administrative authorities restricting or prohibiting the Transaction or tendering under the 3DIP Tender Agreement or the Farallon Tender Agreement, and there are no specific risks of the foregoing;
- (4) (I) the Target Company and its subsidiaries have not determined matters set forth in Article 14, paragraph (1), item (i), (a) through (j) as well as (m) through (s) of the Order, (II) matters set forth in Article 14, paragraph (1), item (iii), (a) through (h) as well as Article 14, paragraph (1), item (iv) of the Order have not occurred at the Target Company, (III) matters set forth in Article 14, paragraph (1), item (iii), (a) through (g) of the Order have not occurred at the Target Company's important subsidiaries, (IV) matters set forth in Article 14, paragraph (1), items (iii) through (iv) of the Order have not occurred at the Target Company, and (V) there have been no situations in which it was discovered that any of the statutory disclosure documents submitted by the Target Company in the past contained a false statement regarding a material matter or omitted a material matter that should have been included, where the Tender Offeror is unaware of the false statement or omission and could not become aware of the same despite having used a reasonable degree of care (however, in any of (I) through (IV), excluding those described as minor in Article 26 of the Cabinet Office Order);
- (5) no event has occurred that could have a material adverse effect on the business, financial condition, management situation, assets, liabilities, cash flow or future prospects of the Target Company Group, or on relevant economic or market conditions, and no other events have occurred in the Tender Offer Group that are reasonably considered by the Tender Offeror to have a material impact on the Tender Offeror decision to commence the First Tender Offer;
- (6) obligations to be performed or complied with by 3DIP by the commencement date of the First Tender Offer under the 3DIP Tender Agreement have been performed or complied with in all material respects;
- (7) all of the representations and warranties of 3DIP set forth in the 3DIP Tender Agreement are true and accurate in material respects;
- (8) obligations to be performed or complied with by Farallon by the commencement date of the First Tender Offer under the Farallon Tender Agreement have been performed or complied with in all material respects;
- (9) all of the representations and warranties of Farallon set forth in the Farallon Tender Agreement are true and accurate in material respects;
- (10) confirmation has been obtained from the Target Company that there are no material facts (those set forth in Article 166, paragraph (2) of the Act) concerning the business or other particulars related

to the Target Company that have not been disclosed (having the meaning set forth in Article 166, paragraph (4) of the Act) by the Target Company; and

- (11) acquisition of the Clearance has been completed.

Furthermore, on August 26, 2024, the Tender Offeror informed the Target Company that in light of the fact that the statutory waiting period under the Foreign Exchange and Foreign Trade Act had been shortened, and there was a possibility that approval for the Share Acquisition could be obtained during the First Tender Offer Period, and in light of the fact that the period until notification was accepted by the Vietnam National Competition Commission and the initial 30-day review period could be shortened, there was a possibility that approval for the share acquisition through the Tender Offers (“Share Acquisition”) could be obtained during the First Tender Offer Period, and thus the First Tender Offer Period was set at 20 business days, the statutory minimum. Subsequently, the Tender Offeror received a communication from the Target Company on September 4, 2024, that, on the assumption that the First Tender Offer Period will be 30 business days or more, at the board of directors meeting held September 4, 2024, the Target Company resolved to express its support for the First Tender Offer again and to recommend its shareholders and Share Options Holders to tender their Target Company Securities in the First Tender Offer, and that in the event the First Tender Offer Period is not set at 30 business days or more, to make a request for an extension of the purchase period as provided for in Article 27-10, Paragraph 2, Item 2 of the Act. As a result, the Tender Offeror decided to set the First Tender Offer Period at 30 business days.

Subsequently, following the publication by the Target Company of its opinion on the First Tender Offer on October 18, 2024, as the Tender Offeror was required to submit an amendment statement to the Tender Offer Registration Statement, the Tender Offer Period was extended to November 5, 2024 in accordance with laws and regulations, which is 10 business days following October 21, 2024, the date of submission of the amendment statement to the First Tender Offer Registration Statement concerning such amendment.

In addition, on September 3, 2024, the Bain Capital Press Release Dated September 3, 2024 was published. According to the “Notice regarding Expression of Opinion in Support of the Tender Offer for the Company Share Certificates by FK Co., Ltd. and Recommendation to Tender Shares” published by the Target Company on September 4, 2024 (“Target Company Press Release Dated September 4, 2024”), from the viewpoint of not arbitrarily eliminating the possibility of counterproposals being realized, the Target Company decided on September 4, 2024 to continue granting Bain Capital the opportunity to conduct due diligence during the First Tender Offer Period, and that if a legally binding proposal is made by Bain Capital, the Target Company and the Special Committee planned to carefully and sincerely consider it. However, the Bain Capital Press Release Dated September 3, 2024 states Bain Capital may make a legally binding proposal to take the Target Company private, subject to certain conditions precedent, including (i) the cooperation reasonably required from the Target Company is obtained in a timely manner, (ii) the necessary institutional decisions are made at Bain Capital, (iii) good faith discussions are entered into with the management of the Target Company through an appropriate process and the management of the Target Company and Bain Capital reach a consensus as to management policy for after the delisting of the Target Company Shares, (iv) it being confirmed in future due diligence that there have been no changes to the Target Company Group’s business, financial situation, management situation, assets, liabilities, cash flows, or future prospects from the content verified in the Target Company Information Provision Process, and (v) preparation having been made for receipt of commitment letters for certain funds-based financing from major domestic financial institutions. However, it was unclear as to (a) whether Bain Capital will make a legally binding proposal, and if so, when, (b) what time frame the Target Company will use to consider the legally binding proposal if one is made, (c) whether the Target Company will change its opinion regarding the First Tender Offer (a resolution of the board of directors of the Target Company expressing an opinion in favor of the First Tender Offeror and recommending the shareholders and Share Options Holders tender in the Tender Offer) as a result of such consideration,

and (d) the reliability of the schedule set out in the Bain Capital Press Release Dated September 3, 2024 (the plan for Bain Capital to submit a legally binding proposal and announce the scheduled commencement of a tender offer by Bain Capital in October 2024, and the conducting of a tender offer in November 2024 by Bain Capital). In this regard, the Guidelines for Corporate Takeovers – Enhancing Corporate Value and Securing Shareholder’s Interests established by the Ministry of Economy, Trade and Industry on August 31, 2023 state that from the perspective of ensuring that shareholders are provided with the necessary information when making decisions about acquisitions and are not prevented from making rational decisions, it is not advisable for an acquiring party to “announce advance notice of a planned tender offer without a reasonable basis for actually commencing the tender offer, such as by lacking the financial resources required for the acquisition”. However, since the publication of the Bain Capital Press Release Dated September 3, 2024, the market price of the Target Company Shares has risen sharply, and the Tender Offeror believed that there are concerns that the Target Company shareholders and Share Option Holders are being prevented from making rational decisions.

In addition, according to the Target Company Press Release Dated September 4, 2024, as of September 3, 2024, the Tender Agreements entered into by the Tender Offeror remained valid, and that given the high likelihood of the Tendering Shareholders tendering in the First Tender Offer by the Tender Offeror was one of the reasons why the Special Committee determined that there was no change in its assessment that the Transaction by the Tender Offeror is superior to the proposal by Bain Capital in terms of feasibility, the Tender Offeror believed that whether or not 3DIP and Farallon would tender in the First Tender Offer in accordance with the Tender Agreements was important information for the Target Company shareholders and Share Option Holders in making a rational decision as to the feasibility of the Transaction by the Tender Offeror and Bain Capital’s proposal. However, in the Bain Capital Press Release Dated September 3, 2024, it is speculated, without providing any concrete evidence, that if the Target Company changes its opinion on the Tender Offer, 3DIP will be released from its obligations under the 3DIP Tender Agreement and will be able to tender in a tender offer by Bain Capital. Therefore, the Tender Offeror believed that there are specific concerns that actions may be taken by the Target Company shareholders and Share Option Holders under the assumption that there is a possibility the Tendering Shareholders may not tender in the First Tender Offer, and that the making of rational decisions may be hindered.

Therefore, so that all of the Target Company Shares and the Share Options that Prospective Selling Shareholders, including each Tendering Shareholder, and Prospective Selling Share Option Holders wish to sell can be acquired by the Tender Offeror on the commencement date of settlement of the First Tender Offer (November 12, 2024), on September 19, 2024, the Tender Offeror decided to remove the minimum number of shares to be purchased in the First Tender Offer (“Removal of the Minimum Tender Condition”). Furthermore, the Tender Offeror decided that in addition to the Removal of the Minimum Tender Condition, so that the shareholders of the Target Company and Share Option Holders who wish to assess whether Bain Capital would make a legally binding proposal in October 2024 and announce a planned tender offer as described in the Bain Capital Press Release Dated September 3, 2024, and the details thereof, will have a certain opportunity secured to sell the Target Company Shares at the same price as that of the First Tender Offer Price, and the Share Options at the difference between the First Tender Offer Price and the exercise price per Target Company Share, even in the case that Bain Capital has not announced a planned tender offer, it would commence the Second Tender Offer (together with the Removal of the Minimum Tender Condition, the “Scheme Change”) as soon as practicably possible after the First Tender Offer is completed and settlement is completed. Prior to deciding on the Scheme Change, the Tender Offeror explained the details of the Scheme Change to each Tendering Shareholder, and when confirming their intention to tender the Planned Tender Shares regardless of the Removal of the Minimum Tender Condition, each Tendering Shareholder expressed their intention to the Tender Offeror to tender their respective Planned Tender Shares. In addition, as of September 19, 2024, the Tender Offeror has confirmed that each of the Tendering Shareholders had already tendered their respective Planned Tender Shares pursuant to their respective Tender Agreements, and such tender would not be withdrawn without the consent of the Tender Offeror. Subsequently, such

tender was not withdrawn, and the Tender Offeror acquired the Planned Tender Shares as of commencement date of settlement of the First Tender Offer (November 12, 2024).

The Tender Offeror decided on September 19, 2024 that if the First Tender Offer was completed, provided that no event has occurred that falls under the conditions for withdrawal of the First Tender Offer (for details, please refer to “(2) Existence and Description of Conditions for Withdrawal of Tender Offer, and Method of Disclosure of Withdrawal” of “11. Other Conditions and Methods of Purchase” under “Section 1. Overview of Tender Offer” of the First Tender Offer Registration Statement), the Tender Offeror would, to the extent practicable after settlement, conduct the Second Tender Offer with the aim of acquiring all of the Target Company Shares and Share Options other than those acquired through the First Tender Offer (which includes Restricted Shares and Target Company Shares delivered upon exercise of the Share Options but excludes treasury shares owned by the Target Company), and if the Tender Offeror acquired 33,658,500 or more Target Company Shares (Ownership Ratio: 53.40%) in the First Tender Offer, the Second Tender Offer would not be conducted. However, as the number of First Tender Offer Tendered Shares was 22,131,902 shares (Ownership Ratio: 35.11%), which is less than 33,658,500 shares, the Tender Offeror decided to conduct the Second Tender Offer. In light of the fact that Target Company’s share price has continued to trade above the First Tender Offer Price (8,800 yen), so as to increase the likelihood of the swift privatization of the Target Company, on November 15, 2024, the Tender Offeror decided on the Price Increase. Upon informing the Target Company of the same, the Target Company stated that at its board of directors meeting held on November 15, 2024, the Target Company resolved to express its opinion in opposition to Bain Capital’s tender offer, and to express its opinion in support for the Second Tender Offer, and to recommend that the Target Company shareholders and Share Option Holders tender their Target Company Securities in the in the Second Tender Offer. Therefore, on November 15, 2024, the Tender Offeror decided to commence the Second Tender Offer as soon as practicable once the disclosure documentation is prepared, which is expected to be mid-week during the week of November 18, 2024. Subsequently, as the disclosure documentation was prepared, on November 19, 2024, the Tender Offeror decided to commence the Second Tender Offer from November 20, 2024.

(III) Decision-making Process and Reasons Leading to the Target Company’s Support of the Tender Offer
According to the Target Company Press Release, the decision-making process and reasons for the Target Company’s support of the Tender Offer are as follows.

(i) Background of Establishment of Examination Framework

As stated in “(II) Discussion Between the Tender Offeror and the Target Company and 3DIP, and the Process of Decision-making by the Tender Offeror, etc.” above, in early August 2023, although the Target Company had not concluded that taking the Target Company Shares private was the best measure to enhance its corporate value, in order to more seriously consider a transaction to take the Target Company Shares private, based on the recognition of the need to compare and consider all possible options to enhance its corporate value, it carried out the Target Company Information Provision Process with the aim of providing information related to enhancing its corporate value to multiple potential investors it had invited and it provided those potential investors with the opportunity to conduct due diligence necessary for examining measures to enhance its corporate value and arranged meetings with its directors and management. Specifically, the Target Company provided certain information to multiple PE funds with extensive experience both domestically and internationally, including KKR, and requested information on their proposed measures to enhance the corporate value of the Target Company. The Target Company then received information from each PE fund regarding its measures to enhance the corporate value of the Target Company.

Additionally, in late August 2023, at the request of 3DIP, a shareholder of the Target Company, the Target Company received August 2023 Privatization Proposals from multiple PE funds, including KKR, regarding taking the Target Company Shares private. Even though those proposals were not solicited by the Target Company, the Target Company

determined that it was necessary to sincerely consider those proposals while ensuring fairness and transparency in the review process in light of the Corporate Takeover Guidelines. Therefore, in the resolution of the meeting of the board of directors dated September 12, 2023, the Target Company decided to establish the Special Committee, composed of six independent outside directors (Hikari Imai, Tomoko Aramaki, Takao Tsuji, Hidetaka Nishina, Yuya Shimizu, and Shintaro Ishimaru), with greater authority than the aforementioned Independent Directors WG.

The matters entrusted to the Special Committee (“Entrusted Matters”) are as set out below, and the board of directors of the Target Company has resolved to make decisions regarding those matters with the utmost respect for the judgement of the Special Committee regarding the following entrusted matters (for details of the authority of the Special Committee, see “(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee” in “(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest below).

- (a) Compare and review the Target Company’s corporate value enhancement measures with the corporate value enhancement measures proposed by the acquirers in their proposals to take the Target Company Shares private (in this Entrusted Matter, the “Privatization Proposals”) from the perspective of whether they would secure or enhance the corporate value of the Target Company and the common interests of the Target Company’s shareholders, and make recommendations or suggestions to the board of directors on which proposal is preferable
- (b) If the Special Committee determines that the corporate value enhancement measures proposed by an acquirer in the Privatization Proposals under (a) is more desirable than the corporate value enhancement measures formulated by the Target Company, review that Privatization Proposal from the perspective of whether it would secure or enhance the corporate value of the Target Company and the common interests of the Target Company’s shareholders, and make recommendations or suggestions to the board of directors on whether to approve that Privatization Proposal

Based on the above, in the middle of September 2023, the Special Committee appointed, as independent advisors exclusive to the Special Committee, JP Morgan Securities as the financial advisor and Shiomizaka as a legal advisor. Following that, on September 15, 2023, the Special Committee recommended to the board of directors of the Target Company that the proposals received from the PE funds regarding taking the Target Company Shares private be considered bona fide offers under the Corporate Takeover Guidelines and be given sincere consideration. Under the above structure, the Target Company proceeded with formulating a new medium-term management plan from the middle of September 2023 to late February 2024 with the aim of maximizing its corporate value as a listed company. That plan incorporated various measures reviewed by the Corporate Value Committee. At the same time, taking into consideration discussions within the Special Committee and advice from the Target Company’s advisors, the Target Company compared the corporate value enhancement measures proposed by the PE funds for taking the Target Company private with the corporate value enhancement measures expected to be realized through the new medium-term management plan as a listed company. Through that process, the Target Company identified and evaluated options to maximize its corporate value. During that process, the Target Company’s executives conducted Q&A sessions with each PE fund regarding their management policies and business strategies after the Target Company is taken private. The Target Company also provided certain information to some of the PE funds and engaged in discussions based on the results of those exchanges of information. Through those review processes, the Target Company deepened its understanding of each proposal and refined its evaluation of the proposals.

Additionally, based on the February 29 Company Process Proposal, the Special Committee submitted a written opinion to the board of directors of the Target Company on April 9, 2024. That opinion stated that the proposal to take the Target Company private is a plan worth actively considering for the Target Company as it has the advantage of

being able to address and mitigate the issues and concerns faced by the Target Company if the Target Company continues to be listed. The Special Committee requested that the privatization be carefully considered as an excellent option. Following that, the Target Company conducted interviews with three PE funds, including KKR, that have submitted proposals. They reviewed the proposals for taking the Target Company private while considering future business strategies.

Subsequently, from early to late June 2024, the Target Company received legally binding letters of intent from two PE funds, including KKR, and a non-binding letter of intent from one PE fund. After carefully considering those letters of intent, in light of the contents of the written opinion submitted by the Special Committee to the board of directors on June 28, 2024 (“June 28 Opinion”), the Target Company concluded in the middle of July 2024 that the most crucial issue for advancing the Target Company’s management is to restructure the shareholder composition. The Target Company concluded that the best means to achieve this is to accept the PE funds’ proposals and it decided to proceed with discussions with KKR, which offered the highest proposed price among the proposals. Based on those considerations, the Target Company concluded that KKR is the optimal potential partner to promote the medium- to long-term enhancement of the Target Company’s corporate value, including taking the Target Company private. On July 5, 2024, following a request from the Tender Offeror to discuss the Transaction, the Target Company decided to proceed with discussions with KKR to execute the Transaction.

(ii) Background of Examinations and Negotiations

Since establishing the above examination framework, the Target Company has engaged in multiple discussions and negotiations with KKR, based on the negotiation policies and the opinions, instructions, and requests on important matters provided in advance by the Special Committee. The Target Company received a report from SMBC Nikko Securities regarding an analysis of the fair value of the Target Company’s shares, advice on negotiation policies with the Tender Offeror, and other financial advice. Mori Hamada & Matsumoto also provided advice on measures to ensure the fairness of the procedures in the Transaction and other legal advice. Based on that advice, the Target Company had numerous discussions and evaluations with KKR. Specifically, on September 4, 2023, the Target Company received from 3DIP non-binding written proposals that were submitted to 3DIP from three potential investors that were granted the 3DIP Process Preferential Negotiation Right including KKR. Among those, the 3DIP Process Proposal submitted by KKR set the tender offer price at 6,400 yen per share of the Target Company Shares. The tender offer price in the 3DIP Process Proposal represents a premium of 41.59% over the closing price of the Target Company Shares on the Prime Market of the TSE on August 17, 2023, which is the business day immediately preceding August 18, 2023, when KKR submitted the 3DIP Process Proposal to 3DIP, (4,520 yen), a premium of 37.28% over the simple average closing price for the most recent one month (July 18, 2023 to August 17, 2023) (4,662 yen), a premium of 39.59% over the simple average closing price for the most recent three months (May 18, 2023 to August 17, 2023) (4,585 yen), and a premium of 49.05% over the simple average closing price for the most recent six months (February 20, 2023 to August 17, 2023) (4,294 yen). That price also represents a premium of 150.00% over the closing price on February 16, 2022 (2,560 yen), which is the business day immediately preceding February 17, 2022, which is the date on which the Shareholder Proposal was reported, which triggered a fluctuation in the Target Company’s share price, and a premium of 157.03% over the simple average closing price for the most recent one month (January 17, 2022 to February 16, 2022) (2,490 yen), a premium of 142.15% over the simple average closing price for the most recent three months (November 17, 2021 to February 16, 2022) (2,643 yen), and a premium of 130.96% over the simple average closing price for the most recent six months (August 17, 2021 to February 16, 2022) (2,771 yen). As described in “(i) Background of Establishment of Examination Framework” above, the Target Company determined that it was necessary to sincerely consider the written proposals from the three potential investors that were granted 3DIP Process Preferential Negotiation Right, including the 3DIP Process Proposal submitted by KKR, while ensuring fairness and transparency in the examination process in light of the Corporate Takeover Guidelines. Consequently, in the resolution

of the meeting of the board of directors dated September 12, 2023, the Target Company decided to establish the Special Committee and entrusted to the Special Committee the review of the entrusted matters set out in “(i) Background of Establishment of Examination Framework” above. On September 15, 2023, the Special Committee also recommended that the board of directors of the Target Company give sincere consideration to the above proposal, stating that it constituted a bona fide offer under the Corporate Takeover Guidelines. The Target Company examined the written proposals from the three potential investors that were granted 3DIP Process Preferential Negotiation Right, including the 3DIP Process Proposal submitted by KKR, from the perspective of whether they will enhance the Target Company’s corporate value and promote the interests of the shareholders, as well as the feasibility of the proposals, and from early October to early November 2023, the Target Company had discussions with the potential investors as necessary, including questions and answers sessions, to review the contents of each proposal. On the other hand, as the Target Company had not concluded at that time that a transaction to take the Target Company Shares private would be the best measure to enhance its corporate value, the Target Company decided to continue comparing and evaluating options to enhance its corporate value, including taking the Target Company Shares private, based on the evaluation of the various proposals through the review process.

Additionally, on August 4, 2023, the Target Company invited four companies including KKR to participate in the Target Company Information Provision Process and granted four companies including KKR, which accepted that invitation, the opportunity to conduct due diligence from early August to early September 2023. Following that, on September 8, 2023, the Target Company received information from four companies, including KKR, that participated in the Target Company Information Provision Process. Of those, the Target Company received from KKR information on a privatization transaction with a tender offer price of 6,800–7,200 yen per share of the Target Company Shares. The tender offer price in the Target Company Process Information Provision Form represents a premium of 52.64–61.62% over the closing price of the Target Company Shares on the Prime Market of the TSE on September 7, 2023, which is the business day immediately preceding September 8, 2023 (4,455 yen), a premium of 50.68–59.54% over the simple average closing price for the most recent one month (August 8, 2023 to September 7, 2023) (4,513 yen), a premium of 48.47–57.21% over the simple average closing price for the most recent three months (June 8, 2023 to September 7, 2023) (4,580 yen), and a premium of 56.57–65.78% over the simple average closing price for the most recent six months (March 8, 2023 to September 7, 2023) (4,343 yen). That price also represents a premium of 165.63–181.25% over the closing price on February 16, 2022 (2,560 yen), which is the business day immediately preceding February 17, 2022, which is the date on which the Shareholder Proposal was reported, which triggered a fluctuation in the Target Company’s share price and a premium of 173.09–189.16% over the simple average closing price for the most recent one month (January 17, 2022 to February 16, 2022) (2,490 yen), a premium of 157.28–172.42% over the simple average closing price for the most recent three months (November 17, 2021 to February 16, 2022) (2,643 yen), and a premium of 145.40–159.83% over the simple average closing price for the most recent six months (August 17, 2021 to February 16, 2022) (2,771 yen). Following that, the Target Company received from KKR the February 29 Company Process Proposal, which was addressed to the Special Committee and proposed a tender offer price of 7,800–8,100 yen per share of the Target Company Shares. The tender offer price in the February 29 Company Process Proposal represents (a) a premium of 22.83–27.56% over the closing price of the Target Company Shares on the Prime Market of the TSE on February 28, 2024, which is the business day immediately preceding February 29, 2024 (6,350 yen), a premium of 23.87–28.63% over the simple average closing price for the most recent one month (January 29, 2024 to February 28, 2024) (6,297 yen), a premium of 25.81–30.65% over the simple average closing price for the most recent three months (November 29, 2023 to February 28, 2024) (6,200 yen), and a premium of 37.61–42.91% over the simple average closing price for the most recent six months (August 29, 2023 to February 28, 2024) (5,668 yen), (b) a premium of 62.67–68.93% over the closing price on October 2, 2023 (4,795 yen), which is the date on which the Speculative Media Reports were made, and a premium of 66.24–72.63% over the simple average closing price for the most recent one month (September 4, 2023 to October 2, 2023) (4,692 yen), a premium of 69.01–75.51% over the simple average

closing price for the most recent three months (July 3, 2023 to October 2, 2023) (4,615 yen), and a premium of 75.32–82.06% over the simple average closing price for the most recent six months (April 3, 2023 to October 2, 2023) (4,449 yen), and (c) a premium of 204.69–216.41% over the closing price on February 16, 2022 (2,560 yen), which is the business day immediately preceding February 17, 2022, which is the date on which the Shareholder Proposal was reported, which triggered a fluctuation in the Target Company’s share price, and a premium of 213.25–225.30% over the simple average closing price for the most recent one month (January 17, 2022 to February 16, 2022) (2,490 yen), a premium of 195.12–206.47% over the simple average closing price for the most recent three months (November 17, 2021 to February 16, 2022) (2,643 yen), and a premium of 181.49–192.31% over the simple average closing price for the most recent six months (August 17, 2021 to February 16, 2022) (2,771 yen).

It should be noted that the initial information provided by the four companies in the Target Company Information Provision Process was solely related to strategies for enhancing the corporate value of the Target Company and did not constitute offers to acquire the Target Company. Therefore, those were not considered acquisition offers by the Target Company and the Special Committee.

Following that, from early to late June 2024, the Target Company received binding letters of intent from two PE funds, including KKR, and a non-binding letter of intent from one PE fund. The Target Company continued to review the proposals received in the 3DIP Process from the three potential investors granted 3DIP Process Preferential Negotiation Right, including 3DIP Process Proposal. However, aside from KKR, the other two potential investors lacked experience in taking companies of a similar market capitalization to the Target Company private. Moreover, their proposed prices were not more favorable than the other two proposals, including that of KKR. As a result, the Target Company decided to focus its review on the proposals from the two companies, including KKR. While conducting that review, the Target Company received the above-mentioned letters of intent from the two companies, including KKR, that had also participated in the Target Company Information Provision Process, so the Target Company decided to discontinue its review of the 3DIP Process Proposal and instead focus on examining the contents of the letters of intent received from the three companies. Of those, the Target Company received from KKR on June 14, 2024 the Final Proposal Concerning the Target Company Process, which includes statements on purchase conditions such as the tender offer price and the hare option purchase price conditioned on the Target Company Shares being taken private, which specifically proposed a tender offer price of 8,800 yen per share of the Target Company Shares. KKR also included all Share Options, including those whose exercise periods had not yet commenced, in the tender offer. KKR proposed that the Share Option purchase price be the amount obtained by multiplying the difference between the tender offer price per share of the Target Company Shares (8,800 yen) and the exercise price per Share Option by the number of the Target Company Shares underlying each Share Option. The proposed share option purchase prices were 1,067,000 yen for the Fifth Series Share Options, 929,600 yen for the Sixth Series Share Options, and 228,100 yen for the Seventh Series Share Options. The tender offer price in the Final Proposal Concerning the Target Company Process represents (a) a premium of 30.76% over the closing price of the Target Company Shares on the Prime Market of the TSE on June 13, 2024, which is the business day immediately preceding June 14, 2024 (6,730 yen), a premium of 38.15% over the simple average closing price for the most recent one month (May 14, 2024 to June 13, 2024) (6,370 yen), a premium of 41.55% over the simple average closing price for the most recent three months (March 14, 2024 to June 13, 2024) (6,217 yen), and a premium of 41.16% over the simple average closing price for the most recent six months (December 14, 2023 to June 13, 2024) (6,234 yen), (b) a premium of 83.52% over the closing price on October 2, 2023 (4,795 yen), which is the date on which the Speculative Media Reports were made, and a premium of 87.55% over the simple average closing price for the most recent one month (September 4, 2023 to October 2, 2023) (4,692 yen), a premium of 90.68% over the simple average closing price for the most recent three months (July 3, 2023 to October 2, 2023) (4,615 yen), and a premium of 97.80% over the simple average closing price for the most recent six months (April 3, 2023 to October 2, 2023) (4,449 yen), and (c) a premium of 243.75% over the closing price on

February 16, 2022 (2,560 yen), which is the business day immediately preceding February 17, 2022, which is the date on which the Shareholder Proposal was reported, which triggered a fluctuation in the Target Company's share price, and a premium of 253.41% over the simple average closing price for the most recent one month (January 17, 2022 to February 16, 2022) (2,490 yen), a premium of 232.95% over the simple average closing price for the most recent three months (November 17, 2021 to February 16, 2022) (2,643 yen), and a premium of 217.57% over the simple average closing price for the most recent six months (August 17, 2021 to February 16, 2022) (2,771 yen). Following that, in light of the contents of the June 28 Opinion and the acquisition proposal submitted in the 3DIP Process Proposal, after carefully considering the letter of intent it received, the Target Company concluded in the middle of July 2024 that the most crucial issue for advancing the Target Company's management is to restructure the shareholder composition. The Target Company concluded that accepting proposals from the PE funds was the best means to achieve this and it decided to proceed with discussions with KKR, which was the PE fund that offered the highest price. Based on these considerations, while further discussions with KKR are necessary, including following privatization, regarding the implementation of specific measures to realize synergies and reduce dis-synergies if the Target Company becomes a wholly-owned subsidiary of the Tender Offeror, the Target Company concluded that KKR is the optimal partner to promote the medium- to long-term enhancement of the Target Company's corporate value, including taking the Target Company private. On July 5, 2024, following a request from the Tender Offeror to discuss the Transaction, the Target Company decided to proceed with discussions with KKR to execute the Transaction.

Following that, on July 5, 2024, the Target Company decided to grant KKR a right of first refusal for the Transaction. After the board of directors of the Target Company and the Special Committee had continuous discussions with KKR aimed at executing the Transaction, the Target Company reached an agreement with KKR on August 7, 2024. The First Tender Offer Price was 8,800 yen per share of the Target Company Shares, and the First Share Option Purchase Price was determined by multiplying the difference between the First Tender Offer Price (8,800 yen) and the exercise price per share of each Share Option by the number of the Target Company Shares underlying each Share Option.

Further, on July 26, 2024, the Target Company received a non-binding proposal related to a Privatization Proposal from Bain Capital Private Equity L.P. ("Bain Capital") that offered a tender offer price that exceeded the First Tender Offer Price ("July 26 Bain Capital Written Proposal," and the proposal in the July 26 Bain Capital Written Proposal, the "July 26 Bain Capital Proposal). In response, the Target Company received an explanation from Bain Capital regarding the July 26 Bain Capital Proposal, and at the same time, it confirmed KKR's stance in light of the July 26 Bain Capital Proposal and it checked with 3DIP to ascertain 3DIP's intention regarding the July 26 Bain Capital Proposal. The Special Committee conducted a thorough examination of the July 26 Bain Capital Written Proposal. That examination involved receiving an explanation of the contents of the July 26 Bain Capital Written Proposal from the Target Company, discussing the response policy while receiving professional advice from the advisors it has engaged, holding meetings with both KKR and Bain Capital, communicating through the Target Company to confirm 3DIP's stance on the July 26 Bain Capital Written Proposal, and carefully deliberating on the policy on how to respond to the July 26 Bain Capital Written Proposal based on those meetings and confirmations. As a result, considering that the July 26 Bain Capital Proposal was a non-binding proposal, the likelihood of Bain Capital obtaining 3DIP's consent to participate in the Tender Offer was unclear, and that 3DIP judged the proposal pertaining to the Final Proposal Concerning the Target Company Process by KKR to be superior to the July 26 Bain Capital Proposal, the Special Committee concluded that the feasibility of the July 26 Bain Capital Proposal was questionable. On August 4, 2024, the Special Committee submitted a written opinion to the board of directors of the Target Company ("August 4 Opinion") stating that there were no circumstances sufficient to alter the opinion it submitted on June 28, 2024. Taking into consideration the contents of the August 4 Opinion submitted by the Special Committee, the Target Company carefully examined the July 26 Bain Capital Proposal from the perspective of the feasibility of the acquisition and other factors. The examination revealed that the July 26 Bain Capital Proposal is not legally binding, requires a certain period

and negotiations with financial institutions for the submission of a legally binding proposal, and raises doubts about the certainty of financing. Additionally, the Tender Offeror is already expected to enter into the Tender Agreement with 3DIP and Farallon, which are major shareholders, and 3DIP has no intention of changing this policy. Taking these factors into account, from the perspective of enhancing the corporate value of the Target Company and securing the interests of the shareholders, the Target Company concluded that the Final Proposal Concerning the Target Company Process made by KKR on August 5, 2024 remains the best proposal.

On August 7, 2024, the Target Company was contacted by Bain Capital, which indicated its intention to conduct due diligence with the aim of making a proposal to maximize the Target Company's corporate value. The Target Company carefully considered whether to proceed with the due diligence based on that request and, on August 20, 2024, the board of directors of the Target Company received an opinion from the Special Committee stating that it would be appropriate to grant Bain Capital the opportunity to conduct due diligence from the perspective of securing and enhancing corporate value and the common interests of the shareholders. Following that, the board of directors of the Target Company decided to grant Bain Capital the opportunity to conduct due diligence. Based on that policy, since August 23, 2024, the Target Company has been disclosing to Bain Capital the information necessary for due diligence (the same information as that disclosed to other PE Funds, including KKR), with a deadline set for September 20, 2024. Additionally, the Target Company requested that Bain Capital submit a Highly Confidential Letter from a financial institution and documentation proving its equity financing capacity by August 30, 2024. Subsequently, on August 30, 2024, the board of directors of the Target Company and the Special Committee received supplementary explanatory materials from Bain Capital regarding the July 26 Bain Capital Written Proposal (the "Supplementary Explanatory Materials dated August 30, 2024") as well as an Equity Commitment Letter (however, the financing pursuant to the Equity Commitment Letter is subject to conditions, including the execution of a valid tender offer agreement between Bain Capital and the Target Company, the commencement and completion of a tender offer following the satisfaction or waiver of the conditions precedent set out in the tender offer agreement, and the raising of debt financing at around the same time, and final approval from an investment committee) (with respect to the Equity Commitment Letter, it was received once more on September 4, 2024). Having received those supplementary explanatory materials, from the viewpoint of not arbitrarily eliminating the possibility of counterproposals being realized, the Target Company decided to continue granting Bain Capital the opportunity to conduct the aforementioned due diligence. According to the Supplementary Explanatory Materials dated August 30, 2024, Bain Capital is in good faith negotiations with the Target Company's shareholders—Mr. Hiroshi Nozawa, Ms. Chieko Nozawa, and NFC Corporation (collectively, the "Founding Family Shareholders")—towards the conclusion of various agreements necessary for the privatization transaction proposed by Bain Capital. Additionally, Bain Capital has agreed with the Founding Family Shareholders that until December 31, 2024, the Founding Family Shareholders will refrain from engaging in any actions with parties other than Bain Capital that would or are likely to compete with, contradict, or conflict with the series of transactions related to Bain Capital taking the Target Company private. The Special Committee noted that Mr. Sakashita, is related by marriage to the Founding Family Shareholders. Given that agreement, Mr. Sakashita might be deemed to have a special interest in both the Tender Offers proposed by the Tender Offeror and the privatization transaction proposed by Bain Capital. Therefore, the Special Committee requested that Mr. Sakashita completely abstain from participating in any discussions or decisions of the Target Company's board of directors regarding the Transaction and refrain from participating in any review, discussions, or negotiations with the Tender Offeror and Bain Capital on behalf of the Target Company. The Target Company agreed to that request. Based on that decision, Mr. Sakashita has not participated in any discussions or decisions of the Target Company's board of directors regarding the Transaction, in any reviews related to the Transaction, or in any discussions or negotiations with the Tender Offeror and Bain Capital since September 2, 2024. The Target Company's executives have been confirming with Bain Capital and the Founding Family Shareholders and Nomura Securities Co., Ltd., its financial advisor, the specific terms of the agreement between Bain Capital and the Founding Family Shareholders. However, no answer was obtained that clarifies the details.

