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September 30, 2025

To whom it may concern:

Company Name: Sumitomo Mitsui Construction Co., Ltd.
Name of Representative: Toshio Shibata, Representative Director
and President
(Code No.: 1821, Prime Market of the TSE)

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Notice of Holding of Extraordinary Shareholders' Meeting for Share Consolidation, Abolition of Provisions on Share Unit Numbers, and Partial Amendments to Articles of Incorporation

Sumitomo Mitsui Construction Co., Ltd. (the "Company") announced in "Notice Concerning Setting of Record Date for Voting Rights at Extraordinary Shareholders' Meeting" released by the Company on September 11, 2025 that an extraordinary shareholders' meeting (the "Extraordinary Shareholders' Meeting") was scheduled to be held in mid-November 2025 with a record date of September 30, 2025.

The Company hereby announces that it adopted a resolution at its Board of Directors' meeting held today to convene the Extraordinary Shareholders' Meeting and submit thereto proposals for the share consolidation, abolition of provisions on share unit numbers, and partial amendments to the Articles of Incorporation, as follows.

During the aforementioned procedures, shares of the Company's common stock (the "Company Shares") will fall under the delisting criteria set forth in the Securities Listing Regulations of Tokyo Stock Exchange, Inc. (the "TSE"). As a result, the Company Shares will be designated as a delisted issue from November 18, 2025 to December 18, 2025, and subsequently delisted on December 19, 2025. Please note that after the delisting, no Company Shares can be traded on the Prime Market of the TSE.

I. Extraordinary Shareholders' Meeting

- (1) Date and Time: Tuesday, November 18, 2025 at 10 a.m.
- (2) Venue: 2-1-6, Tsukuda, Chuo-ku, Tokyo
Head Office of the Company (2F Conference Room)
- (3) Meeting Agenda:
Matters to be Resolved:
Proposal No. 1 Share Consolidation
Proposal No. 2 Partial Amendments to the Articles of Incorporation

II. Share Consolidation

1. Purposes of and Reasons for the Share Consolidation

As announced in “Notice Regarding Expression of Opinion in Support of the Commencement of the Tender Offer for the Company Shares by INFRONEER Holdings Inc. and Recommendation to Tender Shares in the Tender Offer” dated August 5, 2025 (the “Press Release Expressing Opinion”), on August 5, 2025, INFRONEER Holdings Inc. (the “Tender Offeror”) decided to conduct a tender offer (the “Tender Offer”) for the Company Shares as part of a series of transactions (the “Transaction”) to make the Company’s shareholder only the Tender Offeror and privatize the Company Shares. Furthermore, as stated in “Notice of Results of Tender Offer for Company Shares by INFRONEER Holdings Inc. and Change in Parent Company and Largest Major Shareholder” dated September 19, 2025, on September 26, 2025, which is the commencement date of the settlement of the Tender Offer, the Tender Offeror became the owner of 126,464,523 Company Shares (ownership ratio (Note): 80.61%).

(Note) “Ownership ratio” means the percentage of the number of shares (156,884,882 shares; the “Reference Number of Shares”) obtained by deducting the number of treasury shares owned by the Company as of March 31, 2025 (5,788,439 shares) from the total number of issued shares of the Company as of March 31, 2025 (162,673,321 shares) stated in the Company’s Annual Securities Report for the 22nd Business Period submitted by the Company on June 26, 2025 (the “Company’s Annual Securities Report for the 22nd Business Period”) (rounded to the second decimal place; the same applies below in calculations of the ownership ratio).

(i) Background of the Establishment of Structure for Consideration

As stated in “(II) Background, Purpose, and Decision-making Process Leading to the Tender Offeror’s Decision to Implement the Tender Offer” in “(2) Grounds and Reasons for the Opinion” in “3. Details of and Grounds and Reasons for the Opinion on the Tender Offer” of the Press Release Expressing Opinion, on November 15, 2024, in response to the notification from the Tender Offeror that the Tender Offeror was considering the Transaction, the Company commenced discussions with the Tender Offeror regarding implementation of the Transaction, as well as consideration of the pros and cons of implementation of the Transaction. In order to consider the Transaction, in late December 2024, the Company appointed SMBC Nikko Securities Inc. (“SMBC Nikko Securities”) as its financial advisor and third-party valuation institution independent of the Tender Offeror, the Company, and the Tendering Shareholders (as defined below; the same applies hereinafter) (collectively, the “Tender Offer Related Parties”), and Nishimura & Asahi (Gaikokuho Kyodo Jigyo) (“Nishimura & Asahi”) as its legal advisor independent of the Tender Offer Related Parties.

Thereafter, taking into account that on February 18, 2025, the Company received from the Tender Offeror a written proposal (the “Proposal”) expressing its formal intention concerning the Transaction whose purpose is to make the Company a wholly-owned subsidiary through the Tender Offer, and that there was a possibility that the Tender Offeror might enter into a Tender Offer Application Agreement (the “Tender Agreement”) with Ms. Aya Nomura (number of owned shares: 15,432,000 shares; ownership ratio: 9.84%), KADAN CAPITAL FUND PTE. LTD. (number of owned shares: 15,000,000 shares; ownership ratio: 9.56%), and Kabushiki Kaisha Reno (number of owned shares: 14,796,800 shares; ownership ratio: 9.43%), which are the joint holders (meaning the joint holder defined in Article 27-23(5) and (6) of the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended)) of Kabushiki Kaisha City Index Elevens (“City Index Elevens”) (together with City Index Elevens, the “Tendering Shareholders”), the Company established a special committee (the “Special Committee”; for a background to the establishment of the Special Committee, details of its consideration, details of its decision, etc., please see “(IV) Establishment of an Independent Special Committee by the Company and Acquisition of a Written Report from the Special Committee” in “(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” in “3. Grounds for the Amount

of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation, and Other Matters” below) composed of three members, i.e., Mr. Nobuo Kawahashi, Mr. Sakio Sasamoto, and Ms. Mami Yamashita, who were the Company’s Outside Directors, were notified with the TSE as its independent officers, and were independent of the Tender Offer Related Parties, pursuant to the resolution at the Board of Directors’ meeting dated February 25, 2025, based on advice from Nishimura & Asahi; the purpose of the establishment of the Special Committee was to eliminate the risk of arbitrariness and conflicts of interest with general shareholders in the Company’s decision-making process and ensure the fairness and transparency of the Transaction when the Company’s Board of Directors considers the Transaction and other incidental or related matters (collectively, the “Relevant Matters”) while giving consideration to the impact on the Company’s general shareholders.

Pursuant to the aforementioned resolution at the Board of Directors’ meeting, the Company sought advice from the Special Committee regarding: (i) the legitimacy and reasonableness of the purpose of the Transaction (including whether the Transaction will contribute to enhancement of the Company’s corporate value); (ii) the fairness and appropriateness of the terms and conditions of the Transaction; (iii) the fairness of the procedures for the Transaction; (iv) whether the Transaction is considered not to be disadvantageous to the Company’s general shareholders; and (v) the pros and cons of the Board of Directors expressing its opinion in support of the Tender Offer in the Transaction and recommending that shareholders tender their shares in the Tender Offer (matters stated (i) through (v) are collectively referred to as the “Consultation Matters”).

In addition, at the aforementioned Board of Directors’ meeting, the Company also adopted a resolution that the Company’s Board of Directors must respect the report of the Special Committee to the fullest extent when it makes important decisions on the Relevant Matters, and that the Company will not support the Tender Offer if the Special Committee determines that the decision to implement the Transaction through the Tender Offer is disadvantageous to the Company’s general shareholders. Moreover, pursuant to the aforementioned resolution at the Board of Directors’ meeting, the Company granted the following authorities to the Special Committee: (a) the authority to provide necessary advice to the Directors and employees of the Company other than the Special Committee members who consider the Relevant Matters (the “Company’s Project Team”); (b) the authority to confirm in advance the policy for discussions and negotiations regarding the Relevant Matters with the Tender Offeror, timely receive reports on the status thereof, state opinions as necessary, and make recommendations and requests to the Company’s Board of Directors; (c) the authority to request that the Company’s Project Team and the Company’s outside experts, etc. (including financial advisors, certified public accountants, attorneys-at-law, consultants, and other experts; hereinafter the same) report and provide information regarding the progress, status of consideration, and other matters related to the Relevant Matters as necessary; and (d) the authority to appoint its own outside experts, etc. at the Company’s expense to the extent necessary to fulfill its role, and the authority to seek expert advice from the Company’s outside experts, etc. if the Special Committee determines that the Company’s outside experts, etc. are trustworthy and the Special Committee can seek expert advice from them because the Company’s outside experts, etc. have sufficient expertise and there are no issues with their independence.

As stated in “(IV) Establishment of an Independent Special Committee by the Company and Acquisition of a Written Report from the Special Committee” in “(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” in “3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation, and Other Matters” below, the Company obtained approval of the Special Committee regarding the Company’s appointment of SMBC Nikko Securities as its financial advisor and third-party valuation institution and Nishimura & Asahi as its legal advisor. On March 11, 2025, the Special Committee appointed YAMADA Consulting Group Co., Ltd.

(“Yamada Consulting”) as its own third-party valuation institution independent of the Tender Offer Related Parties, considering its independence, expertise, and track record.

(ii) Background of the Consideration and Negotiation

Under the aforementioned structure, the Company considered the pros and cons of implementation of the Transaction with advice from SMBC Nikko Securities and Nishimura & Asahi, based on the outline of the Tender Offer, including the purpose of the Transaction, the impact of the Transaction on the Company, the details of the management policy after the Transaction, and the recent stock price trends, and held multiple rounds of discussions and deliberation with the Tender Offeror.

On April 11, 2025, the Company received an initial price proposal from the Tender Offeror to the effect that the tender offer price (the “Tender Offer Price”) would be 480 yen per share, based on the premise that the Company would not pay the year-end dividends for the fiscal year ended March 2025. Based on the advice of SMBC Nikko Securities and the legal advice of Nishimura & Asahi, the Special Committee carefully considered the aforementioned proposal from the Tender Offeror, and as a result, determined that the proposed price significantly deviated from the price level that the Company envisaged in order to express an opinion in support of the Tender Offer and recommend that shareholders tender their shares in the Tender Offer because the proposed price could not be deemed sufficient in light of the fact that the premium level compared with the share price as of April 11, 2025 and for a certain period of time in the past was insufficient compared with those in privatization cases similar to the present one, and the results of calculation of the share value by Yamada Consulting, the Special Committee’s third-party valuation institution. Therefore, on April 14, 2025, the Company requested that the Tender Offeror reconsider the Tender Offer Price.

On April 23, 2025, the Company received a second price proposal from the Tender Offeror to the effect that the Tender Offer Price would be 530 yen per share, based on the premise that the Company would pay the year-end dividends for the fiscal year ended March 2025 (this refers to dividends of 14 yen per share as stated as the year-end dividend forecast for the fiscal year ending March 2025 in “Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Japanese GAAP)” published by the Company on May 14, 2025 (the “Company’s Summary of Financial Results for the Fiscal Year Ended March 31, 2025”)). Based on the advice of SMBC Nikko Securities and the legal advice of Nishimura & Asahi, the Special Committee carefully considered the aforementioned proposal from the Tender Offeror, and as a result, determined that the proposed price significantly deviated from the price level that the Company envisaged in order to express an opinion in support of the Tender Offer and recommend that shareholders tender their shares in the Tender Offer because the proposed price could not be deemed sufficient in light of the fact that the premium level compared with the share price as of April 23, 2025 and for a certain period of time in the past was insufficient compared with those in privatization cases similar to the present one, and the results of calculation of the share value by Yamada Consulting, the Special Committee’s third-party valuation institution. Therefore, on April 24, 2025, the Company requested that the Tender Offeror reconsider the Tender Offer Price.

On May 7, 2025, the Company received a third price proposal from the Tender Offeror to the effect that the Tender Offer Price would be 560 yen per share. Based on the advice of SMBC Nikko Securities and the legal advice of Nishimura & Asahi, the Special Committee carefully considered the aforementioned proposal from the Tender Offeror, and as a result, determined that the proposed price still significantly deviated from the price level that the Company envisaged in order to express an opinion in support of the Tender Offer and recommend that shareholders tender their shares in the Tender Offer because the proposed price could not be deemed sufficient in light of the fact that the premium level compared with the share price as of May 7, 2025 and for a certain period of time in the past was insufficient compared with those in

privatization cases similar to the present one, and the results of calculation of the share value by Yamada Consulting, the Special Committee's third-party valuation institution. Therefore, on May 8, 2025, the Company requested that the Tender Offeror reconsider the Tender Offer Price.

On May 9, 2025, the Company received a fourth price proposal from the Tender Offeror to the effect that the Tender Offer Price would be 570 yen per share. Based on the advice of SMBC Nikko Securities and the legal advice of Nishimura & Asahi, the Special Committee carefully considered the aforementioned proposal from the Tender Offeror, and as a result, determined that, in particular, the proposed price was not at a level that would satisfy the minority shareholders of the Company in light of the fact that the premium level compared with the most recent share price and the share price for the past one month was insufficient compared with those in privatization cases similar to the present one. Therefore, on May 12, 2025, the Company requested that the Tender Offeror reconsider the Tender Offer Price.

On May 13, 2025, the Company received a fifth price proposal from the Tender Offeror to the effect that the Tender Offer Price would be 600 yen per share. Based on the advice of SMBC Nikko Securities and the legal advice of Nishimura & Asahi, the Special Committee carefully considered the aforementioned proposal from the Tender Offeror, and as a result, determined that such proposal was acceptable for the reasons provided in (A) to (G) in "(iii) Details of the Decision" below. Therefore, on the same day, the Company notified the Tender Offeror that it would not request any further increase of the Tender Offer Price at that time.

Thereafter, the Company was informed by the Tender Offeror as follows: on August 1, 2025, the Tender Offeror confirmed that all necessary procedures under the competition laws of the Philippines had been completed upon receipt of a document from the Philippine Competition Commission approving the acquisition of the Company Shares via the Tender Offer (the "Acquisition of Shares"). Therefore, on the same day, the Tender Offeror determined that all of the conditions precedent, such as completion of procedures and measures that are required based on the competition laws of the Philippines (the "Conditions Precedent") would definitely be satisfied without being waived, and the Tender Offeror scheduled the commencement date of the Tender Offer for August 6, 2025.

(iii) Details of the Decision

Under the circumstances stated above, the Company, at its Board of Directors' meeting held on May 14, 2025, carefully considered and discussed whether the Transaction, including the Tender Offer, would contribute to enhancement of the Company's corporate value, whether the terms and conditions of the Transaction, including the Tender Offer Price, were appropriate, and other matters, based on the legal advice obtained from Nishimura & Asahi, the advice from a financial perspective obtained from SMBC Nikko Securities, and the details of the share valuation report obtained on May 13, 2025 (the "Share Valuation Report (SMBC Nikko Securities)"), while respecting the decision indicated in the written report dated May 14, 2025 (the "Written Report dated May 14th, 2025") submitted by the Special Committee to the fullest extent.

As a result, the Company reached the conclusion that the Transaction, including the Tender Offer, would contribute to enhancement of the Company's corporate value compared to the case where the Company would continue to exist on its own, as stated below. The Company Group (meaning the Company's corporate group comprised of the Company, its 22 subsidiaries, and its eight affiliates, as of August 6, 2025; the same applies hereinafter) believed that by establishing a capital relationship through the Tender Offer, both company groups would be able to work together to confront the challenges of the industry as a whole, and to realize the enhancement of corporate value, which was an issue for the Company Group, more reliably and more quickly.

