

March 9, 2026

Company name: INFRONEER Holdings Inc.
 Representative: Representative Executive Officer and
 President Kazunari Kibe
 (Stock Code: 5076, TSE Prime Market)
 Inquiries: Head of Corporate Strategy Naohito Okada
 Company name: Sumitomo Mitsui Construction Co., Ltd.
 Representative: Representative Director and President
 Toshio Shibata
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Notice Regarding Commencement of Tender Offer by an INFRONEER Holdings Inc. Subsidiary (Sumitomo Mitsui Construction Co., Ltd.) for the Shares of SUMIKEN MITSUI ROAD CO., LTD. (Stock Code: 1776)

INFRONEER Holdings Inc. (the “Company”) hereby announces that its subsidiary Sumitomo Mitsui Construction Co., Ltd. (“Sumitomo Mitsui Construction”) today decided to acquire the common shares of SUMIKEN MITSUI ROAD CO., LTD. (Stock Code 1776, TSE Standard Market; “Sumiken Mitsui Road”) through a tender offer under the Financial Instrument and Exchange Act (Law No. 25 of 1948, as amended).

For details, please see the attached press release that Sumitomo Mitsui Construction released today, "Notice Regarding Commencement of Tender Offer for the Shares of SUMIKEN MITSUI ROAD CO., LTD. (Stock Code: 1776)".

Overview of Sumitomo Mitsui Construction

Name	Sumitomo Mitsui Construction Co., Ltd.
Address	2-1-6 Tsukuda, Chuo-ku, Tokyo
Title and Name of Representative	Representative Director and President Toshio Shibata
Business Profile	Construction business: design and execution of civil, building, and pre-stressed concrete works and related operations Development business: real estate trading, leasing, and management services
Capital	12,004 million yen (as of December 31, 2025)

This press release is a disclosure by INFRONEER Holdings Inc. under the Securities Listing Regulations and is also a public announcement carried out under Article 30, Paragraph 1, Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act, based on a request by Sumitomo Mitsui Construction Co., Ltd. (the tender offeror) to INFRONEER Holdings Inc. (tender offeror parent company).

Attachment

“Notice Regarding Commencement of Tender Offer for the Shares of SUMIKEN MITSUI ROAD CO., LTD. (Stock Code: 1776)”, dated March 9, 2026.

March 9, 2026

Company name: Sumitomo Mitsui Construction Co., Ltd.
Representative: Representative Director and President
Toshio Shibata
Inquiries: Noriaki Tanaka, Head of Planning
Department
(Telephone +81-3-4582-3000)

Notice Regarding Commencement of Tender Offer for the Shares of SUMIKEN MITSUI ROAD CO., LTD.
(Stock Code: 1776)

Sumitomo Mitsui Construction Co., Ltd. (the “Tender Offeror”) hereby gives notice that on March 9, 2026, it decided to acquire the common shares (“Target Company Shares”) of SUMIKEN MITSUI ROAD CO., LTD. (Stock Code 1776, listed on the Standard Market of the Tokyo Stock Exchange, Inc. (“TSE”); (the “Target Company”) by means of a tender offer (the “Tender Offer”) under the Financial Instruments and Exchange Act (Law No. 25 of 1948, as amended; “FIEA”)

1. Purpose etc. of the Purchase etc.

(1) Overview of the Tender Offer

As of today, Tender Offer directly owns 4,981,500 common shares of the Target Company (“Target Company Shares”), which are listed on the Standard Market of the Tokyo Stock Exchange, Inc. (“TSE”) (Ownership Ratio (Note 1): 53.69%), and the Target Company is a consolidated subsidiary of the Tender Offeror. At its Board of Directors meeting held today, the Tender Offeror passed a resolution to implement the Tender Offer for all Target Company Shares (excluding the Target Company Shares that the Tender Offeror directly owns and the treasury shares possessed by the Target Company) as part of the series of transactions for the purpose of making the Target Company a wholly owned subsidiary of the Tender Offeror (the “Transaction”).

Note 1: “Ownership Ratio” means the percentage that number of shares owned represents of the total number of shares (9,277,447) obtained by subtracting from the total number of issued and outstanding shares of the Target Company as of December 31, 2025, as set forth in the “Consolidated Financial Results for the Nine Months Ended December 31, 2025 (under Japanese GAAP)” (“Target Company Third Quarter Earnings Report”) published by the Target Company on February 9, 2026 (9,277,500) the number of treasury shares possessed by the Target Company as of such date, as set forth in the Target Company Third Quarter Earnings Report (53 shares; the number of treasury shares possessed by the Target Company does not include the 72,600 Target Company Shares (Ownership Ratio: 0.78%) that Sumitomo Mitsui Trust & Banking Co., Ltd. owns as trust property of the shares for delivery to officers trust under the share compensation system for the Target Company’s directors (excluding directors who are Audit & Supervisory Committee members and outside directors) and executive officers, because, under certain procedures based on share delivery rules stipulated by the Target Company and agreements relating to the relevant share delivery trusts that the Target Company has executed with the trustees, these can be tendered in the Tender Offer; hereinafter the same regarding treasury shares possessed by the Target Company) (here and hereinafter, Ownership Ratios are rounded off to the second decimal place).

In the Tender Offer, the Tender Offeror has set 1,203,500 shares (Ownership Ratio: 12.97%) as the lower limit for the number of shares planned for purchase; if the total number of share certificates etc. offered for sale etc. in the Tender Offer (“Tendered Share Certificates etc.”) does not reach the lower limit for the number of shares planned for purchase, none of the Tendered Share Certificates etc. will be purchased. Meanwhile, as discussed above, the Tender Offeror’s objective in the Tender Offer is to acquire all Target Company Shares (excluding the Target Company Shares directly owned by the Tender Offeror and treasury shares possessed by

the Target Company), thereby making the Target Company a wholly-owned subsidiary of the Tender Offeror; accordingly, no upper limit has been set for the number of shares planned for purchase, and if the total number of Tendered Share Certificates etc. is at or greater than the lower limit for the number of shares planned for purchase, all Tendered Share Certificates etc. will be purchased.

The lower limit for the number of shares planned for purchase (1,203,500) shares is the number of shares obtained by subtracting from the number of shares (6,185,000 shares) obtained by multiplying the number of voting rights (61,850; rounded down to the nearest whole number) representing at least two-thirds of the number of voting rights (92,774) attached to the number of shares (9,277,477 shares) representing the total number of issued and outstanding shares of the Target Company as of December 31, 2025, as set forth in the Target Company's Third Quarter Earnings Report (9,277,500 shares) less the number of treasury shares (53 shares) possessed by the Target Company as of such date as set forth in the Target Company's Third Quarter Earnings Report by the number of shares in one share unit of Target Company Shares (100 shares) the number of Target Company Shares directly owned by the Tender Offeror (4,981,500 shares) as of today. This lower limit for the number of shares planned for purchase was set for the purpose of allowing the Tender Offeror to make the Target Company a wholly-owned subsidiary of the Tender Offeror through the Transaction; in the event that the Tender Offer is successfully completed but the Tender Offeror is unable to acquire all Target Company Shares (excluding the Target Company Shares directly owned by the Tender Offeror and the treasury shares possessed by the Target Company), as discussed below in "(4) Post-Tender Offer Reorganization etc. Policy (Matters Relating to So-Called Two-Step Acquisition)", the Tender Offeror plans to implement a series of Transactions ("Squeeze-Out Procedures") for the purpose of making the Tender Offeror the sole shareholder of the Target Company; when carrying out the procedures for a Share Consolidation (defined in "2 Share Consolidation" in "(4) Post-Tender Offer Reorganization etc. Policy (Matters Relating to So-Called Two-Step Acquisition)" below; hereinafter the same), because a special resolution at a general meeting of shareholders as specified in Article 309, Paragraph 2 of the Companies Act (Law No. 86 of 2005, as amended) is required, by owning, after successful completion of the Tender Offer, a number of voting rights (61,850) representing at least two-thirds of the total number of the Target Company's voting rights (the 92,774 voting rights attached to the number of shares (9,277,477) obtained by subtracting from the number of issued and outstanding shares of the Target Company as of December 31, 2025 the number of treasury shares possessed by the Target Company as of such date (53 shares), the Tender Offeror will be able to satisfy this requirement.

Because the Tender Offeror intends to make the Target Company its wholly-owned subsidiary, in the event that the Tender Offeror is unable to acquire all Target Company Shares (excluding the Target Company Shares directly owned by the Target Company and the treasury shares possessed by the Target Company) through the Tender Offer, the Tender Offeror intends to acquire all Target Company Shares (excluding the Target Company Shares directly owned by the Target Company and the treasury shares possessed by the Target Company) by implementing the Squeeze-Out Procedures described below in "(4) Post-Tender Offer Reorganization etc. Policy (Matters Relating to So-Called Two-Step Acquisition)". It is noted that while as of today, Target Company Shares are listed on the TSE Standard Market, as discussed below in "(5) Prospects for Delisting; Reasons", depending on the results of the Tender Offer, Target Company Shares may be delisted after certain procedures are implemented, and in the event the Squeeze-Out Procedures described below in "(4) Post-Tender Offer Reorganization etc. Policy (Matters Relating to So-Called Two-Step Acquisition)" are to be implemented after completion of the Tender Offer, Target Company Shares will be delisted after the implementation of certain procedures.

According to "Notice Concerning Expression of Opinion in Favor of Tender Offer for the Shares of SUMIKEN MITSUI ROAD CO., LTD. by Its Parent Company, SUMITOMO MITSUI CONSTRUCTION CO., LTD., and Recommendation to Tender" (the "Target Company Press Release") the Target Company released today, the Target Company passed a resolution at its Board of Directors meeting held today to express its opinion in favor of the Tender Offer and to recommend all shareholders of the Target Company to tender the Target Company Shares in the Tender Offer.

For details of the above Board of Directors resolution, see the Target Company Press Release and "(vii) Approval of All Directors Not Having an Interest in the Target Company (Including Audit & Supervisory Committee Members)" in "Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer" in "[2] Course of Calculations" in "(4) Basis for Calculation of Purchase etc. Price" of "2. Overview of Purchase etc."

below.

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

[1] Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process

(i) Background to the Tender Offer

The Tender Offeror was established in April 2003 through the merger of Mitsui Construction Co., Ltd. and Sumitomo Construction Co., Ltd. Mitsui Construction Co., Ltd. had its beginnings in 1887, when Kenjiro Nishimoto took over the family business of the Nishimoto family, which since the mid-Edo Era was allowed to have dealings with the Kishu Tokugawa family, and founded Nishimoto-Gumi, a civil engineering contractor, in Wakayama. In 1934, with a capital of one million yen, Nishimoto-Gumi Joint-Stock Co., Ltd., the predecessor of Mitsui Construction Co., Ltd., was founded, and this was reorganized into Nishimoto-Gumi Co., Ltd. in October 1941. Subsequently, in May 1945, Mitsui Fudosan Co., Ltd., with a goal of strengthening the construction division, took a stake in the company, with the trade name changing to Mitsui Construction Industry Co., Ltd. In September 1946, Mitsui Construction Industry Co., Ltd. changed its name to Sanken Industry Co., Ltd., and in June 1952, Sanken Industry Co., Ltd. changed its name to Mitsui Construction Co., Ltd. Subsequently, Mitsui Construction Co., Ltd. was listed on the Second Section of the TSE in February 1962 and in August 1963 it was reassigned to the TSE First Section. Meanwhile, Sumitomo Construction Co., Ltd. had its beginnings in engaging in the construction of assorted mining facilities and roads for transport at the Sumitomo Besshi Copper Mine, which had opened in 1691. The Sumitomo Besshi Copper Mine was directly operated for a long time by the Sumitomo family, but in March 1950, in the post-war dissolution of the zaibatsu, the company was spun off from Sumitomo Mining Co., Ltd., which had been renamed Seika Mining Co., Ltd. and was established as the independent Besshi Construction Co., Ltd., which in June 1962 was listed on the Second Section of the TSE. In October 1962 it merged with Katsuro-Gumi Co., Ltd. and changed its name to Sumitomo Construction Co., Ltd. In August 1965 it was reassigned to the First Section of the TSE. Subsequently, in April 2003, Mitsui Construction Co., Ltd. and Sumitomo Construction Co., Ltd. merged, establishing the Tender Offeror, which in that same year was listed on the First Section of the Osaka Stock Exchange. In May 2008 it was delisted from the First Section of the Osaka Stock Exchange, and following the review of the market segments of the TSE in April 2022, Tender Offeror shares were moved to the TSE Prime Market. Through a tender offer for the common shares of the Tender Offeror by INFRONEER Holdings Inc. (“Tender Offeror Parent”) and subsequent share consolidation, the common shares of the Tender Offeror were delisted from the First Section of the TSE on December 19, 2025, and since December 23, 2025, the Tender Offeror has been a wholly-owned subsidiary of the Tender Offeror Parent.

The Tender Offeror Parent was established in October 2021, by means of share transfers, as the wholly-owning parent company of Maeda Corporation, Maeda Road Construction Co., Ltd. (“Maeda Road”), and Maeda Seisakusho Co., Ltd. The Tender Offeror Parent was listed on the First Section of the TSE in October 2021, and, through the review of the market segments of the TSE in April 2022, shares of the Tender Offeror Parent are now listed on the TSE Prime Market. The primary businesses of the Tender Offeror Parent Group (this refers to the group that today comprises 140 subsidiaries, including the Tender Offeror and the Target Company, and 39 affiliated companies; hereinafter the same) are the construction business, the civil engineering business, the paving business, the machinery business, and the infrastructure operation business; it also engages in a wide range of other businesses, from the retail business to the real estate business, and the businesses that the Tender Offeror engages in can be broadly classified into two segments, the civil engineering business and the construction business. In the civil engineering business, the Tender Offeror works primarily in such areas as bridge and tunnel construction, repair and reinforcement works, site preparation, and water supply and sewerage facilities; in the construction business, it is proud of its strengths in residential construction, particularly in high-rise apartment buildings, and it also engages in the construction of commercial facilities, plants, logistics warehouses and the like. In its overseas businesses, it maintains a position of strength particularly in Asia and has a lengthy track record of building construction in India and bridges and the like in Vietnam and Indonesia.

On the other hand, according to the Target Company Press Release, the Target Company was founded as Okamoto Kogyo Kabushiki Kaisha in February 1948 for the purpose of running construction business, etc. and changed its company name to Hokkaido Doro Kabushiki Kaisha (“Hokkaido Doro”) in December 1965. Thereafter, Hokkaido Doro merged with Sanken Doro Kabushiki Kaisha and Okada Hosokawa Kabushiki Kaisha in December 1971 with Hokkaido Doro as the surviving company, the company name was changed to MITSUI ROAD CO., LTD. (“Mitsui Doro”), and Mitsui Doro listed its shares on the TSE Second Section in February 1996. Furthermore, Mitsui Doro merged with SUMIKEN ROAD BUILDING CO., LTD. (“Sumiken Doro”) in October 2003 with Mitsui Doro as the surviving company under the spirit that the two companies are on an equal footing and changed its company name to SUMIKEN MITSUI ROAD CO., LTD. The Company currently transferred its shares to the TSE Standard Market due to market segment reorganization of TSE in April 2022.

The Target Company Group currently consists of the Target Company and one subsidiary (collectively, “Target Company Group”). Its main business is construction, and it manufactures and sells materials, which are ancillary to its construction business. It also runs other businesses.

The details of businesses of the Target Company Group are as follows:

(a) Construction Business

The Target Company Group is a team of road building specialists that accommodates the indispensable social needs centering around road paving work and civil engineering work by using the skills accumulated over the years.

Specifically, the Target Company Group conducts paving work and civil engineering work relating to various foundations of life and industrial infrastructures ranging from roads, such as local roads and expressways which are essential transportation infrastructure, to social infrastructure, such as public transportation and logistics center and community centers including sports and leisure facilities.

In addition to enhancing the functions of urban space, the Target Company Group contributes to building an environmentally-friendly society by taking into consideration a harmony with livelihood. Specifically, the Target Company controls and eases the temperature increase during summer caused by heat island phenomenon (Note 1), which is one of the social issues, by heat insulation paving and water-retentive paving (Note 2) among other things. Furthermore, the Target Company is involved in undergrounding power lines and in actively promoting development of people-friendly, environmentally-friendly, safe and comfortable society.

(Note 1) “Heat island phenomenon” means a condition in which an isothermal line is shaped like an island because the temperature of area, which is mainly inner urban area, inside the isothermal line is higher than its rural surroundings.

(Note 2) “Heat insulation paving and water-retentive paving” mean pavement which functions as controlling the increase in road surface temperature through high reflection of infrared which leads to increase in road surface temperature and through removal of heat of vaporization by evaporation of retained moisture.

(b) Manufacturing and Sales Business

As its business area relating to pavement materials, the Target Company manufactures and sells asphalt mixtures and aggregates (Note 3) and other building materials, collects, transports and treats industrial waste, and sells recycled aggregates and recycled roadbed materials (Note 4).

Regarding manufacturing and sales of asphalt mixtures and aggregates and other building materials, the Target Company manufactures and sells products which are mainly made from asphalt mixtures used for paving to strengthen the road surface. With regard to manufacturing of asphalt mixtures, the Target Company undertakes to be environmentally friendly and to reduce CO₂ emissions by taking measures such as switching the fuel from heavy oil to fuel with less CO₂ emission and installing foamed asphalt equipment (Note 5).

Regarding collection, transport and treatment of industrial waste, the Target Company built a recycling factory(ies), collects and treats the chunks of asphalt and concrete which were used once, and recycles them.

Regarding sales of recycled aggregates and recycled roadbed materials, the Target Company sells recycled aggregates and recycled roadbed materials which are made from chunks of asphalt and concrete collected and treated as recycling source.

(Note 3) “Asphalt mixtures and aggregates” mean aggregates which form the framework such as macadam and sand, and mixed materials blending materials such as asphalt materials glueing such aggregates in certain proportions.

(Note 4) “Roadbed materials” mean materials such as macadam and slags which shrink and solidify the foundation supporting the pavement.

(Note 5) “Foamed asphalt equipment” means equipment which enables reduction of CO2 emissions when manufacturing asphalt mixture by reducing the fossil fuel consumption by decreasing the heat temperature of aggregates.

(c) Other

The Target Company runs not only road construction business, but also environmental business and solar power generation business in order to contribute to local environmental protection and local community where people can live peacefully and safely.

Regarding the environmental business, the Target Company Group offers soil survey and remediation measures and promotes undergrounding power lines by using the Target Company Group’s own network.

Regarding solar power generation business, the Target Company generates electricity from October 2013 by using the unused lands at Tabusecho, Yamaguchi. The Company Group aims (i) to use the power plant premises as a testing field to test the effectiveness of research and development on matters such as weed control measures at power plant and environmentally-friendly paving, (ii) to accumulate the power generation knowhow gained from the solar power generation business, and (iii) to use such knowhow in the Target Company Group’s business in the future.

The Target Company Group has been running the businesses mentioned above and contributing to the creation of safe and comfortable social infrastructure under the corporate philosophy of “pursuit of customer satisfaction,” “increase in shareholder value,” “emphasis on employee vitality,” “emphasis on sociality,” and “contributing to the global environment.”

However, with respect to the environment surrounding the Target Company Group, while the steady demand for construction in the future is expected to continue against a backdrop of disaster prevention, disaster mitigation and national resilience and increase in semiconductor-related investments and urban developments, the Target Company Group anticipates the energy price and raw material price to remain high and labor shortage to continue. According to “Asphalt Mixture Statistical Annual Report” (2024 Edition) announced by Japan Asphalt Mixture Association in August 2025, production quantity of asphalt mixture has decreased for 4 consecutive years. Reduction of market size due to decrease in demand for asphalt and increase in manufacturing cost of asphalt mixtures due to fluctuation in currency exchange and crude oil price, etc. have become a common issue in the industry and therefore, in order for the Target Company Group to overcome such harsh industry environment and to continue to play its role as a company undertaking infrastructure, it became even more important to strengthen sales capabilities and on-site capabilities by securing and developing human resources and to generate profits by enhancing productivity. Accordingly, the Target Company Group views that it is necessary to focus on business reform to improve business efficiency, human capital management including human resources development, and expansion of business area. By taking account such circumstances, the Target Company Group announced “2025–2027 Medium-Term Management Plan” (3-year period from April 2025 to March 2028) (the “Medium-Term Management Plan”) on May 14,

2025. The Medium-Term Management Plan has “enhancement of profitability and corporate value through business reform” as the basic policy and sets “business structure reform,” “strengthening business foundation,” “financial strategy” and “sustainability strategy” as 4 key topics, and the Target Company takes initiatives to further enhance the corporate value, focuses on enhancing profitability and efficiency, and aims to generate profits, by putting safety and compliance as top priority.

After the announcement of Medium-Term Management Plan, the Target Company Group promotes its business in accordance with the Medium-Term Management Plan. However, due to the fact that harsh industry environment still continues, the Target Company Group understands that it is necessary to establish a strong business foundation under which the Target Company Group can aim to enhance the corporate value of Target Company Group.

The capital relationship between the Tender Offeror and the Target Company began in 1965 when the Tender Offeror made a capital contribution to the Target Company (The trade name of the Target Company at the time was Hokkaido Doro Kabushiki Kaisha.) in a form of shareholder. Thereafter, on October 1, 2003, the Target Company (The trade name of the Target Company at the time was MITSUI ROAD CO., LTD.) ended up owning 9,963,000 shares of Target Company Shares (share ownership ratio at the time when the total number of issued shares was 18,555,000 shares: 53.69%) as of October 1, 2003 through the absorption-type merger with Sumiken Doro (wholly-owned subsidiary of Tender Offeror at the time), in which the Target Company was the surviving company of absorption-type merger and Sumiken Doro was the absorbed company of absorption-type merger and in which the common shares in the Target Company were allocated to the Tender Offeror who was shareholder of Sumiken Doro, resulting in the Target Company becoming the consolidated subsidiary of Tender Offeror. Thereafter, in October 2018, the number of shares held by the Tender Offeror in the Target Company has become 4,981,500 shares (share ownership ratio at the time when the total number of issued shares was 9,277,500 shares: 53.69%) due to share consolidation under which every 2 shares of Target Company Shares became 1 share. The number of shares held by the Tender Offeror in the Target Company is currently 4,981,500 shares (share ownership ratio out of 9,277,447 shares which are the number of shares after deducting the number of treasury shares held by the Target Company as of December 31, 2025 (53 shares) from the total number of issued shares of the Target Company as of December 31, 2025: 53.69%).