In addition, on September 3, 2024, the Bain Capital Press Release Dated September 3, 2024 was published by Bain Capital. The Target Company considered the proposal from Bain Capital to be a sincere proposal, and was conducting an appropriate and fair process for candidates including Bain Capital and KKR. The Target Company received a legally binding proposal from Bain Capital on October 11, 2024 (“October 11, 2024 Bain Capital Proposal”), and the Bain Capital Press Release Dated October 11, 2024 was published on the same day. However, after receiving an explanation from the Target Company regarding the meeting between the management of the Target Company and KKR concerning KKR’s policy in response to the proposal by Bain Capital, and as a result of carefully considering the matter while receiving advice from each of the Special Committee’s advisors, the Special Committee submitted a written opinion to the board of directors of the Target Company (“October 15, 2024 Opinion”) on October 15, 2024. In the opinion it is stated that, (1) considering the capabilities and track record of KKR and Bain Capital, there is no basis for determining that the Transaction is inferior to Bain Capital’s proposal in terms of the general merits of a take-private transaction; (2) there are no changes to the terms of the First Tender Offer by KKR, the First Tender Offer is expected to be successful with 3DIP and Farallon’s tenders, and KKR has already announced that it will commence the Second Tender Offer; and (3) there are no circumstances that would overturn the assumptions and assessments made by the Special Committee in relation to appropriateness of the terms of the Transaction and the fairness of the procedures, and the opinions on these matters remained unchanged. On the other hand, the opinion also stated that (4) even if the minority shareholders of the Target Company are carefully considering the possibility of tendering their shares in the Bain Capital tender offer for the Target Company Shares as described in the Bain Capital Press Release Dated October 11, 2024, the minority shareholders of the Target Company will still have the option to tender their shares in the Second Tender Offer at the same price as that of the First Tender Offer, which is 8,800 yen. While the opinion maintains its support and recommendation to tender for the First Tender Offer, in light of the fact that it also stated that taking into account the existence of Bain Capital’s proposal, it would be reasonable for the minority shareholders of the Target Company to not tender in the First Tender Offer by the Tender Offeror, but to choose to tender in the Second Tender Offer by the Tender Offeror taking into account the outcome of Bain Capital’s proposal, and that there is no intention for the decisions of minority shareholders to be actively excluded, that there is no change to the fact that the Transaction will contribute to improving the Target Company’s corporate value, and while the details of the October 11, 2024 Bain Capital Proposal will continue to be examined, as of October 18, 2024 no circumstances have arisen that would overturn the opinion regarding the Tender Offers, the Target Company, therefore resolved, by a majority of directors, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, to continue to express its opinion in support of the First Tender Offer, and to continue to recommend that its shareholders and Share Options Holders tender in the First Tender Offer, and while the Target Company continued to recommend tendering into the First Tender Offer, it added that taking into account the existence of Bain Capital’s proposal, it would be reasonable for its shareholders and Share Option Holders to not tender in the First Tender Offer by the Tender Offeror, but to choose to tender in the Second Tender Offer by the Tender Offeror taking into account the outcome of Bain Capital’s proposal. Regarding the continued expression of support for the First Tender Offer, all 11 directors, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, were in favor.

Subsequently, on November 15, 2024, the board of directors of the Target Company received a proposal from the Tender Offeror to commence the Second Tender Offer as soon as practicable, subject to, in addition to the Price Increase, the Target Company expressing its opinion in support of the Second Tender Offer, and recommending that its shareholders and Share Option Holders tender in the Second Tender Offer. In light of this proposal, the Special Committee carefully considered the matter, and as a result, the Target Company received the November 15, 2024 Opinion from the Special Committee, which stated that given (i) the Tender Offeror’s proposal aims to take the Target Company private through KKR alone by the acquisition of all of the Target Company Shares, which will contribute to increasing the corporate value of the Target Company, and (ii) the Second Tender Offer is priced higher than Bain Capital’s tender offer, it recommended the expression of an opinion in support of the Second Tender Offer, and to

recommend that its shareholders and Share Option Holders tender in the Second Tender Offer. At the board of directors meeting held on November 15, 2024, after sincerely and carefully discussing the Second Tender Offer while respecting the contents of the November 15, 2024 Opinion to the fullest extent, the Target Company resolved, by all directors unanimously, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, to express its support for the Second Tender Offer and to recommend its shareholders and Share Options Holders to tender their Target Company Securities in the Second Tender Offer.

In addition, in light of the fact that the Target Company received the November 18, 2024 Opinion from the Special Committee, which continued to state, as in the November 15, 2024 Opinion that given (i) the Tender Offeror's proposal aims to take the Target Company private through KKR alone by the acquisition of all of the Target Company Shares, which will contribute to increasing the corporate value of the Target Company, and (ii) the Second Tender Offer is priced higher than Bain Capital's tender offer, it recommended the expression of an opinion in support of the Second Tender Offer, and to recommend that its shareholders and Share Option Holders tender in the Second Tender Offer, and also, on November 19, 2024, the Target Company was informed by the Tender Offeror that it would conduct the Second Tender Offer with a tender period from November 20, 2024 to December 19, 2024, thus at the board of directors meeting held on November 19, 2024, the Target Company resolved, by all directors unanimously, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, to express its support for the Second Tender Offer and to recommend its shareholders and Share Options Holders tender their Target Company Securities in the Second Tender Offer.

During the above review and negotiation process, the Special Committee was regularly informed by the Target Company and its financial advisor and it actively participated in the negotiation process by providing its opinions on the terms of the Tender Offers. During the negotiations with KKR and Bain Capital, the Target Company adhered to the negotiation policy deliberated and decided upon by the Special Committee. Each time the Target Company received a response from KKR and Bain Capital, it immediately reported to the Special Committee and acted according to its instructions.

In the course of those discussions and evaluations, the Target Company obtained a share valuation report from SMBC Nikko Securities dated August 7, 2024 ("Share Valuation Report (SMBC Nikko Securities)") (for an overview of that share valuation report, see "(II) Share Valuation Report Obtained by the Target Company from an Independent Third-Party Appraiser" in "(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below). Additionally, the Target Company received necessary legal advice from Mori Hamada & Matsumoto regarding the decision-making process of the board of directors, including the Transaction, and other noteworthy points. The Special Committee also submitted the Report dated August 7, 2024 (for the specific details of that report and the activities of the Special Committee, see "(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee" in "(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below).

(iii) Content of Decision

Under the above circumstances, at the meeting of the board of directors held on August 8, 2024, the Target Company carefully discussed and examined the terms of the Transaction. This was done by considering the details of the Share Valuation Report (SMBC Nikko Securities) and the legal advice received from Mori Hamada & Matsumoto and by respecting to the utmost the contents of the Report dated August 7, 2024 obtained from the Special Committee. As a result, as explained below, the Target Company has determined, with respect to the First Tender Offer, that the First Tender Offer Price is a reasonable price that ensures the benefits that should be enjoyed by its general shareholders,

and the First Tender Offer provides an opportunity for its general shareholders to sell their shares at a price with an appropriate premium.

- (A) As stated in “(ii) Background of Examinations and Negotiations” above, that price is the highest price among the legally binding proposal prices submitted by multiple PE funds.
- (B) That price was agreed upon by the Target Company after measures were taken to ensure the fairness of the conditions of the Transaction including the First Tender Offer Price as stated in “(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below, and with the involvement of the Special Committee.
- (C) That price exceeds the valuation range of the Target Company Shares calculated by the market price method and the comparable listed company method, as indicated in the Share Valuation Report (SMBC Nikko Securities) mentioned in “(a) Share Valuation Report Obtained by the Target Company from an Independent Third-Party Appraiser” in in “(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below. Further, the price falls within the valuation range calculated using the DCF Method (as defined in “(a) Share Valuation Report Obtained by the Target Company from an Independent Third-Party Appraiser” in in “(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below; the same shall apply hereinafter).
- (D) That price and the other conditions of the First Tender Offer are considered reasonable as indicated in the Report dated August 7, 2024 obtained from the Special Committee as described in “(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee” in “(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below.
- (E) The First Tender Offer Period is set at 30 business days, which is longer than the statutory minimum of 20 business days, thereby providing the Target Company’s shareholders and the Share Options Holders with an opportunity to make an appropriate decision regarding their participation in the First Tender Offer. That extended period also ensures that other persons have an opportunity to make offers to purchase the Target Company Shares.
- (F) Although the lower limit of the First Tender Offer does not meet the majority of minority threshold for the number of shares to be purchased, sufficient fairness measures have been implemented in the Transaction. Therefore, the fact that the lower limit for the number of shares to be purchased is not set at the majority of minority threshold does not compromise the fairness of the First Tender Offer.
- (G) In the Transaction, the money to be delivered to the shareholders as consideration upon the consolidation of shares is to be calculated to equal the First Tender Offer Price multiplied by the number of shares owned by each shareholder (excluding the Target Company). This arrangement ensures that the general shareholders have an opportunity to make an appropriate decision on whether to tender their shares in the First Tender Offer, thereby preventing any undue pressure.

Additionally, with the support of KKR, which has extensive experience in investing in companies both in and outside of Japan as well as knowledge and networks, the Target Company believes it is possible to increase the feasibility of enhancing its medium- to long-term corporate value by strengthening the implementation of its business strategy.

The Target Company believes that by going private through a tender offer by the Tender Offeror, it can secure a stable shareholder structure and strive towards the realization of the new medium-term management plan, thereby enhancing the feasibility of the plan and increasing the likelihood of achieving its goals.

Going forward, the Target Company anticipates receiving alliance support in various fields based on strategic new business areas and technological trends, as well as support for the execution of M&As and PMIs. However, the Target Company plans to conduct specific negotiations with KKR after the completion of the Tender Offers and finalize the details following that.

It should be noted that the potential disadvantages of taking the Target Company Shares private include the impact on society's trust in the Target Company, especially a loss of confidence among the Target Company's customers, effects on recruitment, and impacts on employees (such as decreased motivation). However, the Target Company believes that appropriate measures can be put in place to address each of those issues, thereby limiting the impact on management. The Target Company anticipates that the benefits of going private will outweigh those disadvantages.

Based on the above, the Target Company resolved at a meeting of its board of directors held on August 8, 2024 to express its support for the First Tender Offer as its opinion as of the same date and to recommend that the Target Company's shareholders and Share Options Holders tender their Target Company Securities in the First Tender Offer, if the First Tender Offer has commenced.

Subsequently, on August 26, 2024, the Target Company was informed by the Tender Offeror that based on expectations for the Procedures in Response to Vietnamese Authorities, the Tender Offeror will commence the First Tender Offer from September 5, 2024. Furthermore, on August 30, 2024, the Target Company was informed by the Tender Offeror that (i) the procedures in response to the authorities, except for the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities, have been completed; (ii) in relation to condition 11 of the Conditions Precedent, the Tender Offeror will waive the condition of the completion of acquisition of the Clearance related to Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities; and (iii) on the premise that the Conditions Precedent are satisfied (or waived by the Tender Offeror), the Tender Offeror planned to commence the First Tender Offer from September 5, 2024.

Upon receiving such communication, the Target Company asked the Special Committee to examine whether there is any change to the Report dated August 7, 2024 submitted by the Special Committee to the board of directors of the Target Company dated August 7, 2024 and to inform the Target Company's board of directors of either the non-existence of a change in the prior opinion or to provide the opinion after any change.

As a result of the Special Committee reviewing the information and materials concerning this matter since August 8, 2024, the contents of the Supplementary Explanatory Materials dated August 30, 2024, and the intentions of Bain Capital and KKR, and while receiving the expert advice of each advisor appointed by the Special Committee, the Special Committee held careful and timely discussions based on the information it had obtained, and the Target Company received submission of the Report dated September 4, 2024 (for details on the specific contents of the report and the activities of the Special Committee, please refer to "(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee" in "(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below).

As a result of carefully reviewing the terms and conditions of the First Tender Offer, including the commencement date and First Tender Offer Period, while respecting the contents of the Report dated September 4, 2024 submitted by the Special Committee to the fullest extent, the Target Company determined that because the Transaction will contribute to the enhancement of the Target Company's corporate value, and is the best measure at present to ensure the common interest of shareholders, there were no factors necessitating that it change its opinion on the First Tender Offer as of August 8, 2024, even as of September 4, 2024.

Furthermore, in relation to Bain Capital's proposal, the Target Company has determined that, taking into consideration the factors set out in the Report dated September 4, 2024, as stated in "(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee" in "(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below, as there are no factor that would change the assessment that as of September 4, 2024, the Transaction by KKR is superior to the proposal by Bain Capital in terms of feasibility, and for this reason, there are no factors that would change its opinion regarding the First Tender Offer as of August 8, 2024.

In addition, the Target Company was informed by the Tender Offeror on August 26, 2024 that the Tender Offeror would set the minimum number of shares to be purchased such that the number of voting rights of the Target Company held by the Tender Offeror after the First Tender Offer would be equal to or more than 57.97% of the total voting rights of the Target Company. Thereafter, the Target Company was informed by the Tender Offeror on August 30, 2024 that the Tender Offeror would set the minimum number of shares to be purchased such that the number of voting rights of the Target Company held by the Tender Offeror after the First Tender Offer would be equal to or more than 53.22% of the total voting rights of the Target Company. While the setting of such minimum number increases the likelihood of the First Tender Offer being successful, it is also possible that, in theory, the Target Company will not be taken private despite the First Tender Offer being successful. In light of it being understood that there is a considerable number of passive index management funds and other pension asset management institutions with similar management policies and voting trends to such passive index management funds among the Target Company shareholders that in principle, will not tender their shares in tender offers regardless of the appropriateness of the conditions of the tender offer, but will vote in favor of the proposal on the share consolidation at the general shareholders meeting in the subsequent squeeze-out procedure, and the maximum voting rate at the general shareholders meeting for the most recent three fiscal years of the Target Company (92.16%), even if the number of Target Company shares held by the Tender Offeror after completion of the First Tender Offer is the minimum number of shares to be purchased, by the Tender Offeror holding 53.22% of the Target Company total voting rights, it is expected that the Target Company Shares whose voting rights will be exercised in favor of the proposal on the Share Consolidation will reach 61.45% in terms of the ownership ratio. Furthermore, considering the number of Target Company Shares required for the approval of the proposal on the Share Consolidation being at a level equivalent to the ratio (approximately 61.44%) calculated by multiplying 92.16%, which is the maximum voting rate at the general shareholders meeting for the most recent three fiscal years of the Target Company by two-thirds, which is the voting rights ratio required for the approval of a special resolution at the general shareholders meeting, it is estimated that the level of the number of Target Company Shares whose voting rights will be exercised in favor of the proposal on the Share Consolidation above (approximately 61.45%) will exceed the voting rights ratio of 61.44%, and the Tender Offeror believed that it is highly likely the proposal on the Share Consolidation is approved at the Extraordinary General Shareholders Meeting after the First Tender Offer. In addition, even if the proposal on the Share Consolidation is not approved at the Extraordinary General Shareholders Meeting after the First Tender Offer, the Tender Offeror intends on promptly taking the Target Company private by acquiring additional Target Company Shares. According to the Tender Offeror, in the case of on-market transactions, it intends to acquire additional Target Company Shares at the market price, and in the case of a method other than an on-market

transaction, the Tender Offeror intends to acquire the Target Company Shares at a price evaluated as being economically equivalent to the First Tender Offer Price per share, unless there is an event that causes an adjustment to become necessary, such as a share consolidation or a share split by the Target Company. Given that the fairness of the Tender Offer is expected to be ensured by eliminating coercion and ensuring that no unfair results are produced for the shareholders who have tendered their shares, it was determined that there are no problems with setting a minimum number of shares to be purchased such that the ownership ratio of the Tender Offeror after the First Tender Offer is 53.22%, and as stated above, there were no factors necessitating that it change its opinion on the First Tender Offer as of August 8, 2024.

In addition, the Target Company was informed by the Tender Offeror on August 26, 2024 that the First Tender Offer Period was set at 20 business days, the statutory minimum. However considering that the First Tender Offer is a so-called “pre-announced tender offer”, the Tender Offeror believes that even with a 20 business day Tender Offer Period, there will be adequate opportunities for shareholders of the Target Company and the Share Option Holders to make appropriate judgments as to whether to tender in the First Tender Offer, and opportunities for persons other than the Tender Offeror to purchase the Target Company Securities. On the other hand, in order to secure such opportunities, enhance the corporate value of the Target Company, and protect the interests of minority shareholders, the Target Company determined that it would be more desirable to set the First Tender Offer Period at 30 business days or longer.

Based on the above, at the meeting of the board of directors of the Target Company held on September 4, 2024, on the assumption that the First Tender Offer Period will be 30 business days or more, Target Company resolved to express its support for the First Tender Offer again and to recommend its shareholders and Share Options Holders to tender their Target Company Securities in the First Tender Offer, and that in the event the First Tender Offer Period is not set at 30 business days or more, to make a request for an extension of the purchase period as provided for in Article 27-10, Paragraph 2, Item 2 of the Act.

The Target Company then communicated such resolutions to the Tender Offeror, and was informed by the Tender Offeror that the First Tender Offer Period would be set at 30 business days.

Additionally, the meetings of the board of directors held on August 8, 2024 and September 4, 2024 mentioned above were attended by three company auditors of the Target Company, and all company auditors who attended stated their opinion that they have no objection to passing the above resolutions.

Subsequently, as a result of the Tender Offeror’s decision on September 19, 2024 to remove the minimum number of shares to be purchased in the First Tender Offer, and to commence the Second Tender Offer as soon as practically possible after the First Tender Offer is completed and settlement is completed, the Target Company again carefully discussed and reviewed the terms and conditions of the First Tender Offer while respecting the contents of the September 24, 2024 Opinion received from the Special Committee to the fullest extent (for specific details of such opinion, please refer to “(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee” in “(4) Measures to Ensure the Fairness of the Tender Offer Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below). As a result, as there were no circumstances that would lead to a conclusion that the above changes to the purchase conditions would impair the fairness of the procedures, by a resolution dated September 26, 2024, pursuant to Article 370 of the Companies Act (a written resolution in lieu of a resolution of the board of directors), the board of directors of the Target Company decided to continue to express its opinion in support of the First Tender Offer, and to continue to recommend that its shareholders and Share Options Holders tender in the First Tender Offer.

In the course of such review, the Target Company confirmed with each Tendering Shareholder as to whether there is any possibility that each Tendering Shareholder would withdraw their respective tenders from the First Tender Offer,

even if Bain Capital commences a tender offer at a higher tender offer price than that of the First Tender Offer Price, as each Tendering Shareholder had already tendered their respective Planned Tender Shares in the First Tender Offer pursuant to their respective Tender Agreements, and pursuant to their respective Tender Agreements, are obligated not to withdraw their tenders without the consent of the Tender Offeror. The Target Company received a response from each Tendering Shareholder that there is no possibility that they will withdraw their tenders from the First Tender Offer.

In addition, as a result of the above changes to the purchase conditions, even in the case that the First Tender Offer and the Second Tender Offer are implemented, in addition to a tender offer by Bain Capital being implemented, a new scenario can be envisaged in which the final shareholder composition of the Target Company would be that the Tender Offeror holds the Planned Tender Shares (total: 20,667,670 shares, Ownership Ratio: 32.79%), and Bain Capital also holds a certain number of shares, resulting in general shareholders who did not tender in the First Tender Offer remaining as minority shareholders of the Target Company. However, in addition to the fact that this “risk that general shareholders will remain after the tender offer” has existed for some time, the Target Company has not yet received a legally binding proposal from Bain Capital for a transaction to take the Target Company private. As it is unclear whether Bain Capital will conduct a tender offer, and (if so), what the conditions of such tender offer will be, and given that the likelihood of the above scenario being realized is also unclear, the Target Company believed there are no circumstances that would lead to the conclusion that the above changes to the purchase conditions have definitely increased the coerciveness of the First Tender Offer, and that its judgement regarding the fairness of the procedures will not be affected.

Subsequently, in light of the fact that the Target Company received the October 11, 2024 Bain Capital Proposal on October 11, 2024, and that the Bain Capital Press Release Dated October 11, 2024 was published by Bain Capital on the same day, the Target Company and the Special Committee again carefully considered whether it was necessary to change the opinion of the Target Company board of directors regarding the First Tender Offer from the perspective of improving the corporate value of the Target Company and protecting the interests of its shareholders. As a result, at the board of directors meeting held on October 18, 2024, after receiving an explanation from the Target Company regarding the meeting between the management of the Target Company and KKR concerning KKR’s policy in response to the proposal by Bain Capital, and as a result of carefully considering the matter while receiving advice from each of the Special Committee’s advisors, the Special Committee submitted the October 15, 2024 Opinion to the board of directors of the Target Company. In the opinion it is stated that, (1) considering the capabilities and track record of KKR and Bain Capital, there is no basis for determining that the Transaction is inferior to Bain Capital’s proposal in terms of the general merits of a take-private transaction; (2) there are no changes to the terms of the First Tender Offer by KKR, the First Tender Offer is expected to be successful with 3DIP and Farallon’s tenders, and KKR has already announced that it will commence the Second Tender Offer; and (3) there are no circumstances that would overturn the assumptions and assessments made by the Special Committee in relation to appropriateness of the terms of the Transaction and the fairness of the procedures, and the opinions on these matters remain unchanged. On the other hand, the opinion also stated that (4) even if the minority shareholders of the Target Company are carefully considering the possibility of tendering their shares in the Bain Capital tender offer for the Target Company Shares as described in the Bain Capital Press Release Dated October 11, 2024, the minority shareholders of the Target Company will still have the option to tender their shares in the Second Tender Offer at the same price as that of the First Tender Offer, which is 8,800 yen. While the opinion maintains its support and recommendation to tender for the First Tender Offer, in light of the fact that it also stated that taking into account the existence of Bain Capital’s proposal, it would be reasonable for the minority shareholders of the Target Company to not tender in the First Tender Offer by the Tender Offeror, but to choose to tender in the Second Tender Offer by the Tender Offeror taking into account the outcome of Bain Capital’s proposal, and that there is no intention for the decisions of minority shareholders to be actively excluded, that there is no change to the fact that the Transaction will contribute to improving the Target Company’s corporate value, and

while the details of the October 11, 2024 Bain Capital Proposal will continue to be examined, as of October 18, 2024 no circumstances have arisen that would overturn the opinion regarding the First Tender Offer, the Target Company, therefore resolved, by a majority of directors, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, to continue to express its opinion in support of the First Tender Offer, and to continue to recommend that its shareholders and Share Options Holders tender in the First Tender Offer, and while the Target Company continued to recommend tendering into the First Tender Offer, it added that taking into account the existence of Bain Capital's proposal, it would be reasonable for its shareholders and Share Option Holders to not tender in the First Tender Offer by the Tender Offeror, but to choose to tender in the Second Tender Offer by the Tender Offeror taking into account the outcome of Bain Capital's proposal. Regarding the continued expression of support for the First Tender Offer, all 11 directors, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, were in favor.

Subsequently, on November 15, 2024, the board of directors of the Target Company received a proposal from the Tender Offeror to commence the Second Tender Offer as soon as practicable, subject to, in addition to the Price Increase, the Target Company expressing its opinion in support of the Second Tender Offer, and recommending that its shareholders and Share Option Holders tender in the Second Tender Offer. In order for the board of directors of the Target Company to express an opinion on the Second Tender Offer, the Special Committee submitted the November 15, 2024 Opinion to the board of directors of the Target Company on November 15, 2024. The November 15, 2024 Opinion states that given (i) the Tender Offeror's proposal aims to take the Target Company private through KKR alone by the acquisition of all of the Target Company Shares, which will contribute to increasing the corporate value of the Target Company, and (ii) the Second Tender Offer is priced higher than Bain Capital's tender offer, it recommended the expression of an opinion in support of the Second Tender Offer, and to recommend that its shareholders and Share Option Holders tender in the Second Tender Offer. At the board of directors meeting held on November 15, 2024, after sincerely and carefully discussing the Second Tender Offer while respecting the contents of the November 15, 2024 Opinion to the fullest extent, in light of the points below, the Target Company resolved, by all directors unanimously, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, to express its support for the Second Tender Offer and to recommend its shareholders and Share Options Holders to tender their Target Company Securities in the Second Tender Offer.

- (A) The Tender Offer Price is the highest price among the legally binding proposal prices submitted by multiple PE funds, and exceeds the tender offer price of 9,450 yen in the October 11, 2024 Bain Capital Proposal, which was submitted to the Target Company after the Target Company informed Bain Capital that it expected to receive the highest possible price it could offer.
- (B) The Tender Offer Price was agreed upon by the Target Company after measures were taken to ensure the fairness of the conditions of the Transaction including the Tender Offer Price as stated in “(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below, and with the involvement of the Special Committee.
- (C) The Tender Offer Price exceeds the valuation range of the Target Company Shares calculated by the market price method and the comparable listed company method, as indicated in the Share Valuation Report (SMBC Nikko Securities) mentioned in “(II) Share Valuation Report Obtained by the Target Company from an Independent Third-Party Appraiser” in “(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below; the same shall apply hereinafter) Further, the price falls within the valuation range calculated using the DCF Method.

(D) The Tender Offer Price and the other conditions of the Second Tender Offer are considered reasonable as indicated in the November 15, 2024 Opinion obtained from the Special Committee.

(G) In the Transaction, the money to be delivered to the shareholders as consideration upon the consolidation of shares is to be calculated to equal the Tender Offer Price multiplied by the number of shares owned by each shareholder (excluding the Target Company). This arrangement ensures that the general shareholders have an opportunity to make an appropriate decision on whether to tender their shares in the Second Tender Offer, thereby preventing any undue pressure.

Furthermore, on November 1, 2024, Bain Capital published the “Notice of Progress Toward Commencement of Tender Offer for the Shares of FUJI SOFT INCORPORATED (Securities Code: 9749)” which stated that, if the board of directors of the Target Company expressed its support for the tender offer by Bain Capital, a tender offer would be conducted for the Target Company Shares. The Target Company and Special Committee decided upon its opinion on the Second Tender Offer after also considering the tender offer for the Target Company Shares by Bain Capital. In light of the fact that the November 15, 2024 Opinion recommended that the expression of an opinion in opposition to the tender offer by Bain Capital given that (1) Bain Capital’s proposal is inferior to the Tender Offeror’s proposal in terms of the enhancement of corporate value and the fairness of procedures, as given (i) KKR already holds approximately 34% of the Target Company Shares, it will be difficult for the Target Company to be taken private through Bain Capital alone unless KKR agrees to sell, (ii) after the tender offer by Bain Capital there is the risk that a so-called deadlock situation could arise which would prevent important decisions such as special resolutions at general meetings of shareholders from being made, and result in inorganic growth and rapid decision-making not being achieved, which raises doubts about the improvement of corporate value, and (iii) as it will not be possible for Bain Capital to acquire the number of shares necessary for a squeeze-out procedure through its tender offer, Bain Capital’s tender offer has the aspects of a partial purchase, and it is difficult to say that sufficient measures have been taken to address the issue of coerciveness from such partial purchase, (2) in terms of price, the tender offer by Bain Capital is not superior to the Second Tender Offer by the Tender Offeror, and (3) it is believed that the consolidation of the proposals by the Tender Offeror, which are superior in each of the above respects, and promptly creating a situation in which the Target Company can work towards achieving its Mid-term Business Plan will contribute to the further improvement of corporate value of the Target Company, at the board of directors meeting held on November 15, 2024, after sincerely and carefully discussing the tender offer by Bain Capital while respecting the contents of the November 15, 2024 Opinion to the fullest extent, as it is considered that (i) a KKR already holds 34% of the Target Company Shares, there are concerns about the effectiveness of Bain Capital’s proposal in enhancing the corporate value of the Target Company due to the risk of a deadlock situation, and it is difficult to say that sufficient measures have been taken to address the issue of coerciveness, (ii) in terms of price, Bain Capital’s tender offer is not superior to the Second Tender Offer, and (iii) it is believed that the consolidation of the proposals by the Tender Offeror, which are superior in each of the above respects, and promptly creating a situation in which the Target Company can work towards achieving its Mid-term Business Plan will contribute to the further improvement of corporate value of the Target Company, the Target Company resolved, by all directors unanimously, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, to express its opposition to Bain Capital’s tender offer.

Subsequently, in light of the fact that on November 18, 2024, the November 18, 2024 Opinion was received from the Special Committee, and on November 19, 2024, the Target Company was notified by the Tender Offeror that it would conduct the Second Tender Offer with a tender offer period from November 20, 2024 to December 19, 2024, at the board of directors meeting held on November 19, 2024, the Target Company resolved, in light of the points above, by all directors unanimously, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, to continue to express its opinion in opposition to Bain Capital’s tender offer and in support of the Second Tender Offer, and to recommend that its shareholders and Share Options Holders tender in the Second Tender Offer.

(IV) Management Policy after the Tender Offers

After the Transaction, KKR, together with the officers and employees of the Target Company, will pursue the further growth of the Target Company's business and corporate value through the promotion of both organic (i.e., a method using existing management resources) and inorganic (i.e., via an alliance with another company, acquisition of another company, or other means) growth strategies, by utilizing the solid business foundation that the Target Company has been building, the global human and capital resources of KKR, and KKR's know-how and network. KKR believes that the enhancement of profitability and improvement of capital efficiency set forth in the Target Company's New Mid-term Business Plan will contribute to the enhancement of the Target Company's corporate value, and as part of the enhancement of profitability and improvement of capital efficiency, KKR is considering the securitization of real estate held by the Target Company and implementing measures to improve sales growth and profitability after the completion of the Transaction.

The Tender Offeror intends as of today to appoint one or more candidate(s) designated by KKR as the Target Company's director(s) after the completion of the Transaction in order to improve management efficiency. The number of candidates, timing, designation of candidate(s) and other details of such appointment have not been decided as of today. In addition, as of today, the Tender Offeror has no specific plans or preferences regarding the management structure or composition of the board of directors after the completion of the Transaction.

The Tender Offeror plans to introduce incentive plans, such as stock options, to the officers and employees of the Target Company, and to establish a system in which KKR and the officers and employees of the Target Company will work together to enhance the long-term corporate value of the Target Company. The details of such incentive plans and the timing of their introduction have not been decided.

(3) Matters Relating to the Second Tender Offer

(I) Reasons for Conducting Two-Stage Tender Offer

In the initial Tender Offer Registration Statement for the First Tender Offer, the Tender Offeror set the minimum number of shares to be purchased in the First Tender Offer at 33,658,500 (Ownership Ratio: 53.40%). As described in "(II) Discussion Between the Tender Offeror and the Target Company and 3DIP, and the Process of Decision-making by the Tender Offeror, etc." in "(2) Background, Purpose, and Decision-making Process Leading to the Determination to Conduct the Tender Offers, and the Management Policy After the Tender Offers" above, on September 3, 2024, Bain Capital issued the Bain Capital Press Release Dated September 3, 2024. According to the Target Company Press Release Dated September 4, 2024, from the viewpoint of not arbitrarily eliminating the possibility of counterproposals being realized, the Target Company decided on September 4, 2024 to continue granting Bain Capital the opportunity to conduct due diligence during the First Tender Offer Period, and that if a legally binding proposal is made by Bain Capital, the Target Company and the Special Committee planned to carefully and sincerely consider it. However, the Bain Capital Press Release Dated September 3, 2024 states Bain Capital may make a legally binding proposal to take the Target Company private, subject to certain conditions precedent, including (i) the cooperation reasonably required from the Target Company is obtained in a timely manner, (ii) the necessary institutional decisions are made at Bain Capital, (iii) good faith discussions are entered into with the management of the Target Company through an appropriate process and the management of the Target Company and Bain Capital reach a consensus as to management policy for after the delisting of the Target Company Shares, (iv) it being confirmed in future due diligence that there have been no changes to the Target Company Group's business, financial situation, management situation, assets, liabilities, cash flows, or future prospects from the content verified in the Target Company Information Provision Process, and (v) preparation having been made for receipt of commitment letters for certain funds-based financing from major domestic financial institutions. However, it was unclear as to (a) whether Bain Capital will make a legally binding proposal, and if so, when, (b) what time frame the Target Company will use to consider the legally binding proposal if one is made,

(c) whether the Target Company will change its opinion regarding the First Tender Offer (a resolution of the board of directors of the Target Company expressing an opinion in favor of the First Tender Offeror and recommending the shareholders and Share Options Holders tender in the First Tender Offer) as a result of such consideration, and (d) the reliability of the schedule set out in the Bain Capital Press Release Dated September 3, 2024 (the plan for Bain Capital to submit a legally binding proposal and announce the scheduled commencement of a tender offer by Bain Capital in October 2024, and the conducting of a tender offer in November 2024 by Bain Capital). In this regard, the Guidelines for Corporate Takeovers – Enhancing Corporate Value and Securing Shareholder’s Interests established by the Ministry of Economy, Trade and Industry on August 31, 2023 state that from the perspective of ensuring that shareholders are provided with the necessary information when making decisions about acquisitions and are not prevented from making rational decisions, it is not advisable for an acquiring party to “announce advance notice of a planned tender offer without a reasonable basis for actually commencing the tender offer, such as by lacking the financial resources required for the acquisition”. However, since the publication of the Bain Capital Press Release Dated September 3, 2024, the market price of the Target Company Shares has risen sharply, and the Tender Offeror believed that there are concerns that the Target Company shareholders and Share Option Holders are being prevented from making rational decisions.

In addition, according to the Target Company Press Release Dated September 4, 2024, as of September 3, 2024, the Tender Agreements entered into by the Tender Offeror remained valid, and that given the high likelihood of the Tendering Shareholders tendering in the Tender Offer by the First Tender Offeror was one of the reasons why the Special Committee determined that there was no change in its assessment that the Transaction by the Tender Offeror is superior to the proposal by Bain Capital in terms of feasibility, the Tender Offeror believed that whether or not 3DIP and Farallon will tender in the First Tender Offer in accordance with the Tender Agreements is important information for the Target Company shareholders and Share Option Holders in making a rational decision as to the feasibility of the Transaction by the Tender Offeror and Bain Capital’s proposal. However, in the Bain Capital Press Release Dated September 3, 2024, it is speculated, without providing any concrete evidence, that if the Target Company changes its opinion on the First Tender Offer, 3DIP will be released from its obligations under the 3DIP Tender Agreement and will be able to tender in a tender offer by Bain Capital. Therefore, the Tender Offeror believed that there are specific concerns that actions may be taken by the Target Company shareholders and Share Option Holders under the assumption that there is a possibility the Tendering Shareholders may not tender in the First Tender Offer, and that the making of rational decisions may be hindered.

Therefore, so that all of the Target Company Shares and the Share Options that Prospective Selling Shareholders, including each Tendering Shareholder, and Prospective Selling Share Option Holders wish to sell can be acquired by the Tender Offeror on the commencement date of settlement of the First Tender Offer (November 12, 2024), on September 19, 2024, the Tender Offeror decided on the Removal of the Minimum Tender Condition. Furthermore, the Tender Offeror decided that in addition to the Removal of the Minimum Tender Condition, so that the shareholders of the Target Company and Share Option Holders who wish to assess whether Bain Capital will make a legally binding proposal in October 2024 and announce a planned tender offer as described in the Bain Capital Press Release Dated September 3, 2024, and the details thereof, will have a certain opportunity secured to sell the Target Company Shares at the same price as that of the First Tender Offer Price, and the Share Options at the difference between the First Tender Offer Price and the exercise price per Target Company Share even in the case that Bain Capital has not announced a planned tender offer, it would commence the Second Tender Offer as soon as practicably possible after the First Tender Offer is completed and settlement is completed. Subsequently, settlement of the First Tender Offer was completed on November 12, 2024, and as of today, the Tender Offeror has acquired 22,131,902 Target Company Securities (Ownership Ratio: 35.11%). However, as the number of First Tender Offer Tendered Shares was 22,131,902 shares (Ownership Ratio: 35.11%), which is less than 33,658,500 shares (Ownership Ratio: 53.40%), the Tender Offeror decided to conduct the Second Tender Offer. If a tender offer is commenced by Bain Capital, the Tender Offeror does not plan to tender its Target Company Shares in such tender offer. Furthermore, prior to deciding on the Scheme Change,

the Tender Offeror explained the details of the Scheme Change to each Tendering Shareholder, and when confirming their intention to tender the Planned Tender Shares regardless of the Removal of the Minimum Tender Condition, each Tendering Shareholder expressed their intention to the Tender Offeror to tender their respective Planned Tender Shares. In addition, as of September 19, 2024, the Tender Offeror has confirmed that each of the Tendering Shareholders has already tendered their respective Planned Tender Shares pursuant to their respective Tender Agreements, and such tender will not be withdrawn without the consent of the Tender Offeror. Subsequently, such tender was not withdrawn, and the Tender Offeror acquired the Planned Tender Shares as of commencement date of settlement of the First Tender Offer (November 12, 2024).