The specific synergies that the Company believed would be realized through the Transaction are as follows:

i. Realization of further strengthening of domestic construction business

As part of its measures to improve profitability, the Company Group intends to create new areas of strength in the civil engineering business by focusing on tunnels, which have a large market size, and energy-related facilities, which is a growth area, while maintaining profitability in areas in which it excels, centered on PC bridges and large-scale updates to civil engineering construction. Among those areas, the Company was proud to have leading technologies in PC bridges, and had accumulated a track record of constructing 4,100 bridges as of the end of March 2024; however, we believed that there was a lot of room for expansion of our market share in the tunnel business, which had a large market, and the energy-related business, which was a growth area. The Company Group believed that it would be able to further expand and strengthen its domestic civil engineering business by, instead of expanding its business on its own, receiving construction orders taking into account to the fullest extent possible the strengths of both company groups, sharing the know-how and technology that the Company and the Tender Offeror Group (meaning the group composed of the Tender Offeror, 117 subsidiary companies, and 32 affiliated companies as of August 6, 2025; hereinafter the same) had accumulated over the years, and thereby complementing the fields in which both company groups had strengths, through integration with the Tender Offeror Group, which had strengths in the execution of construction in fields that did not overlap with the Company, such as tunnel construction. In addition, we expected that we would be able to handle a full lineup of tunnels, bridges, river improvements, land development, water supply and sewerage facilities, roads, etc., from upstream to downstream, and that if including the infrastructure management business, we would become a corporate entity in a unique position in the industry. Furthermore, in the construction business, in response to the significant decline in construction profitability in some domestic construction projects, we were working to improve the profit margin of the construction business by (i) improving our construction system and rebuilding our on-site support system, (ii) strengthening governance in the order-receiving process and developing an optimal order portfolio, and (iii) thoroughly managing targets with an emphasis on profitability. In the construction business, we believed that sharing the Company Group's wide range of PCa (precast) technologies and the Tender Offeror Group's construction technologies, systems, and know-how would lead to further enhancements to our competitiveness, and we believed that we would be able to secure an extremely strong position in the industry, especially in the field of super high-rise residential buildings.

ii. Expansion of scale of overseas business

The Company Group has been engaged in overseas construction business for more than 50 years, since the bridge project in Thailand in 1971. During this period, we have made achievements in ODA projects in Japan, learned the customs and cultures of each country in which we operate, developed advanced technologies in Japan, and established an organizational structure. As a result, currently, in the Philippines, our many years of achievements in the Southeast Asia region are evaluated positively, and we have received an order for a super-large railway project. In India, we have received orders for a variety of projects by proposing optimal design and construction methods to many private customers. In order to achieve further growth of the Company Group's overseas business in the future, it is essential to expand the lineup and know-how of construction technologies. We believed that the addition of the technologies and know-how of the comprehensive infrastructure services that the Tender Offeror Group has fostered thus far would enable us to expand the scale of our overseas business.

- iii. Improvement of management efficiency through sharing management resources, and strengthening of the ability to respond to changes in the management environment
- The Company Group is facing a severe business environment, such as high construction material prices, a shortage of engineers due to the aging of the construction technicians and the decline in the working population, as well as tight labor supply and demand due to the effects of the application of an upper limit on overtime work, which is called the “2024 issue.” In order to overcome this severe business environment, the Company Group has promoted DX, built a next-generation construction production system through DX by utilizing past construction period data, on-site status data, construction material order data, etc., and promoted shortening of the construction period, labor saving at construction sites, and mitigation of rising construction costs. On the other hand, the Company believed that the decline in the number of construction technicians would continue in the future, and that further improvement of management efficiency was necessary for long-term stable management in the future. Therefore, the Company believed that it would be possible to promote further innovation in digital technology and thereby improve productivity and expand the management scale of the Company Group and the Tender Offeror Group, which possess extensive know-how mainly in the civil engineering and construction businesses, and be able to share the technologies and data that have been accumulated so far through the Transaction. In addition, the Company believed that the expansion of the Tender Offeror Group’s corporate scale, the increase in the amount of orders received, and the strengthening of its financial foundation resulting therefrom, would increase the degree of recognition and expand the attractiveness for construction technicians, and would contribute to strengthening human capital, such as the ability to recruit excellent human resources and improving the engagement of existing employees, and contribute to improvement in its technological capabilities. The Company Group believed that through these efforts, it would strengthen its sustainability management.

On the other hand, while the disadvantages as described below might arise from the Transaction, those disadvantages were addressed as described below, and the Company believed that the advantages of synergies that could be realized through the Transaction would outweigh those disadvantages.

Specifically, in the field of domestic civil engineering, it could not be ruled out that the Company’s participation in the Tender Offeror Group might lead to dis-synergies due to some overlap in the strengths of Maeda Corporation (“Maeda Corporation”), which belongs to the Tender Offeror Group, and the Company in the construction field. However, according to the Tender Offeror, although it was expected that the uses of super high-rise residential buildings in the construction field would overlap, there were many design and construction projects for super high-rise residential buildings, and by mutually utilizing the management resources of both company groups, it would be possible to respond to many projects; therefore, the Tender Offeror did not expect that any dis-synergy would occur. Furthermore, the Company believed that although there was a possibility that dis-synergies might occur, such as competition at the time of bidding in the civil engineering sector, in particular, because the types of construction in which the Company and Maeda Corporation had strengths in the civil engineering business were different, it would be possible to receive orders for a wide variety of projects by complementing strengths and weaknesses of the Company and Maeda Corporation, and that synergies that would exceed those dis-synergies could be expected for the Tender Offeror Group as a whole. Specifically, the Company believed that, through its abundant construction experience and outstanding technical capabilities, such as for PC bridges and large-scale updates to civil engineering construction in its civil engineering business, high-rise housing in the construction business, and overseas business developed mainly in Southeast Asia and South Asia, the companies would be able to complement each other in the civil engineering business, where the Company and Maeda Corporation had different fields of expertise, and further strengthen its competitiveness through sharing its technologies and systems in the construction field, and that

it could secure an overwhelming position especially in the field of super high-rise residential buildings. In order to ensure that the Company and Maeda Corporation complement each other's strengths and weaknesses, the Tender Offeror and the Company agreed in the "written confirmation" dated May 14, 2025 regarding business operations, etc. of the Tender Offeror and the Company after the Transaction (the "Written Confirmation") that after the Transaction, the Tender Offeror shall increase competitiveness and realize efficient business operations by utilizing the strengths of the Company and Maeda Corporation, which belongs to the Tender Offeror, to the maximum extent with regard to the acceptance of orders for work where the strengths of both companies overlap, and shall also, to the extent permitted under competition law, consider the fields of expertise and resources of each company to formulate optimal strategies such as (i) whether to have only the Company or Maeda Corporation make a bid, or (ii) to have the Company and Maeda Corporation incorporate a joint venture and make a bid jointly, and that when formulating such strategies, the Tender Offeror's basic policy would be to establish them upon consultation in good faith with each company in a spirit of equality that respects both the Company and Maeda Corporation.

Furthermore, as a result of implementing the Transaction, the Company will be delisted, and it was expected that the Company might lose its benefits, such as maintaining and improving its social credibility and name recognition as a listed company, and might change its trade name. As a result of this, it was believed that the motivation of the Company Group's employees who aspire to work for listed companies and those who take pride in the Company's trade name would decline. In addition, since the Company Group and the Tender Offeror Group had certain overlapping business fields, if the number of projects that the Company Group proactively advanced decreased as a result of the Company Group's participation in the Tender Offeror Group, it might lead to a decrease in the motivation of the Company's excellent engineers who find it rewarding to advance such projects on their own. Therefore, implementation of the Transaction might have an impact on employee retention, etc., as described above. However, with regard to the impact of the Company's delisting, although the Tender Offeror understood that it was concerned that the Company's delisting as a result of implementation of the Transaction would lead to low morale of the Company's employees, and that the Company's employees placed importance on the Company's trade name, the Tender Offeror believed that it would be possible to gain the understanding of the Company Group's employees by carefully explaining: that (i) the Company's employees would enjoy the benefits of the Company's participation in the Tender Offer Group by the Tender Offeror implementing measures, such as increasing employee salaries as a result of decrease in listing maintaining cost, and incentive plans, such as granting a stock benefit trust plan (J-ESOP) to all employees of the Tender Offeror Group; that (ii) by the Company becoming a part of the Tender Offeror Group, it would be possible to share know-how and exchange the right people in the right place, which would lead to the realization of a more rewarding work environment; and that (iii) the Company's corporate value would be improved in the future. On the other hand, with regard to the impact of the Company's delisting, the Company recognized that it could not be ruled out that the Company Group's employees might feel anxious as a result of its delisting and that if the business integration of the Tender Offeror and the Company led to a narrowing of the opportunities for on-site engineers in the event of an overlap of projects, it might lead to the turnover of on-site engineers. Therefore, from the perspective of the retention of the Company Group's employees, the Company's management members reached the agreement as stated in "(III) Management Policy after the Tender Offer" in "(2) Grounds and Reasons for the Opinion" in "3. Details of and Grounds and Reasons for the Opinion on the Tender Offer" of the Press Release Expressing Opinion with the Tender Offeror. Specifically, on the premise that the Tender Offeror would maintain the employment level of the Company Group's employees, the Company and the Tender Offeror agreed in the Written Confirmation to take specific measures to support the Company Group's employees to demonstrate their abilities and grow with the aim of pursuing an environment where the engagement of the employees of the Company Group would increase and they would work with higher motivation when the Company participated in the Tender Offeror Group.

As a result of implementing the Transaction, the Company will be delisted and will not be able to enjoy the benefits that the Company enjoyed as a listed company, such as maintaining and improving its social credibility and name recognition as a listed company and funding from the market. However, the Tender Offeror believed that the impact on equity financing would be minor in light of the fact that it would be possible for the Company to improve its funding capabilities and reduce funding costs by utilizing the ratings and credits of the Tender Offeror Group. The Company was also of the same opinion.

In addition, the Company concluded that the terms and conditions of the Transaction, including the Tender Offer Price, are appropriate and that the Tender Offer would provide the Company's general shareholders with an opportunity to sell the Company Shares at a price including a reasonable premium and under reasonable terms and conditions, for the reasons below.

- (A) The Tender Offer Price is a price agreed upon based on repeated good-faith negotiations between the Tender Offeror and the Tendering Shareholders, in which the Special Committee, which is independent of the Tender Offer Related Parties, was substantially involved, after the Company took full measures to ensure the fairness of the terms and conditions of the Transaction, including the Tender Offer Price, as stated in “(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” in “3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation, and Other Matters” below, and is a price increased by 120 yen (25.00%) from the price initially proposed by the Tender Offeror (480 yen), and is a price substantially increased by 134 yen (27.92%), taking into account that the initially proposed price was based on the premise that no dividends would be paid for the fiscal year ending March 2025.
- (B) The Written Report dated May 14th, 2025 that the Company obtained from the independent Special Committee concludes that the terms and conditions of the Transaction, including the Tender Offer Price, are appropriate, as stated in “(IV) Establishment of an Independent Special Committee by the Company and Acquisition of a Written Report from the Special Committee” in “(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” in “3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation, and Other Matters” below.
- (C) In light of the results of the share valuation calculation concerning the Company Shares performed by SMBC Nikko Securities as described in “(II) Acquisition of a Share Valuation Report by the Company from an Independent Financial Advisor and Third-party Valuation Institution” in “(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” in “3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation, and Other Matters” below, the Tender Offer Price is greater than the range of the results of calculations using the market share price method and the comparable listed company method and within the range of the results of calculations using the discounted cash flow method (the “DCF Method”).
- (D) In light of the results of the share valuation calculation concerning the Company Shares performed by Yamada Consulting as described in “(III) Acquisition of a Share Valuation Report by the Special Committee from an Independent Third-party Valuation Institution” in “(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” in “3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation, and Other Matters” below, the Tender Offer Price is greater than the range of the results of

calculations using the market share price method and within the range of the results of calculations using the comparable listed company method and the DCF Method.

- (E) The Tender Offer Price includes a premium of 10.29% on 544 yen, which is the closing price of the Company Shares on the TSE Prime Market on May 13, 2025, the business day immediately preceding the date of announcement of the Tender Offer, a premium of 20.72% on 497 yen, which is the simple average value of the closing prices for the past one month (from April 14, 2025 to May 13, 2025) (rounded to the nearest yen, hereinafter the same for the simple average value of the closing prices), a premium of 34.23% on 447 yen, which is the simple average value of the closing prices for the past three months (from February 14, 2025 to May 13, 2025), and a premium of 40.52% on 427 yen, which is the simple average value of the closing prices for the past six months (from November 14, 2024 to May 13, 2025), respectively. In light of the median premium level (33.06% on the closing price on the business day immediately preceding the announcement date, 35.96% on the simple average value of the closing prices for the past one month until the business day immediately preceding the announcement date, 36.64% on the simple average value of the closing prices for the past three months until the business day immediately preceding the announcement date, and 42.38% on the simple average value of the closing prices for the past six months until the business day immediately preceding the announcement date) in 28 cases, which are similar to the Transaction, aimed to privatize a listed company, and were announced on and after June 28, 2019, when the “Fair M&A Guidelines” (the “M&A Guidelines”) were published by the Ministry of Economy, Trade and Industry, and a tender offer in which was successfully completed before April 30, 2025 (these are the cases in which the market capitalization of the target company of a tender offer was 50 billion yen or more and the price-to-book ratio (PBR) of shares subject to a tender offer had exceeded 1x before the announcement of the relevant transaction; however, excluding cases of discount tender offer, two-step tender offer, acquisition without consent, MBO, and cases aimed to make a listed subsidiary a wholly-owned subsidiary), although it cannot necessarily be said that the premium level over the closing price on the business day immediately preceding the announcement date and the simple average value of the closing prices for the past one month until the base date is high, the Company’s share price rose on March 1, 2025 and April 20, 2025, when speculative articles about the tender offer for shares in the Company were published in information magazines, and even considering that “Notice Regarding Progress of Litigation” published by the Company on April 7, 2025 and “Notice Concerning Revisions to Financial Results Forecasts” published by the Company on April 21, 2025 can be regarded as factors for an increase in the share price, it cannot be denied that the recent share price increase may reflect the effects of speculative buying, including expectations that the Company will go private, to some extent. Therefore, the premium level should also be considered by comparing it with the share price over a longer period of time, excluding the effects of short-term share price fluctuations. When comparing it with the premium level over the simple average value of the closing prices for the past three months until the base date and the simple average value of the closing prices for the past six months until the base date, which are less affected by fluctuations in the share price for a short term, it can be concluded that the Tender Offer Price includes an appropriate premium.
- (F) In light of the long-term share price trends of the Company, the price is greater than the highest closing price of the Company Shares in the most recent five years, being 550 yen (May 8, 2025), and greater than the highest price of the Company Shares during the trading hours in the most recent five years, being 564 yen (May 9, 2025); therefore, it can be considered that the price is at a level in which sufficient consideration has also been given to long-term general shareholders.

- (G) The measures to ensure the fairness of the Tender Offer set forth in “(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” in “3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation, and Other Matters” below have been taken, and it is found that the interests of general shareholders have been secured.

In light of the above, the Company, at its Board of Directors’ meeting held on May 14, 2025, adopted a resolution to express its then-current opinion in support of the Tender Offer and to recommend that the Company’s shareholders tender their shares in the Tender Offer if the Tender Offer is commenced.

Furthermore, at the time the aforementioned resolution was adopted, the Company also adopted a resolution that prior to commencement of the Tender Offer, the Company will request that (i) the Special Committee consider whether there are any changes in the opinion that the Special Committee represented to the Company’s Board of Directors as of May 14, 2025, that (ii) if there are no changes, the Special Committee state to that effect to the Company’s Board of Directors, and that (iii) if there are any changes, the Special Committee state its changed opinion to the Company’s Board of Directors; and that based on such opinion, the Company will express its opinion on the Tender Offer again at the time of commencement of the Tender Offer.

Thereafter, the Company was informed by the Tender Offeror as follows: on August 1, 2025, the Tender Offeror confirmed that all necessary procedures under the competition laws of the Philippines had been completed upon receipt of a document from the Philippine Competition Commission approving the Acquisition of Shares. Therefore, on the same day, the Tender Offeror determined that all of the Conditions Precedent would definitely be satisfied without being waived, and the Tender Offeror scheduled the commencement date of the Tender Offer for August 6, 2025.

