



June 6, 2025

To whom it may concern:

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 Representative: Mutsumi Taga,
 President and Representative Director
 (Code number: 7605, TSE Prime Market)
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Notice Concerning Opinion in Favor of Tender Offer for the Company's Shares, Etc. by Usami Koyu Corp. and Recommendation to Tender

Fuji Corporation (the "Company") hereby announces that its board of directors, at its meeting held today, resolved to express its opinion in favor of a tender offer (the "Tender Offer") for the common shares of the Company (the "Company's Shares") and the Share Options (as defined in "2. Price of Purchase" below; hereinafter the same) by Usami Koyu Corp. (the "Tender Offeror"), and to recommend that the shareholders of the Company and the holders of the Share Options (the "Share Option Holders") tender their shares and Share Options in the Tender Offer, as detailed below.

Please note that this resolution of the board of directors was adopted on the premise that the Tender Offeror intends to make the Company a wholly-owned subsidiary of the Tender Offeror through the Tender Offer and a series of subsequent procedures and that the Company's Shares will be delisted.

1. Outline of the Tender Offeror

(1)	Name	Usami Koyu Corp.
(2)	Location	1-8, Umedacho, Tsushima-shi, Aichi
(3)	Job title and name of representative	Tomoya Usami, Representative Director and President
(4)	Description of business	To control the overall management and capital of the Usami Group, and wholesale petroleum products to the Group companies.
(5)	Share capital	10,000,000 yen
(6)	Date of establishment	October 23, 1979
(7)	Major shareholders and ownership ratios (as of April 30, 2025)	Kabushiki Kaisha Usami 100.0%
(8)	Relationship between the Company and the Tender Offeror	
	Capital relationship	Not applicable.
	Personnel relationship	Not applicable.
	Business relationship	The Company sells products to the Tender Offeror.
	Related party relationship	Not applicable.

2. Price of Purchase

(1) 2,830 yen per common share (the "Tender Offer Price")

(2) Share Options

(I) 565,800 yen per share option (the "First Series Share Options") issued in accordance with the resolution of the board of directors meeting held on January 27, 2017 (the exercise period shall be from February 14, 2017 to February 13, 2047)

(II) 565,800 yen per share option (the "Second Series Share Options") issued in accordance with the resolution of the board of directors meeting held on January 29, 2018 (the exercise period shall be from February 14, 2018 to February 13, 2048)

(III) 565,800 yen per share option (the "Third Series Share Options") issued in accordance with the resolution of the board of directors meeting held on January 29, 2019 (the exercise period shall be from February 14, 2019 to February 13, 2049)

(hereinafter, the First Series Share Options, the Second Series Share Options and the Third Series Share Options will be collectively referred to as "Share Options," and the price of purchase per Share Option in the Tender Offer will be collectively referred to as the "Share Option Purchase Price")

3. Details of, and Grounds and Reasons for the Opinion on the Tender Offer

(1) Details of the opinion

The Company, at its board of directors meeting held today, resolved to express its opinion in favor of the Tender Offer and to recommend that the shareholders of the Company and the Share Option Holders tender their shares and Share Options in the Tender Offer based on the grounds and reasons described in "(2) Grounds and reasons for the opinion" below.

The resolution of the Company's board of directors was adopted in the manner described in "(III) Unanimous approval of all disinterested directors of the Company and the opinion of all disinterested auditors of the Company that they have no objection" under "(6) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest" below.

(2) Grounds and reasons for the opinion

Descriptions of the Tender Offeror in this "(2) Grounds and reasons for the opinion" are based on the explanation provided by the Tender Offeror.

(I) Outline of the Tender Offer

At its Board of Directors meeting held today, 2025, the Tender Offeror resolved to implement the Tender Offer as part of the transaction to make the Company a wholly-owned subsidiary of the Tender Offeror by acquiring (i) all of the Company's Shares listed on the Prime Market of Tokyo Stock Exchange, Inc. (the "TSE") (including the Company's Shares to be delivered upon the exercise of the Share Options, but excluding the treasury shares owned by the Company), and (ii) all of the Share Options (the "Transaction"). As of today, the Tender Offeror does not own any Company's Shares or Share Options.

In implementing the Tender Offer, the Tender Offeror, as of June 6, 2025, entered into: (i) a tender agreement with Mr. Fumiki Endo, who is a major (and the largest) shareholder, as well as being the Representative Director and Chair of the Board of the Company (number of shares owned: 7,683,200 shares; Ownership Ratio (Note 1): 42.34%), concerning the 7,682,400 shares (Ownership Ratio: 42.33%) among the Company's Shares owned by Mr. Fumiki Endo, excluding the 800 shares of the Company's Shares that have been allotted to Mr. Fumiki Endo as a Director of the Company and are owned by him as transfer-restricted share compensation; and (ii) a tender agreement with Mr. Masao Sasaki, who is the third-largest shareholder, as well as being the Director and Vice Chair of the Board of the Company (number of shares owned: 1,183,000 shares; Ownership Ratio: 6.52% (Note 2)), concerning the 1,132,100 shares (Ownership Ratio: 6.24%) among the Company's Shares owned by Mr. Masao Sasaki, excluding the 50,900 shares of the Company's Shares that have been allotted to Mr. Masao Sasaki as a Director of the Company and are owned by him as transfer-restricted share compensation ("Mr. Fumiki Endo" and "Mr. Masao Sasaki" are hereinafter collectively referred to as the "Prospective Tendering Shareholders"; and the respective tender agreements with the Prospective Tendering Shareholders are hereinafter collectively referred to as the "Tender Agreements"), whereby the Tender Offeror has reached agreements with the Prospective Tendering Shareholders for their tendering of the 8,814,500 shares (Ownership Ratio: 48.57%; hereinafter, the "Shares to be Tendered"), among the Company's Shares owned by them (total number of shares owned: 8,866,200 shares; Ownership Ratio: 48.86%). For details of the Tender Agreement, please see "4. Matters concerning Material Agreements between the Tender Offeror and the Shareholders and Directors of the Company regarding the Tender of Shares, Etc."

(Note 1) "Ownership Ratio" refers to the ratio (rounded to the second decimal place; hereinafter the same for the Ownership Ratio unless otherwise stated) of the number of shares owned to the number of shares (18,147,599 shares; the "Total Number of Shares After Considering Potential Shares") obtained by (i) deducting the number of treasury shares owned by the Company as of April 30, 2025 (294,001 shares) from the total number of issued shares of the Company as of April 30, 2025 (18,405,400 shares), both as stated in the "Financial Results for the Second Quarter (Interim Period) of the Fiscal Year Ending October 31, 2025 Japanese GAAP (Non-consolidated)" released by the Company on June 6, 2025 (the "Company's Q2 Financial Results"), and (ii) adding to the number of shares resulting from (i) above (18,111,399 shares) the number of the Company's Shares (36,200 shares) (Note 3) underlying the total number of Share Options, i.e., 180 units, which remained as of April 30, 2025 as reported by the Company.

(Note 2) The number of the Company's Shares owned by Mr. Masao Sasaki does not include any shares constituting less than one unit indirectly owned by Mr. Masao Sasaki through his cumulative investment

in the Company's Shares. The same will apply to the number of shares owned by Mr. Masao Sasaki.
 (Note 3) The breakdown of the Share Options remaining as of April 30, 2025, which the Company has reported to the Tender Offeror, is as follows:

Name of share options	Number of Share Options as of April 30, 2025 (units)	Number of underlying Company's Shares (shares)
First Series Share Options	59	11,800
Second Series Share Options	52	10,400
Third Series Share Options	70	14,000
Total	181	36,200

The Tender Offeror intends to privatize the Company's Shares by acquiring all of the Company's Shares (including the Company's Shares to be delivered upon the exercise of the Share Options, but excluding the treasury shares owned by the Company) in the Tender Offer. Therefore, the Tender Offeror has not set the maximum number of shares to be purchased and will conduct the purchase, etc. of all Shares, Etc. tendered in the Tender Offer (the "Tendered Shares").

On the other hand, the Tender Offeror has set the minimum number of shares to be purchased in the Tender Offer as 9,075,600 shares (Ownership Ratio: 50.01%), and will refrain from the purchase, etc. of any and all Tendered Shares if the total number of the Tendered Shares does not reach at least 9,075,600 shares.

It is conceivable for a tender offeror to set the minimum number of shares to be purchased as the number of shares that would enable the tender offeror to secure the number of voting rights equivalent to two-thirds (2/3) of the total number of voting rights in the relevant target company, from the perspective of ensuring the implementation of the squeeze-out procedures through share consolidation, after the successful completion of the tender offer. However, focusing on the voting rights exercise ratios at the Company's ordinary shareholders' meetings in the past, it cannot be said that the Tender Offeror is required to acquire the number of shares equivalent to two-thirds (2/3) of the total number of voting rights in the Company through the Tender Offer, in implementing the squeeze-out procedures through share consolidation. For this reason, from the perspective of increasing the probability of the successful completion of the Tender Offeror, the Tender Offeror has decided to set the minimum number of shares to be purchased in the Tender Offer as 9,075,600 shares, which is the number of shares obtained by multiplying the number of voting rights (181,475 voting rights) pertaining to the Total Number of Shares After Considering Potential Shares (18,147,599 shares), by 50.01%, and further multiplying the product thereof (90,756 voting rights, rounded up to the nearest whole number), by the share units (100 shares) of the Company.

In setting the lower limit of the number of shares to be purchased, the Tender Offeror takes into account the following: (a) focusing on the voting rights exercise ratios at ordinary shareholders' meetings of the Company in the past five (5) years, the average voting rights exercise ratio was 85.63% (rounded to the second decimal place; hereinafter the same with respect to calculation of voting rights exercise ratio unless otherwise provided) and the highest voting rights exercise ratio was 87.99% (Note 4). Therefore, the Tender Offeror considered that, even if conservatively using the highest voting rights exercise ratio of 87.99% is used, rather than using the average voting rights exercise ratio, it is sufficiently feasible for the Company to implement the squeeze-out procedures through share consolidation, so long as the Tender Offeror is able to secure the number of voting rights equivalent to 58.66%, which is the number obtained by multiplying said highest voting rights exercise ratio, by two-thirds (2/3) of votes as required for the adoption of special resolutions at shareholders' meetings; (b) among the Company's Shares, with regard to (i) the restricted shares of the Company ("Restricted Shares") granted to the Company's directors and employees as restricted stock compensation that are owned by the 6 directors of the Company as of today (159,800 shares, Ownership Ratio: 0.88%; hereinafter the "Restricted Shares (Directors)") and are owned by the Company's employees as of today (74,540 shares, Ownership Ratio: 0.41%; hereinafter the "Restricted Shares (Employees)"), (ii) the Company's Shares owned by the 7 shareholders, including Prospective Tendering Shareholders, who are directors of the Company (excluding the Restricted Shares (Directors)) (Note 5) (9,376,300 shares, Ownership Ratio: 51.67%), (iii) the Company's Shares owned by 2 shareholders who were formerly directors of the Company and are currently employees of the Company (48,900 shares, Ownership Ratio: 0.27%), (iv) the Company's Shares owned by the employee stock ownership plan (ESOP) of the Company (103,451 shares, Ownership Ratio: 0.57%), and (v) the Company's Shares owned by shareholders (the Company's business partners; hereinafter the "Cross-Shareholders") who own the same for cross-shareholdings (902,000 shares, Ownership Ratio: 4.97%) (the total of (i) through (v) being 10,664,991 shares and the Ownership Ratio being 58.77%), and these Company's Shares include the Shares to be Tendered which the Prospective Tendering Shareholders have agreed to tender in the Tender Offer in the Tender Agreement (8,814,500 shares, Ownership Ratio: 48.57%), such Company's Shares are expected to be tendered in the Tender Offer, or, even if they are not tendered in the Tender Offer, the voting rights pertaining to such Company's Shares are expected to be exercised in favor of the proposal for a share consolidation which is to be conducted as a series of procedures (the "Squeeze-Out Procedures") to make the Tender Offeror the sole shareholder of the Company and make the Company the wholly-

owned subsidiary of the Tender Offeror (the "Share Consolidation Proposal"), at the Extraordinary Shareholders' Meeting (as defined in "(4) Policy for reorganization after the Tender Offer (matters concerning "two-step acquisition")" below; the same applies hereinafter); therefore, the Tender Offeror believes that it is highly likely to be able to secure the number of voting rights equivalent to 58.66% as mentioned above in the Share Consolidation Proposal (regardless of tendering from shareholders under (i) through (iii)); and (c) the average and the median of voting rights exercise ratios with respect to share consolidation proposal in 43 precedents of transactions between third parties with no capital relationship in which a shareholders' meeting was held for the share consolidation proposal as squeeze-out procedures among 253 tender offers aiming to take listed companies private that were announced and successfully completed during the 5 years from 2020 to 2024, excluding a total of 139 cases of transactions between parents and a subsidiaries, between equity method companies, and so-called management buyout (MBO) (Note 6) are approximately 37.0% and approximately 41.5%, respectively, which are significantly lower than the voting rights exercise ratio at ordinary shareholders' meetings at normal times (average: 73.5%; median: 73.6%), and it is only one case that shows the voting rights exercise ratio of more than 50.01% when multiplied by two-thirds (2/3) of votes as required for the adoption of special resolutions at shareholders' meetings (the voting rights exercise ratio in the case was 78.3% and, when multiplied by two-thirds (2/3), 52.2%); therefore, the Tender Offeror considered that even if it fails to acquire the percentage of Company's Shares as mentioned in (1) above (58.66%), the Share Consolidation Proposal is highly likely to be approved at the Extraordinary Shareholders' Meeting so long as the Tender Offeror acquires 50.01% of the Company's Shares through the Tender Offer.

- (Note 4) From the total number of voting rights (180,782 units) as of the record date (October 31, 2024) for the 52nd Ordinary Shareholders' Meeting held on January 29, 2025 as stated in the Annual Securities Report, which was filed by the Company on January 30, 2025, and the number of voting rights (159,078 units) exercised at the 52nd Ordinary Shareholders' Meeting as stated in the Extraordinary Report, which was filed on January 30, 2025, the voting rights exercised at the 52nd Ordinary Shareholders' Meeting are equivalent to 87.99% of the total number of voting rights. If the same calculation is applied, the exercise ratio at the 51st Ordinary Shareholders' Meeting held on January 30, 2024 would be 86.34%, the exercise ratio at the 50th Ordinary Shareholders' Meeting held on January 30, 2023 would be 84.94%, the exercise ratio at the 49th Ordinary Shareholders' Meeting held on January 28, 2022 would be 84.12%, and the exercise ratio at the 48th Ordinary Shareholders' Meeting held on January 28, 2021 would be 84.75%.
- (Note 5) The shareholders listed in (ii) (7 shareholders, including Prospective Tendering Shareholders, who are directors of the Company) include a shareholder who has made a cumulative investment in the Company's Shares. During the period leading up to the Extraordinary Shareholders' Meeting, the monthly purchase for such cumulative investment may change shares constituting less than one unit into a whole share unit, and the number of shares owned by the shareholders listed in (ii) may increase. The same shall apply to the number of shares owned by the shareholders listed in (ii) below.
- (Note 6) A "Management Buyout (MBO)" means a transaction in which the Tender offeror makes a tender offer based on an agreement with officers of the Company and shares a common interest with the officers of the Company.

