

March 26, 2026

To Whom It May Concern

Company Name: Mandom Corporation
Representative: Ken Nishimura,
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Notice regarding Share Consolidation, Abolition of Provision on Share Units, and Partial Amendment of Articles of Incorporation

Mandom Corporation (the “Company”) announced in the “Notice Regarding Setting of Record Date for Convocation of Extraordinary Shareholders’ Meeting” dated February 26, 2026 that an extraordinary shareholders’ meeting is scheduled to be held in late April 2026, with a record date of March 13, 2026.

The board of directors of the Company hereby announces that it has resolved today to convene an extraordinary shareholders’ meeting to be held on April 24, 2026 (the “Extraordinary Shareholders’ Meeting”) and to submit to the Extraordinary Shareholders’ Meeting a proposal for a share consolidation as well as a proposal for the abolition of the provision on share units and partial amendment to the Articles of Incorporation.

The common shares of the Company (the “Company Shares”) will fall under the delisting criteria prescribed in the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. (the “TSE”) in the process of the aforementioned procedures. As a result, the Company Shares will be delisted on May 15, 2026. Please note that, after being delisted, the Company Shares will no longer be traded on the TSE Prime Market.

I. Share Consolidation

1. Purpose of and Reason for Share Consolidation

As announced in the Company’s press release published on September 25, 2025 and titled “Notice regarding Expression of Opinion in favor of Implementation of MBO and Recommendation to Tender Shares” (the “Press Release Dated September 25, 2025”); together with the matters that have been amended in the “(Amendment) Notice regarding partial amendment to the “Notice regarding Expression of Opinion in favor of Implementation of MBO and Recommendation to Tender Shares”” published by the Company on November 4, 2025 (the “Press Release Dated November 4, 2025”), matters that have been amended in the “(Amendment) Notice regarding partial amendment to the “Notice regarding Expression of Opinion in favor of Implementation of MBO and Recommendation to Tender Shares”” published by the Company on November 6, 2025, matters that have been amended in the “(Amendment) Notice regarding partial amendment to the “Notice regarding Expression of Opinion in favor of Implementation of MBO and Recommendation to Tender Shares”” published by the Company on November 19, 2025, matters that have been amended in the “(Amendment) Notice regarding partial amendment

to the “Notice regarding Expression of Opinion in favor of Implementation of MBO and Recommendation to Tender Shares” published by the Company on December 4, 2025 (the “Press Release Dated December 4, 2025”), matters that have been amended in the “(Amendment) Notice regarding partial amendment to the “Notice regarding Expression of Opinion in favor of Implementation of MBO and Recommendation to Tender Shares” published by the Company on December 15, 2025 (the “Press Release Dated December 15, 2025”), matters that have been amended in the “(Amendment) Notice regarding partial amendment to the “Notice regarding Expression of Opinion in favor of Implementation of MBO and Recommendation to Tender Shares” published by the Company on December 16, 2025, matters that have been amended in the “(Amendment) Notice regarding partial amendment to the “Notice regarding Expression of Opinion in favor of Implementation of MBO and Recommendation to Tender Shares” published by the Company on January 6, 2026, matters that have been amended in the “(Amendment) Notice regarding partial amendment to the “Notice regarding Expression of Opinion in favor of Implementation of MBO and Recommendation to Tender Shares” published by the Company on January 14, 2026 (the “Press Release Dated January 14, 2026”), matters that have been amended in the “(Amendment) Notice regarding partial amendment to the “Notice regarding Expression of Opinion in favor of Implementation of MBO and Recommendation to Tender Shares” published by the Company on January 16, 2026, matters that have been amended in the “(Amendment) Notice regarding partial amendment to the “Notice regarding Expression of Opinion in favor of Implementation of MBO and Recommendation to Tender Shares” published by the Company on January 29, 2026, matters that have been amended in the “(Amendment) Notice regarding partial amendment to the “Notice regarding Expression of Opinion in favor of Implementation of MBO and Recommendation to Tender Shares” published by the Company on February 9, 2026 (the “Press Release Dated February 9, 2026”), and matters that have been amended in the “(Amendment) Notice regarding partial amendment to the “Notice regarding Expression of Opinion in favor of Implementation of MBO and Recommendation to Tender Shares” published by the Company on February 10, 2026, the “Opinion Expression Press Release”), Kalon Holdings, Co., Ltd. (the “Tender Offeror”) commenced a tender offer under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the “Act”) and other related laws and regulations (the “Tender Offer”) for the Company Shares on September 26, 2025 as part of a series of transactions to take the Company Shares private (the “Transactions”) by acquiring all of the Company Shares (excluding the treasury shares held by the Company).

As announced in the “Notice regarding Results of the Tender Offer for the Company Shares by Kalon Holdings, Co., Ltd. and Changes in the Status of Parent Companies and Largest Shareholder (Which is Also a Major Shareholder)” published by the Company on February 26, 2026, as a result of the Tender Offer, the Tender Offeror came to hold 32,359,329 Company Shares (voting rights ownership ratio (Note 1): 71.69%) as of March 4, 2026 (the commencement date of settlement for the Tender Offer).

Note 1: The denominator in the calculation of the “voting rights ownership ratio” is the number of voting rights (451,363 voting rights) associated with the shares held against 45,136,364 shares, which is the figure obtained by deducting the number of treasury shares held by the Company as of December 31, 2025 (3,132,848 shares) from the issued shares of the Company as of the same date (48,269,212 shares), each as stated in the “Consolidated Business Results for the Nine Months Ended December 31, 2025 (Under Japanese GAAP)” announced by the Company

on February 6, 2026. Voting rights ownership ratios are rounded to the nearest second decimal place. The same applies to all voting rights ownership ratios stated below.

As stated above, although the Tender Offer has been successfully completed, the Tender Offeror has not acquired all of the Company Shares (excluding the treasury shares held by the Company) through the Tender Offer. Therefore, the Company, upon receiving a request from the Tender Offeror, resolved at its board of directors meeting held on March 26, 2026 to propose at the Extraordinary Shareholders' Meeting the share consolidation (the "Share Consolidation") through which 10,000,000 Company Shares would be consolidated into one share in order to have the Tender Offeror become the sole shareholder of the Company, subject to the approval of the shareholders at that meeting.

As a result of the Share Consolidation, the number of Company Shares held by the shareholders other than the Tender Offeror will be a fraction of less than one share. Although the details of the purposes and background of the Transactions (including the Tender Offer and the share consolidation aimed at making the Tender Offeror the sole shareholder of the Company) have been announced in the Opinion Expression Press Release, such details are explained below again. The statements below, particularly regarding the Tender Offeror, are based on information disclosed by the Tender Offeror and explanations received from the Tender Offeror.

(1) Overview of the Transactions

The Tender Offeror is a stock company (*kabushiki kaisha*), all of whose outstanding shares are indirectly held by investment funds advised by certain subsidiaries of CVC Capital Partners plc (CVC Capital Partners plc and its subsidiary undertakings collectively referred to as "CVC", and funds advised by subsidiaries of CVC Capital Partners plc referred to as "CVC Funds") or their General Partners. The Tender Offeror is a stock company established on July 23, 2025, for the principal purpose of holding the Company Shares and controlling and managing the Company's business activities.

The Tender Offer was implemented by the Tender Offeror based on discussions with Mr. Motonobu Nishimura ("Mr. Motonobu Nishimura"), a member of the founding family of the Company and the Representative Director and Chairman of the Company, and Mr. Ken Nishimura ("Mr. Ken Nishimura"), a member of the founding family of the Company and the Representative Director and President Executive Officer of the Company, and it constitutes a so-called management buyout (MBO). Mr. Motonobu Nishimura and Mr. Ken Nishimura plan to continue managing the Company after the successful completion of the Transactions.

The Tender Offeror, on September 10, 2025, entered into a basic transaction agreement (including any amendments made after the execution of the agreement; the "Basic Transaction Agreement") with Mr. Motonobu Nishimura, the Representative Director and Chairman of the Company and the sixth largest shareholder thereof (as of March 31, 2025; the same applies hereinafter with respect to the ranking of shareholders), Mr. Ken Nishimura, the Representative Director and President Executive Officer of the Company, Nishimura International Scholarship Foundation, Inc. (the "Nishimura International Scholarship Foundation"), in which Mr. Motonobu Nishimura serves as the Representative Director and which is the second largest shareholder of the Company, and MN Holdings Corporation ("MN Holdings"), which is the asset management company of Mr. Ken Nishimura and the fifth largest shareholder of the Company (Mr. Motonobu Nishimura, Mr. Ken Nishimura, the Nishimura International Scholarship Foundation, and MN Holdings are hereinafter collectively referred to as the "Nishimura Family Shareholders"). In the Basic

Transaction Agreement, it was agreed, among other things, that (1) (i) 887,500 shares excluding the Company's restricted shares granted to the executive officers of the Company who do not concurrently serve as the Company's directors (including CxOs who do not concurrently serve as the Company's directors) (the "Restricted Shares") (45,500 shares) from all of the Company Shares held by Mr. Motonobu Nishimura (number of shares held as of September 10, 2025: 933,000 shares; shareholding ratio (Note 2): 2.07 %) and (ii) 52,290 shares excluding the Restricted Shares (47,800 shares) from all of the Company Shares held by Mr. Ken Nishimura (number of shares held as of September 10, 2025: 100,090 shares; shareholding ratio: 0.22%) (total number of shares held as of September 10, 2025: 939,790 shares; total shareholding ratio: 2.08%, the "Shares Agreed to be Tendered") (Mr. Motonobu Nishimura and Mr. Ken Nishimura are collectively referred to as the "Shareholders Who Agreed to Tender Their Shares") shall be tendered in the Tender Offer, and (2) (i) all of the Company Shares held by the Nishimura International Scholarship Foundation (number of shares held as of September 10, 2025: 3,600,000 shares; shareholding ratio: 7.98 %) and (ii) all of the Company Shares held by MN Holdings (number of shares held as of September 10, 2025: 1,070,000 shares; shareholding ratio: 2.37 %) (total number of shares held as of September 10, 2025: 4,670,000 shares; total shareholding ratio: 10.35 %; the "Shares Agreed Not to Be Tendered") (the Nishimura International Scholarship Foundation and MN Holdings are collectively referred to as the "Shareholders Who Agreed Not to Tender Their Shares") shall not be tendered in the Tender Offer, and the procedures necessary to carry out the series of procedures to take the Company Shares private (the "Squeeze-Out Procedures") (including the exercise of voting rights in favor of the resolution at the Extraordinary Shareholders' Meeting of the Shareholders Who Agreed Not to Tender Their Shares) shall be implemented.

Note 2: "Shareholding ratio" means the ratio to number of shares (45,137,222 shares) (the "Base Number of Shares") obtained by deducting the number of treasury shares held by the Company as of June 30, 2025 as stated in the Consolidated Business Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP) (the "Company's Financial Results") published by the Company on August 7, 2025 (3,131,990 shares) from the total number of issued shares of the Company as of June 30, 2025 as stated in the Company's Financial Results (48,269,212 shares) (rounded to two decimal places; the same applies hereinafter with respect to the calculation of the shareholding ratio).

Furthermore, according to the Tender Offeror, in addition to the Share Consolidation, the Tender Offeror has implemented or is planning to implement transactions that include the following details.

- Kalon J Group Holdings Co., Ltd. (the "Tender Offeror Parent Company"), which is the wholly-owning parent company of the Tender Offeror as of the date of execution of the Basic Transaction Agreement, and Lumina International Holdings Limited ("Lumina International Holdings"), which owns all of the voting rights of the Tender Offeror Parent Company as of the date of execution of the Basic Transaction Agreement, will implement a share transfer, making the Tender Offeror Parent Company a wholly-owned subsidiary through the share transfer (the "First Share Transfer;" the wholly-owned parent company to be established through the First Share Transfer shall be referred to as the "KLA HD").
- Subject to the effectiveness of the First Share Transfer, the Tender Offeror Parent Company and the Tender Offeror will implement a share transfer, making the Tender Offeror a wholly-owned subsidiary through the share transfer (the wholly-owning parent company to be established through the such share transfer shall be referred to as the "Second New SPC").
- Subject to the effectiveness of the Share Consolidation, the Nishimura Family Shareholders

will conduct re-investment in KLA HD by investing in KLA HD and subscribing for the Common Shares, the Class A Preferred Shares, or the Class B Preferred Shares issued by KLA HD, or by acquiring the Common Shares, the Class A Preferred Shares, or the Class B Preferred Shares issued by KLA HD from Lumina International Holdings, or otherwise subject to the terms separately agreed upon with the Tender Offeror. (At the time of the commencement of the Tender Offer, it was intended that if the Nishimura Family Shareholders were to carry out a re-investment (such reinvestment, the “Re-Investment”), they would re-invest in the Offeror Parent Company. However, after the Structure Change (as defined in “(F) Details of examinations from the Company’s Board of Directors meeting held on November 4, 2025 to the Company’s Board of Directors meeting held on December 4, 2025, and the determination made at that meeting, and the subsequent process” in “(2) Decision-Making Process Leading to the Company’s Decision to Support the Tender Offer and Reasons Therefor ” below), it was intended that the Nishimura Family Shareholders would re-invest in the wholly-owning parent company to be established through a share transfer, making the Offeror Parent Company a wholly-owned subsidiary through the share transfer (the wholly-owning parent company to be established through such share transfer shall be referred to as the “First New SPC”; after the Structure Change (ii) (as defined in “(G) Background of the comparison and examination of the Transactions and the Transactions Proposed by KKR, and the determination made at the Company’s Board of Directors meeting held on February 9, 2026” in “(2) Decision-Making Process Leading to the Company’s Decision to Support the Tender Offer and Reasons Therefor” below), the term refers to KLA HD). Additionally, it is anticipated that the aggregate percentage of voting rights of the First New SPC to be held by the Nishimura Family Shareholders at the time of completion of the Re-Investment will be 20.2% of the total voting rights.)

- The Tender Offeror will carry out the necessary procedures for an absorption-type merger where the Tender Offeror shall be the surviving company and the Company shall be the absorbed company, as well as an absorption-type split where the surviving company following the absorption-type merger shall be the splitting company and the Second New SPC shall be the succeeding company, and other procedures necessary for the sale of the real estate on which the Company’s head office and Fukusaki Plant are located.

(2) Decision-Making Process Leading to the Company’s Decision to Support the Tender Offer and Reasons Therefor

(A) Background to the establishment of a review framework

As announced in the Opinion Expression Press Release, the Company commenced specific discussions regarding the Transactions after receiving a non-legally binding proposal to the Company proposing to take the Company Shares private through the Tender Offer (the “Initial Letter of Intent”) from Mr. Motonobu Nishimura, Mr. Ken Nishimura, and CVC on February 20, 2025.

As described in “(i) Obtainment by the Company of a share valuation report from an independent third-party appraiser” and “(ii) Advice received by the Company from an independent law firm” in “(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest ” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below, considering that the Tender Offer will be implemented as part of the so-called management buyout (MBO), the existence of

structural conflicts of interest and information asymmetry, and other matters, to ensure the fairness of the Transactions, including the Tender Offer, and in order to ensure the fairness of the price for purchase, etc. in the Tender Offer (the “Tender Offer Price”; where the Tender Offer Price refers to a specific price, the term shall, depending on the context, mean the price for purchase, etc. in the Tender Offer as of that specific time), eliminate arbitrariness from the decision-making process of the Tender Offer, and avoid conflicts of interest, taking into account the independence, expertise, and track record of each of the firms below, on March 6, 2025, the Company appointed Mori Hamada & Matsumoto (“Mori Hamada”) as its legal advisor independent of CVC, CVC Funds, the Tender Offeror, the Offeror Parent Company, Lumina International Holdings, and the Nishimura Family Shareholders (collectively, the “Tender Offerors”) and the Company, subject to the approval of the special committee of the Company (the “Special Committee”), and on March 27, 2025, the Company appointed Daiwa Securities Co., Ltd. (“Daiwa Securities”) as its independent financial advisor and third-party appraiser independent of the Tender Offerors and the Company, with the approval of the Special Committee, and requested Daiwa Securities to conduct a valuation of the Company Shares.

Considering that the Tender Offer will be implemented as part of the so-called management buyout (MBO), the existence of structural conflicts of interest and information asymmetry, and other matters, to ensure the fairness of the Transactions, including the Tender Offer, and in order to ensure fairness of the Tender Offer Price, eliminate arbitrariness from the decision-making process of the Tender Offer, and avoid conflicts of interest, the Company resolved, at a meeting of the board of directors held on March 6, 2025, to establish the Special Committee comprising three outside directors and independent officers and two outside auditors and independent officers of the Company, who are independent of the Tender Offerors and the Company, as described in “(iii) Establishment of an independent special committee at the Company and obtainment of a report therefrom” in “(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below. With respect to the composition of the Special Committee, the specific matters commissioned to the Special Committee, the authority granted to the Special Committee, and the background of the Special Committee’s deliberations and its determination, please see “(iii) Establishment of an independent special committee at the Company and obtainment of a report therefrom” in (3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below.

The Special Committee approved the appointment of Mori Hamada and Daiwa Securities after confirming that there were no problems with the independence or eligibility of either firm, as described in “(i) Obtainment by the Company of a share valuation report from an independent third-party appraiser” and “(ii) Advice received by the Company from an independent law firm” in “(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below.

The Company has established a framework within the Company that enables it to conduct discussions and negotiations and make decisions regarding the Transactions from a

standpoint independent of the Tender Offerors, with the aim of enhancing its corporate value and securing the interests of its general shareholders, as described in “(vi) Establishment of an independent review framework within the Company” in “(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below.

On March 19, 2025, the Special Committee appointed Plutus Consulting Co., Ltd. (“Plutus Consulting”) as its own financial advisor and third-party appraiser after confirming that there are no problems with that firm’s independence or eligibility, as described in “(iii) Establishment of an independent special committee at the Company and obtainment of a report therefrom” in “(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below.

(B) Background to review and negotiations up to the Company’s board of directors meeting held on September 10, 2025

Under the above framework, the Company held multiple discussions and deliberations with the Tender Offerors, and considered the advantages and disadvantages of conducting the Transactions and the appropriateness of the terms of the Transactions, based on the overview of the Tender Offer including the purpose of the Transactions, the impact of the Transactions on the Company, the details of the management policy after the Transactions and the current share price movements, and similar information, with advice from Mori Hamada and Daiwa Securities.

Specifically, after receiving the Initial Letter of Intent from Mr. Motonobu Nishimura, Mr. Ken Nishimura, and CVC on February 20, 2025, the Company began deliberations and discussions through the Special Committee. On March 24, 2025, the Special Committee sent questions to Mr. Motonobu Nishimura, Mr. Ken Nishimura, and CVC regarding matters including the background and reasons for proposing the Transactions, the business environment and management challenges of the Company, the advantages and disadvantages of the Transactions, the management structure and management policies after the Transactions, and the terms of the Transactions. Based on the written responses to those questions received on April 4, 2025, and the responses received on April 21 to the follow-up questions sent on April 11, 2025, the Special Committee conducted interviews with Mr. Motonobu Nishimura, Mr. Ken Nishimura, and CVC on April 25, 2025 in which it asked questions regarding the above and other matters. In addition, the Special Committee conducted interviews with the CxOs of the Company on May 1, 2025, and with the statutory auditors of the Company (excluding those outside auditors who are members of the Special Committee) on May 9, 2025, and exchanged opinions on the significance of the Transactions and related matters. Furthermore, from late May to late July 2025, the Company underwent due diligence by CVC.

Regarding the Tender Offer Price, the Company received an initial written proposal from the Tender Offeror, Mr. Motonobu Nishimura, and Mr. Ken Nishimura on July 31, 2025 for a Tender Offer Price of 1,600 yen (the “First Proposed Price”). On August 12, 2025, based on advice from Mori Hamada, Daiwa Securities, and Plutus Consulting, the Company and the Special Committee requested that the First Proposed Price be increased to a level that

could be presented to the shareholders of the Company as a reasonable price, stating that the First Proposed Price represented a premium to the Company's most recent share price (the closing price of 1,439 yen as of July 30, 2025) and the simple average share price over the preceding one-month period (1,433 yen), three-month period (1,382 yen) and six-month period (1,340 yen) that was significantly lower than the premium in past MBO transactions, and therefore insufficient. On August 21, 2025, the Company received a written proposal from the Tender Offeror, Mr. Motonobu Nishimura, and Mr. Ken Nishimura for a Tender Offer Price of 1,650 yen (the "Second Proposed Price"). On August 22, 2025, based on advice from Mori Hamada, Daiwa Securities, and Plutus Consulting, the Company and the Special Committee requested that the Second Proposed Price be increased to a level that represents fair consideration for the Transactions, stating that the Second Proposed Price represented a premium to the Company's most recent share price (the closing price of 1,439 yen as of August 20, 2025) and the simple average share price over the preceding one-month period (1,430 yen), three-month period (1,398 yen) and six-month period (1,362 yen) that was significantly lower than the premium in past MBO transactions, and departed significantly from the intrinsic value in light of the Company's share value and profitability. On August 25, 2025, the Company received a written proposal from the Tender Offeror, Mr. Motonobu Nishimura, and Mr. Ken Nishimura for a Tender Offer Price of 1,700 yen (the "Third Proposed Price"). On August 25, 2025, based on advice from Mori Hamada, Daiwa Securities, and Plutus Consulting, the Company and the Special Committee requested that the Third Proposed Price be increased to a level that represents fair consideration for the Transactions, stating that the Third Proposed Price represented a premium to the Company's most recent share price (the closing price of 1,451 yen as of August 22, 2025) and the simple average share price over the preceding one-month period (1,432 yen), three-month period (1,403 yen) and six-month period (1,364 yen) that remained significantly lower than the premium in past MBO transactions, and departed significantly from the intrinsic value in light of the Company's share value and profitability. On August 28, 2025, the Company received a written proposal from the Tender Offeror, Mr. Motonobu Nishimura, and Mr. Ken Nishimura for a Tender Offer Price of 1,750 yen (the "Fourth Proposed Price"). On August 29, 2025, based on advice from Mori Hamada, Daiwa Securities, and Plutus Consulting, the Company and the Special Committee requested that the Fourth Proposed Price be increased to a level that represents fair consideration for the Transactions, stating that the Fourth Proposed Price represented a premium to the Company's most recent share price (the closing price of 1,428 yen as of August 28, 2025) and the simple average share price over the preceding one-month period (1,432 yen), three-month period (1,408 yen) and six-month period (1,370 yen) that remained significantly lower than the premium in past MBO transactions, and departed significantly from the intrinsic value in light of the Company's share value and profitability. On September 1, 2025, the Company received a written proposal from the Tender Offeror, Mr. Motonobu Nishimura, and Mr. Ken Nishimura for a Tender Offer Price of 1,800 yen (the "Fifth Proposed Price"). On September 1, 2025, based on advice from Mori Hamada, Daiwa Securities, and Plutus Consulting, the Company and the Special Committee requested that the Fifth Proposed Price be increased to a level that represents fair consideration for the Transactions, stating that the Fifth Proposed Price represented a premium to the Company's most recent share price (the closing price of 1,420 yen as of August 29, 2025) and the simple average share price over the preceding one-month period (1,431 yen), three-month period (1,409 yen) and six-month period (1,370 yen) that remained significantly lower than the premium in past MBO

transactions, and departed significantly from the intrinsic value in light of the Company's share value and profitability. On September 4, 2025, the Company received a written proposal from the Tender Offeror, Mr. Motonobu Nishimura, and Mr. Ken Nishimura for a Tender Offer Price of 1,920 yen (the "Sixth Proposed Price"). On September 4, 2025, based on advice from Mori Hamada, Daiwa Securities, and Plutus Consulting, the Company and the Special Committee requested that the Sixth Proposed Price be increased to a level that represents fair consideration for the Transactions, stating that the Sixth Proposed Price represented a premium to the Company's most recent share price (the closing price of 1,455 yen as of September 3, 2025) and the simple average share price over the preceding one-month period (1,430 yen), three-month period (1,414 yen) and six-month period (1,372 yen) that remained lower than the premium in past MBO transactions, and was still insufficient compared to the intrinsic value in light of the Company's share value and profitability. On September 5, 2025, the Company received a written proposal from the Tender Offeror, Mr. Motonobu Nishimura, and Mr. Ken Nishimura for a Tender Offer Price of 1,950 yen (the "Seventh Proposed Price"), stating that it represented as the best and final offer. On September 5, 2025, based on advice from Mori Hamada, Daiwa Securities, and Plutus Consulting and in order to make every effort to negotiate for the maximum possible price, after confirming that the price to be almost at a reasonable level based on the premium levels in past MBO transactions and the Company's intrinsic value, which was determined by considering its share value and profitability, the Company and the Special Committee requested that the Seventh Proposed Price be increased to a level that represents fair consideration for the Transactions, stating that, with reference to a premium to the Company's most recent share price (the closing price of 1,474 yen as of September 4, 2025) and the simple average share price over the preceding one-month period (1,430 yen), three-month period (1,416 yen) and six-month period (1,374 yen), the Seventh Proposed Price remained still insufficient, and proposed a Tender Offer Price of 2,100 yen per share. Subsequently, on September 6, 2025, the Company received a response from the Tender Offeror, Mr. Motonobu Nishimura, and Mr. Ken Nishimura to the effect that, while the Seventh Proposed Price was the best price that the Tender Offeror could offer at the time and any further price increase would present a difficult investment decision for the Tender Offeror, the Tender Offeror had decided, after serious internal deliberation, to agree to the Company's request to raise the Tender Offer Price again in order to maximize the interests of the Company's general shareholders, and a written proposal for a Tender Offer Price of 1,960 yen (the "Eighth Proposed Price"). In response, on September 7, 2025, based on advice from Mori Hamada, Daiwa Securities, and Plutus Consulting, the Company and the Special Committee responded to the effect that they accepted the Tender Offer Price of 1,960 yen per share subject to a formal decision regarding the Company's opinion to be made by a resolution of the Board of Directors at its meeting to be held on September 10, 2025. With respect to the Eighth Proposed Price, for the determination of the Company, please see "(C) Determination at the Company's board of directors meeting held on September 10, 2025" below, and for the determination of the Special Committee, please see "(iii) Establishment of an independent special committee at the Company and obtainment of a report therefrom" in (3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest" in "3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters" below.

The Company received necessary advice from a legal standpoint from Mori Hamada

concerning the method and process of decision-making by the Company's board of directors, including the procedures related to the Transactions and other matters to be noted, and received a report from the Special Committee on September 9, 2025 (the "Report") (for the content of the Report and the specific activities of the Special Committee, please see "(iii) Establishment of an independent special committee at the Company and obtainment of a report therefrom" in "(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest" in "3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters" below.). In addition to the Report, the Company received from the Special Committee a share valuation report regarding the results of the valuation of the Company Shares (the "Share Valuation Report (Plutus Consulting)") and an opinion on the fairness of the Tender Offer Price (the "Fairness Opinion") that the Special Committee received from Plutus Consulting as of September 9, 2025.

- (C) Determination at the Company's board of directors meeting held on September 10, 2025
- Based on the above background, at the board of directors meeting held on September 10, 2025, the Company carefully discussed and deliberated from multiple perspectives including whether the Transactions including the Tender Offer would contribute to enhancing the corporate value of the Company, whether the terms of the Transactions, including the Tender Offer Price, are fair, and whether the Transactions are conducted through fair procedures that secure the benefit to be enjoyed by the general shareholders of the Company, while comprehensively taking into account the advice from a legal standpoint received from Mori Hamada concerning points to note in making decisions regarding the Transactions including the Tender Offer, the advice from a financial standpoint received from Daiwa Securities, the content of the share valuation report (the "Share Valuation Report (Daiwa Securities)") obtained by the Company from Daiwa Securities on September 9, 2025, the Share Valuation Report (Plutus Consulting), and the details of the Fairness Opinion (including the range in each share valuation report) obtained by the Special Committee from Plutus Consulting and also respecting, to the maximum possible extent, the judgment of the Special Committee as indicated in the Report.

As a result, as announced in the Company's press release dated September 10, 2025 and titled "Notice regarding Expression of Planned Opinion in favor of Implementation of MBO and Recommendation to Tender Shares" (the "Press Release Dated September 10, 2025"), the Company concluded that the Tender Offer would contribute to enhancing the Company's corporate value. An outline of the Press Release Dated September 10, 2025 is provided below.

The Company believes that, in order to realize medium- to long-term corporate value enhancement going forward, it will be necessary to continue to improve profitability and explore new growth engines in the Japanese business and formulate digital strategies tailored to local channel structures and consumer behavior toward improving profitability and expanding growth in Indonesia and other ASEAN areas while focusing business efforts on established markets. CVC has communicated to the Company in the consultation and negotiation process that it intends to implement specific measures, including (i) further expansion and improvement of the Company's existing businesses; (ii) support for the fundamental improvement of the management system and organization; (iii) support for exploring and executing discontinuous growth opportunities through M&A, business

alliances, etc.; and (iv) support for business development and value chain reinforcement in the global market. The Company also recognizes that these measures should be actively pursued in order to further enhance the Company's medium- to long-term corporate value, and that the implementation of those measures requires the establishment of a flexible and agile management structure.

However, considering that the above measures involve major changes in business structure and new initiatives, and that significant time and various upfront investments (including strategic investments) will be required before the measures contribute to the Company Group's performance, there is a risk that the Company Group's financial condition and performance will deteriorate in the short term. Therefore, the Company believes that to implement these measures while maintaining its listing could have significant negative impacts on its shareholders, such as a decline in stock price or decreased dividends.

As such, the Company believed that in order to enhance its corporate value from a medium- to long-term perspective while avoiding the above negative impacts on its shareholders, it is necessary to take the Company Shares private by means of a management buyout (MBO) to unify ownership and management, and to establish a management structure in which the Tender Offerors, the Company, and its employees can implement measures promptly, boldly, and in unison, without regard for the short-term assessments of the share market. In addition, Mr. Motonobu Nishimura, as Chairman and Representative Director of the Company, and Mr. Ken Nishimura, as President and Representative Director of the Company, have a thorough knowledge of the Company's business, based on which fact the Company has determined that it is sufficiently reasonable for the Tender Offerors, including Mr. Motonobu Nishimura and Mr. Ken Nishimura, to play a central role in both the management and control of the Company through a management buyout (MBO).