Following this, on August 5, 2025, the Company requested that (i) the Special Committee consider whether there are any changes in the opinion stated in the Written Report dated May 14th, 2025, that (ii) if there are no changes, the Special Committee state to that effect to the Company’s Board of Directors, and that (iii) if there are any changes, the Special Committee state its changed opinion to the Company’s Board of Directors. As stated in “(IV) Establishment of an Independent Special Committee by the Company and Acquisition of a Written Report from the Special Committee” in “(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” in “3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation, and Other Matters” below, at the Special Committee’s meeting held on August 5, 2025, the Special Committee confirmed the facts as to whether a material change in circumstances that could affect the Transaction occurred, and as a result of considering the aforementioned consultation matters, taking into account the circumstances from May 14, 2025 to August 5, 2025, the Special Committee confirmed that there were no circumstances that required a change in the content of the Written Report dated May 14th, 2025; on August 5, 2025, the Special Committee submitted to the Company’s Board of Directors the written report dated August 5, 2025 (the “Written Report dated August 5th, 2025”) to the effect that there was no change in its previous opinion.

After carefully considering the terms and conditions related to the Tender Offer again based on the Company’s business condition and the environment surrounding the Transaction while respecting the content of the Written Report dated August 5th, 2025 submitted by the Special Committee to the fullest extent, the Company determined that as of August 5, 2025, there were no factors to change its opinion on the Tender Offer as of May 14, 2025 because there had been no material changes in the Company’s business environment on and after May 14, 2025, the Transaction, including the Tender Offer, was believed to contribute to enhancement of the Company’s corporate value, and the terms and conditions of the Transaction, including the Tender Offer Price, were deemed appropriate.

Based on the above, at its Board of Directors' meeting held on August 5, 2025, the Company again 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 resolution at the Company's Board of Directors' meeting mentioned above, please see "(VI) Approval of Majority of Directors of the Company Without Conflicts of Interest and No Objection Opinion of All Audit & Supervisory Board Members of the Company Without Conflicts of Interest" in "(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest" in "3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation, and Other Matters" below.

Thereafter, the Tender Offer was successfully completed as described above; however, since the total number of voting rights of the Company owned by the Tender Offeror did not exceed 90% of the voting rights of all shareholders of the Company, at the request of the Tender Offeror, the Company decided, at the Board of Directors' meeting held on September 30, 2025, to submit a proposal for a consolidation of 50,000,000 Company Shares to one share (the "Share Consolidation") to the Extraordinary Shareholders' Meeting in order to make the Company's shareholder only the Tender Offeror, subject to the approval of the shareholders at the Extraordinary Shareholders' Meeting.

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

2. Summary of the Share Consolidation

(1) Schedule for the Share Consolidation

Date of public notice of the record date for the Extraordinary Shareholders' Meeting	Friday, September 12, 2025
Record date for the Extraordinary Shareholders' Meeting	Tuesday, September 30, 2025
Date of resolution by the Board of Directors	Tuesday, September 30, 2025
Date of holding the Extraordinary Shareholders' Meeting	Tuesday, November 18, 2025 (scheduled)
Date of designation as a delisted issue	Tuesday, November 18, 2025 (scheduled)
Last trading date of the Company Shares	Thursday, December 18, 2025 (scheduled)
Delisting date of the Company Shares	Friday, December 19, 2025 (scheduled)
Effective date of the Share Consolidation	Tuesday, December 23, 2025 (scheduled)

(2) Details of the Share Consolidation

(I) Class of Shares to Be Consolidated

Shares of common stock

(II) Consolidation Ratio

50,000,000 Company Shares will be consolidated into one share.

(III) Total Number of Issued Shares to Be Decreased

156,880,370 shares (Note 1)

(Note 1) The total number of issued shares to be decreased is based on the number of shares obtained by deducting the number of treasury shares owned by the Company as of August 31, 2025 (5,792,948 shares) that will be cancelled on December 22, 2025, as resolved by the Board of Directors today, from the total number of issued shares of the Company as of June 30, 2025 (162,673,321 shares) stated in “Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]” (the “Company’s First Quarter Financial Results”) published by the Company on August 6, 2025.

(IV) Total Number of Issued Shares Before the Effective Date

156,880,373 shares (Note 2)

(Note 2) The total number of issued shares before the effective date is the number of shares obtained by deducting the number of treasury shares owned by the Company as of August 31, 2025 (5,792,948 shares) that will be cancelled on December 22, 2025, as resolved by the Board of Directors today, from the total number of issued shares of the Company as of June 30, 2025 (162,673,321 shares) stated in the Company’s First Quarter Financial Results published by the Company on August 6, 2025.

(V) Total Number of Issued Shares After the Effective Date

3 shares

(VI) Total Number of Authorized Shares on the Effective Date

10 shares

(VII) Method of Treatment of Fractions Less than One Share, If Any, and Amount of Monies Expected to Be Delivered to Shareholders by Such Treatment

As stated in “1. Purposes of and Reasons for the Share Consolidation” above, as a result of the Share Consolidation, the number of the Company Shares owned by shareholders other than the Tender Offeror will be a fraction less than one share.

If a fraction less than one share arises in the number of shares as a result of the Share Consolidation, the Company will sell the Company Shares in a number equal to the total number of those fractions (if there is a fraction less than one share in that total number, that fraction is to be discarded; hereinafter the same) (the “Shares Equal to Total Fractions”) and will deliver the proceeds obtained from that sale to the shareholders in proportion to the fractions attributed to them in accordance with the procedures prescribed in Article 235 of the Companies Act and other applicable laws and regulations. Regarding such sale, given that the Share Consolidation will be conducted as part of the Transaction whose purpose is to make the Company’s shareholder only the Tender Offeror and privatize the Company Shares, that since the Company Shares will be delisted on December 19, 2025 and will have no market price, and that it is unlikely that a purchaser will appear in the case of an auction, the Company’s plan is for the

Tender Offeror to purchase those shares with permission of the court, in accordance with Article 234, paragraph (2) of the Companies Act as applied *mutatis mutandis* pursuant to Article 235, paragraph (2) of the same Act.

Regarding the sale price in this case, if the required court permission is obtained as scheduled, the Company plans to set the price in such a manner that monies in the amount obtained by multiplying (i) the number of the Company Shares owned by the shareholders listed or recorded in the Company's last shareholders' register on December 22, 2025, the day immediately preceding the effective date of the Share Consolidation, by (ii) 600 yen, being the same as the Tender Offer Price, will be delivered. However, if court permission is not obtained, or if fractional adjustments are required for calculation purposes, the amount of monies to be delivered may differ from the above amount.

3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation, and Other Matters
 - (1) Grounds and Reasons for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions
 - (I) Matters Taken into Account for the Purpose of Not Harming the Interests of the Company's Shareholders Other than the Parent Company, etc., If Any

The Share Consolidation will be conducted as second-step procedures of the two-step acquisition after the Tender Offer. As of August 6, 2025, the Company was not a subsidiary of the Tender Offeror, so the Tender Offer did not constitute a tender offer by the controlling shareholder. In addition, all or some of the Company's management members were not expected to directly or indirectly invest in the Tender Offeror, so the Transaction, including the Tender Offer, did not constitute a management buyout (MBO) transaction. However, in light of the fact that the Tender Offer aimed to make the Company a wholly-owned subsidiary of the Tender Offeror, and that since the Tender Offeror entered into the Tender Agreement (for details, please see "(1) Tender Agreement" in "4. Matters Concerning Material Agreements Related to the Tender Offer" of the Press Release Expressing Opinion) with the Tendering Shareholders for the Company Shares owned by it, the interests of the Tendering Shareholders and the Company's general shareholders might not necessarily coincide, the Tender Offeror and the Company took the measures mentioned in "(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest" below with a view to ensuring the fairness of the Transaction, including the Tender Offer Price, eliminating arbitrariness from the Company's decision-making process with regard to the Transaction, ensuring the fairness, transparency, and objectivity of the decision-making process, and avoiding conflicts of interest with general shareholders.

- (II) Matters Related to the Method of Treatment of Fractions Less than One Share, and the Amount of Monies Expected to Be Delivered to Shareholders by Such Treatment and the Appropriateness of Such Amount
 - a. Treatment Under Which Provision of Paragraph (2) of Article 234 of the Companies Act as Applied *Mutatis Mutandis* Pursuant to Paragraph (1) or (2) of Article 235 of the Same Act Is Planned, and Reasons Therefor

As stated in "1. Purposes of and Reasons for the Share Consolidation" above, as a result of the Share Consolidation, the number of the Company Shares owned by shareholders other than the Tender Offeror will be a fraction less than one share.

If a fraction less than one share arises in the number of shares as a result of the Share Consolidation, the Company will sell the Shares Equal to Total Fractions and will deliver the proceeds obtained from that sale to the shareholders in proportion to the fractions attributed to

them in accordance with the procedures prescribed in Article 235 of the Companies Act and other applicable laws and regulations. Regarding such sale, given that the Share Consolidation will be conducted as part of the Transaction whose purpose is to make the Company's shareholder only the Tender Offeror and privatize the Company Shares, that since the Company Shares will be delisted on December 19, 2025 and will have no market price, and that it is unlikely that a purchaser will appear in the case of an auction, the Company's plan is for the Tender Offeror to purchase those shares with permission of the court, in accordance with Article 234, paragraph (2) of the Companies Act as applied *mutatis mutandis* pursuant to Article 235, paragraph (2) of the same Act.

Regarding the sale price in this case, if the required court permission is obtained as scheduled, the Company plans to set the price in such a manner that monies in the amount obtained by multiplying (i) the number of the Company Shares owned by the shareholders listed or recorded in the Company's last shareholders' register on December 22, 2025, the day immediately preceding the effective date of the Share Consolidation, by (ii) 600 yen, being the same as the Tender Offer Price, will be delivered. However, if court permission is not obtained, or if fractional adjustments are required for calculation purposes, the amount of monies to be delivered may differ from the above amount.

b. Name of the Person Expected to Be a Potential Purchaser of Shares in the Sale

INFRONEER Holdings Inc.

c. Method for the Person Expected to Be a Potential Purchaser of Shares in the Sale to Secure Funds for Payment of the Sale Price and the Appropriateness of Such Method

The Tender Offeror plans to procure funds for payment of the sale price for the Shares Equal to Total Fractions by a loan from a financial institution, and the Company has confirmed the Tender Offeror's method to secure funds by checking the agreement regarding such loan from a financial institution. In addition, according to the Tender Offeror, no events that may impede payment of the sale price for the Shares Equal to Total Fractions have occurred nor is the Tender Offeror aware of the possibility of such event.

Therefore, the Company determined that the method to secure funds for payment of the sale price for the Shares Equal to Total Fractions is appropriate.

d. Expected Timing of the Sale and Delivery of the Proceeds of the Sale to Shareholders

The Company plans to file a petition with the court for permission to sell the Shares Equal to Total Fractions to the Tender Offeror in accordance with Article 234, paragraph (2) of the Companies Act as applied *mutatis mutandis* pursuant to Article 235, paragraph (2) of the same Act, by early January 2026. The timing of obtaining such permission may vary depending on the circumstances of the court, etc.; however, the Company expects to sell such Company Shares to the Tender Offeror by mid- to late January 2026 with court permission, and thereafter make necessary preparations to deliver the proceeds of the sale to shareholders, and to do the same by late March 2026.

Taking into account the time period required for the series of procedures from the effective date of the Share Consolidation to the sale, the Company determined that the Shares Equal to Total Fractions will be sold and the proceeds of the sale will be delivered to shareholders at the relevant time, as stated above.

The proceeds of the sale will be delivered to the shareholders listed or recorded in the Company's final shareholders' register as of December 22, 2025, the day immediately preceding

the effective date of the Share Consolidation, in accordance with the method of delivery of dividend assets by the Company.

e. Matters Related to the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Less than One Share and the Appropriateness of Such Amount

As stated in “a. Treatment Under Which Provision of Paragraph (2) of Article 234 of the Companies Act as Applied *Mutatis Mutandis* Pursuant to Paragraph (1) or (2) of Article 235 of the Same Act Is Planned, and Reasons Therefor” above, the amount of monies expected to be delivered to shareholders by treatment of fractions is planned to be the amount obtained by multiplying (i) the number of the Company Shares owned by the shareholders listed or recorded in the Company’s last shareholders’ register on December 22, 2025, the day immediately preceding the effective date of the Share Consolidation, by (ii) 600 yen, being the same as the Tender Offer Price.

The Company concluded that the terms and conditions of the Transaction, including the Tender Offer Price, are appropriate and that the Tender Offer would provide the Company’s general shareholders with an opportunity to sell the Company Shares at a price including a reasonable premium and under reasonable terms and conditions, for the reasons below.

- (A) The Tender Offer Price is a price agreed upon based on repeated good-faith negotiations between the Tender Offeror and the Tendering Shareholders, in which the Special Committee, which is independent of the Tender Offer Related Parties, was substantially involved, after the Company took full measures to ensure the fairness of the terms and conditions of the Transaction, including the Tender Offer Price, as stated in “(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” below, and is a price increased by 120 yen (25.00%) from the price initially proposed by the Tender Offeror (480 yen), and is a price substantially increased by 134 yen (27.92%), taking into account that the initially proposed price was based on the premise that no dividends would be paid for the fiscal year ending March 2025.
- (B) The Written Report dated May 14th, 2025 that the Company obtained from the independent Special Committee concludes that the terms and conditions of the Transaction, including the Tender Offer Price, are appropriate, as stated in “(IV) Establishment of an Independent Special Committee by the Company and Acquisition of a Written Report from the Special Committee” in “(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” below.
- (C) In light of the results of the share valuation calculation concerning the Company Shares performed by SMBC Nikko Securities as described in “(II) Acquisition of a Share Valuation Report by the Company from an Independent Financial Advisor and Third-party Valuation Institution” in “(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” below, the Tender Offer Price is greater than the range of the results of calculations using the market share price method and the comparable listed company method and within the range of the results of calculations using the DCF Method.
- (D) In light of the results of the share valuation calculation concerning the Company Shares performed by Yamada Consulting as described in “(III) Acquisition of a Share Valuation Report by the Special Committee from an Independent Third-party Valuation Institution” in “(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” below, the Tender Offer Price is greater than the range of the results of calculations using the market share price method and within the range of the results of calculations using the comparable listed company method and the DCF Method.

- (E) The Tender Offer Price includes a premium of 10.29% on 544 yen, which is the closing price of the Company Shares on the TSE Prime Market on May 13, 2025, the business day immediately preceding the date of announcement of the Tender Offer, a premium of 20.72% on 497 yen, which is the simple average value of the closing prices for the past one month (from April 14, 2025 to May 13, 2025), a premium of 34.23% on 447 yen, which is the simple average value of the closing prices for the past three months (from February 14, 2025 to May 13, 2025), and a premium of 40.52% on 427 yen, which is the simple average value of the closing prices for the past six months (from November 14, 2024 to May 13, 2025), respectively. In light of the median premium level (33.06% on the closing price on the business day immediately preceding the announcement date, 35.96% on the simple average value of the closing prices for the past one month until the business day immediately preceding the announcement date, 36.64% on the simple average value of the closing prices for the past three months until the business day immediately preceding the announcement date, and 42.38% on the simple average value of the closing prices for the past six months until the business day immediately preceding the announcement date) in 28 cases, which are similar to the Transaction, aimed to privatize a listed company, and were announced on and after June 28, 2019, when the M&A Guidelines were published by the Ministry of Economy, Trade and Industry, and a tender offer in which was successfully completed before April 30, 2025 (these are the cases in which the market capitalization of the target company of a tender offer was 50 billion yen or more and the price-to-book ratio (PBR) of shares subject to a tender offer had exceeded 1x before the announcement of the relevant transaction; however, excluding cases of discount tender offer, two-step tender offer, acquisition without consent, MBO, and cases aimed to make a listed subsidiary a wholly-owned subsidiary), although it cannot necessarily be said that the premium level over the closing price on the business day immediately preceding the announcement date and the simple average value of the closing prices for the past one month until the base date is high, the Company's share price rose on March 1, 2025 and April 20, 2025, when speculative articles about the tender offer for shares in the Company were published in information magazines, and even considering that "Notice Regarding Progress of Litigation" published by the Company on April 7, 2025 and "Notice Concerning Revisions to Financial Results Forecasts" published by the Company on April 21, 2025 can be regarded as factors for an increase in the share price, it cannot be denied that the recent share price increase may reflect the effects of speculative buying, including expectations that the Company will go private, to some extent. Therefore, the premium level should also be considered by comparing it with the share price over a longer period of time, excluding the effects of short-term share price fluctuations. When comparing it with the premium level over the simple average value of the closing prices for the past three months until the base date and the simple average value of the closing prices for the past six months until the base date, which are less affected by fluctuations in the share price for a short term, it can be concluded that the Tender Offer Price includes an appropriate premium.
- (F) In light of the long-term share price trends of the Company, the price is greater than the highest closing price of the Company Shares in the most recent five years, being 550 yen (May 8, 2025), and greater than the highest price of the Company Shares during the trading hours in the most recent five years, being 564 yen (May 9, 2025); therefore, it can be considered that the price is at a level in which sufficient consideration has also been given to long-term general shareholders.
- (G) The measures to ensure the fairness of the Tender Offer set forth in "(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest" below have been taken, and it is found that the interests of general shareholders have been secured.