(II) Determination of Second Tender Offer Price

As described in “(II) Discussion Between the Tender Offeror and the Target Company and 3DIP, and the Process of Decision-making by the Tender Offeror, etc.” in “(2) Background, Purpose, and Decision-making Process Leading to the Determination to Conduct the Tender Offers, and the Management Policy After the Tender Offers” above, as the Second Tender Offer secures a certain opportunity for the shareholders of the Target Company and Share Option Holders who wish to assess whether Bain Capital will make a legally binding proposal in October 2024 and announce a planned tender offer as described in the Bain Capital Press Release Dated September 3, 2024, and the details thereof, to sell the Target Company Shares at the same price as that of the First Tender Offer Price, and the Share Options at the difference between the First Tender Offer Price and the exercise price per Target Company Share even in the case that Bain Capital has not announced a planned tender offer, the Tender Offeror planned to set the Second Tender Offer Price at 8,800 yen. However, in light of the fact that Target Company’s share price has continued to trade above the First Tender Offer Price (8,800 yen), so as to increase the likelihood of the swift privatization of the Target Company, on November 15, 2024, the Tender Offeror decided on the Price Increase, and the Second Tender Offer Price was set at 9,451 yen.

(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest

As of August 8, 2024 when the Tender Offeror decided to conduct the First Tender Offer and as of today, the Target Company is not a subsidiary of the Tender Offeror, and the Tender Offer does not constitute a tender offer by a controlling shareholder. In addition, it is not planned that all or part of the management of the Target Company will invest directly or indirectly in the Tender Offeror, and the Transaction, including the Tender Offers, does not constitute a so-called management buyout. However, given that the Tender Offeror entered into the Tender Agreements with 3DIP, the largest shareholder of the Target Company, and Farallon, and the appropriateness of the terms and conditions of the Transaction is particularly important to the interests of the Target Company’s shareholders as the Transaction is a cash acquisition of all of the Target Company Shares, the following measures have been implemented from the viewpoint of ensuring the fairness, transparency and objectivity of the Tender Offers, and avoiding any potential conflicts of interest. Among the measures described below, the descriptions on the measures implemented by the Target Company are based on explanations received from the Target Company.

By setting a minimum number of shares to be purchased by a so-called “majority of minority” in the Tender Offer, the Tender Offer may be destabilized and it may not be in the interests of the minority shareholders who wish to tender in the Tender Offer. Although a minimum number of shares to be purchased in the Tender Offer has not been set by such a “majority of minority”, it is considered that due consideration has been given to the interests of the minority shareholders of the Target Company, as the following measures (1) through (9) have been taken by the Tender Offeror and the Target Company.

(I) Receipt and Review of Proposals from Multiple PE Funds

As stated in “(II) Discussion Between the Tender Offeror and the Target Company and 3DIP, and the Process of

Decision-making by the Tender Offeror, etc.” in “(3) Background, Purpose, and Decision-making Process Leading to the Determination to Conduct the Tender Offers, and the Management Policy After the Tender Offers” above, the Target Company provided certain information to multiple PE funds in August 2023 and received information regarding their corporate value enhancement measures. Additionally, on September 4, 2023, the Target Company received written proposals regarding the privatization of the Target Company Shares from multiple PE funds at the request of 3DIP. As the process has proceeded following that, from early to late June 2024, the Target Company received legally binding letters of intent from two PE funds, including KKR, and a non-binding letter of intent from one PE fund. Following that, in light of the opinion of the Special Committee, after carefully considering the letter of intent it received, the Target Company concluded in the middle of July 2024 that the most crucial issue for advancing the Target Company’s management is to restructure the shareholder composition. The Target Company concluded that accepting proposals from the PE funds was the best means to achieve this and it decided to proceed with discussions with KKR, which was the PE fund that offered the highest price. After that, through continuous discussions between the board of directors of the Target Company and the Special Committee with KKR regarding the implementation of the Transaction, the Target Company reached an agreement to proceed with the Transaction. It should be noted that, of the potential investors that made binding offers, compared to the terms proposed by KKR, no other potential investor has presented more favorable conditions for the Target Company’s shareholders regarding the Tender Offer Price. Furthermore, on October 11, 2024, Bain Capital submitted the October 11, 2024 Bain Capital Proposal which exceeded the First Tender Offer Price of 8,800 yen. However, the Second Tender Offer Price is set at 9,451 yen, which exceeds the tender offer price of 9,450 yen in the October 11, 2024 Bain Capital Proposal.

(II) Share Valuation Report Obtained by the Target Company from an Independent Third-Party Appraiser

According to the Target Company Press Release, to ensure fairness in the decision-making process regarding the privatization of the Target Company, the Target Company obtained the Share Valuation Report (SMBC Nikko Securities) dated August 7, 2024 from SMBC Nikko Securities, a financial advisor and third-party appraiser that is independent from the Tender Offeror, the Tender Offeror’s Parent Company, KKR, and the Target Company. In considering the privatization of the Target Company, the Target Company obtained the Share Valuation Report (SMBC Nikko Securities) from SMBC Nikko Securities. In light of the fact that the board of directors of the Target Company has received an explanation from SMBC Nikko Securities that there is no need to change or update the contents of the Share Valuation Report (SMBC Nikko Securities), and has found nothing unreasonable in such explanation, that even taking into account changes in the business environment and circumstances surrounding the Target Company between August 7, 2024, when the report was last acquired, and November 18, 2024, there are no significant changes in the assumptions that may affect the Share Valuation Report (SMBC Nikko Securities), and as described in “(V) Share Valuation Report and Fairness Opinion Obtained by the Special Committee from an Independent Third-Party Appraiser” below, given that the Special Committee has determined that there is no need to request any changes or updates to the Share Valuation Report (JP Morgan Securities) (as defined in “(V) Share Valuation Report and Fairness Opinion Obtained by the Special Committee from an Independent Third-Party Appraiser”), it was determined there was no need to change or update the contents of the Share Valuation Report (SMBC Nikko Securities). In addition, the Target Company did not obtain a second share valuation report from SMBC Nikko Securities when expressing its opinion on the Second Tender Offer, as the Tender Offer Price is higher than the First Tender Offer, and the Tender Offeror and Target Company have implemented measures to ensure the fairness of the Tender Offers and to avoid conflicts of interest.

SMBC Nikko Securities does not constitute a related party of the Tender Offeror, the Tender Offeror’s Parent Company, KKR, or the Target Company, and has no material interest in the Transaction. The Special Committee confirmed that there is no issue with the independence of SMBC Nikko Securities and approved SMBC Nikko Securities as the Target Company’s third-party appraiser. Additionally, the Target Company has implemented measures

to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest (specifically, the measures described in “(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below). The Target Company believes that sufficient consideration has been given to the interests of the Target Company’s minority shareholders. Therefore, the Target Company has not obtained a fairness opinion regarding the fairness of the Tender Offer Price (9,451 yen) from SMBC Nikko Securities.

(Note) In preparing the Share Valuation Report (SMBC Nikko Securities), SMBC Nikko Securities has assumed that all materials and information on which it is based are accurate and complete. SMBC Nikko Securities has not independently verified the accuracy or completeness of that information and assumes no obligation or responsibility for its accuracy or completeness. It is also assumed that the Target Company is not aware of any facts or circumstances that would make the provided information inaccurate or misleading. Further, SMBC Nikko Securities has not independently evaluated, appraised, or assessed the assets or liabilities of the Target Company and its affiliates and it has not requested any third-party institution to conduct any such evaluation, appraisal, or assessment. If any issues are found with the accuracy or completeness of those materials and information, the valuation results might differ significantly. It is also assumed that there are no undisclosed lawsuits, disputes, environmental issues, tax-related claims or obligations, other contingent liabilities, off-balance-sheet liabilities, or other facts concerning the Target Company and its affiliates that could have a material impact on the Share Valuation Report (SMBC Nikko Securities). SMBC Nikko Securities has assumed that the business plans (“Business Plans”) and other information used in the Share Valuation Report (SMBC Nikko Securities) were prepared by the Target Company based on the best forecasts and judgments available as of the valuation date, and that those were prepared in accordance with reasonable and appropriate procedures. Additionally, in cases where SMBC Nikko Securities conducted its analysis in the Share Valuation Report (SMBC Nikko Securities) based on assumptions provided with the materials and information, it is assumed that the provided materials, information, and assumptions are accurate and reasonable. SMBC Nikko Securities has not independently verified the accuracy, reasonableness, or feasibility of those assumptions and does not owe any obligation and is not liable for them. It should be noted that the results of the valuation by SMBC Nikko Securities were provided to the Target Company at its request solely for the purpose of serving as a reference for the board of directors of the Target Company when considering the First Tender Offer Price. Those valuation results do not constitute an opinion by SMBC Nikko Securities on the fairness in the First Tender Offer Price and Second Tender Offer Price.

SMBC Nikko Securities, in the context of the Tender Offers, considered appropriate valuation methods from multiple approaches to evaluate the Target Company’s share value and concluded that it was appropriate to evaluate the Target Company’s share value from diverse perspectives. Given that the Target Company’s shares are listed on the Prime Market of the TSE, it used the market price method. SMBC Nikko Securities also used a comparable listed company method because there are several comparable listed companies, making it possible to estimate the Target Company’s share value through comparison. Additionally, to reflect the future business activities in the valuation, SMBC Nikko Securities used the discounted cash flow method (“DCF Method”). Using those methods, SMBC Nikko Securities conducted a valuation of the share value of the Target Company and provided the Share Valuation Report (SMBC Nikko Securities) dated August 7, 2024 to the Target Company. The ranges of the share value per share of the Target Company Shares calculated based on the above methods in the Share Valuation Report (SMBC Nikko Securities) are as follows.

Market price method:	6,505 yen – 7,130 yen
Comparable listed company method:	5,524 yen – 6,405 yen

DCF Method:

7,027 yen – 9,529 yen

Under the market price method, the range of the per-share value of the Target Company Shares has been calculated to be 6,505 yen to 7,130 yen based on the simple average of the closing price of the Target Company Shares for the most recent one month (7,130 yen), the simple average of the closing price for the most recent three months (6,797 yen), and the simple average of the closing price for the most recent six months (6,505 yen) on the Prime Market of the TSE with August 7, 2024 as the valuation date.

Under the comparable listed company method, SMBC Nikko Securities selected listed companies that operate businesses relatively similar to the Target Company. Using the EBITDA multiple in relation to enterprise value, it calculated the share value per share of the Target Company Shares. The range of the per-share share value was determined to be between 5,524 yen and 6,405 yen.

Under the DCF Method, the Target Company's corporate value and share value are calculated by discounting the future free cash flow that the Target Company is expected to generate from the second quarter of the fiscal year ending December 2024 by a certain discount rate to its present value, based on various factors such as the financial forecasts and investment plans in the Business Plans prepared by the Target Company for the five fiscal years from the fiscal year ending December 2024 to the fiscal year ending December 2028 and publicly available information. The range of the share value per share of the Target Company Shares is calculated to be between 7,027 yen and 9,529 yen. Additionally, in calculating the going concern value, SMBC Nikko Securities adopted both the perpetuity growth method and the multiple method.

In the analysis using the DCF Method, the financial projections were based on Business Plans prepared by the Target Company, but that does not include fiscal years where significant fluctuations in profits or losses and the free cash flow are anticipated. Additionally, potential synergy effects expected to be realized through the execution of the Transaction were not reflected in the valuation as it was difficult to specifically estimate their impact on earnings at the time of the valuation. The share value of the Target Company was therefore calculated on a standalone basis.

Further, the Share Options are priced such that the Share Option Purchase Price is determined by multiplying the difference between the Tender Offer Price of 9,451 yen and the exercise price per Share Option by the number of Target Company Shares underlying each Share Option. As a result, the Target Company has not obtained a valuation report or fairness opinion regarding the Share Option Purchase Price from a third-party appraiser.

The compensation paid to SMBC Nikko Securities includes a success fee payable on the condition that the Transaction is completed. However, taking into consideration general business practices in similar transactions and the appropriateness of the compensation structure, which would result in a significant financial burden for the Target Company if the Transaction is not concluded, the Target Company has appointed SMBC Nikko Securities as its financial advisor and third-party valuation institution based on the above compensation structure, considering that the inclusion of a success fee payable on the condition that the Transaction is concluded, etc. does not negate its independence.

(III) Advice From an Independent Law Firm Obtained by the Target Company

To ensure fairness, objectivity, and rationality in the decision-making process regarding the expression of opinion on the Tender Offers, the Target Company appointed Mori Hamada & Matsumoto as an external legal advisor. The Target Company has received necessary legal advice from that law firm concerning the expression of opinion on the Tender Offer, decision-making methods, and other considerations relevant to the decision-making process for the Tender Offers. Mori Hamada & Matsumoto is not a related party of the Tender Offeror, the Tender Offeror's Parent Company, KKR,

or the Target Company and has no material interest in the Transaction. The Special Committee confirmed the independence of Mori Hamada & Matsumoto and approved it as the Target Company's legal advisor at the first meeting of the Special Committee. The fees to be paid to Mori Hamada & Matsumoto are calculated by multiplying an hourly rate by the number of hours worked, regardless of the outcome of the Transaction, and do not include any incentive fee contingent upon the successful completion of the Transaction.

(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee

As described in "(III) Decision-making Process and Reasons Leading to the Target Company's Support of the Tender Offer" in "(2) Background, Purpose, and Decision-making Process Leading to the Determination to Conduct the Tender Offers, and the Management Policy After the Tender Offers" above, with regard to the proposal to take the Target Company private, in order to eliminate arbitrariness in decision-making and ensure the fairness, transparency, and objectivity of the Target Company's decision-making process, at the board of directors meeting held on September 12, 2023, the Target Company established the Special Committee, composed of six independent outside directors (Hikari Imai, Tomoko Aramaki, Takao Tsuji, Hidetaka Nishina, Yuya Shimizu, and Shintaro Ishimaru). The members of the Special Committee have remained unchanged since its establishment; however, from June 12, 2024, Tateki Oishi, who is also an independent outside director of the Target Company, has participated as an observer. The fee to be paid to the Special Committee is a fixed fee that is to be paid, regardless of contents of the report, and does not include any incentive fee contingent upon the successful completion of the Transaction, including the Tender Offers.

The matters entrusted to the Special Committee are as set out below, and the board of directors of the Target Company has resolved to make decisions regarding those matters with the utmost respect for the judgement of the Special Committee regarding the following entrusted matters. The matters entrusted to the Special Committee are as set out below, and the board of directors of the Target Company has resolved to make decisions regarding those matters with the utmost respect for the judgement of the Special Committee.

- (a) Compare and review the Target Company's corporate value enhancement measures with the corporate value enhancement measures proposed by the acquirers pertaining to the Privatization Proposals from the perspective of whether they would secure or enhance the corporate value of the Target Company and the common interests of Company's shareholders, and make recommendations or suggestions to the board of directors on which proposal is preferable
- (b) If the Special Committee determines that the corporate value enhancement measures proposed by an acquirer in the Privatization Proposals under (a) is more desirable than the corporate value enhancement measures formulated by the Target Company, review that Privatization Proposal from the perspective of whether it would secure or enhance the corporate value of the Target Company and the common interests of the Target Company's shareholders, and make recommendations or suggestions to the board of directors on whether to approve that Privatization Proposal

Additionally, at the time of the board of directors resolution to establish the Special Committee, the Target Company resolved to grant the following authorities to the Special Committee: (i) when reviewing the entrusted matters, the Special Committee may appoint or designate its own financial advisor or third-party appraiser and legal advisor as necessary (the costs of which will be borne by the Target Company), (ii) the Special Committee may request the attendance or cooperation in another manner from the Target Company's officers and employees, the offeror, or other persons considered necessary by the Special Committee to provide information that is reasonably necessary for the review and judgment of the entrusted matters, (iii) the Special Committee may substantively participate in discussions and negotiations between the Target Company and the offeror, and if considered necessary by the Special Committee, it may directly or indirectly participate in and conduct discussions and negotiations with the offeror on behalf of the

Target Company.

Additionally, on August 5, 2024, the board of directors of the Target Company received in opinion dated August 4 from the Special Committee and resolved to consult with the Special Committee regarding the review of the proposal by KKR pertaining to the Final Proposal Concerning the Target Company Process, specifically (a) whether to recommend to the board of directors of the Target Company the execution of a transaction whereby a tender offer will be conducted for the common shares and share options of the Target Company, followed by a series of subsequent procedures to take the Target Company private (including whether to support such tender offer and recommend that the Target Company's shareholders and share option holders tender in such tender offer) and (b) whether the decision by the board of directors of the Target Company to execute such transaction would not be disadvantageous to the minority shareholders of the Target Company ("Consultation Matters"). When reviewing the Consultation Matters, the Special Committee is to (i) review and determine whether the execution of the transaction would contribute to enhancing the Target Company's corporate value and (ii) review and determine the appropriateness of the above transaction terms and the fairness of the procedures from the perspective of protecting the interests of the Target Company's minority shareholders. Additionally, the board of directors of the Target Company resolved to make decisions on the above transaction with the utmost respect for the judgment of the Special Committee based on the above consultation and that, in particular, if the Special Committee determines that the above transaction terms are not reasonable, the board of directors would not support the above transaction under those terms. The board of directors also confirmed that that resolution will not alter the previous entrusted matters or the authorities granted to the Special Committee. Since its establishment on September 12, 2023, the Special Committee has been proceeding with its review based on the Corporate Takeover Guidelines while relying on the professional advice of the financial and legal advisors it has engaged. The main activities of the Special Committee are as follows.

On September 15, 2023, the Special Committee recommended to the board of directors of the Target Company that the proposals from multiple potential investors received via 3DIP be considered bona fide offers under the Corporate Takeover Guidelines and be given sincere consideration. Additionally, recognizing the need to present corporate value enhancement strategies comparable to the proposals received from multiple potential investors via 3DIP, the Special Committee requested the Target Company to formulate and submit to it a new medium-term management plan that incorporates the ongoing medium-term management plan under consideration, including the transactions to make four listed subsidiaries wholly-owned subsidiaries, which were being considered at that time.

After receiving the draft of the new medium-term management plan from the Target Company, the Special Committee reviewed the draft over approximately one and a half months with the support of the global consulting firm it had engaged. At the same time, the Special Committee sought advice from the financial advisor it had engaged regarding the value of the Target Company Shares based on the figures verified during the review from a financial perspective and it verified the details of that advice.

Additionally, the Special Committee conducted interviews with the PE funds and held question and answer sessions regarding their proposals (those interviews were held as necessary each time additional proposals were submitted by the PE funds). Taking into account the contents of those question and answer sessions and receiving professional advice from the advisors it has engaged, the Special Committee conducted comparative reviews and evaluations of each proposal according to the evaluation factors prescribed by the Corporate Takeover Guidelines (post-acquisition management policies, the appropriateness of transaction terms such as the acquisition price, financial strength, track record, management capabilities, and the feasibility of the acquisition).

Throughout those processes, the Special Committee submitted written opinions to the board of directors of the Target Company at appropriate stages. When additional bona fide offers were submitted by the PE funds, the Special Committee recommended sincere consideration of those offers. The Special Committee also emphasized that taking

the Target Company private could offer advantages such as addressing and mitigating the challenges and concerns the Target Company faces while continuing to be listed, and it urged careful consideration of that option.

From early to late June 2024, the Special Committee received legally binding letters of intent from two PE funds, including KKR, and a non-binding letter of intent from one PE fund.

In order to compare and evaluate each offer, the Special Committee engaged in the following activities with the professional advice of the advisors it has engaged: (i) evaluation and comparison of each offer in accordance with the evaluation factors prescribed by the Corporate Takeover Guidelines (post-acquisition management policies, the appropriateness of transaction terms such as the acquisition price, financial strength, track record, management capabilities, and the feasibility of the acquisition), (ii) reacquisition of financial advice from the financial advisor engaged by the Special Committee regarding the value of the Target Company Shares, (iii) conduct of question and answer sessions with each fund to discuss the details of their offers, and (iv) conduct of price increase negotiations with each fund. Based on the information obtained through those activities, the committee conducted careful discussions at the meetings held in a timely manner.

Following that, on June 28, 2024, the Special Committee submitted the June 28 Opinion to the board of directors of the Target Company that included the following points: (i) the legally binding final proposal submitted by KKR (“KKR Final Proposal”) is a proposal that will secure or enhance the corporate value of the Target Company and the common interests of its shareholders, (ii) the KKR Final Proposal is the best proposal as of that date if the Target Company decides to go private, (iii) the board of directors must examine and demonstrate the likelihood that, based on the realization of the new medium-term management plan, the anticipated share price will definitely exceed the price offered in the KKR Final Proposal, it should also consider alternative measures other than the KKR Final Proposal that eliminate or mitigate the Target Company’s existing challenges and risks, and fulfill its accountability on its response to the KKR Final Proposal and whether to accept that proposal from the perspective of securing or enhancing the corporate value of the Target Company and the common interests of the shareholders, and (iv) if the board of directors is unable to fulfill that accountability, it should initiate a specific process to obtain the judgment of the Target Company’s shareholders through actions such as KKR tendering its shares, while maintaining a competitive environment with potential counterproposals to the extent possible.

Additionally, on July 26, 2024, the Target Company received the July 26 Bain Capital Written Proposal, which was non-binding, from Bain Capital.

The Special Committee received professional advice from the advisors it has engaged and conducted a thorough examination of the July 26 Bain Capital Written Proposal. That examination involved (i) receiving an explanation of the contents of the July 26 Bain Capital Written Proposal from the Target Company, (ii) discussing the response policy while receiving professional advice from the advisors it has engaged, (iii) holding meetings with both KKR and Bain Capital, (iv) communicating through the Target Company to confirm 3DIP’s stance on the July 26 Bain Capital Written Proposal, and (v) carefully deliberating on the policy on how to respond to the July 26 Bain Capital Written Proposal based on those meetings and confirmations.

As a result, considering that the July 26 Bain Capital Proposal was a non-binding proposal, the likelihood of Bain Capital obtaining 3DIP’s consent to participate in the Tender Offer was unclear, and that 3DIP judged the KKR Final Proposal to be superior to the July 26 Bain Capital Proposal, the Special Committee concluded that the feasibility of the July 26 Bain Capital Proposal was questionable. On August 4, 2024, the Special Committee submitted the August 4 Opinion to the board of directors of the Target Company stating that there were no circumstances sufficient to alter the opinion it submitted on June 28, 2024.

During that period, after receiving professional advice from the advisors it had engaged, the Special Committee had discussions with the Target Company on the significance of the Transaction from the perspective of enhancing the corporate value of the Target Company, and based on the information obtained through those activities, the Special Committee held timely meetings to carefully deliberate on the Consultation Matters.

The Special Committee also carried out the following activities at appropriate times during the above-mentioned review process.

- The Special Committee verified and approved the independence of the members of the Special Committee and each advisor independently appointed by the Special Committee.
- The Special Committee reviewed and approved the various fairness measures implemented by the Target Company (including the independence of the advisors appointed by the Target Company, the internal review system, and the interests of the officers).
- The Special Committee held question and answer sessions with JP Morgan Securities, which was appointed as the third-party institution by the Special Committee, and SMBC Nikko Securities, which was appointed as the third-party appraiser by the Target Company. During those sessions, the Special Committee received explanations regarding the reasons for selecting specific valuation methods and the valuation processes for each method, including the underlying business plans and assumptions. Finally, on August 7, 2024, the Special Committee received a valuation report and the Fairness Opinion from JP Morgan Securities, and on the same date, the Share Valuation Report (SMBC Nikko Securities) from SMBC Nikko Securities.
- The Special Committee held regular information liaison meetings with the Target Company, during which the Target Company shared relevant information regarding this matter with the Special Committee, and the Special Committee communicated the status of its deliberations to the Target Company while providing necessary instructions.

After those careful discussions and consideration of the Consultation Matters, on August 7, 2024, the Special Committee submitted to the board of directors of the Target Company the Report dated August 7, 2024 with the following contents in general and with the unanimous approval of its members.

- (i) Content of Reporting on the Matters Entrusted
 - (a) The multiple Privatization Proposals that the Committee has examined are proposals that can eliminate or mitigate the Target Company's existing challenges and risks that the Committee is aware of, and that help secure or enhance the corporate value of the Target Company and the common interests of its shareholders. In addition, the Committee does not find anything particularly unreasonable in the process and content of the decision made by the Target Company's executives to select the Privatization Proposals, and it is consistent with the opinions that the Committee has expressed thus far. Therefore, the Committee believes that the corporate value enhancement measures based on the Privatization Proposals, which the Committee has examined, are preferable to the Target Company's corporate value enhancement measures.
 - (b) Based on the comparison and review of the multiple Privatization Proposals that the Committee has examined, the KKR Final Proposal is the best proposal at this time for the Target Company to go private. Therefore, the Committee believes that the board of directors of the Target Company should approve the Privatization Proposal in the KKR Final Proposal. The Committee's evaluation of the

KKR Final Proposal is detailed in the Committee's report on the "Consultation Matters."

(ii) Reasons of Reporting on the Matters Entrusted

(a) Recognition of Current Status and Basic Views on Going Private

The Committee is concerned that the Target Company faces the management issues and risks described below, which may adversely affect the feasibility of the Target Company's medium-term management plan, the improvement of the Target Company's corporate value, and its stock price.

- In order to realize the goals set forth in the ambitious medium-term management plan announced by the Target Company on February 14, 2024, a stable management base from a medium- to long-term perspective is necessary.
- Discontinuous growth is difficult to achieve when constraints are placed on the allocation of management resources (capital allocation).
- From the perspective of pursuing growth, industry restructuring efforts may also be necessary.
- In order to consider and execute discontinuous growth, it is necessary to recruit personnel with expertise and practical experience from outside the Target Company.
- If a stable management base cannot be secured, the risk of failing to realize the medium-term management plan increases due to pressure to pursue short-term performance and measures, excessive prioritization of shareholder returns over business investment, and the dilemma of increasing 3DIP's equity through share repurchases.
- Mergers that require a special resolution of the general shareholders meeting and industry restructuring efforts using the Target Company's treasury shares are very difficult hurdles from the perspective of shareholder composition.
- Failure to achieve the goals of the medium-term management plan in the short term and delays in progress could trigger a proxy fight demanding the resignation of the management.
- As the share price rises, there is a growing concern that the equity held by 3DIP will be released into the market, which could weigh on the upside of the share price.

Therefore, the Committee recognizes that going private is a plan that deserves the Target Company's positive consideration in that it will eliminate or mitigate the challenges and risks to the Target Company described above.

Accordingly, while the Committee recognizes that the Target Company's executives and board of directors are not currently actively offering the Target Company for sale and looking for potential acquirers, the Committee evaluated each Privatization Proposal in accordance with the Corporate Takeover Guidelines from the perspective of whether it would secure or enhance the corporate value of the Target Company and the common interests of its shareholders.

(b) Whether or Not the Proposal is a "Bona Fide Offer"

In light of the decision factors in the Corporate Takeover Guidelines, each Privatization Proposal is a "bona fide offer."

Since the Target Company recognizes that it is not currently actively offering itself for sale and looking for potential acquirers, the Target Company is not conducting what is called a “proactive market check.” However, in light of the following points, it is possible to deem that the Target Company secures a competitive environment equivalent to an “proactive market check,” and it is reasonable to compare the proposals already submitted.

- The Target Company’s press release of January 12, 2024 entitled “Notice on the Progress of the Study of Measures to Enhance Corporate Value” made it public knowledge that the Target Company had received and was considering Privatization Proposals from several funds. Therefore, potential acquirers who were interested in taking the Target Company private had ample opportunity and time to make proposals to the Target Company.
- With respect to the candidates who participated in the due diligence conducted by the Target Company, the Target Company has already received their proposals or confirmed their intention to make a proposal.
- Since those proposals have an expiration date, there is some concern that candidate proposals may expire if the Target Company conducts an “proactive market check.”
- If the Target Company decides to go private, it could conduct an “indirect market check” after the public announcement of the decision, by taking steps that would allow other potential acquirers to make competing proposals.

(c) Comparison of the Proposals

Based on the Corporate Takeover Guidelines and the circumstances unique to this transaction, the Committee compared and reviewed those proposals from the perspectives of (1) post-acquisition management policies, (2) appropriateness of transaction terms such as the acquisition price, (3) financial strength, track record, management capabilities, and (4) feasibility of the acquisition.

As a result of the comparison and review, the Committee has concluded that the KKR Final Proposal is currently the best proposal for the Target Company to go private, on the grounds that:

- The price offered by KKR is within the range of the fair value calculated by an independent third-party appraiser in its share valuation report;
- The price offered by KKR is the highest of the prices offered by all the candidates in their legally binding proposals, and KKR’s proposal is the most preferable in terms of feasibility;
- The KKR Final Proposal is to pay the fair value with those features to the Target Company’s shareholders in cash at this time; and
- It is difficult to demonstrate the probability that the anticipated share price to be obtained in the future through the realization of the medium-term management plan developed by the Target Company will definitely exceed the price offered in the KKR Final Proposal.

(d) Evaluation of July 26 Bain Capital Proposal

As a simple comparison, the price offered in the July 26 Bain Capital Proposal is approximately 5% higher than the price offered in the KKR Final Proposal. However, it is doubtful that the July 26 Bain Capital Proposal is feasible in light of the following facts and that the KKR Final Proposal is superior:

- The KKR Final Proposal is a legally binding proposal, whereas the July 26 Bain Capital Proposal is a non-legally binding proposal;
- The KKR Final Proposal and the July 26 Bain Capital Proposal both employ the scheme of taking the Target Company private through the acquisition of all of the Target Company's shares, for which the consent and acceptance of the offer by 3DIP, the Target Company's major shareholder, is essential. While the KKR Final Proposal has obtained the consent of 3DIP to enter into a tender offer agreement that does not contain a fiduciary out clause, Bain Capital has not obtained the first refusal right, and the likelihood of obtaining such consent is uncertain at this time;
- It is doubtful that the financing that would support the price in July 26 Bain Capital Proposal is certain to be in place.
- 3DIP has determined that the KKR Final Proposal is superior in terms of price (The time value and whether it is legally binding are also taken into account when assessing the superiority of the price.), promptness, feasibility, and certainty, while Bain Capital has not provided any specific details about its prospect that can cause 3DIP to change its mind.

In addition, according to the content of the July 26 Bain Capital Proposal and the results of the Committee's review with Bain Capital, KKR and 3DIP, the Committee cannot rule out the concern that, if the July 26 Bain Capital Proposal is considered, the KKR Final Proposal will expire or become unfeasible, thereby harming the interests of the minority shareholders.

Accordingly, there are no circumstances sufficient to alter the foregoing conclusion that the KKR Final Proposal is the best proposal, even taking into account the existence of the July 26 Bain Capital Proposal.

(iii) Content of Reporting on the Consultation Matters

- (a) The Committee recommends that the board of directors of the Target Company should, upon the announcement regarding the scheduled disclosure of the Tender Offer, execute the Transaction (including approving the resolution to express its opinion that it supports the Tender Offer and recommend that the shareholders and stock acquisition right holders of the Target Company tender their shares in the Tender Offer).
- (b) The decision by the board of directors of the Target Company to execute the Transaction is not disadvantageous to the minority shareholders of the Target Company.

(iv) Reasons of Reporting on the Consultation Matters

- (a) Whether or Not the Transaction Contribute to the Enhancement of the Target Company's Corporate Value
 - The Target Company's recognition of the business environment surrounding the Target Company, management issues, and measures to enhance corporate value based on the New Mid-term Business Plan as described in this disclosure document is in line with the Target Company's previous recognition, and according to the content of the KKR Final Proposal, the questions and answers to KKR conducted by the Committee, and relevant disclosure documents, KKR's recognition is also generally in line with the Target Company's recognition.

- The Target Company’s executives have determined that the Transaction will contribute to the enhancement of the Target Company’s corporate value on the grounds that:
 - ✓ In order to implement the New Mid-term Business Plan, a stable business environment from a medium- to long-term perspective is necessary, and with the current shareholder composition, we cannot rule out the possibility that the allocation of management resources (capital allocation) envisioned in the Medium-Term Management Plan may be restricted;
 - ✓ Therefore, there is merit in reducing the burden on management by means of the impact of the current shareholder composition;
 - ✓ The New Mid-term Business Plan was prepared on the premise that the Target Company would remain listed, and we recognize that it is possible to achieve the goals of the Plan while allowing the Target Company to remain listed. However, since the anticipated figures for the five years through 2028, subject to which KKR acquires the Target Company, are based on the assumption that the cash flow will exceed those in the New Mid-term Business Plan, it may be possible to further enhance the Target Company’s corporate value through the Transaction rather than allowing the Target Company to remain listed;
 - ✓ In the new business areas to be considered in the New Mid-term Business Plan, KKR’s global network of information, human resources, and capital may contribute to the enhancement of the Target Company’s corporate value;
 - ✓ It is difficult to demonstrate the probability that the anticipated share price to be obtained in the future by the realization of the New Mid-term Business Plan will exceed the price offered in the KKR Final Proposal;
 - ✓ It is possible to increase the feasibility of enhancing the medium- to long-term corporate value of the Target Company by further promoting the Target Company’s business strategy with the support of KKR, which has a wealth of experience of investment in mainly in domestic and overseas companies, and relevant knowledge and network;
 - ✓ Going private through the Tender Offer will secure a stable shareholder composition and push forward with the realization of the new medium-term management plan, thereby enhancing the viability of the new medium-term management plan and increasing the certainty of achieving the goals of the plan; and
 - ✓ It is expected that alliance support from KKR will be obtained in the future in new business areas that the Target Company will strategically address and in various fields based on technology trends, as well as support related to M&A and PMI execution.
- Their above-stated determination is consistent with the nature of the Target Company’s challenges and risks that the Committee is aware of and the reasons why the Committee has assessed that the KKR Final Proposal is the best proposal at this time to take the Target Company private, and the Committee agrees with the determination.
- In light of the above, the Committee can affirm that it is reasonable for the Target Company to

have determined that, with KKR's support, the Target Company may be able to enhance the feasibility of enhancing its medium- to long-term corporate value by further promoting its business strategy, and by going private through the Tender Offer, the Target Company will secure a stable shareholder composition and push forward with the realization of its medium-term management plan, thereby enhancing the viability of the new medium-term management plan and increasing the certainty of achieving the goals of the plan.

- According to the Target Company's executives, the impact on management is limited because the Target Company can deal with the general disadvantages associated with delisting, and it is expected that the delisting will produce benefits that more than offset the disadvantages. The Committee is not aware of any circumstances that would overturn this decision of the Target Company's executives.
- From the perspective of enhancing the Target Company's corporate value, the Committee has found no circumstances that would lead us to believe that there are effective alternatives to the Transaction at this time.
- Accordingly, the Committee believes that the Transaction will contribute to the enhancement of the Target Company's corporate value.