In this regard, because MN Holdings is an asset management company owned by Mr. Ken Nishimura, even if it remains a shareholder of the Company after the Transactions, the Company did not expect it to oppose its management policy after the Transactions. The Nishimura Scholarship Foundation is an organization that provides scholarship assistance to international students and visiting faculty from Southwest Asia, Southeast Asia, and East Asia, as well as to Japanese students who contribute to international understanding and international exchange. Its purpose is to enable them to continue their studies, education, and research to a high standard. Continuing the operation of the Nishimura Scholarship Foundation after the Transactions will contribute to the development of the entire industry in which the Company is involved and to the advancement of education and culture. Furthermore, according to the Tender Offeror, it is expected that the Nishimura Scholarship Foundation will be able to continue its business as a public interest incorporated foundation after the Transactions by securing alternative financing from Mr. Motonobu Nishimura and the CVC Fund until such time as the Company resumes paying dividends. For these reasons, even if the Nishimura Scholarship Foundation remains a shareholder of the Company after the Transactions, the Company did not expect the foundation to oppose its management policy after the Transactions.

Based on the above, the Company determined that it is desirable for MN Holdings and the Nishimura Scholarship Foundation to remain shareholders of the Company after the Transactions, as there is no concern that this will adversely affect the Company's management, while ensuring that the Company can continue its business under a stable shareholder structure after the Transactions.

The Tender Offeror has stated that it plans to obtain a loan (the "Bank Loan") from MUFG

Bank, Ltd. (“MUFG Bank”) by the business day immediately preceding the Settlement Commencement Date to fund the settlement of the Tender Offer should it succeed. The Tender Offeror expects that the terms and conditions of the Bank Loan and financial covenants will be established in consultation with financial institutions, taking into account the Company’s cash flow and financial position, so as not to impede the Company’s business operations or the execution of its growth strategy. The Company determined, based on the above explanation from the Tender Offeror, that the terms and conditions of the Bank Loan and financial covenants will not affect the Company’s operations, even in light of the Company’s business plan for the period from the fiscal year ending March 2026 to the fiscal year ending March 2028 (the “Business Plan”), prepared by the Company for the period for which estimation was reasonable at the time of the preparation thereof.

It is noted that, if the Company Shares were to go private, it would no longer be able to raise funds through equity financing from capital markets, and such delisting may also affect the Company’s ability to secure talented personnel, expand businesses with new partners, and maintain relationships with existing partners, which have been enhanced by the social credibility and name recognition that the Company has enjoyed as a listed company. However, in light of its current financial situation, the Company considers that there is no pressing need for equity financing for the time being, and given that it will be able to take advantage of CVC’s relationships with financial institutions and other means of financing, the Company expects to be able to secure the necessary funds for its business. Likewise, taking the Company Shares private will not have a significant impact on the Company’s recruiting, expansion of business partnerships, or relationships with existing partners due to the brand power and name recognition that the Company has built up to date. The Company therefore believes that the disadvantages of going private will be limited.

Furthermore, the Company believes that it can enhance its corporate value from a long-term perspective due to the possibility of allocating to the resolution of management challenges the management resources that have been used for listing maintenance costs, which have been increasing due to compliance with the Corporate Governance Code and other regulations, resources and expenses related to disclosure and auditing under the Financial Instruments and Exchange Act, and shareholder relations, including IR-related expenses. In addition, the Company does not expect any particular disadvantage to arise from becoming a subsidiary of the CVC Fund.

Therefore, the board of directors of the Company has determined that the advantages of taking the Company Shares private outweigh the disadvantages.

Based on the above, the Company’s board of directors has concluded that the Transactions, including the Tender Offer, will contribute to enhancing the Company’s corporate value.

In the course of such discussions and deliberations, the Company has determined, mainly for the reasons set out in (a) through (d) below, that the initial Tender Offer Price (1,960 yen) and the other terms of the Transactions, including the Tender Offer, are reasonable from the perspective of the shareholders of the Company, and that the Tender Offer provides the shareholders of the Company with a reasonable opportunity to sell their Company Shares.

- (a) The Tender Offer Price exceeds the upper limit of the range calculated based on market price analysis and is within the range calculated using the discounted cash flow method (“DCF method”) in the results of the valuation of the Company Shares presented in the Share Valuation Report (Daiwa Securities) as described in “(i) Obtainment by the Company of a share valuation report from an independent third-party appraiser” in “(3) Measures to Ensure Fairness of the Transactions and to

- Prevent Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below.
- (b) The Tender Offer Price exceeds the upper limit of the range calculated based on market price analysis and is within the range calculated using the DCF method in the results of the valuation of the Company Shares presented in the Share Valuation Report (Plutus Consulting) as described in “(iv) Obtainment of a share valuation report and a fairness opinion by the Special Committee from an independent third-party appraiser” in “(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below. In addition, the Special Committee has obtained the Fairness Opinion from Plutus Consulting stating that the Tender Offer Price of 1,960 yen per share is fair to the Company’s general shareholders from a financial standpoint.
 - (c) The Tender Offer Price represents a premium of 30.41% to the closing price of the Company Shares (1,503 yen) on the TSE Prime Market as of September 9, 2025, the business day preceding the announcement of the scheduled commencement of the Tender Offer (September 10, 2025), a premium of 36.49% to the simple average closing price of 1,436 yen over the preceding one-month period, a premium of 37.83% to the simple average closing price of 1,422 yen over the preceding three-month period, and a premium of 42.24% to the simple average closing price of 1,378 yen over the preceding six-month period. Although the premium represented by the Tender Offer Price is not necessarily high in comparison to the premiums offered in 36 other tender offers for shares of target companies that are companies listed on the TSE Prime Market, where the Company is listed, intended to take the target company private through a management buyout (MBO) (excluding transactions where the initially announced tender offer failed, and the transaction was completed through the implementation of a subsequent tender offer) announced after June 28, 2019, when the Ministry of Economy, Trade and Industry published its “Guidelines on Fair M&A Practices,” and which were completed on or before September 9, 2025 (for which the mean premium was 43.17% as of the last business day preceding the announcement, 45.63% over the preceding one-month period, 46.77% over the preceding three month period, and 47.17% over the preceding six-month period, and the median premium was 40.85% as of the last business day preceding the announcement, 44.92% over the preceding one-month period, 46.46% over the preceding three month period, and 43.94% over the preceding six-month period), considering that the Company’s share price trending upward, the closing price of the Company Shares having risen from 1,311 yen to 1,503 yen, an increase of 14.65%, over the six-month period preceding 9 September 2025, the business day prior to the announcement date of the scheduled commencement of the Tender Offer (September 10, 2025), it is not unreasonable to consider a longer-term average rather than solely the most recent stock price, and the premium represented by the Tender Offer Price can be judged to be comparable with the median premium over the simple average closing price in each of the abovementioned similar transactions over the preceding six-month period.
 - (d) The Company and the Special Committee conducted multiple rounds of negotiations with the Tender Offeror regarding the Tender Offer Price, as a result of which the

proposed Tender Offer Price was increased by 360 yen per share (22.5% of the First Proposed Price) from the First Proposed Price of 1,600 yen per share, following the implementation of measures to ensure fairness and avoid conflicts of interest as described in “(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below.

Therefore, at the board of directors meeting held on September 10, 2025, the Company resolved to express an opinion in favor of the Tender Offer and also to recommend its shareholders to tender their Company Shares therein if it is commenced, as its opinion as of that day.

At the abovementioned board of directors meeting, the Company resolved (i) to commission the Special Committee, upon the commencement of the Tender Offer, (a) to consider whether there has been any change in its opinion stated in the Report, and (b) to inform the board of directors either that there has been no change in its opinion or of its new opinion if there has been a change; and (ii) based on such opinion, to restate its opinion regarding the Tender Offer as of the time the Tender Offer is commenced. For the details of the resolutions at such board of directors meeting of the Company, please see “(v) Unanimous approval of the disinterested directors of the Company and unanimous opinion of its disinterested statutory auditors that they have no objection” in “(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below.

- (D) Details of examinations from the Company’s Board of Directors meeting held on September 10, 2025 to the Company’s Board of Directors meeting held on September 25, 2025, and the determination made at that meeting

As of September 10, 2025, subject to the satisfaction of certain conditions (the “Conditions Precedent”), including the completion of, or reasonable expectation of completion of, the acquisition of the permits and authorization, etc. under competition laws in Japan and Vietnam (the “Clearance”), or their waiver by the Tender Offeror, the Tender Offeror had decided to commence the Tender Offer. Therefore, on and after September 10, 2025, from time to time the Company made inquiries with the Tender Offeror on the status of the procedures for the Clearance and confirmed the progress thereof, and also continued to make intermittent reviews based on the status of subsequent market prices and shareholder inquiries. In addition, the Special Committee was kept informed of the state of these matters from time to time, and it reviewed whether there were any circumstances that would necessitate changes to the content of the Report and instructed the Company on the policy for discussions, negotiations, and the like with the Tender Offeror, Mr. Motonobu Nishimura, and Mr. Ken Nishimura. (For details on processes including the discussions, negotiations, and the like with the Tender Offeror, Mr. Motonobu Nishimura, and Mr. Ken Nishimura during this time and the state of considerations of the Transactions by the Special Committee, please refer to “(iii) Establishment of an independent special committee at the Company and obtainment of a report therefrom” in “(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One

Share upon the Share Consolidation, and Other Relevant Matters” below.)

Following this, the Company was informed by the Tender Offeror on September 24, 2025 that, because the acquisition of the Clearance was reasonably expected to be completed, the Tender Offeror intended to commence the Tender Offer on September 26, 2025, subject to the satisfaction of the Conditions Precedent, and the Company shared this information with the Special Committee. In response to this, as stated in “(iii) Establishment of an independent special committee at the Company and obtainment of a report therefrom” in “(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below, the Special Committee conducted further thorough examinations, confirmed that even in light of the circumstances that occurred on and after September 9, 2025 until September 24, 2025, it could find no circumstances that necessitated amending the contents of the Report, and on September 24, 2025, submitted to the board of directors of the Company an additional written report (the “Additional Report”) to the effect that there has been no change to the content of the report contained in the Report. Further, the Special Committee stated a supplementary opinion to the board of directors of the Company that, in light of the fact that the market price of the Company Shares had exceeded the Tender Offer Price even at the time of submission of the Additional Report, the Company’s board of directors should provide appropriate cautionary statements to the Company’s shareholders when it resolves to recommend that the Company’s shareholders tender their shares in the Tender Offer and publicly announces that resolution. For details on the content of the Additional Report and other opinions of the Special Committee, please refer to “(iii) Establishment of an independent special committee at the Company and obtainment of a report therefrom” in “(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below.

Consequently, as a result of careful re-examinations of the terms of the Tender Offer based on the business conditions of the Company and the environment surrounding the Transactions, and while giving the utmost consideration to the contents of the Report and the Additional Report received from the Special Committee, in addition to the contents stated in (a) through (d) in “(C) Determination at the Company’s board of directors meeting held on September 10, 2025” above, in light of the facts including (e) that on or after September 10, 2025, which is the announcement date of the Tender Offer, (a) no events have occurred that would have a particular impact on the intrinsic value of the Company Shares, and the Tender Offer Price is at a reasonable level based on the respective share valuations by Daiwa Securities and Plutus Consulting; (b) no competing acquisition proposals have been made that are comparable to the Tender Offeror’s proposal of the Transactions in terms of the price for purchase, etc. and other transaction terms and the feasibility of the transaction; and (c) although the market price of the Company Shares has been trending above the Tender Offer Price, such market share price is subject to fluctuation due to various factors, and there is no guarantee that the Company’s general shareholders can sell all of their shares on the market at a price exceeding the Tender Offer Price, so such opportunity of sales on the market does not provide the Company’s general shareholders with an alternative sale opportunity to the Transactions, the Company has further determined that the Tender Offer Price and the other terms of the Transactions, including

the Tender Offer, are reasonable from the perspective of the shareholders of the Company and that the Tender Offer provides the shareholders of the Company with a reasonable opportunity to sell their Company Shares. In addition, given, among other factors, that the Company has further found that the Transactions, including the Tender Offer, will contribute to enhancing the corporate value of the Company, the Company has determined that as of September 25, 2025, there is no reason to amend the opinion it expressed on September 10, 2025 concerning the Tender Offer.

Accordingly, at the board of directors meeting of the Company held on September 25, 2025, the Company resolved to restate the expression of its opinion in favor of the Tender Offer and also to recommend its shareholders to tender their Company Shares in the Tender Offer. Furthermore, at the board of directors meeting of the Company, the Company also resolved to include a statement in the Press Release Dated September 25, 2025 to make the Company's shareholders aware that no restrictions have been placed on selling their Company Shares on the market as a result of the commencement of the Tender Offer or the opinion by the board of directors of the Company recommending the shareholders to tender their Company Shares therein.

For details on the aforementioned board of directors meeting of the Company, please refer to "Unanimous approval of the disinterested directors of the Company and unanimous opinion of its disinterested statutory auditors that they have no objection" in "(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest" in "3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters" below.

- (E) Details of examinations from the Company's Board of Directors meeting held on September 25, 2025 to the Company's Board of Directors meeting held on November 4, 2025, and the determination made at that meeting

Subsequently, in light of, among others, the fact that City Index Eleventh Co., Ltd., Ms. Aya Nomura, and City Index First Co., Ltd. (collectively, "CI11, Etc.") have been conducting a rapid and large-scale buy up of the Company Shares (the rapid and large-scale buy up of the Company Shares on and off the market by CI11, Etc., the "Share Buy Up") and the fact that since the announcement of the Press Release Dated September 10, 2025, trading of the Company Shares has been occurring at a large-scale at a market price greatly exceeding the Tender Offer Price, and this has continued even after the announcement of the Press Release Dated September 25, 2025, the Company considered that the likelihood of the successful completion of the Tender Offer had considerably decreased. As such, the Company carefully examined the necessity of securing the time to ensure a viable acquisition proposal that would contribute to the corporate value of the Company and, in turn, the common interests of its shareholders would be made as well as to ensure that the shareholders are provided with the necessary information and time to make appropriate decisions on the appropriateness of the Share Buy Up, and, as a part of these examinations, considered the introduction of the Response Policy (as defined below; the same applies hereinafter). In addition, the Company carefully examined whether it could maintain its opinion in favor of the Tender Offer and its opinion recommending that the Company's shareholders tender their shares in the Tender Offer.

Then, on November 4, 2025, the Company's board of directors received the second additional report dated November 3, 2025 (the "Second Additional Report") from the

Special Committee stating that while there is no change in the opinion of the Special Committee that the Company's board of directors should support the Tender Offer, on the premise that the Company will introduce the Response Policy, the Special Committee withdraws its opinion that the Company's board of directors should recommend the Company's shareholders to tender their Company Shares in the Tender Offer, and the Special Committee believes that the Company's board of directors should take a neutral position on whether to recommend the shareholders of the Company to tender their Company Shares in the Tender Offer and leave the decision on whether to tender shares in the Tender Offer to the discretion of each shareholder. For the details of the Second Additional Report and other opinions of the Special Committee, please refer to "(iii) Establishment of an independent special committee at the Company and obtainment of a report therefrom" in "(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest" in "3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters" below.

As a result of careful re-examinations of the terms of the Tender Offer based on the business conditions of the Company and the environment surrounding the Transactions, and while giving the utmost consideration to the contents of the Second Additional Report received from the Special Committee, the Company further determined that the Company maintains its opinion in favor of the Tender Offer, based on factors including that the Company has found that the Transactions, including the Tender Offer, will contribute to enhancing the corporate value of the Company. On the other hand, although there has been no change in the determination of the Company's board of directors that the fairness of the terms of the Transactions, including the Tender Offer Price, had been ensured, when comprehensively taking into account that (i) 25,285,200 shares (shareholding ratio: 56.02%) has been set as the minimum number of shares to be purchased in the Tender Offer, as well as that (ii) according to Statement of Changes No. 7 submitted by CI11, Etc. and dated October 15, 2025, CI11, Etc. had come to hold Company Shares equivalent to 17.63% shareholding ratio (representing 18.87% voting rights ratio (Note 3)) as of October 7, 2025, and (iii) since the announcement of the Press Release Dated September 10, 2025, trading of the Company Shares has been occurring at a large-scale at a market price greatly exceeding the Tender Offer Price, and this has continued even after the announcement of the Press Release Dated September 25, 2025, the Company has had to conclude that the likelihood of successfully completing the Tender Offer under the current transaction terms has considerably decreased in comparison with the likelihood anticipated as of the time of the publication of the Press Release Dated September 25, 2025. Therefore, the Company has determined that it is necessary (i) to secure time reasonably necessary for the Company to carry out procedures to ensure that a viable acquisition proposal that would contribute to the corporate value of the Company and, in turn, the common interests of shareholders will be made as well as (ii) to ensure that the shareholders are provided with the necessary information and time to make appropriate decisions regarding the appropriateness of the Share Buy Up. In addition, the Company has determined that it should introduce the Response Policy, as well as to take a neutral position on whether to recommend the shareholders of the Company to tender their Company Shares in the Tender Offer and to leave the decision on whether to tender shares in the Tender Offer to the discretion of each shareholder.

Note 3: "Voting rights ratio" represents the ratio of the voting rights to the total number of voting rights of all of the shareholders of the Company as of September 30,

2025 (451,038) (rounded to the second decimal place). The same shall apply hereinafter.

Accordingly, at its board of directors meeting held on November 4, 2025, the Company resolved to maintain its opinion in favor of the Tender Offer, but to withdraw its recommendation that the Company's shareholders tender their shares in the Tender Offer, as well as to take a neutral position on whether to recommend the shareholders of the Company to tender their Company Shares in the Tender Offer and to leave the decision on whether to tender shares in the Tender Offer to the discretion of each shareholder. For details on the aforementioned resolution of the board of directors of the Company, please refer to“(v) Unanimous approval of the disinterested directors of the Company and unanimous opinion of its disinterested statutory auditors that they have no objection” in “(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below. As stated in the “Notice Regarding Introduction of Response Policy concerning Large-Scale Acquisition of the Company's Share Certificates, Etc., in Response to Large-Scale Acquisition of the Company Shares by City Index Eleventh Co., Ltd., Etc.” (the “Response Policy Press Release”) published on November 4, 2025, at the aforementioned board of directors meeting, the Company also resolved, for the purpose of ensuring and enhancing the Company's corporate value and the common interests of its shareholders, to adopt a basic policy regarding the persons who control decisions on the Company's financial and business policies (as prescribed in Article 118, Item 3 of the Enforcement Regulations of the Companies Act; the “Basic Policy”), and to introduce a response policy concerning large-scale acquisitions of the Company's share certificates, etc. based on the Share Buy Up (the “Response Policy”) as a measure to prevent decisions on the Company's financial and business policies from being controlled by persons deemed inappropriate under the Basic Policy (as specified in Article 118, Item 3(b)(2) of the Enforcement Regulations of the Companies Act).

- (F) Details of examinations from the Company's Board of Directors meeting held on November 4, 2025 to the Company's Board of Directors meeting held on December 4, 2025, and the determination made at that meeting, and the subsequent process

The Company then commenced the procedures (the “Procedures”) involving third parties other than the Tender Offeror as potential acquirers, for the purpose of obtaining a viable acquisition proposal (including, but not limited to, any revised proposal should the Tender Offeror (including CVC and its related parties) alter the terms of the Tender Offer, and proposals from third parties other than the Tender Offeror (including CVC and its related parties)) that would contribute to the corporate value of the Company and, in turn, the common interests of its shareholders, and on November 27, 2025, the Company received a proposal dated November 27, 2025 (the “Proposal”) from the Tender Offeror stating that, as of November 27, 2025, (i) the Tender Offeror had decided to change the Tender Offer Price from 1,960 yen to 2,520 yen (the “Tender Offer Price Change”); (ii) the Tender Offeror had decided to extend the Tender Offer period until December 18, 2025; (iii) the Tender Offeror would implement changes in the structure of the Transactions (the “Structure Change”); and (iv) the Tender Offeror had entered into a tender offer agreement (the “Tender Agreement (CI11, Etc.)”) with shareholders of the Company City Index Eleventh Co., Ltd. (as of November 27, 2025, number of shares held: 100 shares, shareholding ratio: 0.00%), Ms. Aya Nomura (“Ms.

Nomura”) (as of November 27, 2025, number of shares held: 4,502,300 shares, shareholding ratio: 9.97%), City Index First Co., Ltd. (as of November 27, 2025, number of shares held: 4,495,600 shares, shareholding ratio: 9.96%), and ATRA Co., Ltd. (as of November 27, 2025, number of shares held: 678,600 shares, shareholding ratio: 1.50%) (collectively, the “Shareholders Who Agreed to Tender Their Shares (CI11, Etc.”) stipulating that the Shareholders Who Agreed to Tender Their Shares (CI11, Etc.) would tender all of the Company Shares they hold as of that date (total number of shares held: 9,676,600 shares, total shareholding ratio: 21.44%) in the Tender Offer, and a tender offer agreement (including the amendment by the Agreement (Tender Agreement (Hibiki)); the “Tender Agreement (Hibiki)”) with Hibiki Path Advisors Pte. Ltd. (the “Former Hibiki” or the “Shareholder Who Agreed to Tender Its Shares (Hibiki)”; after the execution of an agreement regarding the amendment to the Tender Agreement (Hibiki) (the “Agreement (Tender Agreement (Hibiki))”), Hibiki Path Advisors SPC shall be referred to as the “Shareholder Who Agreed to Tender Its Shares (Hibiki)”) stipulating that (i) the Shareholder Who Agreed to Tender Its Shares (Hibiki) would tender all of the Company Shares it holds as of November 27, 2025, (as of November 27, 2025, number of shares held: 2,496,700 shares, shareholding ratio: 5.53%) in the Tender Offer, and (ii) subject to the condition precedent that the Tender Offer is successfully completed and the settlement is made, the Shareholder Who Agreed to Tender Its Shares (Hibiki) may, at a time separately agreed upon with the Tender Offeror, make a capital contribution of 2.5 billion yen to (a) the limited partnership that will be newly formed by a CVC Fund and indirectly hold the Company Shares or (b) a new company governed by Hong Kong law which will be the indirect parent company of the Tender Offeror or Lumina Group Holdings Limited (the “Hibiki Re-Investment”), and the Tender Offeror filed an Amendment Statement To Tender Offer Registration Statement (the “Amendment Statement Dated November 27, 2025”) regarding the Tender Offer. Based on this, the Company carefully examined whether it should change its opinion on the Tender Offer as of November 4, 2025 (meaning the Company’s opinion to maintain its opinion in favor of the Tender Offer, but to withdraw its recommendation that the Company’s shareholders tender their shares in the Tender Offer, as well as to take a neutral position on whether to recommend the shareholders of the Company to tender their Company Shares in the Tender Offer and to leave the decision on whether to tender shares in the Tender Offer to the discretion of each shareholder; the same applies hereinafter). Specifically, the Company asked the Tender Offeror questions regarding the content of the Proposal and the Amendment Statement Dated November 27, 2025 submitted by the Tender Offeror (the “Questions Regarding the Proposal, Etc.”). The Company received the following responses from the Tender Offeror: (i) even in light of the Structure Change, there has been no change to the content of the synergies and measures to enhance corporate value that had been explained by the Tender Offeror to the Company and the Special Committee up to now; and (ii) the reason for receiving the Hibiki Re-Investment is that the Tender Offeror believes that the proposals of the Shareholder Who Agreed to Tender Its Shares (Hibiki) for its investee companies regarding medium- to long-term management policies, etc., such as advice on financial policies and corporate governance improvements, would contribute to enhancing the Company’s corporate value. Furthermore, the Company and the Special Committee confirmed and examined the implementation status of the Procedures.

Then, on December 4, 2025, the Company’s board of directors received the third additional (the “Third Additional Report”) dated December 4, 2025 from the Special Committee, which stated to the effect that while there is no change in the opinion of the Special Committee that the Company’s board of directors should support the Tender Offer, and

although the Special Committee believes that the Tender Offer provides the shareholders of the Company with a reasonable opportunity to sell their Company Shares at an attractive price, it believes that, in line with the Second Additional Report, the Company's board of directors should take a neutral position on whether to recommend the shareholders of the Company to tender their Company Shares in the Tender Offer and to leave the decision on whether to tender shares in the Tender Offer to the discretion of each shareholder, given that the Company is carrying out the Procedures at this point in time. For the details of the Third Additional Report and other opinions of the Special Committee, please refer to "(iii) Establishment of an independent special committee at the Company and obtainment of a report therefrom" in "(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest" in "3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters" below.

As a result of careful examinations on whether the Company should change its opinion expressed with respect to the Tender Offer on November 14, 2025 from perspectives such as whether the Transactions, including the Tender Offer after the Tender Offer Price Change and other such changes to the terms, would contribute to the corporate value of the Company and, in turn, the common interests of its shareholders, with utmost respect for the details of the Third Additional Report submitted by the Special Committee, because it is considered that the Transactions, including the Tender Offer, will contribute to enhancing the corporate value of the Company based on the responses to the Questions Regarding the Proposal, Etc. and for other reasons, the Company has determined that it will maintain its opinion in favor of the Tender Offer. In addition, the Company determined that the Tender Offer Price (2,520 yen) following the Tender Offer Price Change will be attractive to the general shareholders of the Company on the following grounds:

- (i) there is no change in the facts that serve as the basis for the determination of the Company's board of directors that the fairness of the terms of the Transactions, including the Tender Offer Price (1,960 yen) before the Tender Offer Price Change, had been ensured;
- (ii) the Tender Offer Price (2,520 yen) after the Tender Offer Price Change significantly exceeds the upper limit of the range (1,378 to 1,503 yen) calculated based on market price analysis and even exceeds the upper limit of the range (1,649 to 2,454 yen) calculated using the DCF method presented in the Share Valuation Report (Daiwa Securities), and also significantly exceeds the upper limit of the range (1,378 to 1,503 yen) calculated based on market price analysis and exceeds the median value of the range (1,778 to 2,902 yen) calculated using the DCF method presented in the Share Valuation Report (Plutus Consulting);
- (iii) the Tender Offer Price (2,520 yen) after the Tender Offer Price Change not only exceeds the Tender Offer Price (1,960 yen) prior to such change by 560 yen (representing approximately 28.57%) but also represents a premium of 67.66% to the closing price of the Company Shares (1,503 yen) on the TSE Prime Market as of September 9, 2025, the business day preceding the announcement of the scheduled commencement of the Tender Offer, a premium of 75.79% to the simple average closing price of 1,436 yen over the preceding one-month period, a premium of 77.22% to the simple average closing price of 1,422 yen over the preceding three-month period, and a premium of 82.87% to the simple average closing price of 1,378 yen over the preceding six-month period. Such premium is sufficiently high in comparison to the

premiums offered in 36 other tender offers for shares of target companies that are companies listed on the TSE Prime Market, where the Company is listed, intended to take the target company private through a management buyout (MBO) (excluding transactions where the initially announced tender offer failed, and the transaction was completed through the implementation of a subsequent tender offer) announced after June 28, 2019, when the Ministry of Economy, Trade and Industry published its “Guidelines on Fair M&A Practices,” and which were completed on or before September 9, 2025 (for which the mean premium was 43.17% as of the last business day preceding the announcement, 45.63% over the preceding one-month period, 46.77% over the preceding three month period, and 47.17% over the preceding six month period, and the median premium was 40.85% as of the last business day preceding the announcement, 44.92% over the preceding one-month period, 46.46% over the preceding three month period, and 43.94% over the preceding six-month period); and

- (iv) while the market price of the Company Shares had been significantly moving well above the Tender Offer Price (1,960 yen) prior to the Tender Offer Price Change during the period after the announcement of the press release dated September 10, 2025 and before November 27, 2025, the filing date of the Amendment Statement Dated November 27, 2025, the Tender Offer Price (2,520 yen) after the Tender Offer Price Change has not only exceeded the highest market price on most of the days during such period, but also almost matches the highest market price during such period (2,525 yen on November 5, 2025) and exceeds the market price on November 27, 2025, the filing date of the Amendment Statement Dated November 27, 2025.

However, given that the Company is implementing the Procedures as of December 4, 2025, the Company determined that it should continue to take a neutral position on whether to recommend the shareholders of the Company to tender their Company Shares in the Tender Offer and leave the decision on whether to tender shares in the Tender Offer to the discretion of each shareholder.

Based on the above, the Company resolved at its board of directors meeting held on December 4, 2025 that it maintains its opinion in favor of the Tender Offer, and although it believes that the Tender Offer provides the shareholders of the Company with a reasonable opportunity to sell their Company Shares at an attractive price, the Company continues to take a neutral position on whether to recommend the shareholders of the Company to tender their Company Shares in the Tender Offer and to leave the decision on whether to tender shares in the Tender Offer to the discretion of each shareholder, given that the Company is carrying out the Procedures at this point in time. For the details of such resolution of the board of directors meeting, please refer to “(v) Unanimous approval of the disinterested directors of the Company and unanimous opinion of its disinterested statutory auditors that they have no objection” under “(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below.

Subsequently, on December 10, 2025, the Company received a non-legally binding letter of intent regarding taking the Company Shares private (the “LOI Dated December 10, 2025”) from a third party participating in the Procedures as of that date (the “Third-Party Candidate”). In the LOI Dated December 10, 2025, the Third-Party Candidate stated its proposal to take the Company Shares private through a tender offer for the Company Shares

(the “Tender Offer (Third-Party Candidate Proposal)”) and a squeeze-out (such series of transactions are hereinafter collectively referred to as the “Transactions Proposed by Third-Party Candidate”) with a price for purchase, etc. range in the Tender Offer (Third-Party Candidate Proposal) that exceeds the Tender Offer Price (2,520 yen). It was also stated in the LOI Dated December 10, 2025 that, while the closing date of the Tender Offer (Third-Party Candidate Proposal) and the commencement date of the settlement thereof were planned to fall in mid- to late March 2026 if the Third-Party Candidate were to implement the Tender Offer (Third-Party Candidate Proposal) as envisaged, such schedule was merely a plan as of December 10, 2025 and subject to change as a result of further consideration on the part of the Third-Party Candidate, the outcome of discussions and negotiations with the Company, and other reasons.