In light of the above, the Company, at its Board of Directors' meeting held on May 14, 2025, adopted a resolution to express its then-current opinion in support of the Tender Offer and to recommend that the Company's shareholders tender their shares in the Tender Offer if the Tender Offer is commenced.

Furthermore, after the Company, at its Board of Directors' meeting held on August 5, 2025, adopted a resolution to express its opinion in support of the Tender Offer and to recommend that the Company's shareholders tender their shares in the Tender Offer, the Company confirmed that no material change occurred with respect to various conditions constituting the basis for the calculation of the Tender Offer Price until the Company's Board of Directors' resolution to convene the Extraordinary Shareholders' Meeting which was adopted on September 30, 2025.

Based on the above, the Company determined that the amount of monies expected to be delivered to shareholders by treatment of fractions is appropriate.

(III) Disposal of Important Assets, Burden of Significant Debts, or Other Events That May Have a Significant Impact on the Status of the Company's Assets That Occurred After the End of the Last Fiscal Year

a. Implementation of the Tender Offer

As stated in "1. Purposes of and Reasons for the Share Consolidation" above, the Tender Offeror implemented the Tender Offer, and as a result of the Tender Offer, the Tender Offeror became the owner of 126,464,523 Company Shares (ownership ratio: 80.61%) as of September 26, 2025, the settlement commencement date for the Tender Offer.

b. Cancellation of Treasury Shares

As stated in "Notice Regarding Cancellation of Treasury Shares" dated September 30, 2025, the Company adopted a resolution at the Board of Directors' meeting held today to cancel 5,792,948 shares (the number of treasury shares as of August 31, 2025) on December 22, 2025. Such cancellation of treasury shares is subject to the condition that the proposal regarding the Share Consolidation is approved and passed at the Extraordinary Shareholders' Meeting as originally drafted, and the total number of issued shares of the Company after the cancellation of treasury shares will be 3 shares assuming that 5,792,948 shares will be cancelled.

(2) Prospects of Delisting

(I) Delisting

As stated in "1. Purposes of and Reasons for the Share Consolidation" above, the Company plans to conduct the Share Consolidation to make the Company's shareholder only the Tender Offeror, subject to the approval of the shareholders at the Extraordinary Shareholders' Meeting. As a result, the Company Shares will be delisted through the prescribed procedures in accordance with the delisting criteria of the TSE.

As for the schedule, the Company Shares will be designated as a delisted issue from November 18, 2025 to December 18, 2025, and subsequently delisted on December 19, 2025. After the delisting, no Company Shares can be traded on the Prime Market of the TSE.

(II) Reasons for Delisting

As stated in “1. Purposes of and Reasons for the Share Consolidation” above, the Company determined that privatizing the Company Shares through the Transaction would contribute to enhancement of the Company’s corporate value.

(III) Impact on Minority Shareholders and View on It

As stated in “(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” below, on May 14, 2025, the Company received a report from the Special Committee stating that the Transaction is not disadvantageous to the Company’s minority shareholders.

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

The Share Consolidation will be conducted as second-step procedures of the two-step acquisition after the Tender Offer. As of August 6, 2025, the Company was not a subsidiary of the Tender Offeror, so the Tender Offer did not constitute a tender offer by the controlling shareholder. In addition, all or some of the Company’s management members were not expected to directly or indirectly invest in the Tender Offeror, so the Transaction, including the Tender Offer, did not constitute a management buyout (MBO) transaction. However, in light of the fact that the Tender Offer aimed to make the Company a wholly-owned subsidiary of the Tender Offeror, and that since the Tender Offeror entered into the Tender Agreement (for details, please see “(1) Tender Agreement” in “4. Matters Concerning Material Agreements Related to the Tender Offer” of the Press Release Expressing Opinion) with the Tendering Shareholders for the Company Shares owned by it, the interests of the Tendering Shareholders and the Company’s general shareholders might not necessarily coincide, the Tender Offeror and the Company took the measures mentioned below with a view to ensuring the fairness of the Transaction, including the Tender Offer Price, eliminating arbitrariness from the Company’s decision-making process with regard to the Transaction, ensuring the fairness, transparency, and objectivity of the decision-making process, and avoiding conflicts of interest with general shareholders.

The descriptions of the measures taken by the Tender Offeror below are based on explanations given by the Tender Offeror.

(I) Acquisition of a Share Valuation Report by the Tender Offeror from an Independent Third-party Valuation Institution

(i) Name of the Valuation Institution and its Relationship with the Tender Offer Related Parties

When determining the Tender Offer Price, the Tender Offeror requested that Daiwa Securities Co., Ltd. (“Daiwa Securities”), the financial advisor of the Tender Offeror, calculate the share value of the Company as a third-party valuation institution independent of the Tender Offer Related Parties, and the Tender Offeror obtained a share valuation report (the “Share Valuation Report (Daiwa Securities)”) on May 13, 2025. Daiwa Securities is not a related party of the Tender Offer Related Parties and does not have any material interest in the Tender Offer. The Tender Offeror has not obtained a written opinion on the fairness of the Tender Offer Price (a fairness opinion) from Daiwa Securities.

(ii) Overview of the Valuation for the Company Shares

After reviewing the calculation methods to be adopted in calculating the share value of the Company from amongst multiple share valuation methods, Daiwa Securities calculated the value of the Company Shares by using the following methods on the assumption that the Company is a going concern and based on the idea that it is appropriate to evaluate the value of the Company Shares multilaterally: the market share price method (because the Company

Shares are listed on the TSE Prime Market and have a market share price); the comparable company method (because there are multiple similar listed companies that can be compared to the Company, and it is possible to infer the share value of the Company through comparisons with comparable listed companies); and the DCF Method (in order to reflect the details of, and forecasts for, the Company's business results in the valuation). The Tender Offeror has obtained the Share Valuation Report (Daiwa Securities) dated May 13, 2025 from Daiwa Securities. The Tender Offeror has not obtained a written opinion on the fairness of the Tender Offer Price (a fairness opinion) from Daiwa Securities.

The ranges of the share value per share of the Company Shares calculated by Daiwa Securities based on the above methods are as follows, respectively.

Market share price method:	427 yen to 544 yen
Comparable company method:	471 yen to 723 yen
DCF Method:	463 yen to 696 yen

For the market share price method, the calculation reference date was set as May 13, 2025, and the share value per share of the Company Shares was calculated to be in the range of 427 yen to 544 yen based on the closing price of the Company Shares on the TSE Prime Market on the reference date (544 yen) and the simple average closing prices over the most recent one-month period (497 yen), the most recent three-month period (447 yen), and the most recent six-month period (427 yen).

Under the comparable company method, the share value per share of the Company Shares was calculated to be in the range of 471 yen to 723 yen based on the share value of the Company being calculated by comparing financial indicators such as market share price and profitability, etc. of listed companies engaged in comparatively similar business to the Company.

Under the DCF Method, the share value per share of the Company Shares was calculated to be in the range of 463 yen to 696 yen, by analyzing the enterprise value and share value by discounting the free cash flow that the Company is expected to generate after the fiscal year ending March 2026 to the present value at a certain discount rate, on the assumption of figures that the Tender Offeror believes to be appropriate based on various factors such as the earnings and investment plan set out in the draft business plan of the Company for the three fiscal years from the fiscal year ending March 2026 to the fiscal year ending March 2028 prepared by the Company, the results of due diligence on the Company implemented by the Tender Offeror from early March 2025 until mid-April 2025, as well as generally publicly available information. Furthermore, the impact of synergies expected from the implementation of the Transaction was not included as it was difficult to estimate them specifically at that time.

On May 14, 2025, the Tender Offeror ultimately determined that the Tender Offer Price would be 600 yen per share, comprehensively taking into account the valuation results in the Share Valuation Report (Daiwa Securities) obtained from Daiwa Securities, the results of the due diligence on the Company implemented by the Tender Offeror from early March 2025 until mid-April 2025, trends in the share value of the Company Shares, and anticipated levels of tendering in the Tender Offer, and based on the results of discussions and negotiations with the Company.

The Tender Offer Price of 600 yen represents a premium of 10.29% on the closing price of 544 yen of the Company Shares on the TSE Prime Market as of May 13, 2025, the business day prior to the announcement of the implementation of the Tender Offer, represents a premium of 20.72% on the simple average closing price of 497 yen over the most recent one-month period (from April 14, 2025 to May 13, 2025), represents a premium of 34.23% on the simple average closing price of 447 yen over the most recent three-month period (from February 14, 2025 to

May 13, 2025), and represents a premium of 40.52% on the simple average closing price of 427 yen over the most recent six-month period (from November 14 2024 to May 13, 2025).

From the perspective of ensuring the ability to exercise rights as a shareholder of the Company, such as requesting to inspect the shareholder register of the Company for the Tender Offer, the Tender Offeror has acquired 100 Company Shares from an employee of the Company (the “Company Employee”) through a privately negotiated transaction, with April 30, 2025 as the acquisition date, for a price of 511 yen per share (the closing price of the Company Shares on the TSE Prime Market on 28th of the same month, which was the business day before the acquisition date). An 89 yen difference arose between the Tender Offer Price (600 yen) and that acquisition price (511 yen), and the Tender Offer Price (600 yen) represents a 17.42% premium on that acquisition price (511 yen), but this is because a 10.29% premium on the closing price (544 yen) of the Company Shares on the TSE Prime Market on May 13, 2025 has been provided in the Tender Offer Price as set forth above, in addition to the closing price (544 yen) of the Company Shares on May 13, 2025, which is the business day prior to the announcement of the implementation of the Tender Offer, having risen 6.46% with respect to the closing price of the Company Shares on the TSE Prime Market on the 28th of that month which the Tender Offeror and the Company Employee agreed on as the reference date for the assignment price.

Subsequently, as of August 5, 2025, the Tender Offeror did not observe any material changes in the business condition of the Company or the environment, etc. surrounding the Transaction and determined that there were no events that had a material impact on the Company’s corporate value, so it made the decision not to change the Tender Offer Price that it decided on May 14, 2025.

(II) Acquisition of a Share Valuation Report by the Company from an Independent Financial Advisor and Third-party Valuation Institution

(i) Name of the Valuation Institution and its Relationship with the Tender Offer Related Parties

In expressing an opinion on the Tender Offer, in order to ensure the fairness of the decision-making on the Tender Offer Price presented by the Tender Offeror, the Company requested that SMBC Nikko Securities, which is its financial advisor and third-party valuation institution independent of the Tender Offer Related Parties, calculate the value of the Company Shares; and on May 13, 2025, the Company obtained the Share Valuation Report (SMBC Nikko Securities).

SMBC Nikko Securities is not a related party of the Tender Offer Related Parties, and it has no material interest in the Transaction, including the Tender Offer, that should be stated.

SMBC Nikko Securities is a member of the group companies of Sumitomo Mitsui Financial Group, Inc., along with Sumitomo Mitsui Banking Corporation which engages in loan transactions and the like as part of its ordinary banking transactions with the Company Group and the Tender Offeror Group, and Sumitomo Mitsui Banking Corporation is a shareholder of the Tender Offeror (the ratio of the number of shares owned to the total number of issued shares (excluding treasury shares) as of March 31, 2025 is 1.09% (rounded to the second decimal place)); however, the Company appointed SMBC Nikko Securities as its financial advisor and third-party valuation institution, taking into account SMBC Nikko Securities’ track record as a third-party valuation institution and the following matters: (i) as an adverse effect prevention measure, a measure to block information as set forth in the internal regulations has been taken between the department of SMBC Nikko Securities that calculates the value of the Company Shares on the one hand and the other departments of SMBC Nikko Securities and Sumitomo Mitsui Banking Corporation on the other hand; (ii) as the Company and SMBC Nikko Securities conduct transactions under the same terms and conditions as those under which it conducts transactions with its general business partners, the independence as a financial advisor and third-

party valuation institution is ensured; and (iii) SMBC Nikko Securities is not a related party of the Tender Offer Related Parties, and it can be considered that there is no particular issue with the Company requesting that SMBC Nikko Securities calculate the value of the Company Shares. Furthermore, at the first meeting, the Special Committee confirmed that there is no issue with the independence or expertise of SMBC Nikko Securities, and the Special Committee approved it as the Company's financial advisor and third-party valuation institution.

As stated in “(3) Measures to Ensure Fairness of and Measures to Avoid Conflicts of Interest,” in light of the fact that measures have been taken to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest, the Company considered that the fairness of the Transaction, including the Tender Offer Price, is ensured, and as a result, the Company has not obtained an opinion regarding the fairness of the Tender Offer Price (fairness opinion) from SMBC Nikko Securities.

The remuneration to be paid to SMBC Nikko Securities for the Transaction includes a contingent fee to be paid subject to successful completion of the Transaction and other conditions. However, taking into account general practices in the same type of transactions and the disadvantages of adopting the remuneration system in which the Company will incur a considerable monetary burden if the Transaction fails to be successfully completed, the Company concluded that the fact that the remuneration includes a contingent fee to be paid subject to completion of the Tender Offer does not negate the independence of SMBC Nikko Securities and that there is certain economic rationality for the Company, and the Company appointed SMBC Nikko Securities as its financial advisor and third-party valuation institution based on the aforementioned remuneration system.

(Note) In preparing the Share Valuation Report (SMBC Nikko Securities), SMBC Nikko Securities assumed that all the materials and information on which the Share Valuation Report (SMBC Nikko Securities) is based are accurate and complete; SMBC Nikko Securities has not independently verified, nor does it have an obligation or responsibility to verify, their accuracy and completeness; and SMBC Nikko Securities assumed that no facts, circumstances, or the like finding the provided information to be inaccurate or misleading have been found by the Company. Moreover, SMBC Nikko Securities has not independently evaluated, appraised, or assessed the assets or liabilities of the Company and its affiliates, nor has it requested that a third-party organization evaluate, appraise, or assess them. If any issue is found as to the accuracy and completeness of those materials and information, the valuation results may significantly differ. Furthermore, SMBC Nikko Securities assumed that there are no claims or obligations related to any undisclosed litigations, disputes, environmental matters, tax affairs, or the like of the Company or its affiliates, other contingent liabilities, off-balance sheet debts, or other facts that have a material impact on the Share Valuation Report (SMBC Nikko Securities). SMBC Nikko Securities assumed that the business plan, etc., which are used in the Share Valuation Report (SMBC Nikko Securities), were prepared by the Company on a best forecast and determination basis as of the base date for valuation in accordance with reasonable and appropriate procedures. In addition, in the Share Valuation Report (SMBC Nikko Securities), if SMBC Nikko Securities made an analysis based on the hypothesis provided based on the provided materials and information, SMBC Nikko Securities assumed that the provided materials, information, and hypothesis are accurate and reasonable. SMBC Nikko Securities has not independently verified, nor does it have any obligation or responsibility to verify, the accuracy, appropriateness, and feasibility of these assumptions. SMBC Nikko Securities' valuation results were submitted to the Company at the request of the Company for the sole purpose of serving as a reference for the Company's Board of Directors to

consider the Tender Offer Price, and the valuation results do not represent SMBC Nikko Securities' opinion on the fairness of the Tender Offer Price.