(b) Whether or Not the Terms of the Transaction are Reasonable

- The terms of the Transaction can be evaluated as having been agreed upon in circumstances that are substantially the same as if the Transaction were conducted at arm's length, on the grounds that:
 - ✓ Since the Transaction is an acquisition by an investment fund independent of the Target Company, there is no structural concern that the acquirer and the Target Company will negotiate the terms in a manner that they rely on the familiarity and closeness between them;
 - ✓ It is inferred to a certain extent that the price offered by KKR, which was the highest in a competitive environment equivalent to a "proactive market check," is the best terms reasonably feasible at this time;
 - ✓ KKR's price is offered after the Committee requested the candidate funds to present their best proposal, including a review of the price and conditions precedent; and
 - ✓ The price has been agreed after the negotiation between KKR and 3DIP, a major shareholder and the largest shareholder owning approximately 22.86% of the Target Company's shares, and Farallon, a shareholder owning approximately 9.22% of the Target Company's shares, who both have a strong incentive to raise the sale price as they have a strong stake in maximizing the sale price and who both have expertise in equity valuation.
- The Committee has obtained the Fairness Opinion from JP Morgan Securities, which has been retained by the Target Company.
- In the Share Valuation Report (JP Morgan Securities) (as defined in "(V) Share Valuation Report and Fairness Opinion Obtained by the Special Committee from an Independent

Third-Party Appraiser” below; the same shall apply hereinafter), the First Tender Offer Price is at a level that exceeds the upper limit of each range of the average market price method, the comparable listed company method, and the comparable transaction method, and falls within the range of the DCF method. In the Share Valuation Report (SMBC Nikko Securities), the Tender Offer Price is at the level that exceeds the upper limit of each range of the average market price method and the comparable listed company method, and falls within the range of the DCF method. Please note that the calculation method and specific application in each calculation are within the reasonable discretion of each valuator, and it is reasonable to assume that the content of each calculation is reasonable and to verify the appropriateness of the First Tender Offer Price by relying on the results of such calculations.

- The premium based on the day before the announcement date of the First Tender Offer Price is at the level that is slightly below that of similar transactions. However, when compared to the Target Company’s share price prior to past shareholder proposals and speculative reports regarding the Transaction, the premium level is higher than that of similar transactions.
- The method of the Transaction, which is a combination of a tender offer and the Squeeze-out Procedure, is common. The consideration is paid in cash which is highly liquid. The amount to be delivered in the squeeze-out procedure is the same amount as the First Tender Offer Price. Therefore, the method and consideration for the Transaction are reasonable.
- From the above, the First Tender Offer Price is a reasonable price that ensures the benefits to be enjoyed by the Target Company’s minority shareholders, and the First Share Option Purchase Price is also a reasonable price, which is the difference between the First Tender Offer Price and the exercise price per share of the Target Company’s stock for each Share Option multiplied by the number of shares of the Target Company’s stock to be acquired for each Share Option. Therefore, the Committee believes that the First Tender Offer provides the Target Company’s shareholders and stock acquisition right holders with an opportunity to sell their shares at a reasonable price with an appropriate premium, and that the terms of the Transaction are appropriate.

(c) Whether or Not the Fairness of the Procedures is Secured in the Transaction

① Establishment of the Committee

The Committee functioned effectively during the process of considering the Transaction on the grounds that:

- The Committee was established on September 12, 2023, shortly after September 4, 2023, when the Target Company received the Privatization Proposals from several offerors;
- All six committee members are independent and have knowledge of the Target Company’s business, legal, accounting tax and capital markets;
- From the initial stages of the Transaction, the Committee retained JPMorgan Securities, Shiomizaka (law firm), and a global consulting firm as its independent advisors, and they provided the Committee with a wide range of expert advice, the Share Valuation Report (JP Morgan Securities) and the Fairness Opinion, and assistance in verifying the business plan,

etc.;

- The Committee received material information, including non-public information, from the Target Company and its advisors in a timely manner;
- The Committee met each candidate fund in person several times and asked questions and received answers regarding the content of the proposal given by that fund. The Committee requested the candidate funds to present their best proposal, including a review of the price and conditions precedent. The Committee gave necessary instructions to the Target Company's executives after receiving reports on the details of discussions between the Target Company's executives and the candidate funds. Through those actions, the Committee was substantially involved in the process of discussion and negotiation with the offerors.

② Obtaining Professional Advice, etc. from Independent Outside Experts

- From the initial stages of the Transaction, the Target Company retained SMBC Nikko Securities and Mori Hamada & Matsumoto (law firm) as independent advisors and obtained their expert advice.

③ Securing Opportunities for Other Potential Acquirers to Make a Takeover Bid ("Market Check")

- As discussed in the section "Reasons of Reporting on the Matters Entrusted," a competitive environment equivalent to an "proactive market check" is secured for the Transaction.
- The tender offer period for the First Tender Offer is 30 business days. Since this is a pre-announced tender offer, there will be a reasonable length of a time period between the announcement date of the First Tender Offer and the commencement date of the Tender Offer. The Target Company has not entered into any agreement with the Tender Offeror that would restrict competing offerors from contacting the Target Company or doing similar actions. Therefore, a sufficient deliberation period is given to shareholders to consider whether or not to tender their shares in the First Tender Offer, and the opportunity to make a competing offer is secured in an objective manner.

④ Majority of the Minority Condition

- It is unnecessary to set out the majority of the minority (MoM) condition because the Transaction are not structural conflict-of-interest transactions; other measures to secure fairness are substantially taken for the Transaction; and there is a concern that the MoM condition makes the consummation of the Offer unstable and, in turn, does not serve the interests of minority shareholders who wish to tender their shares in the Offer.

⑤ The Target Company's Internal Decision-Making Process

- None of the officers and employees who consider the Transaction and engage in the discussion and negotiation of the Transaction are involved with KKR or any other PE fund that is a candidate offeror. In addition, given that the Committee has been formed for the Transaction and that the Target Company's board of directors is composed of a majority of independent outside directors, there are no directors who have an interest that should be excluded from the discussions and negotiations of the Transaction.

- In addition, at the meeting of the board of directors regarding the opinion to be expressed upon the public announcement of the Transaction, it is expected that the resolution will be unanimously approved by all of the Target Company’s directors, and all of the Target Company’s auditors will state that they have no objection to the Transaction.
- ⑥ Providing Substantial Information to General Shareholders and Increasing the Transparency of the Process
- The disclosure documents for the Transaction contain substantial information about the Committee, the valuation reports, and the process and negotiations history leading to the implementation of the Transaction, which contributes to the appropriate decision of minority shareholders.
- ⑦ Elimination of Coercion
- The Transaction is designed to eliminate coercion in that the Transaction is not a so-called partial acquisition, but a two-step entire acquisition for cash consideration using a tender offer and a share consolidation; the disclosure documents of the Transaction contain the details of the Squeeze-Out Procedure, the fact that shareholders are granted the right to petition for pricing, and the fact that the amount of money to be delivered to minority shareholders in the Squeeze-Out Procedure is the same as the First Tender Offer Price.
 - Accordingly, the Committee believes that the fairness of the procedures is secured in the Transaction.

In addition, as of the Additional Report Preparation Date, in response to the request made by the board of directors of the Target Company that the Special Committee consider whether or not there is a change to the Report dated August 7, 2024 submitted by the Special Committee to the board of directors of the Company on August 7, 2024, and to inform the Target Company’s board of directors of the non-existence of a change in the prior opinion or to provide the opinion after any change, the Special Committee submitted its report as follows.

At the time the below report was made, the Tender Offeror had communicated to the Target Company its intention to set the First Tender Offer Period at 20 business days, and therefore, the report below was based on the assumption that the First Tender Offer Period would be 20 business days. However, as described in “(iii) Content of Decision” in (III) Decision-making Process and Reasons Leading to the Target Company’s Support of the Tender Offer” in “(2) Background, Purpose, and Decision-making Process Leading to the Determination to Conduct the Tender Offers, and the Management Policy After the Tender Offers”, subsequently, as a result of discussions between the Target Company and the Tender Offeror, the Target Company was informed by the Tender Offeror that the First Tender Offer Period would be set at 30 business days.

(v) Content of the Opinion

Even taking into account the circumstances arising from the Transaction Announcement Date to the Additional Report Preparation Date, the Special Committee believes that no circumstances have arisen that would require the Special Committee to change any statement in the Report dated August 7, 2024.

Accordingly, as of the Additional Report Preparation Date, the Special Committee does not change

its opinions expressed in the Report dated August 7, 2024.

- (vi) Reasons for the Opinion
- (a) Whether or Not There Is a Material Change in Circumstances That Could Affect the Transaction on and after Additional Report Preparation Date

On and after the Transaction Announcement Date, the following circumstances are observed.

- ① The Tender Offeror has finalized the terms of the First Tender Offer as follows.
- The Tender Offeror has set a minimum number of shares to be purchased in the First Tender Offer such that the number of voting rights of the Target Company held by the Tender Offeror after the First Tender Offer will be equivalent to at least 53.22% (Note) of the total voting rights of the Target Company.
 - The Tender Offeror has set the First Tender Offer Period at 20 business days (the period from the business day following the announcement date of the Tender Offer to the last day of the First Tender Offer Period is 38 business days).
 - The other terms remain unchanged.
- ② The Target Company's share price remains above the First Tender Offer Price.
- ③ In summary, the Target Company had the following communications with Bain Capital.
- The Target Company received a communication from Bain Capital stating that it wished to conduct due diligence with the objective of making a proposal that would maximize the corporate value of the Target Company.
 - On August 20, 2024, the Special Committee submitted to board of directors of the Target Company its opinion (the "August 20, 2024 Opinion") that, from the perspective of ensuring and enhancing the corporate value and the common interests of shareholders, it is reasonable to grant Bain Capital the opportunity to conduct due diligence upon Bain Capital's request.
 - In response to the foregoing opinion, the Target Company decided to permit Bain Capital to conduct due diligence, and since August 23, 2024, the Company has disclosed to Bain Capital the same information as that the Target Company had disclosed to other PE funds, including KKR.
 - In permitting Bain Capital to conduct due diligence, on August 23, 2024, the Target Company requested that Bain Capital provide the Company with a Highly Confident Letter issued by a financial institution and a document evidencing Bain Capital's financial capacity for the equity investment no later than August 30, 2024.
 - On August 30, 2024, the Target Company received from Bain Capital the Supplementary Explanatory Materials dated August 30, 2024 and the Equity Commitment Letter.
 - As of the Additional Report Preparation Date, Bain Capital has not submitted a legally binding proposal to the Target Company.
- ④ Both the 3DIP Tender Agreement and the Farallon Tender Agreement remain in effect and there are no circumstances that would call into question the likelihood that those shareholders will tender their shares under those Tender Agreements.
- ⑤ The Target Company has completed or is expected to complete the procedures required by the

applicable domestic and foreign competition laws and other necessary procedures in connection with the Transaction, and there are no facts that the competition authorities have issued to the Target Company or any administrative guidance that would diminish the value of the Target Company's business, such as divestiture of the relevant business.

- ⑥ As of the Transaction Announcement Date, the Special Committee has not found any circumstances that would require a change in the business plan used as the basis for calculating the value of the Target Company's shares using the DCF Analysis, and no changes have been made to the Share Valuation Report (JP Morgan Securities), the Fairness Opinion and the Share Valuation Report (SMBC Nikko Securities).
- ⑦ Measures to ensure the fairness of the Tender Offer, including measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest, have been taken at the same level as on the Transaction Announcement Date (As described below, the Supplementary Explanatory Materials dated August 30, 2024 state that the Founding Family Shareholders have entered into the agreement with Bain Capital and that the Founding Family Shareholders intends to make a reinvestment in the transaction related to Bain Capital's proposal. Since Mr. Sakashita, one of the Target Company's executives, is a member of the Founding Family Shareholders' family, he must be considered to have a special interest in both the Transaction and Bain Capital's proposal, and since September 2, 2024, new measures have been taken to prevent him from participating in discussions, resolutions, meetings with external parties, etc. regarding the transaction to take the Target Company private.).
- ⑧ There are no events that may have a material impact on the value of the Target Company's shares, or any other undisclosed material facts concerning the Target Company (meaning the facts stipulated in Article 166, Paragraph 2 of the Financial Instruments and Exchange Act), or any facts concerning the implementation of the Tender Offer, Etc. or the suspension of the Tender Offer, Etc. (meaning the facts stipulated in Article 167, Paragraph 1 of the Financial Instruments and Exchange Act), or, if there are any, they are stated in the Target Company Press Release Dated September 4, 2024.

(Note) The Ownership Ratio at the time of the Special Committee's report. The same shall apply below with respect to the Ownership Ratio set forth below in the Special Committee's report.

(b) Considerations

- ① Whether or Not the Transactions Contribute to the Enhancement of the Target Company's Corporate Value

There is no change in the assumed facts concerning the consultation matters identified in the Report dated August 7, 2024.

Therefore, the Special Committee does not change its opinion on the consultation matters in the Report dated August 7, 2024.

- ② Whether or Not the Terms of the Transaction Are Reasonable

There is no change in the assumed facts concerning the consultation matters identified in the Report dated August 7, 2024.

Therefore, the Special Committee does not change its opinion on the consultation matters in the

Report dated August 7, 2024.

③ Whether or Not the Fairness of the Procedures is Secured in the Transaction

A. Regarding Bain Capital's Proposal

(A) Assessment of the Feasibility of the Transactions

Bain Capital submitted the Equity Commitment Letter dated August 30, 2024, which states that the financing under the Equity Commitment Letter is subject to the execution of a valid tender offer agreement between the purchaser on Bain Capital's part and the Target Company, the commencement and successful completion of the tender offer following satisfaction or waiver of the conditions set forth in the tender offer agreement, substantially contemporaneous funding of debt financing, and the final approval by the investment committee, but those conditions precedent for the realization of financing have not been met. In addition, at this time, Bain Capital has not yet provided a Highly Confident Letter from a financial institution. Furthermore, the 3DIP Tender Agreement and the Farallon Tender Agreement, both entered into with KKR, remain in effect and 3DIP and Farallon are highly likely to tender their shares in the Tender Offer, while Bain Capital has not yet submitted a legally binding proposal as of the Additional Report Preparation Date, as it did not do on the Transaction Announcement Date.

Accordingly, since the Tender Offer and Bain Capital's proposal are based on different premises and at this time they cannot be fairly compared and considered from both qualitative and quantitative perspectives, the Special Committee has determined that it should choose to consider the Transaction at this time.

In light of the aforementioned facts, as of the Additional Report Preparation Date, there is no change in the Special Committee's assessment that the Transaction by KKR is superior to Bain Capital's proposal in terms of feasibility.

According to the Supplementary Explanatory Materials dated August 30, 2024, Bain Capital and the Founding Family Shareholders entered into an agreement (the "Agreement") regarding a transaction to take the Target Company private. The Supplementary Explanatory Materials dated August 30, 2024 state that, from the date of execution of the Agreement until December 31, 2024, the Founding Family Shareholders have agreed not to take any action that competes, contradicts or conflicts with, or may compete, contradict or conflict with, the said transaction with any person other than the Target Company. The Special Committee asked Bain Capital about the content of the Agreement and Bain Capital answered that Bain Capital did not enter into any tender agreement and that it was an agreement regarding exclusive negotiating rights. The Special Committee, through the Target Company's executives, also asked Bain Capital, the Founding Family Shareholders and the Founding Family Shareholder's financial advisor, Nomura Securities Co., Ltd. on this matter, but the Special Committee did not receive any answer.

In any event, since the Special Committee did not assume in the Report dated August 7, 2024 that the Founding Family Shareholders had or had not tendered its shares, those facts do not affect its opinion in the Report dated August 7, 2024.

(B) The Special Committee's Response in Light of Bain Capital's Proposal

In light of the following points, it is reasonable for the Special Committee to choose to consider the Transaction at this time.

- Bain Capital has not submitted a legally binding proposal, and according to the Supplementary Explanatory Materials dated August 30, 2024, Bain Capital has not yet completed its due diligence on the Target Company, so the Transaction is still superior in terms of feasibility.
- The Transaction, which is supported by 3DIP and Farallon, are more compatible with the objective of achieving a stable shareholder composition through the restructuring of the shareholder composition and realizing the Medium-Term Management Plan 2028.
- Nothing precludes Bain Capital from submitting a legally binding and feasible counteroffer or initiating a competing tender offer during the First Tender Offer Period, and the Company is under no obligation to restrict Bain Capital's consideration of such offers.

In addition, the exclusion of the Transaction in favor of Bain Capital's proposal at this time would lead the Special Committee to identify the following issues:

- KKR has entered into the 3DIP Agreement and the Farallon Agreement, which do not contain the fiduciary out clause. Therefore, Bain Capital's counteroffer would be a proposal that could only be implemented if the First Tender Offer is unsuccessful. In this context, seeking only Bain Capital's proposal, which is not legally binding, at this point in time would foreclose the possibility of consummating the Transaction, and on the other hand, since it is still uncertain whether Bain Capital will make a legally binding proposal, it would create the risk that neither the Transaction nor Bain Capital's proposal would be consummated.
- While the First Tender Offer Price can already be evaluated as a level that provides a reasonable opportunity to sell shares at a price with an appropriate premium, the price proposed by Bain Capital is currently only approximately 5% above the First Tender Offer Price. Failure to enter into the Transaction in order to obtain this difference would ultimately be contrary to the interests of the Target Company's minority shareholders and the Target Company.

However, it is not appropriate to arbitrarily exclude the possibility of realization of a competing proposal that would exceed the First Tender Offer Price and to deprive the Target Company's minority shareholders of the opportunity to make a choice. Accordingly, the Special Committee acted as follows with respect to Bain Capital's proposal:

- In the August 20, 2024 Opinion, the Special Committee stated that it is appropriate to grant Bain Capital the opportunity to conduct due diligence upon the request of Bain Capital in order to eliminate the deviation of information disclosed to Bain Capital and information disclosed to other PE funds including KKR. Based on this opinion, the Target Company disclosed relevant information to Bain Capital.
- The Special Committee, from the view point of ensuring the feasibility of the Transaction but not arbitrarily foreclosing the possibility of realization of a competing proposal, told the Target Company's executives that the Target Company would appropriately disclose the facts regarding Bain Capital's proposal in the Target Company Press Release Dated September 4, 2024.

B. Regarding the Minimum Number of Shares to Be Purchased set by the Tender Offeror

The Tender Offeror has set the minimum number of shares to be purchased for the purpose of stabilizing the consummation of the Tender Offer, and there is nothing unreasonable in their explanation.

Given the likelihood that the Target Company will approve the proposal for the Share Consolidation if the Tender Offer is successful, it is unlikely that the Squeeze-Out Procedure will not be implemented despite the successful completion of the Tender Offer, because:

- There is nothing unreasonable in the results of the Tender Offeror's analysis of the shareholding ratios, investment policies and voting behavior of the passive index funds and pension asset management institutions that own the Target Company's shares, as well as the actual voting rights exercise rate at the Target Company's shareholders meetings; and
- If the voting rights held by the Tender Offeror fall below two-thirds of the total voting rights of all shareholders of the Target Company after the consummation of the Tender Offer, it is possible that the proposal for the Share Consolidation will not be approved at the Target Company's Extraordinary General Shareholders Meeting; however, the Tender Offeror plans to acquire the Target Company's shares and take the Target Company's shares private through all possible means.

In addition, the Tender Offeror has set the price for the additional acquisition of shares at the market price in the case of an intra-market transaction, or at a price that is evaluated to be economically equivalent to the First Tender Offer Price per share in the case of a non-market transaction, unless an event occurs that requires the Company to make an adjustment, such as a share consolidation or share split.

In light of the above, fairness is expected to be ensured by eliminating coercion and ensuring that there will be no unequal result for shareholders who will tender their shares.

As stated above, the Tender Offeror has set the minimum number of shares to be purchased, taking into account the interests of minority shareholders, and therefore, the Special Committee believes that the improvement in the feasibility of the Tender Offer due to the determination of the minimum number of shares to be purchased is desirable because it will increase the likelihood that the Transaction, which is considered to contribute to enhancing the corporate value of the Target Company and it will provide minority shareholders with appropriate opportunities to sell their shares.

C. Tender Offer Period

The Tender Offeror has set the First Tender Offer Period at 20 business days (the period from the business day following the announcement date of the Tender Offer to the last day of the First Tender Offer Period is 38 business days) because the 30-day period necessary for the initial review conducted by Vietnam's National Competition Commission may be shortened and the Tender Offeror may be able to obtain approval for the Share Acquisition during the First Tender Offer Period. The Special Committee finds nothing unreasonable in the Tender Offeror's explanation.

In addition, in the Tender Offeror's disclosure materials dated the Transaction Announcement Date, the Tender Offeror announced that the Tender Offeror may set the First Tender Offer Period at less than 30 business days.

As stated in the Report dated August 7, 2024, the First Tender Offer is a so-called pre-announced tender offer. Taking into account the length of the period from the announcement date of the First Tender Offer to the commencement date of the First Tender Offer, it ensures that the Target Company's shareholders and the Share Option Holders will have the opportunity to make an appropriate decision as to whether or not to tender their shares in the First Tender Offer and that Proposers of Competing Acquisitions (including Bain Capital and business companies) will have the opportunity to make a competing offer.

In addition, the Special Committee negotiated with KKR to set the First Tender Offer Period at 30 business days or longer. However, those negotiations did not result in a commitment by KKR to set the First Tender Offer Period at 30 business days or longer. However, if the Target Company maintains the above stance in negotiations and, for example, exercises its legal rights so that the First Tender Offer Period is set at 30 business days or more, the opportunity to make a competing offer will be secured, which would be a desirable outcome, and the rationality of the Tender Offer Period will be further ensured. Accordingly, the board of directors of the Target Company should make such efforts.

D. Disclosure of Information

The Special Committee believes that the following information is adequately disclosed in the Target Company Press Release Dated September 4, 2024.

- Information regarding Bain Capital's proposal, including the existence of Bain Capital's proposal, Bain Capital's conducting and continuing due diligence, fact regarding the summaries of the Supplementary Explanatory Materials dated August 30, 2024, the Equity Commitment Letter and the Agreement
- Information regarding the minimum number of shares to be purchased under the Tender Offer and the First Tender Offer Period (if the right to request an extension of time is exercised, including the reason for exercising such right)
- Information on how the measures to secure fairness are implemented, including the statements in the Special Committee's opinion and the adjustments made for persons having special interests

E. Short Summary

Accordingly, the Special Committee does not change its opinion on the consultation matters in the Report dated August 7, 2024.

F. Conclusion

Accordingly, as of the Additional Report Preparation Date, the Special Committee does not change the following opinions expressed in the Report dated August 7, 2024.

- The Special Committee recommends that the board of directors of the Target Company should execute the Transaction (including approving the resolution to express its opinion that it supports the Tender Offer and recommends that the shareholders and Share Option

Holders of the Target Company tender their Target Company Securities in the First Tender Offer).

- The decision by the board of directors of the Target Company to execute the Transaction is not disadvantageous to the minority shareholders of the Target Company.

In addition, the Special Committee submitted an additional opinion (“September 24, 2024 Opinion”) as follows to the board of directors of the Target Company on September 24, 2024 (“September 24, 2024 Opinion Preparation Date”).

(vii) Background to September 24, 2024 Opinion

(a) Material Changes in Circumstances Since the Submission of the Report dated September 4, 2024 that Could Affect the Transaction

The Tender Offer has changed the structure of the Transaction as follows and submitted the Amendment Statement on September 19, 2024 (“Structure Change”).

- ① The minimum number of shares to be purchased in the First Tender Offer, which refers to the tender offer formerly called the Tender Offer, has been removed.
- ② If the number of shares tendered in the First Tender Offer is less than 33,658,500 shares (Ownership Ratio: 53.22%), the Second Tender Offer will be commenced as soon as practically possible after the First Tender Offer is completed and settlement is completed.
- ③ The main conditions planned for the Second Tender Offer are as follows.
 - The tender offer price will be 8,800 yen.
 - The minimum number of shares to be purchased is the number of shares obtained by deducting the number of shares tendered in the First Tender Offer from 33,658,500 shares (Ownership Ratio: 53.22%).

(b) Details of the Activities of the Special Committee in Relation to the above Material Changes in Circumstances

There are no changes to the members comprising the Special Committee.

- ① The Special Committee met with KKR and received an explanation of the details of the Structure Change and the reasons for the implementation of the Structure Change.
- ② The Special Committee received from KKR a document entitled “Evaluation of the Coerciveness of the Amended Structure” prepared by Nishimura & Asahi (Gaikokuho Kyodo Jigyo), KKR’s legal advisor.
- ③ The Special Committee, through the executive department of the Target Company, confirmed with 3DIP and Farallon their respective policies in light of the Structure Change.

- ④ On September 24, 2024, the Special Committee received a document from Bain Capital that set out Bain Capital's views on the Structure Change and Bain Capital's policy going forward in light of the Structure Change.
- ⑤ The Special Committee received expert advice from its appointed advisors, and taking into account the information it had obtained through its activities described above, held careful discussions at timely meetings of the Special Committee.

(viii) Details of the Opinion

Even taking into account the circumstances arising from the Report dated September 4, 2024 until the September 24, 2024 Opinion Preparation Date, there are no circumstances that have arisen that would require the Special Committee to change the content of the Report dated September 4, 2024.

Accordingly, even as of the September 24, 2024 Opinion Preparation Date, the Special Committee does not change its opinions expressed in the Report dated September 4, 2024.

(ix) Reasons for the Opinion

- (a) Whether or Not the Transaction Contributes to the Enhancement of the Target Company's Corporate Value

There is no change in the assumed facts concerning the consultation matters identified in the Report dated September 4, 2024.

Therefore, the Special Committee does not change its opinion on the consultation matters in the Report dated September 4, 2024.

- (b) Whether or Not the Terms of the Transaction Are Reasonable

There is no change in the assumed facts concerning the consultation matters identified in the Report dated September, 2024.

Therefore, the Special Committee does not change its opinion on the consultation matters in the Report dated September 4, 2024.

- (c) Whether or Not the Fairness of the Procedures is Secured in the Transaction

- ① Regarding Coercion

3DIP and Farallon have entered into a tender agreement with KKR that does not include a Fiduciary Out clause. As a result, there is a high probability, even at this point in time, that KKR will acquire the shares held by 3DIP, etc. and the possibility of Bain Capital taking the Target Company private is low. As a result of the Structure Change, the Tender Offeror will now obtain 32.68% (ownership percentage, the same applies hereinafter in this item (ix)) of the Target Company shares through the First Tender Offer.

Therefore, when compared to prior to the Structure Change, even in the case that the First Tender Offer and the Second Tender Offer are implemented, in addition to a tender offer by Bain Capital

being implemented, a new scenario can be envisaged in which the final shareholder composition of the Target Company would be that the Tender Offeror holds the number of shares above, and Bain Capital also holds a certain number of shares. In such scenario, there is a possibility that general shareholders who did not tender in the First Tender Offer would remain as minority shareholders of the Target Company.

However, as it is currently unclear whether Bain Capital will conduct a tender offer, and (if so), what the conditions of such tender offer will be, the likelihood of the above scenario being realized is unclear. In addition, even before the Structure Change, if neither the First Tender Offer or a tender offer by Bain Capital were completed, there was a possibility that general shareholders would remain as minority shareholders of the Target Company, and this “risk that general shareholders will remain after the tender offer” has existed for some time.

Therefore, at this point in time, there are no circumstances that would lead to the conclusion that coerciveness of the First Tender Offer has definitely increased after the Structure Change.

Furthermore, determination as to whether the Second Tender Offer is coercive will be made based on the circumstances at the time of commencement of the Second Tender Offer.

② Opportunities to Confirm Shareholder Intention and Market Checks

A. Issues

As described in ① above, while it is currently unlikely that Bain Capital will take the Target Company private, through the Structure Change, the Tender Offeror will now obtain 32.68% of the Target Company shares.

Therefore, the Special Committee determined that it would be desirable to consider the matter from the perspectives of ① whether the interests of the major shareholders that wish to sell promptly are being given priority, and minority shareholders have been denied the opportunity to compare the proposals of KKR and Bain Capital, and express their intention through tendering (is the “principle of shareholder intent” set out in the Guidelines being disregarded?), and ② despite the increased likelihood of a new counteroffer from Bain Capital being made as a result of an indirect market check, whether the possibility of a take-private by Bain Capital is being closed off, and the results of the market check are being abandoned (is the Target Company not conducting “negotiations aimed at achieving the most advantageous terms for shareholders” as set out in the Guidelines?)

B. Determination of Special Committee

The Special Committee conducted the following review.

First, with regard to item (a) above, even after the Structure Change, it is still possible for Bain Capital to commence a tender offer before the completion of the First Tender Offer, at a price higher than that of the First Tender Offer, and Bain Capital has actually announced its intention to launch a competing tender offer.

Therefore, even if the possibility of Bain Capital taking the Target Company private has significantly decreased, the opportunity for Bain Capital to commence a tender offer and for minority shareholders to compare the proposals of KKR and Bain Capital has not been completely eliminated. Thus, there are no circumstances that would warrant an assessment that the “principle of shareholder intent” is violated.

In addition, with respect to ② above, as described in the Report dated August 7, 2024, the process to date has ensured a competitive environment equivalent to that of a “proactive market check”. In addition, even after receipt of a non-legally binding proposal from Bain Capital, the Target Company allowed Bain Capital to conduct due diligence, and requested that KKR set the tender offer period for the First Tender Offer at 30 business days, and this past history of ensuring as competitive an environment as possible will not be reversed after the Structure Change.

Furthermore, one point to be noted about the Structure Change is that because the First Tender Offer will be settled first, the Tender Offeror will acquire 32.68% of the Target Company shares, and therefore the structure of the Transaction has changed to be similar to that of an acquisition by a controlling shareholder. In this regard, with respect to market checks in cases where the acquirer is the controlling shareholder, it is stated that “it is usually unlikely that a serious counteroffer will be made in a situation where the controlling shareholder, who already has a controlling interest in the Target Company, is trying to acquire the Target Company and has little intention of selling it to a third party. For this reason, the situations in which market checks function as a measure to ensure fairness are limited, and it is considered there are many cases in which their implementation is of little significance.” (M&A Guidelines, page 37), and thus at this point in time it can be said that market checks are unable to function effectively.

In light of the above, there are no circumstances that would lead to a conclusion that the fairness of the procedures has been impaired.

③ Other Circumstances Regarding the Fairness of the Procedures

Other than the matters described above, there is no change in the assumed facts concerning the consultation matters identified in the Report dated September 4, 2024.

④ Short Summary

Accordingly, the Special Committee does not change its opinion on the consultation matters in the Report dated September 4, 2024.

(d) Conclusion

In light of the above, even taking into account the circumstances arising from the Report dated September 4, 2024 until the September 24, 2024 Opinion Preparation Date, there are no circumstances that have arisen that would require the Special Committee to change the content of the Report dated September 4, 2024.

Accordingly, even as of the September 24, 2024 Opinion Preparation Date, the Special Committee does not change its opinions expressed in the Report dated September 4, 2024.

However, for the avoidance of doubt, the opinion of the Special Committee expressed in the Report dated September 4, 2024 was with respect to the First Tender Offer, which refers to the tender offer formerly called the Tender Offer. Therefore, in neither the Report dated September 4, 2024, nor the September 24, 2024 Opinion has the Special Committee expressed any opinion regarding the Second Tender Offer.

In addition, the Special Committee submitted the October 15, 2024 Opinion as follows to the board of directors of the Target Company on October 15, 2024 (“October 15, 2024 Opinion Preparation Date”).

(x) Background to October 15, 2024 Opinion

(a) Material Changes in Circumstances Since the Submission of the Report dated September 24, 2024 that Could Affect the Transaction

The following circumstances have been recognized since the submission of the additional opinion dated September 24, 2024.

① On October 11, 2024, Bain Capital submitted a legally binding proposal to the Target Company regarding Bain Capital taking the Target Company private (“October 11, 2024 Bain Capital Proposal”). The October 11, 2024 Bain Capital Proposal, and the Bain Capital Press Release Dated October 11, 2024 published by Bain Capital regarding the October 11, 2024 Bain Capital Proposal has, when compared to the time of submission of the additional opinion dated September 24, 2024, amended or clarified the following points regarding Bain Capital’s tender offer for the Target Company Shares (“Bain Capital Tender Offer”. There is no change to the aim of taking the Target Company private by acquiring all of the Target Company Shares.)

- The tender offer price has been increased from 9,250 to 9,450 yen.
- It was decided that there would be no minimum number of shares to be purchased.
- The commencement of the Bain Capital Tender Offer is subject to the board of directors of the Target Company resolving to express its opinion in favor of the Bain Capital Tender Offer, and it is not necessary, as a condition precedent, for the board of directors of the Target Company to have passed a resolution recommending its shareholders tender their shares in the Bain Capital Tender Offer.

② There are no changes to the terms of KKR’s First Tender Offer and the First Tender Offer is expected to be successful with 3DIP and Farallon’s tenders.

③ In addition, KKR has already announced that it will commence the Second Tender Offer promptly after the completion of the First Tender Offer, with the minimum number of shares to be purchased set at the number obtained by deducting the number of shares tendered in the First Tender Offer from the minimum number of shares to purchased prior to the Structure Change, 33,658,500 shares (53.22% (ownership ratio. The same applies below), and the tender offer price set at 8,800 yen, the same as that of the First Tender Offer.

(b) Details of the Activities of the Special Committee in Relation to the above Material Changes in Circumstances

There are no changes to the members comprising the Special Committee.

① The Special Committee received an explanation from the management of the Target Company on the details of the meeting between the management of the Target Company and KKR concerning KKR’s policy in response to the October 11, 2024 Bain Capital Proposal.

- ② The Special Committee received expert advice from its appointed advisors, and taking into account the information it had obtained through its activities described above, held careful discussions at timely meetings of the Special Committee.

(xi) Details of the Opinion

The Special Committee makes the following recommendations to the board of directors of the Target Company.

- To maintain its support and recommendation to tender for the First Tender Offer.
- However, to also add that taking into account the existence of Bain Capital's proposal, it would be reasonable for the minority shareholders of the Target Company to not tender their shares in the First Tender Offer, but to choose to tender in the Second Tender Offer taking into account the outcome of the October 11, 2024 Bain Capital Proposal, and therefore there is no intention for the decisions of minority shareholders to be actively excluded.

(xii) Reasons for the Opinion

(a) Whether or Not the Opinion Regarding the First Tender Offer Should be Changed

① Regarding the Improvement of Corporate Value through the Transaction

As repeatedly stated in the reports and opinions submitted by the Special Committee to date, in light of the above material changes in circumstances, there are no circumstances that would overturn the assumptions and assessments below and there is no change to the Special Committee's previous opinions on the consultation matters.

- Considering the capabilities and track record of KKR and Bain Capital as PE funds, there is no basis for determining that the Transaction is inferior to the October 11, 2024 Bain Capital Proposal in terms of the general merits of a take-private transaction.
- From the perspective that the realization of the Transaction will ensure a stable shareholder structure, and, by proceeding with the realization of new mid-term management plan, will enhance the feasibility of the new mid-term management plan and increase the likelihood of achieving its goals, there is no change in the assessment that the Transaction, which will ensure that 32.68% of the Target Company shares will be acquired through the First Tender Offer, is comparatively superior.
- On the other hand, as the feasibility of the October 11, 2024 Bain Capital Proposal depends on the number of shares acquired by KKR in the First Tender Offer, there is insufficient evidence as of the October 15, 2024 Opinion Preparation Date to support the assessment that the October 11, 2024 Bain Capital Proposal is superior to the Transaction.

② Regarding the Appropriateness of the Terms of the Transaction and Fairness of the Procedures

There are no circumstances that would overturn the assumptions and assessments made by the Special Committee in relation to the appropriateness of the terms of the Transaction and the fairness of the procedures, and their opinions on these matters remain unchanged.

③ Short Summary

In light of the above, the Special Committee believes that the opinion of the Target Company's board of directors supporting the First Tender Offer and recommending that its shareholders tender should be maintained.

(b) Regarding the October 11, 2024 Bain Capital Proposal

The Special Committee has considered the status of the minority shareholders of the Target Company in light of the October 11, 2024 Bain Capital Proposal, as follows.

Firstly, on the assumption that the First Tender Offer is successful as a result of 3DIPs and Farallon's tenders, an objective evaluation of the October 11, 2024 Bain Capital Proposal shows that as of the October 15, 2024 Opinion Preparation Date, the October 11, 2024 Bain Capital Proposal has the following aspects.