With respect to the consideration in (b) above of the Company's Shares which are tendered in the Tender Offer, or, even if they are not tendered in the Tender Offer, the voting rights pertaining to such Company's Shares are expected to be exercised in favor of the Share Consolidation Proposal at the Extraordinary Shareholders' Meeting, with regard to the aforementioned (i) Restricted Shares (Directors) (159,800 shares; Ownership Ratio: 0.88%), such shares cannot be tendered in the Tender Offer, due to the transfer thereof being restricted. However, the Company's Board of Directors resolved, at its meeting held on June 6, 2025, that the Company would state its opinion in favor of the Tender Offer, premised on the privatization of the Company's Shares, and, at the time of such resolution, all the Directors participating in the deliberations and resolution voted in favor of the Tender Offer, such that, if the Share Consolidation Proposal is submitted at the Extraordinary Shareholders' Meeting after the successful completion of the Tender Offer, the Directors of the Company believe that they will exercise their voting rights in favor of said proposal in respect of all of the Restricted Shares (Directors) owned by them. The Restricted Shares (Directors) include 51,700 shares (Ownership Ratio 0.28%) of the Restricted Shares owned by the Prospective Tendering Shareholder. In addition, the Restricted Shares (Employees) (74,540 shares; Ownership Ratio: 0.41%) cannot be tendered in the Tender Offer since a transfer restriction is imposed. However, since the employees of Company have a relationship of employment with the Company, it is considered difficult to take any action that is contrary to the Company's decision-making. Given that the Company resolved, at the board of directors meeting held on June 6, 2025, to express its opinion in favor of the Tender Offer and to recommend that the shareholders of the Company and the Share Option Holders tender their shares and Share Options in the Tender Offer, the Tender Offeror believes that if the Share Consolidation Proposal is submitted at the Extraordinary Shareholders' Meeting after the successful completion of the Tender Offer, the Company's employees will exercise their voting rights in respect of all of their Restricted Shares (Employees) in favor of the Share Consolidation Proposal.

Furthermore, with regard to the 7 shareholders who are the Directors of the Target Company including the Prospective Tendering Shareholders as mentioned in (iii) above (total number of shares owned: 9,376,300 shares; Ownership Ratio: 51.67%; excluding the Restricted Shares (Directors)), in light of the fact that the Company's Board of Directors, at its meeting held on June 6, 2025, stated its opinion in favor of the Tender Offer and resolved that the Company would recommend that the shareholders of the Company and the Share Option Holders tender their shares and Share Options in the Tender Offer and that the Company's Board of Directors made the resolution by unanimous consent of the directors who participated in the deliberation and the resolution, the Tender Offeror believes that, if the Share Consolidation Proposal is submitted at the Extraordinary Shareholders' Meeting after the successful completion of the Tender Offer, such Directors will tender their Company's Shares and Share Options in the Tender Offer and exercise their voting rights in favor of the said proposal in respect of their Company's Shares and Share Options. The shares owned by the 7 shareholders who are Directors of the Company as mentioned in (ii) above (total: 9,376,300 shares; Ownership Ratio: 51.67%) include 8,827,300 shares (Ownership Ratio: 48.64%) owned by the two (2) Prospective Tendering Shareholders.

Furthermore, with regard to the two shareholders who were formerly the Directors of the Company and are currently employees of the Company as mentioned in (iii) above (total number of shares owned: 48,900 shares; Ownership Ratio: 0.27%), they have a relationship of employment with the Company, and with regard to the employee stock ownership plan (ESOP) of the Company mentioned in (iv) above (total number of shares owned: 103,451 shares; Ownership Ratio: 0.57%), its substantial shareholders are the employees of the Company who contribute fund to acquire the Company's Shares. Thus, it would be difficult for them to act counter to the Target Company's decision-making. In light of the fact that the Company, at its meeting held on June 6, 2025, stated its opinion in favor of the Tender Offer and resolved to recommend that the shareholders of the Company and the Share Option Holders tender their shares and Share Options in the Tender Offer, the Tender Offeror believes that the shareholders mentioned in (iii) and (iv) above will express their understanding towards the Company's decision-making and the Transactions, tender their shares and Share Options in the Tender Offer, and exercise their voting rights in favor of the Share Consolidation Proposal.

Furthermore, with regard to the Cross-Shareholders as mentioned in (v) above (total number of shares owned: 902,000 shares; Ownership Ratio: 4.97%), in light of the continuous relationship based on the previous business relationship with the Company and the possibility of transactions and relationship with the Company in the future, it would be difficult for such shareholders to act counter to the Company's decision-making. Given that the Company resolved, at the board of directors meeting held on June 6, 2025, to express its opinion in favor of the Tender Offer and to recommend that the shareholders of the Company and the Share Option Holders tender their shares and Share Options in the Tender Offer, the Tender Offeror believes that it is likely that the Cross-Shareholders will tender their shares in the Tender Offer. Also, even if the Cross-Shareholders do not tender their shares in the Tender Offer, after the Tender Offer is successfully completed and the Tender Offeror becomes the Company's parent company, as described below "(II) Background and purpose of the Tender Offer and decision-making process leading to the implementation of the Tender Offer," the Tender Offeror believes that it is likely that such shareholders will exercise their voting rights in favor of the Share Consolidation Proposal in terms of future expansion of business and relationship with the Company, considering that synergies can be generated by further deepening the collaboration between the Tender Offeror Group and the Company and implementing the optimum allocation of management resources and mutual cooperation, and that this is expected to contribute to enhancement of the Company's corporate value.

In light of the above, with regard to the number of voting rights pertaining to the shares mentioned in (i) and (ii) above, such shares are not expected to be tendered in the Tender Offer, but the voting rights pertaining thereto are, on the other hand, highly likely to be exercised in favor of the Share Consolidation Proposal; and with regard to the number of voting rights pertaining to the shares mentioned in (iii) through (v) above, such shares are highly likely to be tendered in the Tender Offer, or, even if not, the voting rights pertaining thereto are highly likely to be exercised in favor of the Share Consolidation Proposal. Therefore, the Tender Offeror believes that the voting rights pertaining to the 10,664,991 shares (Ownership Ratio: 58.77%), which is the total of (i) through (v), will still be exercised by at least any of the shareholders mentioned in (i) through (v) above or the Tender Offeror, who acquired the shares tendered in the Tender Offer as mentioned in (i) through (v), in favor of the Share Consolidation Proposal, and that the Tender Offeror will thereby be able to secure the number of voting rights equivalent to 58.66%, which is the number obtained by multiplying 85.63%, namely, the average voting rights exercise ratio at the ordinary shareholders' meetings of the Company in the past five (5) years, by two-thirds (2/3) of votes as required for the adoption of special resolutions at shareholders' meetings.

Furthermore, the Tender Offeror believes that, even if 58.66% of the Company's Shares could not be acquired through the Tender Offer, it is highly probable that the proposal for a share consolidation will be approved at the Target Company's extraordinary shareholders' meeting if the Tender Offeror acquires 50.01% of the Company's Shares through the Tender Offer, as stated in (c) above.

On the other hand, the shareholders described in (i) through (v) are expected, as stated above, to either tender their shares in the Tender Offer or exercise voting rights in favor of the Share Consolidation Proposal without tendering their shares. However, which option they will ultimately choose remains uncertain. Therefore, if the minimum number of shares to be purchased in the Tender Offer is set unnecessarily high, and all or most shareholders described in (i) through

(vi) (excluding the Prospective Tendering Shareholders) choose the latter option, there is a possibility that the Transaction may not be executed. This is because the Tender Offer could fail to reach the minimum number of shares to be purchased and be deemed unsuccessful, despite the fact that the adoption of the Share Consolidation Proposal would be expected if it were submitted to the shareholders' meeting of the Company. Since such occurrence is undesirable from the viewpoint of the corporate value of the Company and the common interests of the shareholders of the Company and should be avoided, the Tender Offeror has decided to set the minimum number of shares to be purchased in the Tender Offer as 9,075,600 shares (Ownership Ratio: 50.01%), namely, at the level where the adoption of the Share Consolidation Proposal can be reasonably expected even if the Company's Shares of the ratio described in (I) above (58.66%) cannot be acquired, considering that, as described in (III) above, the ratio of the exercise of voting rights at a general meeting of shareholders pertaining to a proposal for consolidation of shares as a squeeze-out procedure in similar cases tends to decrease significantly in comparison with the ratio of the exercise of voting rights at an ordinary general meeting of shareholders in normal times, and only 1 case out of 43 cases exceeds 50.01% when multiplied by 2/3, which is the ratio of voting rights required to pass a special resolution at a general meeting of shareholders, and as the minimum number of shares to be purchased, which would maximally enhance the probability of the successful completion of the Tender Offer, considering that it is expected that the Shares to be Tendered (8,814,500 shares; Ownership Ratio: 48.57%) will be tendered in the Tender Offer under the Tender Agreements.

As stated above, the minimum number of shares to be purchased is set based on the Total Number of Shares After Considering Potential Shares (and not on the total number of issued shares). However, while the Share Options can be tendered in the Tender Offer as they are, enabling them to be converted into cash at the purchase price for the Share Options, such minimum number is calculated on the basis of the total number of voting rights, on the assumption that all Share Options have been exercised rather than tendered. Although such minimum number is conservatively set. Therefore, also from this perspective, the Tender Offeror believes that the minimum number of shares to be purchased in the Tender Offer is set at a level sufficient to implement the Squeeze-Out Procedures through share consolidation.

As described above, in the Tender Offer, the minimum number of shares to be purchased is not set as the number of shares that allows for the Tender Offeror to secure the number of voting rights equivalent to two-thirds (2/3) of the total number of voting rights. Therefore, if, after the successful completion of the Tender Offer, the total number of voting rights in the Company owned by the Tender Offeror is less than two-thirds (2/3) of the total number of voting rights in the Company, then the possibility of the Share Consolidation Proposal not being approved at the Extraordinary Shareholders Meeting cannot theoretically be denied.

However, even if such approval is not obtained, the Tender Offeror intends to eventually obtain all of the Company's Shares (including the Company's Shares to be delivered upon the exercise of the Share Options, but excluding the treasury shares owned by the Company), and the Tender Offeror's policy is to privatize the Company's Shares. Therefore, also in light of the tendering status in the Tender Offer, as well as the ownership status and attributes of the Company's shareholders and the trends in the market share prices, the Tender Offeror will additionally acquire the Company's Shares until it reaches a level that allows for the proposal for share consolidation to be actually approved at the Company's shareholders' meeting (the specific level thereof will be determined in light of the voting rights exercise ratio at the Extraordinary Shareholders' Meeting and the most recent shareholder composition of the Company), by using methods such as in-market purchases, off-market negotiated acquisitions, etc., and thereby aim to privatize the Company's Shares. With regard to such additional acquisitions, the Tender Offeror's policy is to acquire the Company's Shares at a price evaluated as being economically equivalent to the Tender Offer Price (which, unless the Company undertakes actions requiring adjustments to the consideration, such as a share consolidation or share split, will be the same amount per share as the Tender Offer Price.) Although the Tender Offeror is unable to currently decide on the specific timing and methods of such additional acquisitions, as well as the period required until the proposal for share consolidation is approved at a subsequent shareholders' meeting, as this will depend on the market conditions and other factors, the Tender Offeror will make utmost efforts in order to have such share consolidation be conducted as soon as practicable.

If the Tender Offeror is unable to acquire all of the Company's Shares (including the Company's Shares to be delivered upon the exercise of the Share Options, but excluding the treasury shares owned by the Company) and all of the Share Options through the Tender Offer, the Tender Offeror will carry out the Squeeze-Out Procedures after the successful completion of the Tender Offer (as stated in "(4) Policy for reorganization after the Tender Offer (matters concerning "two-step acquisition" below).

(II) Background and purpose of the Tender Offer and decision-making process leading to the implementation of the Tender Offer

According to the Tender Offeror, the Tender Offeror was founded in 1950 in Tsushima City, Aichi Prefecture, as a petroleum distributor. In 1961, it opened Japan's first truck station targeting long-haul trucks, and since then, it has developed gas stations designed to be easily accessible for large trucks, primarily along Japan's major highways.

Through this development, it has built a network of service stations extending from Hokkaido to Kyushu. In order to realize the concept of "Where there is a road, there is Usami" for truck drivers, the Tender Offeror has consistently listened to the voices of drivers and responded to customer needs by strategically expanding its store network. As a result, as of the end of May 2025, it has grown into one of Japan's leading logistics support companies, operating a network of 497 directly managed service stations.

The Tender Offeror is made up of the Tender Offeror Group, which consists of the Tender Offeror and its 31 subsidiaries (as of May 31, 2025; the same shall apply hereinafter), and is engaged in businesses such as direct fuel sales and car life-related services based on its service station operations.

Under the credo of "Always moving forward, challenging, and achieving," the Tender Offeror Group aims to become a centennial company in accordance with its basic philosophy: "We will always keep our customers in mind, create a culture we can proudly present anywhere through ingenuity and harmony, move forward with the community, and strive with passion, courage, and hope for the development of our company and the realization of a truly bright and affluent life." In recent years, the Tender Offeror Group has recognized the importance of maintaining an uninterrupted fuel supply in its business continuity planning (BCP) activities to support the restoration of social infrastructure during emergencies such as large-scale power outages and communication failures caused by natural disasters. Drawing on its experience from past major disasters (including the Great Hanshin-Awaji Earthquake, the Great East Japan Earthquake, and the Hokkaido Eastern Iburi Earthquake), the Tender Offeror Group has formed a delivery business group within the Tender Offeror Group and is working to expand a highly mobile fuel delivery business. Through these efforts, the Group is striving to broaden its business domain and become a company that contributes to a sustainable society.

In the petroleum industry to which the Tender Offeror belongs, domestic demand for fuel oil is expected to gradually decline over the long term due to improvements in automobile fuel efficiency and the growing adoption of next-generation vehicles, such as electric vehicles (EVs). In addition, the Tender Offeror recognizes that the business environment may become increasingly challenging as efforts to realize a decarbonized society accelerate. Amid such changes in the environment surrounding the Tender Offeror, the Tender Offeror believes it is necessary to strengthen its business portfolio by leveraging the potential of its nationwide network of service stations to establish its position as a "total life supporter," and by focusing on car-life-related businesses—such as vehicle inspections, repairs, and the sale of automotive accessories—in order to provide all necessary services related to customers' car lives. Furthermore, the Tender Offeror recognizes that it is essential to respond to the trend toward a decarbonized society and to contribute to the realization of a sustainable society by using its car-life business as a foundation for expanding into adjacent fields including mobility related business, car maintenance business and construction of gas stations and similar facilities, and by building a robust business portfolio that is not solely dependent on its current core business of fuel supply.