(ii) Overview of the Valuation for the Company Shares

SMBC Nikko Securities considered the calculation methods to be applied to the valuation of the Company Shares in the Tender Offer from among multiple calculation methods; thereafter, based on the idea that it is appropriate to multilaterally evaluate the share value of the Company, SMBC Nikko Securities calculated the share value of the Company using the following methods: the market share price method, as the Company Shares are listed on the TSE Prime Market; the comparable listed company method, as there are multiple listed companies that are comparable with the Company, and it is possible to infer the share value of the Company by comparing comparable companies; and the DCF Method to reflect the status of future business activities in the calculation; and on May 13, 2025, the Company obtained the Share Valuation Report (SMBC Nikko Securities). The ranges of the value per share of the Company Shares calculated under each of the methods mentioned above in the Share Valuation Report (SMBC Nikko Securities) are as below.

Market share price method:	427 yen to 497 yen
Comparable listed company method:	472 yen to 597 yen
DCF Method:	481 yen to 993 yen

Under the market share price method, by setting the base date for valuation as May 13, 2025, which was the business day immediately preceding the announcement date of the planned commencement of the Tender Offer, the range of the value per share of the Company Shares was calculated to be 427 yen to 497 yen based on: 497 yen, which is the simple average value of the closing prices of the Company Shares for the one month before the base date at the TSE Prime Market; 447 yen, which is the simple average value of the closing prices for the three months before the base date; and 427 yen, which is the simple average value of the closing prices for the six months before the base date.

Under the comparable listed company method, the range of the value per share of the Company Shares was calculated to be 472 yen to 597 yen by selecting listed companies which engage in relatively similar business to that of the Company and by calculating the value of the Company Shares using EBITDA magnification of the corporate value.

Under the DCF Method, the range of the value per share of the Company Shares was calculated to be 481 yen to 993 yen based on the business plan prepared by the Company (the "Business Plan") by calculating the corporate value and share value of the Company by discounting to the present value at a certain discount rate the free cash flow expected to be generated by the Company in and after the fiscal year ending March 2026 on the assumption of various factors, including the earnings forecasts and investment plans in the Business Plan for the three fiscal years from the fiscal year ending March 2026 to the fiscal year ending March 2028, as well as publicly available information and other materials. In calculating the continued value, the perpetual growth method and the multiple method were used.

The financial forecasts used as an assumption in the analysis using the DCF Method are based on the Business Plan prepared by the Company and include fiscal years in which significant increases or decreases in profits and free cash flows are expected. Specifically, in the fiscal year ending March 2026, we expect a significant increase in operating income, mainly due to an improvement in profit margins resulting from transition to new high-quality constructions in the domestic building construction business. In the fiscal year ending March 2027, we expect a significant decline in free cash flow due to an increase in capital expenditure and a smaller reduction in the amount of working capital. In addition, in the fiscal year ending March 2028, we expect a significant increase in free cash flow due to a decrease in working capital. The

synergy effects, etc. expected to be realized by implementing the Transaction were not reflected in the financial forecasts as it was difficult to specifically estimate their impact on revenues at the time of the valuation and the share value of the Company was calculated on a stand alone basis.

(III) Acquisition of a Share Valuation Report by the Special Committee from an Independent Third-party Valuation Institution

(i) Name of the Valuation Institution and its Relationship with the Tender Offer Related Parties

In considering the Consultation Matters, in order to ensure the fairness of the terms and conditions of the Transaction, including the Tender Offer Price, the Special Committee requested that Yamada Consulting, which is its third-party valuation institution independent of the Tender Offer Related Parties, calculate the value of the Company Shares; and on May 13, 2025, the Special Committee obtained the share valuation report (the “Share Valuation Report (Yamada Consulting)”).

Yamada Consulting is not a related party of the Tender Offer Related Parties, and it has no material interest in the Transaction, including the Tender Offer, that should be stated.

As stated in “(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest,” in light of the fact that measures have been taken to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest, the Special Committee considered that the fairness of the Transaction, including the Tender Offer Price, is ensured, and as a result, the Special Committee has not obtained an opinion regarding the fairness of the Tender Offer Price (fairness opinion) from Yamada Consulting.

The remuneration to be paid to Yamada Consulting for the Transaction consists only of a fixed fee to be paid regardless of the success or failure of the Transaction, and does not include any contingent fee to be paid subject to successful completion of the Transaction, including the Tender Offer, and other conditions.

(ii) Overview of the Valuation for the Company Shares

Yamada Consulting considered the calculation methods to be applied to the valuation of the Company Shares in the Tender Offer from among multiple calculation methods; thereafter, based on the idea that it is appropriate to multilaterally evaluate the share value of the Company on the premise that the Company is a going concern, Yamada Consulting calculated the share value of the Company using the following methods: the market share price method, as the Company Shares are listed on the TSE Prime Market; the comparable company method, as there are multiple listed companies that are comparable with the Company, and it is possible to infer the share value of the Company by comparing comparable companies; and the DCF Method, to reflect the status of future business activities in the calculation; and on May 13, 2025, the Special Committee obtained the Share Valuation Report (Yamada Consulting) from Yamada Consulting. The ranges of the value per share of the Company Shares calculated under each of the methods mentioned above in the Share Valuation Report (Yamada Consulting) are as below.

Market share price method:	427 yen to 544 yen
Comparable company method:	424 yen to 944 yen
DCF Method:	550 yen to 1,014 yen

Under the market share price method, by setting the base date for valuation as May 13, 2025, which was the business day immediately preceding the announcement date of the planned commencement of the Tender Offer, the range of the value per share of the Company Shares was calculated to be 427 yen to 544 yen based on: 544 yen, which is the closing price of the

Company Shares on the TSE Prime Market on the base date; 497 yen, which is the simple average value of the closing prices for the one month before the base date; 447 yen, which is the simple average value of the closing prices for the three months before the base date; and 427 yen, which is the simple average value of the closing prices for the six months before the base date.

Under the comparable company method, the range of the value per share of the Company Shares was calculated to be 424 yen to 944 yen by calculating the value of the Company Shares through comparison of financial indicators showing the market share prices and profitability of listed companies which engage in relatively similar business to that of the Company.

Under the DCF Method, the range of the value per share of the Company Shares was calculated to be 550 yen to 1,014 yen by calculating the corporate value and share value of the Company by discounting to the present value at a certain discount rate the free cash flow expected to be generated by the Company in and after the fiscal year ending March 2026 based on the Company's financial forecast taking into account various factors, such as the Business Plan prepared by the Company and publicly available information.

The Business Plan prepared by the Company that Yamada Consulting used for the DCF Method includes fiscal years in which significant increases in profits are expected compared to the previous fiscal year. Specifically, in the fiscal year ending March 2026, we expect a significant increase in operating income, mainly due to an improvement in profit margins resulting from transition to new high-quality constructions in the domestic building construction business. In the fiscal year ending March 2027, we expect a significant decline in free cash flow due to an increase in capital expenditure and a smaller reduction in the amount of working capital. In addition, in the fiscal year ending March 2028, we expect a significant increase in free cash flow due to a decrease in working capital.

Furthermore, the synergy effects expected to be realized by implementing the Transaction were not taken into account in the aforementioned calculation as it was difficult to specifically estimate such synergy effects at that time. The financial forecast was based on the Business Plan prepared by the Company, and Yamada Consulting analyzed and examined the details of the plan through multiple question-and-answer sessions with the Company, and the Special Committee confirmed the reasonableness of the details and the background of its preparation.

(Note) In preparing the Share Valuation Report (Yamada Consulting), Yamada Consulting assumed that all the materials and information on which the Share Valuation Report (Yamada Consulting) is based are accurate and complete; Yamada Consulting has not independently verified, nor does it have an obligation or responsibility to verify, their accuracy and completeness; and Yamada Consulting assumed that no facts, circumstances, or the like finding the provided information to be inaccurate or misleading have been found by the Company. Moreover, Yamada Consulting has not independently evaluated, appraised, or assessed the assets or liabilities of the Company, nor has it requested that a third-party organization evaluate, appraise, or assess them. If any issue is found as to the accuracy and completeness of those materials and information, the valuation results may significantly differ. Furthermore, Yamada Consulting assumed that there are no claims or obligations related to any undisclosed litigations, disputes, environmental matters, tax affairs, or the like of the Company, other contingent liabilities, off-balance sheet debts, or other facts that have a material impact on the Share Valuation Report (Yamada Consulting). Yamada Consulting assumed that the business plan, etc., which are used in the Share Valuation Report (Yamada Consulting), were prepared by the Company on a best forecast and determination basis as of the base date for valuation in accordance with reasonable and appropriate procedures. In

addition, in the Share Valuation Report (Yamada Consulting), if Yamada Consulting made an analysis based on the hypothesis provided based on the provided materials and information, Yamada Consulting assumed that the provided materials, information, and hypothesis are accurate and reasonable. Yamada Consulting has not independently verified, nor does it have any obligation or responsibility to verify, the accuracy, appropriateness, and feasibility of these assumptions. Yamada Consulting's valuation results were submitted to the Special Committee at the request of the Special Committee for the sole purpose of serving as a reference for the Special Committee to consider the Consultation Matters, and the valuation results do not represent Yamada Consulting's opinion on the fairness of the Tender Offer Price.

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

(i) Background of the Establishment

As stated in “1. Purposes of and Reasons for the Share Consolidation” above, the Company established the Special Committee composed of three members, i.e., Mr. Nobuo Kawahashi, Mr. Sakio Sasamoto, and Ms. Mami Yamashita (who was the representative director of Kokoruku, Inc., outside director of AEON Fantasy Co., LTD., and outside director of NAC CO., LTD.), who were the Company's Outside Directors, were notified with the TSE as its independent officers, and were independent of the Tender Offer Related Parties, pursuant to the resolution at the Board of Directors' meeting dated February 25, 2025, based on advice from Nishimura & Asahi; the purpose of the establishment of the Special Committee was to eliminate the risk of arbitrariness and conflicts of interest with general shareholders in the Company's decision-making process and ensure the fairness and transparency of the Transaction when the Company's Board of Directors considers the Relevant Matters while giving consideration to the impact on the Company's general shareholders (the members of the Special Committee remain unchanged since the establishment of the Special Committee). As a result of a mutual election by the members of the Special Committee, Mr. Nobuo Kawahashi was elected as the chairman of the Special Committee. Each member of the Special Committee will receive remuneration in accordance with the number of meetings of the Special Committee, regardless of the content of the report, as compensation for their duties, and such remuneration does not include any contingent fee to be paid subject to successful completion of the Transaction.

The Company sought advice from the Special Committee on the Consultation Matters. In addition, at the aforementioned Board of Directors' meeting, the Company also adopted a resolution that the Company's Board of Directors must respect the report of the Special Committee to the fullest extent when it makes important decisions on the Relevant Matters, and that the Company will not support the Tender Offer if the Special Committee determines that the decision to implement the Transaction through the Tender Offer is disadvantageous to the Company's general shareholders. Moreover, pursuant to the aforementioned resolution at the Board of Directors' meeting, the Company granted the following authorities to the Special Committee: (a) the authority to provide necessary advice to the Company's Project Team; (b) the authority to confirm in advance the policy for discussions and negotiations regarding the Relevant Matters with the Tender Offeror, timely receive reports on the status thereof, state opinions as necessary, and make recommendations and requests to the Company's Board of Directors; (c) the authority to request that the Company's Project Team and the Company's outside experts, etc. report and provide information regarding the progress, status of consideration, and other matters related to the Relevant Matters as necessary; and (d) the authority to appoint its own outside experts, etc. at the Company's expense to the extent necessary to fulfill its role, and the authority to seek expert advice from the Company's outside experts, etc. if the Special Committee determines that the Company's outside experts, etc. are trustworthy and the Special Committee can seek expert advice from them because the

Company's outside experts, etc. have sufficient expertise and there are no issues with their independence.

(ii) Details of the Consideration

The Special Committee held meetings 14 times in total during the period from February 28, 2025 to May 13, 2025, and its members carefully discussed and considered the Consultation Matters by making reports, sharing information, deliberating, and making decisions via e-mail during each interval of the meetings.

Specifically, after the Special Committee confirmed that SMBC Nikko Securities, which is the Company's financial advisor and third-party valuation institution, and Nishimura & Asahi, which is the Company's legal advisor, are not a related party of the Tender Offer Related Parties and have no material interest in the Transaction, including the Tender Offer, and that there is no issue with their independence and expertise in relation to the Transaction, it approved their appointment and confirmed that the Special Committee is also authorized to seek expert advice from them as necessary. Furthermore, after the Special Committee confirmed that Yamada Consulting has sufficient expertise, is not a related party of the Tender Offer Related Parties, and has no material interest in the Transaction, including the Tender Offer, and that there is no issue with its independence and expertise in relation to the Transaction, it decided to appoint Yamada Consulting as its own third-party valuation institution and seek expert advice from Yamada Consulting.

Based on the explanation received from Nishimura & Asahi, the Special Committee considered the measures to be taken to ensure the fairness of the procedures for the Transaction. In addition, based on the advice received from SMBC Nikko Securities and Yamada Consulting and the explanation received from the Company on the details, material assumptions, and background of the preparation of the Business Plan, the Special Committee confirmed and approved the reasonableness of these matters.

The Special Committee presented questions to the Tender Offeror and held a question-and-answer session with the Tender Offeror regarding the purpose and background of the Transaction, the management policy after the Transaction, etc. in the form of an interview; moreover, taking into account the question-and-answer session with the Tender Offeror regarding these points, the Special Committee held a question-and-answer session with the Company in the form of an interview regarding the purpose and background of the Transaction, the management policy after the Transaction, etc.

In addition, as stated in "(II) Acquisition of a Share Valuation Report by the Company from an Independent Financial Advisor and Third-party Valuation Institution" and "(III) Acquisition of a Share Valuation Report by the Special Committee from an Independent Third-party Valuation Institution" above, SMBC Nikko Securities and Yamada Consulting calculated the value of the Company Shares based on the Business Plan. The Special Committee received an explanation on the calculation methods for their valuation of the Company Shares, the reasons why these calculation methods were adopted, the details of the calculations using each calculation method, and the material assumptions, and after holding a question-and-answer session, and deliberating and considering them, the Special Committee recognized the reasonableness of these matters.

In addition, the Special Committee deliberated and considered the negotiations between the Company and the Tender Offeror from time to time, taking into account reports received from the Company and SMBC Nikko Securities, and stated necessary opinions on the Company's negotiation policy as appropriate. Specifically, upon receipt of proposals for the Tender Offer Price from the Tender Offeror, the Special Committee received reports on each proposal and considered them based on SMBC Nikko Securities' analysis and opinion on the negotiation policy with the Tender Offeror and other matters. Moreover, the Special Committee was

substantially involved in the negotiation process between the Company and the Tender Offeror regarding the terms and conditions of the Transaction, including the Tender Offer Price, by expressing its opinion to the Company on matters that the Company should discuss with the Tender Offeror in order to achieve the significance and purpose of the Transaction in any of these cases.

In addition, the Special Committee received an explanation from Nishimura & Asahi on multiple occasions on the details of the draft of “Notice Regarding Expression of Opinion in Support of the Planned Commencement of the Tender Offer for the Company Shares by INFRONEER Holdings Inc. and Recommendation to Tender Shares in the Tender Offer” dated May 14, 2025, and confirmed that an appropriate information disclosure will be made.

(iii) Details of the Decision

Under the circumstances stated above, the Special Committee carefully discussed and considered the Consultation Matters. Consequently, on May 14, 2025, based on the unanimous consent of the members, the Special Committee submitted the Written Report dated May 14th, 2025 to the Company’s Board of Directors, as summarized below.