- The October 11, 2024 Bain Capital Proposal aims to take the Target Company private by acquiring all of the Target Company Shares, but unless the shares held by 3DIP and Farallon are acquired, it will be extremely difficult to carry out the squeeze-out procedure, which requires a special resolution of the general shareholders meeting (according to the analysis of the Special Committee, Bain Capital would need to obtain approximately 98.4% of the shares held by minority shareholders through the Bain Tender Offer, excluding the so-called passive index management funds.).
- For the reason that the Bain Capital Tender Offer announced by Bain Capital does not set a minimum number of shares to be purchased, depending on the number of shares tendered in the Bain Capital Tender Offer, (i) there are concerns that, as a result of KKR and Bain Capital both becoming major shareholders of the Target Company, it will be difficult for the major shareholders to reach a consensus on certain matters, which may impede flexible management and the corporate value of the Target Company, and (ii) there are concerns that a decline in the liquidity ratio of the Target Company Shares may lead to a violation of delisting criteria.
- In light of the current situation as described above, it is possible that the Bain Capital Tender Offer may amount to a tender offer equivalent to a "partial purchase" (in the sense that it may not be possible to acquire all of the shares of the Target Company).

However, as (i) Bain Capital has itself stated in the Bain Capital Press Release Dated October 11, 2024, Bain Capital may acquire the shares held by 3DIP etc. as a result of negotiations with 3DIP and Farallon or KKR, and (ii) in theory, the possibility of an alternative solution, such as joint investment by KKR and Bain Capital to take the Target Company Shares private, has not been completely ruled out.

Even if the minority shareholders of the Target Company are considering the possibility of tendering their shares in the Bain Capital Tender Offer, the minority shareholders of the Target Company will still have the option to tender their shares in the Second Tender Offer at the same price as that of the First Tender Offer, which is 8,800 yen.

Given the possibilities and options described above, it would be reasonable for the minority shareholders of the Target Company to consider the possibility of tendering their shares in the Bain Capital Tender Offer, taking into account the outcome of Bain Capital's proposal dated October 11, 2024.

(c) Conclusion

In light of the above, the Special Committee makes the following recommendations to the board of directors of the Target Company.

- To maintain its support and recommendation to tender for the First Tender Offer.
- However, to also add that taking into account the existence of Bain Capital's proposal, it would be reasonable for the minority shareholders of the Target Company to not tender their shares in the First Tender Offer, but to choose to tender in the Second Tender Offer taking into account the outcome of the October 11, 2024 Bain Capital Proposal, and therefore there is no intention for the decisions of minority shareholders to be actively excluded.

As with the additional opinion dated September 24, 2024, the October 15, 2024 Opinion is only with respect to the First Tender Offer, and the Special Committee has not expressed any opinion herein regarding the Second Tender Offer or the Bain Capital Tender Offer.

After the submission of the October 15, 2024 Opinion, the Special Committee has been conducting deliberations based on the Guidelines for Corporate Takeovers, after receiving professional advice from the financial and legal advisors retained by the Special Committee. The Special Committee's understanding of the current status of the Target Company, and the main activities of the Special Committee during such period are as follows.

- (i) Current Status of Target Company
 - (a) On August 8, 2024, based on the Report Dated August 7, 2024, the Target Company expressed its opinion in support and recommendation to tender for KKR's planned commencement of a tender offer to take the Target Company private at 8,800 yen per share (in this "(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee", "KKR Proposal"). As a result the situation of the Target Company falls under the case "where the board of directors decides on a policy in response to an acquisition" as provided for in the Guidelines for Corporate Takeovers published by the Ministry of Economy, Trade and Industry on August 31, 2023.
 - (b) From August 23, 2024, and in response to Bain Capital's request, the Target Company disclosed to Bain Capital the same information as that which was disclosed to other private equity funds, including KKR, based on the August 20, 2024 Opinion of the Special Committee.
 - (c) On September 4, 2024, based on the Report Dated September 4, 2024, the Target Company expressed its opinion of support and recommendation to tender for KKR's tender offer, and KKR commenced a tender offer based on this opinion.
 - (d) On September 19, 2024, KKR amended the terms of its tender offer to remove the minimum number of shares to be purchased (in this "(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee", the tender offer by KKR

after amendment is referred to as the “KKR First Tender Offer”), and on September 26, 2024, based on the September 24, 2024 Opinion, the Target Company expressed its opinion of support and recommendation to tender for the KKR First Tender Offer.

- (e) On October 11, 2024, Bain Capital submitted a legally binding proposal to the Target Company to take the Target Company private at 9,450 yen per share (in this “(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee”, “Bain Capital Proposal Price”), with no minimum number of shares to be purchased (in this “(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee”, “Bain Capital Proposal”) and disclosed the planned commencement of a tender offer (in this “(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee”, “Bain Capital Tender Offer”). From August 23, 2024, and in response to Bain Capital’s request, the Target Company disclosed to Bain Capital the same information as that which was disclosed to other private equity funds, including KKR, based on the August 20, 2024 Opinion of the Special Committee.
- (f) On October 18, 2024, based on the October 15, 2024 Opinion submitted in response to the Bain Capital Proposal, the Target Company maintained its support and its recommendation to tender for the KKR First Tender Offer. At the same time, the Target Company added that (i) it would be reasonable for its shareholders to not tender in the KKR First Tender Offer, but to choose to tender in the KKR Second Tender Offer (in this “(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee”, “KKR Second Tender Offer”) taking into account the outcome of the Bain Capital Proposal, and (ii) the Target Company believes the Bain Capital Proposal is a sincere proposal and would continue to consider it. Furthermore, on October 21, 2024, KKR extended the tender offer period for the KKR First Tender Offer until November 5, 2024 based on the Target Company’s opinion above.
- (g) On November 5, 2024, the tender offer period for the KKR First Tender Offer expired and KKR acquired 34.01% (voting rights ownership ratio) of the Target Company Shares.
- (h) On November 15, 2024, the Target Company was notified by KKR that it would increase the purchase price for the KKR Second Tender Offer from 8,800 yen to 9,451 yen (in this “(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee”, “KKR Proposal Price”).
- (i) Based on the above background, the outline of the KKR Proposal and the Bain Capital Proposal currently under consideration by the Target Company are as follows.
 - ① Given that KKR already holds approximately 34% of the Target Company Shares, the KKR Proposal aims to take the Target Company private through the sole acquisition by KKR of all of the Target Company Shares.
 - ② The Bain Capital Proposal aims to ultimately take the Target Company private through the sole acquisition by Bain Capital of all of the Target Company Shares. However, while the Founding Family Shareholders hold 11,691,882 Target Company Shares (approximately 18.57% (voting rights ownership ratio)), as KKR already holds approximately 34% of the Target Company Shares, it will be difficult for the Target Company to be taken private unless KKR agrees to sell. Therefore,

after the completion of Bain Capital Tender Offer, Bain Capital and KKR would coexist as major shareholders of the Target Company. As a result, the Bain Capital Tender Offer has the aspects of a so-called “partial purchase”.

- ③ From a price perspective, the KKR Proposal Price is higher than the Bain Capital Proposal Price.
 - ④ From a corporate value perspective, there is a concern that the Bain Capital Proposal could lead to a deadlock situation between Bain Capital and KKR as major shareholders of the Target Company, which could damage the corporate value of the Target Company.
 - (j) As the current shareholders of the Target Company are a mix of shareholders with diverse value standards, the Target Company is expending a great deal of effort in responding to this matter. In addition, confusion has arisen among some of the Target Company shareholders, and there is concerns that this confusion may grow further. The current situation is leading to a stagnation in the steady implementation of the Mid-term Business Plan 2028 announced by the Target Company on February 14, 2024 (in this “(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee”, the “Mid-term Business Plan”), and the realization of an improvement in corporate value within the plan period, and therefore there are concerns that this will continue to damage the corporate value of the Target Company.
- (ii) Details of the Activities of the Special Committee

There are no changes to the members comprising the Special Committee.

Since the submission of the October 15, 2024 Opinion, the Special Committee has carried out the following activities.

- (a) With respect to the KKR Second Tender Offer, the Special Committee took the following actions.
 - ① The Special Committee sent one questionnaire to KKR regarding its response to Bain Capital’s proposal, and received a response from KKR.
 - ② The Special Committee confirmed with KKR its intention to raise the purchase price for the KKR Second Tender Offer.
 - ③ The Special Committee met with KKR twice and held discussions regarding the details of KKR’s Second Tender Offer.
 - ④ The Special Committee obtained and reviewed the legal opinion submitted to KKR by KKR’s legal advisors from KKR.
- (b) With respect to the Bain Capital Tender Offer, the Special Committee took the following actions.
 - ① The Special Committee sent three questionnaires to Bain Capital regarding the Bain Capital Proposal, and received responses from Bain Capital.
 - ② The Special Committee met with Bain Capital three times and discussed the following points.

- The feasibility and appropriateness of the measures to enhance corporate value proposed by Bain Capital if the Bain Capital Tender Offer is a partial purchase, as well as the issues (such as risk of deadlock)
 - The issue of coerciveness due to the Bain Capital Tender Offer being a partial purchase
 - The details of the Bain Capital Tender Offer
- ③ The Special Committee obtained and reviewed the legal opinion regarding the coerciveness of the Bain Capital Tender Offer submitted to Bain Capital by Bain Capital's legal advisors from Bain Capital.
- (c) The Special Committee held a total of five meetings with the management of the Target Company, received information on this matter from the management of the Target Company in a timely manner, communicated the status of the Special Committee's deliberations to the management of the Target Company, and gave necessary instructions.
- (d) The Special Committee received expert advice from its appointed advisors, and taking into account the information it had obtained through its activities described above, held careful discussions at nine timely meetings of the Special Committee.

In light of its understanding of the current status of the Target Company and its activities described above, on November 15, 2024, the Special Committee submitted the November 15, 2024 Opinion to the board of directors of the Target Company which contains the following matters.

(iii) Details of the Opinion

(a) Regarding the KKR Second Tender Offer

The Special Committee recommends the board of directors to express an opinion in support of the KKR Second Tender Offer and to recommend that the shareholders and share option holders of the Target Company tender in the KKR Second Tender Offer, given that (i) the KKR Proposal aims to take the Target Company private through the sole acquisition by KKR of all of the Target Company Shares, which will contribute to improving the corporate value of the Target Company and (ii) the KKR Second Tender Offer is priced higher than the Bain Capital Tender Offer.

(b) Regarding the Bain Capital Tender Offer

The Special Committee recommends the board of directors to express an opinion in opposition to the Bain Capital Tender Offer, given that (i) the Bain Capital Proposal is inferior to the KKR Proposal in terms of the enhancement of corporate value and the fairness of procedures, as there are doubts as to the enhancement of corporate value given the risk of deadlock due to the coexistence of major shareholders, and it cannot be said that sufficient measures have been taken to deal with the issue of coercion, (ii) in terms of price, the Bain Capital Tender Offer is not superior to the KKR Second Tender Offer, and (iii) it is believed that the consolidation of the proposals by KKR, which are superior in each of the above respects, and promptly creating a situation in which the Target Company can work towards achieving its Mid-term Business Plan will contribute to the further improvement of corporate value of the Target Company.

(c) Supplement to Response to Bain Capital Tender Offer and Future Actions

In addition to the reason provided in (b) ①(iii) above, as the current shareholders of the Target Company are a mix of shareholders with diverse value standards, the Target Company is expending a great deal of effort in responding to this matter. In addition, confusion has arisen among some of the Target Company shareholders, and there is concerns that this confusion may grow further. Given that the KKR Proposal Price has now been raised to 9,451 yen, it is of utmost importance to quickly and definitively resolve this situation and create an environment in which the Target Company can concentrate on steadily implementing the Mid-term Business Plan in order to quickly eliminate concerns about the impairment of the Target Company's corporate value. From this perspective it is desirable for the Target Company to clearly state its opposition to the Bain Capital Proposal.

Furthermore, so as to promptly resolve the current situation described above, the Special Committee recommends that the board of directors does not negotiate further price increases with Bain Capital. In addition, the Special Committee recommends that the board of directors should request Bain Capital destroy all confidential information disclosed to it pursuant to the confidentiality agreement concluded between Bain Capital and the Target Company.

(iv) Reasons for the Opinion (Support and Recommendation to Tender for KKR Proposal)

(a) Regarding the Improvement of Corporate Value

Given that KKR already holds approximately 34% of the Target Company Shares, the KKR Proposal aims to take the Target Company private through the sole acquisition by KKR of all of the Target Company Shares.

As described in the Report Dated August 7, 2024, the purpose is to ensure a stable shareholder composition and to work towards realizing the Mid-term Business Plan, thereby enhancing the feasibility of the Mid-term Business Plan and increasing the likelihood of achieving its goals. There is no change in the assessment that it will contribute to improving the corporate value of the Target Company. Furthermore, no facts have arisen since August 7, 2024 that would affect facts and results of such review.

Therefore, it is considered that the KKR Second Tender Offer will contribute to improving the corporate value of the Target Company.

(b) Regarding the Appropriateness of the Terms

The facts and results of consideration regarding the appropriateness of the terms described in the Report Dated August 7, 2024 are also appropriate for the KKR Second Tender Offer (the process of discussions and negotiations with the tender offeror regarding the terms of the transaction, obtaining a fairness opinion, and the relationship with the results of the share valuation report, and the relationship with the premium generally given in similar cases, etc.).

Furthermore, while the Bain Capital Proposal was submitted after the submission of the Report Dated August 7, 2024, the above mentioned past facts are not overturned, and the appropriateness of the conditions of the terms of the KKR Proposal Price itself (price sufficiency) are not affected. No other circumstances have arisen that contradict or cast doubt on the facts and findings recognized in the Report Dated August 7, 2024.

After the submission of the Bain Capital Proposal, the Special Committee, through the management of the Target Company, confirmed with KKR its intention to increase the purchase price in order to make reasonable efforts to protect shareholder interests.

As a result, the KKR Proposal Price was raised from 8,800 yen to 9,4751 yen, exceeding the Bain Capital Proposal Price. This fact reinforces the appropriateness of the terms of the KKR Proposal Price, even more so than was the case at the time of the Report Dated August 7, 2024.

Therefore, it is considered that the terms of the KKR Second Tender Offer are appropriate.

(c) Regarding the Fairness of the Procedures

① Regarding the Procedures Described in the Report Dated August 7, 2024

The facts and results of consideration regarding the fairness of the procedures described in the Report Dated August 7, 2024 are also appropriate for the KKR Second Tender Offer (establishment of the Special Committee, appointment of independent experts, ensuring a competitive environment equivalent to an active market check, the decision-making process at the Target Company, the provision of information to general shareholders, the elimination of coerciveness, etc.).

② Regarding Changes to the Structure of the KKR First Tender Offer

As described in the September 24, 2024 Opinion, at the time of such structure changes, there were no circumstances that would have undermined the fairness of procedures for the KKR First Tender Offer.

③ Regarding the Coerciveness of the KKR Second Tender Offer

The KKR Second Tender Offer is a two-stage cash acquisition of all shares by means of a tender offer and share consolidation, and it is intended that a squeeze-out procedure will be carried out promptly after the completion of the KKR Second Tender Offer. This type of acquisition method is generally considered to be less coercive.

In addition, the minimum number of shares to be purchased in the KKR Second Tender Offer is planned to be set at 19.27% (voting rights ownership ratio). Given the voting ratios of passive index management and other such funds, this is the lower limit at which a supportive resolution is expected to be passed through the exercise of such funds' voting rights in favor of the squeeze-out, and as stated in the Report Dated September 4, 2024, there is no problem with setting this minimum number of shares to be purchased.

④ Regarding a Market Check after Submission of the Bain Capital Proposal

In this case, from the time KKR's initial tender offer commenced, it had been determined that 3DIP and Farallon would sell 20,667,670 shares (approximately 33%) to KKR. In addition, due to the structure change and the successful completion of the KKR First Tender Offer, the KKR Second Tender Offer has been structured similarly to that of a takeover by a controlling shareholder.

In cases where the acquirer is the controlling shareholder, there are only limited situations in which market checks can function as a measure to ensure fairness, and their implementation is considered to be of little significance.

Even under such circumstances, the Special Committee did its utmost to ensure that a market check would function by taking the additional steps with respect to the Bain Capital Proposal.

- Accepted a request from Bain Capital to conduct due diligence
- Requested that KKR set the tender offer period for the KKR First Tender Offer at 30 business days
- After carrying out the activities described in "Details of the Activities of the Special Committee" above, the Special Committee sincerely compared and considered the KKR Proposal and the Bain Capital Proposal based on the information obtained through those activities

As a result of the above market check, (i) the Bain Capital Proposal was submitted, and (ii) the KKR Proposal Price was raised to a price higher than that of the Bain Capital Proposal Price, therefore it is clear that the market check effectively functioned.

⑤ Regarding the Principle of Shareholder Intent

As described below, the Special Committee will express its opinion in opposition to the Bain Capital Proposal, and thus the Bain Capital Tender Offer will not be commenced. However, since privatization by KKR is the best option in terms of improving corporate value, and it can be reasonably expected that shareholders would expect to sell at the highest possible price, such an outcome is not considered to be contrary to the reasonable intention of shareholders, and there are no circumstances that violate the principle of shareholder intention.

⑥ Short Summary

Therefore, it is considered that the procedures for the KKR Second Tender Offer are fair.

(d) Conclusion

In light of the above, the Special Committee recommends the board of directors to express an opinion in support of the KKR Second Tender Offer and to recommend that the shareholders and share option holders of the Target Company tender in the KKR Second Tender Offer, given that (i) the KKR Proposal aims to take the Target Company private through the sole acquisition by KKR of all of the Target Company Shares, which will contribute to improving the corporate value of the

Target Company and (ii) the KKR Second Tender Offer is priced higher than the Bain Capital Tender Offer.

(v) Reasons for the Opinion (Opposition to Bain Capital Proposal)

(a) Regarding the Improvement of Corporate Value

The Bain Capital Proposal aims to ultimately take the Target Company private through the sole acquisition by Bain Capital of all of the Target Company Shares. However, with regard to the improvement of corporate value of the Target Company, the Bain Capital Proposal raises the following concerns, and there is a risk that the corporate value of the Target Company will be damaged as a result of the Bain Capital Proposal which cannot be entirely eliminated.

① Concerns Regarding the Bain Capital Proposal, and the Special Committee's View on Such Concerns

A. Concerns Regarding the Bain Capital Proposal

As KKR already holds approximately 34% of the Target Company Shares, it will be difficult for the Target Company to be taken private through the Bain Capital Proposal unless KKR agrees to sell. The Bain Capital Proposal would allow for a situation whereby Bain Capital and KR would coexist as major shareholders of the Target Company.

For this reason, if a difference of opinion were to arise between Bain Capital and KKR regarding decision-making, a so-called deadlock situation could result, which would (i) prevent important decisions such as special resolutions from being made, and result in inorganic growth not being achieved, or (ii) prevent rapid decision-making from being achieved.

B. Evaluation by Special Committee

Given that the Target Company is given a reasonable degree of discretion as to how to improve corporate value under the corporate value standards adopted in the Guidelines for Corporate Takeovers (which hold that the desirability of an acquisition should essentially be judged on the basis of corporate value), it is clear that the above risks are, at least qualitatively, risks that could hinder the improvement in corporate value.

On this point, the Special Committee repeatedly confirmed with Bain Capital its policy as to dealing with this risk. According to Bain Capital, it has secured 11,691,882 shares of the Target Company Shares (approximately 18.57% (voting rights ownership ratio)) held by the Founding Family Shareholders, and believes it will be able to secure a majority of the shares in terms of voting rights as a result of the Bain Capital Tender Offer. It also said that other than for special resolution matters, this would enable rapid decision-making.

However, even with such explanations, the following problems with the Bain Capital Proposal can be pointed out with regard to the improvement of corporate value.

- As KKR already holds approximately 34% of the Target Company Shares, there is no change to the conclusion that important decisions such as special resolutions will be unable

to be made, and no specific measures have been disclosed as to how to reach a consensus with KKR in the event of such a deadlock situation

- If the aim is to secure the number of shares equivalent to a majority of the voting rights and thereby take control of management, it would have been possible to set the minimum number of shares to be purchased in the Bain Capital Tender Offer at an amount of shares equivalent to a majority of the voting rights, thereby eliminating to the extent possible concerns about damage to corporate value. However, no such specific measures have been taken (and as a result, given that the Bain Capital Proposal Price does not exceed the KKR Proposal Price, it is unclear whether Bain Capital would actually be able to secure the above-mentioned number of shares through the Bain Capital Tender Offer)

Furthermore, if a deadlock situation were to occur that would make it extremely difficult for the Target Company to operate its business, there is a possibility, in the worst case scenario, that customers would leave, new projects would be stalled, and reduced employee motivation and resignations could occur.

② Short Summary

In light of the above, the possibility that the Bain Capital Proposal will damage the corporate value of the Target Company cannot be completely eliminated, and there remains doubt as to the improvement of corporate value through the Bain Capital Proposal. In comparison with the KKR Proposal, the KKR Proposal is superior to the Bain Capital Proposal in terms of improving corporate value.

(b) Regarding the Fairness of the Procedures

① Regarding Concerns about Coerciveness

KKR already holds approximately 34% of the Target Company Shares, and at this time does not intend in tendering the Bain Capital Tender Offer. Therefore, it will not be possible for Bain Capital to purchase the number of shares necessary for a squeeze-out procedure through the Bain Capital Tender Offer, and as a result, the Bain Capital Tender Offer has the aspects of a so-called “partial purchase”.

Partial purchases have the problem of coerciveness, in that “if the shareholders of the Target Company expect to suffer disadvantages if an acquisition goes ahead without their support, in comparison to in the case of their support of such acquisition, such shareholders may be pressured to support the acquisition, even if they believe that the price offered is lower than the objective value of the shares”. For example, there are concerns such as the following.

- It conflicts with the principle of the tender offer regulations, which aim to provide the disclosure of the information necessary for shareholders to make appropriate decisions and to ensure a period of deliberation
- Through use of coercion, there is a risk that acquirers may complete inefficient acquisitions which would reduce the corporate value of the Target Company

- Even in acquisitions which increase corporate value, the use of coercion can allow control to be acquired at a low price, which undermines the efficiency of the market for corporate control

② Regarding the Coerciveness of the Bain Capital Tender Offer

A. Concerns Regarding the Bain Capital Proposal

As KKR already holds approximately 34% of the Target Company Shares, it will be difficult for the Target Company to be taken private through the Bain Capital Proposal unless KKR agrees to sell. The Bain Capital Proposal would allow for a situation whereby Bain Capital and KR would coexist as major shareholders of the Target Company.

For this reason, the Bain Capital Tender Offer raises the following concerns.

- Concerns that the corporate value of the Target Company may be damaged
- Concerns that the liquidity ratio of the Target Company Shares will decline, which may violate the standards for maintaining listing, and that if the Target Company is ultimately delisted, shareholders will lose the opportunity to sell
- Concerns that the price of the Target Company Shares may decline due to each of the above factors

B. Evaluation by Special Committee

A so-called partial purchase is not a purchase method prohibited by law. It is merely necessary to resolve the above-mentioned problem of coerciveness.

In this regard, Bain Capital has stated it would continue to secure opportunities to sell after completion of the Bain Capital Tender Offer through methods such as additional tender offers. Such measures are recognized as one way of eliminating or reducing coerciveness in privatization practice in Japan.

However, when looking at the Bain Capital Tender Offer, it is difficult to avoid the conclusion that its response in terms of coerciveness remains insufficient, given the following points.

- As mentioned above, the risk that the Bain Capital Proposal will damage the corporate value of the Target Company cannot be completely eliminated
- There is an argument that the coerciveness of an acquisition bid can be reduced by separating the expression of intention to support or oppose the acquisition, from the expression of intention to tender in such acquisition, and then confirming the intention of a majority of shareholders in favor. However, based on this view, no reduction measures have been taken, such as setting a minimum number of shares to be purchased in the Bain Capital Tender Offer as a majority of the shares
- Squeeze-out procedures under the Companies Act, such as a share consolidation, will not be able to be carried out with KKR's consent, and therefore remedies such as the exercise of the right to purchase shares or a petition for price determination are not guaranteed

③ Short Summary

In light of the above, it is difficult to avoid assessing the Bain Capital Tender Offer is insufficiently responsive to concerns about coerciveness. In comparison with the KKR Proposal, the KKR Proposal is also superior to the Bain Capital Proposal in terms of fairness of the procedures.

(c) Conclusion

In light of the above, the Special Committee recommends the board of directors to express an opinion in opposition to the Bain Capital Tender Offer, given that (i) the Bain Capital Proposal is inferior to the KKR Proposal in terms of the enhancement of corporate value and the fairness of procedures, as there are doubts as to the enhancement of corporate value given the risk of deadlock due to the coexistence of major shareholders, and it cannot be said that sufficient measures have been taken to deal with the issue of coercion, (ii) in terms of price, the Bain Capital Tender Offer is not superior to the KKR Second Tender Offer, and (iii) it is believed that the consolidation of the proposals by KKR, which are superior in each of the above respects, and promptly creating a situation in which the Target Company can work towards achieving its Mid-term Business Plan will contribute to the further improvement of corporate value of the Target Company.

In addition to the reason provided in (b) ①(iii) above, as the current shareholders of the Target Company are a mix of shareholders with diverse value standards, the Target Company is expending a great deal of effort in responding to this matter. In addition, confusion has arisen among some of the Target Company shareholders, and there is concerns that this confusion may grow further. Given that the KKR Proposal Price has now been raised to 9,451 yen, it is of utmost importance to quickly and definitively resolve this situation and create an environment in which the Target Company can concentrate on steadily implementing the Mid-term Business Plan in order to quickly eliminate concerns about the impairment of the Target Company's corporate value. From this perspective it is desirable for the Target Company to clearly state its opposition to the Bain Capital Proposal.

Furthermore, so as to promptly resolve the current situation described above, the Special Committee recommends that the board of directors does not negotiate further price increases with Bain Capital. In addition, the Special Committee recommends that the board of directors should request Bain Capital destroy all confidential information disclosed to it pursuant to the confidentiality agreement concluded between Bain Capital and the Target Company.

In light of its understanding of the current status of the Target Company and its activities described above, the Special Committee carefully discussed and considered the Consultation Matters, and on November 18, 2024, with the unanimous approval of its members, submitted the November 18, 2024 Opinion to the board of directors of the Target Company which contains the following matters.

(vi) Details of the Opinion

(a) Regarding the KKR Second Tender Offer

- ① The Special Committee recommends the board of directors to express an opinion in support of the KKR Second Tender Offer and to recommend that the shareholders and share option holders of the

Target Company tender in the KKR Second Tender Offer, given that (i) the KKR Proposal aims to take the Target Company private through the sole acquisition by KKR of all of the Target Company Shares, which will contribute to improving the corporate value of the Target Company and (ii) the KKR Second Tender Offer is priced higher than the Bain Capital Tender Offer.

- ② The decision by the board of directors of the Target Company to implement the Transaction through the KKR Second Tender Offer will not be disadvantageous to the minority shareholders of the Target Company.

(b) Regarding the Bain Capital Tender Offer

- ① The Special Committee recommends the board of directors to express an opinion in opposition to the Bain Capital Tender Offer, given that (i) the Bain Capital Proposal is inferior to the KKR Proposal in terms of the enhancement of corporate value and the fairness of procedures, as there are doubts as to the enhancement of corporate value given the risk of deadlock due to the coexistence of major shareholders, and it cannot be said that sufficient measures have been taken to deal with the issue of coercion, (ii) in terms of price, the Bain Capital Tender Offer is not superior to the KKR Second Tender Offer, and (iii) it is believed that the consolidation of the proposals by KKR, which are superior in each of the above respects, and promptly creating a situation in which the Target Company can work towards achieving its Mid-term Business Plan will contribute to the further improvement of corporate value of the Target Company.
- ② As the Special Committee has recommended the board of directors express an opinion opposing the Bain Capital Tender Offer it expects no decision regarding the implementation of the Transaction through the Bain Capital Tender Offer will be made, and the Bain Capital Tender Offer will not be commenced.

(c) Supplement to Response to Bain Capital Tender Offer and Future Actions

In addition to the reason provided in (b) ①(iii) above, as the current shareholders of the Target Company are a mix of shareholders with diverse value standards, the Target Company is expending a great deal of effort in responding to this matter. In addition, confusion has arisen among some of the Target Company shareholders, and there is concerns that this confusion may grow further. Given that the KKR Proposal Price has now been raised to 9,451 yen, it is of utmost importance to quickly and definitively resolve this situation and create an environment in which the Target Company can concentrate on steadily implementing the Mid-term Business Plan in order to quickly eliminate concerns about the impairment of the Target Company's corporate value. From this perspective it is desirable for the Target Company to clearly state its opposition to the Bain Capital Proposal.

Furthermore, so as to promptly resolve the current situation described above, the Special Committee recommends that the board of directors does not negotiate further price increases with Bain Capital. In addition, the Special Committee recommends that the board of directors should request Bain Capital destroy all confidential information disclosed to it pursuant to the confidentiality agreement concluded between Bain Capital and the Target Company.

(vii) Reasons for the Opinion (Support and Recommendation to Tender for KKR Proposal)

(a) Regarding the Improvement of Corporate Value

Given that KKR already holds approximately 34% of the Target Company Shares, the KKR Proposal aims to take the Target Company private through the sole acquisition by KKR of all of the Target Company Shares.

As described in the Report Dated August 7, 2024, the purpose is to ensure a stable shareholder composition and to work towards realizing the Mid-term Business Plan, thereby enhancing the feasibility of the Mid-term Business Plan and increasing the likelihood of achieving its goals. There is no change in the assessment that it will contribute to improving the corporate value of the Target Company. Furthermore, no facts have arisen since August 7, 2024 that would affect facts and results of such review.

Therefore, it is considered that the KKR Second Tender Offer will contribute to improving the corporate value of the Target Company.

(b) Regarding the Appropriateness of the Terms

The facts and results of consideration regarding the appropriateness of the terms described in the Report Dated August 7, 2024 are also appropriate for the KKR Second Tender Offer (the process of discussions and negotiations with the tender offeror regarding the terms of the transaction, obtaining a fairness opinion, and the relationship with the results of the share valuation report, and the relationship with the premium generally given in similar cases, etc.).

Furthermore, while the Bain Capital Proposal was submitted after the submission of the Report Dated August 7, 2024, the above mentioned past facts are not overturned, and the appropriateness of the conditions of the terms of the KKR Proposal Price itself (price sufficiency) are not affected. No other circumstances have arisen that contradict or cast doubt on the facts and findings recognized in the Report Dated August 7, 2024.

After the submission of the Bain Capital Proposal, the Special Committee, through the management of the Target Company, confirmed with KKR its intention to increase the purchase price in order to make reasonable efforts to protect shareholder interests.

As a result, the KKR Proposal Price was raised from 8,800 yen to 9,4751 yen, exceeding the Bain Capital Proposal Price. This fact reinforces the appropriateness of the terms of the KKR Proposal Price, even more so than was the case at the time of the Report Dated August 7, 2024.

Therefore, it is considered that the terms of the KKR Second Tender Offer are appropriate.

(c) Regarding the Fairness of the Procedures

① Regarding the Procedures Described in the Report Dated August 7, 2024

The facts and results of consideration regarding the fairness of the procedures described in the Report Dated August 7, 2024 are also appropriate for the KKR Second Tender Offer (establishment of the Special Committee, appointment of independent experts, ensuring a competitive environment equivalent to an active market check, the decision-making process at the Target Company, the provision of information to general shareholders, the elimination of coerciveness, etc.).

② Regarding Changes to the Structure of the KKR First Tender Offer

As described in the September 24, 2024 Opinion, at the time of such structure changes, there were no circumstances that would have undermined the fairness of procedures for the KKR First Tender Offer.

③ Regarding the Coerciveness of the KKR Second Tender Offer

The KKR Second Tender Offer is a two-stage cash acquisition of all shares by means of a tender offer and share consolidation, and it is intended that a squeeze-out procedure will be carried out promptly after the completion of the KKR Second Tender Offer. This type of acquisition method is generally considered to be less coercive.

In addition, the minimum number of shares to be purchased in the KKR Second Tender Offer is planned to be set at 19.27% (voting rights ownership ratio). Given the voting ratios of passive index management and other such funds, this is the lower limit at which a supportive resolution is expected to be passed through the exercise of such funds' voting rights in favor of the squeeze-out, and as stated in the Report Dated September 4, 2024, there is no problem with setting this minimum number of shares to be purchased.

④ Regarding a Market Check after Submission of the Bain Capital Proposal

In this case, from the time KKR's initial tender offer commenced, it had been determined that 3DIP and Farallon would sell 20,667,670 shares (approximately 33%) to KKR. In addition, due to the structure change and the successful completion of the KKR First Tender Offer, the KKR Second Tender Offer has been structured similarly to that of a takeover by a controlling shareholder.

In cases where the acquirer is the controlling shareholder, there are only limited situations in which market checks can function as a measure to ensure fairness, and their implementation is considered to be of little significance.

Even under such circumstances, the Special Committee did its utmost to ensure that a market check would function by taking the additional steps with respect to the Bain Capital Proposal.

- Accepted a request from Bain Capital to conduct due diligence
- Requested that KKR set the tender offer period for the KKR First Tender Offer at 30 business days
- After carrying out the activities described in "Details of the Activities of the Special Committee" above, the Special Committee sincerely compared and considered the KKR

Proposal and the Bain Capital Proposal based on the information obtained through those activities

As a result of the above market check, (i) the Bain Capital Proposal was submitted, and (ii) the KKR Proposal Price was raised to a price higher than that of the Bain Capital Proposal Price, therefore it is clear that the market check effectively functioned.

⑤ Regarding the Principle of Shareholder Intent

As described below, the Special Committee will express its opinion in opposition to the Bain Capital Proposal, and thus the Bain Capital Tender Offer will not be commenced. However, since privatization by KKR is the best option in terms of improving corporate value, and it can be reasonably expected that shareholders would expect to sell at the highest possible price, such an outcome is not considered to be contrary to the reasonable intention of shareholders, and there are no circumstances that violate the principle of shareholder intention.

⑥ Short Summary

Therefore, it is considered that the procedures for the KKR Second Tender Offer are fair.

(d) Conclusion

- ① Whether to recommend to the board of directors of the Target Company that the Transaction be implemented through the KKR Second Tender Offer (including resolving to express an opinion in support of Tender Offer and to recommend its shareholders and share options holders tender in the Tender Offer) (Consultation Matters (item (a)))

The Special Committee recommends the board of directors express an opinion in support of the KKR Second Tender Offer and to recommend that the shareholders and share option holders of the Target Company tender in the KKR Second Tender Offer, given that (i) the KKR Proposal aims to take the Target Company private through the sole acquisition by KKR of all of the Target Company Shares, which will contribute to improving the corporate value of the Target Company and (ii) the KKR Second Tender Offer is priced higher than that Bain Capital Tender Offer.

- ② Whether the decision by the board of directors of the Target Company to implement the Transaction through the KKR Second Tender Offer would be disadvantageous to the minority shareholders of the Target Company (Consultation Matters (item (b)))

As described in this opinion, it is considered that with respect to the KKR Second Tender Offer, there are no problems in regard to the improvement of corporate value, the appropriateness of the terms, and the fairness of the procedures.

Therefore, the Special Committee considers that the decision by the board of directors of the Target Company to implement the Transaction through the KKR Second Tender Offer will not be disadvantageous to the minority shareholders of the Target Company.

(viii) Reasons for the Opinion (Opposition to Bain Capital Proposal)

(a) Regarding the Improvement of Corporate Value

The Bain Capital Proposal aims to ultimately take the Target Company private through the sole acquisition by Bain Capital of all of the Target Company Shares. However, with regard to the improvement of corporate value of the Target Company, the Bain Capital Proposal raises the following concerns, and there is a risk that the corporate value of the Target Company will be damaged as a result of the Bain Capital Proposal which cannot be entirely eliminated.