On the other hand, in January 1969, the Company was established as a private concern, Fuji Tire Shokai, which is the predecessor of the Company, in Miyachiyo, Sendai-shi, Miyagi, for the purpose of repairing and selling automobile tires. After Yugen Kaisha Fuji Tire Shokai was established in November 1971, Kabushiki Kaisha Fuji Tire Shokai was established through organizational restructuring in November 1982, and changed its trade name to Fuji Corporation, the current trade name, in July 1988. In addition, in November 1996, in order to change the par value of shares, Fuji Corporation was merged with Kabushiki Kaisha Kenkosha, which was the surviving Company, and the trade name of Kabushiki Kaisha Kenkosha was changed to Fuji Corporation at the same time. The Company's Shares were registered with the Japan Securities Dealers Association in June 1999, listed on the Nasdaq Securities Exchange in December 2004; listed on the Osaka Securities Exchange (JASDAQ Market) following the merger of the Nasdaq Securities Exchange and the Osaka Securities Exchange Co., Ltd. (the "OSE") in April 2010; listed on the OSE JASDAQ (Standard) in October 2010 following the merger of the JASDAQ Market, the Hercules Market, and the NEO Market of the OSE; and listed on the TSE JASDAQ (Standard) in July 2013 following the merger of the spot markets of the TSE and the OSE. In January 2016, the market status of the Company's Shares was changed to the Second Section of the TSE; designated to the First Section of the TSE in October 2016; and listed on the TSE Prime Market as of today, following the market reclassification of the TSE in April 2022.

The Company focuses on car accessories, especially, tires and wheels, and sells them through three different sales channels: store sales, mail-order sales and dealer sales. Store sales are conducted at suburban stores, with many of the stores being along major roads. Mail-order sales are conducted for Japanese and overseas customers by opening sales sites on the Company's own website and online shopping malls. Dealer sales are conducted directly to other retailers of car accessories, car dealers, DIY stores, gas stations and other similar stores, as well as through wholesalers. Until now, the Company has grown synergistically, not only strengthening its store sales by opening new stores, but also increasing dealer sales by developing new business partners such as car dealers in the neighborhood, and increasing mail-order sales by improving credibility in online sales. The Company believes that it will be able to increase its market share in the tire and wheel market in Japan by continuing to center on store sales, actively developing dealer sales and actively introducing SEO measures (Note 1) and the latest Internet technology, contributing to sales promotion, for mail-order sales. By introducing the latest systems and RPA (Note 2) for the purpose of enhancing work efficiency, and further improving the logistics system, the Company is working to actively address measures for various

issues such as the shortage of human resources and work style reform, and further improve its business performance.

(Note 1) SEO stands for "Search Engine Optimization." SEO measures are a series of initiatives undertaken to improve a website's ranking in search engine results to increase traffic.

(Note 2) It stands for "Robotic Process Automation," and refers to software robot technology that can automate clerical work on a personal computer.

Under these circumstances, in mid-December 2024, a financial institution, which had previously provided the Tender Offeror with information on capital policies and financial strategies, introduced the Tender Offeror to the Company, including business alliance as part of the information provision. As the Tender Offeror had also been in a business relationship with the Company since 2017, and had already understood the Company and its business, the Tender Offeror began examining the pros and cons of the potential acquisition of the Company Shares from mid-December 2024, based on publicly available information and its own independent analysis. In the course of this examination, the Tender Offeror considered, among other things, the following factors: (i) the Company's strength in handling a broad range of tire and wheel products compatible with various vehicles, including imported automobiles, and its ability to develop products that accurately meet customer needs; (ii) the Company's strong sales capabilities, evidenced by its ability to implement price increases for its products even during inflationary periods caused by global surges in resource and raw material prices, instead of maintaining the price for fear of losing customers—made possible by the trust it enjoys from its customers; and (iii) the Company's significant social contribution through its tire and wheel business, which supports the sustainable development of mobility by responding to ongoing transformations in the automotive industry, such as electrification and digitalization, including electric vehicles (EVs and FCVs (Note 3)). Based on the above considerations, the Tender Offeror concluded in late January 2025 that the Company's initiatives to enhance its corporate value are aligned with the Tender Offeror's own strategic direction, and that the optimal allocation of management resources and mutual collaboration between the two companies—rather than the Company acting independently—would further accelerate the efforts of both companies.

(Note 3) FCV stands for Fuel Cell Vehicle, and refers to vehicles that use fuel cells.

Specifically, the Tender Offeror believes that, if the Transaction can generate the following synergies and accelerate the efforts toward realizing the growth strategies of both the Tender Offeror and the Company, it will contribute to maximizing the corporate value of the Tender Offeror Group and the Company.

The specific synergy effects that the Tender Offeror expects to realize through the Transaction are as follows;

(i) Strengthening of the tire and wheel sales network by leveraging the nationwide network of stores

The Tender Offeror Group recognizes the utility of establishing a structure that allows the Company to utilize its 497 directly operated stores nationwide (as of the end of May 2025), operated by the Tender Offeror Group, as physical sales bases for tires, wheels, and related products. The Tender Offeror believes that the extensive and efficient distribution of the Company's tire and wheel products through such network will contribute to expanding the Company's trade area and increasing its sales opportunities.

(ii) Providing one-stop automotive-related services by leveraging the strengths of both companies

The Tender Offeror already has been offering the "Usami SS Installation Service" since 2017, whereby tires, wheels, and other products purchased through the Company's online store are installed or replaced at the Tender Offeror's service stations. Following the Transaction, by operating as an integrated group, the Tender Offeror believes it will be possible to provide more comprehensive one-stop automotive-related services by linking the Tender Offeror Group's existing membership base—including the "Usappy Card"—with the Company's existing customer base, and by jointly developing initiatives such as a shared loyalty point program.

(iii) Reducing costs associated with maintaining listing

Following the Transaction, the Tender Offeror expects that the governance structure can be restructured in a more effective manner within the Tender Offeror Group, while alleviating the burden associated with disclosure requirements and strict fiscal year-end timelines. In addition, it is expected that the costs and human resources currently allocated to maintaining the Company's listing can be reallocated to initiatives such as new store openings, capital investments, and IT system upgrades, thereby contributing to the enhancement of corporate value.

In addition, it is expected that sales channels will be expanded by offering the Tender Offeror's core products

offered in its "USAMART" (Note 4) online store on the Company's e-commerce site, or by offering the Company's main products—such as tires and wheels—on the Tender Offeror's "USAMART" online store. This is considered possible precisely because the Tender Offeror and the Company have already integrated their online platforms. This mutual product deployment is made possible precisely because the Tender Offeror and the Company already have an integrated website collaboration in place. Going forward, further sales growth is anticipated not only through the existing site linkage between the two companies, but also by strengthening both companies' e-commerce channels in a more integrated and cross-functional manner.

(Note 4) "USAMART" refers to the E-Commerce website operated by USAMART Japan Service, K.K., which is a subsidiary of the Company.

Furthermore, in terms of procurement, the Tender Offeror believes that establishing a group-wide, consolidated system for ordering and managing tires, wheels, and related products will enhance bargaining power with suppliers and facilitate cost advantages such as volume discounts and improved logistics efficiency. By reducing procurement costs and optimizing inventory management, the Tender Offeror expects to secure stable profits and improve sales efficiency in the short term. In the long term, this initiative is expected to become a key measure supporting the earnings base of the entire Tender Offeror Group, including the Company.

Given the aforementioned background and purpose and the expected synergies, the Tender Offeror has determined that, in order to achieve further enhancement of corporate value for both companies, it is necessary to make the Company a wholly-owned subsidiary of the Tender Offeror, thereby fostering closer collaboration with the Company, optimizing allocation of management resources and promoting mutual cooperation.

In addition, the Tender Offeror recognizes that the general disadvantage of going private of the Company may be that the Company may not be able to raise funds through the use of equity financing and that the Company may not be able to maintain its social credibility and brand power by ceasing to be a listed company. However, the Tender Offeror believes that as for the Transaction, there are basically no disadvantages even if the Company is delisted and becomes a wholly-owned subsidiary of the Tender Offeror since it is possible to raise funds through the Tender Offeror Group even after going private and the Tender Offeror Group and the Company have sufficient social credibility.

Accordingly, in or around mid-February 2025, the Tender Offeror appointed Daiwa Securities as a financial advisor independent from the Tender Offeror, the Company, and the Prospective Tendering Shareholders, and also appointed TMI Associates as a legal advisor independent from the Tender Offeror, the Company, and the Prospective Tendering Shareholders, respectively. Following these appointments, the Tender Offeror commenced specific considerations regarding the Transaction. On March 12, 2025, the Tender Offeror submitted a letter of intention (the "Letter of Intention") to the Target Company, wherein the Tender Offeror expressed its formal intention regarding the Transaction, which aimed to make the Company a wholly-owned subsidiary through the Tender Offer. The Letter of Intention also included information such as the background thereof and growth strategies following the Transaction.

In response to the submission of the Letter of Intention, taking into account the impact of the Transaction on the Company's minority shareholders, the Company has established the Special Committee (as defined under "(IV) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Company" below; the same shall apply hereinafter) on March 19, 2025, for the purpose of eliminating arbitrariness from the Company's decision-making and ensuring a fair, transparent and objective decision-making process for the Transaction including the Tender Offer (for the details of the role of the Special Committee, see "(IV) Establishment by the Company of an independent special committee and procurement of a written Report from the committee" in "(6) Measures to ensure fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest" below). On the same day, the Company appointed Yamada Consulting Group (as defined under "(IV) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Company" below; the same shall apply hereinafter) as a financial advisor and Third-Party Valuator independent of the Tender Offeror, the Prospective Tendering Shareholders and the success or failure of the Transaction, and Anderson Mori & Tomotsune (as defined under "(IV) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Company" below; the same shall apply hereinafter) as a legal advisor independent of the Tender Offeror, the Company, and the Prospective Tendering Shareholders as well as the success or failure of the Transaction.

Based on the foregoing, in and after mid-March 2025, the Tender Offeror and the Company initiated specific consultations and considerations for the Transaction.

The Tender Offeror conducted due diligence (the "Due Diligence") on the Company from mid-March 2025 until early May 2025, to assess the feasibility of the Tender Offer. Concurrently, the Tender Offeror engaged in multiple rounds of mutual negotiations between the Company and the Special Committee regarding the significance and purpose of the Transaction, the expected synergies to be realized through the Transaction, the scheme of the Transaction, the Tender Offer Price, and the purchase price per Share Option (the "Share Option Purchase Price"). Specifically, on March 26, 2025, taking into account the Letter of Intention Tender Offeror, the Tender Offeror received written inquiries

from the Special Committee regarding the background, significance and purpose of the Transaction, as well as the growth strategies and synergies expected following the execution of the Transaction. On April 2, 2025, the Tender Offeror submitted written responses to these questions. Furthermore, at the Special Committee meeting held on April 3, 2025, the Tender Offeror provided explanations and exchanged opinions on matters such as the background, significance and purpose of the Transaction, the expected synergies, and the management policies to be pursued following the Transaction.

According to the Tender Offeror, with respect to the Tender Offer Price, based on the results of the Due Diligence, the Tender Offeror comprehensively considered factors such as the approval or disapproval of the Tender Offer by the Company's Board of Directors, the market price trends of the Company's shares, and the prospects for tendering in the Tender Offer. Given the foregoing, the Tender Offeror made a first proposal to the Company on May 7, 2025 setting the Tender Offer Price at JPY 2,200 (representing a premium of 11.17% over the closing price of the Company's Share of JPY 1,979 on the Prime Market of the TSE on May 7, 2025 which is the date of proposal; a premium of 16.16% over the simple average closing price of JPY 1,894 for the most recent one month up to the same date (rounded to the nearest whole number; hereinafter the same with respect to calculation of simple average closing price); a premium of 12.65% over the simple average closing price of JPY 1,953 for the most recent three months up to the same date; and a premium of 11.96% over the simple average closing price of JPY 1,965 for the most recent six months up to the same date) and setting the Share Option Purchase Price at JPY 1. The Tender Offeror was, then, requested by the Company on May 9, 2025 in response to the first proposal, to reconsider the Tender Offer Price, stating that the Tender Offer Price in the first proposal was far from the price taking into account the interest of the minority shareholders of the Company. After that, the Tender Offeror made a second proposal to the Company on May 16, 2025 setting the Tender Offer Price at JPY 2,330 (representing a premium of 22.18% over the closing price of the Company's Share of JPY 1,907 on the Prime Market of the TSE on May 16, 2025 which is the date of proposal; a premium of 20.73% over the simple average closing price of JPY 1,930 for the most recent one month up to the same date; a premium of 19.30% over the simple average closing price of JPY 1,953 for the most recent three months up to the same date; and a premium of 18.58% over the simple average closing price of JPY 1,965 for the most recent six months up to the same date) and setting the Share Option Purchase Price at an amount obtained by multiplying JPY 2,329, which is the difference between the Tender Offer Price and the exercise price of the Share Options (JPY 1) by the number of shares of the Company's Shares that are the subject of one Share Option. The Tender Offeror was, then, requested by the Company on May 21 in response to the second proposal, to reconsider the Tender Offer Price, stating that the Tender Offer Price in the second proposal was still not the price taking into account the interest of the minority shareholders of the Company in light of the previous Company's growth and expectation of the minority shareholders. After that, the Tender Offeror made a third proposal to the Company on May 23, 2025 setting the Tender Offer Price at JPY 2,600 (representing a premium of 29.81% over the closing price of the Company's Share of JPY 2,003 on the Prime Market of the TSE on May 23, 2025 which is the date of proposal; a premium of 33.81% over the simple average closing price of JPY 1,943 for the most recent one month up to the same date; a premium of 32.79% over the simple average closing price of JPY 1,958 for the most recent three months up to the same date; and a premium of 32.32% over the simple average closing price of JPY 1,965 for the most recent six months up to the same date) and setting the Share Option Purchase Price at an amount obtained by multiplying JPY 2,599, which is the difference between the Tender Offer Price and the exercise price of the Share Options (JPY 1) by the number of shares of the Company Shares that are the subject of one Share Option. The Tender Offeror was, then, requested by the Company on May 29 in response to the third proposal, stating that the Tender Offer Price in the third proposal still could not be considered to be at a level that takes into account the interest of the minority shareholders of the Company in light of the previous Company's growth and expectation of the minority shareholders. After that, the Tender Offeror made a fourth proposal to the Company on June 2, 2025 a fourth proposal setting the Tender Offer Price at JPY 2,750 (representing a premium of 29.72% over the closing price of the Company's Share of JPY 2,120 on the Prime Market of the TSE on June 2, 2025 which is the date of proposal; a premium of 37.91% over the simple average closing price of JPY 1,994 for the most recent one month up to the same date; a premium of 39.52% over the simple average closing price of JPY 1,971 for the most recent three months up to the same date; and a premium of 39.59% over the simple average closing price of JPY 1,970 for the most recent six months up to the same date) and setting the Share Option Purchase Price at an amount obtained by multiplying JPY 2,749, which is the difference between the Tender Offer Price and the exercise price of the Share Options (JPY 1) by the number of shares of the Company Shares that are the subject of one Share Option. The Tender Offeror received a proposal from the Company on June 3, 2025 in response to the fourth proposal, requesting, based on the discussions held at the Special Committee, to set the Tender Offer Price at JPY 2,900 and the Share Option Purchase Price at an amount obtained by multiplying JPY 2,899, which is the difference between the Tender Offer Price and the exercise price of the Share Options (JPY 1) by the number of shares of the Company Shares that are the subject of one Share Option by comprehensively taking into account the results of the share valuation by the Third-Party Valuator in order to give maximum consideration to the interests of the minority shareholders, although the Tender Offer Price took into account the minority shareholders of the Company to a certain extent. After that, the Tender Offeror made a final proposal to the Company on June 5, 2025 setting the Tender Offer Price at JPY 2,830 (representing a premium of

27.88% over the closing price of the Company's Share of JPY 2,213 on the Prime Market of the TSE on June 5, 2025 which was the date of proposal; a premium of 40.24% over the simple average closing price of JPY 2,018 for the most recent one month up to the same date; a premium of 42.86% over the simple average closing price of JPY 1,981 for the most recent three months up to the same date; and a premium of 43.29% over the simple average closing price of JPY 1,975 for the most recent six months up to the same date) and setting the Share Option Purchase Price at an amount obtained by multiplying JPY 2,829, which is the difference between the Tender Offer Price and the exercise price of the Share Options (JPY 1) by the number of shares of the Company Shares that are the subject of one Share Option. The Tender Offer was then informed by the Company on June 5, 2025 that the Company would accept the Tender Offer Price in the final proposal.