(Note 6) For the purpose of paragraph above, “share ownership ratio” means the share ownership ratio of Tender Offeror in the Target Company (rounded to the nearest hundredth) as compared to the total number of issued shares in the Target Company at each corresponding time. Due to the fact that it was difficult to grasp the number of treasury shares held by the Target Company at each corresponding time, the number of treasury shares has not been deducted from the total number of issued shares for the calculation of share ownership ratio.

(ii) Background and Purpose Leading up to Deciding the Implementation of the Tender Offer by the Tender Offeror

(a) Background of Consideration to Make the Target Company a Wholly-Owned Subsidiary

The Tender Offeror expects that for the construction industry, including road construction, because of systematic investment from such perspectives as addressing disaster prevention and mitigation, national resilience, and carbon neutrality, the demand for public investment will remain solid and that the business of maintaining and updating the domestic infrastructure will see an expanding trend. The Tender Offeror also believes that the demand for capital investment by private companies will continue to pick up against a background of improving profits. However, the impact from the prices of resources and construction materials remaining high, the tight labor supply, the labor shortage, and the application of regulations on the construction industry which went into effect in April 2024, placing upper limits on overtime work, means that the challenging market environment will continue.

Under these circumstances, the Tender Offeror, up to now, has considered the manner of collaboration and

operation that would be best for both the Tender Offeror and the Target Company, and prior to the Tender Offeror's joining the Tender Offeror Parent Group on December 23, 2025, following the tender offer for the Tender Offeror and share consolidation by the Tender Offeror Parent, the Tender Offeror again began its consideration of making the Target Company a wholly-owned subsidiary in November 2025, and came to the conclusion that given the aforementioned changes in the construction industry's business environment and market environment, implementing the Transaction at this timing would lead to enhancement of the medium-to-long-term corporate value of both companies. In addition, in November 2025, the Tender Offeror discussed with the Tender Offeror Parent the policy of making the Target Company a wholly-owned subsidiary of the Tender Offeror, and was able to reach a shared understanding with the Tender Offeror Parent that the Transaction would contribute to enhancement of the corporate value of both the Tender Offeror and the Target Company and would also lead to enhancement of the corporate value of the Tender Offeror Parent Group; accordingly, the Tender Offeror Parent concluded that the Transaction should be promoted.

(b) Synergy from Making the Target Company a Wholly-Owned Subsidiary

The Tender Offeror and the Target Company, on the basis of the cooperative relationship and capital relationship they have developed up to the present day, have collaborated in the implementation of construction works etc. and taken initiatives to enhance the corporate value of both firms; however, as discussed above in “(a) Background of Consideration to Make the Target Company a Wholly-Owned Subsidiary”, in this difficult and unpredictable environment, the Tender Offeror believes that based on an even closer affiliation, sharing the managerial resources of both firms and moving forward with greater integration and optimization in construction works, sales, procurement, technology and development will lead to greater competitiveness for both the Tender Offeror and the Target Company. Further, from the Tender Offeror's perspective, in order to share technical information and other foundations of business between the Tender Offeror Parent Group and the Target Company Group, it is necessary for the Target Company to be able to make managerial decisions from a medium-to-long-term perspective rapidly and flexibly; but because the Target Company is an independent listed company, it is necessary to fully consider and address any structural conflicts-of-interest relationship that may arise with the general shareholders of the Target Company. For this reason, by making the Target Company a wholly-owned subsidiary of the Tender Offeror through the Transaction, the Tender Offeror believes that this kind of structural conflicts-of-interest relationship can be resolved and rapid and flexible decision-making on the part of the Target Company can be achieved. Further, by further promoting the integration of the Tender Offeror and the Target Company, assorted synergies from new perspectives can be maximized, enabling the promotion of optimal resource allocation and investment on a group level, and for this reason, the Tender Offeror believes that the Transaction will lead to an enhancement of the corporate value of both the Tender Offeror and the Target Company.

In the process of considering the Transaction, the Tender Offeror made repeated efforts to verify the synergy effects that may arise; as a result of these efforts, the Tender Offeror believes that the following synergy effects can be created through the Transaction.

i. Strengthening the system for winning orders for public works

As the competitive environment for winning orders for construction becomes more challenging and the need for collaborative public-private ventures in public works has become heightened because of the falling population and financial restrictions, the Tender Offeror is aware that strengthening competitiveness in order-winning is an urgent issue and understands that the Target Company too has set the strengthening of its system for public works order-winning as a priority measure. The Tender Offeror believes that by further deepening the collaboration among the Target Company, with its strengths in road paving technology, the Tender Offeror, with its strengths in bridges, and the Tender Offeror Parent, with its lengthy track record in public-private collaboration projects, and strengthening a system for order-winning that covers everything from civil engineering to road paving, it should become possible to improve the rate at which orders for new road and bridge construction are won as well as to participate in a new business field that is expected to expand going forward, namely, public-private collaborative ventures in the maintenance and management of roads.

Further, as it is expected that there will be an increase in tenders operated under the overall evaluation bidding method, it will be possible for greater competitiveness resulting from utilization of the group managerial resources set forth below in “iii. Mutual utilization of group managerial resources”, which will allow end-to-end handling using the full infrastructure, from upstream to downstream, of the Tender Offeror

Parent Group, a “general infrastructure services corporation”—that is, everything from project conceptualization to negotiations with stakeholders, the building of facilities, the enhancement of the marketing system, and the operation of facilities and sale of products—as well as utilization of the wide-ranging road maintenance and management capabilities that will be strengthened through collaboration among the Tender Offeror-Related Parties.

(Note 1) The “overall evaluation bidding method” is a bidding method where, when a contract is awarded for construction works, competing participants are asked for technical proposals etc. and both the bid price and elements other than price (quality etc.) are evaluated and the overall results are used to determine the contract winners.

ii. Construction material procurement cost reduction and resolution of worker insufficiencies through expansion of scale of business

The Tender Offeror is aware that while robust demand for construction is expected as aging infrastructure is addressed, the business environment surrounding the construction industry remains difficult because of such factors as the high cost of materials, the tight labor supply, and the application of regulations that set a limit on overtime work; and the Tender Offeror understands that the Target Company too is placing a high priority on measures for labor efficiency and productivity to address the worker shortage. Under such circumstances, by further strengthening collaboration between the two firms, the Tender Offeror believes that it will be possible to improve profitability by reductions in material procurement costs through the construction of a shared procurement system, to secure sufficient personnel by implementing joint hiring activities and training, and to strengthen the construction work system through optimal assignment of personnel.

iii. Mutual utilization of group managerial resources

In the road paving industry, while road project costs have remained flat since around 2010, the relative volume of road projects has continued to decrease because of the rise in material prices and labor costs, and as the amount of asphalt mixture being produced also decreases, the Tender Offeror is aware that improving the operating rate of plants that produce the mixture is an issue that the industry overall must address. The Target Company shares this awareness, and it has set the consolidation of production bases and the turning of plants into profit centers (Note 2) as a high priority measure. By deepening group collaboration, it will be possible to improve operating rates and efficiency through the Target Company and Maeda Road, a Tender Offeror Parent Group member which operates in the same industry, complementing each other, eliminating locations where they lack production bases and consolidating bases where they overlap.

Further, by utilizing the external ratings and established credit base of the Tender Offeror Parent Group, it will be possible to procure financing from financial institutions in a more stable and flexible manner and to seek a reduction in financing costs through a review of financing terms,

(Note 2) The “turning of plants into profit centers” means, instead of considering asphalt plants to be cost centers for the road paving business, transitioning to a management style and system that emphasizes profit on the level of individual plants. Considering that profit is secured at the production business level and that a characteristic of the demand for asphalt is that it is largely dependent on timing and regions, it is expected that this strategy of turning plants into profit centers will be highly effective for the Tender Offeror, too. The Tender Offeror is aware that in the specific execution of this strategy, there may be a need to reassign personnel from low-profitability plants to high-profitability plants and to consolidate plants.

iv. Strengthening integrated management through resolution of conflicts of interest with general shareholders

The Target Company is operating its business as an independent listed company, and under these circumstances where the Target Company has general shareholders, there are limits to how rapidly the Target Company can make decisions and, furthermore, a capital structure exists where conflicts of interest may arise between the Tender Offeror, which is the Target Company’s parent company, and the Target Company’s general shareholders. The Transaction will resolve the structural conflicts-of-interest relationship, enabling maximum sharing of each other’s managerial resources and rapid decision-making by the Target Company, thereby maximizing the aforementioned synergy effects.

v. Reduction of listing maintenance costs

In addition to the assorted costs required for maintaining its listing, the Target Company is also bearing

increased costs required for continuous disclosure requirements and audits brought about by recent revisions to the corporate governance code and capital market regulations. If the Target Company becomes a wholly-owned subsidiary of the Tender Offeror, this will enable a considerable reduction in such costs and in the operational burden, and managerial resources can be concentrated on growth investments.

vi. Measures for strengthening the managerial base, and addressing other issues faced by the Target Company

As fundamental strategies, the Tender Offeror is advancing initiatives promoting personnel strategies and the advancement of digital transformation (“DX”); by seeking joint promotion across the Tender Offeror Parent Group overall of DX, technical development, sustainability strategies and personnel training, the Target Company’s managerial foundation will also be strengthened.

Meanwhile, it is possible that through the Transaction, the following disadvantages will arise; these disadvantages will be addressed as set forth below, and it is believed the advantages arising from the synergies that can be achieved through the Transaction will outweigh any disadvantages.

Specifically, regarding Maeda Road, which belongs to the Tender Offeror Parent Group and engages in the road paving business, and the Target Company, there is the possibility of a dyssynergy in the form of competition when bidding for a job; however, because it will be possible to proactively share information and coordinate beforehand among companies within the Tender Offeror Parent Group, it will be possible to select which jobs each of Maeda Road and the Target Company will bid for, taking into account their respective fields of specialization and the resources they can provide.

Further, by first establishing a JV (Note 3) and aggressively bidding, business promotion where Maeda Road and the Target Company collaborate can be achieved, enabling the efficient handling of jobs and operation of the Tender Offeror Parent Group, and this in turn will lead to strengthening the competitiveness of Maeda Road and the Target Company.

(Note 3) JV is the abbreviation of “joint venture”, a specifically limited business organization formed by multiple contractors for the purpose of winning a bid for, and executing, a specific construction job.

Further, through the implementation of the Transaction, Target Company Shares will be delisted; general disadvantages arising from the delisting of shares include no longer being able to raise funds through equity finance from the capital markets and no longer being able to enjoy such benefits of being a listed company as greater name recognition and social reputation. However, considering that no borrowings are recorded on the Target Company Group’s balance sheet according to the Target Company Third Quarter Earnings Report and that currently no capital investments on a scale that would require equity financing have been decided upon and no other such demand for funds is envisioned, for the foreseeable future there is not expected to be any need to raise funds utilizing equity finance; the Target Company has built good relationships with financial institutions through long-term transactions and it is expected that as necessary financing will be carried out through indirect financing; and the Target Company will be able to receive support from the Tender Offeror Parent Group, including financial support. Considering the foregoing, it is expected that the impact from delisting will be minor. In addition, the name recognition and enhanced social reputation of the Target Company Group are to a large part captured and maintained through business activities, and even after execution of the Transaction, these can be captured and maintained through the execution of business by the Target Company Group; in addition, the name recognition and social reputation of the Tender Offeror Parent Group, which is headed by the Tender Offeror Parent, a company listed on the TSE Prime Market, can be utilized to a greater extent. For these reasons, it is believed that the disadvantages from the delisting of Target Company Shares will be limited.

(c) Background Leading up to Deciding the Tender Offer

By taking into account the results of consideration as explained above, the Tender Offeror determined around November 2025 that in order to realize further enhancement of corporate value of Tender Offeror and Target Company, it would be necessary for both companies to further deepen the collaboration, optimally allocate the business resources and cooperate with each other, by having the Target Company become a wholly-owned subsidiary of Tender Offeror. In late November 2025, the Tender Offeror selected Daiwa Securities Co., Ltd. (“Daiwa Securities”) as a financial advisor independent from the Tender Offeror Parent, the Tender Offeror, and the Target Company (“Tender Offeror-Related Parties”) and Nishimura Asahi Gaikokuho Kyodo Jigyo as a legal advisor independent from the Tender Offeror-Related Parties, and then began specific

consideration of the Transaction.

Then, on December 1, 2025, upon having discussions with the Company after telling its view to the Company that implementation of Transaction is necessary in order to deepen the collaboration between the Tender Offeror and the Company, the Tender Offeror had agreed with the Company to commence consideration of the Transaction. Thus, the Company established the Special Committee (as defined in “(i) Background of Development of Review Team” in “[2] Process and Reason for Decision by the Company” below; hereinafter the same) on December 2, 2025 consisting of Ms. Chie Hoshi (Independent Outside Director (Audit and Supervisory Committee Member) of the Company, Outside Auditor of Konoike Transport Co., Ltd., Outside Auditor of BASE Inc., Member of Board of Councilors of Daito Bunka Educational Institution and Partner and Attorney-at-law of Tanabe & Partners), Ms. Keiko Matsubayashi (Independent Outside Director (Audit and Supervisory Committee Member) of the Company, Outside Director of FURUYA METAL CO., LTD. and Certified Public Tax Accountant of Keiko Matsubayashi Tax Accounting Office) and Mr. Yoshimichi Ando (Independent Outside Director (Audit and Supervisory Committee Member) of the Company, Head of ANDO Accounting & Tax Office, Certified Public Accountant and Certified Public Tax Accountant), who are independent outside directors, through the resolution of extraordinary Board of Directors meeting held on December 2, 2025, in order to consider, negotiate and make decisions regarding the Transaction from the perspective of enhancing the corporate value of the Company and securing the interests of all general shareholders of the Company from the standpoint independent from the Tender Offeror. (It is noted that the members of the Special Committee selected Ms. Chie Hoshi, an independent outside director (and Audit & Supervisory Committee member), as the Committee Chair, and there have been no changes to the Committee’s membership since its establishment.)

Subsequently, on December 19, 2025, the Tender Offeror made an official manifestation of intent to the Target Company regarding the Transaction, the purpose of which was to make the Target Company a wholly-owned subsidiary through the Transaction, submitting a letter of intent which set forth such matters as the background to this intent and the synergies expected after implementation of the Transaction and stated as the envisioned structure of the Transaction first implementing the Tender Offer and then undertaking the Squeeze-Out Procedures with respect to the general shareholders of the Target Company, thus making the Target Company a wholly-owned subsidiary of the Tender Offeror (“Letter of Intent”). In addition, starting in mid-December 2025, the Tender Offeror and the Target Company began specific discussions and consideration directed towards the Transaction.

Specifically, in order to investigate the feasibility of the Tender Offer, from mid-January until early February 2026, the Tender Offeror carried out a due diligence investigation of the Target Company (“Due Diligence”) and, in parallel, held continued discussions with the Target Company and the Special Committee regarding the significance and purpose of the Transaction, the synergies that were expected to be manifested through the Transaction, the post-Transaction managerial structure and business policies, and the purchase etc. price per one Target Company Share (“Tender Offer Price”) and other terms of the Transaction. Specifically, as part of such discussions, on January 13, 2026, the Tender Offeror received written questions from the Special Committee concerning such matters as the background to and the purpose and significance of the Transaction, synergy effects from the Transaction, disadvantages of the Transaction, post-Transaction managerial structure and policy, thoughts about the structure of the Transaction and the Tender Offer Price, and on January 26, the Tender Offeror submitted written answers to such questions. Further, at a Special Committee meeting held on February 3, the Tender Offeror gave an explanation and engaged in an exchange of opinions regarding such matters as the background to and significance and purpose of the Transaction, synergy effects, and post-Transaction managerial policies.

As a result of the Due Diligence, the Tender Offeror comprehensively considered such factors as the possibility of the Target Company’s Board of Directors supporting the Tender Offer, trends in the market price of Target Company Shares, and the prospects for shares being tendered in the Tender Offer, and on February 13, 2026, informed the Target Company and the Special Committee that it would set the Tender Offer Price at 1,810 yen. This Tender Offer Price represented a premium of 8.06% (rounded off to the second decimal place; hereinafter the same in the calculation of premiums) over the closing price for Target Company Shares on the TSE Standard Market on the day of such proposal (February 12, 2026) of 1,675 yen, a premium of 11.66% over the simple average closing price for the one month prior to such date of 1,621 yen (rounded off at the first decimal place; hereinafter the same in the calculation of simple average closing prices), a premium of 15.36% over the simple average closing price for the three months prior to such date of 1,569 yen, and a premium of

19.24% over the simple average closing price for the six months prior to such date of 1,518 yen. In response to this, on February 16, 2026, the Tender Offeror received a request from the Target Company to reconsider the Tender Offer Price, as the Tender Offer Price did not reflect the intrinsic value of the Target Company and was insufficient when viewed from the perspective of protection of the interests of general shareholders of the Target Company.

In response to this request, the Tender Offeror again gave serious consideration to the Tender Offer Price, and on February 20, submitted a new proposal to the Target Company and the Special Committee, with a Tender Offer Price of 1,900 (representing a 13.98% premium over the closing price for Target Company Shares on the TSE Standard Market on February 19, 2026, the business day prior to the day of proposal, of 1,667 yen, a 16.85% premium over the simple average closing price for the one month prior to such date of 1,626 yen, a 19.87% premium over the simple average closing price for the three months prior to such date of 1,585 yen, and a 24.67% premium over the simple average closing price for the six months prior to such date of 1,524 yen). In response to this, on February 24, 2026, the Tender Offeror received a request from the Target Company to reconsider the Tender Offer Price, as the Tender Offer Price did not reflect the intrinsic value of the Target Company and was insufficient when viewed from the perspective of protection of the interests of general shareholders of the Target Company. In response to this request, the Tender Offeror again gave serious consideration to the Tender Offer Price, and on February 26, 2026, submitted a new proposal to the Target Company and the Special Committee, with a Tender Offer Price of 1,950 (representing a 19.27% premium over the closing price for Target Company Shares on the TSE Standard Market on February 25, 2026, the business day prior to the day of proposal, of 1,635 yen, a 19.41% premium over the simple average closing price for the one month prior to such date of 1,633 yen, a 22.33% premium over the simple average closing price for the three months prior to such date of 1,594 yen, and a 27.62% premium over the simple average closing price for the six months prior to such date of 1,528 yen). In response to this, on February 27, 2026, the Tender Offeror received a request from the Target Company to reconsider the Tender Offer Price, as the Tender Offer Price did not reflect the intrinsic value of the Target Company and was insufficient when viewed from the perspective of protection of the interests of general shareholders of the Target Company. In response to this request, the Tender Offeror again gave serious consideration to the Tender Offer Price, and on March 3, 2026, submitted a final proposal (“March 3 Final Proposal”) to the Target Company and the Special Committee, with a Tender Offer Price of 1,980 yen (representing a 17.86% premium over the closing price for Target Company Shares on the TSE Standard Market on March 2, 2026, the business day prior to the day of proposal, of 1,680 yen, a 19.71% premium over the simple average closing price for the one month prior to such date of 1,654 yen, a 23.21% premium over the simple average closing price for the three months prior to such date of 1,607 yen, and a 29.07% premium over the simple average closing price for the six months prior to such date of 1,534 yen). In response to this, on March 4, 2026, the Tender Offeror received a request from the Target Company to reconsider the Tender Offer Price, as the Tender Offer Price did not reflect the intrinsic value of the Target Company and was insufficient when viewed from the perspective of protection of the interests of general shareholders of the Target Company. In response to this request, the Tender Offeror again gave serious consideration to the Tender Offer Price, and on March 5, 2026, amending the content of the March 3 Final Proposal, made a final proposal to the Target Company and the Special Committee, with a Tender Offer Price of 2,000 yen (representing a 24.46% premium over the closing price for Target Company Shares on the TSE Standard Market on March 2, 2026, the business day prior to the day of proposal, of 1,607 yen, a 20.99% premium over the simple average closing price for the one month prior to such date of 1,653 yen, a 24.15% premium over the simple average closing price for the three months prior to such date of 1,611 yen, and a 30.12% premium over the simple average closing price for the six months prior to such date of 1,537 yen). As a result, the Tender Offeror received a response from the Target Company to the effect that, under the assumption that the final decision will be made following a Board of Directors resolution it accepted the Tender Offeror’s proposal, and reached agreement with the Target Company setting the Tender Offer Price at 2,000 yen.

Following the foregoing discussions and negotiations, on March 6, 2026, the Tender Offeror decided to implement the Tender Offer as part of the Transaction, with a Tender Offer Price of 2,000 yen.

[2] Process and Reason for Decision by the Target Company

(i) Background on Development of Review Team

Upon receiving from the Tender Offeror on December 1, 2025 a message stating the Tender Offeror’s

preliminary intention on implementing the Transaction, the Target Company has been discussing with the Tender Offeror and conducting review on the Transaction. Then the Company received the Letter of Intent from the Tender Offeror on December 19, 2025.

In response, by taking into account the fact that (a) the Tender Offeror is a controlling shareholder (parent company) of the Target Company whose shareholding ratio of Target Company Shares is 53.69%, (b) the Transaction including the Tender Offer falls under MBO (management buyout), etc. as prescribed in the Securities Listing Regulations of TSE and (c) the Transaction falls under a transaction in which structural issue of conflict of interest and issue of information asymmetry categorically exist, the Target Company appointed City-Yuwa Partners as the legal advisor independent from the Tender Offer-Related Parties in early December 2025 and Deloitte Tohmatsu LLC (“Deloitte Tohmatsu”) as the financial advisor and third-party valuation firm independent from the Tender Offer-Related Parties in early December 2025 respectively, to consider the Transaction and to discuss and negotiate with Tender Offeror on the Transaction in order to handle such issues and to ensure fairness in the Transaction including the Tender Offeror.