(a) Contents of the Report

- i. The Transaction will contribute to enhancement of the Company’s corporate value, and the purpose of the Transaction is legitimate and reasonable.
- ii. The terms and conditions of the Transaction are fair and appropriate.
- iii. The procedures for the Transaction are fair.
- iv. The Transaction is not disadvantageous to the Company’s general shareholders.
- v. It is reasonable for the Board of Directors to express its opinion in support of the Tender Offer in the Transaction and recommend that shareholders tender their shares in the Tender Offer.

(b) Reasons for the Conclusion in the Report

- i. Legitimacy and Reasonableness of the Purpose of the Transaction
 - The Company Group believes, with regard to the construction industry, that the difficult market environment will continue due to the effects of high resource prices and construction material prices, tight labor supply and demand, and the application of an upper limit on overtime work in the construction industry that began in April 2024.
 - According to the Tender Offeror, in the short- to mid-term, in the construction industry, the market environment is thought to have become increasingly severe due to factors such as persistently high prices for construction materials and tight labor supply and demand. Furthermore, the problem of aging social infrastructure has surfaced, and while existing infrastructure will have to be maintained, managed, and renewed, it is recognized that shortages of human resources and optimization problems will occur due to the further intensification of the labor shortage resulting from the impact of the decline in the working-age population caused by the falling birthrate and aging of the population, as well as the rise in labor costs due to the application of regulations capping overtime labor for the construction industry from April 2024. Furthermore, in

the mid- to long-term, it is anticipated that the public finances of the national government and local governments will become increasingly strained, and the domestic market for new construction contracts will gradually shrink due to fiscal constraints. Based on the aforementioned situation, the Tender Offeror believes that great changes will be required, such as fundamentally reconsidering the existing business model of the general construction industry. In addition, in the construction industry sectors such as civil engineering and building, it is becoming increasingly necessary to rapidly utilize not only advanced technological capabilities, sales capabilities, procurement capabilities, and construction supply capabilities, but also new technologies in conjunction with the dizzying changes described above, and responsiveness is an urgent task in order to enhance competitiveness. The Tender Offeror understands that dealing with these changes in the industrial structure is an issue in future business expansion.

- The Tender Offeror Group believes that, in order for the Company Group to expand its business base in the medium and long term and achieve further growth under such circumstances, it is important for the Company to build capital ties with the Tender Offeror Group through the business integration of the Company and the Tender Offeror and maximize the synergies of both company groups, such as expansion of business opportunities and growth investments through coordination of management resources, DX, technological development and sustainability response, enhancement of governance systems, and joint promotion of human resource development, and the Tender Offeror Group believes that the resulting maximization of group synergies, for example the creation of a strong business base that can respond to environmental changes and the optimal distribution of management resources, is indispensable. In addition, the Tender Offeror Group believes that maximizing synergies between the groups in this way will work to expand its business domain and maximize its competitiveness with the aim of establishing its position as the “integrated infrastructure service company” that the Tender Offeror Group set out in the medium-term management plan titled “INFRONEER Vision 2030” disclosed on October 1, 2021 and the medium-term management plan titled “INFRONEER Medium-term Vision 2027” published on March 26, 2025.
- The synergies for the Tender Offeror that will be able to be realized through the collaboration with the Company and the Transaction are as follows: (i) mutual utilization of the management resources of the Tender Offeror and the Company, (ii) joint promotion of group-wide DX, technological development, sustainability strategy, and human resource development, and (iii) creation of new business opportunities by mutually leveraging business bases. The synergies for the Company that will be able to be realized through the collaboration with the Tender Offeror and the Transaction are as follows: (i) realization of further strengthening of domestic construction business, (ii) expansion of scale of overseas business, and (iii) improvement of management efficiency through sharing management resources, and strengthening of the ability to respond to changes in the management environment.
- In the field of domestic civil engineering, it cannot be ruled out that the Company’s participation in the Tender Offeror Group may lead to dis-synergies due to some overlap in the strengths of Maeda Corporation, which belongs to the Tender Offeror Group, and the Company in the construction field. However, according to the materials received by the Special Committee and the interviews conducted by the Special Committee with the Tender Offeror, although it is expected that the uses of super high-rise residential buildings in the construction

field will overlap, there are many design and construction projects for super high-rise residential buildings, and by mutually utilizing the management resources of both companies, it will be possible to respond to many projects; therefore, the Tender Offeror does not expect that any dis-synergy will occur. Furthermore, according to the interviews conducted by the Special Committee with the Company's management members, the Company's management members believe that although there is a possibility that dis-synergies may occur, such as competition at the time of bidding in the civil engineering sector, in particular, because the types of construction in which the Company and Maeda Corporation have strengths in the civil engineering business are different, it will be possible to receive orders for a wide variety of projects by complementing strengths and weaknesses of the Company and Maeda Corporation, and that synergies that will exceed those dis-synergies can be expected for the Tender Offeror Group as a whole. In this respect, in order to ensure that the Company and Maeda Corporation will complement their strengths and weaknesses, the management members of and persons in charge from the Company and the Tender Offeror discussed the order-receiving system after the Transaction to the extent permitted by competition law, and during the discussions, they confirmed that although it is theoretically possible that the types of construction in which the Company and Maeda Corporation have strengths may overlap and that the projects for which both companies wish to receive orders may overlap, synergies that will exceed those dis-synergies can be expected by making the best proposals taking into account the fields of expertise and resources of each company. In addition, in order to prevent the occurrence of dis-synergies due to the overlap of strengths between the Company and Maeda Corporation, the Tender Offeror and the Company agreed in the Written Confirmation that after the Transaction, the Tender Offeror shall increase competitiveness and realize efficient business operations by utilizing the strengths of the Company and Maeda Corporation, which belongs to the Tender Offeror, to the maximum extent with regard to the acceptance of orders for work where the strengths of both companies overlap, and shall also, to the extent permitted under competition law, consider the fields of expertise and resources of each company to formulate optimal strategies such as (i) whether to have only the Company or Maeda Corporation make a bid, or (ii) to have the Company and Maeda Corporation incorporate a joint venture and make a bid jointly, and that when formulating such strategies, the Tender Offeror's basic policy will be to establish them upon consultation in good faith with each company in a spirit of equality that respects both the Company and Maeda Corporation.

- As a result of implementing the Transaction, the Company will be delisted, and it is expected that the Company may lose its benefits, such as maintaining and improving its social credibility and name recognition as a listed company, and may change its trade name. As a result of this, it is believed that the motivation of the Company Group's employees who aspire to work for listed companies and those who take pride in the Company's trade name will decline. Furthermore, since the Company Group and the Tender Offeror Group have certain overlapping business fields, if the number of projects that the Company Group proactively advances decreases as a result of the Company Group's participation in the Tender Offeror Group, it may lead to a decrease in the motivation of the Company's excellent engineers who find it rewarding to advance such projects on their own. Therefore, implementation of the Transaction may have an impact on employee retention, etc., as described above. According to the materials received by the Special Committee and the interviews conducted by the Special Committee with the Tender Offeror, the

Company's personnel system is intended to be maintained for a certain period of time, and with regard to the impact of the Company's delisting, although the Tender Offeror understands that it is concerned that the Company's delisting as a result of implementation of the Transaction will lead to low morale of the Company's employees, and that the Company's employees place importance on the Company's trade name, the Tender Offeror believes that it will be possible to gain the understanding of the Company Group's employees by carefully explaining: that (i) the Company's employees will enjoy the benefits of the Company's participation in the Tender Offer Group by the Tender Offeror implementing measures, such as increasing employee salaries as a result of decrease in listing maintaining cost, and incentive plans, such as granting a stock benefit trust plan (J-ESOP) to all employees of the Tender Offeror Group; that (ii) by the Company becoming a part of the Tender Offeror Group, it will be possible to share know-how and exchange the right people in the right place, which will lead to the realization of a more rewarding work environment; and that (iii) the Company's corporate value will be improved in the future. On the other hand, according to the interviews conducted by the Special Committee with the Company, with regard to the impact of the Company's delisting, the Company's management members recognize that it cannot be ruled out that the Company Group's employees may feel anxious as a result of its delisting and that if the business integration with the Tender Offeror leads to a narrowing of the opportunities for on-site engineers in the event of an overlap of projects, it may lead to the turnover of on-site engineers. Therefore, the Company's management members recognize that it is necessary to reach a certain agreement with the Tender Offeror regarding employee retention and to gain the understanding of employees by explaining the details of the agreement to employees. Therefore, from the perspective of the retention of the Company Group's employees, on the premise that the Tender Offeror will maintain the employment level of the Company Group's employees, the Company's management members and the Tender Offeror agreed in the Written Confirmation to take specific measures to support the Company Group's employees to demonstrate their abilities and grow with the aim of pursuing an environment where the engagement of the employees of the Company Group will increase and they will work with higher motivation when the Company participates in the Tender Offeror Group.

- As a result of implementing the Transaction, the Company will be delisted and will not be able to enjoy the benefits that the Company enjoyed as a listed company, such as maintaining and improving its social credibility and name recognition as a listed company and funding from the market. In this respect, according to the materials received by the Special Committees and the interviews conducted by the Special Committee with the Tender Offeror, the Tender Offeror believes that the impact on equity financing will be minor in light of the fact that it will be possible for the Company to improve its funding capabilities and reduce funding costs by utilizing the ratings and credits of the Tender Offeror Group.
- Based on the explanations and materials that the Special Committee received from the Company and the Tender Offeror, the Special Committee believes that the Company Group's business details and business environment, etc., which form the background to the Transaction as described above, are consistent with the generally explained environment of the industry and market to which the Company belongs, as well as the understanding of the Company's Board of Directors. Furthermore, the Special Committee believes that the aforementioned measures contemplated by the Tender Offeror are based on the

Company Group's current business details and business environment and are reasonable, and can be evaluated as measures to increase the Company's future corporate value in the medium to long term. In other words, as stated above, considering that the difficult market environment will continue due to the effects of high resource prices and construction material prices, tight labor supply and demand, and the application of an upper limit on overtime work in the construction industry that began in April 2024, the Special Committee affirms that the creation of a strong business base that can respond to environmental changes and the optimal distribution of management resources are important management issues. Furthermore, with regard to the specific measures that are expected to be taken after the Transaction, the Tender Offeror believes that regarding "(i) mutual utilization of the management resources of the Tender Offeror and the Company," by the Company Group strengthening collaboration with the Tender Offeror Group, it will be possible to collaborate in various areas, such as sales, design, on-site support, technology development, systems, public relations, and IR, expand business opportunities and improve productivity that will arise from this, and make growth investments utilizing the management resources of both company groups; regarding "(ii) joint promotion of group-wide DX, technological development, sustainability strategy, and human resource development," it will be possible to accumulate and utilize data that will contribute to improvement in productivity and efficiency of infrastructure management business using AI and other advanced digital technologies, and develop human resources; and regarding "(iii) creation of new business opportunities by mutually leveraging business bases," the Company Group has high technical capabilities, such as public works centered on bridges in the civil engineering field, super high-rise buildings in the construction field, and strengths in overseas business, and by making the most of the business contacts, business foundations, and customer contacts in growth markets that the Company Group and the Tender Offeror Group have built, both company groups will be able to create further business opportunities in growth markets and expand their project pipeline in the industry. The Special Committee believes that those measures respond to the business environment surrounding the Company Group and its management issues and are reasonable. Furthermore, the Company recognizes that as a result of implementation of the Transaction, synergies, such as "(i) realization of further strengthening of domestic construction business," "(ii) expansion of scale of overseas business," and "(iii) improvement of management efficiency through sharing management resources, and strengthening of the ability to respond to changes in the management environment," will occur. The Special Committee believes that the measures contemplated and synergies recognized by the Tender Offeror are consistent with the Company's recognition.

- In addition, as stated above, although it cannot be ruled out that implementation of the Transaction may result in disadvantages due to the overlap of strengths between the Company and Maeda Corporation, the Company reached an agreement with the Tender Offeror regarding the business operations after the Transaction, and the Special Committee believes that the prevention of such disadvantages is guaranteed to a certain extent. In other words, especially in the Company, its Board of Directors discussed dis-synergies, such as competition at the time of bidding in the civil engineering sector, and found the possibility that those dis-synergies may occur; however, the Board of Directors reached the conclusion that it will be possible to receive orders for a wide variety of projects by complementing strengths and weaknesses of the Company and Maeda Corporation and that synergies are expected for the Tender Offeror Group as a whole. The Special Committee finds no unreasonable points in the recognition

of the Company and the Tender Offeror regarding the disadvantages due to implementation of the Transaction and their conclusion based on these factors. In addition, in order to ensure that the Company and Maeda Corporation will complement their strengths and weaknesses, in the Written Confirmation, with regard to the overlapping business, it is agreed as the basic policy to formulate a strategy to utilize the strengths of the Company Group and the Tender Offeror Group to the fullest extent, enhance their competitiveness, and realize efficient business operations, after discussion between both groups in good faith with mutual respect and the spirit of equality. Furthermore, the Special Committee believes that adverse effects of the delisting and change of trade name on the retention of the Company Group's employees cannot be ruled out as recognized by the Company's management members; however, the measures for the retention of the Company Group's employees, including the details of the agreement in the Written Confirmation, cannot be said to be unreasonable, and it is agreed in the Written Confirmation that, as a general rule, the Tender Offeror shall maintain the incorporation of the Company and the current institutional design of the Company for the time being after the Transaction, and that if it will contribute to the corporate value of the Company Group and the Tender Offeror Group, the Tender Offeror may, upon consultation between the Company and the Tender Offeror, flexibly respond as necessary to changes in the management environment or trends in the market. The Special Committee believes that the Company's business operations as it did prior to the Transaction will not be immediately hindered, and that the impact on the relationship with the Company's previous business partners is minimal. Thus, reasonable measures and explanations have been made for the disadvantages of implementing the Transaction, including the execution of the Written Confirmation, and while it cannot be said that there are serious concerns, it is expected that synergies that will exceed such disadvantages will occur through implementation of the Transaction, and the Special Committee finds that the Transaction will contribute to enhancement of the Company's corporate value.

Based on the results of the consideration above, the Special Committee believes that the Transaction will contribute to enhancement of the Company's corporate value, and that the purpose of the Transaction is legitimate and reasonable.

- ii. Fairness and appropriateness of the terms and conditions of the Transaction
 - The Tender Offer Price was determined as a result of sincere price negotiations between the Company and the Tender Offeror based on the advice of the Company's advisors and the negotiation policy determined by the Special Committee. The requests for price increase were made four times, and the price has actually been raised from 480 yen originally proposed by the Tender Offeror to 600 yen. The Special Committee finds no unreasonable points in these circumstances of the negotiations for the Tender Offer Price between the Company and the Tender Offeror. Accordingly, the aforementioned discussion and negotiation process with the Tender Offeror regarding the terms and conditions of the Transaction was fair and can be regarded as negotiations between independent parties, and the Special Committee finds that a situation that allowed reasonable efforts to be made with the aim of ensuring that the Transaction would be conducted under terms and conditions that are as favorable as possible to general shareholders while increasing the Company's corporate value was secured.
 - The Tender Offer Price exceeds the upper limits of the results of calculations using the market share price method and is within the range of the results of

calculations using the comparable company method and the DCF Method in the Share Valuation Report (Yamada Consulting), and the Tender Offer Price exceeds the upper limits of the results of calculations using the market share price method and the comparable listed company method and is within the range of the results of calculations using the DCF Method in the Share Valuation Report (SMBC Nikko Securities).