Meanwhile the Tender Offeror requested on May 16, 2025 the Prospective Tendering Shareholders to enter into the Tender Agreement and received a response on the same day that they would consider it favorably. Accordingly, the Tender Offeror commenced negotiation with the Prospective Tendering Shareholders for execution of the Tender Agreement. The Tender Offeror informed the Prospective Tendering Shareholders on June 5, 2025 that the Tender Offer Price would be JPY 2,830 and received a response from the Prospective Tendering Shareholders on June 5, 2025 that they would tender their Shares to be Tendered in the Tender Offer at the Tender Offer Price, and then entered into the Tender Agreement on June 6, 2025.

(III) Management policy following the Tender Offer

The Tender Offeror and the Company will accelerate their mutual collaboration, streamline their decision-making processes and combine their collective strengths with full dedication in order to steadily realize the synergies outlined in "(II) Background and purpose of the Tender Offer and decision-making process leading to the implementation of the Tender Offer" as stated above. In addition, the Tender Offeror plans to dispatch officers and employees designated by the Tender Offeror to the Company; however, as of the date of submission of this Statement, specific details such as the number of personnel, and the timing and candidates, have not yet been determined, and the Tender Offeror plans to determine these details through mutual consultation with the Company after the delisting of the Company Shares resulting from the Transaction. Furthermore, following the Transaction, the Tender Offeror is considering, in principle, maintaining the employment status of the Company's employees as it was before the Transaction, while at the same time establishing a management structure that is optimal for measures to enhance the corporate value of both the Tender Offeror and the Company, realize synergies, and accelerate business growth.

(IV) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Company

As stated in "(II) Background and purpose of the Tender Offer and decision-making process leading to the implementation of the Tender Offer" above, the Company received the Letter of Intention from the Tender Offeror on March 12, 2025. The Company then established a special committee (the "Special Committee") consisting of 4 members in total: 2 outside directors of the Company and 2 outside experts, on March 19, 2025 (for details of activities of the Special Committee, see "(IV) Establishment by the Company of an independent special committee and procurement of a written Report from the committee" under "(6) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest" below) with the view of considering the effect of the Transaction on the minority shareholders of the Company, eliminating the arbitrariness in the Company's decision-making on the Transaction including the Tender Offer, and ensuring a fair, transparent and objective decision-making process. The Company also appointed on the same day YAMADA Consulting Group Co., Ltd. ("Yamada Consulting Group") as a financial advisor and Third-Party Valuator independent of the Tender Offeror, the Company, and the Prospective Tendering Shareholders as well as the success or failure of the Transaction, and appointed Anderson Mori & Tomotsune as a legal advisor independent of the Tender Offeror, the Company, and the Prospective Tendering Shareholders as well as the success or failure of the Transaction.

After making the arrangement above, that Company held several discussions and negotiations with the Tender Offeror on the Transaction based on the negotiation policy preapproved by the Special Committee and opinions, instructions and requests given in critical phases of the negotiations, and in consideration of advice given from Anderson Mori & Tomotsune and Yamada Consulting Group.

Specifically, the Company received from the Tender Offeror on May 7, 2025 a first proposal setting the Tender Offer Price at JPY 2,200 (representing a premium of 11.17% (rounded to the second decimal place; hereinafter the same with respect to calculation of premium) over the closing price of the Company's Share of JPY 1,979 on the Prime Market of the TSE on May 7, 2025 which is the date of proposal; a premium of 16.16% over the simple average closing price of JPY 1,894 for the most recent one month up to the same date; a premium of 12.65% over the simple average closing price of JPY 1,953 for the most recent three months up to the same date; and a premium of 11.96% over the simple average closing price of JPY 1,965 for the most recent six months up to the same date) and setting the Share Option Purchase Price at JPY 1. In response to the first proposal, the Company requested the Tender Offeror on May 9, 2025 to reconsider the Tender Offer Price, stating that the Tender Offer Price in the first proposal was far from the price taking into account the interest of the minority shareholders of the Company. Furthermore, the Company requested the Tender Offeror to consider purchasing the Share Options at a price matched with the Tender Offer Price instead of JPY

1. After that, the Company received from the Tender Offeror on May 16, 2025 a second proposal setting the Tender Offer Price at JPY 2,330 (representing a premium of 22.18% over the closing price of the Company's Share of JPY 1,907 on the Prime Market of the TSE on May 16, 2025 which is the date of proposal; a premium of 20.73% over the simple average closing price of JPY 1,930 for the most recent one month up to the same date; a premium of 19.30% over the simple average closing price of JPY 1,953 for the most recent three months up to the same date; and a premium of 18.58% over the simple average closing price of JPY 1,965 for the most recent six months up to the same date) and setting the Share Option Purchase Price at an amount obtained by multiplying JPY 2,329, which is the difference between the Tender Offer Price and the exercise price of the Share Options (JPY 1) by the number of shares of the Company Shares that are the subject of one Share Option. In response to the second proposal, the Company requested the Tender Offeror on May 21, 2025 to reconsider the Tender Offer Price, stating that the Tender Offer Price in the second proposal was still not the price taking into account the interest of the minority shareholders of the Company in light of the previous Company's growth and expectation of the minority shareholders. After that, the Company received from the Tender Offeror on May 23, 2025 a third proposal setting the Tender Offer Price at JPY 2,600 (representing a premium of 29.81% over the closing price of the Company's Share of JPY 2,003 on the Prime Market of the TSE on May 23, 2025 which is the date of proposal; a premium of 33.81% over the simple average closing price of JPY 1,943 for the most recent one month up to the same date; a premium of 32.79% over the simple average closing price of JPY 1,958 for the most recent three months up to the same date; and a premium of 32.32% over the simple average closing price of JPY 1,965 for the most recent six months up to the same date) and setting the Share Option Purchase Price at an amount obtained by multiplying JPY 2,599, which is the difference between the Tender Offer Price and the exercise price of the Share Options (JPY 1) by the number of shares of the Company Shares that are the subject of one Share Option.

In response to the third proposal, the Company requested on May 29, 2025 to reconsider the Tender Offer Price, stating that the Tender Offer Price in the third proposal still could not be considered to be at a level that takes into account the interest of the minority shareholders of the Company in light of the previous Company's growth and expectation of the minority shareholders. After that, the Company received from the Tender Offeror on June 2, 2025 a fourth proposal setting the Tender Offer Price at JPY 2,750 (representing a premium of 29.72% over the closing price of the Company's Share of JPY 2,120 on the Prime Market of the TSE on June 2, 2025 which is the date of proposal; a premium of 37.91% over the simple average closing price of JPY 1,994 for the most recent one month up to the same date; a premium of 39.52% over the simple average closing price of JPY 1,971 for the most recent three months up to the same date; and a premium of 39.59% over the simple average closing price of JPY 1,970 for the most recent six months up to the same date) and setting the Share Option Purchase Price at an amount obtained by multiplying JPY 2,749, which is the difference between the Tender Offer Price and the exercise price of the Share Options (JPY 1) by the number of shares of the Company Shares that are the subject of one Share Option. In response to the fourth proposal, based on the discussions held at the Special Committee, although the Tender Offer Price takes into account the minority shareholders of the Company to a certain extent, in order to give maximum consideration to the interests of the minority shareholders, by comprehensively taking into account the results of the calculation of the share valuation by the Third-Party Valuator, the Company submitted to the Tender Offeror on June 3, 2025 a proposal requesting to set the Tender Offer Price at JPY 2,900 and the Share Option Purchase Price at an amount obtained by multiplying JPY 2,899, which is the difference between the Tender Offer Price and the exercise price of the Share Options (JPY 1) by the number of shares of the Company Shares that are the subject of one Share Option. After that, the Company received from the Tender Offeror on June 5, 2025 a final proposal setting the Tender Offer Price at JPY 2,830 (representing a premium of 27.88% over the closing price of the Company's Share of JPY 2,213 on the Prime Market of the TSE on June 5, 2025 which was the date of proposal; a premium of 40.24% over the simple average closing price of JPY 2,018 for the most recent one month up to the same date; a premium of 42.86% over the simple average closing price of JPY 1,981 for the most recent three months up to the same date; and a premium of 43.29% over the simple average closing price of JPY 1,975 for the most recent six months up to the same date) and setting the Share Option Purchase Price at an amount obtained by multiplying JPY 2,829, which is the difference between the Tender Offer Price and the exercise price of the Share Options (JPY 1) by the number of shares of the Company Shares that are the subject of one Share Option. In response to the final proposal, the Company informed the Tender Offeror on June 5, 2025 that the Company would accept the Tender Offer Price in the final proposal.

Under the circumstances above, on June 5, 2025, the Company carefully deliberated and considered the Transaction from various viewpoints such as whether the Transaction would be able to enhance its corporate value and whether the terms and conditions of the Transaction were reasonable, while giving utmost respect to the Report received from the Special Committee (the Report is defined in "(IV) Establishment by the Company of an independent special committee and procurement of a written report from the committee" under "(6) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflict of interests" below. See the same section for the summary of the Report), in consideration of the share valuation Report obtained from Yamada Consulting Group ("Share Valuation Report") and legal advice received from its legal advisor, Anderson Mori & Tomotsune, on the points to be noted in making decisions on the Transaction including the Tender Offer. As a result, the Company determined for the following reasons that the Transaction would contribute to the enhancement of its

corporate value and the terms and conditions of the Transaction were reasonable:

If the Tender Offer is successfully closed and the Transaction is implemented, the Company will become a subsidiary of the Tender Offeror, thereby being able to make full use of the various resources of the Tender Offeror Group, which will help enhance the corporate value of the Company. Specifically, policies of dealing in the Company's products in 497 stores across Japan directly operated by the Tender Offeror and of establishing Company's stores in Tender Offeror's stores are expected to enable the Company to provide products to more customers than before. Furthermore, leveraging the existing customer base of the Tender Offeror will facilitate approaches to new customer segments, leading to expansion of sales channels of the Company.

The Company also expects smooth opening of new stores. While the Company has been steadily opening new stores mainly in the Tohoku region where its headquarters is located, opening new stores requires human resources and securing and developing human resources have become more and more difficult due to the recent labor shortage.

Although this gives rise to concerns over a slowdown in the future growth, the Company is expected to achieve further growth by opening new stores in the western Japan region where the Company had no presence before in cooperation with the Tender Offeror which understands the characteristics of each region and operates business across Japan.

On the other hand, there are concerns that if the Company's Shares are kept listed, it would be required to give consideration to the interests of minority shareholders and independence, which may result in significant delays in the swift decision-making by the management team of the Company for enhancing its medium- to long-term corporate value, as well as in realization of the aforementioned synergy. The Company, hence, determined in response to the proposal for the Transaction that taking the Company's Shares private would lead to achievement of further growth and enhancement of the corporate value of the Company. Dis-synergies resulting from the Transaction may include concerns that the loss of the Company's status as a listed company may (i) make it impossible for the Company to raise funds in the capital markets and (ii) affect the Company's name recognition, credibility, and ability to attract talent that the Company has enjoyed as a publicly listed company. However, with respect to (i) above, considering the Company's current financial condition and other factors, no immediate need for equity financing is expected for the foreseeable future. Furthermore, with respect to (ii) above, the Company believes that its brand and name recognition in the market have already been widespread and it has established trust relationships with various stakeholders including employees and business partners through the business and social activities that the Company has engaged in for many years, and according, it is unlikely that the 100% acquisition of the Company by the Tender Offeror will adversely affect the Company's social credibility or talent acquisition compared to its current situation as a listed company. In light of these circumstances, the Company considers that the dis-synergies resulting from taking the Company private (becoming a wholly owned subsidiary) are limited.

Furthermore, the Company determined that the Tender Offer Price was a reasonable price that would secure the interest that the Company's general shareholders should enjoy in light of the results of the analysis on the value of the Company's Shares performed by the Third-Party Valuator of the Company and the Special Committee and comparison with levels of premiums in similar precedents (of the cases of tender offers on the premise of taking a company private that were announced and concluded between June 28, 2019, the date where the Ministry of Economy, Trade and Industry published the "Fair M&A Guidelines," and April 11, 2025, the median of premiums added to the market price in 61 similar precedents is 44.93% over the closing price on the business day immediately preceding the date of announcement, 43.37% over the simple average closing price for the one month up to the announcement; 47.32% over the simple average closing price for the three months up to the announcement; and 53.33% over the simple average closing price for the six months up to the announcement), that the Tender Offer is reasonable for the general shareholders of the Company as the Tender Offer would provide the Company's general shareholders with a reasonable opportunity to sell their Company's Shares at a price with an appropriate premium added thereto, and accordingly that the Tender Offer would provide the Company's general shareholders with a reasonable opportunity to sell their shares.

Based on the foregoing, at the Company's board of directors held today, the Company resolved to express its opinion in favor of the Tender Offer and to recommend that the shareholders of the Company and the Share Option Holders tender their shares and Share Options in the Tender Offer. For details of the board resolution, see "(III) Unanimous approval of all disinterested directors of the Company and the opinion of all disinterested auditors of the Company that they have no objection" under "(6) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest" below.

(3) Matters concerning valuation

(I) Procurement by the Company of a share valuation report from an independent Third-Party Valuator

(i) Name of the valuator and its relationship with the Company and the Offeror

In expressing the Company's opinion regarding the Tender Offer, in order to ensure the fairness of the decision-making process leading to the Tender Offer Price proposed by the Tender Offeror, the Company requested YAMADA Consulting Group, a third-party valuator independent of the Tender Offeror, the Company, and the Prospective Tendering Shareholder, and the success or failure of the Transaction, to calculate the value of the Company's Shares, and acquired the Share Valuation Report as of June 5, 2025.