Furthermore, upon preparing to establish the Special Committee as provided in “(iii) Establishment of Independent Special Committee in the Company and Procurement of Report from the Special Committee” in “Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer in” “[2] Course of Calculations” in “(4) Grounds for Calculation of the Purchase etc. Price in “ 2. Overview of Purchase etc.” provided below, the Target Company established the Special Committee (the “Special Committee”) consisting of Ms. Chie Hoshi (Independent Outside Director (Audit and Supervisory Committee Member) of the Target Company, Outside Auditor of Konoike Transport Co., Ltd., Outside Auditor of BASE Kabushiki Kaisha, Member of Board of Councilors of Daito Bunka University and Partner of Tanabe & Partners), Ms. Keiko Matsubayashi (Independent Outside Director (Audit and Supervisory Committee Member) of the Target Company, Outside Director of FURUYA METAL CO., LTD. and certified public tax accountant of Keiko Matsubayashi Tax Accountant Office) and Mr. Yoshimichi Ando (Independent Outside Director (Independent Outside Director (Audit and Supervisory Committee Member) of the Target Company, Head of Ando Accountant Office, certified public accountant and certified public tax accountant) through the resolution passed at the extraordinary Board of Directors meeting held on December 2, 2025 (On an additional note, Ms. Chie Hoshi, who is Independent Outside Director (Audit and Supervisory Committee Member) of the Target Company, has been appointed as the chairperson of the Special Committee as chosen by the members of the Special Committee. There has not been any change in the members of the Special Committee since its establishment.). For details on the composition of Special Committee, the authorities granted to the Special Committee, and background on and decisions made upon consideration, please see “(iii) Establishment of Independent Special Committee in the Company and Procurement of Report from the Special Committee” in “Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer in” “[2] Course of Calculations” in “(4) Grounds for Calculation of the Purchase etc. Price in “ 2. Overview of Purchase etc.” provided below.

As provided in “(iii) Establishment of Independent Special Committee in the Company and Procurement of Report from the Special Committee” in “Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer in” “[2] Course of Calculations” in “(4) Grounds for Calculation of the Purchase etc. Price in “ 2. Overview of Purchase etc.” provided below, the appointment of City-Yuwa Partners as the legal advisor of the Target Company and Deloitte Tohmatsu as the financial advisor and third-party valuation firm has received approval from the Special Committee upon confirming that they are independent from the Tender Offer-Related Parties and the Transaction, the Target Company and the Transaction and there is no issue as to their expertise and track record. In addition, as provided in “(iv) Procurement of Share Valuation Report and Fairness Opinion from Independent Third-Party Valuation Firm of the Special Committee” in “Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer in” “[2] Course of Calculations” in “(4) Grounds for Calculation of the Purchase etc. Price in “ 2. Overview of Purchase etc.” provided below, the Special Committee came to a decision to appoint AGS

FAS Co., Ltd. (“AGS FAS”) as a third-party valuation firm of the Special Committee based on the authority granted to the Special Committee upon confirming that AGS FAS is independent from the Tender Offer-Related Parties and the Transaction and there is no issue as to its expertise and track record, for the purpose of further strengthening the advisor team.

Furthermore, as provided in “(vi) Development of Independent Review Team in the Target Company” in “Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer in” “[2] Course of Calculations” in “(4) Grounds for Calculation of the Purchase etc. Price in “ 2. Overview of Purchase etc.” provided below, the Target Company internally developed a structure to conduct review (including preparation of business plan which will become the basis of valuation of Target Company Shares), have negotiations and make decisions (including the scope of officers and employees of the Target Company who will be involved in considerations, negotiations and decisions relating to the Transaction and their duties) regarding the Transaction from the standpoint independent from the Tender Offeror and has obtained an approval from the Special Committee that such review team has no issue in terms of independence and fairness.

(ii) Background of Consideration and Negotiation

The Target Company has received from Deloitte Tohmatsu the report on the results of valuation of Target Company Shares, advice on how to negotiate with the Tender Offeror and other financial advice and has received from City-Yuwa Partners advice on the measures to be taken to ensure fairness in the procedures under the Transaction and other legal advice. By taking them into consideration, the Target Company has carefully discussed and considered the positives and negatives of the Transaction and the reasonableness of terms and conditions of the Transaction by respecting the opinion of Special Committee to the maximum extent possible.

Since the establishment of Special Committee through the resolution at the extraordinary Board of Directors meeting held on December 2, 2025, the Special Committee has continuously discussed and negotiated with the Tender Offeror on the implementation of the Transaction.

Specifically, the Target Company made a written inquiry to the Tender Offeror on January 13, 2026 via the Special Committee on matters such as background, purpose and meaning of Transaction, synergy from the Transaction, disadvantages of Transaction, management structure and management policy after the Transaction, structure of Transaction, and view on the Tender Offer Price, and received from the Tender Offeror a written response to the matters inquired on January 27, 2026. Then on February 2, 2026, the Special Committee made a written inquiry to the Tender Offeror on February 2, 2026 by taking into account the response from the Tender Offeror. Then at the Special Committee held on February 3, 2026, the Special Committee received an oral response from the Tender Offeror on the inquired matters, conducted Q&A to the Tender Offeror, and confirmed with the Tender Offeror on the matters such as background, purpose and meaning of Transaction, synergy from the Transaction, disadvantages of Transaction, management structure and management policy after the Transaction, structure of Transaction, and view on the Tender Offer Price.

With regard to the Tender Offer Price, the Target Company and the Special Committee received from the Tender Offeror on February 13, 2026 a proposal of Tender Offer Price of 1,810 yen (i.e., a premium of 8.06% was added to 1,675 yen which was the closing price of Target Company Shares on the TSE Standard Market on February 12, 2026 (which was the business day immediately prior to the proposal date), a premium of 11.66% was added to 1,621 yen which was the simple moving average of Target Company Shares on the TSE Standard Market during the period of 1 month immediately prior to such date, a premium of 15.36% was added to 1,569 yen which was the simple moving average of Target Company Shares on the TSE Standard Market during the period of 3 months immediately prior to such date, and a premium of 19.24% was added to 1,518 yen which was the simple moving average of Target Company Shares on the TSE Standard Market during the period of 6 months immediately prior to such

date). After taking into account the advice from Deloitte Tohmatsu and AGS FAS on the share valuation of Target Company Shares and opinions from the Special Committee, the Target Company and the Special Committee requested the Tender Offeror to reconsider the proposal on February 16, 2026 by arguing that the Tender Offer Price did not incorporate the intrinsic value of the Target Company and was not enough to secure the interests of general shareholders of the Target Company. Thereafter, the Target Company and the Special Committee received from the Tender Offeror on February 20, 2026 a proposal of Tender Offer Price of 1,900 yen (i.e., a premium of 13.98% was added to 1,667 yen which was the closing price of Target Company Shares on the TSE Standard Market on February 19, 2026 (which was the business day immediately prior to the proposal date), a premium of 16.85% was added to 1,626 yen which was the simple moving average of Target Company Shares on the TSE Standard Market during the period of 1 month immediately prior to such date, a premium of 19.87% was added to 1,585 yen which was the simple moving average of Target Company Shares on the TSE Standard Market during the period of 3 months immediately prior to such date, and a premium of 24.67% was added to 1,524 yen which was the simple moving average of Target Company Shares on the TSE Standard Market during the period of 6 months immediately prior to such date). After taking into account the advice from Deloitte Tohmatsu and AGS FAS on the share valuation of Target Company Shares and opinions from the Special Committee, the Target Company and the Special Committee requested the Tender Offeror to reconsider the proposal on February 24, 2026 by arguing that the Tender Offer Price still did not incorporate the intrinsic value of the Target Company and was not enough to secure the interests of general shareholders of the Target Company. Thereafter, the Target Company and the Special Committee received from the Tender Offeror on February 26, 2026 a proposal of Tender Offer Price of 1,950 yen (i.e., a premium of 19.27% was added to 1,635 yen which was the closing price of Target Company Shares on the TSE Standard Market on February 25, 2026 (which was the business day immediately prior to the proposal date), a premium of 19.41% was added to 1,633 yen which was the simple moving average of Target Company Shares on the TSE Standard Market during the period of 1 month immediately prior to such date, a premium of 22.33% was added to 1,594 yen which was the simple moving average of Target Company Shares on the TSE Standard Market during the period of 3 months immediately prior to such date, and a premium of 27.62% was added to 1,528 yen which was the simple moving average of Target Company Shares on the TSE Standard Market during the period of 6 months immediately prior to such date). After taking into account the advice from Deloitte Tohmatsu and AGS FAS on the share valuation of Target Company Shares and opinions from the Special Committee, the Target Company and the Special Committee requested the Tender Offeror to reconsider the proposal on February 27, 2026 by arguing that the Tender Offer Price still did not incorporate the intrinsic value of the Target Company and was not enough to secure the interests of general shareholders of the Target Company. Thereafter, the Target Company and the Special Committee received from the Tender Offeror on March 3, 2026 a final proposal of Tender Offer Price of 1,980 yen (i.e., a premium of 17.86% was added to 1,680 yen which was the closing price of Target Company Shares on the TSE Standard Market on March 2, 2026 (which was the business day immediately prior to the proposal date), a premium of 19.71% was added to 1,654 yen which was the simple moving average of Target Company Shares on the TSE Standard Market during the period of 1 month immediately prior to such date, a premium of 23.21% was added to 1,607 yen which was the simple moving average of Target Company Shares on the TSE Standard Market during the period of 3 months immediately prior to such date, and a premium of 29.07% was added to 1,534 yen which was the simple moving average of Target Company Shares on the TSE Standard Market during the period of 6 months immediately prior to such date). Thereafter, after taking into account the advice from Deloitte Tohmatsu and AGS FAS on the share valuation of Company's Shares and opinions from the Special Committee, the Company and the Special Committee requested the Tender Offeror to reconsider the proposal on March 4, 2026 by arguing that the Tender Offer Price still did not incorporate the intrinsic value of the Company and was not enough to secure the interests of general shareholders of the Company. Subsequently, on March 5, 2026, the Company and the Special Committee received a revised Final Proposal dated March 3 from the Tender Offeror. The revised Tender Offer Price was set at 2,000 yen (i.e. a premium of 24.46% over the closing price of 1,607 yen for the Company's shares on the TSE Standard Market on March 4, 2026 (the business day immediately prior to the day of proposal), a 20.99% premium over the simple average closing price of 1,653 yen for the 1 month immediately prior to such date, a 24.15% premium over the simple average closing price of 1,611 yen for the 3 months immediately prior to such date, and a 30.12% premium over the simple average closing price of 1,537 yen for the 6

months immediately prior to such date).

Upon receiving and carefully considering and discussing the final proposal from the Tender Offeror, the Target Company responded to the Tender Offeror that the Target Company would agree to the final proposal to have the Tender Offer Price as 2,000 yen per share, provided that the final decision would be made through the resolution at the Board of Directors meeting of the Target Company.

In the course of continuous discussion and negotiation with the Tender Offeror as explained above, the Special Committee has made inquiries to and exchanged opinions with the Target Company and its advisors as necessary and has provided approvals and opinions as appropriate. Specifically, the Target Company first confirmed with the Special Committee on the reasonableness of the matters such as the contents of business plan of the Target Company prepared, important conditions precedent in the business plan and background of preparation of the business plan. Then the Target Company made a proposal of Business Plan (as defined in “(b) Overview of Valuation of the Target Company’s Shares” in “(ii) Procurement of Share Valuation Report from Independent Third-Party Valuation Firm of the Target Company” in “Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer in” “[2] Course of Calculations” in “(4) Grounds for Calculation of the Purchase etc. Price in “ 2. Overview of Purchase etc.”) and used the Business Plan as the basis of valuation of Target Company Shares made by Deloitte Tohmatsu and AGS FAS. With regard to the negotiations with the Tender Offeror, the Special Committee has also provided opinions, instructions and requests, etc. each time the Special Committee received a proposal on the Tender Offer Price from the Tender Offeror, and the Target Company has followed such opinions, instructions and requests, etc.

After going through the review process explained above, the Special Committee has submitted a report (the “Report”) to the Board of Directors of the Target Company as of March 9, 2026 (For overview of Report, please see “(iii) Establishment of Independent Special Committee in the Company and Procurement of Report from the Special Committee” in “Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer in” “[2] Course of Calculations” in “(4) Grounds for Calculation of the Purchase etc. Price in “ 2. Overview of Purchase etc.”). Together with the Report, the Special Committee also submitted to the Board of Directors of the Target Company as of March 9, 2026 the valuation report on the value of Target Company Shares (the “Share Valuation Report (AGS FAS)”) and the fairness opinion that the Tender Offer Price of 2,000 yen per share is fair to the general shareholders of the Target Company from the financial perspective (the “Fairness Opinion (AGS FAS)”) received from AGS FAS. For overview of Share Valuation Report (AGS FAS) and Fairness Opinion (AGS FAS), please see “(iv) Procurement of Share Valuation Report and Fairness Opinion from Independent Third-Party Valuation Firm of the Special Committee” in “Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer in” “[2] Course of Calculations” in “(4) Grounds for Calculation of the Purchase etc. Price in “ 2. Overview of Purchase etc.” provided below.

(iii) Details of Decision

Under the circumstances explained above, the Target Company has carefully discussed and considered at the Board of Directors meeting held today on matters such as whether or not the Transaction including the Tender Offer contributes to enhancing the corporate value of the Target Company and whether or not the terms and conditions of the Transaction including the Tender Offer are fair, by taking into consideration the financial advice received from Deloitte Tohmatsu, the contents of valuation report on the share value of the Target Company Shares received from Deloitte Tohmatsu as of March 9, 2026 (the “Share Valuation Report (Deloitte Tohmatsu)”), the contents of Share Valuation Report (AGS FAS), the contents of Fairness Opinion (AGS FAS), and the legal advice from City-Yuwa Partners on the decision-making process and method regarding the Transaction including the Tender Offer and other notable points when making decisions concerning the Transaction including the Tender

Offer and by respecting the Report received from the Special Committee to the maximum extent possible.

As a result, the Target Company also came to a conclusion that becoming a wholly-owned subsidiary of the Target Company through the Transaction including the Tender Offer will contribute to the corporate value of the Target Company as explained below.

As provided in “[1] Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process” above, with respect to the environment surrounding the Target Company Group, due to the fact that harsh industry environment continues, in order to handle the changes occurring in such external environment, the Target Company Group has put “enhancement of profitability and corporate value through business reform” as the basic policy and has set “business structure reform,” “strengthening business foundation,” “financial strategy” and “sustainability strategy” as 4 key topics in the Medium-Term Management Plan. In this regard, the Target Company views that steady achievement of action plans mentioned above is possible by using the knowledge, resources, customer base and management resources, etc. of the Tender Offeror Parent Group in addition to the knowledge and management resources of the Target Company.

However, the Target Company is aware that there are certain restrictions on exchanging information between the Tender Offeror Parent Group and the Target Company Group from the perspective of Target Company’s independence and protection of interests of general shareholders due to the fact that the Target Company is a listed company and that discussions on collaboration including sharing management resources and knowhows with each other and cooperation with the Tender Offeror Parent Group are limited. By taking into account such business environment surrounding the Target Company Group, the Target Company came to a conclusion that becoming a wholly-owned subsidiary of the Tender Offeror through the Transaction will contribute to the corporate value of the Target Company because by becoming a wholly-owned subsidiary of the Tender Offeror, the structural conflict of interest with the Tender Offeror Parent Group will be removed and the Target Company Group and the Tender Offeror Parent Group will be able to share the management resources, etc. and thereby expect the following synergies:

(a) Strengthening the Ability to Accept Orders Concerning Civil Engineering Work

While the construction demand relating to civil engineering work is expected to continue to be steady due to the measures for disaster prevention, disaster mitigation, national resilience and carbon neutrality, due to the intensification of competition caused by strengthening of sales activities by competitors, the Target Company Group acknowledges that strengthening its ability to accept orders concerning civil engineering work is an urgent issue. Under such circumstances, the Target Company Group views that strengthening of order acceptance structure through exchange of information on government fee estimate calculation method (Note 1) and technical proposals between the Tender Offeror Parent Group and the Target Company will lead to creation of more opportunities to accept orders for civil engineering work. However, due to the fact that the parent company of Tender Offeror and the Target Company are both listed company, there are certain restrictions on exchanging information between the Target Company Group and the Tender Offeror Parent Group company other than the Target Company Group company in light of management’s independence and necessity to protect the interests of general shareholders of the Target Company, and the Target Company Group has been viewing that such restrictions was an issue which must be resolved. Therefore, the Target Company believes that by having the Target Company become a wholly-owned subsidiary of the Tender Offeror through the Transaction, such issue will be resolved and further expansion and strengthening of civil engineering business of the Target Company Group will be realized by co-using the high construction management skills of Target Company Group and the knowledge of Tender Offeror Parent Group on government fee estimate calculation method and technical proposals. Furthermore, while the bidding based on comprehensive evaluation bidding method is expected to increase in the future, the Target Company Group views its competitiveness in the civil engineering work will be further strengthened by using the resources and wide capabilities of Tender Offeror

Parent Group, which proclaims itself as “comprehensive infrastructure service company” and which can handle throughout from upstream to downstream process of infrastructure, in addition to exchange of information on knowhow on government fee estimate calculation method and technical proposals.

(Note 1) “Government fee estimate calculation method” means the method to calculate the service fee based on scheduled price when the government entrusts the design work, etc. of government facility.

(b) Strengthening of Sales Activities Made to Non-Government Customers

The Target Company Group has been collaborating with the Tender Offeror on conducting sales activities to non-government customers and has been conducting construction work for non-government customers. However, given the fact that the Target Company and the parent company of Tender Offeror are both listed company, the exchange of sales information on projects and customers, etc. between the Target Company Group and the Tender Offeror Parent Group company other than the Target Company Group company requires careful review on a case-by-case basis in light of management’s independence and necessity to protect the interests of general shareholders of the Target Company. Therefore, the Target Company Group views that by having the Target Company as a wholly-owned subsidiary of the Tender Offeror through the Transaction, it would become possible (i) for the Tender Offeror Parent Group and the Target Company Group to more smoothly exchange information and conduct joint review on the sales activities to non-government customers, (ii) for the Target Company Group to create more opportunities to accept orders of construction work for non-government customers, and (iii) for the Target Company Group to increase the monetary amount of its order acceptance and its sales.

(c) Promotion of DX (Digital Transformation) and Work Efficiency Improvement and Strengthening of Human Capital

With respect to the environment surrounding the Target Company Group, due to the fact that harsh industry environment is expected to continue, the Target Company Group is reducing manpower and saving labor to enhance productivity in order to overcome such industrial environment. Specifically, the Target Company Group promotes renewal of its core system and use of ICT (Note 2) tools for business DX and promotes development of ICT construction promotion system and three-dimensional construction management for construction DX. However, due to the fact that harsh industrial environment is expected to continue as explained above, the Target Company Group views that it will be necessary to take further initiatives to enhance productivity in order for the Company Group to continue to play its role as a company undertaking transportation infrastructure. Therefore, the Target Company Group views that by having the Target Company as a wholly-owned subsidiary of the Tender Offeror through the Transaction, the Target Company Group believes that it would become possible for the Tender Offeror Parent Group and the Target Company Group to collaborate on DX promotion and that enhancement of productivity looks promising, which is difficult to achieve by Target Company Group alone. Furthermore, the Target Company Group views that the Target Company Group will be able to resolve the problem of labor shortage by accommodating personnel between the Tender Offeror Parent Group and the Target Company Group, and securing high quality human capital and developing human capital development will become possible by both company groups jointly conducting recruitment activity and training. Furthermore, the Target Company Group believes that strengthening of human capital can be achieved and enhancement of employees’ sense of belonging can be expected by developing the skills of employees through joint development of technology with the Tender Offeror Parent Group.

(Note 2) “ICT” is an abbreviation for “Information and Communication Technology.”

On the other hand, since there is a possibility that the detriments provided below will arise in the Transaction, the measures as provided below are taken on such detriments and the Target Company

Group views that the benefits of achievable synergy from the Transaction will exceed the detriments.

Specifically, with regard to the road paving work, due to the fact that the business of Target Company and the business of MAEDA ROAD CONSTRUCTION, which is in the Tender Offeror Parent Group, overlap with each other, a possibility cannot be ruled out that the Target Company joining the Tender Offeror Parent Group will cause negative synergy. However, the Tender Offeror believes that the Target Company and MAEDA ROAD CONSTRUCTION can fill the area not currently covered by Target Company's asphalt brand or MAEDA ROAD CONSTRUCTION's asphalt brand and can enhance operating rate and work efficiency through reorganization. In addition, the Target Company views that although there is a possibility of negative synergy that the Target Company and MAEDA ROAD CONSTRUCTION will compete with each other in a bidding due to the overlap between the business of Target Company Group and the business of MAEDA ROAD CONSTRUCTION, the synergy exceeding the detriments (negative synergy) can be expected by sharing with each other the knowledge such as knowledge on how to accept construction orders and knowledge on how to manage asphalt brand efficiently and by sharing human resources.

Through the implementation of Transaction, the Target Company Shares will also be delisted and the Target Company will no longer be able to raise funds from the capital market through equity finance or to reap the benefits of listed company such as enhancement of name recognition and social credibility. However, due to the fact that the Target Company has enough equity capital since its equity ratio is 55.2% as of the fiscal year ended March 31, 2025, the need for fundraising through equity finance is not expected for the time being considering the current financial condition of the Target Company Group. The Target Company Group has a good relationship with financial institutions due to its transactions with them over a long period of time and is expected to raise funds as necessary through indirect financing. Furthermore, although financial support from the Tender Offeror Parent Group is not necessary at the present time, the Target Company Group could receive such support in the future as necessary as an alternative. In addition, name recognition and social credibility of Target Company Group is largely gained and maintained through its business activities and therefore, even after the implementation of Transaction, it is possible to gain and maintain them by conducting business. Furthermore, after the implementation of Transaction, the Target Company Group is able to continue using the name recognition and social credibility of the Tender Offeror Parent Group. Due to the fact that such overall name recognition and social credibility are expected to be maintained, the Target Company Group views that the detriments of delisting of Target Company Shares are limited. The Target Company Group also considered the possibility of any detriments that might arise from the Target Company becoming a wholly-owned subsidiary of Tender Offeror and views that business partners, employees and other stakeholders of Target Company Group will agree to the Transaction and no notable negative synergy will occur due to the expected benefits explained above.

The Target Company Group also came to a conclusion that the Tender Offer Price of 2,000 yen is a reasonable price securing the benefits which general shareholders of the Target Company should reap and that the Tender Offer is a reasonable opportunity for the general shareholders of the Target Company to sell the Target Company Shares at a price with an appropriate premium for the following reasons:

- (a) The Tender Offer Price is a price decided after the measures were taken to ensure fairness of Tender Offer Price as provided in "Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer in" "[2] Course of Calculations" in "(4) Grounds for Calculation of the Purchase etc. Price in " 2. Overview of Purchase etc." provided below under the substantive involvement of Special Committee independent from the Tender Offer-Related Parties and upon having good faith discussions and negotiations held on equal footing between the Tender Offeror and the Target Company who are independent parties in the transaction.
- (b) The Tender Offer Price is a price exceeding the upper limit of the range calculated under the market share price method and exceeding the median of the range calculated under the discount cash flow

method (the “DCF Method”) as provided in the Share Valuation Report (Deloitte Tohmatsu) as provided in “(b) Overview of Valuation of the Target Company’s Shares” in “(ii) Procurement of Share Valuation Report from Independent Third-Party Valuation Firm of the Target Company” in “Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer in” “[2] Course of Calculations” in “(4) Grounds for Calculation of the Purchase etc. Price in “ 2. Overview of Purchase etc.” provided below.