It should be noted that, in the LOI Dated December 10, 2025, multiple conditions precedent were set, including (i) conditions for the public announcement of the Transactions Proposed by Third-Party Candidate, including the requirement to obtain an approval from the investment committee of the investment fund of the Third-Party Candidate (Note 4); and (ii) conditions for the commencement of the Tender Offer (Third-Party Candidate Proposal) (Note 5). Furthermore, according to the LOI Dated December 10, 2025, the Third-Party Candidate intends to procure both debt financing and equity financing for the execution of the Transactions Proposed by Third-Party Candidate. However, as of December 15, 2025, no commitment letters have been submitted by any financial institutions, and only nonbinding indications of interest for financing have been submitted: one from a financial institution stating that it was interested in participating in lending for the Transactions Proposed by Third-Party Candidate, and another from a financial institution stating that it intended to continue considering providing such financing.

Note 4: The conditions precedent to the announcement of the Transactions Proposed by Third-Party Candidate stated in the LOI Dated December 10, 2025 were as follows: (i) the Company’s board of directors has resolved to express its opinion in support of the Tender Offer (Third-Party Candidate Proposal) and such resolution has not been withdrawn; (ii) an approval from the investment committee of the investment fund of the Third-Party Candidate have been obtained; and (iii) there is no material fact relating to business operations, etc. of the Company (as specified in Article 166, Paragraph 2 of the Act) that has not been publicized (having the meaning specified in Article 166, Paragraph 4 of the Act) by the Company; nor is there any fact that a tender offer, etc. for the share certificates, etc. of the Company will be launched or suspended (having the meaning specified in Article 167, Paragraph 2 of the Act) that has not been publicized (having the meaning specified in Article 167, Paragraph 4 of the Act).

Note 5: The conditions precedent to the commencement of the Tender Offer (Third-Party Candidate Proposal) stated in the LOI Dated December 10, 2025 were as follows: (i) the resolution of the Company’s board of directors expressing its opinion in support of the Tender Offer (Third-Party Candidate Proposal) has not been changed or withdrawn; (ii) no lawsuits, etc. are pending before any judicial or administrative authority, etc. that seek to restrict or prohibit any of the Transactions Proposed by Third-Party Candidate and there are no judgments, etc. by any judicial or administrative authority, etc. restricting or prohibiting any of the Transactions Proposed by Third-Party Candidate, and there is no specific risk that any such lawsuits or judgments, etc. may arise; (iii) there is no

material fact relating to business operations, etc. of the Company (as specified in Article 166, Paragraph 2 of the Act) that has not been publicized (having the meaning specified in Article 166, Paragraph 4 of the Act) by the Company; nor is there any fact that a tender offer, etc. for the share certificates, etc. of the Company will be launched or suspended (having the meaning specified in Article 167, Paragraph 2 of the Act) that has not been publicized (having the meaning specified in Article 167, Paragraph 4 of the Act); and (iv) the waiting period has expired and the obtainment of all necessary judgments, etc. by any judicial or administrative authority, etc. have been completed if such waiting period exists or such judgments, etc. are required with respect to the procedures and responses required under domestic and foreign competition laws and domestic and foreign inward direct investment regulation or the Third-Party Candidate reasonably expects that such waiting period will have expired and the obtainment of all such judgments, etc. will have been completed by the end of the tender offer period of the Tender Offer (Third-Party Candidate Proposal).

Subsequently, on January 13, 2026, the Company received from Kohlberg Kravis Roberts & Co. L.P. (including its affiliate companies and related funds, “KKR”), who is the Third-Party Candidate, a legally binding letter of intent (the “LOI Dated January 13, 2026”) regarding taking the Company Shares private through a tender offer for the Company Shares (the “KKR Tender Offer”) and a squeeze-out (such series of transactions are hereinafter collectively referred to as the “Transactions Proposed by KKR”). In the LOI Dated January 13, 2026, KKR stated that the share value per share (the tender offer price) in the Transactions Proposed by KKR is 3,100 yen (the “KKR Price Proposal”) (Note 6). The LOI Dated January 13, 2026 stated that KKR aims to commence the KKR Tender Offer by late January 2026; however, this schedule may be changed as a result of consultation and negotiation with the Company and other such reasons, and the commencement of the KKR Tender Offer was subject to multiple conditions precedent (Note 7).

Note 6: The LOI Dated January 13, 2026 stated that KKR intends to procure the funds required to implement the Transactions Proposed by KKR through a combination of debt financing and equity financing to be contributed by funds and the like managed by KKR. The LOI Dated January 13, 2026 also had attached thereto a copy of a commitment letter dated January 8, 2026 from two financial institutions and KKR Capital Markets Ltd.

Note 7: The conditions precedent to the commencement of the KKR Tender Offer stated in the LOI Dated January 13, 2026 were as follows: (i) the resolution of the Company’s board of directors expressing its opinion in support of the KKR Tender Offer has been adopted and not been withdrawn; (ii) no lawsuits, etc. are pending before any judicial or administrative authority, etc. that seek to restrict or prohibit any of the Transactions Proposed by KKR and there are no judgments, etc. by any judicial or administrative authority, etc. restricting or prohibiting any of the Transactions Proposed by KKR, and there is no specific risk that any such lawsuits or judgments, etc. may arise; (iii) there is no material fact relating to business operations, etc. of the Company (as specified in Article 166, Paragraph 2 of the Act) that has not been publicized (having the meaning specified in Article 166, Paragraph 4 of the Act) by the Company; (iv) KKR has received the Company’s responses to questions submitted by KKR (including responses to any additional questions from KKR) to the Company for the

purpose of determining the countries subject to filings with regulatory authorities pertaining to competition laws and domestic and foreign inward direct investment regulation as well as KKR's standard compliance questions relating to anti-corruption, economic sanctions, and similar matters, and it has been confirmed that the only permits and approvals, etc. required under domestic and foreign competition laws and laws and regulations regarding inward direct investment for the implementation of the Transactions Proposed by KKR are the clearances under competition laws in Japan and Vietnam (or, if any other permits and approvals, etc. are required, that it is reasonably expected that such permits and approvals, etc. can be obtained within the tender offer period for the KKR Tender Offer); and (v) the Company's information and related documents related to the prior notification under competition law in Vietnam have been delivered by the Company.

Upon receipt of the LOI Dated January 13, 2026, the Company resolved at its board of directors meeting held on January 14, 2026 the matters commissioned (Note 8) to the Special Committee regarding the Transactions Proposed by KKR. Mr. Motonobu Nishimura and Mr. Ken Nishimura did not attend the abovementioned board of directors meetings (Note 9). All of the three statutory auditors of the Company attended the abovementioned board of directors meeting, and all of them stated an opinion that they had no objection to adopting the resolution above.

Note 8: The matters commissioned to the Special Committee in relation to the Transactions Proposed by KKR are as follows.

- (i) examine and report to the board of directors on whether to implement the Transactions Proposed by KKR (whether the board of directors should support the KKR Tender Offer, and whether the board of directors should recommend the shareholders of the Company to tender their shares in the KKR Tender Offer). When examining (i), the Special Committee is to consider and determine whether to implement the Transactions Proposed by KKR from the standpoint of whether they will contribute to the corporate value of the Company and whether the transaction terms are fair and the procedures are fair from the standpoint of promoting the interests of the general shareholders of the Company; and
- (ii) consider and express its opinion to the board of directors on whether the Transactions Proposed by KKR are fair to the general shareholders of the Company.

Note 9: Of the directors of the Company, Mr. Motonobu Nishimura, Chairman and Representative Director of the Company, and Mr. Ken Nishimura, President and Representative Director of the Company, did not participate in any deliberations or resolution at the abovementioned board of directors meetings because each of Mr. Motonobu Nishimura and Mr. Ken Nishimura is in a state of structural conflict of interest with the Company in relation to the Transactions and the Transactions Proposed by KKR.

Subsequently, on January 28, 2026, the Tender Offeror decided to raise the Tender Offer Price from 2,520 yen to 2,600 yen (the "Second Tender Offer Price Change").

- (G) Background of the comparison and examination of the Transactions and the Transactions Proposed by KKR, and the determination made at the Company's Board of Directors

meeting held on February 9, 2026

After introducing the Response Policy, the Company decided to conduct a bidding process (the “Bidding Process”) to take the Company Shares private as part of the Procedures, and since mid-November, sent bidding information regarding the Bidding Process (the “Process Letter”) 2025 to a total of three private equity funds (including KKR) , which, among a total of eight private equity funds (including KKR) that had expressed interest in the Bidding Process and conducted initial confirmation and discussions regarding the Bidding Process through Daiwa Securities, the Company’s financial advisor, indicated their intention to participate in the Bidding Process and submitted non-disclosure agreements to the Company. In the Process Letter, the Company requested the candidates to submit to the Company a written statement with measures to enhance the corporate value of the Company on December 10, 2025, and a legally binding letter of intent (a binding offer) on December 24, 2025 (the “Submission Deadline”).

Subsequently, as stated in “(F) Details of examinations from the Company’s Board of Directors meeting held on November 4, 2025 to the Company’s Board of Directors meeting held on December 4, 2025, and the determination made at that meeting, and the subsequent process” above, on December 10, 2025, the Company received a written statement from KKR stating measures to enhance the corporate value of the Company (the “KKR Corporate Value Enhancement Proposal”) as well as the LOI Dated December 10, 2025. In response, the Company announced that it had received the LOI Dated December 10, 2025, as announced in the Press Release Dated December 15, 2025 (however, since the LOI Dated December 10, 2025, was not legally binding, KKR’s name was not disclosed).

After receiving the LOI Dated December 10, 2025, the Company repeatedly conducted reviews based on the explanations from both the Tender Offeror and KKR regarding their respective proposed measures to enhance the corporate value of the Company, etc. In addition, on February 6, 2026, the Company received from the Tender Offeror a written proposal regarding the Tender Offer (the “Proposal Dated February 6, 2026”), which included a proposal to implement a structural change to the Transactions (the “Second Structure Change”), including the implementation of the sale of real estate on which the Company’s head office and Fukusaki factory owned by the Company are located, and a proposal to change the Tender Offer Price to 3,105 yen per Company Share (the “Third Tender Offer Price Change”). In response to these proposals, the Company carefully and thoroughly compared and examined the measures to enhance the corporate value of the Company proposed by the Tender Offeror and the measures to enhance the corporate value of the Company proposed by KKR, primarily from the perspective of which would contribute more to the enhancement of the corporate value of the Company.

Specifically, in light of the receipt of the LOI Dated December 10, 2025, the Company, jointly with the Special Committee, asked KKR questions on December 12, 2025 regarding the contents of the LOI Dated December 10, 2025 (including the KKR Corporate Value Enhancement Proposal), and the Company received a response from KKR on December 13, 2025 (the “Response Dated December 13, 2025”).

In addition, all of the Company’s CxOs (excluding Mr. Ken Nishimura, the same hereinafter in this item (G)) reviewed the LOI Dated December 10, 2025 and Response Dated December 13, 2025, and held a meeting on December 15, 2025 with the Company’s CxOs and KKR. Consequently, the Company’s CxOs believed that KKR’s proposed measures to enhance the corporate value of the Company were abstract and did not appear to be grounded in the Company’s actual circumstances, etc., and therefore the measures to enhance the corporate value of the Company proposed by the Tender Offeror would

contribute more to enhancing the corporate value of the Company. However, in response, given that the Special Committee believed that the reason the Company's CxOs determined the Tender Offeror's proposed measures to enhance the corporate value of the Company were superior to KKR's proposed measures to enhance the corporate value of the Company may be due to KKR having limited time to consult with the Company's CxOs compared to the Tender Offeror, the Special Committee requested the Company to further deepen discussions with KKR regarding measures to enhance corporate value upon receipt of a legally binding letter of intent (a binding offer) from KKR.

The Procedures were originally contemplated to be terminated in the event that a legally binding letter of intent was not submitted by the Submission Deadline, as stated in the Process Letter, and a legally binding letter of intent (a binding offer) was not submitted by KKR by the Submission Deadline. However, in the LOI Dated December 10, 2025, KKR indicated a range of prices for the share value per share of Company Shares in the Transactions Proposed by KKR that exceeded the Tender Offer Price (2,520 yen) as of the same date, and also stated that it planned to make a legally binding proposal in early January 2026. Therefore, after consultation with the Special Committee, the Company decided not to immediately terminate the Procedures when no legally binding letter of intent was submitted by the Submission Deadline, and continued to wait for a legally binding proposal from KKR.

Subsequently, as described in "(F) Details of examinations from the Company's Board of Directors meeting held on November 4, 2025 to the Company's Board of Directors meeting held on December 4, 2025, and the determination made at that meeting, and the subsequent process" above, on January 13, 2026, after the Submission Deadline, the Company received a Letter of Intent dated January 13, 2026 from KKR as a legally binding letter of intent (binding offer) with respect to the Transactions Proposed by KKR (With respect to the measures to enhance the corporate value of the Company, the LOI Dated January 13, 2026 provided an outline of the KKR Corporate Value Enhancement Proposal, which was sent together with the LOI Dated December 10, 2025, and the Response Dated December 13, 2025. Although the Company's CxOs had hoped to retain ownership of the head office, including the R&D facilities, and the Fukusaki Plant, which manufactures cosmetics, both of which form the core of the Company's competitiveness, to maintain operational flexibility and resilience to economic fluctuations, the KKR Price Proposal was premised on the assumption that these properties would be sold (securitized) following the Transactions Proposed by KKR.). In response, as stated in the Press Release Dated January 14, 2026, the Company announced that it received the LOI Dated January 13, 2026 from KKR. No candidates other than KKR submitted a letter of intent, whether legally binding or not, during the Bidding Process.

In light of the receipt of the LOI Dated January 13, 2026, the Company asked KKR questions on January 17, 2026 regarding the contents of the LOI Dated January 13, 2026 (including the contents regarding the proposed measures for enhancement of the Company's corporate value), and the Company received a response from KKR regarding those questions on January 19, 2026. All of the Company's CxOs reviewed the LOI Dated January 13, 2026 and KKR's January 19, 2026 response to the Company's questions. On January 23, 2026 and January 28, 2026, the Company's CxOs, taking into account the above request from the Special Committee, held renewed discussions with KKR regarding the measures to enhance the Company's corporate value proposed by KKR and also conducted additional question-and-answer thereafter; however, even in light of those discussions, as stated below,

they continued to believe that the measures to enhance corporate value proposed by the Tender Offeror would contribute to enhancing the corporate value of the Company more than those measures proposed by KKR, given that those measures proposed by the Tender Offeror align with the Company's business strategy based on the current business environment and management challenges, are more concrete and have a higher likelihood of being realized, and can be initiated more swiftly.

On the other hand, based on the "(Amendment) Notice Regarding Amendment to "Notice Regarding Commencement of Tender Offer for Shares Certificates, Etc. of Mandom Corporation (Securities Code: 4917) Due to Filing of Amendment Statement to Tender Offer Registration Statement"" dated January 28, 2026, which was published by the Company at the Tender Offeror's request, the Company recognized that the Tender Offeror was considering that there was room to raise the Tender Offer Price to a level equivalent to the KKR Price Proposal.

In light of the above situation and the possibility that the continuation of the current unstable situation may result in damage to the corporate value of the Company as described below, the Company, after consultation with the Special Committee, requested KKR on February 2, 2026 to present additional proposals and explanations, etc. regarding the measures to enhance the corporate value of the Company, etc., if any, by February 6, 2026, and also requested the Tender Offeror to present additional proposals and explanations, etc. regarding the measures to enhance the corporate value of the Company, etc., if any, by February 6, 2026, and confirmed whether or not the Tender Offeror intends to raise the Tender Offer Price.

Thereafter, on February 2, 2026, the Company received a letter from the Tender Offeror explaining the measures to enhance the corporate value of the Company, etc., and at the Tender Offeror's request, the Tender Offeror explained the measures to enhance the corporate value of the Company, etc. to the Company. Subsequently, on February 6, 2026, the Company received the Proposal Dated February 6, 2026 from the Tender Offeror, which included the implementation of the Third Tender Offer Price Change, subject to the conditions that the Company's board of directors resolve to express an opinion in support of the Tender Offer and recommend that the shareholders of the Company tender their shares in the Tender Offer. In addition, although the Tender Offeror's proposal for the Tender Offer Price prior to the Third Tender Offer Price Change was not premised on the securitization of the Company's real estate, in light of the current level of the share price of the Company Shares and other factors, the Tender Offeror explained to the Company that it was necessary to raise the Tender Offer Price to a level equivalent to the KKR Price Proposal in order to execute the Transactions, and in order to achieve such an increase, the Tender Offeror changed its policy to securitize the real estate on which the Company's head office and the Fukusaki Plant are located through sale-and-leaseback transactions (the "Real Estate Securitization") after the implementation of the Transactions.

On the other hand, on February 2, 2026, the Company received and examined materials from KKR regarding the preparation status of the KKR Tender Offer, etc. as well as materials regarding measures to enhance corporate value in Indonesia and overseas, etc.

In the course of such discussions and examinations, the Company have considered that, mainly in the following two respects, the measures to enhance the corporate value of the Company proposed by the Tender Offeror are more consistent with the Company's business strategy, taking into account its current business environment and management issues, than those proposed by KKR.

(a) Growth of the Southeast Asian Business (Especially Indonesia)

The Tender Offeror has proposed, in light of the Company's emphasis on maintaining and strengthening relationships with its existing distribution partner that covers the Traditional Trade (Note 10) market in Indonesia and has an overwhelming presence therein, to maintain and strengthen such relationships in order to achieve growth in the Indonesian market. At the same time, in order to enable the Company to appropriately respond to changes in the economic environment and technological advances in Indonesia, the Tender Offeror has proposed accelerating the expansion of new distribution routes in the Modern Trade (Note 11) market and online market to complement its existing distribution partner while maintaining and strengthening the relationship with it, and has presented concrete measures to that end by leveraging CVC's portfolio companies and other resources.

In contrast, while KKR has also presented measures to improve distribution networks in the Traditional Trade market in Indonesia and to strengthen the Company's presence in the Modern Trade market, such measures remain general in nature, and the Company has believed that it is unclear whether they constitute concrete measures that sufficiently take into account the Company's emphasis on giving due consideration to its existing distribution partner.

Note 10: "Traditional Trade" means traditional retail networks consisting of locally rooted, individually operated small-scale stores, street stalls, and similar outlets.

Note 11: "Modern Trade" means modern retail networks, including shopping malls, supermarkets, convenience stores, and similar outlets.

(b) Optimal Allocation of Management Resources through Reconstruction of the Brand Portfolio

According to the Tender Offeror, CVC, on the premise that it is essential to continuously operate a cycle whereby profits are generated from existing products with strong brand power and steadily reinvested into new products and brands to create new sources of profit, intends to provide support that enables the securing of growth capital and the optimal allocation of management resources (human resources, investment, and time) by clearly defining and operating regional brand portfolios and regularly reviewing priorities in response to changes in the market environment. The Company has believed that such policy is consistent with its business strategy. In addition, according to the Tender Offeror, the Tender Offeror cited its support for FineToday Co., Ltd. ("FT") as a concrete example of such support by CVC, and since CVC's investment in FT in July 2021, CVC has positioned the brand portfolio at the "core of management" and has achieved the launch of new brands, including entry into higher-priced market segments, as well as the creation of new core brands. The Tender Offeror further states that it can leverage CVC's proprietary insights obtained through this series of processes, and that, based on its experience in supporting FT, it proposed concrete and detailed measures. FT is a general cosmetics manufacturer and distributor producing and selling hair care, body care, and men's cosmetics in the general consumer market in Japan and Asia, and is currently one of the Company's competitors. Compared with the Company, FT has similar product categories, sales regions, and sales channels, and also shares similarities in manufacturing regions,

such as having production bases in Japan and Southeast Asia. Accordingly, the Company has believed that the concrete and detailed measures implemented by CVC in supporting FT can be sufficiently utilized in reconstructing the Company's brand portfolio.

In contrast, according to KKR, KKR intended to support the development of hero brands comparable to the Company's major brands, GATSBY and LUCIDO, by concentrating necessary management resources on fields positioned as growth areas in the Company's mid-term management plan. However, KKR's role is described as back-end support for hero brand development (including appropriate budget setting and monitoring by the Company's board of directors, and support for resource allocation to priority initiatives and progress management), and no concrete support measures for the reconstruction of the brand portfolio itself were presented. According to KKR, KKR also has investment experience in Wella International Operations Switzerland S.à.r.l. ("Wella"), a company engaged in a business similar to that of the Company, and the Company considers that the insights obtained through such investment could potentially be utilized in its business operations. However, Wella's distribution network primarily focuses on salon distribution, which is not a priority for the Company, and its main sales regions are Europe and the United States, which are also not the Company's priority markets. Accordingly, the Company believed that such insights do not necessarily align with the Company's current business environment and management issues, and it is unclear to what extent they can be utilized in the Company's business.

Furthermore, the Company considers that the current business performance of the Company Group is not necessarily favorable and that it is necessary to implement corporate value enhancement measures as promptly as possible. Based on discussions between the Company's CxOs and each of the Tender Offeror and KKR, the Company has believed that the Tender Offeror has a more accurate understanding of the Company Group's business issues and has proposed more concrete corporate value enhancement measures. Accordingly, the Company has considered that the Tender Offeror's measures to enhance the corporate value of the Company have a higher likelihood of realization and can be implemented more swiftly.

In light of the foregoing, the Company believed that, compared with the Transactions Proposed by KKR, the Transactions proposed by the Tender Offeror will contribute more greatly to the enhancement of the Company's corporate value.

In addition, given that (i) there has been no change in the facts underlying the judgment of the Company's board of directors that the fairness of the terms of the Transactions, including the Tender Offer Price (1,960 yen) prior to the Tender Offer Price Change, has been ensured; (ii) the Tender Offer Price after the Third Tender Offer Price Change is more than twice the upper limit of the range (1,378 to 1,503 yen) calculated based on the market price analysis and even significantly exceeds the upper limit of the range (1,649 to 2,454 yen) calculated using the DCF method presented in the Share Valuation Report (Daiwa Securities), and it is also more than twice the upper limit of the range (1,378 to 1,503 yen) calculated based on the market price analysis and even significantly exceeds the upper limit of the range (1,778 to 2,902 yen) calculated using the DCF method presented in the Share Valuation Report (Plutus Consulting); and (iii) the Tender Offer Price after the Third Tender Offer Price Change not only exceeds the Tender Offer Price (1,960 yen) prior to the Tender Offer

Price Change by 1,145 yen (representing approximately 58.42%) but also represents a premium of 106.59% to the closing price of the Company Shares (1,503 yen) on the TSE Prime Market as of September 9, 2025, the business day preceding the announcement of the scheduled commencement of the Tender Offer, a premium of 116.23% to the simple average closing price of 1,436 yen over the preceding one-month period, a premium of 118.35% to the simple average closing price of 1,422 yen over the preceding three-month period, and a premium of 125.33% to the simple average closing price of 1,378 yen over the preceding six-month period, and such premium is at a very high level in comparison to the premiums offered in 36 other tender offers for shares of target companies that are companies listed on the TSE Prime Market, where the Company is listed, intended to take the target company private through a management buyout (MBO) (excluding transactions where the initially announced tender offer failed, and the transaction was completed through the implementation of a subsequent tender offer) announced after June 28, 2019, when the Ministry of Economy, Trade and Industry published its “Guidelines on Fair M&A Practices,” and which were completed on or before September 9, 2025 (for which the mean premium was 43.17% as of the last business day preceding the announcement, 45.63% over the preceding one-month period, 46.77% over the preceding three month period, and 47.17% over the preceding six-month period, and the median premium was 40.85% as of the last business day preceding the announcement, 44.92% over the preceding one-month period, 46.46% over the preceding three month period, and 43.94% over the preceding six-month period), the Company believes that the Tender Offer Price after the Third Tender Offer Price Change is at a sufficiently high level for the Company’s shareholders.

Furthermore, according to the Tender Offeror, in addition to the Third Tender Offer Price Change, there will be changes to other terms of the Tender Offer including those below; however, the Company determined that it cannot be said that these changes will have a material adverse effect on the Company’s business operations due to the reasons stated below.

- Changes to the Terms for Obtaining Settlement Funds

According to the Tender Offeror, the Tender Offeror will require a total of 149 billion yen as funds, etc. for the Tender Offer due to the Third Tender Offer Price Change and, (i) with respect to the loan from MUFG Bank, the maximum planned loan amount which was planned to be 60 billion yen before the Third Tender Offer Price Change, remains unchanged, and (ii) with respect to the investment by the CVC Funds, the amount of the indirect investment was planned to be 89 billion yen. In this regard, according to the Tender Offeror, it will implement the Third Tender Offer Price Change based on a business plan that anticipates full repayment of the loans obtained for the Transactions from cash flows generated by the Company’s operations by the fiscal year ending March 2031. Based on this explanation, the Company concluded that the abovementioned financing will not have a materially adverse effect on the Company’s business operations after the Transactions.

- Securitization of Real Estate

According to the Tender Offeror, the Tender Offer Price prior to the Third Tender Offer Price Change was a proposal that was not premised on the securitization of the Company’s real estate,; however, the Tender Offeror changed its policy to implement the Real Estate Securitization in order to raise the Tender Offer Price after the Third Tender Offer Price Change to a level equivalent to the KKR Price Proposal. In this regard, given the nature of the Company’s business manufacturing and selling

cosmetics, the Company's head office, including the research and development facilities, and the Fukusaki Plant, where cosmetics are manufactured, are particularly significant business properties and can be considered a source of the Company's competitiveness. If such real estate were securitized, it could have a lasting impact on the Company's operational flexibility and economic resilience, potentially increasing business risks, therefore careful consideration is required. However, according to the Tender Offeror, the structure of the leaseback arrangement through the Real Estate Securitization is designed to enable the Company's long-term, stable, and continuous use by entering into a long term fixed-term lease agreement between the Company and the real estate holding company. Furthermore, through measures such as setting a buyback option, the agreement contractually guarantees the Company's long-term and stable continued use. Based on this explanation, the Company determined that while the Real Estate Securitization may create certain risks for the Company's medium- to long-term business operations, it cannot be said that it will have a material adverse effect on the Company's business operations after the Transactions.

In addition to the foregoing, according to the Tender Offeror, the acquisition of all permits and approvals, etc. under the competition laws in Japan and Vietnam that are required for the implementation of the Transaction has been completed and it will be possible to complete the Tender Offer at an early date. On the other hand, according to KKR, as of February 2, 2026, it would take approximately two months to acquire the relevant permits and approvals for the Transactions Proposed by KKR in Vietnam, and accordingly, even if the KKR Tender Offer were to be commenced immediately, it is expected that more than two months would be required before settlement thereof. Based on the above, the Company determined that the Tender Offer after the Third Tender Offer Price Change and other such changes to the terms provides the shareholders of the Company, earlier and with greater certainty, with a reasonable opportunity to sell their Company Shares at a price that is at a sufficiently high level.

As described above, the Company compared the Transactions (including the Tender Offer after the Third Tender Offer Price Change and other such changes to the terms) with the Transactions Proposed by KKR, and examined these transactions from the perspective of, among other things, which transaction would contribute more greatly to the Company's corporate value and, in turn, the common interests of its shareholders. The Company also carefully considered the timing for terminating the Procedures.

Specifically, with regard to the circumstances surrounding the Company after the commencement of the Tender Offer, at the time of the commencement of the Tender Offer, the period for purchase, etc. in the Tender Offer (the "Tender Offer Period") was set at 30 business days from September 26, 2025 to November 10, 2025. However, the Tender Offer Period was extended multiple times thereafter and as of February 8, 2026, it has been extended for a total of 90 business days until February 12, 2026, which significantly exceeds the statutory principle maximum tender offer period of 60 business days. As such an unstable situation has continued for a prolonged period, within the Company as well, and management resources of the Company that should otherwise have been devoted to the growth of the Company's business have, over an extended period, been diverted to matters including the Procedures and the Transactions, as well as the examination of the Transactions Proposed by KKR, resulting in no small delay in the Company's initiatives to improve its business. In addition, employees of the Company Group have voiced concerns regarding being placed in an unstable position for any further extended period, which the

Company believes is giving rise to the risk of retrenchment, and concerns have also been expressed by other stakeholders of the Company Group, including its business partners. Furthermore, if, going forward, the Tender Offeror or KKR were to take the Company Shares private at a price even higher than the Tender Offer Price after the Third Tender Offer Price Change, there were concerns that, due to the nature of CVC and KKR as private equity funds, the Company's financial condition could be adversely affected after the completion of the Transactions or the Transactions Proposed by KKR by, among other things, an increase in debt capital in the Company's capital structure (including any recapitalization from equity to debt capital that may be implemented after the completion of the Transactions or the Transactions Proposed by KKR), leading to the risk of restricted funds available for the Company's business operations and its breach in financial covenants. In addition, as described above, the Company's CxOs had expressed a desire to continue to hold the Company's real estate, including the Company's head office and the Fukusaki Plant, in order to avoid risks that could hinder the Company's medium- to long-term business operations. Notwithstanding such intention, KKR, in the LOI Dated January 13, 2026, presented the KKR Price Proposal premised on the sale (securitization) of such real estate assets. In response thereto, the Tender Offeror also amended its business plan in connection with the Third Tender Offer Price Change to assume that the Real Estate Securitization would be carried out after the implementation of the Transactions. In light of such circumstances and other factors, if the Procedures were to be continued further, it could not be ruled out that, in addition to the Real Estate Securitization, the dismantling of the Company's business or measures such as the sale of the Company's business or the sale of business assets that are indispensable to the Company's business could be considered. The Company believed that such measures could not only impede the implementation of the Company's sustainable and stable growth strategy and narrow the range of the Company's business options, but could also increase the Company's default risk, and therefore may have an adverse effect on the Company's business operations and management. In light of the above factors, the Company believed that the continuation of the current unstable situation going forward due to the Procedures may hinder the conduct of business by the Company and could possibly result in the impairment of the Company's corporate value. Under these circumstances, as described above, the Company believed that the Transactions will contribute to the enhancement of the Company's corporate value to an even greater extent than the Transactions Proposed by KKR. Furthermore, the Company determined that the Tender Offer Price after the Third Tender Offer Price Change is a price at a sufficiently high level for the Company's shareholders. In addition, while the KKR Price Proposal is based on the LOI Dated January 13, 2026 submitted by KKR, which constitutes the only legally-binding letter of intent (binding offer) proposed in the Procedures, as described above, the LOI Dated January 13, 2026 was submitted at a timing determined at KKR's discretion after the lapse of the submission deadline for the legally-binding letter of intent (December 24, 2025) communicated by the Company to KKR. In light of these circumstances, the Company believed that KKR was provided with, and availed itself of, a sufficient period for consideration in making its proposal with a view to maximizing the Company's corporate value and, in turn, the shareholder value. Moreover, as described above, the Company examined the Transactions Proposed by KKR through multiple rounds of written questions to KKR and multiple meetings, discussions, or the like with KKR.