In addition, YAMADA Consulting Group is not a related party of the Company and the Tender Offeror and has no material interest in relation to the Transaction, including the Tender Offer. With other measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest being taken in connection with the Transaction (for details, please see "(II) Advice procured by the Company from an independent law firm" to "(IV) Establishment by the Company of an independent special committee and procurement of a written Report from the committee" in "(6) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer" below), the Company believes that the interests of the Company's minority shareholders have been fully taken into account, and has not procured a written opinion regarding the fairness of the Tender Offer Price (fairness opinion) from YAMADA Consulting Group.

(ii) Overview of valuation

After examining the valuation method to be adopted in the valuation of the Company's Shares from among several valuation methods, based on the premise that the Company is a going concern and the belief that the value of the Company's Shares should be evaluated from multiple perspectives, YAMADA Consulting Group used the following methods to analyze the value per share of the Company's Share: the Market Price Analysis, due to the existence of the market share price, and the discounted cash flow method (the "DCF method") to reflect the details and forecast of the Company's business performance in the valuation, and the Company received the Share Valuation Report from YAMADA Consulting Group on June 5, 2025.

The range of the value per share of the Company's Shares calculated under each of the above methods is as follows:

Market Price Analysis:	1,975 yen to 2,213 yen
DCF method:	2,423 yen to 3,357 yen

Under the Market Price Analysis, with June 5, 2025 being set as the valuation reference date, the value per share of the Company's Shares is calculated to range from 1,975 yen to 2,213 yen, based on the closing price of the Company's Shares on the Prime Market of the TSE as of the reference date of 2,213 yen, the simple average closing price for the past one (1) month until such date of 2,018 yen, the simple average closing price for the past three (3) months until such date of 1,981 yen, and the simple average closing price for the past six (6) months until such date of 1,975 yen.

Under the DCF method, under various assumptions including the business plan developed by the Company for the period from the fiscal year ending October, 2025 to the fiscal year ending October, 2029 (the "Business Plan"), the financial information of the Company for the second quarter of the fiscal year ending October, 2025, as well as publicly disclosed information, the corporate value and share value of the Company were evaluated by discounting the free cash flow expected to be generated by the Company from and including the third quarter of the fiscal year ending October, 2025 back to the present value using a certain discount rate, and the value per share of the Company's Shares is calculated to range from 2,423 yen to 3,357 yen.

The Business Plan on which the DCF method above is based on does not include fiscal years in which significant increases or decreases in profits are expected. Furthermore, the Business Plan is not premised on the implementation of the Tender Offer. Accordingly, the Business Plan and the valuation of shares do not include the expected synergy effects as a result of a successful Tender Offer.

In calculating the share value of the Company's Shares, YAMADA Consulting Group, in principle, used the information provided by the Company and public information as is, and relied on the assumption that all such materials and information were accurate and complete and that there was no fact that might have a material impact on the analysis and valuation of the Tender Offer Price, which has not been disclosed to YAMADA Consulting Group, and did not independently verify their accuracy. In addition, YAMADA Consulting Group assumed that it was accepted that information concerning the financial forecast of the Company had been prepared in a reasonable manner by the management of Company based on the best forecast and judgment available at this time. YAMADA Consulting Group also did not conduct any independent valuation or assessment of the assets and liabilities of the Company and its affiliates (including off-balance sheet assets and liabilities and other contingent liabilities) nor did it request a third party to conduct an appraisal or assessment. The valuation by YAMADA Consulting Group reflects the above information prior to June 5, 2025.

The Special Committee also confirmed that the Business Plan was prepared by a person independent of the Tender Offeror (as stated in "(IV) Establishment by the Company of an independent special committee and procurement of a written Report from the committee" in "(6) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest" below, it is provided that those who participate in or assist the Tender Offeror's consideration, negotiation, and decision regarding the Transaction shall not participate in the review system), and received explanations regarding the contents of the draft of the business plan being prepared and important assumptions and other matters in the course of preparation thereof, and confirmed and approved the reasonableness of the final content of the business plan, important assumptions, and the process of

preparation thereof.

(iii) Overview of valuation regarding the Share Options

With respect to the Share Options, since the Share Option Purchase Price is determined based on the Tender Offer Price by multiplying the difference between the Tender Offer Price and the exercise price of the Share Options by the number of shares of the Company Shares that are the subject of one Share Option, the Company has not obtained a valuation report from the Third-Party Valuator for the Share Option Purchase Price.

It should be noted that while acquisition of any of the Share Options by way of transfer requires approval of the Company's board of directors, the Company has resolved at the board of directors meeting held today to comprehensively approve the Share Option Holders transferring their Share Options to the Tender Offeror by tendering them in the Tender Offer, limited to the Share Options for which the Share Option Holders have actually tendered in the Tender Offer, and subject to successful completion of the Tender Offer.

(4) Policy for reorganization after the Tender Offer (matters concerning "two-step acquisition")

As stated in "(I) Outline of the Tender Offer" in "(2) Grounds and reasons for the opinion" above, in order for the Tender Offeror to conduct the Tender Offer as part of the Transaction for the purpose of making the Company a wholly-owned subsidiary of the Tender Offeror, the Tender Offeror will acquire all Company Shares (including the Company Shares to be delivered upon the exercise of Share Options and excluding Restricted Shares, and the treasury shares owned by the Company) in the Tender Offer. If the Tender Offeror fails to acquire all Company Shares, the Tender Offeror intends to carry out the following Squeeze-out Procedures, after the successful completion of the Tender Offer.

(I) Demand for Shares Cash-Out

Upon the completion of the Tender Offer, if the total number of voting rights in the Company held by the Tender Offeror is equal to or exceeds 90% of the voting rights of all shareholders of the Company and the Tender Offeror becomes a special controlling shareholder as stipulated in Article 179, Paragraph 1 of the Companies Act, the Tender Offeror plans to make a demand to all of the Company's shareholders (excluding the Tender Offeror and the Company) to sell all of their Company Shares pursuant to the provisions of Part II, Chapter II, Section 4-2 of the Companies Act (the "Demand for Cash-out"), promptly after the completion of settlement of the Tender Offer. In addition, the Tender Offeror plans to make a demand to all of the Share Option Holders (excluding the Tender Offeror) (the "Selling Share Option Holders") to sell all of their Share Options (the "Demand for Share Option Cash-Out" and together with "Demand for Cash-Out" collectively referred to as "Demand for Shares Cash-Out"). In the Demand for Share Cash-Out, the Tender Offeror plans to stipulate that an amount equivalent to the Tender Offer Price will be delivered to the shareholders subject to the cash-out as the price per share of the Target Company Shares. In the Demand for Share Option Cash-Out, the Tender Offeror plans to stipulate that an amount equivalent to the Share Option Purchase Price will be delivered to the Target Company's Selling Share Option Holders. In such case, the Tender Offeror will provide notice thereof to the Company and will request that the Company approve the Demand for Shares Cash-Out. If the Company approves the Demand for Shares Cash-Out by a resolution of its Board of Directors, the Tender Offeror will acquire, as of the acquisition date designated in the Demand for Shares Cash-Out, all of the Company Shares held by all shareholders of the Company and all of the Share Options held by all Selling Share Option Holders, in accordance with the procedures set forth in relevant laws and regulations without being required to obtain individual approvals from the shareholders of the Target Company or Selling Share Option Holders.

If the Company receives notification from the Tender Offeror of its intention to make a Demand for Shares Cash-Out and the matters set forth in each item of Article 179-2, Paragraph 1 of the Companies Act, the Company intends to approve such Demand for Shares Cash-Out at the Company's board of directors meeting. As provisions under the Companies Act to protect the rights of minority shareholders in connection with the Demand for Shares Cash-Out, it is provided that Selling Shareholders and Selling Share Option Holders may file a petition for a court to determine the sale price of the Company's Shares and the Share Options held by the Selling Shareholders and Selling Share Option Holders in accordance with Article 179-8 of the Companies Act and other relevant laws and regulations. If such a petition is filed, the sale price of the Company's Shares and the Share Options will be ultimately determined by the court.

(II) Share Consolidation

Alternatively, if despite the completion of the Tender Offer, the total number of voting rights in the Company held by the Tender Offeror is less than 90% of the voting rights of all shareholders of the Company, the Tender Offeror plans to request that the Company hold an extraordinary shareholders meeting (the "Extraordinary Shareholders' Meeting") promptly after the completion of settlement of the Tender Offer, which shall include in the agenda a proposal to consolidate the Company Shares pursuant to Article 180 of the Companies Act (the "Share Consolidation") and a proposal to make a partial amendment to the articles of incorporation to abolish the provision regarding the number of shares constituting one unit, subject to the Share Consolidation becoming effective. The Tender Offeror plans to vote in favor of each of the above-mentioned proposals at the Extraordinary Shareholders' Meeting.

If the proposal regarding the Share Consolidation is approved at the Extraordinary Shareholders' Meeting, as of the effective date of the Share Consolidation, the shareholders of the Company will hold the number of the Company Shares that is proportionate to the ratio for the Share Consolidation approved at the Extraordinary Shareholders' Meeting. In the case where any fractional share of less than one share arises as a result of the Share Consolidation, the amount that can be obtained by selling the amount of Company Shares equivalent to the aggregate of such fractional shares (here and hereafter, any fractional shares of less than one share in the aggregate will be rounded off) to the Company or the Tender Offeror will be delivered to the shareholders of the Company pursuant to Article 235 of the Companies Act and other relevant laws or regulations. With regard to the sale price of the Company Shares in the amount equivalent to the aggregate of such fractional shares, the Tender Offeror plans to request that the Company set the price so that the amount to be delivered to the Company's shareholders who did not tender their shares in the Tender Offer (excluding the Tender Offeror and the Company) as a result of such sale will be equivalent to the amount obtained by multiplying the Tender Offer Price by the number of the Company Shares held by each of these shareholders and to file a petition with a court for permission for a voluntary sale. Although the ratio of the consolidation of the Company Shares has not been determined as of today, the Tender Offeror plans to request the Company to determine the ratio so that the number of the Company Shares held by the Company's shareholders who did not tender their shares in the Tender Offer (excluding the Tender Offeror and the Company) will be a fractional number less than one share in order to ensure that the Tender Offeror alone holds all Company Shares.

If the Tender Offer is completed, the Company intends to comply with such requests of the Tender Offeror. If the Extraordinary Shareholders' Meeting is to be held, it is expected to be held around September 2025, and the specific procedures and timing for carrying out the meeting are expected to be announced by the Company promptly after the Tender Offeror and the Company reach a decision upon consultation.

According to the provisions of the Companies Act that aim to protect the rights of minority shareholders in relation to Share Consolidation, the Companies Act provides that if the share consolidation occurs and results in shares less than one unit, each shareholder of the Company who did not tender shares in the Tender Offer (except for the Tender Offeror and the Company) may request that the Company purchase all such shares less than one unit at a fair price, and such shareholders may file a petition to the court to determine the price of the Company's Shares in accordance with the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations. If such a petition is filed, the sale price of the Company's Shares will be ultimately determined by the court.

The method and timing of implementation of each of the above procedures for the Demand for Shares Cash-Out and Share Consolidation may be subject to change depending on the status of revision, enforcement, interpretation by the authorities, etc., with respect to the relevant laws and regulations. However, even in such cases, the method of finally delivering cash to the shareholders of the Company (excluding the Tender Offeror and the Company) who have not tendered their shares in the Tender Offer is planned to be adopted and the amount of cash to be delivered to each such shareholder in such case will be calculated to be the same as the Tender Offer Price multiplied by the number of the Company Shares held by each such shareholder.

Furthermore, if, the Tender Offeror could not acquire all the Share Options in the Tender Offer and the Share Options are remaining without being exercised, the Tender Offeror intends to carry out or request the Company to carry out procedures that are reasonably necessary for the implementation of the Transaction such as acquisition of the Share Options and making a recommendation of waiver to Share Option Holders. If such request is made, the Company intends to give cooperation.

As for Restricted Shares, the allotment agreement concerning the Restricted Shares executed with the Company's officers and employees provides that, if the day when the share consolidation will become effective set forth in Article 180, Paragraph 2, Item 2 of the Companies Act or the day when a special controlling shareholder acquires the Company's Shares set forth in Article 179-2, Paragraph 1, Item 5 of the Companies Act (the "Squeeze-Out Effective Date") occurs during the transfer restriction period, the Company acquires all Restricted Shares without consideration immediately prior to the Business Day immediately preceding the Squeeze-Out Effective Date. Thus, the Restricted Shares for which restriction on transfer is not removed as of the Squeeze-Out Effective Date are expected to be acquired without consideration. The Company and the Tender Offeror entered into the Memorandum as of today (the "Memorandum"), under which the Tender Offeror agreed to discuss in good faith and reach an agreement with the Company after the settlements for the Tender Offer regarding the grant of alternative compensation in lieu of the Restricted Shares, having the equivalent economic value to the Restricted Shares, to the Company's officers and employees. For the outline of the Memorandum, please see "(2) Memorandum " in "4. Matters concerning Material Agreements between the Offeror and the Shareholders of the Company regarding the Tender of Shares" below. Given the nature of the Restricted Shares as retirement benefits or severance payments, such alternative compensation will be determined through discussions between the Company and the Tender Offeror after the successful completion of the Tender Offer, independently of the Tender Offer and without being contingent on whether the Restricted Shares are tendered in the Tender Offer, in order to ensure that the economic benefits to be enjoyed by the Company's officers and

employees who hold the Restricted Shares are not substantially impaired. Therefore, the Company believes that it does not conflict with the purpose of uniformity regulation for tender offer price (Article 27-2, Paragraph 3 of the Act; hereinafter the same).

The specific procedures and timing of implementation in each of the above cases are expected to be announced by the Company promptly after the Tender Offeror and the Company reach a decision upon consultation.

The Tender Offer is not intended to solicit any approval of the Company's shareholders or the Share Option Holders at the Extraordinary Shareholders' Meeting. Further, the Company's shareholders and Share Option Holders are requested to consult an expert such as a tax accountant at their own responsibility with respect to the tax treatment of their application to the Tender Offer or each of the above procedures.

(5) Prospects of, and reasons for, delisting

The Company's Shares are listed on the Prime Market of the TSE as of today. However, since the Tender Offeror has not set a maximum number of shares to be purchased in the Tender Offer, the Company's Shares may be delisted through prescribed procedures in accordance with the stock delisting standards of the TSE, depending on the result of the Tender Offer. Also, even in the event that the delisting standards are not met upon completion of the Tender Offer, if the Squeeze-Out Procedures stated in "(4) Policy for reorganization after Tender Offer (matters concerning "two-step acquisition")" above are carried out after the completion of the Tender Offer, the delisting standards of the TSE are met, and the Company's Shares will be delisted through the prescribed procedures. After the delisting, the Company's Shares can no longer be traded on the Prime Market of the TSE.