- (c) The Tender Offer Price is a price exceeding the upper limit of the range calculated under the market share price method and comparable listed companies method and is exceeding the median of the range calculated under the DCF Method as provided in the Share Valuation Report (AGS FAS) as provided in “(b) Overview of Valuation of the Target Company’s Shares” in “(iv) Procurement of Share Valuation Report and Fairness Opinion from Independent Third-Party Valuation Firm of the Special Committee” in “Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer in” “[2] Course of Calculations” in “(4) Grounds for Calculation of the Purchase etc. Price in “ 2. Overview of Purchase etc.” provided below. Furthermore, the Special Committee has obtained from AGS FAS the Fairness Opinion (AGS FAS) stating that the Tender Offer Price of 2,000 yen per share is fair to the general shareholders of the Target Company from the financial perspective.
- (d) With regard to the Tender Offer Price, a premium of 22.32% was added to 1,635 yen which was the closing price of Target Company Shares on the TSE Standard Market on March 6, 2026 (which was the business day immediately prior to the announcement date of Tender Offer), a premium of 20.99% was added to 1,653 yen which was the simple average closing price of Target Company Shares on the TSE Standard Market during the period of 1 month immediately prior to such date, a premium of 23.92% was added to 1,614 yen which was the simple average closing price of Target Company Shares on the TSE Standard Market during the period of 3 months immediately prior to such date, and a premium of 29.95% was added to 1,539 yen which was the simple average closing price of Target Company Shares on the TSE Standard Market during the period of 6 months immediately prior to such date. The Tender Offer Price was announced after June 28, 2019 which was the date when the Ministry of Economy, Trade and Industry published the “Fair M&A Guidelines” (the “M&A Guidelines”). When comparing the median of premium level of Transaction to the median of premium level of 44 comparable cases (i.e., transactions similar to the Transaction, where the PBR of target shares in tender offer exceeded 1 since before the announcement of the Transaction excluding two-tier tender offer cases) in which the tender offer, whose purpose was for a parent company to make its listed subsidiary a wholly-owned subsidiary, that were announced on or after June 28, 2019, the date on which the Ministry of Economy, Trade and Industry published the “Guidelines for Fair M&A Practices,” and for which the tender offer was concluded on or prior to February 28, 2026 (i.e., a premium of 38.64% was added to the closing price on the business day immediately prior to the announcement date, a premium of 40.47% was added to the simple average closing price during the period of 1 month immediately prior to such date, a premium of 39.20% was added to the simple average closing price during the period of 3 months immediately prior to such date, and a premium of 36.59% was added to the simple average closing price during the period of 6 months immediately prior to such date), it can be viewed that although it cannot necessarily be assessed as having high level, due to the fact that there are considerable number of cases in which the premiums are less than 30% of the closing price on the business day immediately preceding the announcement date the simple average closing price over the 1-month period up to the business day immediately preceding the announcement date, the simple average closing price over the 3-month period up to the business day immediately preceding the announcement date, and the simple average closing price over the 6-month period up to the business day immediately preceding the announcement date (i.e., 12 cases, 13 cases, 12 cases and 14 cases respectively) (There are 17 cases in total in which the premiums are less than 30% of (i) the closing price on the business day immediately preceding the announcement date, (ii) the simple average closing price over the 1-month period up to the business day immediately preceding the announcement date, (iii) the simple average closing price over the 3-month period up to the business day immediately preceding the announcement date, or (iv) the simple average closing price over the 6-month period up to the business day immediately preceding the announcement date.), the premium level in the Transaction as compared to the recent comparable cases is

- comparable and the Tender Offer Price has a premium at a level which is not unreasonable.
- (e) In light of long-term changes in the price of Target Company Shares, the Tender Offer Price is a price which will not cause any loss to any of the general shareholders of the Target Company because the Tender Offer Price is a price exceeding not only 1,6784 yen (on February 27, 2026) which was the highest closing price of Target Company Shares since the shares were listed, but also 1,707 yen (on February 13, 2026) which was the highest price set during the time when the stock market was open.
 - (f) The Tender Offer Price has been determined to be reasonable even in the Report from the Special Committee as provided in “(iii) Establishment of Independent Special Committee in the Company and Procurement of Report from the Special Committee” in “Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer in” “[2] Course of Calculations” in “(4) Grounds for Calculation of the Purchase etc. Price in “ 2. Overview of Purchase etc.” provided below.
 - (g) Measures have been taken to the general shareholders of the Target Company such as the measures provided in “Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer in” “[2] Course of Calculations” in “(4) Grounds for Calculation of the Purchase etc. Price in “ 2. Overview of Purchase etc.” provided below.

For the reasons explained above, the Target Company passed a resolution at its Board of Directors meeting held today to express its opinion in favor of the Tender Offer and to recommend all shareholders of the Target Company to tender the Target Company Shares in the Tender Offer.

For method of resolution used at the Board of Directors meeting mentioned above, please see in “(vii) Approvals from All Directors (including Directors Who Are Audit and Supervisory Committee Member) Having No Interest in the Target Company” in “Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer in” “[2] Course of Calculations” in “(4) Grounds for Calculation of the Purchase etc. Price in “ 2. Overview of Purchase etc.” provided below.

[3] Management Policy after Tender Offer

In order to ensure that the synergies described above in “(ii) Course of Events and Purpose Leading to the Tender Offeror’s Decision to Implement the Tender Offer” in “1 Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process” are manifested, the Tender Offeror and the Target Company will accelerate the collaboration between the two firms and take initiatives to speed up decision-making and combine their collective strengths. Regarding the efficient use of managerial resources directed towards enhancement of the Target Company’s corporate value and the reallocation of such resources for the purpose of overall optimization, the Tender Offeror will discuss these matters fully with the Target Company’s management team as these matters are considered. Regarding the Target Company’s management structure and composition of its Board of Directors following the Tender Offer, nothing has been decided as of the present time, including whether officers will be dispatched and other personnel-related matters; following the successful completion of the Tender Offer, the Tender Offeror and the Target Company will hold discussions, aiming for appropriate governance that respects the Target Company’s independence and the creation of a system that enables the maximum manifestation of synergy effects for the Tender Offeror Parent Group.

- (3) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflict of Interest, etc.

By taking into account the facts that the Tender Offeror is the controlling shareholder (parent company) of the Target Company and that the Transaction including the Tender Offer falls under MBO, etc. as prescribed in the Securities Listing Regulations of TSE and falls under the transaction in which the issue of structural

conflict of interest between the Tender Offeror and the general shareholders of the Target Company and the issue of information asymmetry categorically exist, the measures described below have been implemented to ensure the fairness of the Tender Offer and to avoid conflict of interest.

Out of the measures described below, the measures, etc. implemented by the Target Company are based on the explanation received from the Target Company and the Target Company Press Release. As discussed above in “(1) Overview of the Tender Offer”, as of today, because the Tender Offeror directly owns 4,981,500 Target Company Shares (Ownership Ratio: 53.69%), if in the Tender Offer, a so-called “majority of minority” is set as the lower limit for the number of shares planned for purchase, this would make the successful completion of the Tender Offer uncertain, and the Tender Offeror believes that this would in fact not be in the interests of general shareholders who wish to tender their shares in the Tender Offer, and so no “majority of minority” has been set as the lower limit for the number of shares planned for purchase in the Tender Offer. The Tender Offeror and the Target Company have taken the measures set forth below, and thus sufficient measures have been taken to ensure the fairness of the Tender Offer Price and other transactional terms of the Transaction, and for these reasons the Tender Offeror believes that sufficient consideration has been given to the interests of the Target Company’s general shareholders.

- (i) Procurement by the Tender Offeror of a share valuation report from an independent third-party agency;
- (ii) Procurement by the Target Company of a share valuation report from an independent third-party agency;
- (iii) Establishment of an independent Special Committee at the Target Company and procurement of a written report from the Special Committee;
- (iv) Procurement by the Special Committee of a share valuation report from an independent third-party agency;
- (v) Advice to the Target Company from an independent law firm;
- (vi) Creation of an independent system for consideration at the Target Company;
- (vii) Approval of all disinterested directors at the Target Company (including Audit & Supervisory Committee members);
- (viii) Absence of deal protection measures; and
- (ix) Measures for ensuring that Target Company shareholders have an opportunity to make an appropriate judgment about whether to tender their shares in the Tender Offer.

For details regarding the foregoing, please see “Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer” in “Course of Calculations” in “(2) Purchase etc. Price” of “4. Purchase etc. Period, Purchase etc. Price, and Number of Share Certificates etc. Planned for Purchase” above.

(4) Post-Tender Offer Reorganization etc. Policy (Matters Relating to So-Called Two-Step Acquisition)

As discussed above in “(1) Overview of the Tender Offer”, because the Tender Offeror will implement the Tender Offer as part of the Transaction, the purpose of which is for the Tender Offeror to make the Target Company its wholly-owned subsidiary, in the event that the Tender Offeror is unable to acquire all Target Company Shares in the Tender Offer (excluding the Target Company Shares directly owned by the Tender Offeror and the treasury shares possessed by the Target Company), following the successful completion of the Tender Offer, the Tender Offeror plans to implement the following Squeeze-Out Procedures.

[1] Demand for Share Cash-Out

In the event that with the successful completion of the Tender Offer, the aggregate number of the Target Company voting rights owned by the Tender Offeror reaches a number representing 90% or more of the voting rights of all shareholders of the Target Company and the Tender Offeror becomes a special controlling shareholder as specified in Article 179, Paragraph 1 of the Companies Act, promptly after completion of the settlement of the Tender Offer, the Tender Offeror plans, pursuant to Part 2, Chapter 2, Section 4-2 of the Companies Act, to demand that all Target Company shareholders (excluding the Tender Offeror and the Target Company) (“Selling Shareholders”) sell all Target Company Shares they own to the Tender Offeror (“Demand for Share Cash-Out”). It is planned that under the Demand for Share Cash-Out, as consideration per one Target Company Share, money in the same amount as the Tender Offer Price will be delivered to the Selling Shareholders. In

this case, the Tender Offeror will notify the Target Company to such effect and request the Target Company's approval of the Demand for Share Cash-Out. If the Target Company approves the Demand for Share Cash-Out by means of a Board of Directors resolution, in accordance with the procedures specified in the relevant laws and regulations, and without the need for the individual approval of the Selling Shareholders, the Tender Offeror will acquire from the Selling Shareholders all Target Company Shares that they own on the acquisition date specified in the Demand for Share Cash-Out. The Tender Offeror plans to deliver to the Selling Shareholders, as consideration for each one Target Company Share that they possessed, money in the same amount as the Tender Offer Price. According to the Target Company Press Release, if the Target Company receives a notice from the Tender Offeror to the effect that it wishes to make a Demand for Share Cash-Out and concerning the matters set forth in the items of Article 179-2, Paragraph 1 of the Companies Act, the Target Company plans to approve the Demand for Share Cash-Out at a meeting of its Board of Directors.

As procedures under the Companies Act with the purpose of protecting the interests of general shareholders in relation to the above procedures, the Selling Shareholders, in accordance with the provisions of Article 179-8 of the Companies Act and other relevant laws and regulations, are entitled to petition the court to decide the sales price for the Target Company Shares that they own. If such a petition is made, the sales price for Target Company Shares will ultimately be determined by the court.

[2] Share Consolidation

In the event that after the successful completion of the Tender Offer, the aggregate number of the Target Company voting rights owned by the Tender Offeror fails to reach a number representing 90% or more of the voting rights of all shareholders of the Target Company, promptly after completion of the settlement of the Tender Offer, the Tender Offeror plans to request that the Target Company include in the proposals for the Target Company's annual general meeting of shareholders pertaining to the term ending March 2026, scheduled for June 2026 ("Annual General Meeting of Shareholders"), a proposal for the consolidation of Target Company Shares pursuant to Article 180 of the Companies Act ("Share Consolidation") and, subject to the coming-into-effect of the Share Consolidation, partial amendment of the Target Company's articles of incorporation eliminating the provisions for share units. The Tender Offeror plans to exercise its voting rights in favor of the above proposals at the Annual General Meeting of Shareholders.

If the Share Consolidation proposal is approved at the Annual General Meeting of Shareholders, on the day the Share Consolidation takes effect, Target Company shareholders will own Target Company Shares in numbers adjusted in proportion to the Share Consolidation ratio approved at the Annual General Meeting of Shareholders. If fractional shares of less than one share arise through the Share Consolidation, in accordance with the procedures set forth in Article 235 of the Companies Act and other relevant laws and regulations, Target Company shareholders owning fractional shares will receive the money obtained from selling to the Target Company or the Tender Offeror Target Company Shares equivalent to the aggregate number of such fractions (if such aggregate number has a fraction of less than one share, such fraction will be discarded; hereinafter the same). Regarding the sale price of Target Company Shares equivalent to such aggregate number of fractional shares, after first setting the price so that, as a result of such sale, the amount of money to be delivered to Target Company shareholders (excluding the Tender Offeror and the Target Company) who did not tender their shares in the Tender Offer will be the same as the price obtained by multiplying the Tender Offer Price by the number of Target Company Shares such shareholders owned, the Tender Offeror plans to request that the Target Company petition the court to be allowed to make voluntary sale. Further, while the Share Consolidation ratio is undetermined as of today, the Tender Offeror plans to request that the Target Company decide this ratio so that the number of Target Company Shares owned by Target Company shareholders (excluding the Tender Offeror and the Target Company) who did not tender their shares in the Tender Offer is a fraction of less than one share, so that the Tender Offeror alone will own all Target Company Shares (excluding the Target Company Shares owned by the Tender Offeror and the treasury shares possessed by the Target Company). According to the Target Company Press Release, the Target Company intends to comply with each of the above requests made by the Tender Offeror should the Tender Offer be completed. As the provisions in the Companies Act whose purpose is to protect the rights of general shareholders in connection with the

Share Consolidation, if the Share Consolidation produces any fractional share less than 1 share in the number of the shares, Articles 182-4 and 182-5 of the Target Companies Act and other provisions in the relevant laws and regulations prescribe that the shareholders of the Target Company (excluding the Tender Offeror and the Target Company) are entitled to request the Target Company to purchase all of the fractional the Target Company's Shares held by them which are less than 1 share at a fair price and to petition to the court for determination of sales price of the Target Company's Shares. Since the Target Company Shares held by all of shareholders of the Target Company who do not tender the Target Company's Shares in the Tender Offer (excluding the Tender Offeror and the Target Company) are scheduled to become less than 1 share, all of shareholders of the Target Company who oppose the Share Consolidation (excluding the Tender Offeror and the Target Company) will be entitled to make such petition. The purchase of the Target Company's Shares in case such petition is made will ultimately be determined by the court. The Tender Offer is not a solicitation to have all shareholders of the Target Company agree at the Annual Shareholders Meeting.

With respect to the procedures explained in [1] and [2] above, there is a possibility that the method and timing of their implementation may change depending on the situation such as amendment, enforcement of relevant laws and regulations or interpretation of relevant laws and regulations by the authorities. However, even in such case, the method, by which payment will ultimately be made to all shareholders of the Target Company (excluding the Tender Offeror and the Target Company) who did not tender the Target Company's Shares in the Tender Offer, will be adopted, and the amount of payment to be made to each of such shareholders in such case is scheduled to become the amount equivalent to the Tender Offer Price multiplied by the number of the Target Company's Shares held by each of such shareholders. The details of procedure and its implementation date, etc. for the case explained above are scheduled to be announced by the Target Company as soon as the Target Company and the Tender Offeror discuss and come to a decision.

For how to tender the Target Company's Shares in the Tender Offer and how to handle each procedure in terms of tax, all shareholders of the Target Company are requested to check with the professionals such as certified public tax account at their responsibility.

(5) Possibility of Delisting and Its Reasons

Although the Target Company's Shares are listed on the TSE Standard Market as of today, the Tender Offeror has not set an upper limit on the number of shares for which the Tender Offer will be made. Therefore, depending on the outcome of Tender Offer, there is a possibility that the Target Company's Shares will be delisted after going through certain procedures in accordance with the Delisting Criteria prescribed by the TSE. Furthermore, even if the Tender Offer does not fall under the Delisting Criteria as of the time of conclusion of Tender Offer, the Squeeze-Out Procedures are scheduled to be implemented after the conclusion of Tender Offer as provided in "(5) Policy on Reorganization, etc. after Tender Offer (Matters Concerning So-called Two-Tier Takeover Strategy)" below. Therefore, if such procedures are implemented, the Target Company's Shares will be delisted after going through certain procedures in accordance with the Delisting Criteria prescribed by the TSE. After the delisting of the Target Company's Shares, the Target Company's Shares can no longer be traded on the TSE Standard Market.

The reasons to aim for delisting and the impact of delisting on the general shareholders and its view are as provided in "[2] Process and Reason for Decision by the Target Company" in "(2) Grounds and Reasons for Opinion" above.

(6) Matters Concerning Material Agreements of the Tender Offer

Not applicable.

2. Overview of Purchase etc.

(1) Overview of the Target Company

(i) Name	SUMIKEN MITSUI ROAD CO., LTD.	
(ii) Address	6-24-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo	
(iii) Title and name of representative	Representative Director and President Hajime Hasui	
(iv) Description of Business	Construction business, manufacturing and sales business	
(v) Stated capital	1,329 million yen (as of December 31, 2025)	
(vi) Date of establishment	February 24, 1948	
(vii) Major shareholders and their shareholding ratios (as of the end of September 2025)	Sumitomo Mitsui Construction Co., Ltd.	53.69%
	Aya Nomura (standing proxy Mita Securities Co., Ltd.)	3.79%
	MSIP CLIENT SECURITIES (standing proxy Morgan Stanley MUFG Securities Co., Ltd.)	3.28%
	Custody Bank of Japan, Ltd. (trust account)	3.14%
	MSIP CLIENT SECURITIES	2.10%
	SBI SECURITIES Co., Ltd.	1.52%
	Sumiken Mitsui Road Employee Stockholding Association	1.49%
	City Index Eleventh Co., Ltd.	1.44%
	UBEMOKU Co., Ltd.	1.35%
	NOMURA PB NOMINEES LIMITED	1.31%
	OMNIBUS-MARGIN(CASHPB) (standing proxy Nomura Securities Co., Ltd.)	
	Mitsuo Hattori	1.02%
(viii) Relationship Between the Listed Company and the Target Company		
Capital relationship	As of today, the Tender Offeror directly owns 4,981,500 Target Company Shares (Ownership Ratio: 53.69%), and the Target Company is a consolidated subsidiary of the Tender Offeror	
Personnel relationship	As of today, of the nine Target Company directors, two directors (Mr. Kazuaki Kitahara and Mr. Yasushi Kajiki) worked at the Tender Offeror in the past.	
Business relationship	The Target Company is contracted by the Tender Offeror to perform pavement and civil construction works etc.	
Status as a related party	The Tender Offeror is the parent company of the Target Company, and the Tender Offeror and the Target Company each constitute a related party of the other.	

(Note) “Major shareholders and their shareholding ratios (as of the end of September 2025)” is based on the “Major shareholders” as stated in the Target Company’s 79th Term Interim Report (2025).

(2) Schedule etc.

[1] Schedule

Date of Board of Directors decision	March 9, 2026 (Monday)
Date of public notice for commencement of tender offer	March 10, 2026 (Tuesday) Electronic public notice will be given, and a statement to such effect will be published in the Nikkei. Internet address for electronic public notice (https://disclosure2.edinet-fsa.go.jp/)
Tender offer statement submission date	March 10, 2026 (Tuesday)

[2] Initial Purchase etc. Period at Filing

From March 10, 2026 (Tuesday) to April 21, 2026 (Tuesday) (30 business days)

[3] Possibility of Extension Based on Request from the Target Company
Not applicable.

(3) Purchase etc. price

2,000 yen per one common share

(4) Grounds for Calculation of the Purchase etc. Price

[1] Basis of the Calculations

In determining the Tender Offer Price, the Tender Offeror requested Daiwa Securities, which is the Tender Offeror's financial advisor, to calculate the share value of the Target Company, as a third-party valuation institution independent of the Tender Offeror-Related Parties. Daiwa Securities is not a related party of the Tender Offeror or the Target Company and does not have any material interest in the Transaction including the

As a result of reviewing multiple share valuation methods in order to choose the calculation methods to be adopted in calculating the share value of the Target Company, on the assumption of the Target Company as a going concern, and based on the thinking that it would be appropriate to evaluate the price of Target Company Shares from multiple angles, Daiwa Securities calculated the value of Target Company Shares using the comparable companies method, because there are multiple listed companies that can be compared with the Target Company, making it possible to estimate the share price of Target Company Shares through comparison with comparable companies, and the DCF method, which takes into account the performance of the Target Company and projections. The Tender Offeror procured a share valuation report dated March 6, 2026 from Daiwa Securities ("Tender Offeror Valuation Report"). Furthermore, because the Tender Offeror determined and decided the Tender Offer Price after first taking comprehensively into account the assorted factors described in below in "[2] Course of Calculations" and then engaging in discussions and negotiations with the Target Company, the Tender Offeror did not obtain a written opinion on the fairness of the Tender Offer Price (a fairness opinion) from Daiwa Securities.

According to the Tender Offeror Valuation Report, the calculation methods adopted by Daiwa Securities and the range of the per-share value of Target Company Shares calculated using each of the methods above are as follows.

Market price method:	from 1,539 yen to 1,653 yen
Comparable companies method:	from 1,492 yen to 2,020 yen
DCF method:	from 1,922 yen to 2,411 yen

The Tender Offer, in addition to the calculations and calculations results set forth in the Tender Offeror Valuation Report, also took into consideration such factors as the results of the Due Diligence, the possibility of the Board of Directors of the Target Company supporting the Tender Offer, trends in the market price of Target Company Shares, and the prospects for the tendering of shares in the Tender Offer, and then, in light of the results etc. of discussions and negotiations with the Target Company, on March 6, 2026, decided that the Tender Offer Price would be 2,000 yen per share.