① Concerns Regarding the Bain Capital Proposal, and the Special Committee's View on Such Concerns

A. Concerns Regarding the Bain Capital Proposal

As KKR already holds approximately 34% of the Target Company Shares, it will be difficult for the Target Company to be taken private through the Bain Capital Proposal unless KKR agrees to sell. The Bain Capital Proposal would allow for a situation whereby Bain Capital and KR would coexist as major shareholders of the Target Company.

For this reason, if a difference of opinion were to arise between Bain Capital and KKR regarding decision-making, a so-called deadlock situation could result, which would (i) prevent important decisions such as special resolutions from being made, and result in inorganic growth not being achieved, or (ii) prevent rapid decision-making from being achieved.

B. Evaluation by Special Committee

Given that the Target Company is given a reasonable degree of discretion as to how to improve corporate value under the corporate value standards adopted in the Guidelines for Corporate Takeovers (which hold that the desirability of an acquisition should essentially be judged on the basis of corporate value), it is clear that the above risks are, at least qualitatively, risks that could hinder the improvement in corporate value.

On this point, the Special Committee repeatedly confirmed with Bain Capital its policy as to dealing with this risk. According to Bain Capital, it has secured 11,691,882 shares of the Target Company Shares (approximately 18.57% (voting rights ownership ratio)) held by the Founding Family Shareholders, and believes it will be able to secure a majority of the shares in terms of voting rights as a result of the Bain Capital Tender Offer. It also said that other than for special resolution matters, this would enable rapid decision-making.

However, even with such explanations, the following problems with the Bain Capital Proposal can be pointed out with regard to the improvement of corporate value.

- As KKR already holds approximately 34% of the Target Company Shares, there is no change to the conclusion that important decisions such as special resolutions will be unable to be made, and no specific measures have been disclosed as to how to reach a consensus with KKR in the event of such a deadlock situation
- If the aim is to secure the number of shares equivalent to a majority of the voting rights and thereby take control of management, it would have been possible to set the minimum number of shares to be purchased in the Bain Capital Tender Offer at an amount of shares

equivalent to a majority of the voting rights, thereby eliminating to the extent possible concerns about damage to corporate value. However, no such specific measures have been taken (and as a result, given that the Bain Capital Proposal Price does not exceed the KKR Proposal Price, it is unclear whether Bain Capital would actually be able to secure the above-mentioned number of shares through the Bain Capital Tender Offer)

Furthermore, if a deadlock situation were to occur that would make it extremely difficult for the Target Company to operate its business, there is a possibility, in the worst case scenario, that customers would leave, new projects would be stalled, and reduced employee motivation and resignations could occur.

② Short Summary

In light of the above, the possibility that the Bain Capital Proposal will damage the corporate value of the Target Company cannot be completely eliminated, and there remains doubt as to the improvement of corporate value through the Bain Capital Proposal. In comparison with the KKR Proposal, the KKR Proposal is superior to the Bain Capital Proposal in terms of improving corporate value.

(b) Regarding the Fairness of the Procedures

① Regarding Concerns about Coerciveness

KKR already holds approximately 34% of the Target Company Shares, and at this time does not intend in tendering the Bain Capital Tender Offer. Therefore, it will not be possible for Bain Capital to purchase the number of shares necessary for a squeeze-out procedure through the Bain Capital Tender Offer, and as a result, the Bain Capital Tender Offer has the aspects of a so-called “partial purchase”.

Partial purchases have the problem of coerciveness, in that “if the shareholders of the Target Company expect to suffer disadvantages if an acquisition goes ahead without their support, in comparison to in the case of their support of such acquisition, such shareholders may be pressured to support the acquisition, even if they believe that the price offered is lower than the objective value of the shares”. For example, there are concerns such as the following.

- It conflicts with the principle of the tender offer regulations, which aim to provide the disclosure of the information necessary for shareholders to make appropriate decisions and to ensure a period of deliberation
- Through use of coercion, there is a risk that acquirers may complete inefficient acquisitions which would reduce the corporate value of the Target Company
- Even in acquisitions which increase corporate value, the use of coercion can allow control to be acquired at a low price, which undermines the efficiency of the market for corporate control

② Regarding the Coerciveness of the Bain Capital Tender Offer

A. Concerns Regarding the Bain Capital Proposal

As KKR already holds approximately 34% of the Target Company Shares, it will be difficult for the Target Company to be taken private through the Bain Capital Proposal unless KKR agrees to sell. The Bain Capital Proposal would allow for a situation whereby Bain Capital and KR would coexist as major shareholders of the Target Company.

For this reason, the Bain Capital Tender Offer raises the following concerns.

- Concerns that the corporate value of the Target Company may be damaged
- Concerns that the liquidity ratio of the Target Company Shares will decline, which may violate the standards for maintaining listing, and that if the Target Company is ultimately delisted, shareholders will lose the opportunity to sell
- Concerns that the price of the Target Company Shares may decline due to each of the above factors

B. Evaluation by Special Committee

A so-called partial purchase is not a purchase method prohibited by law. It is merely necessary to resolve the above-mentioned problem of coerciveness.

In this regard, Bain Capital has stated it would continue to secure opportunities to sell after completion of the Bain Capital Tender Offer through methods such as additional tender offers. Such measures are recognized as one way of eliminating or reducing coerciveness in privatization practice in Japan.

However, when looking at the Bain Capital Tender Offer, it is difficult to avoid the conclusion that its response in terms of coerciveness remains insufficient, given the following points.

- As mentioned above, the risk that the Bain Capital Proposal will damage the corporate value of the Target Company cannot be completely eliminated
- There is an argument that the coerciveness of an acquisition bid can be reduced by separating the expression of intention to support or oppose the acquisition, from the expression of intention to tender in such acquisition, and then confirming the intention of a majority of shareholders in favor. However, based on this view, no reduction measures have been taken, such as setting a minimum number of shares to be purchased in the Bain Capital Tender Offer as a majority of the shares
- Squeeze-out procedures under the Companies Act, such as a share consolidation, will not be able to be carried out with KKR's consent, and therefore remedies such as the exercise of the right to purchase shares or a petition for price determination are not guaranteed

③ Short Summary

In light of the above, it is difficult to avoid assessing the Bain Capital Tender Offer is insufficiently responsive to concerns about coerciveness. In comparison with the KKR Proposal, the KKR Proposal is also superior to the Bain Capital Proposal in terms of fairness of the procedures.

(c) Conclusion

- ① Whether to recommend to the board of directors of the Target Company that the Transaction be implemented through the Bain Capital Tender Offer (including resolving to express an opinion in support of Tender Offer and to recommend its shareholders and share options holders tender in the Tender Offer) (Consultation Matters (item (a)))

The Special Committee recommends the board of directors to express an opinion in opposition to the Bain Capital Tender Offer, given that (i) the Bain Capital Proposal is inferior to the KKR Proposal in terms of the enhancement of corporate value and the fairness of procedures, as there are doubts as to the enhancement of corporate value given the risk of deadlock due to the coexistence of major shareholders, and it cannot be said that sufficient measures have been taken to deal with the issue of coercion, (ii) in terms of price, the Bain Capital Tender Offer is not superior to the KKR Second Tender Offer, and (iii) it is believed that the consolidation of the proposals by KKR, which are superior in each of the above respects, and promptly creating a situation in which the Target Company can work towards achieving its Mid-term Business Plan will contribute to the further improvement of corporate value of the Target Company.

- ② Whether the decision by the board of directors of the Target Company to implement the Transaction through the Bain Capital Tender Offer would be disadvantageous to the minority shareholders of the Target Company (Consultation Matters (item (b)))

As the Special Committee has recommended the board of directors express an opinion opposing the Bain Capital Tender Offer it expects no decision regarding the implementation of the Transaction through the Bain Capital Tender Offer will be made, and the Bain Capital Tender Offer will not be commenced.

- ③ Supplement to Response to Bain Capital Tender Offer and Future Actions

In addition to the reason provided in (b) ①(iii) above, as the current shareholders of the Target Company are a mix of shareholders with diverse value standards, the Target Company is expending a great deal of effort in responding to this matter. In addition, confusion has arisen among some of the Target Company shareholders, and there is concerns that this confusion may grow further. Given that the KKR Proposal Price has now been raised to 9,451 yen, it is of utmost importance to quickly and definitively resolve this situation and create an environment in which the Target Company can concentrate on steadily implementing the Mid-term Business Plan in order to quickly eliminate concerns about the impairment of the Target Company's corporate value. From this perspective it is desirable for the Target Company to clearly state its opposition to the Bain Capital Proposal.

Furthermore, so as to promptly resolve the current situation described above, the Special Committee recommends that the board of directors does not negotiate further price increases with Bain Capital. In addition, the Special Committee recommends that the board of directors should request Bain Capital destroy all confidential information disclosed to it pursuant to the confidentiality agreement concluded between Bain Capital and the Target Company.

(V) Share Valuation Report and Fairness Opinion Obtained by the Special Committee from an Independent Third-Party Appraiser

According to the Target Company, when reviewing the Consultation Matters (defined below), the Special Committee requested JP Morgan Securities, a financial advisor and third-party appraiser that is independent from the Tender Offeror, the Tender Offeror's Parent Company, KKR, and the Target Company, a valuation of the Target Company's share value and also requested the submission of a fairness opinion ("Fairness Opinion") stating that the First Tender Offer Price (8,800 yen per share of the Target Company Shares) is fair to the shareholders of the Target Company from a financial point of view. In addition, when expressing its opinion on the Second Tender Offer, the Special Committee did not request JP Morgan Securities to recalculate the valuation of the Target Company Shares or to submit a Fairness Opinion to the effect that the Tender Offer Price is fair to the Target Company from a financial perspective, as the Tender Offer Price is higher than the First Tender Offer, and the Tender Offeror and Target Company have implemented measures to ensure the fairness of the Tender Offers and to avoid conflicts of interest.

JP Morgan Securities reviewed the Target Company's financial condition and trends in the market price of the Target Company Shares and concluded that it was appropriate to use a multifaceted approach and considered which valuation methods should be adopted from among multiple share valuation methods. Since there is a market price for the Target Company Shares, JP Morgan Securities used the average market price method, and it used the comparable company method because there are several listed companies comparable to the Target Company, making it possible to infer the value of the Target Company's shares through comparison. It also used the comparable transaction method, given that there are several publicly announced transactions that are relatively similar to the Tender Offer focusing on privatization deals involving Japanese companies engaged in similar businesses over the past few years, allowing for the inference of the Target Company's share value through comparison with those transactions. Lastly, JP Morgan Securities used the DCF Method to reflect future business activities in the valuation. Based on these methods, JP Morgan Securities calculated the share value of the Target Company Shares and submitted a share valuation report dated August 7, 2024 ("Share Valuation Report (JP Morgan Securities)") to the Special Committee. Additionally, on August 7, 2024, JP Morgan Securities submitted the Fairness Opinion to the Special Committee, which stated that, under the conditions set out in the notes below, the First Tender Offer Price is fair to the Target Company's shareholders from a financial point of view. The Share Valuation Report (JP Morgan Securities) and the Fairness Opinion were prepared solely to provide information and to support the Special Committee in its review of the Transaction. Furthermore, JP Morgan Securities is not a related party of the Tender Offeror, the Tender Offeror Parent Company, KKR, or the Target Company, and has no material interest in the Transaction.

The calculation ranges of the share value per share of the Target Company Shares calculated by JP Morgan Securities based on the above methods are as follows.

Average market price method:	6,505 yen – 7,390 yen
Comparable company method:	4,758 yen – 5,566 yen
Comparable transaction method:	4,946 yen – 7,253 yen
DCF Method:	7,852 yen – 10,453 yen

Under the average market price method, the range of the per-share value of the Target Company Shares has been calculated to be 6,505 yen to 7,390 yen with August 7, 2024, which is the business day immediately preceding the announcement date of the “Notice Regarding Expression of Opinion in Support of the Planned Commencement of the Tender Offer for the Company Share Certificates by FK Co., Ltd. and Recommendation to Tender Shares” published by the Target Company on August 8, 2024 (“Target Company Press Release Dated August 8, 2024”), as the valuation date, based on the closing price of the Target Company Shares on the Prime Market of the TSE on the valuation date (7,390 yen), the simple average of the closing price of the Target Company Shares for the most recent one month (7,130 yen), the simple average of the closing price for the most recent three months (6,797 yen), and the simple average of the closing price for the most recent six months (6,505 yen).

Under the comparable company method, the range of the per-share value of the Target Company Shares has been calculated to be 4,758 yen to 5,566 yen based on a calculation of the share value of the Target Company Shares through comparisons with market prices and financial indicators showing factors such as profitability of listed companies engaged in businesses that are comparably similar to the Target Company.

Under the comparable transaction method, JP Morgan Securities focused on privatization deals involving Japanese companies engaged in similar businesses over the past few years through comparisons with transaction prices and financial indicators such as the profitability of past publicly announced transactions in Japan considered relatively similar to the Tender Offer. Through those comparisons, JP Morgan Securities calculated the range of the value of the Target Company Shares to be between 4,946 yen and 7,253 yen per share. Under the comparable transaction method, JP Morgan Securities calculated the value of the Target Company Shares through comparisons with transaction prices and financial indicators such as the profitability of past publicly announced transactions in Japan considered relatively similar to the Tender Offer with a focus on privatization deals involving Japanese companies engaged in similar businesses over the past few years. Through those comparisons, JP Morgan Securities calculated the range of the value of the Target Company Shares to be between 4,946 yen and 7,253 yen per share. Under the DCF Method, JP Morgan Securities conducted an analysis based on the Target Company’s business plan and financial forecasts for the fiscal years ending December 2024 through December 2028, as well as the revenue and investment plans outlined in the Target Company’s business plan, which were approved by the Special Committee for JP Morgan Securities to use. In the analysis using the DCF Method, the financial projections were based on Business Plans prepared by the Target Company, but that does not include fiscal years where it is anticipated there will be significant fluctuations in profits or losses and fluctuations in the free cash flow. Additionally, potential synergy effects expected to be realized through the execution of the Transaction were not reflected in the valuation as it was difficult to specifically estimate their impact on earnings at the time of the valuation. The share value of the Target Company was therefore calculated on a standalone basis.

The compensation paid to JP Morgan Securities is only a fixed fee to be paid regardless of the outcome of the Transaction, and do not include any incentive fee contingent upon the successful completion of the Transaction.

(Note) In expressing the opinions stated in the Fairness Opinion and calculating the share value of the Target Company Shares in the Share Valuation Report (JP Morgan Securities) upon which those opinions are based, JP Morgan Securities assumed that all public information, information provided by the Special Committee, the Target Company, and the Tender Offeror, and information discussed with the Special Committee, the Target Company, and the Tender Offeror, as well as any other information that JP Morgan Securities reviewed or had reviewed on its behalf, is accurate and complete. JP Morgan Securities has not independently verified the accuracy or completeness of that information (and does not assume any responsibility or obligation to do so). JP Morgan Securities has not conducted any evaluation or assessment of any assets or liabilities of the Tender Offeror or the Target Company and no such evaluation

or assessment has been conducted on its behalf. Additionally, JP Morgan Securities has not evaluated the creditworthiness of the Tender Offeror or the Target Company under any laws or regulations related to insolvency, suspensions of payments, or similar matters. In relying on the financial analyses and forecasts submitted by the Target Company or derived therefrom, JP Morgan Securities assumed that those analyses and forecasts were reasonably prepared based on the best estimates and judgments of the management of the Target Company regarding the future performance and financial condition of the Target Company as of the time of preparation of the Share Valuation Report (JP Morgan Securities) and the Fairness Opinion. JP Morgan Securities does not express any opinion on those analyses or forecasts or on the assumptions on which they are based. Additionally, JP Morgan Securities assumes that all transactions intended to be carried out by the Tender Offeror as described in the Target Company Press Release Dated August 8, 2024 (“Transactions”) will be executed as described in the Target Company Press Release Dated August 8, 2024. JP Morgan Securities is not an expert in legal, regulatory, tax, accounting, or similar matters and has relied on the judgment of the advisors of the Special Committee on those matters. Further, JP Morgan Securities assumes that all important consents and approvals from governments, regulatory authorities, and other parties required for the execution of the Transactions will be obtained without adversely affecting the benefits expected to be enjoyed by the Target Company from the execution of the Transactions.

The Fairness Opinion and the underlying valuation results in the Share Valuation Report (JP Morgan Securities) are necessarily based on the information available to JP Morgan Securities as of the date of the Fairness Opinion and on the economic, market, and other conditions as they existed on that date. Events occurring after that date might affect the Fairness Opinion and the underlying valuation results in the Share Valuation Report (JP Morgan Securities). However, JP Morgan Securities is under no obligation to update, revise, or reaffirm its analysis or opinions. The Fairness Opinion only expresses an opinion that the First Tender Offer Price is fair to the Target Company’s shareholders from a financial perspective under certain conditions. It does not express an opinion on whether the First Tender Offer Price in the Tender Offers is fair to holders of any other types of securities, creditors, or other stakeholders of the Target Company. Additionally, it does not give an opinion on the merits of the Target Company’s decision to proceed with the Transactions. JP Morgan Securities does not express any opinion on the amount or nature of any compensation related to the First Tender Offer Price in the Transactions for any officer, director, employee, or any related party of any of the parties involved in the Transactions and it does not give an opinion on the fairness of any such compensation. Further, JP Morgan Securities does not express any opinion or make any recommendation to the shareholders of the Target Company on whether they should tender their shares in the Tender Offers or how they should act with respect to the Transactions or any related matters.

Additionally, the Fairness Opinion and the underlying valuation results in the Share Valuation Report (JP Morgan Securities) do not constitute a recommendation to the Target Company or its board of directors regarding any specific purchase price and do not recommend that any specific purchase price is the only appropriate price.

JP Morgan Securities is the financial advisor of the Special Committee and is expected to receive compensation from the Target Company for its services as the financial advisor. That compensation is payable regardless of whether the Transactions and the related transactions are executed. Further, the Target Company has agreed to indemnify JP Morgan Securities for certain liabilities that might arise out of its services. During the two years leading up to the date of the Fairness Opinion, JP Morgan Securities and its affiliates did not provide any financial advisory services or other important commercial banking

services or investment banking services to the Target Company. During the two years leading up to the date of the Fairness Opinion, JP Morgan Securities and its affiliates provided commercial banking services and investment banking services to KKR & Co. Inc. (“KKR & Co.”), which is the parent entity of Kohlberg Kravis Roberts & Co. L.P., and received customary compensation for those services. The services provided during that period included financial advisory services to KKR & Co., as well as syndicated loans, bond underwriting, equity securities underwriting, and financial advisory services to KKR & Co.’s portfolio companies. Additionally, JP Morgan Securities’ affiliated investment bank acts as an agent bank and is a lender for unpaid credit facilities to the Tender Offeror, KKR & Co, and its portfolio companies. That affiliate receives customary compensation or other monetary benefits for those services. As of August 8, 2024, JP Morgan Securities and its affiliates hold less than 1% of the outstanding common stock or interests of each of KKR & Co. and the Target Company. In the ordinary course of their business, JP Morgan Securities and its affiliates might trade the debt and equity securities of the Target Company, KKR & Co. or any of its portfolio companies for its own account or for the accounts of customers. Accordingly, JP Morgan Securities and those affiliates might at any time hold long or short positions in those securities.

The business plans and financial forecasts of the Target Company (“Financial Forecasts”) submitted to JP Morgan Securities in connection with the analysis by JP Morgan Securities of the Target Company’s share value and the Fairness Opinion have been approved by the Special Committee for use by JP Morgan Securities. Please note that the Financial Forecasts have not been publicly disclosed by the Target Company and were not prepared for the purpose of public disclosure. The Financial Forecasts are inherently uncertain and depend on numerous variables and assumptions beyond the control of the Target Company’s management. These include, but are not limited to, factors related to general economic conditions, competitive conditions, and prevailing interest rates. Therefore, actual performance might differ significantly from the Financial Forecasts.

The opinions expressed in the Fairness Opinion and the results and summary of the valuation methods outlined in the Share Valuation Report (JP Morgan Securities) do not encompass all the analyses conducted or data referenced by JP Morgan Securities. The Fairness Opinion and the Share Valuation Report (JP Morgan Securities) have been prepared after going through a complex process, so any partial or summarized description of the analysis results in those documents will not necessarily accurately represent the entirety of the analysis. The results of the analysis by JP Morgan Securities must be considered as a whole and relying on only a part or a summary of those results without considering the analysis results in their entirety might result in an incorrect understanding of the processes underlying the analysis and the opinions of JP Morgan Securities. In expressing its opinion, JP Morgan Securities has considered each analysis and factor holistically and comprehensively, without assigning undue weight to any specific analysis or factor. Moreover, JP Morgan Securities does not express an opinion on whether any particular analysis or factor was the primary basis for its opinion or the extent to which any individual analysis or factor contributed to its opinion. Additionally, the companies selected for comparison in the analysis were chosen by JP Morgan Securities for the purpose of the analysis because they are publicly traded companies that are (in some cases) engaged in businesses considered to be similar to that of the Target Company. However, those companies are not identical to the Target Company’s business segment or subsidiaries. Therefore, the analysis by JP Morgan Securities necessarily involves complex considerations and judgments regarding differences in the financial and business characteristics of the companies selected for comparison with the Target Company, as well as other factors that might affect those companies.

(VI) Advice From an Independent Law Firm Obtained by the Special Committee

The Special Committee appointed Shiomizaka as its legal advisor independent from the Tender Offeror, the Tender Offeror's Parent Company, KKR, and the Target Company, and the Target Company received legal advice including advice with respect to the measures to be taken to ensure the fairness, objectivity, and rationality of procedures taken in the Transaction, various steps to be taken for the Transaction, and the method for decision-making by the Target Company for the Transaction and the process, etc. thereof.

Shiomizaka is not a related party of the Tender Offeror, the Tender Offeror's Parent Company, KKR, or the Target Company and has no material interest in the expression of opinion on the Tender Offers. The fees to be paid to Shiomizaka are calculated by multiplying an hourly rate by the number of hours worked, regardless of the outcome of the Transaction, and do not include any incentive fee contingent upon the successful completion of the Transaction.

(VII) Approval of All Directors With No Interest in the Target Company and Opinion of No Objection of All Target Company Auditors With No Interest in the Target Company

The board of directors carefully discussed and examined the terms of the Transaction. This was done by considering financial advice from SMBC Nikko Securities, the details of the Share Valuation Report (SMBC Nikko Securities), and the legal advice received from Mori Hamada & Matsumoto and by respecting to the utmost the contents of the Report dated August 7, 2024 obtained from the Special Committee.

With respect to the First Tender Offer, as described in "(2) Background, Purpose, and Decision-making Process Leading to the Determination to Conduct the Tender Offers, and the Management Policy After the Tender Offers" above, the Target Company judged that, because the First Tender Offer Price of 8,800 yen per share is a fair price that ensures the benefits to be enjoyed by the Target Company's minority shareholders and, given that the First Share Option Purchase Price is calculated as the First Tender Offer Price of 8,800 yen minus the exercise price per share of the Share Options multiplied by the number of shares underlying each Share Option, the First Share Option Purchase Price is also a fair price, the First Tender Offer will provide the Target Company's shareholders and stock acquisition rights holders with a reasonable opportunity to sell the Target Company Shares at a price with an appropriate premium, and the Target Company passed a resolution at the meeting of the board of directors held on August 8, 2024 to express its support for the First Tender Offer as its opinion on that same date and recommendation to the shareholders of the Target Company and the Share Options Holders that they tender their Target Company Securities in the First Tender Offer, if the First Tender Offer has commenced.

As mentioned above, the Tender Offeror intends to promptly implement the First Tender Offer once the Tender Offer Conditions have been satisfied or waived by the Tender Offeror. According to the Tender Offeror, as of August 8, 2024, it aimed to commence the First Tender Offer around the middle of September 2024. However, since it is difficult to accurately predict the time required for the procedures of authorities with jurisdiction over the procedures for the Clearance, the Tender Offeror will announce the details of the Tender Offer schedule as soon as they are determined.

For that reason, the Target Company resolved at the above meeting of the board of directors to (a) ask the Special Committee to consider whether there is any change to the Report dated August 7, 2024 submitted by the Special Committee to the board of directors on August 7, 2024 upon the commencement of the First Tender Offer and, if there has not been any change, to inform the board of directors of that fact, or, if there has been a change, to inform the board of directors of its opinion after that change and (b) express its opinion on the First Tender Offer again upon the commencement of the First Tender Offer in light of that opinion.

At the above meeting of the board of directors, 11 out of 12 directors of the Target Company participated in the deliberations and resolutions, with the exception of Mr. Sakashita, with all participating directors unanimously passing the resolutions. Furthermore, Mr. Sakashita is related by marriage to the Founding Family Shareholders, and it is

possible that he may be deemed to have a special interest in both the First Tender Offer proposed by the Tender Offeror, and the proposal to take the Target Company private by Bain Capital, on the assumption of an agreement between Bain Capital and the Founding Family Shareholders. Therefore, from September 2, 2024, when it was discovered that there may be a special interest, in order to avoid the risk of a conflict of interest and to ensure the fairness of the Transaction, Mr. Sakashita did not participate in the examination of the Transaction or in discussions or negotiations with the Tender Offeror on behalf of the Target Company. The examination framework for the Transaction that was established within the Target Company (including the scope of the Target Company officers involved in the review, negotiations, and decision-making for the Transaction) was established based on advice from Shiomizaka, an independent law firm, and has been approved by the Special Committee to ensure there are no issues regarding independence and fairness.

Subsequently, on August 26, 2024, the Target Company was informed by the Tender Offeror that based on expectations for the Procedures in Response to Vietnamese Authorities, the Tender Offeror will commence the First Tender Offer from September 5, 2024. Furthermore, on August 30, 2024, the Target Company was informed by the Tender Offeror that (i) the procedures in response to the authorities except for the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities have been completed; (ii) in relation to condition 11 of the Condition Precedent, the Tender Offeror will waive the condition of the completion of acquisition of the Clearance related to the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities; and (iii) on the premise that the Conditions Precedent are satisfied (or waived by the Tender Offeror), the Tender Offeror planned to commence the First Tender Offer from September 5, 2024. As a result of carefully reviewing the terms and conditions of the First Tender Offer, including the commencement date and First Tender Offer Period, while respecting the contents of the Report dated September 4, 2024 submitted by the Special Committee to the fullest extent, the Target Company determined that there were no factors necessitating that it change its opinion on the First Tender Offer as of August 8, 2024, even as of September 4, 2024. In addition the Target Company was informed by the Tender Offeror on August 26, 2024 that the Tender Offeror would set the minimum number of shares to be purchased such that the number of voting rights of the Target Company held by the Tender Offeror after the First Tender Offer would be equal to or more than 57.97% of the total voting rights of the Target Company. Thereafter, the Target Company was informed by the Tender Offeror on August 30, 2024 that the Tender Offeror would set the minimum number of shares to be purchased such that the number of voting rights of the Target Company held by the Tender Offeror after the First Tender Offer would be equal to or more than 53.22% of the total voting rights of the Target Company. While the setting of such minimum number increases the likelihood of the First Tender Offer being successful, it is also possible that, in theory, the Target Company will not be taken private despite the First Tender Offer being successful. In light of it being understood that there is a considerable number of passive index management funds and pension asset management institutions with similar management policies and voting trends to such passive index management funds among the Target Company shareholders that in principle, will not tender their shares in tender offers regardless of the appropriateness of the conditions of the tender offer, but will vote in favor of the proposal on the share consolidation at the general shareholders meeting in the subsequent squeeze-out procedure, and the maximum voting rate at the general shareholders meeting for the most recent three fiscal years of the Target Company (92.16%), even if the number of Target Company shares held by the Tender Offeror after completion of the First Tender Offer is the minimum number of shares to be purchased, by the Tender Offeror holding 53.22% of the Target Company total voting rights, it is expected that the Target Company Shares whose voting rights will be exercised in favor of the proposal on the Share Consolidation will reach 61.45% in terms of the ownership ratio. Furthermore, considering the number of Target Company Shares required for the approval of the proposal on the Share Consolidation being at a level equivalent to the ratio (approximately 61.44%) calculated by multiplying 92.16%, which is the maximum voting rate at the general shareholders meeting for the most recent three fiscal years of the Target Company by two-thirds, which is the voting rights ratio required for the approval of a special resolution at the general shareholders meeting, it is estimated that the level of the number of Target Company Shares whose voting rights will be exercised in favor of the proposal on the

Share Consolidation above (approximately 61.45%) will exceed the voting rights ratio of 61.44%, and the Tender Offeror believes that it is highly likely the proposal on the Share Consolidation is approved at the Extraordinary General Shareholders Meeting after the First Tender Offer. In addition, even if the proposal on the share consolidation is not approved at the Extraordinary General Shareholders Meeting after the First Tender Offer, the Tender Offeror intends on promptly taking the Target Company private by acquiring additional Target Company Shares. According to the Tender Offeror, in the case of on-market transactions, it intends to acquire additional Target Company Shares at the market price, and in the case of a method other than an on-market transaction, the Tender Offeror intends on acquire the Target Company Shares at a price evaluated as being economically equivalent to the First Tender Offer Price per share, unless there is an event that causes an adjustment to become necessary, such as a share consolidation or a share split by the Target Company. Given that the fairness of the Tender Offer is expected to be ensured by eliminating coercion and ensuring that no unfair results are produced for the shareholders who have tendered their shares, it was determined that there are no problems with setting a minimum number of shares to be purchased such that the ownership ratio of the Tender Offeror after the First Tender Offer is 53.22%, and as stated above, there were no factors necessitating that it change its opinion on the First Tender Offer as of August 8, 2024.

Based on the above, at the board of directors meeting held on September 4, 2024, the Target Company resolved, by all participating directors unanimously, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, to express its support for the First Tender Offer again and to recommend its shareholders and Share Options Holders to tender their Target Company Securities in the First Tender Offer. Furthermore, Mr. Sakashita is related by marriage to the Founding Family Shareholders, and it is possible that he may be deemed to have a special interest in both the First Tender Offer proposed by the Tender Offeror, and the proposal to take the Target Company private by Bain Capital, on the assumption of an agreement between Bain Capital and the Founding Family Shareholders. Therefore, from September 2, 2024, when it was discovered that there may be a special interest, in order to avoid the risk of a conflict of interest and to ensure the fairness of the Transaction, Mr. Sakashita did not participate in the examination of the Transaction or in discussions or negotiations with the Tender Offeror on behalf of the Target Company. The examination framework for the Transaction that was established within the Target Company (including the scope of the Target Company officers involved in the review, negotiations, and decision-making for the Transaction) was established based on advice from Shiomizaka, an independent law firm, and has been approved by the Special Committee to ensure there are no issues regarding independence and fairness. Additionally, the meetings of the board of directors held on August 8, 2024 and September 4, 2024 mentioned above were attended by three company auditors of the Target Company, and all company auditors who attended stated their opinion that they have no objection to passing the above resolutions.

Subsequently, as a result of the Tender Offeror's decision on September 19, 2024 to remove the minimum number of shares to be purchased in the First Tender Offer, and to commence the Second Tender Offer as soon as practically possible after the First Tender Offer is completed and settlement is completed, the Target Company again carefully discussed and reviewed the terms and conditions of the First Tender Offer while respecting the contents of the September 24, 2024 Opinion received from the Special Committee to the fullest extent (for specific details of such opinion, please refer to "(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee" above). As a result, as there were no circumstances that would lead to a conclusion that the above changes to the purchase conditions would impair the fairness of the procedures, by a resolution dated September 26, 2024, pursuant to Article 370 of the Companies Act (a written resolution in lieu of a resolution of the board of directors), the board of directors of the Target Company decided to continue to express its opinion in support of the First Tender Offer, and to continue to recommend that its shareholders and Share Options Holders tender in the First Tender Offer. Subsequently, in light of the fact that the Target Company received the October 11, 2024 Bain Capital Proposal on October 11, 2024, and the Bain Capital Press Release Dated October 11, 2024 being

published on the same day, at the board of directors meeting held on October 18, 2024, for the reasons described in “(iii) Content of Decision” in (III) Decision-making Process and Reasons Leading to the Target Company’s Support of the Tender Offer” in “(2) Background, Purpose, and Decision-making Process Leading to the Determination to Conduct the Tender Offers, and the Management Policy After the Tender Offers” above, the Target Company resolved, by a majority of directors, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, to continue to express its support for the First Tender Offer, and to continue to recommend that its shareholders and Share Options Holders tender in the First Tender Offer, and while the Target Company continued to recommend tendering into the First Tender Offer, it added that taking into account the existence of Bain Capital’s proposal, it would be reasonable for its shareholders and Share Option Holders to not tender in the First Tender Offer by the Tender Offeror, but to choose to tender in the Second Tender Offer by the Tender Offeror taking into account the outcome of Bain Capital’s proposal. Regarding the continued expression of support for the First Tender Offer, all 11 directors, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, were in favor.

At the board of directors meeting held on October 18, 2024, the opinion of the four directors who were not in favor of the resolution to recommend tendering are as follows.

- Although we continue to support the First Tender Offer, the October 11, 2024 Bain Capital Proposal with a tender offer purchase price of 9,450 yen per common share, 1,197,000 yen per Fifth Series Share Option, 1,059,600 yen per Sixth Series Share Option, and 293,100 yen per Seventh Series Share Option has been made in response to the First Tender Offer, with a tender offer purchase price of 8,800 yen per share, 1,067,000 yen per Fifth Series Share Option, 929,600 yen per Sixth Series Share Option, and 228,100 yen per Seventh Series Share Option. Taking into consideration that although the Target Company and Special Committee confirmed with the Tender Offeror whether it had any plans to change the terms of the First Tender Offer, as of October 18, 2024, the Tender Offeror has not indicated any plans to make such changes, and with respect to whether or not to recommend that the Target Company shareholders and Share Option Holders tender in the First Tender Offer, from the perspective of increasing clarity for the Target Company shareholders and Share Option Holders, it would be preferable to withdraw the recommendation to tender in the First Tender Offer, and to express a more neutral position, by stating that the decision as to whether to tender in the First Tender Offer is left to the discretion of the Target Company shareholders and Share Option Holders. As such, because there are differences of opinion as to how to express an opinion about whether or not to recommend tendering in the First Tender Offer, we cannot support the resolution.

Furthermore, as of October 18, 2024, the Target Company considered Bain Capital’s proposal to be a sincere proposal and would continue to consider it. In addition, as of October 18, 2024, the board of directors of the Target Company had not yet decided on its opinion regarding the Second Tender Offer by the Tender Offeror or the tender offer by Bain Capital, and it intended on determining its opinion at the time of commencement of each tender offer.

In addition, the three company auditors of the Target Company stated their opinion that they have no objection with respect to the resolution dated September 26, 2024, pursuant to Article 370 of the Companies Act (a written resolution in lieu of a resolution of the board of directors). In addition, the three company auditors of the Target Company attended the board of directors meeting held on October 18, 2024, and all of the attending company auditors stated their opinion that they have no objection with respect to the above resolution.

Subsequently, on November 15, 2024, the board of directors of the Target Company received a proposal from the Tender Offeror to commence the Second Tender Offer as soon as practicable, subject to, in addition to the Price Increase, the Target Company expressing its opinion in support of the Second Tender Offer, and recommending that its

shareholders and Share Option Holders tender in the Second Tender Offer. At the board of directors meeting held on November 15, 2024, after sincerely and carefully discussing the Second Tender Offer while respecting the contents of the November 15, 2024 Opinion to the fullest extent, in light of the points below, the Target Company resolved, by all directors unanimously, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, to express its support for the Second Tender Offer and to recommend its shareholders and Share Options Holders to tender their Target Company Securities in the Second Tender Offer.