(6) Measures to ensure fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest

As of today, the Company is not a subsidiary of the Tender Offeror, and the Tender Offer does not fall under a tender offer by a controlling shareholder. Furthermore, neither the whole or a part of the management of the Company plans to make a direct or indirect investment in the Tender Offeror, and the Transaction including the Tender Offer does not fall under a so-called management buyout (MBO). However, since the Tender Offeror has executed Tender Agreement with Mr. Fumiki Endo who is a major shareholder and the largest shareholder of the Company and also serves as representative director and chairperson and with Mr. Masao Sasaki who is the third largest shareholder of the Company and also serves as vice-chairperson of the board of directors, and the Tender Offer is conducted on the assumption that the Company will be privatized, the Tender Offeror and the Company have each taken the following measures to eliminate arbitrariness of the decision-making process toward deciding to implement the Transaction and to ensure the fairness, transparency, and objectiveness of the decision-making and to avoid conflict of interests while securing the fairness of the Transaction.

According to the Tender Offeror, since the Tender Offeror believes that the setting of minimum number of shares to be purchased, which is equivalent to so-called "Majority of Minority" (Note) (the "MoM") would render the completion of the Tender Offer unstable and it would not benefit the interests of the Company's minority shareholders, the Tender Offeror has not set the minimum number of shares to be purchased (MoM) for the Tender Offer. The Tender Offeror believes that sufficient consideration is given by the Tender Offeror and the Company to the interests of the Company's minority shareholders, considering the fact that the following measures have been implemented to ensure the fairness in the Tender Offer Price and avoid any conflict of interests.

(Note) "Majority of Minority" means, generally, to set a condition precedent for the successful completion of M&A that approval should be obtained in respect of a majority of the shares held by shareholders who do not have a material common interest with the offeror, and to publish such condition in advance.

(I) Procurement by the Company of a share valuation report from an independent Third-Party Valuator

When expressing its opinion on the Tender Offer, in order to ensure the fairness in the decision-making process regarding the Tender Offer Price offered by the Tender Offeror, the Company requested YAMADA Consulting Group, its financial and Third-Party Valuator independent of the Tender Offeror, the Company,

the Prospective Tendering Shareholders, or the success or failure of the Transaction, to calculate the value of the Company's Shares, and obtained the Share Valuation Report from YAMADA Consulting Group on June 5, 2025. YAMADA Consulting Group is not a related party of the Company or the Tender Offeror and has no material interest in relation to the Tender Offer that should be stated. Furthermore, the Company has not obtained from YAMADA Consulting Group an opinion regarding the fairness of the Tender Offer Price (fairness opinion). Furthermore, although a considerable portion of the fee payable to YAMADA Consulting Group regarding the Transaction are contingency fee payable subject to the announcement of the Transaction and the completion of the Squeeze-Out Procedures, the Company, also taking into consideration the fact that the fee structure will not impose the Company an obligation to bear a corresponding burden even if the Transaction fails to close, appointed YAMADA Consulting Group as its financial advisor and Third-Party Valuator based on the judgment that independence would not be denied if the above-mentioned fee structure is included. In addition, the Special Committee, at its first meeting, has confirmed that there are no issues with the independence and expertise of YAMADA Consulting Group, and approved it as the Company's

financial advisor and Third-Party Valuator.

For the outline of the Share Valuation Report, please see "(I) Procurement by the Company of a share valuation report from an independent Third-Party Valuator" of "(3) Matters concerning valuation" above.

(II) Advice procured by the Company from an independent law firm

In order to ensure the fairness and appropriateness of the decision-making process of the Company's board of directors regarding the Transaction including the Tender Offer, the Company appointed Anderson Mori & Tomotsune as a legal advisor independent of the Tender Offeror, the Company, the Prospective Tendering Shareholders, or the success or failure of the Transaction and has received necessary legal advice from Anderson Mori & Tomotsune with respect to the processes and methods of decision-making at the meetings of the Company's board of directors and other points to be noted regarding the Transaction including the Tender Offer.

Anderson Mori & Tomotsune is not a related party of the Tender Offeror or the Company, and does not have any material interest in the Transaction including the Tender Offer. Furthermore, Anderson Mori & Tomotsune's legal fee for the Transaction is calculated by multiplying the number of working hours by applicable hourly rates, regardless of the success or failure of the Transaction, and does not include any contingency fees to be paid on the condition that the Transaction is announced or completed. In addition, the Special Committee, at its first meeting, has confirmed that there are no issues with the independence and expertise of Anderson Mori & Tomotsune, and approved it as the Company's legal advisor.

(III) Unanimous approval of all disinterested directors of the Company and the opinion of all disinterested auditors of the Company that they have no objection

The Company has carefully discussed and reviewed the Tender Offer based on the Share Valuation Report as described above in "(I) Procurement by the Company of a share valuation report from an independent Third-Party Valuator," the Report submitted by the Special Committee as described below in "(IV) Establishment by the Company of an independent special committee and procurement of a written Report from the committee," and the legal advice as described above in "(II) Advice procured by the Company from an independent law firm."

As a result, as described above in "(IV) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Company" under "(2) Grounds and reasons for the opinion," the Company's board of directors has determined that the Transaction including the Tender Offer will contribute to the improvement of corporate value of the Company, and that the Tender Offer Price is an appropriate price at which the benefits to be enjoyed by the minority shareholders of the Company are secured, and that the Tender Offer is reasonable for the minority shareholders of the Company as it provides the minority shareholders of the Company with a reasonable opportunity to sell the Company's Shares at a price with an appropriate premium attached thereto, and that the Tender Offer provides the minority shareholders of the Company with a reasonable opportunity to sell their shares.

Based on the foregoing, at the Company's board of directors held today, the Company resolved to express its opinion in favor of the Tender Offer and to recommend that the shareholders of the Company and the Share Option Holders tender their shares and Share Options in the Tender Offer. At such the board of directors meeting, out of nine directors of the Company, all seven disinterested directors of the Company with respect to decision-making leading to opinion expression to the Transaction participated in the deliberation and the resolution, and made the above resolution by unanimous consent of the directors who participated in the resolution. In addition, three out of the four audit & supervisory board members of the Company which excludes Mr. Keijiro Henmi who was absent for health reasons attended the above-mentioned board of directors meeting, and all audit & supervisory board members present at the meeting expressed their opinion that they have no objection to the above resolution.

Furthermore, among the directors of the Company, Mr. Fumiki Endo who serves as representative director and chairperson and Mr. Masao Sasaki who serves as vice-chairperson of the board of directors, since the Tender Offeror had an intention to conclude the subscription agreements with them, have not participated in the discussions and negotiations with the Tender Offeror in their capacity as the Company nor in the deliberation and the resolution at the board of directors meeting mentioned above on and after March 12, 2025, the date on which the Tender Offeror submitted the Letter of Intention, from the viewpoint of avoiding any possibility of conflict of interest.

Although Mr. Keijiro Henmi, an audit & supervisory board member of the Company, was absent for health reasons, he has received explanations on the above resolution prior to the above board of directors meeting, and has expressed an opinion that he is not opposed to the adoption of the above resolution by the board of directors.

(IV) Establishment by the Company of an independent special committee and procurement of a written Report from the committee

(i) Background of establishment of the committee

Based on the fact that the Tender Offer will take part as part of the Transaction which aims to make the Company's Shares private, the Company's board of directors established the Special Committee on March 19, 2025, with the aim of eliminating arbitrariness in decision making of the Company's board of directors regarding the Transaction and ensuring fairness, transparency, and objectivity in decision making process, which consists of four members who are

independent from the Tender Offeror, the Company, and the Prospective Tendering Shareholder, and the success or failure of the Transaction, Mr. Kenji Nakamura from the Company's outside directors, Ms. Keiko Oe from the Company's outside directors, Mr. Akito Takahashi (attorney-at-law, Takahashi & Katayama) and Mr. Shinsuke Hasegawa (certified public accountant, Hasegawa Certified Public Accountant Office) who are both external experts. Mr. Kunimitsu Yoshida, an outside director of the Company, has not been appointed as a member of the Special Committee because his busy schedule might hinder his ability to focus on deliberations in the Special Committee. The members of the Special Committee have not been changed since its establishment.

Mr. Kenji Nakamura has been appointed as the chairperson of the Special Committee based on a mutual election by the Committee members, taking into consideration the fact that Mr. Nakamura is in a position to be directly involved in business judgment as a member of the Company's board of directors and has a considerable amount of knowledge in the Company business. The fees payable to the members of the Special Committee are as follows: Mr. Kenji Nakamura and Ms. Keiko Oe who are both external experts are paid a fixed fee based on the number of meetings of the Special Committee, and Mr. Akito Takahashi and Mr. Shinsuke Hasegawa are paid on a time-based basis. Any fees do not include success-based fees to be paid subject to the completion of the Transaction.

The Company's board of directors then consulted with the Special Committee on (A) whether the purpose of the Transaction is considered reasonable (including whether the Transaction contributes to the enhancement of the Company's corporate value); (B) whether the fairness of the procedures regarding the Transaction is ensured; (C) whether the appropriateness of the terms and conditions of the Transaction (including the price of purchase, etc. in the Tender Offer) are ensured; (D) based on (A) through (C) above, whether the Transaction is considered not disadvantageous to the minority shareholders of the Company; and (E) whether the Company's board of directors should pass a resolution expressing an opinion in favor of the Tender Offer and recommending that the shareholders of the Company tender their shares in the Tender Offer (the "Consulted Matters"), and entrusted the Special Committee with submitting to the Company a Report concerning the Consulted Matters (the "Report").

Furthermore, the Company's board of directors established the Special Committee on the premise that the decisions of the Company's board of directors concerning the Transaction will be made with the utmost respect for the content of the Special Committee's Report including the vote for or against Tender Offer, and in particular, if the Special Committee determines that the terms and conditions of the Transaction are not appropriate, the Company's board of directors will not support the Transaction under such terms and conditions (including not supporting the Tender Offer). In addition, the Company's board of directors has resolved that the Company will authorize the Special Committee to: (a) appoint or approve (including ex-post facto approval) experts such as the financial advisor or legal advisor appointed by the Company (collectively, the "Advisors"); (b) appoint its own Advisors, if the Special Committee deems it necessary to consider Consulted Matters (if the Special Committee determines that the Special Committee can rely on the Company's Advisors to provide professional advice, including that such Advisors are highly professional and independent, then the Special Committee may request professional advice from the Company's Advisors, and the reasonable costs associated with the professional advice of the Advisors of the Special Committee will be borne by the Company); (c) receive from the Company's officers and employees and such other persons as the Special Committee deems necessary all information necessary to consider and make judgments concerning the Transaction; and (d) be substantially involved in the process of negotiating the terms and conditions of the Transaction by, for example, confirming in advance the policies for negotiating the terms and condition of the Transaction, receiving timely reports on the situation of the negotiations, expressing opinions in important aspects, and issuing instructions and making requests. The Special Committee approved the appointment of YAMADA Consulting Group, which is a financial advisor and a third-party valuator of the Company, and Anderson Mori & Tomotsune, which is a legal advisor of the Company, after confirming that there were no issues regarding their independence and expertise.

(ii) Background of consideration

During the period from March 19, 2025 to June 5, 2025, the Special Committee was held 11 times, for 13 hours in total. Between meetings, the Special Committee discussed and examined the Consulted Matters by reporting, sharing information, discussion and decision-making via email.

Specifically, the Special Committee provided the Tender Offeror with questions regarding the purposes of the Transaction, the date and method of implementation of the Transaction, the background of consideration of this Transaction and the management policy after the Transaction including restructuring of the industry and after receiving answers from the Tender Offeror, held an interview with the Tender Offeror regarding such answers. The Special Committee also asked the Company's management and persons in charge to attend the Special Committee meeting to explain the purposes of the Transaction, the date and method of implementation of the Transaction, the background of consideration of this Transaction and the management policy after the Transaction including restructuring of the industry and subsequently held an interview with such persons.

The Special Committee has received explanations on the content, material conditions precedent and background of preparation of the Business Plan from the Company's management and confirmed the reasonableness of such matters. As described above in "(I) Procurement by the Company of a share valuation report from an independent Third-Party Valuator" of "(3) Matters concerning valuation," the Special Committee received explanation from Yamada Consulting

Group, which is a financial adviser and Third-Party Valuator of the Company, regarding the Share Valuation Report on Company's Share, including the valuation method therein, the reason for applying such valuation method, the details of valuation by each valuation method and material conditions precedent (including the basis for calculating the discount rate under the DCF method) and confirmed the reasonableness of the preparation process and valuation results of each Share Valuation Report, after holding an interview and discussions.

The Special Committee received explanation from Yamada Consulting Group, a financial adviser and Third-Party Valuator of the Company, and Anderson Mōri & Tomotsune, the Company's legal advisor, on how to ensure the fairness in procedures of the Transaction and method of decision-making by the Company's Board of Directors and other methods to avoid conflicts of interest. Based on such explanation, the Special Committee examined and discussed measures to be taken to ensure the fairness in procedures of the Transaction.

As described above in "(IV) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Company" in "(2) Grounds and reasons for the opinion," after receiving the written proposal that set the Tender Offer Price at 2,200 yen per share and the Share Option Purchase Price at 1 yen on May 7, 2025 from the Tender Offeror, the Special Committee has received timely Reports from the Company each time when the Company received a proposal or communication regarding the price. After confirming the Company's viewpoint based on financial advice from Yamada Consulting Group, the Company's financial advisor, the Special Committee examined and discussed such content and has stated their opinions on Transaction conditions including the tender offer price at each critical state, and was thereby substantially involved with general negotiations and discussions between the Company and the Tender Offeror on Transaction conditions including the tender offer price. As a result, on June 5, 2025, the Company has accepted the final proposal from the Tender Offeror that set the Tender Offer Price at 2,830 yen per share and the Share Option Purchase Price at the price obtained by multiplying 2,829 yen which has the difference of 1 yen from the Tender Offer Price by the number of shares allotted per Share Option.

(iii) Determinations

Based on the above background, taking into account, as requested by the Company, the explanation and Share Valuation Report received from Yamada Consulting Group, and legal advice received from Anderson Mōri & Tomotsune, the Special Committee, carefully examined and discussed the Consulted Matters and on today, submitted the Report as follows with a unanimous consent of all committee members.

(a) Details of Report

- (A) The purpose of the Transaction is deemed reasonable. (The Transaction will contribute to the enhancement of the Company's corporate value.)
- (B) The fairness of the procedures in the Transaction, including the Tender Offer, is deemed to have been ensured.
- (C) The appropriateness of the terms and conditions of the Transaction (including the Tender Offer Price) are deemed to have been ensured.
- (D) Based on (A) through (C) above, the Transaction is not deemed to be disadvantageous to the minority shareholders of the Company.
- (E) Based on (A) through (D) above, it is currently deemed appropriate for the Company's board of directors to resolve to express an opinion in favor of the Tender Offer and to express its opinion recommending that the shareholders of the Company and the Share Option Holders tender their shares and Share Options in the Tender Offer. (Namely, the resolution at the Company's board of directors to (i) express an opinion in favor of the Tender Offer and to express its opinion recommending that the shareholders of the Company and the Share Option Holders tender their shares and Share Options in the Tender Offer and (ii) carry out the Squeeze-out Procedures by way of share consolidation or the Demand for Share Cash-out after the Tender Offer is not disadvantageous to the minority shareholders of the Company.)