The Tender Offer Price of 2,000 yen represents a premium of 22.32% over the closing price of 1,635 yen for Target Company Shares on the TSE Standard Market on March 6, 2026, the business day prior to the day of announcement of the implementation of the Tender Offer, a premium of 20.99% over the simple average closing price over the past one month (from February 9, 2026, to March 6, 2026) of 1,653 yen, a premium of 23.92% over the simple average closing price over the past three months (from December 8, 2025, to March 6, 2026) of 1,614 yen, and a premium of 29.95% over the simple average closing price over the past six months (from September 8, 2025, to March 6, 2026) of 1,529 yen.

(Note) In calculating the share price of Target Company Shares, which forms the basis for the Tender Offeror Valuation Report, Daiwa Securities assumed that all public information and all provided to Daiwa Securities was accurate, complete, and appropriate, and Daiwa Securities did not make its own verification of the accuracy, completeness, or appropriateness of these materials or information. Daiwa Securities made no evaluation, appraisal or assessment of any assets or liabilities (including

contingent liabilities) of the Target Company or its affiliates and did not ask any third party to make any such evaluation, appraisal or assessment. Daiwa Securities assumes that the Business Plan was prepared based on the best predictions and judgments as of the time the Tender Offer Valuation Report was prepared, pursuant to reasonable and appropriate procedures, did not make its own verification of the accuracy, appropriateness, or feasibility of the Business Plan, and owes no duty or responsibility to do so. The sole purpose of the calculations by Daiwa Securities was to serve as reference for the Tender Offeror's Board of Directors when considering the share price of the Target Company.

[2] Course of Calculations

(Course of Determining the Tender Offer Price)

Please see "1 Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process" in "(2) Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process, and Post-Tender Offer Managerial Policy" of "1. Purpose etc. of the Purchase etc." above.

Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer

In light of the fact that the Tender Offeror is a controlling shareholder (parent company) of the Target Company and that the Transaction including the Tender Offer falls under the category of an MBO as specified in the securities listing regulations of the TSE as well as a transaction where structural conflicts of interest and information asymmetry typically exist between a tender offeror and general shareholders, in order to ensure the fairness of the Tender Offer and avoid conflicts of interest, the Tender Offeror and the Target Company have implemented the following measures. The descriptions of the measures implemented by the Target Company below are based on the Target Company Press Release and explanations from the Target Company.

As discussed above in "(1) Overview of the Tender Offer" in "1. Purpose etc. of the Purchase etc.", as of today, the Tender Offeror directly owns 4,981,500 Target Company Shares (Ownership Ratio: 53.69%); accordingly, if in the Tender Offer, a so-called "majority of minority" is set as the lower limit for the number of shares planned for purchase, this would make the successful completion of the Tender Offer uncertain, and the Tender Offeror believes that this would in fact not be in the interests of general shareholders who wish to tender their shares in the Tender Offer, and so no "majority of minority" is set as the lower limit for the number of shares planned for purchase in the Tender Offer. The Tender Offeror and the Target Company have taken the measures set forth below, and thus sufficient measures have been taken to ensure the fairness of the Tender Offer Price and other transactional terms of the Transaction, and for these reasons the Tender Offeror believes that sufficient consideration has been given to the interests of the Target Company's general shareholders.

(i) Procurement by the Tender Offeror of a share valuation report from an independent third-party agency

When determining the Tender Offer Price, the Tender Offeror requested its financial advisor Daiwa Securities, as a third-party valuation institution independent of the Tender Offeror-Related Parties, to calculate the share value of Target Company Shares, and thus procured the Tender Offeror Valuation Report regarding the results of the calculation of the share value of Target Company Shares on March 6, 2026. For details of the Tender Offeror Valuation Report regarding the results of the calculation of the share value of Target Company Shares procured from Daiwa Securities, please see "1 Basis of the Calculations" above.

(ii) Procurement of Share Valuation Report from Independent Third-Party Valuation Firm of the Target Company

(a) Name of Valuation Firm and Its Relationship with Tender Offeror and the Target Company

In order to express its opinion on the Tender Offer, the Target Company requested Deloitte Tohmatsu, who is financial advisor and third-part valuation firm independent from the Tender Offer-Related Parties, for share valuation of the Target Company's Shares and obtained the Share Valuation Report (Deloitte Tohmatsu) as of March 6, 2026. Deloitte Tohmatsu does not fall under related party of Tender Offeror or Company or have any notable material interest in the Transaction including the Tender Offer.

Furthermore, as provided in "(6) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflict of Interest, etc."

provided below, the Target Company has not obtained from Deloitte Tohmatsu a fairness opinion on the fairness of Tender Offer Price due to the fact that the measures to ensure the fairness of Tender Offer Price and the measures to avoid any conflict of interest have been taken by the Tender Offeror and the Target Company.

The fees to be paid to Deloitte Tohmatsu for the Transaction are fixed fee which will be paid regardless of success or failure of Transaction and contingency fee which will be paid on the conditions such as success of Transaction. Considering the facts such as the fact that making a part of fee a contingency fee has a reasonableness of limiting the transaction cost in case the Transaction falls through and is a common business practice for fee structure in similar type of transaction, the Target Company determined that the fact that contingency fee will be paid on the conditions such as success of Transaction does not deny the independence and therefore appointed Deloitte Tohmatsu as the financial advisor and third-party valuation firm of the Target Company under the fee structure explained above.

(b) Overview of Valuation of the Target Company's Shares

Upon considering the valuation method to be used for valuation of the Target Company's Shares from multiple valuation methods, Deloitte Tohmatsu viewed that it was appropriate to conduct valuation of the Target Company's Shares from multiple perspectives and valued the Target Company's Shares by using the market share price method due to the fact that the Target Company's Shares are listed on the TSE Standard Market and have market stock price and by using the DCF Method to incorporate the future business activities of the Target Company in the valuation, and the Target Company received the Share Valuation Report (Deloitte Tohmatsu) from Deloitte Tohmatsu as of March 6, 2026.

The range of value of the Target Company's Shares per share valued by using the methods mentioned above is as follows:

Market Share Price Method: 1539 yen ~ 1653 yen

DCF Method: 1823 yen ~ 2147 yen

Under the market share price method, the valuation range of the Target Company's Shares per share is analyzed as between 1539 yen and 1653 yen by having the base date as March 6, 2026 and based on the closing price of the Target Company's Shares in the TSE Standard Market on such date which is 1635 yen, the simple average of closing price during the period of 1 month immediately prior to such date which is 1653 yen, the simple average of closing price during the period of 3 months immediately prior to such date which is 1614 yen and the simple average of closing price during the period of 6 months immediately prior to such date which is 1539 yen.

Under the DCF Method, the corporate value and share value of the Target Company are assessed and the range of share value of Target Company's Shares per share is calculated as 1823 yen ~ 2147 yen after discounting to the current value by using certain discount rate the free cash flow expected to be generated by the Target Company in the future from the fourth quarter of fiscal year ending March 31, 2026, based on various factors such as the business plan provided by the Target Company for the period from the fiscal year ending March 31, 2026 to the fiscal year ending March 31, 2031 which was prepared by the Target Company until the period which the Target Company is able to reasonably foresee at the present time (the "Business Plan") and the information publicly available. The weighted average cost of capital is used for the discount rate and the discount rate of 8.3% ~ 9.3% is used. For the calculation of cost of capital, the size risk premium is added by taking into account the factors such as the size of the Target Company. Furthermore, the perpetuity growth rate method is used for the calculation of terminal value. Under the perpetuity growth rate method, the perpetuity growth rate is 0.5% ~ 1.5% and the terminal value is calculated as 7,919 million yen ~ 10,832 million yen by taking into overall account the factors such as external environment. Surplus cash and deposits, etc. after deducting the required working capital are also taken into account as business assets.

The financial forecast of Deloitte Tohmatsu based on the Business Plan based on the calculation under the DCF Method is as provided below. The Business Plan includes the business year in which significant increase in earnings is expected. Specifically, significant increase in operating profit and EBITDA are expected for the fiscal year ending March 31, 2027 through the increase in sales through strengthening of ability to accept orders of large-scale construction and increase in unit price in the construction business

and the improvement in profit margin by improving work efficiency through DX, etc. Furthermore, the synergy effect expected to be achieved by the implementation of Transaction is not added to the calculation explained above because it is difficult to estimate it in detail at the present time.

On an additional note, the Business Plan has been prepared by the independent internal review team of the Target Company based on the Medium-Term Management Plan for the purpose of reviewing the reasonableness of terms and conditions of the Transaction by taking into account the status of external environment such as the intensification of price war with competitors, inflation and increase in labor costs in the construction business and the reduction of asphalt mixture market in relation to the manufacturing and sale business.

Furthermore, the Special Committee has checked the reasonableness of contents, important conditions precedent, background of preparation and other related matters of Business Plan.

(Note) For the valuation of the Target Company's Shares, Deloitte Tohmatsu generally used as is the information provided by the Target Company and the information generally available to the public among other things. Deloitte Tohmatsu assumes, among other things, that all of such materials and information are accurate and complete and there are no facts undisclosed to Deloitte Tohmatsu which may have material impact on the valuation of the Target Company's Shares, and has not independently verified their accuracy. In addition, Deloitte Tohmatsu assumes the information on the Business Plan of the Target Company has been reasonably prepared based on best possible forecasts and decisions of the Target Company's management (except for Mr. Kazuaki Kitahara) obtainable at the present time. Deloitte Tohmatsu also has not independently evaluated or assessed the assets and liabilities of the Target Company and its affiliated companies (including financial derivatives, off-the-book assets and liabilities and other contingent liabilities) and has not requested any third-party firm to appraise or assess them. The valuation of Deloitte Tohmatsu incorporates the abovementioned information up to March 6, 2026. The sole purpose of valuation of Deloitte Tohmatsu is to provide the Board of Directors of the Target Company with reference materials for its review of share value of the Target Company's Shares.

(Unit: million yen)

	Fiscal Year Ending March 31, 2026 (3 months)	Fiscal Year Ending March 31, 2027	Fiscal Year Ending March 31, 2028	Fiscal Year Ending March 31, 2029	Fiscal Year Ending March 31, 2030	Fiscal Year Ending March 31, 2031
Sales	8,883	33,440	33,211	33,924	34,690	35,505
Operating Profit	373	1,161	1,132	1,223	1,317	1,416
EBITDA	505	1,769	1,770	1,849	1,920	2,043
Free Cash Flow	2,243	879	891	956	1,002	1,079

(iii) Establishment of Independent Special Committee in the Company and Procurement of Report from the Special Committee

(a) Background of Establishment, etc.

As provided in "(i) Background on Development of Review Team" in "[2] Process and Reason for Decision by the Target Company" in "(2) Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process, and Post-Tender Offer Managerial Policy" in "1. Purpose etc. of the Purchase etc." provided above, through the resolution at the extraordinary Board of Directors meeting held on December 2, 2025, the Company established the Special Committee and made an inquiry to the Special Committee on (i) the legitimacy and reasonableness of the purpose of Transaction (including review on whether or not the

Transaction contributes to the enhancement of corporate value of the Company), (ii) fairness and reasonableness of terms and conditions of Transaction, (iii) fairness of procedures concerning the Transaction, (iv) whether or not the implementation of Transaction is fair to the general shareholders of the Company, and (v) any other matters ancillary to the matters provided in (i) through (iv) (including positives and negatives for the Board of Directors of the Company “to express opinion in favor of Tender Offer and to recommend the shareholders of the Company to tender the Company’s Shares in the Tender Offer”) (collectively, “Inquiry Matters”). Upon establishing the Special Committee, the Board of Directors of the Company passed a resolution that (i) the Board of Directors of the Company will respect to the maximum extent possible the decisions of Special Committee made in the report which is made in response to the Inquiry Matters and (ii) if the Special Committee determined that conducting the Transaction or terms and conditions of Transaction are not reasonable, the Board of Directors will not agree to the Transaction. The Board of Directors of the Company also passed a resolution that the Board of Directors will grant the following authorities, etc. to the Special Committee:

- A) The Special Committee or an appropriate person entrusted by the Special Committee will negotiate with counterparty or any other third party regarding the Transaction. Even in cases where the Special Committee itself will not negotiate, the Special Committee will prescribe the policy on such negotiation, timely receive the status report, provide its opinion at critical moments, give instructions and make requests.
- B) The Special Committee will be able to request information, which may have substantial impact on the negotiation process concerning the terms and conditions of Transaction, and will secure a structure to obtain such information (including establishing an office in the Company which is necessary to operate the Special Committee).
- C) The Special Committee will have the employees of Company involved in the operation of Special Committee as necessary (including demanding such employees to attend the Special Committee meeting and requesting them to provide explanation on required matters).
- D) The Special Committee will appoint its financial advisor, third-party valuation firm and legal advisor (the “Advisors, etc.”) as necessary. If the Special Committee determines that the Special Committee is able to trust and seek professional advice from any Advisors, etc. appointed by the Company by confirming the matters such as the fact that such Advisors, etc. have high expertise and there is no issue as to their independence, the Special Committee will be able to seek their professional advice. The Company will bear the reasonable costs for the professional advice from the Advisors, etc. of Special Committee.
- E) Each member of Special Committee will receive from the Company the compensation whose content and level are in accordance with his or her responsibilities.

Each member of Special Committee will receive as consideration for his or her responsibilities the compensation in the amount corresponding to the number of Special Committee meeting held and such compensation does not include any contingency fee conditional upon the success of Transaction.

(b) Background of Review

The Special Committee has carried out its duties relating to the Inquiry Matters by, among others, holding 20 meetings in total for the period from December 2, 2025 to March 6, 2026, reporting and sharing information, discussing and deciding via e-mail as necessary in between such meetings. Specifically, the Special Committee first approved City-Yuwa Partners appointed by the Company as legal advisor and Deloitte Tohmatsu appointed by the Company as financial advisor and third-party valuation firm to respectively become legal advisor and financial advisor and third-party valuation firm of the Company because there is no issue as to their independence from the Tender Offer-Related Parties and the Transaction and there is no issue as to their expertise and track record, and confirmed that the Special Committee can also receive their professional advice as necessary. The Special Committee also confirmed that the review team that the Company internally developed for the Transaction (including the scope of officers and employees of the Company involved in the review, negotiation and decision concerning the Transaction and their duties) does not have any issue as to its independence and fairness.

Furthermore, the Special Committee came to a decision to appoint AGS FAS as third-party valuation firm of Special Committee at the Special Committee meeting held on January 9, 2026 upon confirming the independence of AGS FAS from the Tender Offer-Related Parties and the Transaction and there is no issue as to its expertise and track record.

In addition, the Special Committee (a) received from the Tender Offeror the explanations such as background, purpose and meaning of Transaction, synergy from the Transaction, detriments of Transaction, management structure and management policy after the Transaction, and structure of Transaction, (b) conducted Q&A to the Tender Offeror, (c) received from the Company the explanations such as background on how the Company received the proposal for the Transaction, purpose and meaning of Transaction, and management structure and management policy after the Transaction, and (d) conducted Q&A to the Company.

The Special Committee also received from the Company the explanations such as the contents of Business Plan of the Company prepared, important conditions precedent in the Business Plan and background of preparation of the Business Plan, and confirmed the reasonableness of such matters.

Furthermore, the Special Committee (a) received from Deloitte Tohmatsu the background of negotiation such as the terms and conditions of Transaction, received from Deloitte Tohmatsu and AGS FAS the explanation on the share valuation of Company's Shares, (b) received from City-Yuwa Partners the explanations on the measures to ensure the fairness of Transaction from the procedural perspective, method and process of making decisions on the Transaction at the Board of Directors meeting of the Company and other measures to avoid conflict of interest, and (c) conducted Q&A to Deloitte Tohmatsu, AGS FAS and City-Yuwa Partners on these matters.

Upon timely receiving reports from the Company on the matters such as the background and contents of discussions and negotiations between the Company and the Tender Offeror concerning the Transaction, the Special Committee negotiated as provided in "(ii) Background of Consideration and Negotiation" in "④ Process and Reason for Decision by the Company" in "(2) Grounds and Reasons for Opinion" provided above, and was substantially involved in the negotiation process with the Tender Offeror for the period until the Special Committee received from the Tender Offeror a proposal of Tender Offer Price of 2,000 yen per share such as discussing and considering the policy on how to negotiate with the Tender Offeror each time the Special Committee received the proposal on the Tender Offer Price from the Tender Offeror by taking into account the financial advice received from Deloitte Tohmatsu.

Furthermore, the Special Committee received from City-Yuwa Partners multiple times the explanations on the contents of the draft of press release concerning the Tender Offer scheduled to be announced by the Company and confirmed that adequate disclosure of information is scheduled to be made.

(c) Details of Decision

As a result of careful discussion and review on the Inquiry Matters by taking into account the legal advice received from City-Yuwa Partners, financial advice received from Deloitte Tohmatsu, the Share Valuation Report (Deloitte Tohmatsu) received from Deloitte Tohmatsu as of March 6, 2026, and the Share Valuation Report (AGS FAS) and the Fairness Opinion (AGS FAS) received from AGS FAS as of March 6, 2026 under the background explained above, the Special Committee, by unanimous vote, submitted the Report to the Board of Directors of the Company as of March 9, 2026 expressing an opinion in favor of Tender Offer and providing an opinion recommending the shareholders of the Company to tender their Company's Shares in the Tender Offer.

The following is a summary of the Report.

(A) Report Content

The Special Committee reports to the Board of Directors of the Target Company as follows regarding the Matters for Inquiry.

- [1] The Transaction contributes to the enhancement of the corporate value of the Target Company, and the purpose of the Transaction is valid and reasonable.
- [2] The fairness and appropriateness of the Tender Offer purchase etc. price and other terms of the Transaction has been secured.
- [3] In the Transaction, sufficient consideration has been to the interests of the shareholders of the Target Company through fair procedures.
- [4] The Transaction is fair to the general shareholders of the Target Company.
- [5] It is appropriate for the Board of Directors of the Target Company to express an opinion in support of the Tender Offer and to recommend that the shareholders of the Target Company tender their shares in the Tender Offer.

(B) Reasons for the Report

[1] Validity and Reasonableness of the Purpose of the Transaction

- According to the materials that the Special Committee received from the Target Company and the results of the question-and-answer process between the Tender Offeror and the Target Company, the Target Company Group engages primarily in the construction business, manufacturing and sales business. Given the managerial environment surrounding the Target Company Group, nothing unreasonable is found in, (1) in the construction business, having as managerial goals the improvement of quality, the improvement of profitability through cost reductions, and the strengthening education for improving the skills of technicians through the training of the next generation of workers, and, (2) in the manufacturing and sales business, as the cost of raw materials and energy prices remain high, having as managerial goals not only the passing on of increased costs to customers and continued initiatives to reduce costs in order to secure profits, but also an expansion of market share through strengthened marketing capabilities.
- As set forth above in “([1] Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process” in “(2) Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process, and Post-Tender Offer Managerial Policy” in “1. Purpose etc. of the Purchase etc.”, for the Tender Offeror, the Transaction can lead to the creation of the following and other synergy effects that can address the issues that the Target Company is facing: (a) strengthening the system for winning orders for public works, (b) reducing construction materials procurement costs and resolving worker insufficiency through expansion of business scale, (c) mutual utilization of group managerial resources, (d) strengthening integrated management through elimination of conflicts of interest with general shareholders, (e) reduction of listing maintenance costs, and (f) measures for strengthening the managerial base. Meanwhile, while there is a possibility of disadvantages arising from the Transaction, it is believed that the advantages from the synergies that will be achievable from the Transaction will outweigh the disadvantages.
- As set forth in “(iii) Details of Determination” in “[2] Decision-Making Process and Reasons Leading to the Target Company’s Support of the Tender Offer” in “(2) Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process, and Post-Tender Offer Managerial Policy” in “1. Purpose etc. of the Purchase etc.”, above, for the Target Company, it can be expected that the Transaction will lead to the following synergy effects: (a) strengthening its ability to win orders for public works, (b) strengthening its sales activities directed towards private company customers, and (c) promoting DX and operational efficiency and strengthening of human capital. Meanwhile, while there is a possibility of disadvantages arising from the Transaction, it is believed that the advantages from the synergies that will be achievable from the Transaction will outweigh the disadvantages.
- As discussed above, amidst the business environment surrounding the Target Company Group as described above, (1) in the construction business, the managerial goals are the improvement of quality, the improvement of profitability through cost reductions, and strengthening education for improving the skills of technicians through the training of the next generation of workers, and (2) in the manufacturing and sales business, as the cost of raw materials and energy prices remain high, the managerial goals are not only the passing on of increased costs to customers and continued initiatives to reduce costs in order to secure profits, but also an expansion of market share through strengthened marketing capabilities; the purpose of the Transaction is making the Target Company a wholly-owned subsidiary of the Tender Offeror through the transaction, thereby (a) strengthening its ability to win orders for public works, (b) strengthening its sales activities directed towards private company customers, and (c) promoting DX and operational efficiency and strengthening of human capital, resulting in the enhancement corporate value. Nothing unreasonable is found in the purpose of the Transaction and the Transaction will contribute to a certain enhancement of corporate value.
- The Special Committee considered the disadvantages that may arise for the Target Company and its stakeholders through the Transaction to be (1) the impact on means of financing using equity finance from the capital markets, (2) concerns regarding the securing of talented

personnel through its social reputation and name recognition that the Target Company has enjoyed as a listed company heretofore, and (3) that according to the Tender Offeror, the Tender Offeror is considering changing the company name of the Target Company after the Transaction, and if a trade name having the “Mitsui” name is no longer used, there may be an impact on employees, transaction partners and other stakeholders; in light of the foregoing, the Special Committee carried out question-and-answer sessions with officers and employees of the Target Company independent from the Tender Offeror Parent Group regarding the extent to which they consider the foregoing matters to be disadvantages. First, regarding (1) above, the Special Committee received the explanation that because the Target Company has sufficient equity capital, with an equity ratio of 55.2% for the term ended March 2025, in light of the current financial standing of the Target Company Group, it is not expected that there will be a need for financing utilizing equity finance for the foreseeable future; that the Target Company has built good relationships with financial institutions through long-term transactions and it is expected that as necessary financing will be carried out through indirect financing; and that while currently there is no need for financial support from the Tender Offeror Parent Group, going forward, as the need arises, the Target Company will receive such support; thus, there are alternatives available. Next, regarding (2) above, the Special Committee received that explanation that the name recognition and enhanced social reputation of the Target Company Group are to a large part captured and maintained through business activities, and even after execution of the Transaction, these can be captured and maintained through the execution of business by the Target Company Group; in addition, even after execution of the Transaction, the Target Company can continue using the name recognition and social reputation of the Tender Offeror Parent Group, and given that it is expected that its general name recognition and social reputation will be maintained, the disadvantages of delisting will be limited. Finally, regarding (3) above, it was explained that considering that the Target Company already belongs to the Tender Offeror Parent Group, that no decrease was confirmed in transaction partners or employees of the Target Company Group directly attributable to the Tender Offeror’s participation in the Tender Offeror Parent Group on December 23, 2025, and that the foregoing advantages are expected, it is believed that the Target Company Group’s transaction partners, employees, and other stakeholders will accept the Transaction. According to the question-and-answer sessions with the Target Company, regarding all of the foregoing points, even if disadvantages arise, their impact will be limited, and the situation is such that the significance of maintaining the listing of Target Company shares going forward is not necessarily that large. Looking at the above explanations, nothing particularly unreasonable is found in the explanations themselves, and it is found that any disadvantages arising from the delisting resulting from the Transaction will be limited.