Comprehensively taking into consideration the course of events up to present and the current situation as detailed above, from the perspective of avoiding impairment of the Company's corporate value due to the prolongment or the like of the Transactions, and from the perspective of providing the Company's shareholders, earlier and with greater certainty, with a reasonable opportunity to sell their Company Shares at a price that is at a sufficiently high level and thereby ensuring the common interests of its shareholders, the Company determined that the Procedures should be terminated upon reaching a conclusion at its board of directors on whether the Transactions, including the Tender Offer after the Third Tender Offer Price Change and other such changes to the terms, or the Transactions Proposed by KKR would more greatly contribute to the corporate value of the Company and, in turn, the common interests of its shareholders. In addition, upon the termination of the Procedures, the Company intended to request that KKR destroy any confidential information disclosed by the Company in accordance with the non-disclosure agreement provided by KKR to the Company.

Then, on February 8, 2026, the Company's board of directors received an additional report dated February 8, 2026 (the "Fourth Additional Report") from the Special Committee, which stated to the effect that (i) the Special Committee finds that the Company's decision to maintain its judgment that the Transactions will contribute to the enhancement of the Company's corporate value, and that the Transactions will contribute more greatly when compared to the Transactions Proposed by KKR is reasonable, and therefore, there is no change in the opinion of the Special Committee that the Company's board of directors should support the Tender Offer; and (ii) given that the Tender Offer based on the Tender Offer Price after the Third Tender Offer Price Change provides the shareholders of the Company, earlier and with greater certainty, with a reasonable opportunity to sell their Company Shares at a price that is at a sufficiently high level, based on the assumption that the Third Tender Offer Price Change is implemented, the Special Committee believes that the Company's board of directors should recommend the shareholders of the Company to tender their Company Shares in the Tender Offer. The Fourth Additional Written Report also states that the Special Committee believes that (i) while the Special Committee believes that the Company's board of directors should support the Tender Offer and, on the premise that the Third Tender Offer Price Change is implemented, should recommend that the Company's shareholders tender their Company Shares in the Tender Offer, because the KKR Tender Offer is in a competing relationship with the Tender Offer, the Special Committee believes that, if the Tender Offer Price Change is implemented, the Company's board of directors should not support the KKR Tender Offer; and (ii) the Special Committee considers it preferable that the Company terminate the Procedures in connection with the expression of its opinion based on the Fourth Additional Written Report, and given that the Procedures are to be terminated, the Special Committee also believes that it would not be an unreasonable response for the Company to request KKR to destroy any confidential information disclosed by the Company in accordance with the non-disclosure agreement provided by KKR to the Company. For the details of the Fourth Additional Report and other opinions of the Special Committee, please refer to "(iii) Establishment of an independent special committee at the Company and obtainment of a report therefrom" in "(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest" in "3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters" below.

Based on the examinations and processes stated above, as a result of careful examinations

on whether the Company should change the Opinion Dated December 4, 2025 in regard to the Tender Offer (meaning the Company's opinion as of December 4, 2025 to maintain its opinion in favor of the Tender Offer, and although it believes that the Tender Offer provides the shareholders of the Company with a reasonable opportunity to sell their Company Shares at an attractive price, the Company continues to take a neutral position on whether to recommend the shareholders of the Company to tender their Company Shares in the Tender Offer and to leave the decision on whether to tender shares in the Tender Offer to the discretion of each shareholder, given that the Company is carrying out the Procedures at this point in time; the same applies hereinafter), primarily from the perspective of whether the measures to enhance the corporate value of the Company proposed by the Tender Offeror or the measures to enhance the corporate value of the Company proposed by KKR would contribute more to the enhancement of the corporate value of the Company, and with utmost respect for the details of the Fourth Additional Report submitted by the Special Committee, at its board of directors meeting held on February 9, 2026, the Company reached the conclusion that the measures to enhance the corporate value of the Company proposed by the Tender Offeror would more greatly contribute to the enhancement of the corporate value of the Company than the measures to enhance the corporate value of the Company proposed by KKR, and resolved to express its opinion in favor of the Tender Offer and, on the premise that the Third Tender Offer Price Change will be implemented, to recommend its shareholders to tender their Company Shares in the Tender Offer (the "Resolution"). In addition, at the same meeting of the board of directors, based on the Resolution and in light of the fact that the KKR Tender Offer is in a competing relationship with the Tender Offer, the Company resolved that it will not support the KKR Tender Offer and, at the same time, will terminate the Procedures. The Company expresses deep gratitude to KKR for participating in the Procedures despite the limited timeframe. The Company also informed KKR of the termination of the Procedures and requested that KKR destroy any confidential information disclosed by the Company in accordance with the non-disclosure agreement provided by KKR to the Company. For the details of the resolutions at such Company's board of directors meeting, please refer to "(v) Unanimous approval of the disinterested directors of the Company and unanimous opinion of its disinterested statutory auditors that they have no objection" in "(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest" in "3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters" below.

Subsequently, as stated above, although the Tender Offer has been successfully completed, the Tender Offeror has not acquired all of the Company Shares (excluding the treasury shares held by the Company) through the Tender Offer. Therefore, the Company, upon receiving a request from the Tender Offeror, resolved at its board of directors meeting held on March 26, 2026 to propose at the Extraordinary Shareholders' Meeting the Share Consolidation through which 10,000,000 Company Shares would be consolidated into one share in order to have the Tender Offeror become the sole shareholder of the Company, subject to the approval of the shareholders at that meeting.

As a result of the Share Consolidation, the number of Company Shares held by the shareholders other than the Tender Offeror will be a fraction of less than one share.

2. Outline of the Share Consolidation

(1) Schedule of the Share Consolidation

Date for public notice of record date for the Extraordinary Shareholders' Meeting	Friday, February 27, 2026
Record date for the Extraordinary Shareholders' Meeting	Friday, March 13, 2026
Date of resolution by board of directors meeting	Thursday, March 26, 2026
Date of the Extraordinary Shareholders' Meeting	Friday, April 24, 2026 (scheduled)
Date of designation as stock to be delisted	Friday, April 24, 2026 (scheduled)
Last trading date	Thursday, May 14, 2026 (scheduled)
Delisting date	Friday, May 15, 2026 (scheduled)
Effective date of the Share Consolidation	Tuesday, May 19, 2026 (scheduled)

(2) Details of the Share Consolidation

A. Class of shares subject to share consolidation
Common Shares

B. Share consolidation ratio
The Company will consolidate 10,000,000 shares of the Company Shares into one share.

C. Number of shares by which the total number of issued shares will be reduced
45,019,460 shares

D. Total number of issued shares before the share consolidation takes effect
45,019,464 shares

Note: The "total number of issued shares before the share consolidation takes effect" is the number of shares calculated by deducting the 3,249,748 treasury shares of the Company (representing the total number of all treasury shares held by the Company as of December 31, 2025 (3,132,848 shares) and the number of the Restricted Shares (116,900 shares) planned to be acquired by the Company at no cost by May 18, 2026) which the Company resolved at its board of directors meeting on March 26, 2026 will be cancelled as of May 18, 2026 from the total number of issued shares of the Company as of December 31, 2025 (48,269,212 shares).

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

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

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

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

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

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

In this case, if the necessary court permission is obtained as planned, the selling price would be set at a price that will ensure delivery of the amount of money derived by multiplying the number of the Company Shares held by each shareholder stated or recorded in the final shareholder register of the Company as of the time immediately prior to the effective date of the Share Consolidation (in other words, as of May 18, 2026, which is the day immediately prior to the effective date of the Share Consolidation (the “Reference Share Number (May 18, 2026)”) by 3,105 yen, which is the amount equal to the Tender Offer Price. However, in the case where the court permission is not obtained or calculation adjustments for fractional shares are required, the actual amount of money delivered to each shareholder may differ from the aforementioned amount.

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

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

A. Matters Taken into Consideration in a Manner that would not be Disadvantageous to the Company’s Shareholders Other Than its Parent Company, Etc. (If a Parent Company, Etc. Exists)

The Tender Offer will be conducted as part of the Transactions and constitutes a so-called management buyout (MBO). Accordingly, in light of factors including the existence of issues regarding structural conflicts of interest and issues regarding information asymmetry in the Tender Offer, the Tender Offeror and the Company have implemented the measures as described in “(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest” to ensure the fairness of the Transactions, including the Tender Offer, from the perspective of ensuring the fairness of the Tender Offer Price, the elimination of arbitrariness in the decision-making process pertaining to the Tender Offer, and avoiding conflicts of interest.

B. Method of Handling If Fractions of Less Than One Share Arise and Matters Concerning the Amount Expected to be Delivered to the Shareholders as a Result Thereof and the Reasonableness of the Amount

- (a) Whether fractions will be handled in accordance with the provisions of Article 235, Paragraph 1 of the Companies Act or of Article 234, Paragraph 2 of the Companies Act that apply mutatis mutandis through Article 235, Paragraph 2 of the Companies Act, and reason for that handling

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

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

Kalon Holdings Co., Ltd.

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

With respect to the capital for the acquisition of the Company Shares corresponding to the total amount of any fractional shares resulting from the Share Consolidation, the Tender Offeror plans to obtain (i) a loan from MUFG Bank and (ii) receive a capital contribution from the Tender Offeror Parent Company, all of whose outstanding shares are indirectly held by CVC Funds or their General Partners.

In the execution procedures for the Transactions, the Company confirmed the method through which the funds would be secured by the Tender Offeror by confirming the amendment statement to the tender offer registration statement filed by the Tender Offeror on February 9, 2026 as well as the loan certificate issued by MUFG Bank and the capital contribution certificate issued by the Tender Offeror Parent Company, etc. each dated February 9, 2026 and attached thereto. In addition, according to the Tender Offeror, the Tender Offeror intends to use these funds to pay for the sale price for a number of the Company Shares equivalent to the aggregate number of fractions of less than one share resulting from the Share Consolidation, and no event has occurred that would possibly cause a hinderance to the payment of the sale price for a number of the Company Shares equivalent to the aggregate number of fractions of less than one share resulting from the Share Consolidation, nor is the Tender Offeror aware of any possibility that such event will occur in the future.

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

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

The Company will file a petition with a court to obtain permission to sell to the Tender Offeror a number of the Company Shares equivalent to the aggregate number of fractions of less than one share resulting from the Share Consolidation in or around early June 2026 in accordance with the provisions of Article 234, Paragraph 2 of the Companies Act that apply mutatis mutandis through Article 235, Paragraph 2 of the Companies Act. The time when that permission will be obtained may vary depending on the status of the court or other factors, but the Company expects that after it sells the Company Shares to the Tender Offeror from or around late June 2026 to early July 2026 upon obtaining the court's permission, and then makes the necessary arrangements for delivering the proceeds from that sale to the shareholders, the Company will deliver the proceeds from that sale to the shareholders from or around late August 2026 to mid-September 2026.

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

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

As stated in “G. Method of handling of fractions less than one share, and amount expected to be delivered to the shareholders as a result of the handling of fractions” in “(2) Details of the Share Consolidation” in “2. Outline of the Share Consolidation” above, through the Share Consolidation, the Company plans to deliver to each shareholder an amount of money equivalent to the amount obtained by multiplying the Reference Share Number (May 18, 2026) of the shareholder by 3,105 yen, which is the amount equal to the Tender Offer Price.

Based on the following points, the Company determined that the Tender Offer Price of 3,105 yen is appropriate and will provide the Company's shareholders with a reasonable opportunity to sell the Company Shares at a price with an appropriate premium.

- (i) There has been no change to the facts which formed the basis for the decision of the Company's board of directors that the fairness of the transaction terms and conditions of the Transactions, including the Tender Offer Price prior to the Tender Offer Price Change (1,960 yen), had been ensured.
- (ii) The Tender Offer Price is more than double the upper limit of the range calculated based on the market price analysis (between 1,378 and 1,503 yen), and it greatly surpasses the upper limit of the range resulting from the DCF Method calculation (between 1,649 and 2,454 yen) in the Share Valuation Report (Daiwa Securities). In addition, the Tender Offer Price is more than double the upper limit of the range calculated based on the market price analysis (between 1,378 and 1,503 yen), and it significantly

surpasses the upper limit of the range resulting from the DCF Method calculation (between 1,778 and 2,902 yen) in the Share Valuation Report (Plutus Consulting).

- (iii) The Tender Offer Price not only exceeds the Tender Offer Price prior to the Tender Offer Price Revision (1,960 yen) by 1,145 yen (by approximately 58.42%), but it represents a premium of 106.59% on 1,503 yen, the closing price of the Company Shares on the TSE Prime Market on September 9, 2025 (the business day immediately prior to the announcement date of the planned commencement of the Tender Offer); a premium of 116.23% on 1,436 yen, the simple average closing price of the Company Shares for the one-month period up to September 9, 2025; a premium of 118.35% on 1,422 yen, the simple average closing price of the Company Shares for the three-month period up to September 9, 2025; and a premium of 125.33% on 1,378 yen, the simple average closing price of the Company Shares for the six-month period up to September 9, 2025. This can be said to be a very high premium level when compared with the 36 cases of tender offers aimed at going private through management buyouts (MBOs) targeting companies listed on the TSE Prime Market, the market on which the Company is listed, that were publicly announced on or after June 28, 2019 (the date of publication of the “Fair M&A Guidelines” formulated by the Ministry of Economy, Trade and Industry) and completed by September 9, 2025 (excluding cases in which the tender offer initially failed but was subsequently completed through the implementation of another tender offer) (the average premium levels were 43.17% on the business day preceding the date of public announcement; 45.63% over the most recent one-month period; 46.77% over the most recent three-month period; and 47.17% over the most recent six-month period, and the median premium levels were 40.85% on the business day preceding the date of public announcement; 44.92% over the most recent one-month period; 46.46% over the most recent three-month period; and 43.94% over the most recent six-month period).
- (iv) The Tender Offer Price was determined after the measures to ensure the fairness of the Tender Offer as stated in “(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest” in “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” below were adopted.

In addition, at the meeting of its board of directors held on February 9, 2026, the Company resolved to express its opinion in support of the Tender Offer and recommend that the Company’s shareholders tender their shares in the Tender Offer on the assumption that the Third Tender Offer Price Change will be carried out.

Following this expression, the Company confirmed that, by the time the Company’s board of directors resolved on March 26, 2026 to convene the Extraordinary Shareholders’ Meeting, no material change had occurred in the conditions that formed the basis for the Company’s decision on the Tender Offer

Price.

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

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

(i) The Tender Offer

As stated in "1. Purpose of and Reason for Share Consolidation" above, the Tender Offeror conducted the Tender Offer for the Company Shares for the period from September 26, 2025 to February 25, 2026, and as a result, the Tender Offeror came to hold 32,359,329 shares of the Company Shares (voting rights ownership ratio: 71.69%) as of March 4, 2026 (the commencement date of settlement of the Tender Offer).

(ii) No distribution of year-end dividends

As stated in the release published by the Company on September 10, 2025 and titled "Notice Regarding Revisions to Dividend Forecasts for the Fiscal Year Ending March 31, 2026 (No Dividend) and Abolishment of Shareholder Benefit Plan," at the board of directors meeting held on September 10, 2025, based on the fact that the Tender Offer was planned to be commenced, the Company passed a resolution (i) to revise its dividend forecasts for the fiscal year ending March 31, 2026 announced by the Company on August 7, 2026 and not to distribute any interim or year-end dividend for the fiscal year ending March 31, 2026, and (ii) on the condition that the Tender Offer is successfully completed, to abolish its shareholder benefit plan from the fiscal year ending March 31, 2026.

(iii) Revisions to financial results forecasts

As stated in the release published by the Company on January 28, 2026 and titled "Notice Concerning Revisions to Financial Results Forecasts," the Company announced that it had revised its consolidated earnings forecast for the fiscal year ending March 31, 2026.

(iv) Cancellation of treasury shares

At its board of directors meeting held on March 26, 2026, the Company passed a resolution to cancel 3,249,748 treasury shares of the Company as of May 18, 2026 (representing the total number of all treasury shares held by the Company as of December 31, 2025 (3,132,848 shares) and the number of the Restricted Shares (116,900 shares) planned to be acquired by the Company at no cost by May 18, 2026).

The cancellation of such treasury shares is subject to the proposal for the Share Consolidation being approved as proposed at the Extraordinary Shareholders' Meeting, and the total number of issued shares of the Company after the cancellation of the treasury shares will be 45,019,464 shares.

- (v) Compulsory tender offer for common shares of PT MANDOM INDONESIA Tbk

As stated in the Opinion Expression Press Release, according to the Tender Offeror, in conjunction with the successful completion of the Tender Offer, there has been a change in the indirect control over PT MANDOM INDONESIA Tbk, the Company's listed subsidiary in Indonesia. In conjunction with such change in control, a tender offer for the common shares of PT MANDOM INDONESIA Tbk may be required to be conducted under the laws of Indonesia.

(2) Expectation of Delisting

(i) Delisting

As stated in "1. Purpose of and Reason for Share Consolidation" above, in order to make the Tender Offeror the sole shareholder of the Company, the Company will implement the Share Consolidation subject to shareholders' approval at the Extraordinary Shareholders' Meeting. As a result, the Company Shares are planned to be delisted through the prescribed procedures in accordance with the delisting standards of the TSE. As for the schedule, after being designated as stock to be delisted between April 24, 2026 and May 14, 2026, the delisting is planned to take effect on May 15, 2026. After the delisting, the Company Shares will no longer be traded on the TSE Prime Market.

(ii) Reasons for Pursuing Delisting

As stated in "1. Purpose of and Reason for Share Consolidation" above, it has been determined that taking the Company Shares private through the Transaction will contribute to enhancing the corporate value of the Company.

(iii) Impact on Minority Shareholders and Rationale Therefor

As stated in "(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest" below, the Company consulted with the Special Committee on whether the Transactions would be fair to the general shareholders of the Company, and the Company received from the Special Committee the Report, the Additional Report, the Second Additional Report, the Third Additional Report, and the Fourth Additional Report, each stating to the effect that the Transactions were considered to be fair to the general shareholders of the Company.

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

(i) Obtainment by the Company of a share valuation report from an independent third-party appraiser

In expressing its opinion on the Tender Offer, in order to ensure fairness in the process of decision-making regarding the Tender Offer Price proposed by the Tender Offerors, the Company requested Daiwa Securities, its own financial advisor and third-party appraiser independent of the Company and the Tender Offerors, to conduct a valuation of the Company Shares and obtained the Share Valuation Report (Daiwa Securities) on September 9, 2025. Given the fact that the Company and the Tender Offerors have taken measures to

ensure fairness of the Tender Offer Price and to prevent conflicts of interest, and that the Company has received from the Special Committee the Fairness Opinion prepared by Plutus Consulting, acted as the Special Committee's financial advisor and third party appraiser, the Company has not obtained an opinion on the fairness of the Tender Offer Price (a fairness opinion) from Daiwa Securities. In addition, Daiwa Securities is not a related party of the Company or the Tender Offerors, and does not have any material interests that should be noted in relation to the Transactions, including the Tender Offer.

Compensation for Daiwa Securities in relation to the Transactions includes contingent fees, which are payable upon the satisfaction of certain conditions, such as the consummation of the Transactions. In light of common practice in similar transactions, the Company has determined that the inclusion of such contingent fees in the compensation for Daiwa Securities would not negate the independence of Daiwa Securities, and on that basis, the Company has appointed Daiwa Securities as its financial advisor and third-party appraiser based on the above compensation structure. In addition, the Special Committee approved the appointment of Daiwa Securities as the financial advisor and third-party appraiser of the Company after confirming that there were no problems with the independence or eligibility of Daiwa Securities.

An overview of the Share Valuation Report (Daiwa Securities) is as follows.

Daiwa Securities considered multiple share valuation methods to be adopted for the valuation of the Company Shares, and based on the assumption that the Company is a going concern and that a multifaceted valuation of the Company Shares would be appropriate, analyzed the value per Company Share using the following: (i) the market price analysis, because the Company Shares are listed on the TSE Prime Market and market prices are available, and (ii) the DCF method, to ensure that the actual figures and projections of the Company's business performance or the like would be reflected in the valuation. The Company received the Share Valuation Report (Daiwa Securities) from Daiwa Securities on September 9, 2025.

The ranges of share values per Company Share that were calculated by Daiwa Securities based on the above methods are as follows.

Market price analysis:	1,378 yen to 1,503 yen
DCF method:	1,649 yen to 2,454 yen

In the market price analysis, September 9, 2025 was used as the calculation reference date, and calculations were performed on the basis of the closing price of the Company Shares of 1,503 yen on the reference date, the simple average closing price of 1,436 yen for the one-month period immediately preceding the reference date, the simple average closing price of 1,422 yen for the three-month period immediately preceding the reference date, and the simple average closing price of 1,378 yen for the six-month period immediately preceding the reference date (all such prices as listed on the TSE Prime Market). As a result, the value per Company Share was calculated to be in the range of 1,378 yen to 1,503 yen.

In the DCF method, because the business environment differs in each region, Daiwa Securities divided the Company Group's businesses into the following four segments in order to appropriately reflect the features of each region in the calculation: the Japanese business; the Indonesian business; the Malaysian business; and other businesses. Based on these segments, the corporate value and share value of the Company was calculated by discounting to the present value at a given discount rate for the free cash flow of each

business that the Company is expected to generate with respect to the relevant business during and after the second quarter of the fiscal year ending March 2026, which was calculated by Daiwa Securities taking into account the status of each business, including its business performance and assets and liabilities, using as a basis the estimated revenues and investment plans under the Business Plan, and this resulted in a value per Company Share in the range of 1,649 yen to 2,454 yen. The weighted average cost of capital (WACC) was used for the discount rates in the following ranges: 7.18% to 9.18% for the Japanese business; 14.21% to 17.21% for the Indonesian business; 8.89% to 11.89% for the Malaysian business; and 9.39% to 12.39 % for other businesses. The discount rate for each business also took into account size risk premiums based on the size of the Company. The constant growth model was used for the calculation of the going concern value, while also comprehensively taking into consideration risk-free rates, inflation rates, GDP rates, and other factors in each region, based on a perpetual growth rates in the following ranges: 0.5% to 1.5% for the Japanese business; 5.0 % to 6.0% for the Indonesian business; 2.0 % to 3.0% for the Malaysian business; and 0.5% to 1.5% for other businesses. As a result, a going concern value was calculated to be in the range of 59,833 million yen to 95,918 million yen. In addition, the amount of cash and deposits surplus (which was calculated by deducting (i) operational cash and deposits estimated by comprehensively taking into account actual past cash-flow management in the relevant business, etc. from (ii) the Company’s cash and deposits) was added in the calculation of the share value as non-operational assets.

The financial projections based on the Business Plan that were used as a basis for the calculation by Daiwa Securities using the DCF method are as follows. It should be noted that the financial projections based on the Business Plan used as a basis for such calculation includes fiscal years in which significant year-on-year increases or decreases in profit are expected. Specifically, for the fiscal year ending March 2027, due to improved business performance and the effects of improved profitability, significant increases in profit are expected. In addition, for the fiscal year ending March 2027 and the fiscal year ending March 2028, due to improved business performance and decreased capital expenditures, a significant increase in free cash flow is also expected.

(Unit: million yen)

	Fiscal Year ending March 2026 (nine months)	Fiscal Year ending March 2027	Fiscal Year ending March 2028
Net sales	63,096	93,016	100,594
Operating profit	2,491	7,442	9,191
EBITDA	5,293	11,248	13,017
Free cash flow	(4,715)	2,332	4,583

Although the Business Plan was prepared after setting reasonable assumptions for each item based on past performance, current earnings status, and external environmental trends, and other factors in order to examine the appropriateness of the terms of the Transactions by taking into account the future growth of the Company, the content of the Business Plan is the same as the business plan that was used as a basis for its 14th Middle-Range Planning “MP-14” (the “Middle-Range Planning”), with an initial fiscal year of 2024. However, the forecasts for consolidated business results that were disclosed by the Company on May 13,

2025 were used as the figures of the business plan for the fiscal year ending March 2026. The Middle-Range Planning was prepared by the Company's management team, including Mr. Motonobu Nishimura and Mr. Ken Nishimura, during the period from February 2023 and March 2024, which is before the time when Mr. Motonobu Nishimura and Mr. Ken Nishimura started considering taking the Company Shares private, as the final mid-range plan under the Company's medium-and long-term vision "VISION 2027," targeting the period from 2017 to 2027 and formulated in 2017, as well as a phase to build a foundation for the Company's growth for the next 100 years following the Company's 100th anniversary in 2027. Additionally, the figures in the business plan for the fiscal year ending March 2026 were prepared by the Company's management team excluding Mr. Motonobu Nishimura and Mr. Ken Nishimura. It should be noted that the synergy effects expected to be realized through the execution of the Transactions are not factored into the financial projections because it was difficult to specifically estimate at the time of the preparation of the Business Plan what impact they may have on the Company's revenues. When calculating the share value of the Company Shares, Daiwa Securities, as a rule, utilized the information provided by the Company, publicly-available information, and other such information on an as-is basis, assuming that such materials, information, etc. were accurate and complete in all respects. Therefore, Daiwa Securities did not independently evaluate or assess the accuracy or completeness of such information. No independent valuations or assessments were made, and no expert appraisals or assessments from third-party organizations were sought, in regard to the assets and liabilities of the Company (including unlisted assets and liabilities and other contingent liabilities). In addition, it was assumed that the information with respect to the Company's financial projections had been reasonably prepared on the Company's best predictions and judgments as of September 9, 2025. However, Daiwa Securities held multiple Q&A sessions with the Company regarding the Business Plan that was used as a basis for its calculations and ascertained the process of preparation of the Business Plan and the current status of the Company. On that basis, Daiwa Securities confirmed the reasonableness of the Business Plan of the Company from the perspective of whether the Business Plan contained any unreasonable points. The calculation by Daiwa Securities reflects the above information up to September 9, 2025.

(ii) Advice received by the Company from an independent law firm

In order to ensure fairness and appropriateness in the process of decision-making by the Company's board of directors regarding the Transactions, including the Tender Offer, the Company has appointed Mori Hamada as its legal advisor independent of the Company and the Tender Offerors, and has received necessary legal advice from Mori Hamada concerning the method and process of decision-making by the Company's board of directors including the procedures for the Transactions and other matters to be noted. Mori Hamada is not a related party of either the Company or the Tender Offerors, and does not have any material interests that should be noted in relation to the Transactions, including the Tender Offer. Compensation for Mori Hamada will be calculated by multiplying the number of hours worked by an hourly rate regardless of whether the Transactions are consummated, and does not include any contingent fees that are payable upon the satisfaction of certain conditions, such as the consummation of the Transactions. Furthermore, the Special Committee confirmed that there were no problems with the independence or eligibility of Mori Hamada and has approved its appointment as the Company's legal advisor.

(iii) Establishment of an independent special committee at the Company and obtainment of a report therefrom

(A) Process of establishment, etc.

Considering that the Tender Offer will be implemented as part of the so-called management buyout (MBO), the existence of structural conflicts of interest and information asymmetry, and other matters, and to ensure the fairness of the Transactions, including the Tender Offer, in order to ensure fairness of the Tender Offer Price, eliminate arbitrariness from the decision-making process of the Tender Offer, and avoid conflicts of interest, the Company resolved, at a meeting of the board of directors held on March 6, 2025, to establish the Special Committee comprising three outside directors and independent officers (Mr. Hitoshi Tanii, Ms. Mami Ito, and Mr. Tetsuro Harada) and two outside auditors and independent officers (Mr. Mikiharu Mori and Mr. Motohiro Tanaka) of the Company (a total of five members), who are independent of the Tender Offerors and the Company. Those five members are the original members of the Special Committee appointed by the Company, and the membership of the Special Committee has not changed. The Special Committee selected Mr. Mikiharu Mori as the chairman of the Special Committee by mutual vote. The compensation paid to the Special Committee for their duties is a fixed amount during the period that the Special Committee is active, irrespective of the content of the Report. The Company selected the members of the Special Committee after confirming the independence and eligibility of the outside directors and outside auditors of the Company who were candidates for membership of the Special Committee with advice from Mori Hamada, and after confirming that they are independent from both the Tender Offerors and the Company and do not have any material interests different from those of the general shareholders with respect to the success or failure of the Transactions.

Based on the above board of directors resolution, the Company commissioned the Special Committee to: (a) examine and report to the board of directors on whether to implement the Transactions (whether the board of directors should support the Tender Offer, and whether the board of directors should recommend the shareholders of the Company to tender their shares in the Tender Offer), and (b) consider and express its opinion to the board of directors on whether the Transactions are fair to the general shareholders of the Company ((a) and (b) collectively, the “Commissioned Matters”). With respect to (a), the Special Committee was to consider and determine whether to implement the Transactions from the standpoint of whether they will contribute to the corporate value of the Company and whether the transaction terms are fair and the procedures are fair from the standpoint of promoting the interests of the general shareholders of the Company. Additionally, with respect to (b), the above board of directors resolution stated that “the Special Committee shall consider whether the decision on the Transactions by the board of directors will not undermine the interests of the minority shareholders of the Company and shall express its opinion to the board of directors,” provided that if the relevant provisions of the TSE’s Code of Corporate Conduct are revised, the board of directors shall revise the Commissioned Matters as necessary, and on July 22, 2025, following the TSE’s amendment of the Securities Listing Regulations and other rules relevant to the Code of Corporate Conduct by the TSE, the Company revised the Commissioned Matter (b) at the meeting of the board of directors held on August 21, 2025.