(b) Grounds for Report

- (A) Whether the purpose of the Transaction is deemed reasonable (including whether the Transaction will contribute to enhance the Company's corporate value)
 - "(a) Purpose, necessity, and background circumstances of the Transaction" and "(b) benefits of the Transaction to be effected through the Tender Offer" explained by the Company and the Tender Offeror as described in "(2) Grounds and reasons for the opinion" under "3. Details of, and Grounds and Reasons for the Opinion on the Tender Offer" above are considered to be specific and based on the Company's current business and business conditions.
 - With respect to (a) above, through the introduction of the latest systems and RPA to improve work efficiency, and further improvement of the logistics system, the Company is actively dealing with the measures to solve various issues such as the shortage of human resources and work style reform, and further improve its business performance: All of these points are considered to be consistent with what is generally described as the environment of the industry and market to which Company belongs, given the specific content of the

Company's business form. In addition, these points can be said to be reasonable as indicating the basic direction to be addressed by the Company, in light of the Company's specific strengths.

- Also with respect to (a) above, the Company's efforts to enhance the Company's corporate value as described in "(II) Background, purpose, and decision-making process leading to the implementation of the Tender Offer by the Tender Offeror" under "(2) Grounds and reasons for the opinion" under "3. Details of, and Grounds and Reasons for the Opinion on the Tender Offer" above are in the same direction of the Tender Offeror's efforts to focus on the car life businesses such as automobile inspections, repairs, and car accessory sales to provide all necessary services for customers' car life, and to strengthen its business portfolio, and in turn, to respond to the movement toward a decarbonized society and to contribute to the realization of a sustainable society. The idea that the efforts of both companies can be accelerated even further by cooperation between the Tender Offeror and the Company, not by the Company alone, through optimal allocation of management resources and mutual cooperation between them, is considered to be reasonable as the consideration of the Transaction is proceeding at this time, given the business environment surrounding the Company as described above and the direction of Company's basic future responses based thereon, and also based on the specific future cooperation and relationship between the Company and the Tender Offeror, and taking into consideration the specific circumstances of the automotive related market and industry in recent times and in the future.
- With respect to (b) above, the assumed synergies (synergies expected from the Transaction) currently presented to the Company by the Tender Offeror are, among others, "(i) Strengthening of the tire and wheel sales network leveraging the nationwide store network," "(ii) Provision of one-stop automotive services taking advantage of strengths of both companies," and "(iii) Reduction of cost for required for maintaining the listing" as well as reinforcement of EC channels across both companies, reduction of purchase costs, and optimization of inventory management, the specific details of which are described in "(II) Background and purpose of the Tender Offer and decision-making process leading to the implementation of the Tender Offer" under "(2) Grounds and reasons for the opinion" under "3. Details of, and Grounds and Reasons for the Opinion on the Tender Offer." All of the above are measures that the Company recognizes at present as necessary for further growth and matters that the Company may consider as specific efforts for the future. Accordingly, the content of the proposal from the Tender Offeror is considered to be reasonable.
- In addition, also with respect to (b) above, based on the synergies currently presented to the Company by the Tender Offeror including those described in (i) through (iii) above, and after further consideration by the Company, the items described as synergies (i.e., measures to be taken) that the Company aims to realize after the Transaction in "(IV) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Company" under "(2) Grounds and reasons for the opinion" under "3. Details of, and Grounds and Reasons for the Opinion on the Tender Offer" above are considered to be reasonable as specific measures to achieve further growth of the Company through cooperation with the Tender Offeror.
- On the other hand, these measures may require prior expenses for implementation, giving rise to a risk of deterioration in the Company's financial condition and performance in the short term, and there are concerns that if the Company's Shares are kept listed, it would be required to give consideration to the interests of minority shareholders and independence, which may result in significant delays in the swift decision-making by the management team of the Company for enhancing its medium- to long-term corporate value, as well as in realization of the aforementioned synergies. The Company, hence, determined that accepting the Company going private would help achieve further growth of the Company and enhance the corporate value of the Company, and such determination is considered to be a reasonable response to promote the Company's growth strategy by enabling faster decision-making, without being bound by the potential impact on the share price of prior temporary expenses or short-term deterioration in business performance.
- Dis-synergies resulting from the Transaction may include concerns that the loss of the Company's status as a listed company may (i) make it impossible for the Company to raise funds in the capital markets and (ii) affect the Company's name recognition, credibility, and ability to attract talent that the Company has enjoyed as a publicly listed company. However, with respect to (i) above, considering the Company's current financial condition and other factors, no immediate need for equity financing is expected for the foreseeable future. Furthermore, with respect to (ii) above, the Company believes that its brand and name recognition in the market have already been widespread and it has established trust relationships with various stakeholders including employees and business partners through the business and social activities that the Company has engaged in for many years, and accordingly, it is unlikely that the 100% acquisition of the Company by the Tender Offeror will adversely affect the Company's social credibility or talent acquisition compared to its current situation as a listed company. In light of these circumstances, the Company considers that the dis-synergies resulting from taking the Company private (becoming a wholly owned subsidiary) are limited.

(B) Whether "the fairness of the procedures related to the Transaction has been ensured"

- In considering its response to the Transaction, the Company has established the Special Committee that is independent of both the Company and the Tender Offeror, in order to eliminate the Tender Offeror's influence on the Company's review and decision-making process.
- Two members, being the half of the four members of the Special Committee, are outside directors of the Company, and the remaining two members are outside experts who is a certified public accountant and an attorney-at-law.
- In addition, one of the said outside directors has been elected by mutual vote from among the members of the Special Committee to serve as the chairperson of the Special Committee.
- In considering its response to the Transaction, the Company requested Yamada Consulting Group, a Third-Party Valuator independent of both the Company and the Tender Offeror, to calculate the value of the Company's Shares to ensure the fairness of the Tender Offer, in particular the Tender Offer Price, and has received the Share Valuation Report. The Special Committee has also received the necessary explanation regarding the above-mentioned independence of Yamada Consulting Group and has confirmed its independence.
- A considerable portion of the fee payable to Yamada Consulting Group regarding the Transaction is contingency fee payable each time at a specified amount subject to the announcement of the Transaction and the completion of the Squeeze-Out Procedures, respectively. In this regard, it may be pointed out that if the successful completion of a transaction is a condition for the payment of fees to a Third-party Valuator (or a financial advisor), its independence may be impaired due to such circumstances as giving priority to the successful completion of the transaction. As described above, the announcement of the Transaction and the completion of the Squeeze-Out Procedures are each a condition for the payment of such fee and the success or failure of the Transaction has not yet been determined at the time of the announcement of the Transaction, and even if the Transaction is not successfully completed, Yamada Consulting Group will be paid a corresponding portion of the fee at the time of the announcement of the Transaction, so it can be said that it will not cause an excessive financial burden to Yamada Consulting Group. It is generally the case that the workload of the Third-party Valuator institution and the financial advisor takes a particularly long time before the transaction is announced and it can be said that it is a reasonable measure based on such burden of business to pay a corresponding amount of compensation under the condition that the Transaction will be announced, and the Company understands that it is a condition that has actually been adopted in similar transactions. Based on these facts, it is considered that the fee structure for Yamada Consulting Group in the Transaction as a whole would not impair its independence.
- In addition, the Company has appointed Anderson Mori & Tomotsune as its legal advisor which is independent of both the Company and the Tender Offeror, to obtain legal advice regarding the Transaction. The Special Committee has also received the necessary explanation regarding the above-mentioned independence of Anderson Mori & Tomotsune and has confirmed its independence.
- While the Transaction, including the Squeeze-out Process, does not constitute a so-called MBO transaction, there is a possibility that structural conflict of interest may arise because the Transaction is expected to be implemented after the Tender Offeror has entered into the Tender Agreement with the main shareholder and largest shareholder, and the third largest shareholder of the Company. However, it can be said that the Company has requested the Tender Offeror to propose transaction terms that give due consideration to the interests of the Company's minority shareholders from an early stage of the consultation process, recognizing the need to ensure the appropriateness and fairness of the terms of the Transaction more carefully under the above system.
- Regarding the policy of discussion and negotiation between the Company and the Tender Offeror, the Company and Yamada Consulting Group, the Company's financial advisor, explained such policy to the Special Committee, and the negotiations with the Tender Offeror were conducted under the said negotiation policy that was confirmed by the Special Committee.
- The specific circumstances of the discussions and negotiations between the Company and the Tender Offeror have also been reported to the Special Committee in a timely manner, and in particular, at the stage of the discussions and negotiations regarding the Tender Offer Price, the Special Committee expressed its opinions to the Company and Yamada Consulting Group, based on the content of such reports, the Company's financial advisor, and made recommendations and requests as deemed necessary. Thus, a system was established to allow the Special Committee to be substantially involved in the negotiation process for the terms of the Tender Offer, in particular the Tender Offer Price.
- The Company then conducted a general review of the circumstances, such as the appropriateness, fairness, and practicability of the terms, and after holding several discussions with the Tender Offeror, reviewed the appropriateness of the Tender Offer Price, and the two parties made final adjustment to the price that was scheduled to be resolved at the board of directors meeting of the Company.
- Subsequently, the Company and the Tender Offeror reached an agreement on the terms of the Transaction,

including the Tender Offer Price, and such price agreed by the Company was determined as the Tender Offer Price to be resolved at the Company's board of directors meeting.

- Moreover, the Company plans to make early and detailed disclosures and explanations regarding so-called two-step acquisition and other relevant matters, so it can be said that the Company is working to ensure that its shareholders (if applicable, including the Company's share option holders; hereinafter the same) have the opportunity to make proper decision. In addition, the various disclosure documents that the Tender Offeror and the Company plan to prepare and publish will contain information that is deemed necessary and appropriate for the Company's shareholders (in particular minority shareholders) to assess the appropriateness of each of the terms of the Transaction, including the Tender Offer.
- The Company's directors who are considered to have a conflict of interest did not participate in the Company's review of the Transaction and are not scheduled to participate in the deliberations and resolutions of the board of directors regarding the Transaction to be held in the future. Thus, it can be said that the Company is working to eliminate arbitrariness in the decision-making process.
- In the Tender Offer, a minimum number of shares to be purchased is set as described in "(I) Outline of 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" above. In this regard, due to this minimum threshold, if the number of shares tendered in the Tender Offer stays extremely insufficient, the purchase of the Company's Shares through the Tender Offer will not proceed, and this aspect can be considered as a measure that seeks to respect the intentions of the Company's minority shareholders (i.e., general shareholders) as much as possible. On the other hand, such minimum threshold is reportedly set taking into account the level approved at the Company's shareholders' meeting, while it is certainly conceivable to consider a higher threshold, it is considered to be a reasonable threshold to maintain a balance between the aforementioned respect paid to the intentions of the Company's minority shareholders and the stability of the successful completion of the Transaction including the Tender Offer, based on the premise that the reasonableness of the Tender Offer Price is ensured, as described below (Specifically, this premise is supported by the following considerations: the appropriateness of the valuation based on the DCF method in the valuation report obtained by the Company from the Third-Party Valuator; the fact that a reasonable premium is deemed to have been added; the Company's ability to secure significant price increases through multiple rounds of price negotiations with the Tender Offeror, ultimately reaching an agreement at the Tender Offer Price that has substantially increased from the initial price proposal; the fact that this price exceeds the historical highest price of the Company's Shares; and the fact that the price significantly exceeds the so-called PBR of 1.0.)
- In the Tender Offer, although no conditions of MoM are set, the Tender Offeror intends to implement the Tender Offer after executing a tender agreement with the Company's major shareholder and the largest shareholder and with the Company's third largest shareholder. This may rather destabilize the successful completion of the Tender Offer (That is to say, as long as the Tender Offeror has indicated its intention to make the Company its wholly-owned subsidiary with a plan to execute a tender agreement with the Company's major shareholder and the largest shareholder and with the Company's third largest shareholder, there is a possibility that a similar transaction may be implemented again at some point in the future even if the Tender Offer is not successfully completed this time which may put the minority shareholders in an unstable position.) Furthermore, MoM may not contribute to the benefit of the minority shareholders who wish to tender their shares in the Tender Offer (i.e., the shareholders who wish to have an opportunity to sell the Company's Shares). Therefore, considering the fact that reasonable consideration is given to other so-called measures to ensure fairness, it is considered that there is no particular need to focus on the absence of MoM as a formality.
- In the Tender Offer, the tender offer period is expected to be set at 31 business days, which is longer than the statutory minimum period of 20 business days. In addition, the Company has not made an agreement with the Tender Offeror that restricts contacts with a counter-offerors (the "Counter-Offertors") such as an agreement that includes a so-called deal protection clause prohibiting the Company to contact a Counter-offertors. Therefore, it is considered that there are no particularly unreasonable circumstances from the perspective of the so-called market check. Furthermore, regarding the so-called proactive market check, which involves investigating and considering the presence of potential acquirers in the market, it is considered that implementing such measures is not necessarily practical due to considerations such as information management. Accordingly, it is believed that in this case as well, the mere fact that such measures have not been implemented does not necessarily result in an unreasonable situation concerning the market check.
- In the Transaction, a so-called two-step acquisition procedure is planned to privatize the Company's Shares (currently, depending on the outcome of the Tender Offer, either a Demand for Share Cash-Out or a Share Consolidation is planned to be implemented). As a provision under the Companies Act aimed at protecting the rights of minority shareholders (general shareholders) in connection with a Demand for Share Cash-Out,

minority shareholders may file a petition with the court to determine the purchase price of their shares. Furthermore, as a provision under the Companies Act aimed at protecting the rights of minority shareholders (general shareholders) in connection with a Share Consolidation, under certain conditions, shareholders of the Company may request the Company to purchase all fractional shares from their holdings of common share amounting to less than one share at a fair price and may also file a petition with the court to determine the price of the Company's common share. If such a petition is filed, the purchase price will ultimately be determined by the court, which allows the Company's minority shareholders (general shareholders) to secure their economic interests through these procedures.

- As described above, regarding various aspects such as ensuring objective conditions for securing the fairness of the terms of the Squeeze-Out Procedures, it is believed that specific measures have been taken, and it is considered that sufficient consideration has been given to protecting the interests of the Company's shareholders through fair procedures.

(C) Whether "The appropriateness of the terms and conditions of the Transaction (including the Tender Offer Price) have been ensured."