- From the foregoing, there is nothing unreasonable in the Target Company’s understanding of the managerial environment surrounding the Target Company and the managerial issues that the Target Company faces, and any disadvantages arising from the delisting resulting from the Transaction will be limited, and the Transaction will contribute to the enhancement of the corporate value of the Target Company. Therefore, the purpose of the Transaction is found to be valid and reasonable.

[2] The Fairness and Appropriateness of the Terms of the Transaction

- In expressing its opinion regarding the Tender Offer, the Target Company asked Deloitte Tohmatsu, its financial advisor and third-party valuation institution independent from Tender Offeror-Related Parties and the Transaction, to calculate the share value of the Target Company, and on March 6, 2026, procured the Share Valuation Report (Deloitte Tohmatsu). The Special Committee, while taking into account Deloitte Tohmatsu’s advice from a financial standpoint, also received explanation from Deloitte Tohmatsu regarding the reasons for their selection of calculation method, an analysis of their calculation results, premium levels in recent similar transactions, and matters relating to calculation of the share value of Target Company shares; following that, the Special Committee held repeated question-and-

answer sessions with Deloitte Tohmatsu and reviewed the content of the Share Valuation Report (Deloitte Tohmatsu). As a result, the Special Committee came to the conclusion that the market price method and DCF method, the calculation methods that Deloitte Tohmatsu used in its calculation of share price, were common and reasonable methods in light of current practice. Next, regarding the Business Plan, which was the basis for Deloitte Tohmatsu's calculations under the DCF method, the Special Committee received explanations from Deloitte Tohmatsu regarding the important assumptions and course of preparation of the Business Plan, including the fact that it was prepared without that assumption that the Transaction would be implemented, and after questions and answers, the Special Committee found that these were reasonable. It was confirmed that there was no involvement in the preparation process by any person in the Target Company management team having special interests in the Tender Offeror or by any other person in the Tender Offeror Parent Group (excluding the Target Company). Specifically, it was confirmed that the Business Plan was prepared with the purpose of objectively and reasonably verifying the appropriateness of the conditions of the Transaction and that there were no circumstances warranting the suspicion that there was undue interference by the Tender Offeror Parent Group (other than the Target Company) in its preparation, and, accordingly, there was nothing particularly unreasonable regarding the purpose of preparation, preparation procedures, or content of the Target Company's Business Plan. In light of the share price evaluation for Target Company shares in the Share Valuation Report (Deloitte Tohmatsu), because the Tender Offer Price is greater than the upper limit of the range of the calculation results using the market price method and is greater than the median value of the range of the valuation results, it was confirmed that the Tender Offer Price was within an appropriate range.

- When considering the Matters for Inquiry, the Target Company asked AGS FAS, a third-party valuation institution independent from Tender Offeror-Related Parties and the Transaction, to calculate the share value of the Target Company, and on March 6, 2026, procured the Share Valuation Report (AGS FAS). The Special Committee, while taking into account advice from AGS FAS from a financial standpoint, also received explanation from AGS FAS regarding the reasons for their selection of calculation method, an analysis of their calculation results, premium levels in recent similar transactions, and matters relating to calculation of the share value of Target Company shares; following that, the Special Committee held repeated question-and-answer sessions with AGS FAS and reviewed the content of the Share Valuation Report (AGS FAS). As a result, the Special Committee came to the conclusion that the market price method, similar companies method, and DCF method, the calculation methods that AGS FAS used in its calculation of share price, were common and reasonable methods in light of current practice. Further, regarding the similar companies method, the Special Committee received explanation from AGS FAS to the effect that for the similar companies and the method of their selection, AGS FAS took into account the awareness of the Target Company and evaluations from the market, and the Special Committee confirmed that there was nothing unreasonable in the similar companies selected or the method of their selection. Next, regarding the Business Plan, which was the basis for AGS FAS's calculations under the DCF method, the Special Committee received explanations from AGS FAS regarding the important assumptions and course of preparation of the Business Plan, including the fact that it was prepared without that assumption that the Transaction would be implemented, and after questions and answers, the Special Committee found that these were reasonable. It was confirmed that there was no involvement by any person in the Target Company management team having special interests in the Tender Offeror or by any other person in the Tender Offeror Parent Group (excluding the Target Company). Specifically, it was confirmed that the Business Plan was prepared with the purpose of objectively and reasonably verifying the appropriateness of the conditions of the Transaction and that there were no circumstances warranting the suspicion that there was undue interference by the Tender Offeror Parent Group (other than the Target Company) in its preparation, and, accordingly, there was nothing particularly unreasonable regarding the purpose of preparation, preparation procedures, or content of the Target Company's Business Plan. In

light of the share price evaluation for Target Company shares in the Share Valuation Report (AGS FAS), because the Tender Offer Price is greater than the upper limit of the range of the calculation results using the market price method and the similar companies method and is greater than the median value of the range of the valuation results, it was confirmed that the Tender Offer Price was within an appropriate range.

- In considering the Matters for Inquiry, the Special Committee asked AGS FAS, a third-party valuation institution independent from Tender Offeror-Related Parties and the Transaction, to calculate the share value of the Target Company, and on March 6, 2026, procured the Share Valuation Report (AGS FAS).
- When judging the appropriateness of the terms of the Transaction, the Special Committee, in order to confirm from a financial standpoint whether the Tender Offer Price was fair to the shareholders of the Target Company, obtained a fairness opinion from AGS FAS, the Special Committee's own third-party valuation institution independent from Tender Offer-Related Persons. The Fairness Opinion states the opinion that in light of the Target Company share price calculation results based on the Business Plan prepared by the Target Company, the Tender Offer Price of 2,000 yen is fair to general shareholders of the Target Company from a financial standpoint. In addition, the Fairness Opinion was submitted after AGS FAS had received disclosure from the Target Company regarding the current state of the business of the Target Company Group and business prospects, and after AGS FAS, upon receiving explanations regarding these, had engaged in questions and answers with the Target Company regarding the Target Company share price calculation results as well as an overview of, background to, and purpose of the Tender Offer, and in consideration, to the extent that AGS FAS found necessary, of the business environment for the Target Company Group, and economic, market, and financial circumstances, and finally after an internal review at AGS FAS. The Special Committee also received an explanation from AGS FAS regarding the Fairness Opinion preparation procedures and engaged in questions and answers with AGS FAS, and, confirming that there was nothing particularly unreasonable in its preparation procedures or content, found that the Fairness Opinion underscored the fairness and appropriateness of the Tender Offer Price.
- The Tender Offer Price (2,000 yen) represents a premium of 22.32% over the closing price for Target Company shares on the TSE Standard Market as of March 6, 2026, the business day immediately prior to the date of announcement of the Tender Offer of 1,635 yen, a premium of 20.99% over the simple average closing over the one month prior to such date of 1,653 yen, a premium of 23.92% over the simple average closing over the three months prior to such date of 1,614 yen, and a premium of 29.95% over the simple average closing over the six months prior to such date of 1,539 yen. If such premium levels are compared with the premium levels in the 44 similar cases in recent years (cases similar to the Transaction, that were announced on or after June 28, 2019, when the Ministry of Economy, Trade and Industry announced the M&A Guidelines, where the tender offer was successfully completed by February 28, 2026, and where the purpose was for a parent company to make its listed subsidiary a wholly-owned subsidiary (cases where the PBR of the shares subject to the tender offer exceeded 1, excluding cases of two-step tender offers)) (i.e., the average premium value (38.64%) over the closing price on the business day immediately prior to the announcement date, the average premium value (40.47%) over the simple average closing price over the one month prior to such date, the average premium value (39.20%) over the simple average closing price over the three months prior to such date, and the average premium value (35.59%) over the simple average closing price over the six months prior to such date), then, while it cannot be called a particularly high premium, there have been a considerable number of cases with similar premiums, with 12 cases where the closing price on the business day immediately prior to announcement was below 30%, 13 cases where the simple average closing price for one month up to such date was below 30%, 12 cases where the simple average closing price for the three months up to such date was below 30%, and 14 cases where the simple average closing price for the six months up to such date was below 30% (There are 17 cases in total in which the premiums are less than 30% of (i)

the closing price on the business day immediately preceding the announcement date, (ii) the simple average closing price over the 1-month period up to the business day immediately preceding the announcement date, (iii) the simple average closing price over the 3-month period up to the business day immediately preceding the announcement date, or (iv) the simple average closing price over the 6-month period up to the business day immediately preceding the announcement date.). Thus, taking an overall view, the premium is at a comparable level to recent cases and the premium attached to the Tender Offer Price is at a level that cannot be called unreasonable.

- The Tender Offer Price (2,000 yen) exceeds the consolidated net asset book value per one share (1,475.51 yen) as of the final day of March 2025, as set forth in the Securities Report for the 78th Term (April 1, 2024 to March 31, 2025). Further, the Tender Offer Price also exceeds the consolidated net asset book value per one share (1473.47 yen) for the third quarter of the term ending March 2026, as set forth in the Target Company Third Quarter Earnings Report published on February 9, 2026. Therefore, from the perspective of price-book ratio, the Tender Offer Price can be evaluated as being a reasonable price.
- The Tender Offer Price (2,000 yen) exceeds not only the highest closing price for Target Company shares since listing of 1,675 yen (February 12, 2026), but also the highest intraday price since listing of 1,707 yen (February 13, 2026). Therefore, from the perspective of share price since listing, the Tender Offer Price can be evaluated as being a reasonable price.
- The Tender Offer Price decision process moved forward with the Special Committee receiving reports on the state of negotiations in a timely manner, expressing its opinion regarding important aspects of the negotiations and giving instructions and making requests to the Target Company and Deloitte Tohmatsu; accordingly, the Special Committee was substantially involved in the process, and because it is found that reasonable efforts were made to ensure that the Transaction was carried out under transaction conditions favorable to general shareholders and that the process moved forward without the involvement of any members of the management team of the Target Company who have structural conflicts of interest with the Target Company, so that circumstances that can be considered equivalent to an arms-length transaction were secured and serious negotiations were implemented, the decision-making process can be called fair.
- The Tender Offeror proposed the two-step acquisition method, involving a tender offer with cash as consideration followed by a squeeze-out of minority shareholders through a demand for share cash-out or share consolidation. The method of carrying out a tender offer as the first step and then the Squeeze-Out procedures as the second step is a generally employed method in transactions with the purpose of delisting shares and allows for a petition to the court for a decision on share price after the demand for share cash-out. Further, because under the Transaction method of implementing a tender offer and then the squeeze-out, the consideration received will be in the form of cash, the consideration is easy to understand and the price itself is stable and objective, and from that perspective such method is more desirable than a stock exchange or other method. Therefore, nothing unreasonable can be found in the Transaction method, including type of consideration.
- After consideration of the foregoing points, the Special Committee found that, in this case, if it is taken into account that (1) the Tender Offer Price can be said to be within an appropriate range, in light of the calculation results of the Share Valuation Report (Deloitte Tohmatsu) (exceeding the upper limit of the calculation range under the market price method and exceeding the median value of the range of the calculation results under the DCF method), (2) the Tender Offer Price can be said to be within an appropriate range, in light of the calculation results of the Share Valuation Report (AGS FAS) (exceeding the the upper limit of the calculation range under the market price method and similar companies method and exceeding the median value of the range of the calculation results under the DCF method) and the content of the Fairness Opinion, (3) when comparison is made with the premium levels of recent similar cases, the Tender Offer Price has a premium at a level that cannot be called unreasonable, (4) the Tender Offer Price exceeds the consolidated net asset book value per one share of the Target Company as of the end of the term ended March 2025 and the third quarter of the term ending March 2026, (5) the Tender Offer Price is a price that exceeds

both the highest closing price and highest intraday price of Target Company shares since listing, and (6) regarding the decision-making process for the Tender Offer Price, the Special Committee was substantially involved, and reasonable efforts were made to ensure that the Transaction was carried out under transaction conditions favorable to general shareholders and the process moved forward without the involvement of any members of the management team of the Target Company who have structural conflicts of interest with the Target Company, so that circumstances that can be considered equivalent to an arms-length transaction were secured, and serious negotiations were then carried out, it is found that consideration has been given to the general shareholders of the Target Company receiving both the full price that would be achievable even if the Transaction were not implemented and a portion of the price that would not be achievable if the Transaction were not implemented (i.e., that the portion representing an increase in corporate value will be fairly distributed to generally shareholders). Further, in addition to (1) through (6) above, in light of the fact that nothing unreasonable has been found in the method of the Transaction, including type of consideration, the Special Committee reached the determination that from the perspective of protecting the interests of general shareholders of the Target Company, the fairness and appropriateness of the terms of the Transaction are secured.

[3] Fairness of the Procedures Pertaining to the Transaction

- As discussed in “(i) Course of Building of a Consideration System” in “[2] Decision-Making Process and Reasons Leading to the Target Company’s Support of the Tender Offer” in “(2) Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process, and Post-Tender Offer Managerial Policy” in “1. Purpose etc. of the Purchase etc.” above, in the course of deliberations and resolutions regarding the propriety of the Transaction including the Tender Offer at the Target Company’s Board of Directors pursuant to the Board of Directors resolution of December 2, 2025, taking into the account the fact that the Transaction including the Tender Offers falls under the category of an MBO etc. as specified in the TSE Listing Regulations and that the Transaction falls under the category of a transaction where there are typically problems of structural conflicts of interest and problems of information asymmetry, the Target Company, in order to address these problems and ensure the fairness of the Transaction including the Tender Offer, established the Special Committee while at same time receiving advice from City-Yuwa Partners.
- The Target Company and the Special Committee appointed City-Yuwa Partners as a legal advisor independent from Tender Offeror-Related Parties and the success or failure of the Transaction and received from City-Yuwa Partners legal advice including advice relating to measures to be taken in order to ensure the fairness of the procedures in the Transaction, to the assorted procedures of the Transaction, and to the decision-making method of the Target Company pertaining to the Transaction and its process.
- The Target Company selected, and the Special Committee approved the selection of, Deloitte Tohmatsu as a financial advisor and third-party valuation institution independent from Tender Offeror-Related Parties and the success or failure of the Transaction; the Target Company asked Deloitte Tohmatsu to calculate the share value of the Target Company, and procured the Share Valuation Report (Deloitte Tohmatsu) on March 6, 2026.
- In order to ensure the fairness of the decision-making process regarding the Tender Offer Price presented by the Tender Offeror, the Special Committee requested AGS FAS, as a third-party valuation institution independent from Tender Offeror-Related Parties and the success or failure of the Transaction, to calculate the share price of Target Company shares and to express an opinion on the fairness to general shareholders of the Target Company of the Tender Offer Price from a financial perspective, and on March 6, 2026, the Special Committee procured the Share Valuation Report (AGS FAS) and the Fairness Opinion.
- Mr. Kazuaki Kitahara, one of the nine directors of the Target Company, was employed at the Tender Offeror until March 2024. It has been confirmed that in light of the fact that the Transaction falls under the category of a transaction where there are typically problems of structural conflicts of interest and problems of informational asymmetry and from the perspective of eliminating the danger of impact from these problems, Mr. Kitahara has not

participated at all in the discussions and negotiations with the Tender Offeror from the standpoint of the Target Company. In addition, it has also been confirmed that Mr. Kitahara has not participated in the deliberation and resolutions at Target Company Board of Directors meetings pertaining to the Transaction (excluding the Target Company Board of Directors meeting held on December 2, 2025) and plans not to participate in such meetings going forward. It is noted that Target Company director Mr. Yasushi Kajiki worked previously at the Tender Offeror, but at the time that above Board of Directors meetings were held, more than 10 years had passed since his transfer from the Tender Offeror; accordingly, it was determined that he had no interests requiring that he be excluded from consideration of the Transaction, including participation in the above deliberations and resolutions at Board of Directors meetings.

- The minimum period for a tender offer as stipulated in laws and regulations is 20 business days; the Tender Offeror has set the period for purchase etc. in the Tender Offer (“Tender Offer Period”) at 30 business days. It has also been confirmed that the Tender Offeror and the Target Company have not made any agreement that includes transaction protection clauses that would prohibit the Target Company from having contact with any person making a competing acquisition proposal or any other agreement that would restrict such a person making a competing proposal from having contact with the Target Company. Therefore, in regards to the Transaction, an environment has been ensured where it is possible, following announcement of the Transaction, for another potential acquirer to make a competing proposal under conditions similar to those of the Tender Offeror and the evaluation can be made that a so-called indirect market check is being carried out.
- The Special Committee, at multiple meetings of the committee, considered drafts of press releases pertaining to the Tender Offer while receiving advice from Deloitte Tohmatsu and City-Yuwa Partners, and confirmed that in the Transaction, robust disclosure of information was planned regarding such matters as the independence, expertise and other qualifications of the Special Committee members, the nature of the authority granted to the Special Committee, the course of consideration at the Special Committee and the state of its involvement in the negotiation process, the grounds and reasons for the determinations of the Special Committee, the content of the Report, the compensation system for Special Committee members, and the process and course of negotiations leading to the implementation of the Transaction. Therefore, in the Tender Offer, it is found that there are plans to ensure that there are opportunities for general shareholders to make appropriate judgment based on sufficient information.
- (i) Promptly after completion of the settlement of the Tender Offer, depending on the number of shares the Tender Offeror acquires from the successful completion of the Tender Offer, if the aggregate number of the Target Company voting rights owned by the Tender Offeror reaches a number representing 90% or more of the voting rights of all shareholders of the Target Company, pursuant to Part 2, Chapter 2, Section 4-2 of the Companies Act, the Tender Offeror plans to make the Demand for Share Cash-Out to all shareholders of the Target Company (excluding the Tender Offeror and the Target Company) who did not tender their shares in the Tender Offer, and if the aggregate number of the Target Company voting rights owned by the Tender Offeror fails to reach a number representing 90% or more of the voting rights of all shareholders of the Target Company, promptly after completion of the settlement of the Tender Offer, the Tender Offeror plans to request that the Target Company include in the proposals for the Target Company’s Annual General Meeting of Shareholders pertaining to the term ending March 2026, scheduled for June 2026, a proposal for carrying out the Share Consolidation pursuant to Article 180 of the Companies Act and, subject to the coming-into-effect of the Share Consolidation, a proposal for partial amendment of the Target Company’s articles of incorporation eliminating the provisions for share units, and the Tender Offeror will not employ any method that does not ensure that the Target Company shareholders have the right to demand purchase of shares or the right to petition a court to decide share price; (ii) on the occasion of the Demand for Share Cash-Out or the Share Consolidation, the Tender Offeror will perform calculations so the money delivered as consideration to the shareholders of the Target Company will be the same as the price that

would have been obtained by multiplying the number of Target Company shares owned by shareholders of the Target Company (excluding the Tender Offeror and the Target Company) by the Tender Offer Price. Further, the shareholder of the Target Company who are eligible to exercise voting rights at the Target Company's Annual General Meeting of Shareholders pertaining to the term ending March 2026 will be shareholders as of March 31, 2026, which is before the settlement date for the Tender Offer (April 28, 2026); in light of the foregoing, even if a proposal for the Share Consolidation is put before the Annual General Meeting of Shareholders, it is found that the possibility that the delisting of Target Company shares will not be achieved in the case where the Tender Offer is successfully completed is very low. Further, even if, at the Annual General Meeting of Shareholders, the proposals to carry out the Share Consolidation and, subject to the Share Consolidation taking effect, partially amending the articles of incorporation to eliminate the provisions for number of shares in one share unit, as discussed above in "(1) Overview of the Tender Offer" in "1. Purpose etc. of the Purchase etc.", the lower limit of the number of shares planned for purchase in the Tender Offer is set at a level where a special resolution can be passed at a general meeting of shareholders and the Tender Offeror plans to make request to the Target Company to promptly hold an extraordinary meeting of shareholders where such proposals will be on the agenda, and the evaluation can be made that in this regard too consideration has been given to the exclusion of coercion.

- (a) As of the time of the preparation of the Report, the sum total of number of voting votes (49,815) attached to the number of shares owned by the Tender Offeror (4,981,500 shares), the number of voting rights (1,320) attached to the number of shares owned by the Target Company employee stock-holding association (132,029 shares) and the number of voting rights (372, the aggregate number owned by all Target Company directors) attached to the number of shares owned by Target Company directors (37,393 shares) represents the number of voting rights (51,507) certain to vote in favor of the proposals for squeeze-out (share consolidation) at the Annual General Meeting of Shareholders after the Tender Offer; the percentage that such number represents of the number of voting rights (92,774) attached to the reference number of shares (9,277,477) is 55.52%.
- (b) The average voting rights exercise ratio at annual general meetings of shareholders for the Target Company over the past five years, as calculated from the figures available in the securities reports and extraordinary reports of the Target Company, is 79.54%. Using this average as a reference, it is estimated that the number of voting rights that will be exercised at the Annual General Meeting of Shareholders is 73,792 ($92,774 \times 79.54\%$; rounded down to the nearest whole number); in order for the proposal for the Share Consolidation to pass, it is believed that the affirmative vote of at least two-thirds of such number of voting rights, 49,194 (rounded down to the nearest whole number), will be necessary.
- (c) The median value for the voting rights exercise ratio at annual general meetings of shareholders for the Target Company over the past five years, as calculated from the figures available in the securities reports and extraordinary reports of the Target Company, is 78.39%. Using this median value as a reference, it is estimated that the number of voting rights that will be exercised at the Annual General Meeting of Shareholders is 72,725 ($92,774 \times 78.39\%$; rounded down to the nearest whole number); in order for the proposal for the Share Consolidation to pass, it is believed that the affirmative vote of at least two-thirds of such number of voting rights, 48,483 (rounded down to the nearest whole number), will be necessary.
- (d) The maximum value for the voting rights exercise ratio at annual general meetings of shareholders for the Target Company over the past five years, as calculated from the figures available in the securities reports and extraordinary reports of the Target Company, is 82.68% (FY2022). Using this maximum value as a reference, it is

estimated that the number of voting rights that will be exercised at the Annual General Meeting of Shareholders is 76,705 ($92,774 \times 82.68\%$; rounded down to the nearest whole number); in order for the proposal for the Share Consolidation to pass, it is believed that the affirmative vote of at least two-thirds of such number of voting rights, 51,136 (rounded down to the nearest whole number), will be necessary.