- The Special Committee finds no unreasonable points, in particular, in the background of the preparation and the details of the Business Plan that was used as the basis for the calculations using the DCF Method in the Share Valuation Report (Yamada Consulting) and the Share Valuation Report (SMBC Nikko Securities). The Special Committee finds no unreasonable points, in particular, in the calculation methods and the calculation details in the Share Valuation Report (Yamada Consulting) and the Share Valuation Report (SMBC Nikko Securities) and believes that these reports are reliable.
- The Tender Offer Price includes a premium of 10.29% on 544 yen, which is the closing price of the Company Shares on the TSE Prime Market on May 13, 2025, the business day immediately preceding the date of preparation of the Written Report dated May 14th, 2025, a premium of 20.72% on 497 yen, which is the simple average value of the closing prices for the past one month until that date (from April 14, 2025 to May 13, 2025), a premium of 34.23% on 447 yen, which is the simple average value of the closing prices for the past three months until that date (from February 14, 2025 to May 13, 2025), and a premium of 40.52% on 427 yen, which is the simple average value of the closing prices for the past six months until that date (from November 14, 2024 to May 13, 2025), respectively. In light of the median premium level (33.06% on the closing price on the business day immediately preceding the announcement date of the planned commencement of the Tender Offer, 35.96% on the simple average value of the closing prices for the past one month until the business day immediately preceding the announcement date of the planned commencement of the Tender Offer, 36.64% on the simple average value of the closing prices for the past three months until the business day immediately preceding the announcement date of the planned commencement of the Tender Offer, and 42.38% on the simple average value of the closing prices for the past six months until the business day immediately preceding the announcement date of the planned commencement of the Tender Offer) in 28 cases, which are similar to the Transaction, aimed to privatize a listed company, and were announced on and after June 28, 2019, when the M&A Guidelines were published by the Ministry of Economy, Trade and Industry, and a tender offer in which was successfully completed before April 30, 2025 (these are the cases in which the market capitalization of the target company of a tender offer was 50 billion yen or more and the price-to-book ratio (PBR) of shares subject to a tender offer had exceeded 1x before the announcement of the relevant transaction; however, excluding cases of discount tender offer, two-step tender offer, acquisition without consent, MBO, and cases aimed to make a listed subsidiary a wholly-owned subsidiary), although it cannot necessarily be said that the premium level over the closing price on the business day immediately preceding the announcement date of the planned commencement of the Tender Offer and the simple average value of the closing prices for the past one month until the base date is high, the Company's share price rose on March 1, 2025 and April 20, 2025, when speculative articles about the tender offer for shares in the Company were published in information magazines, and even considering that the "Notice Regarding Progress of Litigation" published by the Company on April 7, 2025 and the "Notice Concerning Revisions to Financial

Results Forecasts” published by the Company on April 21, 2025 can be regarded as factors for an increase in the share price, it cannot be denied that the recent share price increase may reflect the effects of speculative buying, including expectations that the Company will go private, to some extent. Therefore, the premium level should also be considered by comparing it with the share price over a longer period of time, excluding the effects of short-term share price fluctuations. When comparing it with the premium level over the simple average value of the closing prices for the past three months until the base date and the simple average value of the closing prices for the past six months until the base date, which are less affected by fluctuations in the share price for a short term, it can be found that the Tender Offer Price includes an appropriate premium.

- In light of the long-term share price trends of the Company, the price is greater than the highest closing price of the Company Shares in the most recent five years, being 550 yen (May 8, 2025), and greater than the highest price of the Company Shares during the trading hours in the most recent five years, being 564 yen (May 9, 2025); therefore, it can be considered that the price is at a level in which sufficient consideration has also been given to long-term general shareholders.
- The Tender Offeror plans to conduct a series of transactions to make the Tender Offeror the only shareholder of the Company (the “Squeeze-Out Procedures”) through a demand for share, etc. cash-out pursuant to Article 179 of the Companies Act or a share consolidation pursuant to Article 180 of the Companies Act if the Tender Offeror fails to acquire all of the Company Shares (excluding the treasury shares owned by the Company) through the Tender Offer. The aforementioned method is generally employed in privatization transactions such as the Transaction and is considered to be appropriate as the method of the Transaction. The Transaction proposes full acquisition with cash consideration (an acquisition in which the acquirer is committed to eventually acquiring 100% of the shares), and with respect to the Squeeze-Out Procedures, no scheme has been adopted in which shareholders who oppose the Transaction are not entitled to a right to request purchase of shares or a right to request price determination. Furthermore, it has been disclosed that (i) if the Tender Offer is successfully completed, the Squeeze-Out Procedures will be conducted, and that (ii) in the Squeeze-Out Procedures, the amount of money to be delivered to the Company’s shareholders who did not tender shares in the Tender Offer will be calculated so that it is equal to the Tender Offer Price multiplied by the number of Company Shares owned by each such shareholder. Thus, for a share consolidation or a demand for share, etc. cash-out concerning the Transaction, consideration has been given to ensure that when determining whether to tender shares in the Tender Offer, general shareholders will not fall into a situation where they are expected to be treated unfavorably if they do not tender shares in the Tender Offer. Therefore, it can be said that the terms and conditions of the Squeeze-Out Procedures are fair and appropriate. Furthermore, compared to the case where the Company becomes a wholly-owned subsidiary through organizational restructuring, the Squeeze-Out Procedures are considered to be more advantageous to general shareholders because money that is more liquid than shares will be used as consideration in the Squeeze-Out Procedures and the Squeeze-Out Procedures can provide general shareholders with the opportunity to make choices, including purchasing shares of the Tender Offeror using the money delivered and becoming shareholders of the Tender Offeror.

Based on the results of the consideration above, the Special Committee believes that the terms and conditions of the Transaction are fair and appropriate.

iii. Fairness of the procedures for the Transaction

- The Tender Offeror informed the Company on November 15, 2024 that it was considering the Transaction, and commenced discussions with the Company regarding implementation of the Transaction, as well as consideration of the pros and cons of implementation of the Transaction. Thereafter, on February 18, 2025, the Tender Offeror submitted the Proposal expressing its formal intention concerning the Transaction with the aim of making the Company its wholly-owned subsidiary through the Tender Offer. On February 25, 2025, which was immediately after receiving the aforementioned Proposal, the Company's Board of Directors adopted a resolution to establish the Special Committee, and the first meeting of the Special Committee was held on February 28, 2025. Therefore, it is found that the Special Committee was involved in the Transaction from the early stages of the process of formulating the terms and conditions of the Transaction.
- When selecting the members of the Special Committee, the Company's Board of Directors received advice from Nishimura & Asahi, the Company's independent legal advisor, and selected Mr. Nobuo Kawahashi, Mr. Sakio Sasamoto, and Ms. Mami Yamashita, who are the Company's Outside Directors and have been notified with the TSE as its independent officers. All of them are independent of the Tender Offer Related Parties and have no material interest in the Transaction different from that of general shareholders. Since all of Mr. Nobuo Kawahashi, Mr. Sakio Sasamoto, and Ms. Mami Yamashita are the Company's Directors, it is believed that they have a certain level of knowledge in the Company's business and will be able to make use of the experience and knowledge that they have fostered thus far in the Transaction. Therefore, it is found that the members of the Special Committee were selected based on the fact that they have been confirmed to be independent and that they have necessary experience and knowledge to consider the Transaction.
- The Special Committee not only received timely reports from the Company regarding the circumstances and details of the discussions and negotiations for the Transaction between the Tender Offeror and the Company, but also held discussions at the Special Committee's meetings, held interviews and question-and-answer sessions related to the Transaction with the Tender Offeror, and requested that the Company ask the Tender Offeror to review the Tender Offer Price. Thus, the Special Committee has been substantially involved in the negotiation process with the Tender Offeror. Therefore, it is found that the Special Committee has been substantially involved in the negotiation process for the terms and conditions of the Transaction with the Tender Offeror through the Company's Board of Directors.
- With regard to SMBC Nikko Securities, which is the Company's financial advisor and third-party valuation institution, and Nishimura & Asahi, which is the Company's legal advisor, the Special Committee decided to receive expert advice from SMBC Nikko Securities and Nishimura & Asahi as necessary, after confirming that there are no issues with their independence from the Tender Offer Related Parties and expertise. In addition, the Special Committee decided to appoint Yamada Consulting as its own third-party valuation institution and receive expert advice from Yamada Consulting after confirming that there are no issues with its independence from the Tender Offer Related Parties and

expertise. Thus, it is found that a system for the Special Committee to receive expert advice and opinions from each of the aforementioned advisors in a timely manner during the consideration process regarding the Transaction, and to carefully consider and discuss the pros and cons of the Transaction, the appropriateness of the terms and conditions of the Transaction, including the Tender Offer Price, and the fairness of the procedures for the Transaction was secured.

- The Special Committee presented questions to the Tender Offeror and held a question-and-answer session with the Tender Offeror regarding the purpose and background of the Transaction, the management policy after the Transaction, etc. in the form of an interview; moreover, taking into account the question-and-answer session with the Tender Offeror regarding these points, the Special Committee held a question-and-answer session with the Company in the form of an interview regarding the purpose and background of the Transaction, the management policy after the Transaction, etc. Furthermore, the Special Committee received an explanation from the Company regarding the Company's evaluation of the details of the proposal from the Tender Offeror and the details of the Business Plan used as the premise when SMBC Nikko Securities prepared the Share Valuation Report (SMBC Nikko Securities) dated May 13, 2025 and Yamada Consulting prepared the Share Valuation Report (Yamada Consulting) dated May 13, 2025, held a question-and-answer session, and verified the reasonableness thereof. The Special Committee received an explanation from SMBC Nikko Securities and Yamada Consulting regarding the methods and results of calculations of the share value of the Company Shares, held a question-and-answer session from a financial perspective regarding the assumptions, details, and results of the calculation methods, and verified the reasonableness thereof. The Special Committee received an explanation from Nishimura & Asahi regarding the measures taken to mitigate or prevent conflicts of interest in the Transaction and regarding the Transaction, and held a question-and-answer session regarding the general significance and concept of measures to ensure fairness and the sufficiency of such measures in the Transaction. In addition, the Special Committee discussed and considered the Consultation Matters and negotiated prices with the Tender Offeror, while receiving expert advice from SMBC Nikko Securities, Yamada Consulting, and Nishimura & Asahi, as necessary. Thus, it is found that the Special Committee obtained important information, including non-public information, conducted deliberations, and made decisions based on such information.
- The Company decided to pay each member of the Special Committee remuneration in accordance with the number of meetings of the Special Committee, regardless of the content of the report, as compensation for their duties, and has not employed a contingent fee. Therefore, from the perspective of remuneration, it is found that an environment is in place for the Special Committee members to make time- and labor-intensive commitments and make decisions from a standpoint independent of the success or failure of the Transaction.
- The Company's Board of Directors adopted a resolution that the Company's Board of Directors must respect the report of the Special Committee to the fullest extent when it makes important decisions on the Relevant Matters, and that the Company will not support the Tender Offer if the Special Committee determines that the decision to implement the Transaction through the Tender Offer is disadvantageous to the Company's general shareholders. Thus, the Special Committee finds that it was ensured that the Board of Directors would

make decisions regarding the Transaction with the utmost respect for the opinions of the Special Committee.

- None of the Company's officers or the Company's Project Team have a certain interest in the Tender Offeror or the Tendering Shareholders. Therefore, the Special Committee finds that the Company had established an internal consideration system that was independent of the Tender Offeror and the Tendering Shareholders when considering and negotiating the Transaction.
- The Company appointed Nishimura & Asahi as its legal advisor independent of the Tender Offer Related Parties around late December 2024 and received legal advice from Nishimura & Asahi prior to receiving the Proposal from the Tender Offeror expressing its formal intention concerning the Transaction with the aim of making the Company its wholly-owned subsidiary through the Tender Offer on February 18, 2025. Therefore, the Special Committee finds that the Company received necessary legal advice from Nishimura & Asahi from the initial stage of consideration of the Transaction regarding the decision-making method and process of the Company's Board of Directors, including various procedures related to the Transaction, and other points to note.
- The Company appointed SMBC Nikko Securities as its financial advisor and third-party valuation institution, and received the results of calculations of the share value of the Company Shares. In addition, the Special Committee appointed Yamada Consulting as its own third-party valuation institution and received the results of calculations of the share value of the Company Shares.
- The Tender Offeror has set the purchase period in the Tender Offer (the "Tender Offer Period") at 30 business days, whereas the minimum purchase, etc. period required by laws and regulations for a tender offer is 20 business days and has established a tender offer period that is longer than the statutory period. Furthermore, since the Tender Offer is a pre-announced tender offer, and a certain period of time is secured from the announcement of the series of terms and conditions, including the Tender Offer Price, until commencement of the Tender Offer, also taking into account the period after the announcement, the Company has secured a time and opportunity for the Company's shareholders to make an appropriate decision on tendering shares in the Tender Offer and has also secured opportunities for parties other than the Tender Offeror to make competitive purchases of the Company Shares. In addition, so that opportunities for tender offers, etc. by parties other than the Tender Offeror are not unfairly restricted, the Tender Offeror has not made an agreement with the Company that restricts the Company's contact with parties other than the Tender Offeror making competing purchase proposals, and the Tender Offeror has given consideration to ensuring the fairness of the Tender Offer by ensuring the opportunity for competing purchases, etc. in addition to the setting of the Tender Offer Period set forth above. Therefore, the Special Committee believes that since indirect market checks have been carried out in the Transaction, the opportunity for acquisition proposals by other acquirers has been secured.
- The minimum number of shares to be purchased (104,589,800 shares; ownership ratio: 66.67%) in the Tender Offer will exceed the number of shares (78,442,442 shares; ownership ratio: 50.00%) equivalent to a majority of the number of shares (156,884,882 shares) obtained by deducting the number of the treasury shares owned by the Company as of March 31, 2025 (5,788,439 shares), from the total number of issued shares of the Company as of the same day as set out in the Company's Annual Securities Report for the 22nd Business

Period (162,673,321 shares), or in other words, the majority of the number of Company Shares owned by shareholders of the Company who do not have an interest in the Tender Offeror and the number equivalent to a so-called “majority of minority.” Therefore, the Special Committee finds that the setting of a minimum number of shares to be purchased that requires the approval (tendering) of a majority of general shareholders who do not have a material interest in the Tender Offer for successful completion of the Tender Offer places a further emphasis on securing a opportunity for general shareholders to make a decision, and will ensure that the Transaction will be conducted under terms and conditions that are as favorable as possible to general shareholders.

- The Special Committee finds that the disclosure of information in written documents, such as press releases, for the Transaction, constitutes a disclosure of information that is deemed appropriate for general shareholders of the Company to make an appropriate decision on whether to accept the Tender Offer.
- In the Transaction, (I) the Squeeze-Out Procedures after the Tender Offer are planned to be conducted through a demand for share, etc. cash-out or a share consolidation, and no scheme has been adopted in which shareholders who oppose the Transaction are not entitled to a right to request purchase of shares or a right to request price determination, and (II) it has been disclosed that (i) the Squeeze-Out Procedures will be promptly conducted if the Tender Offeror is successfully completed and that (ii) the price at the time of squeeze-out will be based on the same price as the Tender Offer Price. Therefore, consideration has been given to ensure that when determining whether to tender shares in the Tender Offer, general shareholders will not fall into a situation where they are expected to be treated unfavorably if they do not tender shares in the Tender Offer. Therefore, it can be said that consideration has been given in the Transaction so as not to cause coercion on general shareholders, and the Special Committee believes that measures have been taken that contribute to ensuring the fairness of the procedures for the Transaction.

As stated above, in the Transaction, appropriate responses have been made in accordance with each of the measures to ensure fairness presented in the M&A Guidelines, and no unreasonable points are found in the details thereof; therefore, the Special Committee believes that the fairness of the procedures for the Transaction has been ensured.

- iv. As stated in i. to iii. above, the Transaction is not disadvantageous to the Company’s general shareholders.
- v. As stated in i. to iv. above, considering that the purpose of the Transaction is legitimate and reasonable, that the procedures for the Transaction are fair, and that the terms and conditions of the Transaction are fair and appropriate, it is reasonable for the Company’s Board of Directors to express its opinion in support of the Tender Offer and recommend that shareholders tender their shares in the Tender Offer.