- (A) The Tender Offer Price is the highest price among the legally binding proposal prices submitted by multiple PE funds, and exceeds the tender offer price of 9,450 yen in the October 11, 2024 Bain Capital Proposal, which was submitted to the Target Company after the Target Company informed Bain Capital that it expected to receive the highest possible price it could offer.
- (B) The Tender Offer Price was agreed upon by the Target Company after measures were taken to ensure the fairness of the conditions of the Transaction including the Tender Offer Price as stated in this “(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below, and with the involvement of the Special Committee.
- (C) The Tender Offer Price exceeds the valuation range of the Target Company Shares calculated by the market price method and the comparable listed company method, as indicated in the Share Valuation Report (SMBC Nikko Securities) mentioned in “(II) Share Valuation Report Obtained by the Target Company from an Independent Third-Party Appraiser” above; the same shall apply hereinafter) Further, the price falls within the valuation range calculated using the DCF Method.
- (D) The Tender Offer Price and the other conditions of the Second Tender Offer are considered reasonable as indicated in the November 15, 2024 Opinion obtained from the Special Committee.
- (G) In the Transaction, the money to be delivered to the shareholders as consideration upon the consolidation of shares is to be calculated to equal the Tender Offer Price multiplied by the number of shares owned by each shareholder (excluding the Target Company). This arrangement ensures that the general shareholders have an opportunity to make an appropriate decision on whether to tender their shares in the Second Tender Offer, thereby preventing any undue pressure.

Subsequently, in light of the fact that on November 18, 2024, the November 18, 2024 Opinion was received from the Special Committee, and on November 19, 2024, the Target Company was notified by the Tender Offeror that it would conduct the Second Tender Offer with a tender offer period from November 20, 2024 to December 19, 2024, at the board of directors meeting held on November 19, 2024, the Target Company resolved, in light of the points above, by all directors unanimously, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, to express its opinion in support of the Second Tender Offer, and to recommend that its shareholders and Share Options Holders tender in the Second Tender Offer.

Additionally, the meetings of the board of directors held on November 15, 2024 and November 19, 2024 were attended by three company auditors of the Target Company, and all company auditors who attended stated their opinion that

they have no objection to passing the above resolutions.

(VIII) Measures to Ensure that Other Purchasers have an Opportunity to Purchase

The Tender Offeror has set the Second Tender Offer Period at 22 business days. However, if the period from September 19, 2024, when the plan to conduct the First Tender Offer was announced, to the commencement date of the Tender Offer is included, it is effectively a period longer than the minimum period stipulated by law, and the Tender Offeror believes there will be adequate opportunities for shareholders of the Target Company and the Share Option Holders to make appropriate judgments as to whether to tender in the Tender Offer, and opportunities for Proposers of Competing Acquisitions to engage in competing purchases and the like.

Furthermore, as described in “(III) Decision-making Process and Reasons Leading to the Target Company’s Support of the Tender Offer” in “(2) Background, Purpose, and Decision-making Process Leading to the Determination to Conduct the Tender Offers, and the Management Policy After the Tender Offers” above, the Target Company started the Target Company Information Provision Process in August 2023, and by comparing and examining measures to enhance corporate value to be realized through privatizing the Target Company Shares, which were provided by multiple candidates, including KKR, with measures to enhance corporate value that the Target Company is expected to realize as a listed company, the Target Company concluded that the measures to enhance corporate value to be realized through privatizing the Target Company Shares are more desirable from the perspective of securing and enhancing its corporate value and, ultimately, the common interests of its shareholders. Since the commencement of the 3DIP Process and Target Company Information Provision Process, while maintaining a certain level of competition and continuing discussions and interviews with multiple candidates, the Target Company received multiple proposals for privatization, and compared these proposals. As a result the Target Company decided to commence discussions and deliberations with KKR, whose proposal was best, towards the implementation of the Transaction (including negotiations on the First Tender Offer Price), and after ongoing discussions and negotiations, KKR was selected as the final candidate. The Target Company received information on measures to improve corporate value, and at least one privatization proposal from all candidates that participated in the Target Company Information Provision Process. Further, according to the disclosure document titled “Notice Regarding the Status of Consideration of Measures to Enhance Corporate Value” published January 12, 2024, it is public knowledge that the Target Company has received proposals to be taken private from several private equity funds and is considering the details of such proposals, and until the submission date of today, there has been ample opportunity and time for potential acquirers interested in taking the Target Company private to make proposals. Because an expiration date was set for KKR’s proposal, proactive market checks are not necessarily the best option from the perspective of securing and improving corporate value and the common interests of shareholders, in that it raises concerns that KKR’s proposal may expire. Therefore, the Tender Offeror believes that careful consideration to secure and improve corporate value and the common interests of shareholders and substantial and proactive market checks have been performed over a sufficient period of time. Based on these factors, the Tender Offeror believes there are sufficient opportunities for persons other than the Tender Offeror to purchase the Target Company Securities.

(IX) Elimination of Coercion

As described in “(5) Policy on Post-Tender Offers Organizational Restructuring, Etc. (Matters Relating to the Two-Step Acquisition)” below, (i) promptly after completion of settlement of the Tender Offer, the Tender Offeror plans to request that the Target Company perform the Share Consolidation and plans to request that the Target Company hold an Extraordinary General Shareholders Meeting, which is to include a proposal about a partial amendment to the Target Company’s Articles of Incorporation whereby the provision concerning the number of shares that constitute one unit shall be abolished subject to effectuation of the Share Consolidation, and the Tender Offeror will not adopt a method that does not secure the right of shareholders of the Target Company to demand price determinations, and (ii) it is

declared that, when the Share Consolidation is performed, the amount of money that will be delivered to each shareholder of the Target Company will be calculated to be equal to the price obtained by multiplying the Tender Offer Price by the number of Target Company Shares possessed by each such shareholder (excluding the Tender Offeror and the Target Company). As a result of these measures, the Target Company's shareholders will have the opportunity to make appropriate judgments as to whether to tender in the Tender Offer, thereby ensuring that there is no coercion.

(5) Policy on Post-Tender Offers Organizational Restructuring, Etc. (Matters Relating to the Two-Step Acquisition)

As described in "(1) Outline of the Tender Offers" above, in the event that the Tender Offeror will be unable to acquire all of the Target Company Shares (which includes Restricted Shares and Target Company Shares delivered upon exercise of the Share Options but excludes treasury shares owned by the Target Company) and Share Options in the Tender Offers, after completion of the Tender Offer, promptly after completion of the settlement of the Tender Offer, the Tender Offeror plans to request that the Target Company perform a share consolidation of the Target Company Shares pursuant to Article 180 of the Companies Act ("Share Consolidation") and plans to request that the Target Company hold an extraordinary general shareholders meeting ("Extraordinary General Shareholders Meeting"), which is to include a proposal about a partial amendment to the Target Company's Articles of Incorporation whereby the provision concerning the number of shares that constitute one unit shall be abolished subject to effectuation of the Share Consolidation. The Tender Offeror believes that it is desirable to hold the Extraordinary General Shareholders Meeting as early as possible from the perspective of enhancing the value of the Target Company, and it plans to request that the Target Company make a public announcement about setting a record date during the Second Tender Offer Period so that the date immediately following commencement of settlement of the Tender Offer will be the record date for the Extraordinary General Shareholders Meeting. The date of the Extraordinary General Shareholders Meeting has not been determined at this time, but it is currently scheduled to be held in around January 2025. According to the Target Company Press Release, the Target Company will respond to such request if made by the Tender Offeror. The Tender Offeror plans to vote in favor of each of the above proposals at the Extraordinary General Meeting of Shareholders.

If the proposal for the Share Consolidation is approved at the Extraordinary General Shareholders Meeting, on the date on which the Share Consolidation becomes effective, the shareholders of the Target Company will own the number of Target Company Shares in accordance with the Share Consolidation ratio approved at the Extraordinary General Shareholders Meeting. If the number of shares resulting from the Share Consolidation results in fractions of less than one share, the money obtained by selling the fractions to the Target Company or the Tender Offeror in a number equivalent to the sum total of such fractional shares (if the total sum includes fractional shares of less than one share, such sum shall be rounded down to the nearest whole number; hereinafter the same) will be delivered to shareholders of such fractional shares of the Target Company in accordance with the procedures stipulated in Article 235 of the Companies Act and other relevant laws and regulations. With respect to the sales price for the Target Company Shares in the number equivalent to the sum total of such fractional shares, the Tender Offeror plans to set such price so that the amount of money delivered as a result of such sale to the shareholders of the Target Company that did not tender their shares in the Tender Offer (excluding the Tender Offeror and the Target Company) will be equal to the amount calculated by multiplying the Tender Offer Price by the number of Target Company Shares held by each such shareholder, and then request that the Target Company file a petition for permission for sale by private contract with a court. Further, although the ratio of the Share Consolidation is undecided as of today, to ensure that only the Tender Offeror will own all Target Company Shares (excluding treasury shares possessed by the Target Company), it is planned that the number of shares that shareholders of the Target Company (excluding the Tender Offeror and the Target Company) that do not tender shares in the Tender Offer will come to possess will be a fraction of less than one share.

As a provision for the purpose of protecting the rights of minority shareholders in connection with the Share

Consolidation, if the Share Consolidation is conducted and results in fractions of less than one share, in accordance with the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations, the Companies Act provides that shareholders of the Target Company who do not tender in the Tender Offer (excluding the Tender Offeror and the Target Company) may demand that the Target Company purchase all of their shares that constitute fractions of less than one share at a fair price, and may file a petition with a court to determine the price of the Target Company Shares. As described above, in the Share Consolidation, since it is planned that the number of shares that shareholders of the Target Company who do not tender in the Tender Offer (excluding the Tender Offeror and the Target Company) will come to possess will be a fraction of less than one share, shareholders of the Target Company who oppose the Share Consolidation will be able to file a petition for price determination in accordance with the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations. If the above petition is filed, the purchase price will be ultimately determined by the court.

The aforementioned procedures may take time to implement or the method of implementation may change depending on circumstances such as the amendment, enforcement, and interpretation by related authorities of relevant laws and regulations. However, even in such cases, it is planned that if the Tender Offer is successfully completed, ultimately the method of delivering money to shareholders of the Target Company (excluding the Tender Offeror and the Target Company) that do not tender in the Tender Offer will be adopted, and in that case, the amount of money to be delivered to such shareholders of the Target Company will be calculated to be equal to the price obtained by multiplying the Tender Offer Price by the number of Target Company Shares possessed by each such shareholder of the Target Company. In addition, if cash is delivered to the Share Option Holders of the Target Company who have not tendered in the Tender Offer, it will be calculated to be equal to the price obtained by multiplying the Share Option Purchase Price by the number of Share Options that were held by each such Share Option Holder.

The specific procedures and timing of implementation in each of the above cases will be announced as soon as they are determined after consultation between the Tender Offeror and the Target Company.

With respect to the Restricted Shares, the allotment agreement stipulates that (a) during the transfer restriction period, if the Share Consolidation (limited to cases where each director and executive officer possesses fractions of less than one share) is approved by a general shareholders meeting of the Target Company (provided, however, only in the case that the effective date of the Share Consolidation (“Effective Date of Squeeze-out”) is prior to the expiry of the transfer restriction period), the transfer restrictions on the number of Restricted Shares obtained by multiplying the number of Restricted Shares held by each director and executive officer as of the date of such approval, by the number of months from the month that includes the allotment date of the Restricted Shares to the month that includes the approval date, divided by 12 (if the number exceeds 1, it will be deemed to be 1), will be lifted immediately before the business day preceding the Effective Date of Squeeze-out, and (b) in the case of (a) above, on the business day preceding the Effective Date of Squeeze-out, the Target Company will acquire all of the Restricted Shares for which transfer restrictions have not been lifted as of the same day without compensation. In the Squeeze-out Procedure, it is planned that, in accordance with the provisions of (a) of the above allotment agreement, the Restricted Shares for which transfer restrictions have been lifted immediately before the business day preceding the Effective Date of Squeeze-out shall be subject to the Share Consolidation, and pursuant to the provisions of (b) of the above allotment agreement, the Restricted Shares for which transfer restrictions have not been lifted immediately before the business day preceding the Effective Date of Squeeze-out shall be acquired by the Target Company without compensation.

In addition, if the Tender Offeror fails to acquire all of the Share Options in the Tender Offer despite the completion of the Tender Offer, and if the Share Options are not exercised and remain, the Tender Offeror plans to request that the Target Company implement procedures that are reasonably necessary for implementation of the Transaction, such as

acquiring the Share Options and recommending that the Share Option Holders waive the Share Options.

The Tender Offer is not intended in any way to solicit the approval of the shareholders of the Target Company at the Extraordinary General Shareholders Meeting. In addition, shareholders of the Target Company and Share Option Holders should consult with tax experts at their own responsibility regarding the tax treatment of tendering in the Tender Offer or each of the above procedures.

(6) Prospects for Delisting and Reasons Therefor

Although the Target Company Shares are listed on the Tokyo Stock Exchange Prime Market as of today, since the Tender Offeror has not set an upper limit on the number of shares to be purchased in the Tender Offer, in accordance with the delisting standards set by the Tokyo Stock Exchange, the Target Company Shares may, depending on the outcome of the Tender Offer, be delisted following the prescribed procedures. In addition, even if such standards do not apply at the time of completion of the Tender Offer, the Squeeze-out Procedure described in “(5) Policy on Post-Tender Offers Organizational Restructuring, Etc. (Matters Relating to the Two-Step Acquisition)” above is planned to be implemented after completion of the Tender Offer, and in that case, the Target Company Shares will be delisted following the prescribed procedures in accordance with the delisting standards set forth by the Tokyo Stock Exchange. After the delisting, the Target Company Shares will not be able to be traded on the Tokyo Stock Exchange.

2. Outline of the Purchase

(1) Overview of the Target Company

(I)	Name	FUJI SOFT INCORPORATED																						
(II)	Address	1-1, Sakuragi-cho, Naka-ku, Yokohama-shi, Kanagawa																						
(III)	Name and Title of Representative	President & Representative Director, Satoyasu Sakashita																						
(IV)	Description of Business	Systems integration business, facility business, and others																						
(V)	Capital Amount	26,200 million yen																						
(VI)	Date of Incorporation	May 15, 1970																						
(VII)	Major Shareholders and Shareholding Ratio (As of June 30, 2024) (Note)	<table border="0"> <tr> <td>STATE STREET BANK AND TRUST COMPANY</td> <td></td> </tr> <tr> <td>50505018 (standing proxy: Hong Kong & Shanghai Banking Corporation Limited, Tokyo Branch)</td> <td>17.62%</td> </tr> <tr> <td>NFC Corporation</td> <td>9.62%</td> </tr> <tr> <td>The Master Trust Bank of Japan, Ltd. (trust account)</td> <td>8.27%</td> </tr> <tr> <td>GOLDMAN, SACHS & CO. REG (standing proxy: Goldman Sachs Japan Co., Ltd.)</td> <td>5.74%</td> </tr> <tr> <td>Hiroshi Nozawa</td> <td>5.61%</td> </tr> <tr> <td>Custody Bank of Japan, Ltd. (trust account)</td> <td>4.05%</td> </tr> <tr> <td>Cabrillo Funding Ltd. (standing proxy: Goldman Sachs Japan Co., Ltd.)</td> <td>3.53%</td> </tr> <tr> <td>3D OPPORTUNITY MASTER FUND (standing proxy: Hong Kong & Shanghai Banking Corporation Limited, Tokyo Branch)</td> <td>1.88%</td> </tr> <tr> <td>Century Tokyo Leasing Corporation</td> <td>1.87%</td> </tr> <tr> <td>Noriko Nozawa</td> <td>1.84%</td> </tr> </table>	STATE STREET BANK AND TRUST COMPANY		50505018 (standing proxy: Hong Kong & Shanghai Banking Corporation Limited, Tokyo Branch)	17.62%	NFC Corporation	9.62%	The Master Trust Bank of Japan, Ltd. (trust account)	8.27%	GOLDMAN, SACHS & CO. REG (standing proxy: Goldman Sachs Japan Co., Ltd.)	5.74%	Hiroshi Nozawa	5.61%	Custody Bank of Japan, Ltd. (trust account)	4.05%	Cabrillo Funding Ltd. (standing proxy: Goldman Sachs Japan Co., Ltd.)	3.53%	3D OPPORTUNITY MASTER FUND (standing proxy: Hong Kong & Shanghai Banking Corporation Limited, Tokyo Branch)	1.88%	Century Tokyo Leasing Corporation	1.87%	Noriko Nozawa	1.84%
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(VIII)	Relationship between the Tender Offeror and the Target Company																							
	Capital Relationship	Not applicable.																						
	Personnel Relationships	Not applicable.																						
	Transactional Relationships	Not applicable.																						
	Status as a Related Party	Not applicable.																						

(Note) “(VII) Major Shareholders and Shareholding Ratio (As of June 30, 2024)” are taken from “Status of Major Shareholders” in the Target Company Semiannual Report.

(2) Schedule

(I) Schedule

Date of Decision	November 19, 2024 (Tuesday)
Date of Public Notice of Commencement of Tender Offer	November 20, 2024 (Wednesday) Public notice will be made electronically, and a notice thereof will be published in the Nihon Keizai Shimbun. (Electronic public notice address: https://disclosure2.edinet-fsa.go.jp/)
Date of Filing of Tender Offer Registration Statement	November 20, 2024 (Wednesday)

(II) Initial Tender Offer Period at Time of Notification

From November 20, 2024 (Wednesday) to December 19, 2024 (Thursday) (22 business days)

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

If the Target Company submits an opinion report requesting an extension of the Tender Offer Period pursuant to Article 27-10, Paragraph 3 of the Act, the Tender Offer Period shall be extended to 30 business days to January 7, 2025.

(3) Purchase Price

(I) 9,451 yen per one common share

(II) Share Options

1,197,200 yen per one Fifth Series Share Option (“Fifth Series Share Options”) issued based on the resolution of the Target Company board of directors meeting held on March 29, 2022. (The exercise period is from April 1, 2024 to March 29, 2027).

1,059,800 yen per one Sixth Series Share Option (“Sixth Series Share Options”) issued based on the resolution of the Target Company board of directors meeting held on March 28, 2023. (The exercise period is from April 1, 2025 to March 28, 2028) (“Sixth Series Share Options Purchase Price”).

293,200 yen per one Seventh Series Share Option (“Seventh Series Share Options”; the Fifth, Sixth and Seventh Series Share Options collectively referred to as the “Share Options”) issued based on the resolution of the Target Company board of directors held on March 26, 2024. (The exercise period is from March 27, 2026 to March 24, 2034) (“Seventh Series Share Options Purchase Price”).

(4) Basis for Calculation of Purchase Price

(I) Basis for Calculation

(1) Common Shares

In determining the First Tender Offer Price, KKR conducted a multifaceted and comprehensive analysis of the business and financial status of the Target Company based on the financial information and other materials disclosed by the Target Company and the results of due diligence conducted on the Target Company from early April to early June 2024, and the Tender Offer Price was calculated. In addition, in view of the fact that the Target Company Shares are traded through a financial instruments exchange, the Tender Offeror also referred to trends in the closing price of the Target Company Shares on the TSE Prime Market on August 7 2024, the business day immediately preceding the announcement date of the First Tender Offer (7,390 yen), and the simple average of the closing prices for the preceding one month (from July 8, 2024 until August 7, 2024), the preceding three months (from May 8, 2024 until August 7, 2024), and the preceding six months (from February 8, 2024 until August 7, 2024) (7,130 yen, 6,797 yen, and 6,505 yen respectively). In addition, KKR analyzed the share value of the Target Company Shares by comparing the market share prices and profitability of multiple listed companies that are relatively similar to the Target Company in terms of business contents, business scale, earnings status, etc. Subsequently, in light of the fact that Target Company’s share price has continued to trade above the First Tender Offer Price (8,800 yen), so as to increase the likelihood of the swift privatization of the Target Company, on November 15, 2024, the Tender Offeror decided on the Second Tender Offer Price.

The Tender Offeror has determined the Tender Offer Price through comprehensive consideration of the above factors and through consultation and negotiation with the Target Company, and the Tender Offeror has not obtained a share valuation report from third-party valuation institutions.

The Tender Offer Price of 9,451 yen represents a 27.89% premium on the closing price of the Target Company Shares on the TSE Prime Market on August 7, 2024, the business day immediately preceding the date of the First Tender Offer (7,390 yen), a 32.55% premium on the simple average of the closing prices for the one month preceding the above date (7,130 yen), a 39.05% premium on the simple average of the closing prices for the three months preceding the above date (6,797 yen), and a 45.29% premium on the simple average of the closing prices for the six months preceding the above date (6,505 yen).

(2) Share Options

As of today, the exercise price per one Target Company Share under the Share Options is lower than the Tender Offer Price (9,451 yen) (Fifth Series Share Options: 3,465 yen, Sixth Series Share Options: 4,152 yen, Seventh Series Share Options: 6,519 yen). Therefore, the Tender Offeror decided to set the price for each Share Option at the amount calculated by multiplying (x) the Tender Offer Price of 9,451 yen by (y) the number of Target Shares that are subject to such Share Options (Fifth Series Share Options: 200, Sixth Series Share Options: 200, Seventh Series Share Options: 100). Specifically, it was decided that the price for Fifth Series Share Options would be 1,197,200 yen, calculated by multiplying 5,986 yen, which is the difference with the exercise price of 3,465 yen per Target Company Share, by 200; the price for Sixth Series Share Options would be 1,059,800 yen, calculated by multiplying 5,299 yen, which is the difference with the exercise price of 4,152 yen per Target Share, by 200; the price for Seventh Series Share Options would be 293,200 yen, calculated by multiplying 2,932 yen, which is the difference with the exercise price of 6,519 yen per Target Share, by 100.

The Sixth and Seventh Series of Share Options are subject to purchase in the Tender Offer because they satisfy conditions for exercising rights other than in the exercise period, although the exercise period has not yet arrived.

In addition, the requirements for issuance of all of the Share Options stipulate that the acquisition of Share Options by transfer requires the approval of the Target Company board of directors, and that transfer of the Share Options is prohibited under the Share Options allotment agreement. In order to make the Share Options transferrable, at the board of directors meeting of the Target Company held on August 8, 2024, it was resolved that, subject to the completion of the Tender Offer, the transfer of Share Options held by all of the Share Option Holders to the Tender Offeror by tendering their Share Options in the Tender Offer is comprehensively approved, and that the terms of the Share Options allotment agreement for the Share Options be amended to allow for the transfer of Share Options between Share Option Holders that wish to make such transfer.

(II) Background of Calculation

Since late October 2022, the Target Company has consulted with KKR regarding its financial and business strategies, and from late October 2022 KKR has held ongoing discussions with the Target Company on multiple occasions regarding measures that will contribute to accelerating business growth and enhancing corporate value for future growth. In early July 2023, KKR was approached by 3DIP to participate in the 3DIP Process. In response to this, in early July of the same year, KKR began considering whether to participate in the 3DIP Process. As KKR strengthens its investment in the IT, software, and DX fields, through its discussions with the Target Company to date, KKR has strengthened its view that there is significant room for accelerating the Target Company's business growth and increasing its corporate value for future growth by utilizing KKR's global network. Although it is extremely unusual for 3DIP, the largest shareholder, to execute the process without the consent of the Target Company, in the case of a tender offer for a company with a major shareholder such as the Transaction, KKR determined that it is extremely important from the perspective of both the Tender Offeror and the shareholders to increase the probability of executing the transaction through the conclusion of a tender agreement with the major shareholder and to disclose it appropriately, and that securing a preferential negotiation right with 3DIP regarding the capital policy of the Target Company Shares

owned by 3DIP through the 3DIP Process has important significance for the Transaction. Therefore, given that the purpose of the 3DIP Process is not intended to create any conflict with the Target Company, KKR decided to participate in the 3DIP Process after communicating with the Target Company's management. Subsequently, KKR conducted an initial review based on the sales and operating income results of the Target Company Group as a whole and by segment, the status of the Target Company's assets and liabilities, and the mid-term business plan, etc., published by the Target Company. Although it was still at a preliminary stage prior to the conducting of due diligence based on information provided by the Target Company, KKR came to believe that the Target Company has strong competitiveness, growth potential, and high potential, based on deepening its understanding of the industry characteristics and growth potential of the domestic Sler market to which the Target Company belongs, the competitive advantage that the Target Company has established in the domestic Sler market, the direction of the Target Company's growth strategy, and the potential for improving corporate value and stock value, and on August 18, 2023, KKR submitted the 3DIP Process Proposal to 3DIP, and proposed the implementation of a transaction to take the Target Company private with a tender offer price of 6,400 yen per Target Company Share. The tender offer price in the 3DIP Process Proposal includes a premium of 41.59% on the closing price of the Target Company Shares on the TSE Prime Market on August 17, 2023 (such date being the business day immediately preceding August 18, 2023) (4,520 yen), 37.28% on the simple average of the closing prices for the preceding one month (from July 18, 2023 to August 17, 2023) (4,662 yen), 39.59% on the simple average of the closing prices for the preceding three months (from May 18, 2023 to August 17, 2023) (4,585 yen), and 49.05% on the simple average of the closing prices for the preceding six months (from February 20, 2023 to August 17, 2023) (4,294 yen). A premium of 150.00% was given on the closing price on February 16, 2022 (2,560 yen), which is the business day immediately preceding February 17, 2022, when the news report on the Shareholder Proposal was made, which triggered a fluctuation in the Target Company's stock price, a premium of 157.03% was given on the simple average of the closing prices for the preceding one month (from January 17, 2022 to February 16, 2022) (2,490 yen), a premium of 142.15% was given on the simple average of the closing prices for the preceding three months (from November 17, 2021 to February 16, 2022) (2,643 yen), and a premium of 130.96% was given on the simple average of the closing prices for the preceding six months (from August 17, 2021 to February 16, 2022) (2,771 yen). Subsequently, on August 31, 2023, KKR was notified that 3DIP will enter into the 3DIP Process Preferential Negotiation Right Agreement with several candidates, including KKR who passed the 3DIP Process, and that 3DIP has submitted to the Target Company's board of directors non-legally binding proposals from several candidates who have been granted the 3DIP Process Preferential Negotiation Right, including KKR.

On August 4, 2023, KKR was approached by the Target Company to participate in the Target Company Information Provision Process and thereafter did so, and from early August to early September of the same year, KKR conducted due diligence on the Target Company's business, finance, legal affairs, etc., and management interviews with the Target Company's management regarding the Target Company's business strategy, and KKR proceeded with analysis and consideration regarding the acquisition of Target Company Shares. Based on the results of the due diligence conducted between early August and early September 2023, based on a multifaceted and comprehensive analysis of the Target Company's business and financial status, and by comparing the market share prices and financial indicators showing profitability of multiple listed companies that are relatively similar to the Target Company in terms of business contents, business scale, earnings status, etc., on September 8, 2023, KKR submitted the Target Company Process Information Provision Form, and based on the progress in understanding the Target Company's business based on the results of due diligence, KKR proposed the implementation of a transaction to take the Target Company private with the tender offer price of 6,800 to 7,200 yen per Target Company Share, which exceeded the proposed price of 6,400 yen in the 3DIP Process Proposal. The tender offer price in the Target Company Process Information Provision Form includes a premium of 52.64 to 61.62% on the closing price of the Target Company Shares on the TSE Prime Market on September 7, 2023 (such date being the business day immediately preceding September 8, 2023) (4,455 yen), 50.68 to 59.54% on the simple average of the closing prices for the preceding one month (from August 8, 2023 to September 7, 2023)

(4,513 yen), 48.47 to 57.21% on the simple average of the closing prices for the preceding three months (from June 8, 2023 to September 7, 2023) (4,580 yen), and 56.57 to 65.78% on the simple average of the closing prices for the preceding six months (from March 8, 2023 to September 7, 2023) (4,343 yen). A premium of 165.63 to 181.25% was given on the closing price on February 16, 2022 (2,560 yen), which is the business day immediately preceding February 17, 2022 when the news report on the Shareholder Proposal was made, which triggered a fluctuation in the Target Company's stock price, a premium of 173.09 to 189.16% was given on the simple average of the closing prices for the preceding one month (from January 17, 2022 to February 16, 2022) (2,490 yen), a premium of 157.28 to 172.42% was given on the simple average of the closing prices for the preceding three months (from November 17, 2021 to February 16, 2022) (2,643 yen), and a premium of 145.40 to 159.83% was given on the simple average of the closing prices for the preceding six months (from August 17, 2021 to February 16, 2022) (2,771 yen).

According to the Target Company, following that, 3DIP shared with the Target Company on September 4, 2023 non-binding proposals that were provided to 3DIP by three potential investors that have been granted the 3DIP Process Preferential Negotiation Right including KKR. Taking into account the Guidelines for Corporate Takeovers published by the Ministry of Economy, Trade and Industry on August 31, 2023 ("Corporate Takeover Guidelines"), the Target Company determined that it was necessary to conduct a sincere review of those proposals while ensuring the fairness and transparency of the review process. Therefore, in a resolution of a meeting of the board of directors dated September 12, 2023, the Target Company decided to establish the Special Committee, composed solely of six independent outside directors (Chairman: Hikari Imai, Members: Tomoko Aramaki, Takao Tsuji, Hidetaka Nishina, Yuya Shimizu, and Shintaro Ishimaru), with greater authority than the abovementioned Independent Directors WG. The Special Committee was tasked with (a) comparing and reviewing the Target Company's corporate value enhancement measures with the corporate value enhancement measures proposed by the three potential investors in their proposals to take the Target Company Shares private ("Privatization Proposals") to determine which would better secure or enhance the corporate value of the Target Company and the common interests of the Target Company's shareholders, and making recommendations or suggestions to the board of directors on which proposal is preferable and (b) if the Special Committee determines that the corporate value enhancement measures proposed by any of the three potential investors in the Privatization Proposals under (a) is more desirable than the corporate value enhancement measures formulated by the Target Company, reviewing that Privatization Proposal from the perspective of whether it would secure or enhance the corporate value of the Target Company and the common interests of the Target Company's shareholders, and making recommendations or suggestions to the board of directors on whether to approve that Privatization Proposal. The board of directors also resolved to respect the decisions of the Special Committee to the greatest extent possible when making decisions related to the above entrusted matters. In the middle of September 2023, the Special Committee appointed, as independent advisors exclusive to the Special Committee, JP Morgan Securities Japan Co., Ltd. ("JP Morgan Securities") as a financial advisor and Shiomizaka as a legal advisor. On September 15, 2023, the Special Committee recommended to the Target Company's board of directors to conduct a careful review of the proposals received from multiple potential investors via 3DIP, given that they are considered bona fide offers as defined in the Corporate Takeover Guidelines. Additionally, while the Target Company received information from four companies during the Target Company Information Provision Process, that information was solely related to corporate value enhancement strategies and does not constitute offers to purchase the Target Company, so that information was not reviewed by the Special Committee.

From September 2023 to April 2024, KKR continued constructive discussions with the board of directors of the Target Company, the Special Committee, and the management of the Target Company on business strategies that contribute to maximizing the corporate value of the Target Company. Given the privatization through tender offer of the four listed consolidated subsidiaries of the Target Company (VINX CORP., Cyber COM Co., Ltd., Cybernet Systems Co., Ltd., and FUJI SOFT SERVICE BUREAU INCORPORATED) announced by the Target Company on

November 8, 2023, the details of the financial results for the fiscal year ended December 2023 announced on February 14, 2024, the New Mid-term Business Plan announced on the same day, and the details of the discussions to date between the Target Company's board of directors and the Special Committee, KKR submitted the Proposal Dated February 29 Concerning the Target Company Process to the Special Committee on February 29, 2024. KKR proposed a tender offer price of 7,800 to 8,100 yen per Target Company Share in the Proposal Dated February 29 Concerning the Target Company Process. The tender offer price in the Proposal Dated February 29 Concerning the Target Company Process includes a premium of 22.83 to 27.56% on the closing price of the Target Company Shares on the TSE Prime Market on February 28, 2024 (such date being the business day immediately preceding February 29, 2024) (6,350 yen), 23.87 to 28.63% on the simple average of the closing prices for the preceding one month (from January 29, 2024 to February 28, 2024) (6,297 yen), 25.81 to 30.65% on the simple average of the closing prices for the preceding three months (from November 29, 2023 to February 28, 2024) (6,200 yen), and 37.61 to 42.91% on the simple average of the closing prices for the preceding six months (from August 29, 2023 to February 28, 2024) (5,668 yen). A premium of 62.67 to 68.93% is given on the closing price on October 2, 2023 on which the Speculative Reporting was made (4,795 yen), a premium of 66.24 to 72.63% is given on the simple average of the closing prices for the preceding one month (from September 4, 2023 to October 2, 2023) (4,692 yen), a premium of 69.01 to 75.51% is given on the simple average of the closing prices for the preceding three months (from July 3, 2023 to October 2, 2023) (4,615 yen), and a premium of 75.32 to 82.06% is given on the simple average of the closing prices for the preceding six months (from April 3, 2023 to October 2, 2023) (4,449 yen). A premium of 204.69 to 216.41% is given on the closing price on February 16, 2022 (2,560 yen), which is the business day immediately preceding February 17, 2022 when the news report on the Shareholder Proposal was made, which triggered a fluctuation in the Target Company's stock price (2,560 yen), a premium of 213.25 to 225.30% is given on the simple average of the closing prices for the preceding one month (from January 17, 2022 to February 16, 2022) (2,490 yen), a premium of 195.12 to 206.47% is given on the simple average of the closing prices for the preceding three months (from November 17, 2021 to February 16, 2022) (2,643 yen), and a premium of 181.49 to 192.31% is given on the simple average of the closing prices for the preceding six months (from August 17, 2021 to February 16, 2022) (2,771 yen).

Subsequently, from early April 2024 to early June 2024, KKR conducted additional analysis of the Target Company's business, finance, legal affairs, etc., conducted management interviews with the Target Company's management regarding its business strategy, and proceeded with considering the acquisition of Target Company Shares. KKR has come to believe that substantial growth of the Target Company is possible by forming a strategic partnership between the Target Company, which it believes has advanced technology, abundant human capital, and a solid customer base, and KKR, which it believes has abundant human and capital resources, experience in both the IT and real estate fields, and a global network, by privatizing the Target Company Shares, based on further deepening its understanding of the New Mid-term Business Plan and the Target Company's medium- to long-term growth and future vision, in addition to deepening its understanding of the industry characteristics and growth potential of the domestic S1er market to which the Target Company belongs, the competitive advantage that the Target Company has established in the domestic S1er market, the direction of the Target Company's medium- to long-term growth strategy, and the potential for improving corporate value and stock value. On June 14, 2024, based on a multifaceted and comprehensive analysis of the Target Company's business and financial status, and upon analyzing the value of the Target Company Shares in comparison with the market share prices and profitability of multiple listed companies that are relatively similar to the Target Company in terms of business contents, business scale, earnings status, etc., KKR submitted the Final Proposal Concerning the Target Company Process to the Target Company, including a description of the tender offer price and the First Share Option Purchase Price, on the basis that the Target Company Shares will be privatized. In the Final Proposal Concerning the Target Company Process, KKR proposed that the tender offer price be 8,800 yen per Target Company Share, that the Share Options, including those for which the exercise period has not yet expired, be subject to a tender offer, and that the First Share Option Purchase Price be a price calculated by multiplying the difference

between the tender offer price of the Target Company Shares (8,800 yen) and the exercise price per Share Option by the number of Target Company Shares which are subject to a Share Option (Fifth Series Share Options: 1,067,000 yen, Sixth Series Share Options: 929,600 yen, Seventh Series Share Options: 228,100 yen). The tender offer price in the Final Proposal Concerning the Target Company Process includes a premium of 30.76% on the closing price of the Target Company Shares on the TSE Prime Market on June 13, 2024 (such date being the business day immediately preceding June 14, 2024) (6,730 yen), 38.15% on the simple average of the closing prices for the preceding one month (from May 14, 2024 to June 13, 2024) (6,370 yen), 41.55% on the simple average of the closing prices for the preceding three months (from March 14, 2024 to June 13, 2024) (6,217 yen), and 41.16% of the simple average of the closing prices for the preceding six months (from December 14, 2023 to June 13, 2024) (6,234 yen). A premium of 83.52% is given on the closing price on October 2, 2023 on which the Speculative Reporting was made (4,795 yen), a premium of 87.55% is given on the simple average of the closing prices for the preceding one month (from September 4, 2023 to October 2, 2023) (4,692 yen), a premium of 90.68% is given on the simple average of the closing prices for the preceding three months (from July 3, 2023 to October 2, 2023) (4,615 yen), and a premium of 97.80% is given on the simple average of the closing prices for the preceding six months (from April 3, 2023 to October 2, 2023) (4,449 yen). A premium of 243.75% is given on the closing price on February 16, 2022 (2,560 yen), which is the business day immediately preceding February 17, 2022 when the news report on the Shareholder Proposal was made, which triggered a fluctuation in the Target Company's stock price (2,560 yen), a premium of 253.41% is given on the simple average of the closing prices for the preceding one month (from January 17, 2022 to February 16, 2022) (2,490 yen), a premium of 232.95% is given on the simple average of the closing prices for the preceding three months (from November 17, 2021 to February 16, 2022) (2,643 yen), and a premium of 217.57% is given on the simple average of the closing prices for preceding last six months (from August 17, 2021 to February 16, 2022) (2,771 yen).