- (e) The number of voting rights (51,507) certain to vote in favor of the proposals for squeeze-out (share consolidation) at the Annual General Meeting of Shareholders after the Tender Offer is greater than the levels enabling approval of the proposals for squeeze-out (share consolidation) in (b) through (d) above.
- (f) Therefore, in light of (a) through (e) above, even if the proposals for the Share Consolidation are put before the Annual General Meeting of Shareholders, it is expected that affirmative votes of two-thirds or greater will be secured.

Therefore, opportunities have been secured for shareholders of the Target Company to make an appropriate judgment of whether to tender their shares in the Tender Offer, and with this consideration has been given to ensure that coercion does not arise.

- In the Transaction, no so-called majority of minority conditions have been set. Considering (1) that in the M&A Guidelines published by the Ministry of Economy, Trade and Industry on June 28, 2019, concerns are raised that if an acquirer already possesses a high percentage of shares in a target company, setting such conditions could hinder the successful completion of M&A that would contribute to enhancement of corporate value, and (2) that measures to ensure fairness other than majority of minority conditions have been appropriately taken, there is nothing unreasonable about not setting majority of minority conditions in the Transaction.
- As a result of consideration of the foregoing points, the Special Committee came to the conclusion that in light of (1) the fact that the Target Company Board of Directors established a Special Committee that was independent from Tender Offeror-Related Parties, (2) the fact that in the process of considering the Transaction, the Target Company received legal advice from City-Yuwa Partners and from financial advisor and third-party valuation institution Deloitte Tohmatsu, both of which are independent from Tender Offeror-Related Parties and from the success or failure of the Transaction, (3) the fact that the Target Company procured a share valuation report from Deloitte Tohmatsu, a third-party valuation institution independent from Tender Offeror-Related Parties and the success or failure of the Transaction, (4) the fact that the Special Committee procured a fairness opinion and share valuation report from AGS FAS, its own third-party valuation institution independent from Tender Offeror-Related Parties and from the success or failure of the Transaction, (5) the fact that from the perspective of eliminating the possibility of impact from the problem of structural conflicts of interest in the Transaction, Mr. Kazuaki Kitahara, the director of the Target Company, has not participated in the deliberation and resolutions at Target Company Board of Directors meetings pertaining to the Transaction (excluding the Target Company Board of Directors meeting held on December 2, 2025) and plans not to participate in such meetings going forward, (6) the fact that an indirect market check is being carried out, (7) the fact that an opportunity has been secured for general shareholders to make an appropriate judgment based on sufficient information, and (8) the fact that in the Transaction including the Tender Offer, the lawfulness of the Squeeze-Out Procedures has been ensured, so that no problems of coercion arise in the Transaction, sufficient consideration has been given to the interests of general shareholders of the Target Company through fair procedures.

[4] Whether carrying out the Transaction is fair to the general shareholders of the Target Company

As a result of consideration of [1] through [3] above, it is believed that carrying out the Transaction is fair to the general shareholders of the Target Company.

[5] Whether to express an opinion in support of the Tender Offer and to recommend that shareholders of the Target Company tender their shares in the Tender Offer

As a result of consideration of [1] through [4] above, it is appropriate to express an opinion in support of the Tender Offer and to recommend to shareholders of the Target Company that they tender their shares in the Tender Offer.

(iv) Procurement of Share Valuation Report and Fairness Opinion from Independent Third-Party Valuation Firm of the Special Committee

(a) Name of Valuation Firm and Its Relationship with Tender Offeror and the Target Company

For the consideration of Inquiry Matters, the Special Committee requested AGS FAS, which is third-party valuation firm independent from Tender Offer-Related Parties and the Transaction, for valuation of the Target Company's Shares and opinion on fairness of Tender Offer Price to the general shareholders of the Target Company from the financial perspective, and received from AGS FAS the Share Valuation Report (AGS FAS) and the Fairness Opinion (AGS FAS) as of March 6, 2026. AGS FAS does not fall under related party of Tender Offeror or the Target Company or have any notable material interest in the Transaction including the Tender Offer.

The only fee to be paid to AGS FAS for the Transaction is a fixed fee, which will be paid regardless of success or failure of Transaction, and does not include any contingency fee which will be paid on the conditions such as success of Transaction.

(b) Overview of Valuation of the Target Company's Shares

Upon considering the valuation method to be used for valuation of Target Company's Shares from multiple valuation methods, AGS FAS viewed that it was appropriate to conduct valuation of Target Company's Shares from multiple perspectives based on the fact that the Target Company is a going concern, and valued the Target Company's Shares by using the market share price method due to the fact that the Target Company's Shares are listed on the TSE Standard Market and have market stock price, by using the comparable listed companies method because there are multiple listed companies conducting business relatively similar to the Target Company's business which enables analogy of share value of the Target Company with share value of similar companies, and by using the DCF Method to incorporate the future business activities of the Target Company in the valuation. The Special Committee received the Share Valuation Report (AGS FAS) from AGS FAS as of March 6, 2026.

The range of value of the Target Company's Shares per share valued by using the methods mentioned above is as follows:

Market Share Price Method: 1,539 yen ~ 1,653 yen

Comparable Listed Companies Method: 1,625 yen ~ 1,825 yen

DCF Method: 1,708 yen ~ 2,099 yen

Under the market share price method, the valuation range of the Target Company's Shares per share is analyzed as between 1,539 yen and 1,653 yen by having the base date as March 6, 2026 (which was the business day immediately prior to the announcement date of Tender Offer) and based on the closing price of the Target Company's Shares in the TSE Standard Market on such date which is 1,635 yen, the simple average of closing price during the period of 1 month immediately prior to such date which is 1,653 yen, the simple average of closing price during the period of 3 months immediately prior to such date which is 1,614 yen and the simple average of closing price during the period of 6 months immediately prior to such date which is 1,539 yen.

Under the comparable listed companies method, upon selecting 4 companies, i.e., TOA ROAD CORPORATION, SEIKITOKYU KOGYO CO., LTD., NICHIREKI GROUP CO., LTD. and WATANABE SATO CO., LTD., as listed companies running similar business as the Target Company, the

valuation is made by using the EV (enterprise value)/EBITDA ratio, and the range of share value of the Target Company's Shares is calculated to be 1,625 yen ~ 1,825 yen.

Under the DCF Method, the corporate value and share value of the Target Company are assessed and the range of share value of the Target Company's Shares per share is calculated as 1,708 yen ~ 2,099 yen after discounting to the current value by using certain discount rate the free cash flow expected to be generated by the Target Company in the future from the fourth quarter of fiscal year ending March 31, 2026, based on the Business Plan and various factors such as information publicly available. The weighted average cost of capital is used for the discount rate and the discount rate of 7.8% ~ 8.8% is used. Furthermore, the perpetuity growth rate method and exit multiple method are used for the calculation of terminal value. The perpetuity growth rate is calculated as 0.5% ~ 2.0% based on the inflation rate in Japan and the terminal value is calculated as 8,357 million yen ~ 11,896 million yen. Under the exit multiple method, the EBITDA multiple is set at x6.2 ~ x7.6 by taking into consideration the factors such as standard level of companies in the same industry, and the terminal value is calculated as 8,713 million yen ~ 11,127 million yen. The amount of cash and deposits held by the Target Company have also been taken into account after deducting the cash and deposits for business estimated by taking into overall consideration the factors such as past track record on financing.

The financial forecast based on the Business Plan which AGS FAS used as the basis on the calculation under the DCF Method is as provided below. The Business Plan includes the business year in which significant increase in earnings and significant decrease in free cash flow are expected. Specifically, for the fiscal year ending March 31, 2027, while significant increase in operating profit is expected through increase in revenue through strengthening of ability to win orders of large-scale construction and improvement in profit margin due to promotion of construction DX in the construction business, temporary decrease in free cash flow is expected due to increase in working capital due to such increase in revenue. For the fiscal year ending March 31, 2028, significant increase in free cash flow is expected due to the steady level of working capital through maintenance of same high level of sales as the previous fiscal year. Furthermore, the synergy effect expected to be achieved by implementation of Transaction is not added to the calculation explained above because it is difficult to estimate it in detail at the present time.

On an additional note, the Business Plan has been prepared by the independent internal review team of the Target Company based on the Medium-Term Management Plan for the purpose of reviewing the reasonableness of terms and conditions of the Transaction by taking into account the status of external environment such as the intensification of price war with competitors, inflation and increase in labor costs in the construction business and the reduction of asphalt mixture market in relation to the manufacturing and sale business.

The Special Committee has checked the reasonableness of contents, important conditions precedent, background of preparation and other related matters of Business Plan.

(Note) For the valuation of the Target Company's Shares, AGS FAS generally used as is the information provided by the Target Company and the information generally available to the public. AGS FAS assumes, among other things, that all of such materials and information are accurate and complete and has not independently verified their accuracy and has no obligation to do so. AGS FAS assumes that there are no facts undisclosed to AGS FAS which may have material impact on the valuation of the Target Company's Shares. AGS FAS also has not independently evaluated, appraised or assessed the assets and liabilities of the Target Company and its affiliated companies (including but not limited to, financial derivatives, off-the-book assets and liabilities and other contingent liabilities), including analysis or assessment of each asset and liability, and has not requested any third-party firm to assess, appraise or assess them. AGS FAS assumes that the Business Plan and other information on the future provided to AGS FAS have been reasonably checked, considered or prepared based on best possible forecasts and decisions of the Target Company's management (except for Mr. Kazuaki Kitahara) obtainable at the present time, and relies on such information without independently verifying such information. The valuation of AGS FAS is based on the financial situation, economic market situation and other situations as of March 6, 2026.

(Unit: million yen)

	Fiscal Year Ending March 31, 2026 (3 months)	Fiscal Year Ending March 31, 2027	Fiscal Year Ending March 31, 2028	Fiscal Year Ending March 31, 2029	Fiscal Year Ending March 31, 2030	Fiscal Year Ending March 31, 2031
Sales	8,883	33,440	33,211	33,924	34,690	35,505
Operating Profit	373	1,161	1,132	1,223	1,317	1,416
EBITDA	503	1,816	1,818	1,896	1,968	2,091
Free Cash Flow	773	500	924	864	901	979

(c) Overview of Fairness Opinion (AGS FAS)

The Special Committee received from AGS FAS the Fairness Opinion (AGS FAS) as of March 6, 2026 in which AGS FAS views that the Tender Offer Price of 2,000 yen per share is fair to the general shareholders of the Target Company from the financial perspective. AGS FAS expresses its opinion that the Tender Offer Price of 2,000 yen per share is fair to the general shareholders of the Target Company from the financial perspective in light of the results of share valuation of the Target Company's Shares based on the Business Plan among other things.

The Fairness Opinion (AGS FAS) has been submitted upon considering the matters such as valuation results on the Target Company's Shares conducted by AGS FAS after receiving from the Target Company the current situation of Target Company Group's business and business outlook and explanation about them, Q&A with the Target Company and the Special Committee on the overview, background and purpose of Tender Offer, and business environment of the Target Company Group, economy, market and financial situation to the extent that AGS FAS deemed as necessary, and upon going through the internal assessment within AGS FAS.

(Note) For the preparation of Fairness Opinion (AGS FAS), AGS FAS generally used as is the information provided by the Target Company and the information generally available to the public. AGS FAS assumes, among other things, that all of such materials and information are accurate and complete and has not independently verified their accuracy and has no obligation to do so. AGS FAS assumes that there are no facts undisclosed to AGS FAS which may have material impact on the valuation of the Target Company's Shares. AGS FAS also has not independently evaluated, appraised or assessed the assets and liabilities of the Target Company and its affiliated companies (including, but not limited to, off-the-book assets and liabilities and other contingent liabilities), including analysis or assessment of each asset and liability, and has not requested any third-party firm to assess, appraise or assess them. AGS FAS has not assessed the solvency or fair value of the Target Company pursuant to the laws applicable to bankruptcy proceedings, corporate reorganization proceedings, civil rehabilitation proceedings, special liquidation under the Companies Act or any other insolvency proceedings. AGS FAS assumes that the Business Plan and other information on the future provided to AGS FAS have been reasonably checked, considered or prepared based on best possible forecasts and decisions of the Target Company's management (except for Mr. Kazuaki Kitahara) obtainable as of the time when the Fairness Opinion (AGS FAS) was prepared, relies on the Business Plan without independently verifying its feasibility, and does not express any opinion on its contents and assumptions which form the groundwork. For the preparation of Fairness Opinion (AGS FAS), AGS FAS used assumptions, which AGS FAS deems as reasonable and appropriate with respect to information which was not provided or disclosed by the Target Company or which AGS FAS could not use as the basis of its

assessment even by using other methods, upon receiving the Target Company's consent. If it is found that any of such assumptions differ from the truth in any material respects, AGS FAS has not independently verified its impact on the future financial condition of the Target Company. The Fairness Opinion (AGS FAS) does not provide any opinion on any assumed facts or assumptions which are basis of decision on the Tender Offer Price or on the Target Company's decision on the Tender Offer. Due to the fact that the purpose of Fairness Opinion (AGS FAS) is to assist the Target Company's review for expressing its opinion on the Tender Offer and that the Fairness Opinion (AGS FAS) expresses the opinion on the fairness of Tender Offer Price from the financial perspective, the Fairness Opinion (AGS FAS) does not cover the relative advantage of Tender Offer as compared to any other transaction which could be an alternative option or provide opinion on the positives or negatives of implementation of Tender Offer. The sole purpose of Fairness Opinion (AGS FAS) is for the Board of Directors of the Target Company to use it as a reference for its review of Tender Offer Price. The Fairness Opinion (AGS FAS) is not addressed to any third party other than the Board of Directors of the Target Company and such third party may not trust or rely on the Fairness Opinion (AGS FAS) for any purpose whatsoever. The Fairness Opinion (AGS FAS) is not meant to recommend or solicit general shareholders of the Target Company to exercise their shareholder rights such as voting rights in relation to the Tender Offer, to transfer or receive by transfer the Target Company's Shares, or any other related matters. The Fairness Opinion (AGS FAS) expresses the opinion on whether or not the Tender Offer Price is fair to the general shareholders of the Target Company from the financial perspective, and is not expected to express opinion on whether or not the Tender Offer Price is fair to any third party other than general shareholders of the Target Company and does not express such opinion. The Fairness Opinion (AGS FAS) expresses the opinion on the fairness of Tender Offer Price to the general shareholders of the Target Company from the financial perspective as of the date when the Fairness Opinion (AGS FAS) was prepared based on the financial situation, economic market situation and other situations as of such date and based on the information provided or obtained by AGS FAS up to such date. Even if any of the premises changes due to change in the circumstances hereafter, AGS FAS has no obligation to revise, change or supplement any of its opinions.

(v) Advice from Independent Law Firm of the Target Company

As provided in "(i) Background on Development of Review Team" in "[2] Process and Reason for Decision by the Target Company" in "(2) Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process, and Post-Tender Offer Managerial Policy" in "1. Purpose etc. of the Purchase etc." provided above, the Target Company appointed City-Yuwa Partners as legal advisor independent from the Tender Offer-Related Parties and received from City-Yuwa Partners the legal advice including advice on the matters such as the measures to be taken to ensure fairness in the procedures in the Transaction, the procedures in the Transaction and the method and process of decisions of the Target Company concerning the Transaction.

Upon confirming that City-Yuwa has no issue of independence and expertise, the Special Committee approved the appointment of City-Yuwa Partners. City-Yuwa Partners does not fall under a party related to the Tender Offeror or the Target Company and does not have any material interest in the Transaction including the Tender Offer. The fee to City-Yuwa Partners is the amount equivalent to the number of hours worked multiplied by hourly rate regardless of success of Transaction and does not include contingency fee conditioned upon success of Transaction.

(vi) Development of Independent Review Team in the Target Company

As provided in "(i) Background on Development of Review Team" in "[2] Process and Reason for Decision by the Target Company" in "(2) Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process, and Post-Tender Offer Managerial Policy" in "1. Purpose etc. of the Purchase etc." provided above, the Target Company internally developed a team conducting reviews and negotiations and making decisions concerning the Transaction from the position independent from the Tender Offeror.

Specifically, from December 1, 2025, (i) the Target Company considered and established a project team to conduct review concerning the Transaction (including preparation of business plan which will be the foundation to value the Target Company's Shares) and to discuss and negotiate with the Tender Offeror, (ii) its members consist of 8 officers and employees of the Target Company (consisting of 1 director (Mr. Tadashi Sawaki)), who are not concurrently working as officer or employee of Tender Offeror's parent company group (excluding the Company Group) and who are determined as independent from Tender Offeror's parent company group (excluding the Target Company Group), and (iii) the Target Company continues to conduct review concerning the Transaction and to discuss and negotiate with the Tender Offeror in such way. Mr. Kazuaki Kitahara, who is from the Tender Offeror, does not participate in the project team described above by taking into account that the Transaction falls under a transaction in which structural issue of conflict of interest and issue of information asymmetry categorically exist, in order to eliminate the risk of impact from such issues.

The Target Company has received an approval from the Special Committee that no issue on the review team of the Target Company (including the scope of officers and employees of the Target Company involved in the reviews, negotiations and decisions concerning the Transaction and their duties) exist in terms of its independence and fairness including how it is handled as explained above.

(vii) Approvals from All Directors (including Directors Who Are Audit and Supervisory Committee Member) Having No Interest in the Target Company

As a result of careful discussion and review on whether or not the Transaction including the Tender Offer by the Tender Offeror contributes to the enhancement of corporate value of the Target Company and whether or not the terms and conditions of the Transaction including the Tender Offer Price are reasonable by taking into account the legal advice received from City-Yuwa Partners, financial advice received from Deloitte Tohmatsu, the Report received from the Special Committee, the contents of continuous discussions held multiple times with the Tender Offeror and other related materials, as provided in "(2) Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process, and Post-Tender Offer Managerial Policy" in "1. Purpose etc. of the Purchase etc." provided above, the Board of Directors of the Target Company determined that (i) the Transaction including the implementation of Tender Offer contributes to the enhancement of corporate value of the Target Company, (ii) with respect to the terms and conditions of Transaction including the Tender Offer Price, the Tender Offer Price secures the benefits which all general shareholders of the Target Company should reap, and (iii) the Tender Offer provides all shareholders of the Target Company with an opportunity to reasonably sell the Target Company's Shares at the price with an appropriate premium, and passed a resolution at the Board of Directors meeting of the Target Company held today to express its opinion in favor of Tender Offer and to recommend the shareholders of the Target Company to tender the Target Company's Shares in the Tender Offer.

At the Board of Directors meeting of the Target Company mentioned above, out of all 9 directors of the Target Company, Mr. Kazuaki Kitahara, who is from the Tender Offeror, did not participate in the deliberation and resolution at the Board of Directors meeting mentioned above or participate in the discussions and negotiations on the Transaction from the Target Company's position, by taking into account that the Transaction falls under a transaction in which structural issue of conflict of interest and issue of information asymmetry categorically exist, in order to eliminate the risk of impact from such issues. Mr. Taishi Kajiki, who is director of the Target Company, is from the Tender Offeror, but the Board of Directors of the Company determined that there is no conflict of interest which requires him to be excluded from the review of Transaction including the participation in the deliberation and resolution at the Board of Directors meeting mentioned above because more than 10 years have elapsed since he transferred from the Tender Offeror.

(viii) No Deal Protection Clause

Neither the Tender Offeror nor the Target Company has entered into any agreement restricting competing bidders from contacting the Target Company such as agreement including a deal protection clause which prohibits the Target Company from contacting any competing bidders. Accordingly, the Tender Offeror has taken care to ensure fairness in the Tender Offer by not hindering an opportunity for any competing tender offers, etc.

(ix) Measures for Ensuring that Target Company Shareholders Have an Opportunity to Make an Appropriate Judgment Regarding Whether to Tender Their Shares in the Tender Offer

As discussed above in “(4) Post-Tender Offer Reorganization etc. Policy (Matters Relating to So-Called Two-Step Acquisition)”, (i) promptly after completion of the settlement of the Tender Offer, the Tender Offeror plans to request to the Target Company, depending on the number of shares that the Tender Offeror acquires through the successful completion of the Tender Offer, either to make a Demand for Share Cash-Out or to include in the proposals at the Annual General Meeting of Shareholders a proposal to carry out the Share Consolidation and, subject to the coming-into-effect of the Share Consolidation, a proposal for partial amendment of the articles of incorporation, eliminating the provisions for share units, and no measures will be taken where the right to demand purchase of shares or the right to petition for a share price decision is not ensured for Target Company shareholders; and (ii) it has been made clear that when carrying out the Demand for Share Cash-Out or the Share Consolidation, the money to be delivered to Target Company shareholders as consideration will be calculated to be the same as the price that would be obtained by multiplying the number of Target Company Shares owned by each such shareholder (excluding the Tender Offeror and the Target Company) by the Tender Offer Price; accordingly, an opportunity has been secured for Target Company shareholders to make an appropriate judgment regarding whether to tender their shares in the Tender Offer, and thus consideration has been given to ensure that coercion does not arise.

Further, the statutory minimum period for purchase etc. in a tender offer is 20 business days; the Tender Offeror has set the Tender Offer Period at 30 business days, which is relatively long when compared to the statutory minimum. By making the Tender Offer Period a relatively long period, the Tender Offeror intends to ensure that Target Company shareholders have an opportunity to make appropriate judgment regarding whether to tender their shares in the Tender Offer, and thus to ensure the fairness of the Tender Offer Price.

[1] Relationship with the Valuation Institution

Daiwa Securities, the financial advisor and third-party valuation institution of the Tender Offeror, is not a related party of the Tender Offeror or the Target Company and does not have a material interest in the Transaction including the Tender Offer.

(5) Number of Share Certificates etc. Planned for Purchase

Type of Share Certificates etc.	Number of shares planned for purchase	Lower limit for the number of shares planned for purchase	Upper limit for the number of shares planned for purchase
Common shares	4,295,947 shares	1,203,500 shares	—
Total	4,295,947 shares	1,203,500 shares	—

(Note 1) If the total number of Tendered Share Certificates etc. does not reach the lower limit for the number of shares planned for purchase (1,203,500 shares), none of the Tendered Share Certificates etc. will be purchased. If the total number of Tendered Share Certificates etc. is at or greater than the lower limit for the number of shares planned for purchase (1,203,500 shares), all Tendered Share Certificates etc. will be purchased.