The board of directors of the Company resolved that, in commissioning the Special Committee, it shall make decisions regarding the Transactions with maximum respect for the decisions of the Special Committee, and that if the Special Committee determines that the implementation or the terms of the Transactions are not appropriate, the board of directors shall not approve the Transactions. At the same time, the board of directors resolved to grant the Special Committee

the following authority: (a) to negotiate with the counterparty to the Transactions or to the proposer of any alternative transaction to the Transactions (including indirect negotiations through the Company's officers, employees and Advisors (as defined below)) regarding the terms of the Transactions and similar matters; (b) to appoint or nominate its own financial advisors, third-party appraisers and legal advisors (collectively, "Advisors"), as necessary, in considering the Commissioned Matters (in such cases, the costs thereof shall be borne by the Company) and nominate or approve (including approval after the fact) the Advisors of the Company (in addition, if the Special Committee determines that it can rely on and seek professional advice from the Company's Advisors, the Special Committee may do so); (c) to request persons deemed necessary by the Special Committee to attend Special Committee meetings, and request explanations of necessary information; (d) to receive from the officers and employees of the Company Group the information reasonably necessary to deliberate and make decisions regarding the Transactions and alternative options; and (e) other matters deemed necessary by the Special Committee in deliberating and making decisions regarding the Transactions and alternative options.

- (B) Process of examination up to the submission of the Report and the details of determination
- The Special Committee met 24 times in total between March 6, 2025 and September 9, 2025, and carefully examined and discussed the Commissioned Matters. Specifically, the Special Committee received an explanation from the Company regarding the background to the Transactions being proposed, the purpose of the Transactions, the business environment, the business plan, management challenges, and similar matters, and conducted a question and answer session. The Special Committee also received an explanation from Mr. Motonobu Nishimura, Mr. Ken Nishimura, and CVC regarding the background and reasons for proposing the Transactions, the business environment and management challenges faced by the Company, the advantages and disadvantages of the Transactions, the management system and management policy after the Transactions, the conditions of the Transactions, and similar matters, and conducted a question and answer session. In addition, while Daiwa Securities, as the Company's financial advisor, would act as the contact point for the Company in direct negotiations with the Tender Offeror, the Special Committee confirmed its policy for involvement in the negotiation process allowing it to substantially participate in the negotiation process regarding the transaction terms, including receiving timely progress reports from the negotiators and offering opinions, instructions and requests at key junctures. The Special Committee also received explanations from the Company's financial advisor, Daiwa Securities, and from the Special Committee's own financial advisor, Plutus Consulting, regarding the method and results of the valuation of the Company Shares.

The Special Committee received timely reports from the Company regarding the progress and details of the discussions and negotiations between the Tender Offeror and the Company concerning the Transactions, and after deliberating within the Special Committee, participated in the process of negotiations with the Tender Offeror by advising the Company to request increases in the Tender Offer Price until the final offer of 1,960 yen was received, as described in the Press Release Dated September 10, 2025. The Special Committee received explanations from Mori Hamada on the Transactions and the measures taken to ensure fairness in the Transactions, and held a question and answer sessions with the firm, and received explanations from the Company on the process of negotiation and determination of the terms of the Transactions and held a question and answer session with the Company.

The Special Committee approved Daiwa Securities as the financial advisor and third-party

appraiser and Mori Hamada as the legal advisor appointed by the Company, having confirmed that there are no problems with the independence or eligibility of either firm. On March 19, 2025, the Special Committee appointed Plutus Consulting as its own financial advisor and third-party appraiser after confirming that there are no problems with that firm's independence or eligibility. Based on the above, the Special Committee held discussions with Daiwa Securities, Plutus Consulting and Mori Hamada, and discussed and deliberated the Commissioned Matters. The Special Committee carefully discussed and examined the Commissioned Matters, and on September 9, 2025, submitted to the board of directors of the Company its Report substantially with the content described below, which represents the unanimous opinion of the Special Committee.

- (1) Content of the Report
 - (i) The Special Committee believes that the Company's board of directors should support the Tender Offer and recommend that the Company's shareholders tender their shares in the Tender Offer.
 - (ii) The Special Committee believes that the Transactions are fair to the Company's general shareholders.
- (2) Reasons for the determination
 - (i) Commission Matter (1) (whether the board of directors should support the Tender Offer, and whether the board of directors should recommend the shareholders of the Company to tender their shares in the Tender Offer
 - (A) Whether the Transactions will contribute to the corporate value of the Company
 - a. Business environment and management issues of the Company Group
 - As stated in the Press Release Dated September 10, 2025, the Special Committee has the same understanding as the understanding of the Company as stated above with regards to the business environment and management issues surrounding the Company Group and finds no unreasonable points therein.
 - b. Significance (advantages) of the Transactions
 - With respect to the measures expected to contribute to the corporate value of the Company after the Transactions, the understanding of CVC, Mr. Motonobu Nishimura, and Mr. Ken Nishimura (collectively referred to as the "Parties Related to the Tender Offeror" in this section below) as stated in the Press Release Dated September 10, 2025 and the understanding of the Company are generally the same.
 - Amid a declining youth population due to demographic aging and low birth rates, the potential for market expansion in the ASEAN region, and the rapid diversification of consumer values and trends, the Company believes that it should swiftly implement fundamental and effective measures to contribute to the corporate value of the Company over the medium to long term. The specific measures contemplated by the Parties Related to the Tender Offeror are important for resolving the management issues faced by the Company, and the explanation that these measures should be actively pursued to further contribute to the corporate value over the medium to long term is reasonable. In particular, the Company has explained that it expects the profitability of the Indonesian market, which is one of the Company's key management issues, to improve through the utilization of CVC's robust network and extensive experience to strengthen local sales channels, establish product

development systems tailored to local needs, and enhance distribution and supply chain capabilities, which is sufficiently persuasive.

- While it would be possible for the Company to implement medium- to long-term measures to contribute to the corporate value of the Company while maintaining its listing, doing so would impose certain constraints on agile and flexible decision-making and the implementation of bold measures, including the need to consider the interests of all stakeholders, including minority shareholders. On this basis, it is reasonable for the Company to determine that the delisting by the Tender Offeror will contribute to the sustainable improvement of the Company's corporate value over the medium to long term.

c. Disadvantages of the Transactions

- The Special Committee concurs that the Company's understanding of the disadvantages of proceeding with the Transactions as stated in the Press Release Dated September 10, 2015 is reasonable.
- Regarding the Bank Loan, the Company's determination based on the explanations provided by the Tender Offeror is not unreasonable in any respect.
- Common disadvantages associated with delisting include limited financing options and negative effects on recruiting and business relationships with partners due to diminished credibility and brand recognition. However, with respect to financing, in light of the recent financial environment, it is often considered more reasonable to raise capital through indirect financing rather than relying on equity financing, and considering the possibility of leveraging the relationships CVC maintains with financial institutions and its financing methods, the risk of significant disruption to the Company's operations is considered low. With respect to diminished credibility and brand recognition, the Company has already established relationships of trust with its business partners to a certain degree, and it is considered unlikely that existing business relationships will significantly deteriorate solely due to delisting, nor will the trust of the customers and the brand reputation that the Company has accumulated through its business operations to date be immediately lost due to the delisting. With respect to recruiting, the Company's established brand power and recognition will not be immediately lost due to delisting, and by carefully explaining how the Transactions will enable the Company to achieve greater growth and success than ever before, a positive impact on recruitment can well be expected, with no particular adverse effects. Therefore, the disadvantages of the Transactions are limited, and are outweighed by the advantages of the Transactions set out in b. above.

d. Summary

- Based on the above, the Special Committee considers the Company's understanding of the purpose of the Transactions to be reasonable and recognizes that the Company's judgment that the Transactions will contribute to the improvement of its corporate value is reasonable.

(B) Fairness of the terms of the Transactions

- a. Process of discussions and negotiations with the Tender Offerors regarding the

transaction terms

- After the Company received the first proposal from the Tender Offerors on July 31, 2025 for a Tender Offer Price of 1,600 yen, based on the structure and authority described in “(iii) Establishment of an independent special committee at the Company and obtainment of a report therefrom,” the Special Committee continuously examined and made requests to the Company concerning the negotiation policies with the Tender Offerors regarding the terms and conditions of the Transactions, including the Tender Offer Price, based on the advice from a financial perspective received from Plutus Consulting, the financial advisor and third-party appraiser of the Special Committee, and from Daiwa Securities, the financial advisor and third-party appraiser of the Company, regarding matters including the results of the valuation of the Company Shares and the negotiation policies with the Tender Offerors, as well as the legal advice received from Mori Hamada, the Company’s legal advisor. In addition, when discussing and negotiating the Transactions with the Tender Offerors, the Company immediately reported to the Special Committee the proposed terms and conditions of the Transactions received from the Tender Offerors, and after receiving opinions, instructions, requests, etc. from the Special Committee, the Company acted in accordance with them.
- As a result, the tender offer price was raised a total of seven times, ultimately achieving an increase of 22.5% (rounded to two decimal places) from the tender offer price in the first proposal (1,600 yen). The Company received a proposal for the Seventh Proposed Price of 1,950 yen per share from the Tender Offeror, Mr. Motonobu Nishimura, and Mr. Ken Nishimura, presented as their best and final offer. In response, on September 5, 2025, the Company and the Special Committee made the Company Proposal of 2,100 yen per share in order to strive to negotiate for the maximum amount after confirming that the proposal is based on the level of premiums in past MBO transactions and close to the reasonable level in light of the intrinsic value in light of the Company’s share value and profitability. Consequently, on September 6, 2025, the Company received the Eighth Proposed Price of 1,960 yen per share from the Tender Offeror, Mr. Motonobu Nishimura, and Mr. Ken Nishimura. In response, the Company and the Special Committee decided to accept the Eighth Proposed Price given that, as stated in e. below, the Eighth Proposed Price had already reached a level that could be considered fair and it was expected that there would be little room for a further increase even if further negotiations were continued.
- Based on the above, it can be found that the Special Committee has been substantially involved in the process of discussions and negotiations regarding the Transactions between the Company and the Tender Offerors.
 - b. Reasonableness of the content of the share valuation by an independent third-party appraiser and of the financial projections and assumptions used as its basis
 - (a) Results of the share valuation by Plutus Consulting and the reasonableness of its content
- The market price analysis and the DCF method was used as the valuation method in the Share Valuation Report (Plutus Consulting) by Plutus Consulting, the Special Committee’s financial advisor and third-party appraiser independent of the Tender

Offerors. With respect to the content of the valuation of the Company Shares conducted by Plutus Consulting based on the Business Plan, the Special Committee received explanations on the preliminary valuation results, the valuation method, the reasons for selecting such method, and the material conditions precedent to the valuation. After conducting question-and-answer sessions regarding the content of and the material conditions precedent to the valuation, the Special Committee confirmed the reasonableness thereof, including the following points.

- First, in the market price analysis, the Company's share value is calculated by analyzing the Company's market share price based on the most recent closing price and the average closing price over a certain period. This calculation method is commonly used in transactions similar to the Transactions, and the calculation period adopted is also commonly used. The Special Committee identified no significant events during this period that would require adjustment of the market share price. Therefore, there are no unreasonable points in the calculation based on market price analysis.
- In the analysis by the DCF method, based on the Business Plan prepared by the Company, the corporate value of the Company was calculated by discounting to the present value at a given discount rate the free cash flow that the Company is expected to generate with respect to the relevant business during and after the second quarter of the fiscal year ending March 2026 using as a basis the estimated revenues and investment plans under the Business Plan. The share value was calculated by adding or subtracting non-operating assets, interest-bearing liabilities, and the like to this figure. The analytical methods used in the DCF method, the discount rate applied in the analysis, the perpetual growth rate and the multiple method for calculating the terminal value, the treatment of excess cash and deposits and investment securities, and similar matters were established and reviewed by Plutus Consulting from its professional perspective as a third-party appraiser. The Special Committee did not find any unreasonable points in Plutus Consulting's explanation to the Special Committee regarding the basis and calculation methods for these figures.
- The Special Committee received an explanation from the Company on the content, material conditions precedent, and preparation process of the Business Plan, which serves as the basis for Plutus Consulting's valuation of the shares using the DCF method, including the following points.
- Although the Business Plan was prepared after setting reasonable assumptions for each item based on past performance, current earnings status, and external environmental trends, and other factors in order to examine the appropriateness of the terms of the Transactions by taking into account the future growth of the Company, the content of the Business Plan (excluding the figures in the business plan for the fiscal year ending March 2026) is the same as the business plan that was used as a basis for the Middle-Range Planning of the Company, which was prepared by the Company's management team, including Mr. Motonobu Nishimura and Mr. Ken Nishimura, during the period from February 2023 to March 2024, which is before the time when Mr. Motonobu Nishimura and Mr. Ken Nishimura started considering taking the Company Shares private, as the final mid-range plan under the Company's medium-and long-term vision "VISON2027" formulated in 2017, as well as a phase to build a foundation for the Company's

growth for the next 100 years following the Company's 100th anniversary in 2027, and the Business Plan is not premised on the assumption that the Transactions will be conducted.

- Although there are discrepancies between the figures in the business plan for the fiscal year ending March 2026 in the Business Plan and the figures in the business plan that was used as the basis for the Middle-Range Planning, including the consolidated operating profit for the fiscal year ending March 2026 being approximately 1 billion yen lower than that in the business plan that was used as the basis for the Middle-Range Planning, this is due to the fact that the figures for the fiscal year ending March 2026 in the Business Plan are based on the current business environment, which considers factors such as the fact that the timing of the effects of the structural reforms being implemented by the Company will be delayed.
- The review of the consolidated results forecast, including consolidated operating profit, for the fiscal year ending March 2026, is being performed by the Company's management, excluding Mr. Motonobu Nishimura and Mr. Ken Nishimura, and Mr. Motonobu Nishimura and Mr. Ken Nishimura are not involved in the review. In addition, while the results forecast will be deliberated and resolved at the board of directors meeting to be held on May 13, 2025 and disclosed in the business results for the fiscal year ending March 2025 (the "Business Results for the Fiscal Year Ending March 2025"), Mr. Motonobu Nishimura and Mr. Ken Nishimura will not participate in such deliberations or resolutions.
- Upon receiving this explanation, the Special Committee held a question-and-answer session regarding the formulation process of the Business Plan, the methods used to calculate the various figures stated in the Business Plan, and the appropriateness thereof, and the Special Committee determined that it is reasonable to use the Business Plan as a basis for the valuation of the Company Shares and the negotiations on the tender offer price with the Tender Offerors given that the Business Plan was based on the published Middle-Range Planning, and the Special Committee approved the Business Plan.
- The Special Committee finds no unreasonable points in the above explanation provided by the Company with respect to the reasons for the discrepancies between the figures for the fiscal year ending March 2026 in the Business Plan and the figures in the business plan that was used as the basis for the Middle-Range Planning, such as the consolidated operating profit for the fiscal year ending March 2026 being approximately 1 billion yen lower than the business plan that was used as the basis for the Middle-Range Planning and finds no particular circumstances that would cast doubt on the fairness of the review process.
- Furthermore, the Special Committee was approached by the Company to revise the consolidated results forecast for the fiscal year ending March 2027 and the fiscal year ending March 2028 stated in the Business Plan downward in light of the discrepancies between the target figures stated in the Middle-Range Planning and the actual figures to date, this was deliberated and discussed with the Company. However, by comprehensively taking into account factors such as the fact that the Middle-Range Planning on which the Business Plan is based had already been published and that the Company is taking actions with the aim of achieving the Middle-Range Planning, the Company withdrew the proposal, and the Special

Committee reconfirmed that the Business Plan already approved would be used for the Transactions.

- Based on the above, the Special Committee finds that: (i) the risk of influence from structural conflicts of interest has been reasonably eliminated in the formulation of the Business Plan that was used as the basis for the share valuation by Plutus Consulting using the DCF method, (ii) there are no circumstances that would cast doubt on the fairness of the preparation process of the Business Plan, and (iii) the content of the Business Plan is reasonable in light of its conditions precedent, preparation process, and the current status of the Company.
- Furthermore, in light of the valuation of the Company Shares in the Share Valuation Report (Plutus Consulting), the Tender Offer Price exceeds the upper limit of the range calculated based on the market price analysis and is within the range calculated using the DCF method. This fact can be regarded as a factor supporting the appropriateness of the Tender Offer Price.

(b) Examination of the Fairness Opinion

- The Fairness Opinion was issued by Plutus Consulting, which possesses advanced expertise in finance, from a standpoint independent of the Company and the Tender Offerors based on the result of the Company's share valuation calculated by Plutus Consulting after receiving disclosures of information such as the current state of the Company's business and the Business Plan from the Company and receiving explanations thereof, as well as Q&A sessions with the Company concerning the outline, background, and purpose of the Tender Offer, considerations of factors such as the Company's business environment, the economy, markets, and financial landscape conducted to the extent deemed necessary by Plutus Consulting, and the review procedures carried out by an examination committee independent of Plutus Consulting's engagement team, and the Special Committee found no unreasonable points in the Fairness Opinion. In addition, as stated in (a) above, no particularly unreasonable points were found in the method or content of the share valuation performed by Plutus Consulting, which served as a reference for the issuance of the Fairness Opinion.
- Therefore, the Special Committee believes that no unreasonable points were found in the issuance procedures or content of the Fairness Opinion.

(c) Results of the share valuation by Daiwa Securities and the reasonableness of the content of the valuation

- The market price analysis and the DCF method was used as the valuation method in the Share Valuation Report (Daiwa Securities) by Daiwa Securities, the Company's financial advisor and third-party appraiser independent of the Tender Offerors. With respect to the content of the valuation of the Company Shares conducted by Daiwa Securities based on the Business Plan, the Special Committee received explanations on the preliminary valuation results, the valuation method, the reasons for selecting such method, and the material conditions precedent to the valuation. After conducting question-and-answer sessions regarding the content of and the material conditions precedent to the valuation, the Special Committee confirmed the reasonableness thereof, including the following points.
- In the market price analysis, the Company's share value is calculated by analyzing

the Company's market share price based on the most recent closing price and the average closing price over a certain period. This calculation method is commonly used in transactions similar to the Transactions, and the calculation period adopted is also commonly used. The Special Committee identified no significant events during this period that would require adjustment of the market share price. Therefore, there are no unreasonable points in the calculation based on market price analysis.

- In the analysis by the DCF method, the Company Group's business was divided into the Japanese business, the Indonesian business, Malaysian business, and other businesses based on the Business Plan prepared by the Company, and the corporate value of the Company was calculated by discounting to the present value at a given discount rate for each business the free cash flow that the Company is expected to generate with respect to the relevant business during and after the second quarter of the fiscal year ending March 2026 using as a basis the estimated revenues and investment plans under the Business Plan. The share value was calculated by adding or subtracting non-operating assets, interest-bearing liabilities, and the like to this figure. The analytical methods used in the DCF method, the discount rate applied in the analysis, the perpetual growth rate for calculating the terminal value, the treatment of excess cash and deposits, and similar matters were established and reviewed by Daiwa Securities from its professional perspective as a third-party appraiser. The Special Committee did not find any unreasonable points in Daiwa Securities' explanation to the Special Committee regarding the basis and calculation methods for these figures.
 - The Business Plan that served as the basis for the share valuation by Daiwa Securities using the DCF method is the same as the Business Plan that served as the basis for the share valuation by Plutus Consulting using the DCF method. As stated in (a) above, the Special Committee finds that there are no circumstances that would cast doubt on the fairness of the preparation process of the Business Plan, and the content of the Business Plan is reasonable in light of its conditions precedent, preparation process, and the current status of the Company.
 - Furthermore, in light of the valuation of the Company Shares in the Share Valuation Report (Daiwa Securities), the Tender Offer Price exceeds the upper limit of the range calculated based on the market price analysis and is within the range calculated using the DCF method. This fact can be regarded as a factor supporting the appropriateness of the Tender Offer Price.
- c. Process of discussions and negotiations with the Tender Offerors regarding the transaction terms
- Using September 9, 2025 as a reference date, the Tender Offer Price of 1,960 yen includes a premium of 30.41% on 1,503 yen, the closing price of the Company Shares on the reference date, a premium of 36.49% on 1,436 yen, the simple average closing price for the one-month period immediately preceding the reference date, a premium of 37.83% on 1,422 yen, the simple average closing price for the three-month period immediately preceding the reference date, and a premium of 42.24% on 1,378 yen, the simple average closing price for the six-month period immediately preceding the reference date (all such prices as listed on the TSE Prime Market).

- In this regard, although the premium represented by the Tender Offer Price is not necessarily high in comparison to the premiums offered in 36 other tender offers for shares of target companies that are companies listed on the TSE Prime Market, where the Company is listed, intended to take the target company private through a management buyout (MBO) (excluding transactions where the initially announced tender offer failed, and the transaction was completed through the implementation of a subsequent tender offer) announced after June 28, 2019, when the Ministry of Economy, Trade and Industry published its “Guidelines on Fair M&A Practices,” and which were completed on or before September 9, 2025 (for which the mean premium was 43.17% as of the last business day preceding the announcement, 45.63% over the preceding one-month period, 46.77% over the preceding three-month period, and 47.17% over the preceding six-month period, and the median premium was 40.85% as of the last business day preceding the announcement, 44.92% over the preceding one-month period, 46.46% over the preceding three-month period, and 43.94% over the preceding six-month period; the “Premiums in Similar Cases”), considering that the Company’s share price is trending upward, the closing price of the Company Shares having risen from 1,311 yen to 1,503 yen, an increase of 14.65%, over the six-month period preceding September 9, 2025, the business day prior to the announcement date of the planned commencement of the Tender Offer (September 10, 2025), it is not unreasonable to consider a longer-term average rather than solely the most recent stock price, and the premium represented by the Tender Offer Price can be judged to be comparable with the median premium over the simple average closing price in each of the abovementioned similar cases over the preceding six-month period.
 - While the Company had announced a target figure of approximately 4.5 billion yen as its consolidated operating profit for the fiscal year ending March 2026 in the Middle-Range Planning, the forecasted figure for the consolidated operating profit for the fiscal year ending March 2026 has been announced as 3.5 billion yen in the Business Results for the Fiscal Year Ending March 2025 released on May 13, 2025. However, as stated in b.(a) above, the Special Committee finds that there are no unreasonable points in the explanation provided by the Company regarding the reasons for the discrepancy of approximately 1 billion yen and that there are no particular circumstances that would cast doubt on the fairness of the review process. Therefore, the fact that the Company announced a forecasted figure of 3.5 billion yen as the consolidated operating profit for the fiscal year ending March 2026 in the Business Results for the Fiscal Year Ending March 2025 does not affect the abovementioned judgment regarding the appropriateness of premiums.
- d. Appropriateness of the method of the Transactions
- The Tender Offerors have proposed to the Company a two-step acquisition method involving a tender offer for cash consideration and a subsequent share consolidation.
 - The method of conducting a tender offer as the first step and a share consolidation as the second step is a method commonly used in transactions to take a company private. The consideration to be paid in the transactions in the second step is planned to be set to be equivalent to the price obtained by multiplying the Tender Offer Price by the number of Company Shares held by the relevant general shareholder, and shareholders who are dissatisfied with the amount of the consideration can file a

- petition with a court to determine the share price. Accordingly, the Special Committee does not find any unreasonable points in the method of the Transactions.
- According to the Tender Offeror, as the purpose of the Tender Offer is for the Tender Offeror to acquire all of the Company Shares, and to take the Company Shares private, and in light of the fact that a special resolution at a general meeting of shareholders as stipulated in Article 309, Paragraph 2 of the Companies Act is required for implementing the procedures for the Share Consolidation, in order to ensure the implementation of Transactions, the minimum number of shares to be purchased (25,285,200 shares) has been set so that after the Tender Offer, the Tender Offeror and the Shareholders Who Agreed Not to Tender Their Shares will hold two-thirds (2/3) or more of the total number of voting rights of all shareholders of the Company, thereby fulfilling this requirement. Therefore, the Special Committee does not find any unreasonable points in the method of setting this minimum number of shares to be purchased.
 - Furthermore, in connection with the Transactions, while Mr. Motonobu Nishimura and Mr. Ken Nishimura among the Nishimura Family Shareholders will tender their shares in the Tender Offer and then make the Re-Investment, the Nishimura International Scholarship Foundation and MN Holdings will not tender their shares in the Tender Offer and remain as shareholders of the Company after the Share Consolidation. According to the Tender Offeror, the reason for establishing this distinction is based on the results of considerations regarding the complexity of procedures and capital efficiency for those who tender their shares in the Tender Offer and then make a re-investment, and the Special Committee does not find any unreasonable points in this explanation. In addition, because MN Holdings is an asset management company owned by Mr. Ken Nishimura and the Company does not expect it to oppose the Company's management policy after the Transactions, it is not unreasonable that MH Holdings will remain a shareholder of the Company after the Transactions. The Nishimura Scholarship Foundation is an organization that provides scholarship assistance to international students and visiting faculty from Southwest Asia, Southeast Asia, and East Asia, as well as to Japanese students who contribute to international understanding and international exchange. Its purpose is to enable them to continue their studies, education, and research to a high standard. Continuing the operation of the Nishimura Scholarship Foundation after the Transactions will contribute to the development of the entire industry in which the Company is involved and to the advancement of education and culture. Furthermore, according to the Tender Offeror, it is expected that the Nishimura Scholarship Foundation will be able to continue its business as a public interest incorporated foundation after the Transactions by securing alternative financing from Mr. Motonobu Nishimura and the CVC Fund until such time as the Company resumes paying dividends. For these reasons, the Company does not expect the foundation to oppose the Company's management policy after the Transactions; therefore, it is not unreasonable for the Foundation to remain as a shareholder of the Company after the Transactions.
 - Furthermore, according to the Tender Offeror, in order not to conflict with the intent of the regulation on uniformity with respect to tender offer prices (Article 27-2, Paragraph 3 of the Act), the valuation of the Company Shares, which serves as the basis for determining the consideration per share of the Offeror Parent Company's

shares in the Re-Investment, will be set at 1,960 yen, the same price as the Tender Offer Price (subject to a formal adjustment based on the ratio of the consolidation of the Company Shares in the Share Consolidation to be implemented as part of the Squeeze-Out Procedures). The Special Committee did not find that the Re-Investment provides more favorable economic benefits to the Nishimura Family Shareholders than those provided to general shareholders, and no particularly unreasonable points were found in the Re-Investment.

- Furthermore, according to the explanation provided by CVC, the contents of the Shareholders Agreement between Lumina International Holdings and the Nishimura Family Shareholders, which stipulates matters such as the operation of the Company after the Transactions, are contents generally stipulated in shareholders agreements executed in similar transactions, and no particularly unreasonable points were found therein.
- In addition, with regard to the type of consideration for the acquisition, given that cash is highly liquid to begin with and thus an appropriate method for recovering investment, there is no reason why paying consideration in cash would disadvantage minority shareholders. Therefore, the Special Committee believes that the type of consideration for the acquisition is also reasonable.
- As such, the Special Committee finds that there are no unreasonable points in the methods of the Transactions.

e. Summary

- As stated above, the Special Committee believes that the fairness of the terms of the Transactions has been ensured from the perspective of pursuing the interests of the Company's general shareholders in light of the fact that: (a) the Tender Offer Price has been deemed to be fair by comprehensively taking into consideration that (i) there are no circumstances that would cast doubt on the fairness of the preparation process of the Business Plan that served as the basis for the share valuation using the DCF method in each of the share valuation reports prepared by Plutus Consulting and Daiwa Securities, both of whom are independent financial advisors and third-party appraisers, and it has been found that the content of the Business Report is reasonable in light of its conditions precedent, preparation process, and the current status of the Company; (ii) while the Special Committee does not find any particularly unreasonable points in the valuation methods and the details of valuations in the share valuation reports and the share valuation is believed to be appropriate in light of current practices, the Tender Offer Price exceeds the upper limit of the range calculated based on the market price analysis and is within the range calculated using the DCF method in the Share Valuation Report (Daiwa Securities) and the Tender Offer Price exceeds the upper limit of the range calculated based on the market price analysis and is within the range calculated using the DCF method in the Share Valuation Report (Plutus Consulting); (iii) Plutus Consulting has submitted the Fairness Opinion to the Special Committee regarding the Tender Offer Price; (iv) although the premium represented by the Tender Offer Price is not necessarily high in comparison to the Premiums in Similar Cases, considering that the Company's share price is trending upward, the closing price of the Company Shares having risen from 1,311 yen to 1,503 yen, an increase of 14.65%, over the six-month period preceding September 9, 2025, the business

day prior to the announcement date of the planned commencement of the Tender Offer (September 10, 2025), it is not unreasonable to consider a longer-term average rather than solely the most recent stock price, and the premium represented by the Tender Offer Price can be judged to be comparable with the median premium over the simple average closing price in each of the abovementioned similar cases over the preceding six-month period; and (v) the price negotiations were conducted with the Tender Offerors, and as a result of such negotiations, the Tender Offer Price was raised significantly on multiple occasions from the initial proposal; and (b) the Special Committee does not find any unreasonable points in the method of the Transactions.

(C) Fairness of the procedures for the Transactions

- The Company has established the Special Committee, which is appropriately structured to protect the interests of the general shareholders from an independent standpoint, and mechanisms are in place to ensure that the Company's board of directors makes decisions with the utmost respect for the Special Committee's judgments, and the Special Committee has been granted the necessary authority to function effectively.
- In expressing its opinion on the Tender Offer, in order to ensure fairness in the process of decision-making regarding the Tender Offer Price proposed by the Tender Offerors, the Company requested Daiwa Securities, its own financial advisor and third-party appraiser independent of the Company and the Tender Offerors, to conduct a valuation of the Company Shares and obtained the Share Valuation Report (Daiwa Securities) on September 9, 2025. Given the fact that the Company and the Tender Offerors have taken measures to ensure fairness of the Tender Offer Price and to prevent conflicts of interest, and that the Company has received from the Special Committee the Fairness Opinion prepared by Plutus Consulting, acted as the Special Committee's financial advisor and third party appraiser, the Company has not obtained an opinion on the fairness of the Tender Offer Price (a fairness opinion) from Daiwa Securities. In addition, Daiwa Securities is not a related party of either the Company or the Tender Offerors, and does not have any material interests in relation to the Transactions, including the Tender Offer.
- Compensation for Daiwa Securities in relation to the Transactions includes contingent fees, which are payable upon the satisfaction of certain conditions, such as the consummation of the Transactions. In light of common practice in similar transactions, the Company has determined that the inclusion of such contingent fees in the compensation for Daiwa Securities would not negate the independence of Daiwa Securities, and on that basis, the Company has appointed Daiwa Securities as its financial advisor and third-party appraiser based on the above compensation structure. Furthermore, the Special Committee confirmed that there were no problems with the independence or eligibility of Daiwa Securities and has approved its appointment as the Company's financial advisor and third-party appraiser. Regarding the point that the compensation for Daiwa Securities includes contingent fees, the Special Committee has determined that the inclusion of such contingent fees in the compensation for Daiwa Securities does not negate the independence of Daiwa Securities because, among other factors, although such compensation

structure could create an incentive for the successful completion of the Tender Offer, in light of common practice in similar transactions and because the Special Committee has the view that, rather than only paying Daiwa Securities a fixed fee, incorporating such contingent fees into this compensation structure would be preferable from the perspective of the financial burden incurred by the Company given that the consummation of the Transactions is uncertain.