The Company was informed by the Tender Offeror as follows: on August 1, 2025, the Tender Offeror confirmed that all necessary procedures under the competition laws of the Philippines had been completed upon receipt of a document from the Philippine Competition Commission approving the Acquisition of Shares. Therefore, on the same day, the Tender Offeror determined that all of the Conditions Precedent would definitely be satisfied without being waived, and the Tender Offeror planned to set the commencement date of the Tender Offer at August 6, 2025.

In response to this, on August 5, 2025, the Company requested that (i) the Special Committee consider whether there are any changes in the opinion stated in the Written Report dated May 14th, 2025, that (ii) if there are no changes, the Special Committee state to that effect to the Company's Board of Directors, and that (iii) if there are any changes, the Special Committee state its changed opinion to the Company's Board of Directors.

At the Special Committee's meeting held on August 5, 2025, the Special Committee confirmed the facts as to whether a material change in circumstances that could affect the Transaction occurred, and as a result of considering the aforementioned consultation matters, taking into account the circumstances from May 14, 2025 to August 5, 2025, the Special Committee confirmed that there were no circumstances that required a change in the content of the Written Report dated May 14th, 2025; on August 5, 2025, the Special Committee submitted to the Company's Board of Directors the Written Report dated August 5th, 2025 to the effect that there was no change in its previous opinion.

(V) Acquisition of Advice by the Company from an Independent Legal Advisor

In order to ensure the fairness and appropriateness in the decision-making process of the Company's Board of Directors regarding the Tender Offer, the Company appointed Nishimura & Asahi as its legal advisor independent of the Tender Offer Related Parties, and received necessary legal advice from Nishimura & Asahi on the decision-making method and process of the Company's Board of Directors, including the procedures related to the Transaction, and other points to note. Nishimura & Asahi is not a related party of the Tender Offer Related Parties and has no material interest in the Transaction that should be stated. Furthermore, the remuneration to be paid to Nishimura & Asahi does not include any contingent fee to be paid subject to successful completion of the Transaction and other conditions.

(VI) Approval of Majority of Directors of the Company Without Conflicts of Interest and No Objection Opinion of All Audit & Supervisory Board Members of the Company Without Conflicts of Interest

The Company's Board of Directors carefully considered and discussed whether the Company's corporate value will be enhanced through the Transaction, whether conducting the Transaction through fair procedures will ensure the benefits that general shareholders should enjoy, and other matters based on the legal advice obtained from Nishimura & Asahi, the advice from a financial perspective obtained from SMBC Nikko Securities, and the details of the Share Valuation Report (SMBC Nikko Securities) obtained on May 13, 2025, while respecting the Special Committee's decision indicated in the Written Report dated May 14th, 2025 submitted by the Special Committee to the fullest extent.

As a result, as stated in "1. Purposes of and Reasons for the Share Consolidation" above, at the Board of Directors' meeting held on May 14, 2025, the Company's Board of Directors adopted a resolution to express an opinion in support of the Tender Offer and to recommend that its shareholders tender their shares in the Tender Offer by approval of the majority of all of the nine Directors (favorable votes by eight Directors, negative votes by one Director) of the Company who participated in deliberations and resolutions. Furthermore, all of the five Audit & Supervisory Board Members who attended the Board of Directors' meeting stated their opinion to the effect that they had no objection to the above-mentioned resolution.

Furthermore, as set forth above, for the Tender Offeror's part, it planned to implement the Tender Offer promptly if the Conditions Precedent were fulfilled (or waived by the Tender Offeror), and as of May 14, 2025, it intended to commence the Tender Offer around early July 2025.

Therefore, at the time the aforementioned resolution was adopted, the Company also adopted a resolution that prior to commencement of the Tender Offer, the Company will request that (i) the Special Committee consider whether there are any changes in the opinion that the Special Committee represented to the Company's Board of Directors as of May 14, 2025, that (ii) if there are no changes, the Special Committee state to that effect to the Company's Board of Directors, and that (iii) if there are any changes, the Special Committee state its changed opinion to the Company's Board of Directors; and that based on such opinion, the Company will express its opinion on the Tender Offer again at the time of commencement of the Tender Offer.

Thereafter, the Company was informed by the Tender Offeror as follows: on August 1, 2025, the Tender Offeror confirmed that all necessary procedures under the competition laws of the Philippines had been completed upon receipt of a document from the Philippine Competition Commission approving the Acquisition of Shares. Therefore, on the same day, the Tender Offeror determined that all of the Conditions Precedent would definitely be satisfied without being waived, and the Tender Offeror planned to set the commencement date of the Tender Offer at August 6, 2025.

Following this, on August 5, 2025, the Company requested that (i) the Special Committee consider whether there are any changes in the opinion stated in the Written Report dated May 14th, 2025, that (ii) if there are no changes, the Special Committee state to that effect to the Company's Board of Directors, and that (iii) if there are any changes, the Special Committee state its changed opinion to the Company's Board of Directors. As stated in "(IV) Establishment of an Independent Special Committee by the Company and Acquisition of a Written Report from the Special Committee" above, at the Special Committee's meeting held on August 5, 2025, the Special Committee confirmed the facts as to whether a material change in circumstances that could affect the Transaction occurred, and as a result of considering the aforementioned consultation matters, taking into account the circumstances from May 14, 2025 to August 5, 2025, the Special Committee confirmed that there were no circumstances that required a change in the content of the Written Report dated May 14th, 2025; on August 5, 2025, the Special Committee submitted to the Company's Board of Directors the Written Report dated August 5th, 2025.

After carefully considering the terms and conditions related to the Tender Offer again based on the Company's business condition and the environment surrounding the Transaction while respecting the content of the Written Report dated August 5th, 2025 submitted by the Special Committee to the fullest extent, the Company determined that as of August 5, 2025, there were no factors to change its opinion on the Tender Offer as of May 14, 2025 because there had been no material changes in the Company's business environment on and after May 14, 2025, the Transaction, including the Tender Offer, was believed to contribute to enhancement of the Company's corporate value, and the terms and conditions of the Transaction, including the Tender Offer Price, were deemed appropriate.

As a result, as stated in "1. Purposes of and Reasons for the Share Consolidation" above, at the Board of Directors' meeting held on August 5, 2025, the Company's Board of Directors adopted a resolution to express an opinion in support of the Tender Offer and to recommend that its shareholders tender their shares in the Tender Offer with unanimous approval of all of the seven Directors of the Company who participated in deliberations and resolutions. Furthermore, all of the five Audit & Supervisory Board Members who attended the Board of Directors' meeting stated their opinion to the effect that they had no objection to the above-mentioned resolution.

(VII) Establishment of Independent Structure for Consideration in the Company

As stated in "1. Purposes of and Reasons for the Share Consolidation" above, on November 15, 2024, in response to the notification from the Tender Offeror that the Tender Offeror was considering the Transaction, the Company established the Company's Project Team independent

of the Tender Offer Related Parties in order to consider, negotiate, and make decisions on the Transaction independently of the Tender Offer Related Parties.

The Company obtained confirmation from the Special Committee to the effect that there are no issues with the structure for consideration for the Transaction (including the scope and duties of the Company's officers and employees who are involved in consideration, negotiations, and decision-making on the Transaction), including the Company's Project Team, from the perspective of independence.

(VIII) Setting of Minimum Quantity That Satisfies the Majority of Minority Condition

As stated in "1. Purposes of and Reasons for the Share Consolidation" above, the minimum number of shares to be purchased (104,589,800 shares; ownership ratio: 66.67%) in the Tender Offer will exceed the number of shares (78,442,392 shares; ownership ratio: 50.00%) equivalent to a majority of the number of shares found (156,884,782) by subtracting from the Reference Number of Shares (156,884,882 shares) the number of Company Shares owned by the Tender Offeror (100 shares; ownership ratio: 0.00%), or in other words, the majority of the number of Company Shares owned by shareholders of the Company who do not have an interest in the Tender Offeror, including the Tendering Shareholders, and the number equivalent to a so-called "majority of minority." The Tender Offeror believes that the Tender Offer will not be concluded if majority approval cannot be obtained from the shareholders of the Company with no interest in the Tender Offeror, and that it gives serious consideration to the intention of the Company's general shareholders.

Each of the Tendering Shareholders is an independent third party with no interest in the Tender Offeror, and the Tender Agreement came to be executed based on sincere discussions and negotiations conducted between independent parties, so the Tender Offeror believes that the Tendering Shareholders will not constitute a shareholder of the Company having an interest in the Tender Offeror in weighing the conditions for a so-called "majority of minority," by the fact of the execution of the Tender Agreement.

(IX) Measures to Ensure Opportunities for Purchase by Other Purchasers

So that opportunities for tender offers, etc. by parties other than the Tender Offeror are not unfairly restricted, the Tender Offeror has not made an agreement with the Company that restricts the Company's contact with parties other than the Tender Offeror making competing purchase proposals, and the Tender Offeror has given consideration to ensuring the fairness of the Tender Offer by ensuring the opportunity for competing purchases, etc. in addition to the setting of the Tender Offer Period set forth above.

(X) Securement of Objective Situation to Ensure the Fairness of the Tender Offer

The Tender Offeror has set the Tender Offer Period at 30 business days, whereas the minimum purchase, etc. period required by laws and regulations for a tender offer is 20 business days. By establishing a tender offer period that is longer than the statutory period, along with securing for the Company's shareholders the appropriate time and opportunity to make a determination with respect to tendering in the Tender Offer, the Tender Offeror intends to secure an opportunity for parties other than the Tender Offeror to make a competing purchase, etc. regarding the Company Shares, thereby guaranteeing the fairness of the Tender Offer.

4. Outlook Going Forward

As stated in "(2) Prospects of Delisting" in "3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation, and Other Matters" above, the Company Shares will be delisted upon implementation of the Share Consolidation.

5. Matters Related to Transactions, etc. with a Controlling Shareholder

(1) Status of Compliance with the Guidelines on Measures for Minority Shareholder Protection in Executing Transactions, etc. with a Controlling Shareholder

As of September 26, 2025 (the commencement date of the settlement of the Tender Offer), the Tender Offeror became the controlling shareholder (parent company) of the Company; therefore, the transaction pertaining to the Share Consolidation constitutes a transaction with a controlling shareholder.

The Company has not included any “Guidelines on Measures for Minority Shareholder Protection in Executing Transactions, etc. with a Controlling Shareholder” in the report on corporate governance; however, the Company’s policy for conducting transactions, etc. with a controlling shareholder is for the Company to take measures to ensure the fairness of the details and terms and conditions of those transactions, such as by obtaining advice from attorneys-at-law or third party institutions as necessary, make decisions after careful deliberations by the Board of Directors, and provide appropriate responses so as not to harm the interests of its minority shareholders.

In conducting the Share Consolidation, as stated in “(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” in “3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation, and Other Matters” above, the Company has provided appropriate responses so as not to harm the interests of its minority shareholders, and determined that it is in compliance with the aforementioned policy.

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

Please see “(3) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” in “3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation, and Other Matters” above. As the Report dated May 14th, 2025 and the Report dated August 5th, 2025 pertain to the Transaction, including the Share Consolidation, the Company has not obtained any opinions from persons who have no interests in the controlling shareholder when conducting the Share Consolidation.

III. Abolition of Provisions on Share Unit Numbers

1. Reason for the Abolition

The total number of issued shares of the Company will be 3 shares if the Share Consolidation takes effect, and there will no longer be any need to provide the share unit numbers.

2. Scheduled Abolition Date

Tuesday, December 23, 2025 (scheduled)

3. Conditions for the Abolition

The abolition will take effect subject to the condition that the proposal regarding the Share Consolidation and the proposal regarding partial amendments to the Articles of Incorporation concerning the abolition of provisions on share unit numbers are approved and passed at the Extraordinary Shareholders’ Meeting as originally drafted and the Share Consolidation takes effect.

IV. Partial Amendments to the Articles of Incorporation

1. Purposes of Amending the Articles of Incorporation

- (1) If the proposal regarding the Share Consolidation is approved and passed at the Extraordinary Shareholders' Meeting as originally drafted and the Share Consolidation takes effect, the total number of authorized shares of the Company will be amended to 10 shares. Therefore, the provision regarding the total number of authorized shares in Article 5 (Total Number of Shares) of the Articles of Incorporation will be amended on the condition that the Share Consolidation takes effect.
- (2) If the proposal regarding the Share Consolidation is approved and passed at the Extraordinary Shareholders' Meeting as originally drafted and the Share Consolidation takes effect, the total number of issued shares of the Company will be 3 shares, and there will no longer be any need to provide the share unit numbers. Therefore, on the condition that the Share Consolidation takes effect, in order to abolish the provisions on share unit numbers, which is currently 100 shares per share unit, the full text of Article 7 (Share Unit Numbers), Article 8 (Rights Concerning Shares Less than One Unit), and Article 8-2 (Additional Purchase of Shares Less than One Unit) of the Articles of Incorporation will be deleted, and the number of provisions will be advanced in accordance with the change.
- (3) If the proposal regarding the Share Consolidation is approved and passed at the Extraordinary Shareholders' Meeting as originally drafted, the Company Shares will be delisted upon the implementation of the Share Consolidation, and the Tender Offeror will be the only shareholder of the Company; therefore, the provision regarding the electronic provision system for the materials for a shareholders' meeting will cease to be necessary. Therefore, on the condition that the Share Consolidation takes effect, the full text of Article 13-2 (Electronic Provision Measures, etc.) of the Articles of Incorporation will be deleted, and the number of provisions will be advanced in accordance with the change.

2. Details of the Amendments to the Articles of Incorporation

The details of the proposal are as follows.

(The underlines show the changed parts.)

Current Articles of Incorporation	Proposed Amendments
Article 5 (Total Number of Shares) The total number of authorized shares of the Company shall be <u>533,892,994</u> shares.	Article 5 (Total Number of Shares) The total number of authorized shares of the Company shall be <u>10</u> shares.
<u>Article 7 (Share Unit Numbers)</u> <u>The number of shares constituting one unit of shares of the Company shall be 100 shares.</u>	<u>(Deleted)</u>
<u>Article 8 (Rights Concerning Shares Less than One Unit)</u> <u>Shareholders of the Company may not exercise any rights other than those listed below with regard to shares less than one unit held by them.</u>	<u>(Deleted)</u>

Current Articles of Incorporation	Proposed Amendments
(1) <u>rights set forth in the items of paragraph (2) of Article 189 of the Companies Act;</u>	
(2) <u>right to make a request pursuant to Article 166, paragraph (1) of the Companies Act;</u>	
(3) <u>right to receive an allotment of shares for subscription or share options for subscription in accordance with the number of shares held by them; and</u>	
(4) <u>right to make the request set forth in the following Article.</u>	
<u>Articles 8-2 (Additional Purchase of Shares Less than One Unit)</u>	<u>(Deleted)</u>
<u>Shareholders of the Company may request the sale of shares in a number constituting share units together with the number of shares less than one unit held by them in accordance with the Share Handling Rules.</u>	
<u>Article 9 to Article 13 (Omitted)</u>	<u>Article 7 to Article 11 (Unchanged)</u>
<u>Article 13-2 (Electronic Provision Measures, etc.)</u>	<u>(Deleted)</u>
1. <u>The Company shall take electronic provision measures with respect to information that is the content of reference documents for a shareholders' meeting when convening a shareholders' meeting.</u>	
2. <u>The Company may choose not to include all or part of the matters for which electronic provision measures are to be taken and which are stipulated by an order of the Ministry of Justice in documents to be delivered to shareholders who request delivery of such documents by the record date of voting rights.</u>	
<u>Article 14 to Article 38 (Omitted)</u>	<u>Article 12 to Article 36 (Unchanged)</u>

3. Schedule for Amending the Articles of Incorporation

Tuesday, December 23, 2025 (scheduled)

4. Conditions for Amending the Articles of Incorporation

The amendments will take effect subject to the condition that the proposal regarding the Share Consolidation and the proposal regarding partial amendments to the Articles of Incorporation

concerning the abolition of provisions on share unit numbers are approved and passed at the Extraordinary Shareholders' Meeting as originally drafted and the Share Consolidation takes effect.

End