(Note 2) The lower limit for the number of shares planned for purchase (1,203,500) shares is the number of shares obtained by subtracting from the number of shares (6,185,000 shares) obtained by multiplying the number of voting rights (61,850) representing at least two-thirds of the number of voting rights (92,774) attached to the number of shares (9,277,477 shares) representing the total number of issued and outstanding shares of the Target Company as of December 31, 2025, as set forth in the Target Company’s Third Quarter Earnings Report (9,277,500 shares) less the number of treasury shares (53 shares) possessed by the Target Company as of such date as set forth in the Target Company’s Third Quarter Earnings Report by the number of shares in one share unit of Target Company Shares (100 shares) the number of Target Company Shares directly owned by the Tender Offeror (4,981,500 shares) as of today.

(Note 3) Because no upper limit for the number of shares planned for purchase has been set in the Tender Offer, 4,295,947, which is the maximum number of shares that will be subject of purchase etc. by the Tender Offeror in the Tender Offer, is used. This maximum number is the total number of issued and outstanding shares of the Target Company as of December 31, 2025, as set forth in the Target Company’s Third Quarter Earnings Report (9,277,500 shares) less the number of treasury shares (53 shares) possessed by

the Target Company as of such date as set forth in the Target Company's Third Quarter Earnings Report and the number of Target Company Shares directly owned by the Tender Offeror (4,981,500 shares) as of today.

(Note 4) Shares that are less than one unit are also subject to the Tender Offer. If a shareholder exercises its right to demand purchase of shares of less than one unit under the Companies Act, the Target Company may conduct a stock buyback during the Tender Offer Period in accordance with the procedures provided for by laws and regulations.

(Note 5) The Tender Offeror does not intend to acquire any treasury shares held by the Target Company in the Tender Offer.

(6) Change in Share Certificate etc. Ownership Ratios through Purchase etc.

Number of voting rights attached to Share Certificates etc. owned by the Tender Offeror before purchase etc.	49,815	(Share Certificate etc. Ownership Ratio before purchase etc.: 53.69%)
Number of voting rights attached to Share Certificates etc. owned by specially related persons before purchase etc.	0	(Share Certificate etc. Ownership Ratio before purchase etc.: 0.0%)
Number of voting rights attached to Share Certificates etc. owned by the Tender Offeror after purchase etc.	92,688	(Share Certificate etc. Ownership Ratio after purchase etc.: 100.00%)
Number of voting rights attached to Share Certificates etc. owned by specially related persons after purchase etc.	0	(Share Certificate etc. Ownership Ratio after purchase etc.: 0.0%)
Number of voting rights of all shareholders etc. of the Target Company	92,688	

(Note 1) The "Number of voting rights attached to Share Certificates etc. owned by specially related persons before purchase etc." and the "Share Certificate etc. Ownership Ratio before purchase etc." show the total number of voting rights attached to Share Certificates etc. held by specially related persons (excluding specially related persons excluded from specially related persons for the purpose of calculation of the Share Certificate etc. Ownership Ratio under the items of Article 27-2, Paragraph 2 of the FIEA, pursuant to Article 3, Paragraph 2, Item 1 of the Cabinet Order). Because Share Certificates etc. owned by specially related persons (excluding treasury shares owned by the Target Company) are also subject to the Tender Offer, zero is used as the "Number of voting rights attached to Share Certificates etc. owned by specially related persons after purchase etc."

(Note 2) The "Number of voting rights of all shareholders etc. of the Target Company" is the number of voting rights of all shareholders as of September 30, 2025, as set forth in the 79th Term Interim Report (2025) submitted by the Target Company on November 12, 2025 (with the number of shares in one share unit indicated as 100 shares). However, because shares of less than one unit are also subject to the Tender Offer, in the calculation of the "Number of voting rights attached to Share Certificates etc. owned by the Tender Offeror before purchase etc." and "Share Certificate etc. Ownership Ratio after purchase etc.", the number used as the denominator is 92,774, which is the number of voting rights attached to the number of shares (9,277,447) obtained by subtracting the number of treasury shares possessed by the Target Company as of December 31, 2025 (53), as set forth in the Target Company Third Quarter Earnings Report, from the total number of issued and outstanding shares of the Target Company as of the same date (9,277,500), as set forth in the Target Company Third Quarter Earnings Report.

(Note 3) The figures for the "Share Certificate etc. Ownership Ratio before purchase etc." and the "Share Certificate etc. Ownership Ratio after purchase etc." are rounded off to the second decimal place.

(7) Purchase Price 8,591,894,000 yen

(Note) The "purchase price" is the amount obtained by multiplying the number of shares planned for

purchase in the Tender Offer (4,295,947 shares) by the Tender Offer Price (2,000 yen).

(8) Settlement Method

[1] Name and Location of Head Office of Financial Instruments Business Operator or Bank etc. Handling Settlement of the Purchase etc.

Daiwa Securities Co. Ltd., 9-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo

[2] Settlement Commencement Date

April 28, 2026 (Tuesday)

[3] Settlement Method

Without delay after the end of the Tender Offer Period, a notice of purchase etc. through the Tender Offer will be mailed to the address or location of Tendering Shareholders etc. (in the case of Foreign Shareholders etc., to the address or location of their standing proxy).

Purchase etc. will be carried out in cash. At the instruction of a Tendering Shareholder etc., without delay from the settlement commencement date onwards, the tender offer agent will either remit the sale proceeds for purchased Share Certificates etc. to the location designated by the Tendering Shareholder etc. (remittance fees may be incurred), or make payment to the Tendering Shareholder etc. account through which the tender offer agent accepted the tender.

[4] Method of Returning Share Certificates etc.

In the event that no Tendered Share Certificates etc. will be purchased pursuant to the conditions set forth in either “1 Existence of Conditions Set Forth in the Items of Article 27-13, Paragraph 4 of FIEA; Details” and “2 Existence of Conditions for Withdrawal etc. of Tender Offer, Their Details, and Method of Disclosure of Withdrawal etc.” of “(9) Other Purchase etc. Conditions and Methods” below, starting the day two business days after the final day of the Tender Offer Period (if the Tender Offer has been withdrawn, the day of withdrawal etc.), Share Certificates required to be returned will promptly be returned by returning the records for Tendering Shareholder etc. accounts at the tender offer agent to the state they were in immediately prior to the time of the tendering of such Share Certificates etc. (if you wish to transfer Share Certificates etc. to a Tendering Shareholder etc. account at a different financial instruments business operator, please consult at the head office or nationwide branch office of the tender offer agent).

(9) Other Purchase etc. Conditions and Methods

[1] Existence of Conditions Set Forth in the Items of Article 27-13, Paragraph 4 of FIEA; Details

If the total number of the Tendered Share Certificates etc. does not reach the lower limit for the number of shares planned for purchase (1,203,500 shares), none of the Tendered Share Certificates etc. will be purchased. If the total number of Tendered Share Certificates etc. is at or greater than the lower limit for the number of shares planned for purchase (1,203,500 shares), all Tendered Share Certificates etc. will be purchased.

[2] Existence of Conditions for Withdrawal etc. of Tender Offer, Their Details, and Method of Disclosure of Withdrawal etc.

If any of the matters set forth in the Enforcement Order, Article 14, Paragraph 1, Item (i) (a) through (j) and (m) through (s), Item (iii) (a) through (h) and (j), and Article 14, Paragraph 2, Item (iii) through Item (vi), has occurred, the Tender Offer may be withdrawn etc.

Furthermore, the “facts corresponding to the facts set forth in (a) through (i)” as specified in the Enforcement Order, Article 14, Paragraph 1, Item (iii), (j) means, in regard to the statutory disclosure documents submitted by the Target Company in the past, a case where it is learned that false statements were made regarding material matters or where material matters that should have been stated were omitted, and the Tender Offeror did not know of, and could not have known of these false statements, etc., despite exercising due care.

If the Tender Offeror intends to make withdrawal etc. of the Tender Offer, the Tender Offeror will make an electronic public notice and publish a statement to that effect in the Nikkei. However, if it would be difficult to make the public notice by the final day of the Tender Offer Period, the Tender Offeror will make a public announcement using the method stipulated in Article 20 of the Cabinet Order and then make the public notice immediately thereafter.

[3] Existence of Conditions for Lowering the Purchase etc. Price, Their Details, and Method of Disclosure of

Lowering

If the Target Company has carried out an act set forth in Article 13, Paragraph 1 of the Enforcement Order during the Tender Offer Period, pursuant to the provisions of Article 27-6, Paragraph 1, Item 1 of the FIEA, the Tender Offeror may lower the purchase etc. price in accordance with the standards set forth in the provisions of Article 19, Paragraph 1 of the Cabinet Order.

If the Tender Offeror intends to lower the purchase etc. price, the Tender Offeror will make an electronic public notice and publish a statement to that effect in the Nikkei. However, if it would be difficult to make the public notice by the final day of the Tender Offer Period, the Tender Offeror will make a public announcement using the method stipulated in Article 20 of the Cabinet Order and then make the public notice immediately thereafter.

If the purchase etc. price has been lowered, Tendered Share Certificates etc. tendered on or before the date on which that public notice was made will also be purchased etc. at the lowered purchase etc. price.

[4] Matters Regarding the Agreement Cancellation Right of Tendering Shareholders etc.

A Tendering Shareholder etc. may cancel the agreement pertaining to the Tender Offer at any time during the Tender Offer Period. A Tendering Shareholder etc. wishing to cancel the agreement should cancel the agreement using the procedures set forth below by no later than 16:00 on the final day of the Tender Offer Period.

Cancellation of an agreement tendered through online trading can be carried out through online trading or by delivering or sending a cancellation letter. If cancelling an agreement through online trading operations, please carry out the cancellation procedures by no later than 16:00 on the final day of the Tender Offer Period in accordance with the method stated on the relevant screen. Note that for shares that are handled in online trading, cancellation of an agreement that was tendered at your transacting branch can be carried out through cancellation procedures using online trading operations. Furthermore, applications to cancel an agreement that includes shares of less than one unit should be made at your transacting branch.

If cancelling an agreement by mail or at the head office of the tender offer agent or one of its branch offices nationwide, please fill out the necessary matters in the prescribed cancellation letter and cancel the agreement by no later than 16:00 on the final day of the Tender Offer Period by mailing the cancellation letter or delivering it in person to the head office of the tender offer agent or the branch office where your tender was received. However, in the case of mailing, the cancellation letter must be received by no later than 16:00 on the final day of the Tender Offer Period. Business hours will differ depending among the head office and branch offices, so please confirm in advance before cancelling.

* When visiting a branch, for better quality service, please make an appointment in advance in order for the tender offer agent. Please check the tender offer agent's website:

(<https://www.daiwa.jp/doc/230313.html>).

Person with authority to receive a cancellation letter:

Daiwa Securities Co. Ltd., 9-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo
(and Daiwa Securities branch offices nationwide)

Even if a Tendering Shareholder etc. cancels an agreement, the Tender Offeror will make no demand that the Tendering Shareholder etc. pay any compensation for damage or penalty. In addition, the Tender Offeror will bear the expenses required for return of Share Certificates etc. If an application for cancellation has been made, the Tendered Share Certificates etc. will be returned promptly after the relevant cancellation application procedures have been completed, in the manner set forth above in "[4] Method of Returning Share Certificates etc." in "(8) Settlement Method".

[5] Method of Disclosure in the Case Where Purchase Conditions etc. Have Changed

Except for the cases prohibited under Article 27-6, Paragraph 1 of the FIEA and Article 13, Paragraph 2 of the Enforcement Order, the Tender Offeror may change purchase conditions etc. during the Tender Offer Period. If the Tender Offeror intends to change purchase conditions etc., the Tender Offeror will make an electronic public notice and publish a statement to that effect in the Nikkei. However, if it would be difficult to make the public notice by the final day of the Tender Offer Period, the Tender Offeror will make a public announcement using the method stipulated in Article 20 of the Cabinet Order and then make the public notice immediately thereafter. If the purchase conditions etc. have been changed, Tendered Share Certificates etc. tendered on or before the date on which that public notice was made will also be purchased

pursuant to the changed purchase conditions etc.

[6] Method of Disclosure in the Case Where an Amended Statement is Submitted

If an amended statement is submitted to the Director-General of the Kanto Local Finance Bureau (excluding the case stipulated in the proviso of Article 27-8, Paragraph 11 of the FIEA), the Tender Offeror will immediately make public announcement of the content of the amended statement that pertains to content in the public notice of commencement of tender offer, in the manner stipulated in Article 20 of the Cabinet Order. The Tender Offeror will also immediately amend the tender offer explanation statement, and deliver an amended tender offer explanation statement to Tendering Shareholders etc. to whom it has already delivered a tender offer explanation statement. However, if the extent of the amendment is limited to minor matters, amendment may be made by preparing and delivering to the Tendering Shareholders etc. a document that states the reason for the amendment, the amended matters, and the content after the amendment.

[7] Method of Disclosure of the Results of the Tender Offer

The results of the Tender Offer will be publicly announced using the method stipulated in Article 9, Paragraph 4 of the Enforcement Order and Article 30, Paragraph 2 of the Cabinet Order on the day following the final day of the Tender Offer Period.

[8] Other

This press release is intended to make public announcement of the Tender Offer and was not prepared for the purpose of soliciting offers to sell shares. When making an offer for sale etc. please be sure to read the tender offer explanation statement and make the offer at your own judgment. This press release does not constitute a solicitation of an offer to sell or an offer to purchase any securities, nor does it constitute any part thereof, and neither this press release (or any part hereof) nor the fact of its distribution shall serve as the basis for any contract related to the Tender Offer, nor may they be relied upon when executing any contract.

The Tender Offer is to be conducted in accordance with the procedures and information disclosure standards stipulated by the FIEA of Japan, and the procedures and standards therefor are not necessarily the same as those applicable in the United States. Specifically, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended) and regulations based on those provisions do not apply to the Tender Offer, and the Tender Offer is not in compliance with the procedures and standards thereunder. The financial information contained in this press release has been prepared based on accounting standards in Japan and its contents are not necessarily comparable to the financial statements of U.S. companies. Further, it may be difficult to enforce any right or demand arising under U.S. federal securities laws, because both the Tender Offeror and the Target Company are incorporated outside the United States and all or some of their officers are not U.S. residents. It may also be impossible to take legal action against a non-U.S. corporation or its officers in a non-U.S. court for a violation of U.S. securities laws. Furthermore, U.S. courts are not necessarily granted jurisdiction over non-U.S. corporations or their officers.

There is a possibility that, in the ordinary course of business, the respective financial advisors of the Tender Offeror and the Target Company, the tender offer agent, and their affiliates may, to the extent permitted by the FIEA of Japan and other applicable laws and regulations and in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934, for their account or their customers' account, purchase or take action for the purchase of Target Company Shares outside of the Tender Offer during the period from today until the final day of the Tender Offer Period. In such cases, the purchase and sale may be conducted at market prices through market transactions, or the purchase and sale may be conducted at a price decided through negotiations outside of the market. If information regarding such a purchase is disclosed in Japan, it will also be disclosed in the United States in a similar manner.

There is a possibility that the Tender Offeror and their affiliates may, to the extent permitted by the FIEA of Japan and other applicable laws and regulations and in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934, purchase or take action for the purchase of Target Company Shares outside of the Tender Offer during the period from today until the final day of the Tender Offer Period. In such cases, the purchase and sale may be conducted at market prices through market transactions, or the purchase and sale may be conducted at a price decided through negotiations outside of the market. If information regarding such a purchase is disclosed in Japan, it will also be disclosed in the United States in a similar manner.

All procedures related to the Tender Offer will be conducted in the Japanese language. While all or parts of the documents in connection with the Tender Offer may be prepared in English, the Japanese language

documents shall prevail in the case of any discrepancy between the Japanese language documents and the corresponding English language documents.

Statements in this press release include “forward-looking statements” as defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the Securities Exchange Act of 1934. Actual results may significantly differ from the projections implied or expressly stated in these forward-looking statements due to known or unknown risks, uncertainties, or other factors. Neither the Tender Offeror, the Target Company, nor their affiliates guarantee that the results expressed or implied in these forward-looking statements will be achieved. The “forward-looking statements” contained in this press release have been prepared based on the information available to the Tender Offeror or the Target Company as of today, and unless required by laws and regulations, neither the Tender Offeror, the Target Company, nor their affiliates are obligated to change or correct the statements made herein in order to reflect future events or circumstances.

Restrictions may be imposed on the announcement, publication, and distribution of this press release in certain countries or regions. In such cases, please be aware of and comply with such restrictions. In countries or regions where the implementation of the Tender Offer is illegal, even after receipt of this press release, such receipt shall not constitute solicitation of an offer to sell or an offer to buy the shares related to the Tender Offer, and shall be deemed to have been distributed for informative purposes only.

- (10) Date of Public Notice for Commencement of Tender Offer
March 10, 2026

- (11) Tender Offer Agent
Daiwa Securities Co. Ltd., 9-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo

3. Post-Tender Offer Policies etc. and Future Prospects

For post-Tender Offer policies etc., please see “(2) Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process, and Post-Tender Offer Managerial Policy”, “(4) Post-Tender Offer Reorganization etc. Policy (Matters Relating to So-Called Two-Step Acquisition)”, and “(5) Prospects for Delisting; Reasons” in “1. Purpose etc. of the Purchase etc.” above.

4. Other

- (1) Existence and Content of Agreements Between the Tender Offeror and the Target Company or its Officers
- [1] Existence and Content of Agreements Between the Tender Offeror and the Target Company
According to the Target Company Press Release, at its Board of Directors meeting held today, the Target Company adopted a resolution to express its opinion in support of the Tender Offer and to recommend that its shareholders tender their shares in the Tender Offer.
For details of the Target Company’s decision-making process, please see “(2) Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process, and Post-Tender Offer Managerial Policy” of “1. Purpose etc. of the Purchase etc.” above.
- [2] Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process, and Post-Tender Offer Managerial Policy
Please see “(2) Background Leading to the Decision to Implement the Tender Offer; Purpose and Decision-Making Process, and Post-Tender Offer Managerial Policy” of “1. Purpose etc. of the Purchase etc.” above.
- [3] Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer
Please see “Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer” in “[2] Course of Calculations” of “(4) Basis for Calculation of the Purchase etc. Price” of “2. Overview of Purchase etc.” above.
- (2) Other Information Determined to be Necessary for Investors to Judge the Merits of Tendering Shares in the

Purchase etc.

[1] Announcement of “Notice of Revision of Forecast for Year-End Dividends for the Fiscal Year Ending March 2026 (No Dividends)”

The Target Company passed a resolution at its Board of Directors meeting held today that the dividend forecast will be revised from the forecast announced on February 9, 2026 and the year-end dividend for the fiscal year ending March 31, 2026 will not be paid. For details, please refer to the “Notice of Revision of Forecast for Year-End Dividends for the Fiscal Year Ending March 2026 (No Dividends)” released by the Target Company today.

End

【Soliciting Regulations】

- This document is a press release for the purpose of making a public announcement of the Tender Offer and was not prepared for the purpose of soliciting sales. When making an offer for sale etc. please carefully read the tender offer explanation statement regarding the Tender Offer and make an offer at your own judgment. This press release does not constitute a solicitation or offer to sell any securities, or a solicitation of offers to purchase any securities, nor does it constitute any part of the foregoing, and neither this press release (or any part hereof) nor the fact of its distribution shall serve as the basis for any contract related to the Tender Offer, nor may they be relied upon when executing any contract.

【U.S. Regulations】

- The Tender Offer is a tender offer for the common shares of the Target Company, which is a company established in Japan. The Tender Offer will be implemented in compliance with procedures and information disclosure standards stipulated by the laws of Japan, and these procedures and standards are not necessarily the same as the procedures and disclosure standards in the United States. Specifically, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended; hereinafter the same) and regulations based on those provisions do not apply to the Tender Offer, and the Tender Offer is not in compliance with the procedures and standards thereunder. The financial information contained or mentioned in this press release is information based on accounting standards in Japan and these accounting standards may differ significantly from the general accounting principles of the United States and other countries. Further, because the Tender Offeror is a corporation incorporated outside the United States and all or some of its officers are not U.S. residents, it may be difficult to enforce any right or demand that can be asserted under U.S. federal securities laws. It may also not be possible to commence legal action against a non-U.S. corporation or its officers in a non-U.S. court for a violation of U.S. securities laws. Furthermore, U.S. courts are not necessarily granted jurisdiction over non-U.S. corporations or their affiliates.
- All procedures related to the Tender Offer will be conducted in the Japanese language. While all or part of the documents in connection with the Tender Offer may be prepared in English, the Japanese language documents shall prevail in the case of any discrepancy between the Japanese language documents and the corresponding English language documents.
- There is a possibility that the Tender Offeror, the respective financial advisors of the Tender Offeror and the Target Company, and the tender offer agent (and affiliates of the foregoing) may, in the ordinary course of business and to the extent permitted by regulations in Japan relating to financial instruments and exchange, and in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934, for their own account or their customers' account, purchase or take action for the purchase of Target Company Shares outside of the Tender Offer prior to or during the Tender Offer Period. Such purchases may be conducted at market prices through market transactions, or may be conducted at prices decided through negotiations outside of the market. If information regarding such a purchase is disclosed in Japan, it will also be disclosed on the English website of the person making such purchase (or by using another disclosure method).
- In the event that in accordance with the Companies Act, shareholders exercise the right to demand purchase of shares of less than one unit, the Target Company may buy back own shares during the Tender Offer Period in accordance with statutory procedures.

【Forward-Looking Statements】

- Statements in this press release include “forward-looking statements” as defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the Securities Exchange Act of 1934. Actual results may significantly differ from the projections implied or expressly stated in these forward-looking statements due to known or unknown risks, uncertainties, or other factors. Neither the Tender Offeror, the Target Company, nor their affiliates guarantee that the results expressed or implied as “forward-looking statements” will be achieved. The “forward-looking statements” contained in this press release have been prepared based on the information available to the Tender Offeror as of today, and unless required by laws and regulations, neither the Tender Offeror nor its affiliates are obligated to change or correct the statements made herein in

order to reflect future events or circumstances.

【Other Countries】

- Legal restrictions may be imposed on the announcement, publication, and distribution of this press release in certain countries or regions. In such cases, please be aware of and comply with such restrictions. The announcement, issue or release of this press release does not constitute solicitation of an offer to purchase or an offer to sell share certificates related to the Tender Offer, and shall be deemed to be simply the distribution of materials as information.