Subsequently, on July 5, 2024, KKR was notified by the Target Company that KKR was granted exclusive negotiation rights for the Transaction. After continuing discussions with the Target Company from early July to early August of the same year regarding practical measures toward the implementation of the Transaction, such as the coordination of the business and financial information of the Target Company necessary for obtaining the Clearance, an agreement was reached on August 7, 2024 to implement the Transaction by setting the tender offer price of the Target Company Shares at 8,800 yen per Target Company Share and setting the First Share Option Purchase Price at a price calculated by multiplying the difference between the First Tender Offer Price (8,800 yen) and the exercise price per Target Company Share for each Share Option by the number of Target Company Shares per Share Option, and on the same day, the Tender Offeror decided to implement the First Tender Offer. Further, since the Tender Offeror has confirmed that all of the Conditions Precedent (excluding the completion of acquisition of Clearance related to the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities) have been satisfied as stated in “(1) Outline of the Tender Offers” in “1. Purpose of the Tender Offer” above, the Tender Offeror has determined that the First Tender Offer can be commenced at the time scheduled in the Tender Offeror Press Release dated August 8, 2024, and the Tender Offeror waived the Conditions Precedent relating to completion of acquisition of Clearance related to the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities (condition 11); therefore, on September 4, 2024, the Tender Offeror decided to commence the First Tender Offer on September 5, 2024. Since the Tender Offeror believes that there is no particular change in the factors considered in determining the First Tender Offer Price, even taking into account the situation from August 8, 2024, when the Tender Offeror published the Tender Offeror Press Release dated August 8, 2024 to September 4, 2024, the Tender Offeror has determined that it is not necessary to change the First Tender Offer Price that was determined on August 8, 2024.

In addition, on September 3, 2024, the Bain Capital Press Release was published. According to the Target Company Press Release Dated September 4, 2024, from the viewpoint of not arbitrarily eliminating the possibility of counterproposals being realized, the Target Company decided on September 4, 2024 to continue granting Bain Capital

the opportunity to conduct due diligence during the First Tender Offer Period, and that if a legally binding proposal is made by Bain Capital, the Target Company and the Special Committee planned to carefully and sincerely consider it. However, the Bain Capital Press Release states Bain Capital may make a legally binding proposal to take the Target Company private, subject to certain conditions precedent, including (i) the cooperation reasonably required from the Target Company is obtained in a timely manner, (ii) the necessary institutional decisions are made at Bain Capital, (iii) good faith discussions are entered into with the management of the Target Company through an appropriate process and the management of the Target Company and Bain Capital reach a consensus as to management policy for after the delisting of the Target Company Shares, (iv) it being confirmed in future due diligence that there have been no changes to the Target Company Group's business, financial situation, management situation, assets, liabilities, cash flows, or future prospects from the content verified in the Target Company Information Provision Process, and (v) preparation having been made for receipt of commitment letters for certain funds-based financing from major domestic financial institutions. However, it was unclear as to (a) whether Bain Capital will make a legally binding proposal, and if so, when, (b) what time frame the Target Company will use to consider the legally binding proposal if one is made, (c) whether the Target Company will change its opinion regarding the First Tender Offer (a resolution of the board of directors of the Target Company expressing an opinion in favor of the First Tender Offeror and recommending the shareholders and Share Options Holders tender in the Tender Offer) as a result of such consideration, and (d) the reliability of the schedule set out in the Bain Capital Press Release (the plan for Bain Capital to submit a legally binding proposal and announce the scheduled commencement of a tender offer by Bain Capital in October 2024, and the conducting of a tender offer in November 2024 by Bain Capital). In this regard, the Guidelines for Corporate Takeovers – Enhancing Corporate Value and Securing Shareholder's Interests established by the Ministry of Economy, Trade and Industry on August 31, 2023 state that from the perspective of ensuring that shareholders are provided with the necessary information when making decisions about acquisitions and are not prevented from making rational decisions, it is not advisable for an acquiring party to “announce advance notice of a planned tender offer without a reasonable basis for actually commencing the tender offer, such as by lacking the financial resources required for the acquisition”. However, since the publication of the Bain Capital Press Release, the market price of the Target Company Shares has risen sharply, and the Tender Offeror believed that there are concerns that the Target Company shareholders and Share Option Holders are being prevented from making rational decisions.

In addition, according to the Target Company Press Release Dated September 4, 2024, as of September 3, 2024, the Tender Agreements entered into by the Tender Offeror remained valid, and that given the high likelihood of the Tendering Shareholders tendering in the First Tender Offer by the Tender Offeror was one of the reasons why the Special Committee determined that there was no change in its assessment that the Transaction by the Tender Offeror is superior to the proposal by Bain Capital in terms of feasibility, the Tender Offeror believed that whether or not 3DIP and Farallon will tender in the First Tender Offer in accordance with the Tender Agreements is important information for the Target Company shareholders and Share Option Holders in making a rational decision as to the feasibility of the Transaction by the Tender Offeror and Bain Capital's proposal. However, in the Bain Capital Press Release, it is speculated, without providing any concrete evidence, that if the Target Company changes its opinion on the Tender Offer, 3DIP will be released from its obligations under the 3DIP Tender Agreement and will be able to tender in a tender offer by Bain Capital. Therefore, the Tender Offeror believed that there are specific concerns that actions may be taken by the Target Company shareholders and Share Option Holders under the assumption that there is a possibility the Tendering Shareholders may not tender in the First Tender Offer, and that the making of rational decisions may be hindered.

Therefore, so that all of the Target Company Shares and the Share Options that Prospective Selling Shareholders, including each Tendering Shareholder, and Prospective Selling Share Option Holders wish to sell can be acquired by the Tender Offeror on the commencement date of settlement of the First Tender Offer (November 12, 2024), on September 19, 2024, the Tender Offeror decided on the Removal of the Minimum Tender Condition. Furthermore, the

Tender Offeror decided that in addition to the Removal of the Minimum Tender Condition, so that the shareholders of the Target Company and Share Option Holders who wish to assess whether Bain Capital will make a legally binding proposal in October 2024 and announce a planned tender offer as described in the Bain Capital Press Release, and the details thereof, will have a certain opportunity secured to sell the Target Company Shares at the same price as that of the First Tender Offer Price, and the Share Options at the difference between the First Tender Offer Price and the exercise price per Target Company Share, in a manner which avoids coercion towards the shareholders of the Target Company and the Share Option Holders, even in the case that Bain Capital has not announced a planned tender offer, it would commence the Second Tender Offer as soon as practicably possible after the First Tender Offer is completed and settlement is completed. Prior to deciding on the Scheme Change, the Tender Offeror explained the details of the Scheme Change to each Tendering Shareholder, and when confirming their intention to tender the Planned Tender Shares regardless of the Removal of the Minimum Tender Condition, each Tendering Shareholder expressed their intention to the Tender Offeror to tender their respective Planned Tender Shares. In addition, as of September 19, 2024, the Tender Offeror has confirmed that each of the Tendering Shareholders has already tendered their respective Planned Tender Shares pursuant to their respective Tender Agreements, and such tender will not be withdrawn without the consent of the Tender Offeror. Subsequently, such tender was not withdrawn, and the Tender Offeror acquired the Planned Tender Shares as of commencement date of settlement of the First Tender Offer (November 12, 2024).

Subsequently, the Tender Offeror decided on September 19, 2024 that if the First Tender Offer was completed, provided that no event has occurred that falls under the conditions for withdrawal of the First Tender Offer (for details, please refer to “(2) Existence and Description of Conditions for Withdrawal of Tender Offer, and Method of Disclosure of Withdrawal” of “11. Other Conditions and Methods of Purchase” below), the Tender Offeror would, to the extent practicable after settlement, conduct the Second Tender Offer with the aim of acquiring all of the Target Company Shares and Share Options other than those acquired through the First Tender Offer (which includes Restricted Shares and Target Company Shares delivered upon exercise of the Share Options but excludes treasury shares owned by the Target Company), and if the Tender Offeror acquired 33,658,500 or more Target Company Shares (53.40%) in the First Tender Offer, the Second Tender Offer would not be conducted. However, as the number of First Tender Offer Tendered Shares was 22,131,902 shares (Ownership Ratio: 35.11%), which is less than 33,658,500 shares, the Tender Offeror decided to conduct the Second Tender Offer. In light of the fact that Target Company’s share price has continued to trade above the First Tender Offer Price (8,800 yen), so as to increase the likelihood of the swift privatization of the Target Company, on November 15, 2024, the Tender Offeror decided on the Price Increase. Upon informing the Target Company of the same, the Target Company stated that at its board of directors meeting held on November 15, 2024, the Target Company resolved to express its opinion in opposition to Bain Capital’s tender offer, and to express its opinion in support for the Second Tender Offer, and to recommend that the Target Company shareholders and Share Option Holders tender their Target Company Securities in the in the Second Tender Offer. Therefore, on November 15, 2024, the Tender Offeror decided to commence the Second Tender Offer as soon as practicable once the disclosure documentation is prepared, which is expected to be mid-week during the week of November 18, 2024. Subsequently, as the disclosure documentation was prepared, on November 19, 2024, the Tender Offeror decided to commence the Second Tender Offer from November 20, 2024.

(III) Relationships with Valuation Institutions

The Tender Offeror determined the Tender Offer Price and the Share Option Purchase Price through discussions and negotiations with the Target Company, comprehensively considering the factors described in “(I) Basis for Calculation” above, and has not obtained a share valuation report or fairness opinion from third-party valuation institutions.

(5) Number of Shares, etc. to Be Purchased

Type of Shares, etc.	Number of Shares to be Purchased	Minimum Number of Shares to be Purchased	Maximum Number of Shares to be Purchased
Common Shares	41,650,969 (shares)	12,133,398 (shares)	- (shares)
Total	41,650,969 (shares)	12,133,398 (shares)	- (shares)

(Note 1) If the total number of Tendered Shares (including the number of shares subject to the Share Options tendered in the Tender Offer; the same shall apply hereinafter) is less than the minimum number of shares to be purchased (12,133,398 shares), the Tender Offeror will not purchase any of the Tendered Shares. If the total number of Tendered Shares is equal to or exceeds the minimum number of shares to be purchased (12,133,398 shares), the Tender Offeror will purchase all of the Tendered Shares.

(Note 2) Shares of less than one unit and cross-held shares (meaning the Target Company Shares held by Nihon Business Soft Incorporation; the same shall apply hereinafter) are also subject to the Tender Offer. If a shareholder exercises its right to demand the purchase of shares of less than one unit in accordance with the Companies Act, the Target Company may buy back its own shares during the Second Tender Offer Period in accordance with the procedures required by laws and regulations.

(Note 3) There are no plans for the treasury shares owned by the Target Company to be acquired through the Tender Offer.

(Note 4) Share Options may be exercised until the last day of the Second Tender Offer Period, and shares of the Target Company to be issued or transferred upon such exercise are also subject to the Tender Offer.

(Note 5) As the maximum number of shares to be purchased in the Tender Offer has not been set, the maximum number of Target Company Shares to be purchased by the Tender Offeror in the Tender Offer (41,650,969 shares) is indicated as the number of shares to be purchased. This maximum number is calculated from (i) the total number of shares issued by the Target Company as of October 15, 2024 as stated in the Consolidated Financial Results for the Third Quarter of the Target Company (67,400,000 shares), (ii) adding the number of shares subject to the Share Options (769,800 shares) remaining as of September 30, 2024 as reported by the Target Company, such sum of item (i) and (ii) being 68,169,800 shares and subtracting (iii) the number of treasury shares held by the Target Company as of September 30, 2024 (4,386,929 shares) and the number of Target Company Securities held by the Tender Offeror as of today (22,131,902 shares) (equal to 41,650,969 shares).

(6) Changes in Ownership Ratio of Shares, etc. through the Purchase

The number of voting rights represented by the shares, etc. owned by the Tender Offeror prior to the Purchase	214,133 rights	(Ownership ratio of shares, etc. prior to the Purchase 33.97 %)
The number of voting rights represented by the shares, etc. owned by specially related persons prior to the Purchase	- rights	(Ownership ratio of shares, etc. prior to the Purchase - %)
The number of voting rights represented by shares, etc. owned by the Tender Offeror after the Purchase	630,282 rights	(Ownership ratio of shares, etc. after the Purchase 100.00%)
The number of voting rights represented by the shares, etc. owned	- rights	(Ownership ratio of shares, etc. after the Purchase)

by specially related persons after the Purchase		- %)
The total number of voting rights of all shareholders of the Target Company	629,211 rights	

(Note 1) “The number of voting rights represented by the shares, etc. owned by the Tender Offeror after the Purchase” is the number of voting rights represented by the sum of the number of shares to be purchased (41,650,969 shares) in the Tender Offer as described in “(5) Number of Shares, etc. to Be Purchased ” and “The number of voting rights represented by the shares, etc. owned by the Tender Offeror prior to the Purchase” above. Of the number of shares to be purchased in the Tender Offer, with respect to the number of shares subject to the Sixth Series Share Options (80 options) and the Seventh Series Share Options (200 options) (Sixth Series Share Options: 16,000 shares, the Seventh Series Share Options: 20,000 shares), the first day of the exercise period for the Sixth and Seventh Series Share Options are April 1, 2025 and March 27, 2026, respectively. During the purchase period for the Tender Offer, as the exercise of the Sixth and Seventh Series Share Options and the issuance of or transfer of Target Company Shares to the holders of the Sixth and Seventh Series Share Options is not expected to occur; the number of voting rights for the number of shares to be purchased in the Tender Offer shall be the number of shares to be purchased (41,650,969 shares) less the number of shares subject to the Sixth Series Share Options (80 options) and Seventh Series Share Options (200 options) (Sixth Series Share Options: 16,000 shares, Seventh Series Share Options: 20,000 shares) (such amount being 41,614,969 shares and 416,149 rights)

(Note 2) “The total number of voting rights of all shareholders of the Target Company” is the total number of voting rights of all shareholders as of September 30, 2024, as stated in the Target Company Semiannual Report. However, since shares of less than one unit, cross-held shares, and the Target Company Shares to be issued or transferred upon the exercise of the Share Options are also subject to the Tender Offer, in the calculation of “Ownership ratio of shares, etc. prior to the Purchase” and “Ownership ratio of shares, etc. after the Purchase”, the number of voting rights (630,282 voting rights) represented by the Total Number of Shares after Taking into Account the Potential Shares of the Target Company (63,028,271 shares) is the denominator.

(Note 3) “The number of voting rights represented by the shares, etc. owned by specially related persons prior to the Purchase” and “The number of voting rights represented by the shares, etc. owned by specially related persons after the Purchase” is the number of voting rights represented by the number of Shares held by each specially related person (however, this does not include specially related persons who are excluded from the category of specially related persons pursuant to Article 3, Paragraph 2, Item 1 of the Cabinet Office Order for the purposes of calculation of the ownership ratio of shares under each item of Article 27-2, Paragraph 1 of the Act.

(Note 4) “Ownership ratio of shares, etc. prior to the Purchase” and “Ownership ratio of shares, etc. after the Purchase” are rounded to the nearest two decimal places.

(7) Purchase Amount (393,446,496,019 yen)

(Note) The purchase amount is calculated by multiplying the amount obtained by (i) deducting the number of Target Company Shares held by the Tender Offeror as of today (21,413,302 shares, Ownership Ratio: 33.97%), from the Total Number of Shares after Taking into Account the Potential Shares of the Target Company (63,028,271 shares) (such amount being 41,614,969 shares), by the Tender Offer Price (9,451 yen) (such amount being 393,303,072,019 yen), and adding (2)(i) the amount obtained by multiplying the number of Sixth Series Share Options remaining as of today (1310 options) less the number of Sixth Series Share Options held by the Tender Offeror as today (1,230 options) (such amount being 80 options) by the

Sixth Series Share Options Purchase Price (1,059,800 yen) (such amount being 84,784,00 yen), and (ii) the amount obtained by multiplying the number of Seventh Series Share Options remaining as of today (2,900 options) less the number of Seventh Series Share Options held by the Tender Offeror as today (such amount being 2,700 options) (200 options) by the Seventh Series Share Options Purchase Price (293,200 yen) (such amount being 56,640,000 yen).

(8) Settlement Method

(I) Name and Location of Head Office of the Financial Instruments Business Operator or Bank etc. Responsible for Settlement

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
1-9-2, Otemachi, Chiyoda-ku, Tokyo

au Kabucom Securities Co., Ltd. (sub-agent)
3-2-5, Kasumigaseki, Chiyoda-ku, Tokyo

(II) Settlement Commencement Date

December 26, 2024 (Thursday)

(III) Settlement Method

Promptly following the expiration of the Tender Offer Period, notifications of the purchases in the Tender Offer will be mailed to the addresses or locations of the Tendering Shareholders (or the standing proxies, for Foreign Shareholders). Issuance of notifications by the sub-agent will be delivered by electromagnetic means through the screen after login.

Purchases will be made in cash. At the instruction of the Tendering Shareholders (or the standing proxies for Foreign Shareholders) and promptly after the date of commencement of settlement, the proceeds of sales of Shares that were purchased in the Tender Offer will be remitted by the tender offer agent to the place designated by the Tendering Shareholders (or standing proxies, for Foreign Shareholders), or paid into the accounts of the Tendering Shareholders whose applications for tender were accepted by the tender offer agent or sub-agent.

(IV) Method of Return of Shares

If all of the Tendered Shares are not purchased in accordance with the conditions described in “(1) Existence and Description of Conditions Stipulated in each Item of Article 27-13, Paragraph 4 of the Act” or “(2) Existence and Description of Conditions for Withdrawal of Tender Offer, and Method of Disclosure of Withdrawal” in “9. Other Conditions and Methods of Purchase” below, the Shares that need to be returned will be returned by restoring the record to the state in which it existed immediately before they were tendered, promptly on or after the second business day after the last day of the Tender Offer Period (or, if the Tender Offer is withdrawn, the date of withdrawal).

(9) Other Conditions and Methods of Purchase

(I) Existence and Description of Conditions Stipulated in each Item of Article 27-13, Paragraph 4 of the Act

If the total number of Tendered Shares does not reach the minimum number of shares to be purchased (12,133,398 shares), none of the Tendered Shares will be purchased. If the total number of Tendered Shares equals to or exceeds the minimum number of shares to be purchased (12,133,398 shares), all of the Tendered Shares will be purchased.

(II) Existence and Description of Conditions for Withdrawal of Tender Offer, and Method of Disclosure of Withdrawal

If any of the facts set forth in Article 14, paragraph (1), item (i), (a) through (j) as well as (m) through (s), Article 14,

paragraph (1), item (iii), (a) through (h) and (j), as well as Article 14, paragraph (2), item (iii) through (vi) of the Order occurs, the Tender Offer may be withdrawn. “Facts equivalent to those set forth in (a) to (i)” mentioned in Article 14, paragraph (1), item (iii), (j) of the Order means the following situations: (i) where it has been discovered that any of the statutory disclosure documents submitted by the Target Company in the past contained a false statement regarding a material matter or omitted a material matter that should have been included, if the Tender Offeror is unaware of the false statement or the omission and could not become aware of the same despite having used a reasonable degree of care, and (ii) where any of the events set forth in (a) to (g) of the same item has occurred to an important subsidiary of the Target Company.

If the Tender Offer will be withdrawn, an electronic public notice will be made, and a notice to that effect will be published in the Nihon Keizai Shimbun. However, if issuing the public notice by the last day of the Tender Offer Period proves difficult, an announcement will be made via the methods set forth in Article 20 of the Cabinet Office Order, and a public notice will be issued immediately thereafter.

(III) Existence and Description of Conditions for Reduction to Purchase Price, and Method of Disclosure of Reduction to Purchase Price

In accordance with Article 27-6, paragraph (1), item (i) of the Act, if the Target Company engages in any of the actions described in Article 13, paragraph (1) of the Order during the Tender Offer Period, the purchase price may be reduced in accordance with the standards provided in Article 19, paragraph (1) of the Cabinet Office Order.

If the purchase price will be reduced, an electronic public notice will be made, and a notice to that effect will be published in the Nihon Keizai Shimbun. However, if issuing the public notice by the last day of the Tender Offer Period proves difficult, an announcement will be made via the methods set forth in Article 20 of the Cabinet Office Order, and a public notice will be issued immediately thereafter.

If the purchase price is reduced, purchases will be made at the newly reduced price even with respect to the Tendered Shares that were tendered on or before the date on which the public notice was made.

(IV) Matters Concerning Right of Tendering Shareholders to Terminate Contracts

Tendering Shareholders may terminate their agreements related to the Tender Offer at any time during the Tender Offer Period. When terminating an agreement for a tender application made to the tender offer agent, please deliver or send the “Tender Offer Application Receipt Form” and a document indicating the intention to terminate the agreement concerning the Tender Offer (“Termination Document”) to the head office or any branch of the tender offer agent that accepted the tender application by 16:00 on the last day of the Tender Offer Period. The termination of the agreement shall take effect when the Termination Document is delivered to or reaches the person designated below. However, if a Termination Document is sent, the Termination Document must reach the person designated below by 16:00 on the last day of the Tender Offer Period. To terminate an agreement for a tender applied for through the sub-agent, au Kabucom Securities Co., Ltd., please carry out the cancellation procedures onscreen after login in the manner provided in “Tender Offer (TOB)” (<https://kabu.com/item/tob/>) on the sub-agent’s website (<https://kabu.com/>) by 16:00 on the last day of the Tender Offer Period.

Persons authorized to receive the Termination Document
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
1-9-2, Otemachi, Chiyoda-ku, Tokyo
(Other branches of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.)

The Tender Offeror will not seek payment of damages or penalties from Tendering Shareholders in connection with termination of their agreements. Furthermore, any expenses associated with returning Tendered Shares will be borne by the Tender Offeror. In the event of any termination of any such agreement, Tendered Shares will be returned promptly after completing procedures pertaining to the request for termination by the means described in “(4) Method of Return of Shares” in “8. Settlement Method” above.

(V) Method of Disclosure of Change to Conditions of Purchase

Except when prohibited under Article 27-6, paragraph (1) of the Act and Article 13 of the Order, the Tender Offeror may change the purchase conditions during the Tender Offer Period.

If the Tender Offeror changes any purchase conditions, an electronic public notice of the changes will be made, and a notice to that effect will be published in the Nihon Keizai Shimbun. However, if issuing the public notice by the last day of the Tender Offer Period proves difficult, an announcement will be made via the methods set forth in Article 20 of the Cabinet Office Order, and a public notice will be issued immediately thereafter.

If the Tender Offeror changes any purchase conditions, purchases of Tendered Shares will be made in accordance with the newly changed purchase conditions, even with respect to Tendered Shares that were tendered on or before the date on which the public notice was made.

(VI) Method of Disclosure of Submission of Amendment Statement

If the Tender Offeror submits an amended statement to the Director-General of the Kanto Finance Bureau (however, excluding the situation specified in the proviso clause to Article 27-8, paragraph (11) of the Act), the Tender Offeror will immediately announce the details set forth in the amended statement that relate to the content of the public notice for commencing a tender offer via the methods set forth in Article 20 of the Cabinet Office Order. Furthermore, the Tender Offeror will amend the Tender Offer Explanation Statement immediately, and any Tendering Shareholders who already received an original Tender Offer Explanation Statement will be provided with an amended version thereof. However, if the scope of the amendment is narrow, a document containing the reasons for the amendment, the amended items, and the content following the amendment will be prepared and that document will be delivered to the Tendering Shareholders for purposes of amending the Tender Offer Explanation statement previously provided.

(VII) Method of Disclosure of Results of Tender Offer

The results of the Tender Offer will be announced publicly on the day after the last day of the Tender Offer Period, in accordance with the methods set forth in Article 9-4 of the Order and Article 30-2 of the Cabinet Office Order.

(10) Date of Public Notice of Commencement of Tender Offer

November 20, 2024 (Wednesday)

(11) Tender Offer Agent

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
1-9-2, Otemachi, Chiyoda-ku, Tokyo

au Kabucom Securities Co., Ltd. (sub-agent)
3-2-5, Kasumigaseki, Chiyoda-ku, Tokyo

3. Policy after the Tender Offer and Future Outlook

For details on the policies after the Tender Offer, please refer to “1. Purpose of the Tender Offer” above.

4. Other Matters

(1) Existence and Description of Agreements between the Tender Offeror and the Target Company and their respective Officers

(I) Declaration of Support for the Tender Offer

According to the Target Company Press Release, the Target Company resolved at a meeting of its board of directors held on August 8, 2024 to express its support for the First Tender Offer as its opinion as of the same date and to recommend that the Target Company's shareholders and Share Options Holders tender their Target Company Securities in the First Tender Offer, if the First Tender Offer has commenced.

Subsequently, on August 26, 2024, the Target Company was informed by the Tender Offeror that based on expectations for the Procedures in Response to Vietnamese Authorities, the Tender Offeror will commence the First Tender Offer from September 5, 2024. Furthermore, on August 30, 2024, the Target Company was informed by the Tender Offeror that (i) the procedures in response to the authorities except for the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities have been completed; (ii) in relation to condition 11 of the Condition Precedent, the Tender Offeror will waive the condition of the completion of acquisition of the Clearance related to the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities; and (iii) on the premise that the Conditions Precedent are satisfied (or waived by the Tender Offeror), the Tender Offeror planned to commence the First Tender Offer from September 5, 2024.

Upon receiving such communication, the Target Company asked the Special Committee to examine whether there is any change to the Report dated August 7, 2024 submitted by the Special Committee to the board of directors of the Target Company dated August 7, 2024 and to inform the Target Company's board of directors of the non-existence of a change in the prior opinion or to provide the opinion after any change. As a result of consideration of the consulted matters, taking into account the circumstances from the Transaction Announcement Date to the Additional Report Preparation Date, the Special Committee provided the Report dated September 4, 2024 to the effect that there are no factors that would require a change to the contents of the Report dated August 7, 2024, and as of the Additional Report Preparation Date, the opinion expressed by the Special Committee in the Report dated August 7, 2024 remains unchanged, to the board of directors of the Target Company.

Based on the above, at the board of directors meeting held on September 4, 2024, the Target Company resolved to express its support for the First Tender Offer again and to recommend its shareholders and Share Option Holders to tender their Target Company Securities in the First Tender Offer.

Subsequently, as a result of the Tender Offeror's decision on September 19, 2024 to remove the minimum number of shares to be purchased, and to commence the Second Tender Offer as soon as practically possible after the First Tender Offer is completed and settlement is completed, the Target Company again carefully discussed and reviewed the terms and conditions of the First Tender Offer while respecting the contents of the September 24, 2024 Opinion received from the Special Committee to the fullest extent (for specific details of such opinion, please refer to "(IV) Establishment of an Independent Special Committee by the Target Company and Obtaining a Report from the Special Committee" in "(4) Measures to Ensure the Fairness of the Tender Offers Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" above). As a result, as there were no circumstances that would lead to a conclusion that the above changes to the purchase conditions would impair the fairness of the procedures, by a resolution dated September 26, 2024, pursuant to Article 370 of the Companies Act (a written resolution in lieu of a resolution of the board of directors), the board of directors of the Target Company decided to continue to express its opinion in support of the First Tender Offer, and to continue to recommend that its shareholders and Share Options Holders tender in the First Tender Offer.

Subsequently, in light of the Bain Capital Press Release Dated October 11, 2024 being published by Bain Capital on October 11, 2024, at the board of directors meeting held on October 18, 2024, for the reasons described in “(iii) Content of Decision” in (III) Decision-making Process and Reasons Leading to the Target Company’s Support of the Tender Offer” in “(2) Background, Purpose, and Decision-making Process Leading to the Determination to Conduct the Tender Offers, and the Management Policy After the Tender Offers” in “3. Purpose of the Tender Offer” under “1. Overview of Tender Offer”, the Target Company resolved, by a majority of directors, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, to continue to express its opinion in support of the First Tender Offer, and to continue to recommend that its shareholders and Share Options Holders tender in the First Tender Offer, and while the Target Company continued to recommend tendering into the First Tender Offer, it added that taking into account the existence of Bain Capital’s proposal, it would be reasonable for its shareholders and Share Option Holders to not tender in the First Tender Offer by the Tender Offeror, but to choose to tender in the Second Tender Offer by the Tender Offeror taking into account the outcome of Bain Capital’s proposal. Regarding the continued expression of support for the First Tender Offer, all 11 directors, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, were in favor.

Furthermore, as of October 18, 2024, the Target Company considered Bain Capital’s proposal to be a sincere proposal and would continue to consider it.

In addition, as of October 18, 2024 the board of directors of the Target Company had not yet decided on its opinion regarding the Second Tender Offer by the Tender Offeror or the tender offer by Bain Capital, and it intended on determining its opinion at the time of commencement of each tender offer.

Subsequently, on November 15, 2024, the board of directors of the Target Company received a proposal from the Tender Offeror to commence the Second Tender Offer on November 19, 2024, subject to, in addition to the Price Increase, the Target Company expressing its opinion in support of the Second Tender Offer, and recommending that its shareholders and Share Option Holders tender in the Second Tender Offer. At the board of directors meeting held on November 15, 2024, after sincerely and carefully discussing the Second Tender Offer while respecting the contents of the November 15, 2024 Opinion to the fullest extent, the Target Company resolved, by all directors unanimously, excluding Mr. Sakashita, who did not participate in the deliberations and resolutions, to express its support for the Second Tender Offer and to recommend its shareholders and Share Options Holders to tender their Target Company Securities in the Second Tender Offer.

(2) Other Information Necessary for Investors to Determine Whether or Not to Tender in the Tender Offer

(I) Announcement of the “Consolidated Financial Results for the Third Quarter of the Fiscal Year Ended December 31, 2024 (Under Japanese GAAP)”

The Target Company announced the “Consolidated Financial Results for the Third Quarter of the Fiscal Year Ended December 31, 2024 (Under Japanese GAAP)” on November 7, 2024. The Target Company’s profit and loss situation for the same period based on this announcement is as follows. The Target Company has not received a quarterly review by an auditing firm pursuant to Article 193-2, Paragraph 1 of the Act with respect to such contents. In addition, the summary of the announcement below is an excerpt of the contents announced by the Target Company, and the Tender Offeror has not independently verified its accuracy or truthfulness. Please refer to the announcement for details.

(I) Profit and Loss Status (Consolidated)

Accounting Period	Third Quarter of Fiscal Year Ending December 31, 2024 (million yen)
Sales	236,922
Operating Income	16,823
Ordinary Income	16,481
Quarterly Net Income Attributable to Owners of Parent	16,096

(II) Per Share Information (Consolidated)

Accounting Period	Third Quarter of Fiscal Year Ending December 31, 2024
Quarterly Net Income Per Share	255.67 yen
Diluted Net Income Per Share	254.71 yen
Dividend Per Share	0 yen

(3) Miscellaneous

- The purpose of this press release is to publicly announce the Tender Offer and it has not been prepared for the purpose of soliciting an offer to sell or purchase in the Tender Offer. When making an application to tender, please be sure to read the Tender Offer Explanatory Statement for the Tender Offer and make your own decision as a shareholder or Share Option Holder. This Press Release does not constitute, either in whole or in part, a solicitation of an offer to sell or purchase any securities, and the existence of this press release (or any part thereof) or its distribution shall not be construed as a basis for any agreement regarding the Tender Offer, nor shall it be relied upon in concluding an agreement regarding the Tender Offer.
- The common shares and share options of the Target Company, a company incorporated in Japan, are subject to the Tender Offer. The Tender Offer will be conducted in compliance with the procedures and information disclosure standards set forth in Japanese law, and those procedures and standards are not always the same as the procedures and information disclosure standards in the U.S. In particular, neither sections 13(e) or 14(d) of the U.S. Securities Exchange Act of 1934 (as amended; the same shall apply hereinafter) or the rules under these sections apply to the Tender Offer; and therefore the Tender Offer is not conducted in accordance with those procedures and standards. All of the financial information included in this press release is based on Japanese GAAP, which may differ significantly from GAAP in the U.S. and other countries. In addition, because the Tender Offeror is a corporation incorporated outside the U.S. and some or all of its officers are non U.S. residents, it may be difficult to exercise rights or demands against them that can be asserted based on U.S. securities laws. It also may be impossible to initiate an action against a corporation that is based outside of the U.S. or its officers in a court outside of the U.S. on the grounds of a violation of U.S. securities-related laws. Furthermore, there is no guarantee that a corporation that is based outside of the U.S. or its affiliates may be compelled to submit themselves to the jurisdiction of a U.S. court.
- Unless otherwise specified, all procedures relating to the Tender Offer are to be conducted entirely in Japanese. All or a part of the documentation relating to the Tender Offer will be prepared in English; however, if there is any discrepancy between the English-language documents and the Japanese-language documents, the Japanese-language documents shall prevail.
- This press release includes statements that fall under “forward-looking statements” as defined in section 27A of the U.S. Securities Act of 1933 (as amended) and section 21E of the Securities Exchange Act of 1934. Due to known or unknown risks, uncertainties or other factors, actual results may differ materially from the predictions indicated by the statements that are implicitly or explicitly forward-looking statements. Neither the Tender Offeror nor any of its affiliates guarantee that the predictions indicated by the statements that are implicitly or expressly forward-looking statements will materialize. The forward-looking statements in this press release were prepared based on information held by the Tender Offeror as of today, and the Tender Offeror and its affiliates shall not be obliged to amend or revise such statements to reflect future events or circumstances, except as required by laws and regulations.
- The Tender Offeror, its financial advisors and the tender offer agent (and their respective affiliates) may purchase the common shares and share options of the Target Company, by means other than the Tender Offer, or conduct an act aimed at such purchases, for their own account or for their client’s accounts, including in the scope of their ordinary business, to the extent permitted under financial instrument exchange-related laws and regulations, and any other applicable laws and regulations in Japan, in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934 during the Tender Offer Period. Such purchases may be conducted at the market price through market transactions or at a price determined by negotiations off-market. In the event that information regarding such purchases is disclosed in Japan, such information will also be disclosed on the English website of the person conducting such purchases (or by any other method of public disclosure).
- If a shareholder exercises its right to demand the purchase of shares of less than one unit in accordance with the Companies Act, the Target Company may buy back its own shares during the Tender Offer Period in accordance

with the procedures required by laws and regulations.

The financial advisor of KKR is Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. The legal advisors of KKR are Nishimura & Asahi Gaikokuho Kyodo Jigyo and Simpson Thacher & Bartlett LLP.

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