- In order to ensure fairness and appropriateness in the process of decision-making by the Company's board of directors regarding the Transactions, including the Tender Offer, the Company has appointed Mori Hamada as its legal advisor independent of the Company and the Tender Offerors, and has been received necessary legal advice from Mori Hamada concerning the method and process of decision-making by the Company's board of directors including the procedures for the Transactions and other matters to be noted. Mori Hamada is not a related party of either the Company or the Tender Offerors, and does not have any material interests in relation to the Transactions, including the Tender Offer. Compensation for Mori Hamada will be calculated by multiplying the number of hours worked by an hourly rate regardless of whether the Transactions are consummated, and does not include any contingent fees that are payable upon the consummation of the Transactions. Furthermore, the Special Committee confirmed that there were no problems with the independence or eligibility of Mori Hamada and has approved its appointment as the Company's legal advisor.
- In examining the Commissioned Matters, in order to ensure the fairness of the transaction terms, including the Tender Offer Price, the Special Committee requested Plutus Consulting, its own financial advisor and third-party appraiser independent of the Company and the Tender Offerors, to conduct a valuation of the Company Shares and to state its opinion from a financial perspective on the fairness of the Tender Offer Price and obtained the Share Valuation Report (Plutus Consulting) and the Fairness Opinion on September 9, 2025.
- Plutus Consulting is not a related party of the Company or the Tender Offerors and does not have any material interests in relation to the Transactions, including the Tender Offer. Compensation for Plutus Consulting in relation to the Transactions is comprised of fixed fees that are to be paid regardless of whether the Transactions are consummated and fees calculated by multiplying the number of hours worked by an hourly rate, and does not include any contingent fees that are to be paid subject to the consummation of the Transactions, including the Tender Offer. Furthermore, the Special Committee confirmed on March 19, 2025 that there are no problems with the independence or the eligibility of Plutus Consulting and appointed Plutus Consulting as its own financial advisor and third-party appraiser.
- The Company has established a framework within the Company that enables it to conduct discussions and negotiations and make decisions regarding the Transactions from a standpoint independent of the Tender Offerors, with the aim of enhancing its corporate value and securing the interests of its general shareholders. Specifically, after receiving the Initial Letter of Intent from the Parties Related to the Tender Offeror on February 20, 2025, the Company established a project team consisting of two of the Company's directors, Mr. Shinichiro Koshiba and Mr. Koichi Watanabe, who are deemed to be independent of the Tender Offerors, and six employees of the Company in order to review the Transactions (including the

preparation of the business plan based on which the valuation of the Company Shares will be conducted) and consult and negotiate with the Tender Offerors, together with the Special Committee, and the Company has maintained such framework until the submission date of the Report. The Company's review framework (including such measures), specifically, the scope and duties of the officers and employees involved in the review, negotiations, and determinations regarding the Transactions (including duties requiring a high degree of independency, such as preparation of the Business Plan based on which the valuation of the Company Shares will be conducted) are based on advice from Mori Hamada, and the Company has obtained the approval of the Special Committee regarding that there are no problems from the perspective of independence and fairness.

- Mr. Motonobu Nishimura and Mr. Ken Nishimura did not participate in any deliberations or resolution at the board of directors meetings of the Company with respect to the Transactions and will not be involved in the deliberations or resolutions of the board of directors at the meeting to deliberate on the expression of an opinion regarding the Tender Offer scheduled for September 10, 2025, nor have they participated in any consultations or negotiations with the Tender Offerors regarding the Transactions in the capacity of the Company.
- The Company has not entered into any agreement with the Tender Offeror that restricts a competing offeror other than the Tender Offerors (a "Competing Offeror") from having contact with the Company, such as an agreement that includes transaction protection provisions that would prohibit the Company from having contact with a Competing Offeror, thereby intending not to prevent opportunities for competing purchase.
- The Tender Offeror plans to set the Tender Offer Period at 30 business days, which is a relatively long period, while the shortest period specified in laws and regulations is 20 business days. By setting the Tender Offer Period to be relatively long in contrast to the shortest period specified in laws and regulations, the Tender Offeror has ensured that it will provide the Company's shareholders with an appropriate opportunity to make a judgment regarding the tender of their Company Shares in the Tender Offer and has also ensured that it will provide opportunities for persons other than the Tender Offeror to make a competing purchase for the Company Shares; therefore the Special Committee finds that an indirect market check has been conducted.
- On the other hand, the Company has not conducted an active market check (including the bidding procedures prior to the announcement of the Transactions and other such processes) to investigate and examine the existence of potential acquirers in the market. However, from perspectives including an information management perspective, it is not easy to conduct market checks, and in the Transactions, including the Tender Offer, sufficient measures have been taken to ensure fairness. Therefore, the Special Committee evaluates that appropriate consideration has been paid to the interests of the Company's shareholders through fair procedures.
- On this basis, the Special Committee believes that the fairness of procedures in the Tender Offer is not impaired by the absence of an active market check in the Transactions.

- The Tender Offeror plans to set 25,285,200 shares (shareholding ratio: 56.02%) as the minimum number of shares to be purchased in the Tender Offer. The minimum number of shares to be purchased has been set with the emphasis on the intentions of the Company's minority shareholders as the Tender Offer will not be successfully completed unless consent is obtained from the majority of the Company Shares held by the Company's shareholders who have no interest in the Tender Offerors; accordingly, the so-called "majority of minority" conditions have been satisfied.
- The draft disclosure documents regarding the Tender Offer, including the draft press release regarding the expression of opinion on the planned commencement of the Tender Offer to be published or submitted by the Company, will include sufficient disclosures of information, which will mitigate the asymmetry of information regarding the Transactions and ensure that the general shareholders will be provided with an appropriate opportunity to make a judgement based on sufficient information. In addition, the Special Committee believes that the contents of each of the abovementioned drafts are in compliance with the Financial Instruments and Exchange Act and the standards of timely disclosure of the Tokyo Stock Exchange and also give appropriate consideration to most recent best practices. Each party plans to make appropriate disclosures after obtaining legal advice from its legal advisors.
- In addition to the above points, no facts have been identified that suggest the Company was unduly influenced by the Tender Offerors during the course of discussions, deliberations, and negotiations pertaining to the Transactions.

(D) Conclusion

- As stated in (A) above, the Special Committee finds that the Company's determination that the Transactions will contribute to the Company's corporate value is reasonable. As stated in (B) above, the fairness of the terms of the Transactions, including the Tender Offer Price, has been ensured, and as stated in (C) above, fair procedures have also been performed. Therefore, the Special Committee finds that sufficient consideration has been paid to the interests of the Company's general shareholders.
 - Accordingly, the Special Committee believes that the Company's board of directors should support the Tender Offer and recommend that the Company's shareholders tender their shares in the Tender Offer.
- (ii) Commissioned Matters (2) (whether the Transactions are fair to the general shareholders of the Company)
- As stated in (i)(D) above, the Special Committee finds that the Company's determination that the Transactions will contribute to the enhancement of the Company's corporate value is reasonable and that the terms of the Transactions and the procedures are fair from the perspective of seeking the interests of the Company's general shareholders.
 - Therefore, the Special Committee believes that the Transactions are fair to the Company's general shareholders

(C) Process of examination after the submission of the Report until the submission of the Additional

Report and the details of determination

At the board of directors meeting of the Company held on September 10, 2025, the Company resolved (i) to commission the Special Committee, upon the commencement of the Tender Offer, (a) to consider whether there has been any change in its opinion stated in the Report, and (b) to inform the board of directors either that there has been no change in its opinion or of its new opinion if there has been a change; and (ii) based on such opinion, to restate its opinion regarding the Tender Offer as of the time the Tender Offer is commenced.

In response to the abovementioned board of directors' resolution, from September 10, 2025 onwards, the Special Committee continued to receive reports from and shared information with the Company by exchanging emails and oral communications regarding the status of acquiring of the Clearance and the progress thereof, movements of market share prices, and the state of shareholder inquiries, and acted accordingly, including confirming how to handle the situation. In addition, the Special Committee held three meetings in total on and after September 10, 2025, where the above matters were shared by the Company, and repeatedly examined the details of the Report in good faith in order to identify whether there were any circumstances that would require the details stated in the Report to be changed.

Specifically, the Special Committee conducted actions such as the confirmation of facts based on which it would determine whether there have been any material changes to related circumstances since September 9, 2025 that would impact the Transactions and carefully examined other factors, including the fact that the market price of the Company Shares has remained above the Tender Offer Price since the announcement of the Transactions on September 10, 2025. In addition, based on the situation where the market price of the Company Shares has remained above the Tender Offer Price since the announcement of the Transactions, in a written communication dated September 19, 2025, the Company and the Special Committee requested the Tender Offeror, Mr. Motonobu Nishimura, and Mr. Ken Nishimura to consider raising the Tender Offer Price, with the aim of improving the likelihood of the Tender Offer's success. In response to this, the Tender Offeror, Mr. Motonobu Nishimura, and Mr. Ken Nishimura replied to the Company in a written communication dated September 21, 2025 to the effect that they continue to believe that the Tender Offer Price gives the greatest possible consideration to the interests of the Company's general shareholders and contributes to the common interests of the Company's shareholders, and therefore cannot increase the Tender Offer Price.

Subsequently, because the Special Committee received a report from the Company that the Company was informed by the Tender Offeror on September 24, 2025 that the completion of the acquisition of the Clearance was reasonably expected and thus the Tender Offeror was planning to commence the Tender Offer on September 26, 2025 on the condition that the Conditions Precedent would be satisfied, the Special Committee carefully examined the above matters even further. As such, the Special Committee determined that the fairness of the terms of the Transactions, including the Tender Offer Price, remained ensured on the grounds that, among other matters, in addition to the abovementioned reasons based on which the Special Committee had determined that the fairness of the terms of the Transactions, including the Tender Offer Price, had been ensured, as stated in the Report, since the announcement date of the Tender Offer (September 10, 2025): (a) no events have occurred that would have a particular impact on the intrinsic value of the Company Shares, and the Tender Offer Price is at a reasonable level based on the respective share valuations conducted by Daiwa Securities and Plutus Consulting; (b) no competing acquisition proposals have been made that are comparable to the Tender Offeror's proposal of the Transactions in terms of the price for purchase, etc. and other transaction terms,

and the feasibility of the transaction; and (c) although the market price of the Company Shares has remained above the Tender Offer Price, market price is subject to fluctuation due to various factors, and there is no guarantee that the general shareholders of the Company can sell all of their shares on the market at a price exceeding the Tender Offer Price, so such opportunity of sales on the market does not provide the general shareholders of the Company with an alternative sale opportunity to the Transactions.

Through the examination process described above, the Special Committee confirmed that it had not identified any circumstances that would require the details stated in the Report to be changed, even taking into consideration all events that have occurred from September 9, 2025 until September 24, 2025, and therefore, on September 24, 2025, the Special Committee submitted to the board of directors of the Company the Additional Report, which concludes that its opinion stated in the Report has not changed. The Special Committee believes that, while the Tender Offer can be considered to provide the Company's shareholders with a reasonable opportunity to sell their shares, there is no guarantee that all general shareholders will be able to sell their shares at a market price exceeding the Tender Offer Price, and if the Tender Offer is not commenced or is unsuccessful, the general shareholders may lose a reasonable opportunity to sell their shares through the Transactions. For this reason, the Special Committee maintains that the board of directors of the Company should recommend that its shareholders tender their shares in the Tender Offer. However, please note that the Special Committee stated a supplementary opinion to the board of directors of the Company that, in light of the fact that the market price of the Company Shares had exceeded the Tender Offer Price even at the time of submission of the Additional Report, the Company's board of directors should provide appropriate cautionary statements to the Company's shareholders when it resolves to recommend that the Company's shareholders tender their shares in the Tender Offer and publicly announces that resolution.

(D) Process of examination after the submission the Additional Report until the submission of the Second Additional Report and the details of determination

Subsequently, the Special Committee considered that the likelihood of the successful completion of the Tender Offer had considerably decreased in light of, among others, the Share Buy Up by CI11, Etc. and the fact that since the announcement of the Press Release Dated September 10, 2025, trading of the Company Shares has been occurring at a largescale at a market price greatly exceeding the Tender Offer Price, and this has continued even after the announcement of the Press Release Dated September 25, 2025, and held meetings 4 times on and after September 25, 2025, at which the Company shared information with the Special Committee regarding matters such as the state of fluctuations in the market, including shifts in the market price and the trading volume of the Company Shares as well as the Share Buy Up, the progress of the Tender Offeror's review of these circumstances, the Company's examination progress on its introduction of the Response Policy, and the details of the Response Policy. At these meetings, the Special Committee also carefully examined, among others, whether there were any circumstances which necessitated any amendment to the reported content in the Report.

Specifically, the Special Committee conducted actions such as the confirmation of facts based on which it would determine whether there had been any material changes to related circumstances since September 25, 2025 that would impact the Transactions and carefully examined the matter, and even taking into account the fact that CI11, Etc. has been conducting the Share Buy Up rapidly and in large-scale, and that the market price of the Company Shares has continued to remain above the Tender Offer Price, the Special Committee has determined

that, as of now, it has found no point to be changed in the circumstances that form the basis of its judgment that the Company's board of directors should support the Tender Offer, and therefore there has been no change in the opinion of the Special Committee that the Company's board of directors should do so. On the other hand, although there has been no change in the determination of the Special Committee that the fairness of the terms of the Transactions, including the Tender Offer Price, has been ensured, when comprehensively taking into account that (i) 25,285,200 shares (shareholding ratio: 56.02%) has been set as the minimum number of shares to be purchased in the Tender Offer, as well as that (ii) according to Statement of Changes No. 7 submitted by CI11, Etc. and dated October 15, 2025, CI11, Etc. had come to hold Company Shares equivalent to 17.63% shareholding ratio (representing 18.87% voting rights ratio) as of October 7, 2025, and (iii) since the announcement of the Press Release Dated September 10, 2025, trading of the Company Shares has been occurring at a large-scale at a market price greatly exceeding the Tender Offer Price, and this has continued even after the announcement of the Press Release Dated September 25, 2025, the Special Committee has had to conclude that the likelihood of successfully completing the Tender Offer under the current transaction terms has considerably decreased in comparison with the likelihood anticipated as of the time of the submissions of the Report and the Additional Report. In light of these circumstances, the Special Committee believes that it is reasonable for the Company to introduce the Response Policy with a view to (i) securing time reasonably necessary for the Company to carry out procedures to ensure that a viable acquisition proposal that would contribute to the corporate value of the Company and, in turn, the common interests of its shareholders will be made as well as (ii) ensuring that the shareholders are provided with the necessary information and time to make appropriate decisions regarding the appropriateness of the Share Buy Up. Given that the Company intends to adopt such a policy, the Special Committee believes that it is appropriate for the board of the directors of the Company to withdraw, for the time being, its recommendation that the shareholders of the Company tender their Company Shares in the Tender Offer.

Through the examination process described above, the Special Committee on November 3, 2025 submitted to the board of directors of the Company the Second Additional Report, in which the Special Committee concludes that while there is no change in its opinion that the Company's board of directors should support the Tender Offer, on the premise that the Company will introduce the Response Policy, the Special Committee withdraws its opinion that the Company's board of directors should recommend that the Company's shareholders tender their shares in the Tender Offer, and the Special Committee believes that the Company's board of directors should take a neutral position on whether to recommend the shareholders of the Company to tender their Company Shares in the Tender Offer and leave the decision on whether to tender shares in the Tender Offer to the discretion of each shareholder.

- (E) Process of examination after the submission of the Second Additional Report until the submission of the Third Additional Report and the details of determination

Thereafter, the Special Committee held a total of 4 meetings during the period from November 4, 2025 to December 4, 2025 and also conducted reporting and information sharing among the members by e-mail and the like between those meetings. In doing so, the Special Committee, taking into account market trends, including share price movements and trading volumes, the status of the Share Buy Up, the progress of the Tender Offeror's review of these circumstances, and the status of the Procedures, and from November 27, 2025 onwards, also taking into account the details of the Proposal and the Amendment Statement Dated November 27, 2025, carried out careful discussions and examinations with respect to whether it was necessary to revise the details

of the Second Additional Report (the “Matters to be Considered”). While conducting these discussions and examinations, the Special Committee received professional advice from Mori Hamada as a legal advisor of the Company, Daiwa Securities as a financial advisor and third-party appraiser of the Company, and Plutus Consulting as its own financial advisor and third-party appraiser as necessary. Specifically, the Special Committee received explanations from the Company from November 4, 2025 onward on market trends, including share price movements and trading volumes, the status of the Share Buy Up, the progress of the Tender Offeror’s review of these circumstances, and the status of the Procedures, and also received explanations from November 27, 2025 onward on the fact that the Company received the Proposal from the Tender Offeror on November 27, 2025, stating that (i) the Tender Offeror had decided to implement the Tender Offer Price Change from 1,960 yen to 2,520 yen; (ii) the Tender Offeror had decided to extend the Tender Offer period until December 18, 2025; (iii) the Tender Offeror would implement the Structure Change; and (iv) the Tender Offeror had entered into the Tender Agreement (CI11, Etc.) with the Shareholders Who Agreed to Tender Their Shares (CI11, Etc.) and the Tender Agreement (Hibiki) with the Shareholder Who Agreed to Tender Its Shares (Hibiki), the details of the Proposal and the Amendment Statement Dated November 27, 2025, and Questions Regarding the Proposal, Etc. and the details of the response thereto, and the Special Committee examined the details of the foregoing. The Special Committee then carefully discussed and examined the Matters to be Considered as stated above, and accordingly, on December 4, 2025, submitted to the board of directors of the Company the Third Additional Report substantially with the content described below, which represents the unanimous opinion of the Special Committee.

(1) Content of the Report

There is no change in the opinion of the Special Committee that the Company’s board of directors should support the Tender Offer. The Special Committee also believes that the Tender Offer provides the shareholders of the Company with a reasonable opportunity to sell their shares at an attractive price. However, given that the Company is carrying out the Procedures at this point in time, and in line with the Second Additional Report, the Special Committee continues to believe that the Company’s board of directors should take a neutral position on whether to recommend the shareholders of the Company to tender their Company Shares in the Tender Offer and leave the decision on whether to tender shares in the Tender Offer to the discretion of each shareholder. In addition, there is no change to the opinion of the Special Committee to the effect that it believes that the Transactions are fair to the Company’s general shareholders.

(2) Reasons for the Opinion Stated in the Report

(i) Matters Concerning Whether the Transactions will Contribute to the Corporate Value of the Company

(A) The Structure Change

According to the Proposal and the Amendment Statement Dated November 27, 2025, the major changes in the structure of the Transactions as a result of the Structure Change are as follows, and certain changes have occurred in relation to the facts on which the opinion in the Second Additional Report was premised, which stated that the Company’s decision that the Transactions will contribute to the enhancement of the Company’s corporate value was reasonable.

- The Company Shares held by the Shareholders Who Agreed Not to Tender Their Shares among the Nishimura Family Shareholders will also become fractional shares of less than one share as a result of the Squeeze-Out Procedures. The Shareholders Who Agreed Not to Tender Their Shares will then make the Re-Investment in the New SPC after completion of the Squeeze-Out Procedures.
- The Shareholders Who Agreed to Tender Their Shares among the Nishimura Family Shareholders shall make the Re-Investment in the New SPC after the commencement date of settlement of the Tender Offer but prior to the completion of the Squeeze-Out Procedures.
- The shares of the New SPC to be subscribed by the Nishimura Family Shareholders through the Re-Investment shall be the Class A Preferred Shares for the Nishimura Scholarship Foundation, and the Common Shares and the Class B Preferred Shares for Mr. Motonobu Nishimura, Mr. Ken Nishimura and MN Holdings. Furthermore, at the time of completion of the Re-Investment the aggregate percentage of voting rights of the New SPC to be held by Nishimura Family Shareholders will be 22.7% of the total voting rights.
- Under the Tender Agreement (CI11, Etc.), the Shareholders Who Agreed to Tender Their Shares (CI11, Etc.) will tender all of the Company Shares they hold in the Tender Offer.
- Under the Tender Agreement (Hibiki), the Shareholder Who Agreed to Tender Its Shares (Hibiki) will tender all of the Company Shares it holds in the Tender Offer and, at a time separately agreed upon with the Tender Offeror, make the Hibiki Re-Investment to the limited partnership that will be newly formed by a CVC Fund and indirectly hold the Company Shares.

However, according to the Tender Offeror's response to the Questions Regarding the Proposal, Etc., (i) even in light of the Structure Change, there has been no change to the content of the synergies and measures to enhance corporate value that had been explained by the Tender Offeror to the Company and the Special Committee up to now, and (ii) the reason for receiving the Hibiki Re-Investment is that the Tender Offeror believes that the proposals of the Shareholder Who Agreed to Tender Its Shares (Hibiki) for its investee companies regarding medium- to long-term management policies, etc., such as advice on financial policies and corporate governance improvements, would contribute to enhancing the Company's corporate value. Based on these responses, it can be said that the Structure Change does not particularly affect the purpose of the Transactions, as a so-called management buyout (MBO), which is to increase the corporate value of the Company Group under the support of CVC and with the overall involvement of Mr. Motonobu Nishimura and Mr. Ken Nishimura in the management of the Company.

(B) Disadvantages of the Transactions

The Tender Offeror plans to obtain funds for the Tender Offer settlement through a loan from MUFG Bank and an investment from the Offeror Parent Company, and according to the Amendment Statement Dated November 27, 2025, (i) with respect to the loan from MUFG Bank, the maximum planned loan amount has been increased from 53 billion yen to 60 billion yen, and (ii) with respect to the investment by the Offeror Parent Company, the maximum planned investment has been increased from 27 billion yen to 61 billion yen, and based on the status of discussions with the banks up to the commencement date of settlement of the Tender Offer, part of the investment by the Offeror Parent Company (or

the investment in the Offeror Parent Company for that investment) may not be provided, and instead, funds from the bank loan may be used for the settlement funds.

However, according to the Tender Offeror's response to the Questions Regarding the Proposal, Etc., it still has sufficient headroom for financial covenants regarding loans even after such changes, and based on this explanation, it is not unreasonable for the Company to conclude that such changes will not particularly affect the Company's business operations.

(C) Summary

In addition to the above, the Special Committee finds that there are no circumstances that would require any change in its opinion with respect to (i) the business environment and management issues of the Company Group, (ii) the significance (advantages) of the Transactions, and (iii) the disadvantages of the Transactions, as examined in the Report.

Based on the above, the Special Committee finds that the Company's decision to maintain its judgment that the Transactions will contribute to the enhancement of the Company's corporate value is reasonable.

(ii) Matters Regarding the Examination of the Fairness of the Terms of the Transactions

(A) The Tender Offer Price Change

In light of the content of the Business Plan, material conditions precedent thereto, the process of preparation thereof, and other factors, no circumstance has occurred that would require the Special Committee to change its judgment that the Business Plan is reasonable as a business plan that is used as a basis for the valuations of shares performed by Daiwa Securities and Plutus Consulting, and since September 9, 2025, the date on which the share valuation reports were prepared by Daiwa Securities and Plutus Consulting, respectively, no subsequent event, etc. has occurred that would require the Business Plan to be amended. In addition, according to Plutus Consulting, since September 9, 2025, the date on which the Share Valuation Report (Plutus Consulting) and the Fairness Opinion were prepared, there has been no change to the assumptions that would cause the content thereof to be changed, and according to Daiwa Securities, since September 9, 2025, the date on which the Share Valuation Report (Daiwa Securities) was prepared, there has been no change to the assumptions that would cause the content thereof to be changed.

In addition, the Tender Offer Price (2,520 yen) after the Tender Offer Price Change significantly exceeds the upper limit of the range (1,378 to 1,503 yen) calculated based on the market price analysis and even exceeds the upper limit of the range (1,649 to 2,454 yen) calculated using the DCF method presented in the Share Valuation Report (Daiwa Securities). The Tender Offer Price (2,520 yen) after the Tender Offer Price Change also significantly exceeds the upper limit of the range (1,378 to 1,503 yen) calculated based on the market price analysis and exceeds the median value of the range (1,778 to 2,902 yen) calculated using the DCF method presented in the Share Valuation Report (Plutus Consulting).

Furthermore, the Tender Offer Price (2,520 yen) after the Tender Offer Price Change not only exceeds the Tender Offer Price (1,960 yen) prior to such change by 560 yen (representing approximately 28.57%) but also represents a premium of 67.66% to the closing price of the Company Shares (1,503 yen) on the TSE Prime Market as of September 9, 2025, the business day preceding the announcement of the scheduled

commencement of the Tender Offer, a premium of 75.49% to the simple average closing price of 1,436 yen over the preceding one-month period, a premium of 77.22% to the simple average closing price of 1,422 yen over the preceding three-month period, and a premium of 82.87% to the simple average closing price of 1,378 yen over the preceding six-month period. Such premium is sufficiently high in comparison to the premiums offered in 36 other tender offers for shares of target companies that are companies listed on the TSE Prime Market, where the Company is listed, intended to take the target company private through a management buyout (MBO) (excluding transactions where the initially announced tender offer failed, and the transaction was completed through the implementation of a subsequent tender offer) announced after June 28, 2019, when the Ministry of Economy, Trade and Industry published its “Guidelines on Fair M&A Practices,” and which were completed on or before September 9, 2025 (for which the mean premium was 43.17% as of the last business day preceding the announcement, 45.63% over the preceding one-month period, 46.77% over the preceding three month period, and 47.17% over the preceding six-month period, and the median premium was 40.85% as of the last business day preceding the announcement, 44.92% over the preceding one-month period, 46.46% over the preceding three month period, and 43.94% over the preceding six-month period).

It also should be noted that, while the market price of the Company Shares had been significantly moving well above the Tender Offer Price (1,960 yen) prior to the Tender Offer Price Change during the period after the announcement of the scheduled commencement of the Tender Offer on September 10, 2025 and before November 27, 2025, the filing date of the Amendment Statement Dated November 27, 2025, the Tender Offer Price (2,520 yen) after the Tender Offer Price Change has not only exceeded the highest market price on most of the days during such period, but also almost matches the highest market price during such period (2,525 yen on November 5, 2025) and exceeds the market price on November 27, 2025, the filing date of the Amendment Statement Dated November 27, 2025.

(B) The Re-Investment and the Hibiki Re-Investment

The Tender Offeror believes that each of the Re-Investment by the Nishimura Family Shareholders and the Hibiki Re-Investment will not conflict with the intent of the regulation on uniformity with respect to tender offer prices (Article 27-2, Paragraph 3 of the Financial Instruments and Exchange Act) for the reasons stated in the Amendment Statement Dated November 27, 2025. Based on such explanation of the Tender Offeror, the Special Committee does not find any unreasonable issues in particular with respect to the Re-Investment and the Hibiki Re-Investment.

(C) Summary

In addition to the above, the Special Committee continues to find that there are no circumstances that would require it to change the reasons for its belief that the fairness of the terms of the Transactions has been ensured, as stated in section IV, 2.(2) of the Report. Based on the above, it can be said that the Tender Offer provides the shareholders of the Company with a reasonable opportunity to sell their Company Shares at an attractive price.

(iii) Matters Regarding the Examination of the Fairness of the Procedures for the

Transactions

(A) Setting of a majority of minority condition

According to the Amendment Statement Dated November 27, 2025, based on the fact that there is a possibility that the Hibiki Re-Investment will be made, the Shareholder Who Agreed to Tender Its Shares (Hibiki) will be deemed to newly constitute a shareholder of the Company with an interest relationship with the Tender Offeror when determining the conditions of the so-called “majority of minority.” However, even considered based on this assumption, the minimum number of shares to be purchased in the Tender Offer (25,285,200 shares; shareholding ratio: 56.02%) satisfies the so-called “majority of minority” condition.

According to the Amendment Statement Dated November 27, 2025, unlike the Shareholder Who Agreed to Tender Its Shares (Hibiki), the Shareholders Who Agreed to Tender Their Shares (CI11, Etc.) are not deemed to constitute the Company’s shareholders with an interest relationship with the Tender Offeror when determining the conditions of the so-called “majority of minority.” In this regard, in the Amendment Statement Dated November 27, 2025, the Tender Offeror has explained that the fact of conclusion of the Tender Agreement (CI11, Etc.) is not considered to cause the Shareholders Who Agreed to Tender Their Shares (CI11, Etc.) to be regarded as shareholders of the Company with an interest relationship with the Tender Offeror because (i) the Tender Agreement (CI11, Etc.) was concluded based on sincere discussions and negotiations between independent parties, as the Shareholders Who Agreed to Tender Their Shares (CI11, Etc.) are independent investors with no interest relationship with the Tender Offeror, and (ii) in contrast to the Nishimura Family Shareholders and the Shareholder Who Agreed to Tender Its Shares (Hibiki), the Shareholders Who Agreed to Tender Their Shares (CI11, Etc.) do not plan to make any reinvestment. The Special Committee does not find any unreasonable points in particular in this explanation.

(B) Summary

In addition to the above, the Special Committee finds that there are no circumstances that would require it to change the result of its examination that concluded that the procedures for the Transactions are fair, as stated in the Report.

(iv) Conclusion

Based on the above, the Special Committee finds that the Company’s decision to maintain its judgment that the Transactions will contribute to the enhancement of the Company’s corporate value is reasonable. In addition, the Special Committee continues to find that there are no circumstances that would require it to change the reasons for its belief that the fairness of the terms of the Transactions has been ensured, and also that there are no circumstances that would require it to change the result of its examination that concluded that the procedures for the Transactions are fair.

Therefore, there is no change to the opinion of the Special Committee to the effect that (i) the Company’s board of directors should support the Tender Offer, and (ii) the Transactions are fair to the Company’s general shareholders. The Special Committee also believes that the Tender Offer provides the shareholders of the Company with a reasonable opportunity to sell their Company Shares at an attractive price.

(v) Consideration based on the Status of the Procedures

The basic view of the Special Committee regarding the Tender Offer and the Transactions are as stated in (iv) above.

However, the Company is carrying out the Procedures for the purpose of ensuring a viable acquisition proposal that would contribute to the corporate value of the Company and, in turn, the common interests of its shareholders.

In light of these circumstances, it is difficult for the Special Committee to state as far as that the Company's board of directors should recommend the Company's shareholders to tender their Company Shares in the Tender Offer. Therefore, the Special Committee believes that the Company's board of directors should take a neutral position on whether the shareholders of the Company should tender their Company Shares in the Tender Offer and leave the decision on whether to tender their Company Shares in the Tender Offer to the discretion of each shareholder.

(F) Process of examination after the submission of the Third Additional Report and the details of determination

Thereafter, the Special Committee held a total of 14 meetings during the period from December 5, 2025 to February 8, 2026 and also conducted reporting and information-sharing among the members by e-mail and the like between those meetings. In doing so, the Special Committee carried out careful discussions and examinations with respect to the Transactions on whether it was necessary to revise the details of the Third Additional Report (the "Matters to be Considered (CVC)") and the matters commissioned to the Special Committee by the Company in relation to the Transactions Proposed by KKR (the "Commissioned Matters (KKR)") as stated in "(F) Details of examinations from the Company's Board of Directors meeting held on November 4, 2025 to the Company's Board of Directors meeting held on December 4, 2025, and the determination made at that meeting, and the subsequent process" in "(2) Decision-Making Process Leading to the Company's Decision to Support the Tender Offer and Reasons Therefor" in "1. Purpose of and Reason for Share Consolidation" above. While conducting these discussions and examinations, the Special Committee received professional advice from Mori Hamada as a legal advisor of the Company, Daiwa Securities as a financial advisor and third-party appraiser of the Company, and Plutus Consulting as its own financial advisor and third-party appraiser as necessary.

Specifically, the Special Committee received reports and explanations from the Company from November 4, 2025 onward on market trends, including share price movements and trading volumes, the status of the Share Buy Up, the progress of the Tender Offeror's review of these circumstances, the status of the Procedures, and the status of discussions and deliberations with each candidate in the Bidding Process and also received explanations from December 10, 2025 onward on the fact that the Company received the LOI Dated December 10, 2025 and the LOI Dated January 13, 2026 from KKR and the Proposal Dated February 6, 2026 from the Tender Offeror and the details of the foregoing. The Special Committee also conducted inquiries and interviews with the Company, KKR, and the Tender Offeror regarding these matters, heard the views of the Company's CxOs, and examined the details of the foregoing.

The Special Committee then carefully discussed and examined the Matters to be Considered (CVC) and the Commissioned Matters (KKR) as stated above, and accordingly, on February 8, 2026, submitted to the board of directors of the Company the Fourth Additional Report

substantially with the content described below, which represents the unanimous opinion of the Special Committee.

(1) Content of the Report

- Report Regarding the Matters to be Considered (CVC)

The Special Committee finds that the Company's decision to maintain its judgment that the Transactions will contribute to the enhancement of the Company's corporate value, and that the Transactions will contribute more greatly when compared to the Transactions Proposed by KKR is reasonable. Therefore, there is no change in the opinion of the Special Committee that the Company's board of directors should support the Tender Offer.

In addition, given that the Tender Offer based on the Tender Offer Price after the Third Tender Offer Price Change provides the shareholders of the Company, earlier and with greater certainty, with a reasonable opportunity to sell their Company Shares at a price that is at a sufficiently high level, therefore, based on the assumption that the Third Tender Offer Price Change is implemented, the Special Committee has made a change to the Original Opinion, and believes that the Company's board of directors should recommend the shareholders of the Company to tender their Company Shares in the Tender Offer.

In addition, there is no change to the opinion of the Special Committee to the effect that it believes that the Transactions are fair to the Company's general shareholders.

- Report Regarding the Commissioned Matters (KKR)

The KKR Tender Offer is in a competing relationship with the Tender Offer, with respect to which the Special Committee believes that the Company's board of directors should express an opinion in favor of the Tender Offer, and make a resolution to recommend that the shareholders of the Company tender their shares on the assumption that the Third Tender Offer Price Change is implemented. Therefore, the Special Committee believes that the Company's board of directors should not support the KKR Tender Offer if the Third Tender Offer Price Change is implemented.

In addition, the Special Committee also believes that the Transactions are preferable to the Transactions Proposed by KKR from the perspective of being fair to the Company's general shareholders.

(2) Reasons for the Report

I. Reasons for the Opinion Regarding the Matters to be Considered (CVC)

(i) Matters Concerning Whether the Transactions will Contribute to the Corporate Value of the Company

(A) Regarding Changes after the Original Opinion Report

According to the Tender Offeror, in addition to the Third Tender Offer Price Change, there will be changes to other terms of the Tender Offer including those below on which the Original Opinion was premised, which stated that the Company's decision that the Transactions will contribute to the enhancement of the Company's corporate value was reasonable, however, the Company has determined that it cannot be said that these changes will have a material adverse effect on the Company's business operations after the Transactions.

a. Terms for Obtaining Settlement Funds

According to the Tender Offeror, the Tender Offeror will require a total of 149 billion yen as funds, etc. for the Tender Offer due to the Third Tender Offer Price Change

and, (i) with respect to the loan from MUFG Bank, the maximum planned loan amount which was planned to be 60 billion yen before the Third Tender Offer Price Change, remains unchanged, and (ii) with respect to the investment by the CVC Fund, the amount of the indirect investment is planned to be 89 billion yen.

In this regard, according to the Tender Offeror, it plans to implement the Third Tender Offer Price Change based on a business plan that anticipates full repayment of the loans obtained for the Transactions from cash flows generated by the Company's operations by the fiscal year ending March 2031, and given this explanation, it is reasonable for the Company to conclude that the abovementioned financing will not have a materially adverse effect on the Company's business operations after the Transactions.

b. Securitization of Real Estate

According to the Tender Offeror, the Tender Offer Price prior to the Third Tender Offer Price Change was a proposal that was not premised on the securitization of the Company's real estate, however, the Tender Offeror changed its policy to implement the Real Estate Securitization in order to raise the Tender Offer Price after the Third Tender Offer Price Change to a level equivalent to the KKR Price Proposal. In this regard, given the nature of the Company's business manufacturing and selling cosmetics, the Company's head office, including the research and development facilities, and the Fukusaki Plant, where cosmetics are manufactured, are particularly significant business properties and can be considered a source of the Company's competitiveness. If such real estate were securitized, it could have a lasting impact on the Company's operational flexibility and economic resilience, potentially increasing business risks, and the desire of the Company's CXOs (excluding Mr. Ken Nishimura; the same applies in this section (F) below) to continue holding that real estate is understandable, therefore careful consideration is required. However, according to the Tender Offeror, the structure of the leaseback arrangement through the Real Estate Securitization is designed to enable the Company's long-term, stable, and continuous use by entering into a long term fixed-term lease agreement between the Company and the real estate holding company. Furthermore, through measures such as setting a buyback option, the agreement contractually guarantees the Company's long-term and stable continued use. Based on this explanation, it is not unreasonable for the Company to conclude that while the Real Estate Securitization may create certain risks for the Company's medium- to long-term business operations, it cannot be said that it will have a material adverse effect on the Company's business operations after the Transactions.

According to the LOI Dated January 13, 2026 by KKR, the Transactions Proposed by KKR also anticipate the securitization of real estate assets including the Company's head office and Fukusaki Plant, etc., and therefore the above points are similarly applicable to those for the Transactions.

(B) Comparison of Corporate Value Enhancement Measures in the Transactions and Corporate Value Enhancement Measures in the Transactions Proposed by KKR

The results of the Company's examinations regarding the comparison between the Tender Offeror's corporate value enhancement measures and those proposed by KKR are as set out in

“(2) Decision-Making Process Leading to the Company’s Decision to Support the Tender Offer and Reasons Therefor” in “1. Purpose of and Reason for Share Consolidation” above, and the Special Committee considers that the content thereof is reasonable, as they are based on the Company’s business strategy in light of its business environment and management issues, as well as on the respective proposals and explanations provided by the Tender Offeror and KKR.

In particular, among the Tender Offeror’s corporate value enhancement measures, the management strategy of complementing and expanding the Modern Trade and online markets by utilizing the Tender Offeror’s portfolio companies and other resources while maintaining trust with existing distribution partners in the Indonesia business, as well as the management strategy of positioning the brand portfolio at the core of management and achieving the securing of growth capital and optimal allocation of management resources by leveraging the know-how accumulated by CVC through investments such as FT, are each directly linked to resolving the Company’s management issues. In addition, the Tender Offeror has presented concrete measures to realize such management strategies. For these reasons, the Company’s evaluation is considered reasonable.

Based on the foregoing, the Special Committee believes that the Company’s judgment, namely, that the Transactions proposed by the Tender Offeror will contribute more greatly to the enhancement of corporate value than the Transactions Proposed by KKR, is reasonable.

(C) Summary

In addition to the above, the Special Committee finds no particular circumstances that would require any change in its opinion with respect to (i) the business environment and management issues of the Company Group, (ii) the significance (advantages) of the Transactions, and (iii) the disadvantages of the Transactions, as examined in each of the written reports (the “Original Written Reports”) prior to the Fourth Additional Written Report.

Based on the above, the Special Committee believes that the Company’s decision to maintain its judgment that the Transactions will contribute to the enhancement of the Company’s corporate value, and that the Transactions will contribute more greatly to the enhancement of the Company’s corporate value than the Transactions Proposed by KKR is reasonable.

(ii) Matters Regarding the Examination of the Fairness of the Terms of the Transactions

a. The Third Tender Offer Price Change

In light of the content of the Business Plan, material conditions precedent thereto, the process of preparation thereof, and other factors, no circumstance has occurred that would require the Special Committee to change its judgment that the Business Plan is reasonable as a business plan that is used as a basis for the valuations of shares performed by Daiwa Securities and Plutus Consulting, and since September 9, 2025, the date on which the share valuation reports were prepared by Daiwa Securities and Plutus Consulting, respectively, no subsequent event, etc. has occurred that would require the Business Plan to be amended. In addition, according to Plutus Consulting, since September 9, 2025, the date on which the Share Valuation Report (Plutus Consulting) and the Fairness Opinion were prepared, there has been no change to the assumptions that would cause the content thereof to be changed, and according to Daiwa Securities, since September 9, 2025, the date on which the Share Valuation Report (Daiwa Securities) was prepared, there has been no change to the assumptions that would cause the content thereof to be changed.

In addition, the Tender Offer Price (3,105 yen) after the Third Tender Offer Price Change is more than twice the upper limit of the range (1,378 to 1,503 yen) calculated based on the market price analysis and even significantly exceeds the upper limit of the range (1,649 to 2,454 yen) calculated using the DCF method presented in the Share Valuation Report (Daiwa Securities). The Tender Offer Price (2,520 yen) after the Tender Offer Price Change is also more than twice the upper limit of the range (1,378 to 1,503 yen) calculated based on the market price analysis and even significantly exceeds the upper limit of the range (1,778 to 2,902 yen) calculated using the DCF method presented in the Share Valuation Report (Plutus Consulting).

Furthermore, the Tender Offer Price (3,105 yen) after the Third Tender Offer Price Change not only exceeds the Tender Offer Price (1,960 yen) at the time of the commencement of the Tender Offer by 1,145 yen (representing approximately 58.42%) but also represents a premium of 106.59% to the closing price of the Company Shares (1,503 yen) on the TSE Prime Market as of September 9, 2025, the business day preceding the announcement of the scheduled commencement of the Tender Offer, a premium of 116.23% to the simple average closing price of 1,436 yen over the preceding one-month period, a premium of 118.35% to the simple average closing price of 1,422 yen over the preceding three-month period, and a premium of 125.33% to the simple average closing price of 1,378 yen over the preceding six-month period. Such premium is at a very high level in comparison to the premiums offered in 36 other tender offers for shares of target companies that are companies listed on the TSE Prime Market, where the Company is listed, intended to take the target company private through a management buyout (MBO) (excluding transactions where the initially announced tender offer failed, and the transaction was completed through the implementation of a subsequent tender offer) announced after June 28, 2019, when the Ministry of Economy, Trade and Industry published its “Guidelines on Fair M&A Practices,” and which were completed on or before September 9, 2025 (for which the mean premium was 43.17% as of the last business day preceding the announcement, 45.63% over the preceding one-month period, 46.77% over the preceding three month period, and 47.17% over the preceding six-month period, and the median premium was 40.85% as of the last business day preceding the announcement, 44.92% over the preceding one-month period, 46.46% over the preceding three month period, and 43.94% over the preceding six-month period).

Based on the above, it can be said that the Tender Offer Price (3,105 yen) after the Third Tender Offer Price Change is at a sufficiently high level.

b. Comparison with the Terms of the Transactions Proposed by KKR

According to the Tender Offeror, the acquisition of all permits and approvals, etc. under the competition laws in Japan and Vietnam that are required for the implementation of the Transaction has been completed and it will be possible to complete the Tender Offer at an early date.

On the other hand, according to KKR, as of February 2, 2026, it would take approximately two months to acquire the relevant permits and approvals for the Transactions Proposed by KKR in Vietnam, and accordingly, even if the KKR Tender Offer were to be commenced immediately, it is expected that more than two months would be required before settlement thereof.

c. Summary

In addition to the above, the Special Committee finds that there are no particular circumstances that would require it to change the result of its examinations in the Original Written Reports that concluded that the terms of the Transactions are fair.

Based on the above, it can be said that the Tender Offer after changes to terms, including the Third Tender Offer Price Change, provides the shareholders of the Company, earlier and with greater certainty, with a reasonable opportunity to sell their Company Shares at a price that is at a sufficiently high level.

(iii) Matters Regarding the Examination of the Fairness of the Procedures for the Transactions

The Special Committee finds that there are no particular circumstances that would require it to change the result of its examinations in the Original Written Reports that concluded that the procedures for the Transactions are fair.

(iv) Conclusion

Based on the above, the Special Committee considers it reasonable for the Company to continue to determine that the Transactions will contribute to the enhancement of the Company's corporate value, and further to determine that the Transactions will more greatly contribute to the enhancement of the Company's corporate value when compared to the Transactions Proposed by KKR. Therefore, the Special Committee should not change its opinion to the effect that the Company's board of directors should support the Tender Offer.

In addition, because the Tender Offer Price after the Third Tender Offer Price Change can be said to provide the Company's shareholders, earlier and with greater certainty, with a reasonable opportunity to sell their Company Shares at a sufficiently high price, on the premise that the Third Tender Offer Price Change is implemented, the Special Committee believes that the Original Opinion should be changed and that the Company's board of directors should recommend that the Company's shareholders tender their Company Shares in the Tender Offer.

Based on the above, the Special Committee should not change its opinion to the effect that it believes that the Transactions are fair to the Company's general shareholders.

II. Reasons for the Opinion Regarding the Commissioned Matters (KKR)

As stated above, while the Special Committee believes that the Company's board of directors should support the Tender Offer and, on the premise that the Third Tender Offer Price Change is implemented, should recommend that the Company's shareholders tender their Company Shares in the Tender Offer, because the KKR Tender Offer is in a competing relationship with the Tender Offer, the Special Committee believes that, if the Tender Offer Price Change is implemented, the Company's board of directors should not support the KKR Tender Offer.

In addition, the Special Committee also believes that the Transactions are preferable to the Transactions Proposed by KKR from the perspective of being fair to the Company's general shareholders.

III. Supplementary Opinion in Light of the Course of Events up to Present and the

Current Situation

From the perspective of avoiding any impairment of the Company's corporate value resulting from prolongment or the like of the Transactions, and from the perspective of providing the Company's shareholders, earlier and with greater certainty, with a reasonable opportunity to sell their Company Shares at a price that is at a sufficiently high level, and thereby ensuring the common interests of its shareholders, the Company believes that, in connection with the Company's board of directors reaching a conclusion as to which of the Transactions (including the Tender Offer after the Changes to Terms, Etc., including the Third Tender Offer Price Change) and the Transactions Proposed by KKR would contribute more greatly to the Company's corporate value and, in turn, the common interests of its shareholders, the Company should terminate the Procedures. In addition, in connection with the termination of the Procedures, the Company intends to request KKR to destroy the confidential information disclosed by the Company in accordance with the confidentiality agreement provided by KKR to the Company.

In this regard, at the time of the commencement of the Tender Offer, the Tender Offer Period was set at 30 business days from September 26, 2025 to November 10, 2025. However, the Tender Offer Period was extended multiple times thereafter and it has now been extended for a total of 90 business days until February 12, 2026, which significantly exceeds the statutory principle maximum tender offer period of 60 business days. As such an unstable situation has continued for a prolonged period, within the Company as well, and management resources of the Company that should otherwise have been devoted to the growth of the Company's business have, over an extended period, been diverted to the Procedures and the Transactions, as well as the examination of the Transactions Proposed by KKR and related matters, resulting in no small delay in the Company's initiatives to improve its business. In addition, employees of the Company Group have voiced concerns regarding being placed in an unstable position for any further extended period, giving rise to the risk of retrenchment, and concerns have also been expressed by other stakeholders of the Company Group, including its business partners.

Furthermore, if, going forward, the Tender Offeror or KKR were to take the Company Shares private at a price even higher than the Tender Offer Price, there are concerns that, due to the nature of CVC and KKR as private equity funds, the Company's financial condition could be adversely affected after the completion of the Transactions or the Transactions Proposed by KKR by, among other things, an increase in debt capital in the Company's capital structure (including any recapitalization from equity to debt capital that may be implemented after the completion of the Transactions or the Transactions Proposed by KKR), leading to the risk of restricted funds available for the Company's business operations and its breach in financial covenants. In addition, the Company's CxOs had expressed a desire to continue to hold the Company's real estate, including the Company's head office and the Fukusaki Plant, in order to avoid risks that could hinder the Company's medium- to long-term business operations. Notwithstanding such intention, KKR, in the LOI Dated January 13, 2026, presented the KKR Price Proposal premised on the sale (securitization) of such real estate assets. In response thereto, the Tender Offeror also amended its business plan in connection with the Third Tender Offer Price Change to assume that the Real Estate Securitization would be carried out after the implementation of the Transactions. In light of such circumstances, if the Procedures were to be continued further, it cannot be ruled out that, in addition to the Real Estate Securitization, measures such as the dismantling of the Company's business or the sale of business assets that are

indispensable to the Company's business could be considered. Such measures could not only impede the implementation of the Company's sustainable and stable growth strategy and narrow the range of the Company's business options, but could also increase the Company's default risk, and therefore may have an adverse effect on the Company's business operations and management.

In light of the above factors, the continuation of the current unstable situation going forward due to the Procedures may hinder the conduct of business by the Company and could possibly result in the impairment of the Company's corporate value.

On the other hand, with respect to the Transactions, which are considered to contribute to the enhancement of the Company's corporate value to an even greater extent than the Transactions Proposed by KKR, the Tender Offeror has now proposed the Tender Offer Price after the Third Tender Offer Price Change. The Tender Offer Price after the Third Tender Offer Price Change can be said to be a price at a sufficiently high level when considered from various perspectives, including the Share Valuation Report (Plutus Consulting), the Fairness Opinion, the Share Valuation Report (Daiwa Securities), and comparisons with premium levels in similar MBO transactions.

In addition, while the KKR Price Proposal is based on the LOI Dated January 13, 2026 submitted by KKR, which constitutes the only legally-binding letter of intent (binding offer) proposed in the Procedures, as described above, the LOI Dated January 13, 2026 was submitted at a timing determined at KKR's discretion after the lapse of the Submission Deadline (December 24, 2025) communicated by the Company to KKR. In light of these circumstances, it can be said that KKR was provided with, and availed itself of, a sufficient period for consideration in making its proposal with a view to maximizing the Company's corporate value and, in turn, the shareholder value. Moreover, as described above, the Company and the Special Committee reached the conclusion stated in the Report as a result of the examination of the KKR Proposal through multiple rounds of written questions to KKR and multiple meetings, discussions, or the like with KKR.

Comprehensively taking into consideration the course of events up to present and the current situation as detailed above, from the perspective of avoiding impairment of the Company's corporate value due to the prolongment or the like of the Transactions, and from the perspective of providing the Company's shareholders, earlier and with greater certainty, with a reasonable opportunity to sell their Company Shares at a price that is at a sufficiently high level and thereby ensuring the common interests of its shareholders, the Special Committee considers it preferable that the Company terminate the Procedures in connection with the expression of its opinion based on this Fourth Additional Written Report. In addition, given that the Procedures are to be terminated, the Special Committee also believes that it would not be an unreasonable response for the Company to request KKR to destroy any confidential information disclosed by the Company in accordance with the confidentiality agreement provided by KKR to the Company.

- (iv) Obtainment by the Special Committee of a share valuation report and a fairness opinion from an independent third-party appraiser

As stated in "(iii) Establishment of an independent special committee at the Company and obtainment of a report therefrom" above, in examining the Commissioned Matters, in order to ensure the fairness of the transaction terms, including the Tender Offer Price, the Special Committee has requested Plutus Consulting, its own financial advisor and third-party appraiser independent of the Company and the Tender Offerors, to conduct a valuation of the Company

Shares and to state its opinion on the fairness of the Tender Offer Price (a fairness opinion) and obtained the Share Valuation Report (Plutus Consulting) and the Fairness Opinion on September 9, 2025.

When the Company's board of directors received the Report from the Special Committee on September 9, 2025, it also received the Share Valuation Report (Plutus Consulting) and the Fairness Opinion, and the Company's board of directors has adopted the resolution as stated in "(v) Unanimous approval of the disinterested directors of the Company and unanimous opinion of its disinterested statutory auditors that they have no objection" below, while comprehensively taking into account, among others, the details of the Share Valuation Report (Plutus Consulting) and the Fairness Opinion (including the range calculated in each share valuation report).

Plutus Consulting is not a related party of the Company or the Tender Offerors, and does not have any material interests that should be noted in relation to the Transactions, including the Tender Offer. Compensation for Plutus Consulting in relation to the Transactions is comprised of fixed fees that are to be paid regardless of whether the Transactions are consummated and fees calculated by multiplying the number of hours worked by an hourly rate, and does not include any contingent fees that are to be paid subject to the consummation of the Transactions, including the Tender Offer. Furthermore, the Special Committee has confirmed on March 19, 2025 that there are no problems with the independence or the eligibility of Plutus Consulting and appointed Plutus Consulting as its own financial advisor and third-party appraiser.

An overview of the Share Valuation Report (Plutus Consulting) and the Fairness Opinion is as set out below.

(a) Overview of calculation

Plutus Consulting considered multiple share valuation methods to be adopted for the valuation of the Company Shares, and based on the assumption that the Company is a going concern and that a multifaceted valuation of the Company Shares would be appropriate, calculated the value per Company Share using the following: (i) the market price analysis, because the Company Shares are listed on the TSE Prime Market and market prices are available, and (ii) the DCF method, to ensure that the actual figures and projections of the Company's business performance or the like would be reflected in the valuation. The Special Committee received the Share Valuation Report (Plutus Consulting) from Plutus Consulting on September 2025.

The ranges of share values per Company Share that were calculated by Plutus Consulting based on the above methods are as follows.

Market price analysis:	1,378 yen to 1,503 yen
DCF method:	1,778 yen to 2,902 yen

In the market price analysis, September 9, 2025 was used as the calculation reference date, and calculations were performed on the basis of the closing price of the Company Shares of 1,503 yen on the reference date, the simple average closing price of 1,436 yen for the one-month period immediately preceding the reference date, the simple average closing price of 1,422 yen for the three-month period immediately preceding the reference date, and the simple average closing price of 1,378 yen for the six-month period immediately preceding the reference date (all such prices as listed on the TSE Prime Market). As a result, the value per Company Share was calculated to be in the range of 1,378 yen to 1,503 yen.

In the DCF method, the corporate value and share value of the Company was calculated by discounting to the present value at a given discount rate the free cash flow that the Company Group is expected to generate during and after the second quarter of the fiscal year ending March 2026, using as a basis the estimated revenues and investment plans under the Business Plan for the period from the fiscal year ending March 2026 to the fiscal year ending March 2028, prepared by the Company for the period for which estimation was reasonable at the time of the preparation thereof, and this resulted in a value per Company Share in the range of 1,778 yen to 2,902 yen. The weighted average cost of capital (WACC) was used for the discount rates in the range of 7.85% to 9.75%. The perpetual growth model and the multiple method were used for the calculation of the going concern value. Under the perpetual growth model, the perpetual growth rate was set at 0% based on the theoretically expected long-term business environment and other factors, and the calculation resulted in a going concern value in the range of 67,890 million yen to 84,367 million yen. Under the multiple method, an EV/EBITDA multiple was used, with the EBITDA multiple for the enterprise value being in the range of 7.1 to 9.2 based on the level of the companies in the same industry, etc., and the calculation resulted in a going concern value in the range of 96,512 million yen to 123,682 million yen. In addition, the amount of cash and deposits surplus (which was calculated by deducting (i) operational cash and deposits estimated by comprehensively taking into account actual past cash-flow management, etc. from (ii) the Company's cash and deposits), and listed company shares among the investment securities held by the Company, taking into account expected tax effects that may be caused by selling at their market values, was added in the calculation of the share value as non-operational assets.

The financial projections based on the Business Plan that were used as a basis for the calculation by Plutus Consulting using the DCF method are as follows. It should be noted that the financial projections based on the Business Plan used as a basis for such calculation includes fiscal years in which significant year-on-year increases or decreases in profit are expected. Specifically, due to improved business performance and the effects of improved profitability, significant increases in profit – namely, a 112.32% on-year increase in operating profit (7,442 million yen) for the fiscal year ending March 2027 and a 50.40% on-year increase in EBITDA (11,694 million yen) for the fiscal year ending March 2027 – are expected. In addition, due to improved business performance and decreased capital expenditures, a significant increase in free cash flow is also expected in the fiscal year ending March 2028 (5,457 million yen; a 69.16 % increase year-on-year).

(Unit: million yen)

	Fiscal Year ending March 2026 (nine months)	Fiscal Year ending March 2027	Fiscal Year ending March 2028
Net sales	63,096	93,016	100,594
Operating profit	2,488	7,442	9,191
EBITDA	5,714	11,694	13,517
Free cash flow	1,275	3,226	5,457

Although the Business Plan was prepared after setting reasonable assumptions for each item based on past performance, current earnings status, and external environmental trends, and

other factors in order to examine the appropriateness of the terms of the Transactions by taking into account the future growth of the Company, the content of the Business Plan is the same as the business plan that was used as a basis for the Middle-Range Planning of the Company that started in April 2024. However, the forecasts for consolidated business results that were disclosed by the Company on May 13, 2025 were used as the figures of the business plan for the fiscal year ending March 2026. The Middle-Range Planning was prepared by the Company's management team, including Mr. Motonobu Nishimura and Mr. Ken Nishimura, during the period from February 2023 and March 2024, which is before the time when Mr. Motonobu Nishimura and Mr. Ken Nishimura started considering taking the Company Shares private, as the final mid-range plan under the Company's medium-and long-term vision "VISON 2027," targeting the period from 2017 to 2027 and formulated in 2017, as well as a phase to build a foundation for the Company's growth for the next 100 years following the Company's 100th anniversary in 2027. It should be noted that the synergy effects expected to be realized through the execution of the Transactions are not factored into the financial projections because it was difficult to specifically estimate at the time of the preparation of the Business Plan what impact they may have on the Company's revenues. When calculating the share value of the Company Shares, Plutus Consulting, as a rule, utilized the information provided by the Company, publicly-available information, and other such information on an as-is basis, assuming that such materials, information, etc. were accurate and complete in all respects. Therefore, Plutus Consulting did not independently evaluate or assess the accuracy or completeness of such information. No independent valuations or assessments were made, and no expert appraisals or assessments from third-party organizations were sought, in regard to the assets and liabilities of the Company (including unlisted assets and liabilities and other contingent liabilities). In addition, it was assumed that the information with respect to the Company's financial projections had been reasonably prepared on the Company's best predictions and judgments as of September 9, 2025. However, Plutus Consulting held multiple Q&A sessions with the Company regarding the Business Plan that was used as a basis for its calculations and ascertained that the Business Plan was reasonably prepared on the best predictions and judgments of the Company's management team that could be made at the time of the preparation of the Business Plan and the current status of the Company. On that basis, Plutus Consulting confirmed the reasonableness of the Business Plan of the Company from the perspective of whether the Business Plan contained any unreasonable points. In addition, the Special Committee has confirmed the content of the Business Plan, material conditions precedent thereto, the process of preparation thereof, and the like. The calculation by Plutus Consulting reflects the above information up to September 9, 2025.

(b) Overview of the Fairness Opinion

On September 9, 2025, the Special Committee obtained the Fairness Opinion from Plutus Consulting which stated to the effect that 1,960 yen per share as the Tender Offer Price is fair to the general shareholders of the Company from a financial point of view. The Fairness Opinion expressed the opinion that the Tender Offer Price of 1,960 yen per share is fair to the general shareholders of the Company from a financial point of view in light of factors such as the calculated share value based on the Business Plan prepared by the Company. The Fairness Opinion was issued by Plutus Consulting based on the result of the Company's share valuation calculated after receiving disclosures of information such as the current state of the Company's business and the Business Plan from the Company and receiving explanations thereof, as well as

Q&A sessions with the Company concerning the outline, background, and purpose of the Tender Offer, considerations of factors such as the Company's business environment, the economy, markets, and financial landscape conducted to the extent deemed necessary by Plutus Consulting, and the review procedures carried out by an examination committee independent of Plutus Consulting's engagement team (Note 12).

Note 12: Plutus Consulting assumes that the base materials provided by the Company for preparing the Fairness Opinion and the publicly available materials and information obtained by the Company are accurate and complete. In addition, Plutus Consulting has not conducted any independent investigation or examination of the accuracy or completeness of said materials or information, and it does not owe any obligation to do so. Accordingly, Plutus Consulting will not bear any liability arising out of any incompleteness of such materials or the non-disclosure of any material facts.

Plutus Consulting assumes that the Business Plan and other materials used as base materials for the Fairness Opinion have been reasonably prepared based on the best forecasts and judgements obtained at the time of preparation of such materials. Plutus Consulting does not guarantee the feasibility thereof and does not express any view regarding any analysis or forecast that is the basis of the preparation of those materials or any premises that serve as grounds for those materials.

Plutus Consulting is not an expert on legal, accounting, or taxation matters. Accordingly, Plutus Consulting does not state an opinion on any legal, accounting, or taxation issues related to the Tender Offer and is not obligated to state such an opinion.

Plutus Consulting has not conducted an independent evaluation or appraisal of the assets or liabilities (including off-balance-sheet assets and liabilities and other contingent liabilities) of the Company or any of its affiliates, including assessments and evaluations of individual assets and liabilities, and it has not received any submitted written evaluation or appraisal of any such assets or liabilities. Accordingly, Plutus Consulting has not evaluated the ability of the Company or its affiliates to make payments.

The Fairness Opinion states an opinion on the fairness of the Tender Offer Price from a financial perspective, which is to be used when the Special Committee conducts examinations to make its report on the matters commissioned by the Company. Accordingly, the Fairness Opinion does not state any opinion on relative merits or demerits compared with transactions that could serve as alternatives to the Tender Offer, the benefits that could be brought by executing the Tender Offer, or whether the Tender Offer should be accepted.

The Fairness Opinion does not state any opinion to holders of securities issued by the Company, creditors, or other persons related to the Company. Accordingly, Plutus Consulting does not owe an obligation to any shareholders or third parties that have relied on the Fairness Opinion.

Plutus Consulting is not soliciting investments in the Company and is not authorized to make any such solicitation. Accordingly, the Fairness Opinion does not make any recommendation to the shareholders of the Company with regards to tendering their shares in the Tender Offer or on any other activities relating to the Tender Offer.

The Fairness Opinion states an opinion as of the submission date thereof on whether the Tender Offer Price is fair to the general shareholders of the Company from a financial perspective based on financial and capital markets, economic conditions,

and other circumstances as of the submission date of the Fairness Opinion and based on information provided to or obtained by Plutus Consulting up to that submission date. Plutus Consulting does not owe an obligation to revise, amend, or supplement its opinion, even if those assumptions on which such opinion is based change due to a subsequent change in conditions.

The Fairness Opinion does not make any deduction or suggestion of any opinion regarding any matters that are not explicitly stated in the Fairness Opinion or any matters on or after the submission date of the Fairness Opinion.

- (v) Unanimous approval of the disinterested directors of the Company and unanimous opinion of its disinterested statutory auditors that they have no objection

The Company carefully discussed and deliberated from multiple perspectives including whether the Transactions including the Tender Offer would contribute to enhancing the corporate value of the Company, whether the terms of the Transactions, including the Tender Offer Price, are fair, and whether the Transactions are conducted through fair procedures that secure the benefit to be enjoyed by the general shareholders of the Company, while comprehensively taking into account the advice from a legal standpoint received from Mori Hamada, the advice from a financial standpoint received from Daiwa Securities, and the content of the “Share Valuation Report (Daiwa Securities) and the Share Valuation Report (Plutus Consulting) and the Fairness Opinion (including the range calculated in each share valuation report) obtained by the Special Committee from Plutus Consulting, while respecting, to the maximum possible extent, the judgment of the Special Committee as indicated in the Report.

As a result, as stated in “(C) Determination at the Company’s board of directors meeting held on September 10, 2025” in (2) “Decision-Making Process Leading to the Company’s Decision to Support the Tender Offer and Reasons Therefor” in “1. Purpose of and Reason for Share Consolidation” above, the Company determined with respect to the Tender Offer, that the Transactions, including the Tender Offer, would contribute to the enhancement of the corporate value of the Company, that the Tender Offer Price and other terms of the Transactions, including the Tender Offer, are reasonable from the perspective of the general shareholders of the Company, and that the Tender Offer provides the general shareholders with a reasonable opportunity to sell their Company Shares, and at the board of directors meeting held on September 10, 2025, the Company resolved with the unanimous agreement of the Company’s directors who were present at the deliberations and resolution (of seven directors in total, five directors excluding Mr. Motonobu Nishimura and Mr. Ken Nishimura), to express an opinion in favor of the Tender Offer and recommend the Company’s shareholders to tender their Company Shares therein if the Tender Offer is commenced. Of the three statutory auditors of the Company, two statutory auditors (Mr. Mikiharu Mori and Mr. Motohiro Tanaka) attended the abovementioned board of directors meeting, all of whom stated an opinion that he had no objection to adopting the resolution above. Mr. Yasuaki Kameda, a statutory auditor, was absent from the abovementioned board of directors meeting due to personal reasons, but prior to the board of directors meeting he stated an opinion that he had no objection to adopting the resolution above.

At the abovementioned board of directors meeting, the Company resolved (i) to commission the Special Committee, upon the commencement of the Tender Offer, (a) to consider whether there has been any change in its opinion stated in the Report, and (b) to inform the board of directors either that there has been no change in its opinion or of its new opinion if

there has been a change; and (ii) based on such opinion, to restate its opinion regarding the Tender Offer as of the time the Tender Offer is commenced.

Subsequently, as a result of careful re-examinations of the terms of the Tender Offer based on the business conditions of the Company and the environment surrounding the Transactions, and while giving the utmost consideration to the contents of the Report and the Additional Report received from the Special Committee, pursuant to the grounds and reasons stated in “(D) Details of examinations from the Company’s Board of Directors meeting held on September 10, 2025 to the Company’s Board of Directors meeting held on September 25, 2025, and the determination made at that meeting” in “(2) Decision-Making Process Leading to the Company’s Decision to Support the Tender Offer and Reasons Therefor” in “1. Purpose of and Reason for Share Consolidation” above, the Company has further determined that the Tender Offer Price and the other terms of the Transactions, including the Tender Offer, are reasonable from the perspective of the shareholders of the Company and that the Tender Offer provides the shareholders of the Company with a reasonable opportunity to sell their Company Shares. In addition, given, among other factors, that the Company has further found that the Transactions, including the Tender Offer, will contribute to enhancing the corporate value of the Company, the Company has determined that as of September 25, 2025, there is no reason to amend the opinion it expressed on September 10, 2025 concerning the Tender Offer.

Accordingly, at board of directors meeting of the Company held on September 25, 2025, the Company resolved with the unanimous agreement of the Company’s directors who were present at the deliberations and resolution (of seven directors in total, five directors excluding Mr. Motonobu Nishimura and Mr. Ken Nishimura) to restate the expression of its opinion in favor of the Tender Offer and also to recommend its shareholders to tender their Company Shares in the Tender Offer. Furthermore, at the board of directors meeting of the Company, the Company also resolved to include a statement in the Press Release Dated September 25, 2025 to make the Company’s shareholders aware that no restrictions have been placed on selling their Company Shares on the market as a result of the commencement of the Tender Offer or the opinion by the board of directors of the Company recommending the shareholders to tender their Company Shares therein. All of the three statutory auditors of the Company attended the abovementioned board of directors meeting, all of whom stated an opinion that he had no objection to adopting the resolution above.

Subsequently, as a result of careful examinations on the introduction of the Response Policy as well as whether the Company could maintain its opinion in favor of the Tender Offer and its opinion recommending that the Company’s shareholders tender their shares in the Tender Offer, with utmost respect for the details of the Second Additional Report submitted by the Special Committee, pursuant to the grounds and reasons stated in “(E) Details of examinations from the Company’s Board of Directors meeting held on September 25, 2025 to the Company’s Board of Directors meeting held on November 4, 2025, and the determination made at that meeting” in “(2) Decision-Making Process Leading to the Company’s Decision to Support the Tender Offer and Reasons Therefor” in “1. Purpose of and Reason for Share Consolidation” above, at its board of directors meeting held on November 4, 2025, the Company resolved, with the unanimous agreement of the directors who were present at the deliberations and resolution (of seven directors in total, five directors excluding Mr. Motonobu Nishimura and Mr. Ken Nishimura), to maintain its opinion in favor of the Tender Offer, but to withdraw its recommendation that the Company’s shareholders tender their shares in the Tender Offer, as well as to take a neutral

position on whether to recommend the shareholders of the Company to tender their Company Shares in the Tender Offer and leave the decision on whether to tender shares in the Tender Offer to the discretion of each shareholder. It should be noted that, as stated in the Response Policy Press Release, at the abovementioned board of directors meeting, the Company also resolved, for the purpose of ensuring and enhancing the Company's corporate value and the common interests of its shareholders, to adopt the Basic Policy, and to introduce the Response Policy as a measure to prevent decisions on the Company's financial and business policies from being controlled by persons deemed inappropriate under the Basic Policy (as specified in Article 118, Item 3(b)(2) of the Enforcement Regulations of the Companies Act).

Further, all of the three statutory auditors of the Company attended the abovementioned board of directors meeting, all of whom stated an opinion that he had no objection to adopting the resolution above.

Subsequently, as a result of careful examinations on whether the Company should change its opinion expressed with respect to the Tender Offer on November 4, 2025 from perspectives such as whether the Transactions, including the Tender Offer after the Tender Offer Price Change and other such changes to the terms, would contribute to the corporate value of the Company and, in turn, the common interests of its shareholders, and with utmost respect for the details of the Third Additional Report submitted by the Special Committee, pursuant to the grounds and reasons stated in "(F) Details of examinations from the Company's Board of Directors meeting held on November 4, 2025 to the Company's Board of Directors meeting held on December 4, 2025, and the determination made at that meeting, and the subsequent process" in "(2) Decision-Making Process Leading to the Company's Decision to Support the Tender Offer and Reasons Therefor" in "1. Purpose of and Reason for Share Consolidation" above, at its board of directors meeting held on December 4, 2025, the Company resolved, with the unanimous agreement of the directors who were present at the deliberations and resolution (of seven directors in total, five directors excluding Mr. Motonobu Nishimura and Mr. Ken Nishimura), that it maintains its opinion in favor of the Tender Offer, and although it believes that the Tender Offer provides the shareholders of the Company with a reasonable opportunity to sell their Company Shares at an attractive price, the Company continues to take a neutral position on whether to recommend the shareholders of the Company to tender their Company Shares in the Tender Offer and to leave the decision on whether to tender shares in the Tender Offer to the discretion of each shareholder, given that the Company is carrying out the Procedures at this point in time.

Further, all of the three statutory auditors of the Company attended the abovementioned board of directors meeting, all of whom stated an opinion that he had no objection to adopting the resolution above.

Subsequently, as a result of careful examinations on whether the Company should change the Opinion Dated December 4, 2025, in regard to the Tender Offer, primarily from the perspective of whether the measures to enhance the corporate value of the Company proposed by the Tender Offeror or the measures to enhance the corporate value of the Company proposed by KKR would contribute more to the enhancement of the corporate value of the Company, and with utmost respect for the details of the Fourth Additional Report submitted by the Special Committee, pursuant to the grounds and reasons stated in "(G) Background of the comparison and examination of the Transactions and the Transactions Proposed by KKR, and the determination made at the Company's Board of Directors meeting held on February 9, 2026" in "(2) Decision-Making Process Leading to

the Company's Decision to Support the Tender Offer and Reasons Therefor" in "1. Purpose of and Reason for Share Consolidation" above, at its board of directors meeting held on February 9, 2026, the Company resolved, with the unanimous agreement of the directors who were present at the deliberations and resolution (of seven directors in total, five directors excluding Mr. Motonobu Nishimura and Mr. Ken Nishimura), that it had reached the conclusion that the measures to enhance the corporate value of the Company proposed by the Tender Offeror would more greatly contribute to the enhancement of the corporate value of the Company than the measures to enhance the corporate value of the Company proposed by KKR, and made the Resolution to express its opinion in favor of the Tender Offer, and on the premise that the Third Tender Offer Price Change will be implemented, to recommend that the shareholders of the Company to tender their Company Shares in the Tender Offer. In addition, at the Company's board of directors meeting stated above, based on the Resolution and in light of the fact that the KKR Tender Offer is in a competing relationship with the Tender Offer, the Company resolved that it will not support the KKR Tender Offer and, at the same time, will terminate the Procedures. In addition to expressing deep gratitude to KKR for participating in the Procedures despite the limited timeframe, the Company informed KKR of the termination of the Procedures and has requested that KKR destroy any confidential information disclosed by the Company in accordance with the non-disclosure agreement provided by KKR to the Company.

All of the three statutory auditors of the Company attended the abovementioned board of directors meeting, all of whom stated an opinion that he had no objection to adopting the resolutions above.

Of the directors of the Company, Mr. Motonobu Nishimura, Chairman and Representative Director of the Company, and Mr. Ken Nishimura, President and Representative Director of the Company, did not participate in any deliberations or resolution at the abovementioned board of directors meetings nor did they participate in any consultations or negotiations with the Tender Offeror or KKR in the capacity of the Company because each of Mr. Motonobu Nishimura and Mr. Ken Nishimura is in a state of structural conflict of interest with the Company in relation to the Transactions and the Transactions Proposed by KKR on the grounds that (i) the Tender Offer will be conducted by the Tender Offeror based on the consultations between Mr. Motonobu Nishimura and Mr. Ken Nishimura and (ii) Mr. Motonobu Nishimura and Mr. Ken Nishimura will make the Re-investment in the Tender Offeror Parent Company (referring to the New SPC after the Structure Change) after the completion of the Squeeze-Out Procedures and will continue to be involved in the overall management of the Company even after the successful completion of the Tender Offer, and (iii) the KKR Tender Offer is in a competing relationship with the Tender Offer.

(vi) Establishment of an independent review framework within the Company

The Company has established a framework within the Company that enables it to conduct discussions and negotiations and make decisions regarding the Transactions from a standpoint independent of the Tender Offerors, with the aim of enhancing its corporate value and securing the interests of its general shareholders. Specifically, after receiving the Initial Letter of Intent from Mr. Motonobu Nishimura and Mr. Ken Nishimura and CVC on February 20, 2025, the Company established a project team consisting of two of the Company's directors, Mr. Shinichiro Koshiba and Mr. Koichi Watanabe, who are deemed to be independent of the Tender Offerors, and six employees of the Company in order to review the Transactions (including the preparation of the business plan based on which the valuation of the Company Shares will be

conducted) and consult and negotiate with the Tender Offerors, together with the Special Committee, and the Company has maintained such framework until today. Mr. Motonobu Nishimura and Mr. Ken Nishimura did not participate in any consultations or negotiations with the Tender Offerors in the capacity of the Company.

The Company's review framework (including such measures), specifically, the scope and duties of the officers and employees involved in the review, negotiations, and determinations regarding the Transactions (including duties requiring a high degree of independency, such as preparation of the Business Plan based on which the valuation of the Company Shares will be conducted) are based on advice from Mori Hamada, and the Company has obtained the approval of the Special Committee regarding that there are no problems from the perspective of independence and fairness.

- (vii) Setting the minimum number of shares to be purchased that exceeds the majority of minority
The Tender Offeror has set 25,285,200 shares (shareholding ratio: 56.02%) as the minimum number of shares to be purchased in the Tender Offer, and if the total number of the Tendered Shares, Etc. is less than the minimum number of shares to be purchased, the Tender Offeror will not purchase any of the Tendered Shares, Etc.

In the Tender Offer, the minimum number of shares to be purchased in the Tender Offer (25,285,200 shares, shareholding ratio: 56.02%) exceeds the number of shares (21,905,207 shares) obtained by adding (i) a majority of the shares (18,468,717 shares, shareholding ratio: 40.92%) of total number of shares (36,937,432 shares) obtained by deducting the total number of shares owned by the Shareholders Who Agreed to Tender Their Shares (1,033,090 shares) and the total number of Company Shares held by the Shareholders Who Agreed Not to Tender Their Shares (4,670,000 shares) and the Shares Agreed to Be Tendered (Hibiki) (2,496,700 shares) from the Base Number of Shares (45,137,222 shares), and (ii) the Shares Agreed to Be Tendered (939,790 shares) and the Shares Agreed to Be 34 Tendered (Hibiki) (2,496,700 shares), which exceeds the majority of the number of shares held by the shareholders of the Company who do not have any interests in the Tender Offeror, i.e., the so-called "majority of minority" (however, the Tender Agreement (CI11, Etc.) was concluded based on sincere discussions and negotiations between independent parties, as the Shareholders Who Agreed to Tender Their Shares (CI11, Etc.) are independent investors with no interest relationship with the Tender Offeror. Furthermore, in contrast to the Nishimura Family Shareholders and the Shareholder Who Agreed to Tender Its Shares (Hibiki), the Shareholders Who Agreed to Tender Their Shares (CI11, Etc.) do not plan to reinvest. Therefore, the Tender Offeror believes that the fact of conclusion of the Tender Agreement (CI11, Etc.) does not cause the Shareholders Who Agreed to Tender Their Shares (CI11, Etc.) to be regarded as shareholders of the Company with an interest relationship with the Tender Offeror, for the purposes of determining the "majority of minority" condition. Furthermore, according to the Tender Offeror, on January 4, 2026, the Tender Offeror reached an agreement via email (the "Agreement to Tender (Ogawa)") with Ogawa & Co., Ltd. (number of shares held: 339,200 shares, shareholding ratio: 0.75% as of January 4, 2026; the "Shareholder Who Agreed to Tender Its Shares (Ogawa)") stating that the Shareholder Who Agreed to Tender Its Shares (Ogawa) would tender all of the Company Shares that it holds in the Tender Offer and would not withdraw such tender. The Agreement to Tender (Ogawa) was concluded based on sincere discussions and negotiations between independent parties, as the Shareholder Who Agreed to Tender Its Shares (Ogawa) is an independent investor with no interest relationship with the Tender Offeror. Furthermore, in contrast to the Nishimura Family Shareholders and the Shareholder Who Agreed to Tender Its Shares (Hibiki), the

Shareholder Who Agreed to Tender Its Shares (Ogawa) does not plan to reinvest. Therefore, the Tender Offeror believes that the fact of conclusion of the Agreement to Tender (Ogawa) does not cause the Shareholder Who Agreed to Tender Its Shares (Ogawa) to be regarded as a shareholder of the Company with an interest relationship with the Tender Offeror, for the purposes of determining the “majority of minority” condition.). The Tender Offeror believes that the Tender Offer will not be completed unless they receive majority approval from shareholders of the Company who do not have an interest in the Tender Offeror, and thus the Tender Offer has placed importance on the will of the minority shareholders of the Company.

(viii) Securing of objective conditions that ensure the fairness of the Tender Offer

The Company has not entered into any agreement with the Tender Offeror that restricts a competing offeror from having contact with the Company, such as an agreement that includes transaction protection provisions that would prohibit the Company from having contact with a competing offeror. The Tender Offeror initially set the Tender Offer Period at 30 business days, which is longer than the shortest period specified in laws and regulations of 20 business days, and the Tender Offer Period was subsequently extended to a total of 98 business days. By setting the Tender Offer Period to be longer than the period specified in laws and regulations, the Tender Offeror ensures to provide the Company’s shareholders with an appropriate opportunity to make a judgment regarding the tender of their Company Shares in the Tender Offer and ensures to provide the opportunities for persons other than the Tender Offeror to make a competing purchase for the Company Shares, thereby intending to ensure the appropriateness of the Tender Offer Price.

As stated in the Report, based on the fact that, (i) from perspectives including an information management perspective, it is not easy to conduct so-called market checks (including the bidding procedures prior to the announcement of the Transactions and other such processes) to investigate the existence of potential acquirers in the market and (ii) in the Transactions, including the Tender Offer, sufficient measures have been taken to ensure fairness, and the Special Committee evaluates that appropriate consideration has been paid to the interests of the Company’s shareholders through fair procedures, the Special Committee has determined that the fairness of the procedures in the Tender Offer is not impaired by the absence of an active market check at the time of the preparation of the Report.

4. Future Prospects

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

5. Matters Concerning MBOs, Etc.

(1) Application of “Matters to be Observed Pertaining to MBOs, Etc.”

As the Share Consolidation is to be conducted as part of the Transactions which constitute a so-called management buyout (MBO), the Share Consolidation is subject to the “Matters to be Observed Pertaining to MBOs, etc.” prescribed in Rule 441 of the Securities Listing Regulations of the TSE.

(2) Status of Compliance with the “Guidelines Regarding Measures for Minority Shareholder Protection in Executing Transactions, Etc. with a Controlling Shareholder”

As of March 26, 2026, the Tender Offeror is a parent company of the Company, and the Share Consolidation is a transaction to be executed for the purpose of making the Tender Offeror the sole shareholder of the Company; accordingly, the transactions related to the Share Consolidation constitute transactions, etc. with a controlling shareholder.

Although the report on corporate governance disclosed by the Company on July 1, 2025 did not provide for “guidelines for measures for minority shareholder protection in executing transactions, etc. with a controlling shareholder,” the Company’s basic policy is that when it executes a transaction with a controlling shareholder, etc., it will confirm the appropriateness and economic rationale of the terms of the transaction by, among other means, comparing them with the terms of general transactions, and it will appropriately handle the decision-making process regarding the terms of such transaction with a controlling shareholder, etc. so that such transaction would not be disadvantageous to the Company or its minority shareholders. Likewise, when conducting the Share Consolidation, as set forth in “(3) Measures to Ensure Fairness of the Transactions and to Prevent Conflicts of Interest” of “3. Grounds for the Amount Expected to be Delivered to the Shareholders as a Result of the Handling of Fractions of Less Than One Share upon the Share Consolidation, and Other Relevant Matters” above, the Company has carefully discussed and examined the terms of the Share Consolidation by taking into account the advice from a legal standpoint received from Mori Hamada concerning points to note in making decisions regarding the Transactions, including the Tender Offer, the advice from a financial standpoint received from Daiwa Securities, the Share Valuation Report (Daiwa Securities) obtained by the Company from Daiwa Securities on September 9, 2025, and the Share Valuation Report (Plutus Consulting) and the details of the Fairness Opinion obtained by the Special Committee from Plutus Consulting (including the ranges of values stated in each share valuation report), as well as the Report, the Additional Report, the Second Additional Report, the Third Additional Report, and the Fourth Additional Report submitted by the Special Committee, and other relevant materials, thereby appropriately handling the process so that such transaction would not be disadvantageous to its minority shareholders. Therefore, the Company has judged that the Company’s response was in compliance with the above guidelines.

(3) Matters Relating to Measures to Ensure Fairness and to Avoid Conflicts of Interest

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

(4) Opinion Obtained from the Special Committee that the Transactions are Fair to General Shareholders of the Company

The Company has received from the Special Committee the submission of the Report, the Additional Report, the Second Additional Report, the Third Additional Report, and the Fourth Additional Report stating that the Transactions are considered to be fair to the Company’s general shareholders. For details of those reports, please refer to the attachments to the press releases published by the Company, namely Attachment 1 and Attachment 2 to

the Press Release dated September 25, 2025, Attachment 4 to the Press Release Dated November 4, 2025, Attachment 5 to the Press Release Dated December 4, 2025, and Attachment 6 to the Press Release Dated February 9, 2026. It should be noted that, because the Report, the Additional Report, the Second Additional Report, the Third Additional Report, and the Fourth Additional Report were prepared in relation to the Transactions, which include transactions related to the Share Consolidation, the Company did not newly obtain any opinion from the Special Committee when executing the transactions related to the Share Consolidation.

II. Abolishment of the Provisions on Share Units

1. Reasons for Abolishment

In the case where the Share Consolidation takes effect, the Company's total number of outstanding shares will be 4 shares, and it will cease to be necessary to specify the number of shares in a share unit.

2. Planned Abolishment Date

May 19, 2026 (planned)

3. Conditions for Abolishment

The abolishment is subject to the proposal for the Share Consolidation and the proposal for the partial amendment to the Articles of Incorporation to abolish provisions on share units being approved as proposed at the Extraordinary Shareholders' Meeting, and the Share Consolidation taking effect.

III. Partial Amendment to the Articles of Incorporation

1. Purpose of Amendment to the Articles of Incorporation

- (1) If the proposal for the Share Consolidation is approved as proposed at the Extraordinary Shareholders' Meeting and the Share Consolidation takes effect, the total number of shares authorized to be issued by the Company will be reduced to 10 shares in accordance with the provisions of Article 182, Paragraph 2 of the Companies Act. In order to clarify this point, Article 6 (Total Number of Shares Authorized to Be Issued) of the Articles of Incorporation will be amended subject to the Share Consolidation taking effect.
- (2) If the proposal for the Share Consolidation is approved as proposed at the Extraordinary Shareholders' Meeting and the Share Consolidation takes effect, the total number of issued shares of the Company will be 4 shares, and it will cease to be necessary to specify the number of shares constituting one unit. Therefore, subject to the Share Consolidation taking effect, the provisions of Article 8 (Number of Shares per Share Unit), Article 9 (Demand for Sale of Shares Less Than One Unit), and Article 10 (Rights Regarding Shares Less Than One Unit) of the Articles of Incorporation will be entirely deleted in order to abolish the provisions regarding the number of shares constituting one unit for the Company Shares (currently 100 shares), and the remaining provisions will be renumbered accordingly.
- (3) If the proposal for the Share Consolidation is approved as proposed at the Extraordinary Shareholders' Meeting and the Share Consolidation takes effect, the Tender Offeror will become the sole shareholder of the Company. Therefore, provisions concerning the record date for the ordinary general meeting of shareholders

will no longer be necessary. Accordingly, subject to the Share Consolidation taking effect, the provisions of Article 10 (Record Date for Ordinary General Meetings of Shareholders) of the Articles of Incorporation will be entirely deleted and the remaining provisions will be renumbered accordingly. It should be noted that, if the relevant amendment becomes effective, for the ordinary general meeting of shareholders scheduled to be held in June 2026, the Company’s shareholders as of the time of holding of that meeting will be treated as shareholders of the Company who are entitled to exercise their voting rights.

- (4) If the proposal for the Share Consolidation is approved as proposed at the Extraordinary Shareholders’ Meeting and the Share Consolidation takes effect, the Tender Offeror will become the sole shareholder of the Company, and the Company Shares will be delisted in connection with the implementation of the Share Consolidation. Therefore, provisions concerning systems for providing shareholders meeting materials electronically will no longer be necessary. Accordingly, subject to the Share Consolidation taking effect, the provisions of Article 16 (Measures for Electronic Provision, Etc.) of the Articles of Incorporation will be entirely deleted and the remaining provisions will be renumbered accordingly.

2. Details of Amendment to the Articles of Incorporation

The details of the amendments are as stated below. Subject to the proposal for the Share Consolidation being approved as proposed at the Extraordinary Shareholders’ Meeting and the Share Consolidation taking effect, the amendments to the Articles of Incorporation will take effect on May 19, 2026, which is the scheduled effective date of the Share Consolidation.

(The underlined parts indicate amendments.)

Current Articles of Incorporation	Proposed Amendments
<p>Article 6 (Total Number of Shares Authorized to be Issued)</p> <p>The total number of shares authorized to be issued by the Company shall be <u>81,969,700</u> shares.</p>	<p>Article 6 (Total Number of Shares Authorized to be Issued)</p> <p>The total number of shares authorized to be issued by the Company shall be <u>10</u> shares.</p>
<p><u>Article 8 (Share Unit)</u></p> <p><u>The number of shares constituting one unit of shares of the Company shall be 100 shares.</u></p>	(Deleted)
<p><u>Article 9 (Demand for Sale of Shares Less Than One Unit)</u></p> <p><u>A shareholder of the Company may make a demand to the Company to sell the number of shares that would constitute one unit of shares when aggregated with the number of shares less than one unit held by the demanding shareholder (the “Demand to Sell Shares”) in accordance with the Share Handling Regulations; provided,</u></p>	(Deleted)

<p><u>however, that this does not apply if the Company does not hold the number of treasure shares that must be sold to the relevant shareholder when the Demand to Sell Shares is made.</u></p>	
<p><u>Article 10 (Rights in Relation to Shareholdings Less Than One Unit)</u> <u>A shareholder of the Company may not exercise any rights other than the following rights and those stipulated in these Articles of Incorporation with respect to shareholdings of less than one unit.</u> <u>(1). the rights listed in each item of Article 189, Paragraph 2 of the Companies Act;</u> <u>(2). the right to make a demand under Article 166, Paragraph 1 of the Companies Act; and</u> <u>(3). the right to receive an allotment of shares for subscription and share options for subscription according to the number of shares held by the shareholder.</u></p>	<p>(Deleted)</p>
<p>Article <u>11</u> to Article <u>13</u> (Articles omitted)</p>	<p>Article <u>8</u> to Article <u>10</u> (No change)</p>
<p><u>Article 14 (Record Date for Ordinary General Meetings of Shareholders)</u> <u>The record date for voting rights with respect to an ordinary general meeting of shareholders of the Company is March 31 of each year.</u></p>	<p>(Deleted)</p>
<p>Article <u>15</u> (Article omitted)</p>	<p>Article <u>11</u> (No change)</p>
<p><u>Article 16 (Measures for Electronic Provision, Etc.)</u> <u>1. When convening a general meeting of shareholders, the Company shall take measures to electronically provide information that includes the contents of the reference materials, etc. for the general meeting of shareholders.</u> <u>2. The Company may omit any or all of the items specified by a Ministry of Justice ordinance that are subject to electronic provision measures in the documents delivered to shareholders who have requested documents to be delivered in paper form by the record date for voting rights.</u></p>	<p>(Deleted)</p>
<p>Article <u>17</u> to Article <u>42</u> (Articles omitted)</p>	<p>Article <u>12</u> to Article <u>37</u> (No change)</p>

3. Amendment Date

May 19, 2026 (scheduled)

4. Conditions for Amendment

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

End