- To ensure the fairness and appropriateness of the terms and conditions of the Transaction, in particular, the Tender Offer Price for the Company's Shares in the Tender Offer, the Company appointed YAMADA Consulting Group as an independent Third-Party Valuator to evaluate the Company's Shares. The Company obtained the Share Valuation Report from YAMADA Consulting Group and referenced it when considering and determining the fairness and appropriateness
- The valuation method employed in the valuation process leading to the conclusion in the Share Valuation Report prepared by YAMADA Consulting Group is considered common and reasonable in light of prevailing practices.
- The details of the valuation mentioned above are also considered appropriate in light of prevailing practices. In addition, based on the explanations provided to the Special Committee by the Company and YAMADA Consulting Group regarding the content of the Business Plan, which serves as the basis for the valuation, the Special Committee reviewed the background of the Business Plan's preparation and the Company's current state. The Special Committee assessed the reasonableness of the Business Plan from the perspective of whether any aspects appeared unreasonable in this context. As a result, the Special Committee concluded that the Business Plan is reasonable.
- Based on the above, the Share Valuation Report prepared by YAMADA Consulting Group is considered free of any particularly unreasonable aspects or significant issues.
- Additionally, the Company has generally assessed the necessity and benefits of the Transaction, its impact on the Company's future business, and other relevant factors, by referencing the Share Valuation Report, and has considered the Tender Offer Price.
- The Company appointed YAMADA Consulting Group as a financial advisor with extensive experience, and conducted multiple negotiations with the Tender Offeror regarding the overall terms and conditions of the Transaction, including the Tender Offer Price. As a result, compared to the initial proposed price of 2,200 yen from the Tender Offeror, the second proposal secured an additional 130 yen, the third proposal added a further 270 yen, the fourth proposal increased by another 150 yen, and the fifth proposal added an additional 80 yen, and ultimately an agreement has been reached on the Tender Offer Price, which is scheduled to be resolved by the Company's board of directors.
- Based on the Share Valuation Report obtained by the Company from YAMADA Consulting Group, the Tender Offer Price agreed upon between the Company and the Tender Offeror falls within the range determined by the valuation. Notably, under the valuation using the DCF method, the Tender Offer Price exceeds the median of the valuation range. The price also significantly exceeds the so-called PBR of 1.0.
- The Tender Offer Price represents a premium of approximately 27.88%, 40.24%, 42.86%, and approximately 43.29%, over the closing price of the Company's Shares (2,213 yen) on the date of submission of the Report (the valuation reference date for the Market Price Analysis in the aforementioned share valuation), as well as over the simple average closing prices for the past one month, three months, and six months (2,018 yen, 1,981 yen, and 1,975 yen, respectively). Furthermore, the Tender Offer Price exceeds the historical highest price of the Company's Shares in the stock market, and therefore surpasses the acquisition price for all shareholders who purchased the Company's Shares through the stock market. In light of this, based on the actual premiums observed in similar transactions in the past which described in "(IV) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Company" of "(2) Grounds and reasons for the opinion" of "3. Details of, and Grounds and Reasons for the Opinion on the Tender Offer" above regarding the Tender Offer, the level of premiums attached to the Tender Offer Price do not deviate significantly from them and is considered to be appropriately reasonable, comparable to similar cases without any notable inferiority.

- The following information was provided by the Company's financial advisor as examples of premiums in past similar cases. Specifically, the median premium to market prices in 61 similar cases was reported as follows: 44.93% over the closing price on the Business Day prior to the announcement date, 43.37% over the simple average of closing prices for the one-month period prior to the announcement, 47.32% over the simple average of closing prices for the three-month period prior to the announcement, and 53.33% over the simple average of closing prices for the six-month period prior to the announcement. In this regard, while the premium rates for the Tender Offer Price, as mentioned above (i.e., approximately 27.88%, 40.24%, 42.86%, and 43.29%), are lower than the respective premium rates in these similar cases, (i) the premium over the closing price on the Business Day prior to the announcement date reflects a figure during a period that the Company's Shares have been upward trending recently, resulting in a somewhat lower rate compared to similar cases; (ii) on the other hand, the premiums over the simple average of closing prices for the one-month, three-month, and six-month periods prior to the announcement all exceed 40% in absolute terms, indicating that a reasonable premium has been applied; (iii) while the premium over the closing price on the Business Day prior to the announcement date in this case is approximately 27.88%, 17 of the 61 similar cases above had premiums below 30%; and (iv) while the premium over the simple average of closing prices for the one-month period prior to the announcement in this case is approximately 40.24%, 25 of the 61 similar cases above also had premiums below 40%. Considering these circumstances, the premium attached to the Tender Offer Price is presumed not to be particularly exceptional compared to the aforementioned similar cases, and is considered to be a sufficiently reasonable level without any notable inferiority.
 - The measures taken by the Company are considered reasonable and appropriate for ensuring the fairness and appropriateness of the terms and conditions of the Transaction, including the Tender Offer, and in particular, the Tender Offer Price, and for eliminating any arbitrariness in the Company's judgments and decisions regarding them.
 - Furthermore, according to the explanations provided by the Company, for the terms and conditions of the Squeeze-out Process, the Company intends to base its calculations and decisions on the same price as the Tender Offer Price, unless circumstances in the future require otherwise.
 - In this regard, the Squeeze-out Process is expected to follow the Tender Offer (as part of the "two-step acquisition"). It is considered reasonable for the Company to apply the same terms and conditions to both processes, given their proximity in time.
 - The terms and conditions of the Transaction other than the Tender Offer Price, including the maximum and minimum numbers of shares to be purchased, conditions for rescission, and matters concerning "two-step acquisition," are also considered appropriate, as they do not include any conditions that would be disadvantageous to minority shareholders, such as those that could make the successful completion of the Tender Offer unstable or create coercion.
 - The purchase price per Share Option is determined by multiplying the difference between the Tender Offer Price and the exercise price of the Share Options (one yen) by the number of shares of the Company Shares that are the subject of one Share Option. Such determination method is considered reasonable as it calculates the Share Option Purchase Price at the level equivalent to that of the Tender Offer Price.
- (D) Regarding "whether, based on (A) through (C) above, the Transaction is not deemed to be disadvantageous to the minority shareholders of the Company"
- With respect to the matters other than those discussed in (A) through (C) above, the Special Committee does not see any circumstances under which the decisions regarding the Transaction including the Tender Offer (including the decision to express an opinion regarding the Tender Offer) would be disadvantageous to the minority shareholders of the Company. Accordingly, the Special Committee believes that the decisions regarding the Transaction (including the decision to express an opinion regarding the Tender Offer) are not disadvantageous to the minority shareholders of the Company.
- (E) Regarding "whether it is appropriate for the Company's board of directors to resolve to express an opinion in favor of the Tender Offer and to express its opinion recommending that the shareholders of the Company tender their shares in the Tender Offer"
- As stated above, based on (A) the reasonableness of the purpose of the Transaction (including whether the Transaction will contribute to enhance the corporate value of the Company), (B) the fairness of the procedures related to the Transaction including the Tender Offer, (C) the appropriateness of the terms and conditions of the Transaction (including the Tender Offer Price), and (D) based on (A) through (C) above, the Transaction is considered not disadvantageous to the minority shareholders of the Company, it is currently deemed appropriate for the Company's board of directors to resolve to express an opinion in favor of the Tender Offer and to express its opinion recommending that the shareholders of the Company and the Stock Acquisition Right Holders tender their shares in the Tender Offer. Accordingly, the resolution at the Company's board of directors to (i) express an opinion in favor of the Tender Offer and to express its opinion recommending that

the shareholders of the Company and the Stock Acquisition Right Holders tender their shares in the Tender Offer and (ii) carry out the Squeeze-out Process by way of share consolidation or the Share Cash-out Demand after the Tender Offer is not disadvantageous to the minority shareholders of the Company and the Special Committee does not see any circumstances to the contrary at present.

(V) Establishment of an independent review system

The Company has established a system to hold examination, consultation and determination regarding the Transaction from an independent viewpoint from the Tender Offeror and Prospective Tendering Shareholders. Specifically, having received the Letter of Intention from the Tender Offeror on March 12, 2025, the Company has established an internal discussion scheme to hold consultations and negotiations, of which members do not concurrently serve nor have ever served as officers or employees of the Tender Offer (five members in total consist of CEO, three Executive Officers and one General Manager), and such scheme has been ongoing up to this day.

(VI) Ensuring objective circumstances to ensure the fairness of the Tender Offer

According to the Tender Offeror, the Tender Offeror has set the period for the Tender Offer (the "Tender Offer Period") as 31 business days, while the minimum Tender Offer Period specified in the laws and regulations is 20 business days. By setting the Tender Offer Period to be comparatively longer than the minimum period specified in the laws and regulations, the Tender Offeror intends to ensure an opportunity for the Company's shareholders and the Share Option Holders to make an appropriate decision on whether to tender in the Tender Offer, as well as to ensure an opportunity for Counter-Offerors to purchase the Company Shares so that the fairness of the Tender Offer Price will be ensured.

Furthermore, the Tender Offeror and the Company have not reached any agreement whose content is to restrict the Counter-Offerors from having contact with the Company, such as an agreement containing a deal protection clause that prohibits the Company from having contact with Counter-Offerors. In this way, the Tender Offeror and the Company have given consideration to ensuring the fairness of the Tender Offer by, in addition to setting the Tender Offer Period stated above, ensuring opportunities for a counter-offeror to purchase the Company Shares.

(VII) Implementation of other measures to ensure fairness

According to the Tender Offeror, as the Tender Offeror plans to request the Company to convene an extraordinary shareholders meeting promptly after completion of the settlement of the Tender Offer, depending on the number of shares acquired through the successful completion of the Tender Offer, wherein the proposals to be submitted as the matters for resolution include (a) making a demand for the sale of all of the Company Shares (including the Company Shares to be delivered upon the exercise of the Share Options, but excluding the Company Shares owned by the Tender Offeror and the treasury shares owned by the Company) and/or (b) making a partial amendment to the Articles of Incorporation to abolish the provisions on share units, conditional upon the consolidation of shares being carried out and becoming effective, the Tender Offeror has clarified that it shall not employ any method that does not ensure that the shareholders of the Company have the right to request the purchase of shares or file a petition for price determination. Furthermore, the Tender Offeror has clarified that the amount of money to be delivered to each such shareholder of the Company (excluding the Tender Offeror and the Company) upon making a demand for the sale of shares, etc. or carrying out a consolidation of shares shall be calculated in a manner wherein such amount will be equal to the amount obtained by multiplying the Tender Offer Price by the number of Company Shares owned by each such shareholder, and similarly, the amount of money to be delivered to the Share Option Holders (excluding the Tender Offeror) shall be calculated in a manner wherein such amount will be equal to the amount obtained by multiplying the Share Option Purchase Price by the number of Share Options owned by each such Share Option Holder. In light of the foregoing, the Tender Offeror ensures that the shareholders of the Company will be provided with an opportunity to make appropriate decisions as to whether or not to tender in the Tender Offer, thereby giving due consideration to preventing the occurrence of any coercive effects.

4. Matters concerning Material Agreements between the Offeror and the Shareholders of the Company regarding the Tender of Shares

(1) Tender Agreement

According to the Tender Offeror, in implementing the Tender Offer, the Tender Offeror entered into a Tender Agreement with the Prospective Tendering Shareholders as of June 6, 2025, as stated in "(1) Outline of the Tender Offer" and "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the tender offer, and 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." Under the Tender Agreement, the Prospective Tendering Shareholders agreed to tender all of the following shares in the Tender Offer: i.e., (i) the Target Company Shares owned by Mr. Fumiki Endo (number of shares owned: 7,682,400 shares; Ownership Ratio: 42.33%), excluding

800 shares owned as transfer-restricted share compensation with transfer restrictions allotted to him as a director of the Company, among the Company Shares owned by him; and (ii) the Company Shares owned by Mr. Masao Sasaki (number of shares owned: 1,132,100 shares; Ownership Ratio: 6.24%), excluding 50,900 shares owned as transfer-restricted share compensation with transfer restrictions allotted to him as a director of the Company, among the Company Shares owned by him. Except for the Tender Agreement, there are no other contracts or agreements between the Tender Offeror and the Prospective Tendering Shareholders and there is no profit to be granted to the Prospective Tendering Shareholders upon the Tender Offer. The outline of the Tender Agreement is as follows:

i. Tender Agreement with Mr. Fumiki Endo

The Tender Offeror entered into an agreement with Mr. Fumiki Endo as of June 6, 2025, under which all of the Shares to be Tendered owned by Mr. Fumiki Endo shall be tendered in the Tender Offer.

Under the Tender Agreement, the following conditions have been stipulated as the conditions precedent for tendering shares in the Tender Offer by Mr. Fumiki Endo: (i) all of the representations and warranties of the Tender Offeror (Note 1) are true and correct as of the execution date of the Tender Agreement and the commencement date of the Tender Offer (the "Commencement Date"); (ii) the Tender Offeror has fulfilled or complied with all of its obligations (Note 2) to be fulfilled or complied with by the Commencement Date pursuant to the Tender Agreement; and (iii) the Tender Offer does not violate any laws and regulations and there are no directives, responses, recommendations, or other measures or dispositions from a court or other judicial or administrative authority to the effect that the purchase contemplated by the Tender Offer violates any laws and regulations or that the Tender Offer should be suspended or postponed. However, the Tender Agreement stipulates that Mr. Fumiki Endo may, at his discretion, waive any of the above conditions precedent and fulfill his obligations to tender his shares in the Tender Offer.

(Note 1) In the Tender Agreement, the Tender Offeror has made representations and warranties regarding (a) establishment and existence, (b) execution and performance of the Tender Agreement, (c) enforceability, (d) obtaining permits and licenses, (e) absence of conflicts with laws and regulations, (f) absence of involvement with anti-social forces, and (g) absence of bankruptcy proceedings.

(Note 2) In the Tender Agreement, the Tender Offeror has substantially agreed to bear the following obligations to Mr. Fumiki Endo: (a) the obligation to provide notice if he is aware of any breach of any representations and warranties; (b) the obligation to pay public taxes and dues; and (c) the obligation of confidentiality.

In addition, in the Tender Agreement, Mr. Fumiki Endo has made the covenants that, for the period until the commencement date of settlements for the Tender Offer, (i) he will not exercise his right to request the convocation, right to propose agenda items, right to propose resolutions, or other rights as a shareholder with respect to the general meeting of shareholders of the Company, (ii) he will not transfer, create security over, or otherwise dispose of all the Company's Shares or the Share Options, or acquire, offer, or transfer (including short-selling) the Company's Shares and the Share Options or any right related to the Company's Shares and the Share Options, nor will he engage in any competing transactions (which means any proposal, solicitation, discussion, negotiation, agreement, execution, or provision of information by a third party other than the Tender Offeror concerning the transaction that competes or conflicts with the Tender Offer, or that makes the purchase of the Company's Shares through the Tender Offer difficult; hereinafter the same) with third parties, (iii) he will immediately notify the Tender Offeror if he receives a proposal related to the competing transactions from a third party and discuss in good faith with the Tender Offeror concerning the policies, (iv) with respect to the general meeting of shareholders of the Company with a record date for the exercise of rights prior to the commencement date of the settlement for the Tender Offer (if applicable), if Mr. Fumiki Endo has voting right for the shares to be tendered or the Restricted Shares (Directors), he shall, in accordance with the instructions of the Tender Offeror, either (a) exercise such voting rights in accordance with the instructions of the Tender Offeror or (b) deliver to the Tender Offeror or any person designated by the Tender Offeror a power of attorney or other necessary document granting comprehensive proxy rights for such voting rights, and (v) he will not engage in any act that would constitute the purchase of the Shares, Etc. of the Company.

ii. Tender Agreement with Mr. Masao Sasaki

The Tender Offeror entered into an agreement with Mr. Masao Sasaki as of June 6, 2025, under which all of the Shares to be Tendered owned by Mr. Masao Sasaki shall be tendered in the Tender Offer.

Under the Tender Agreement, the following conditions have been stipulated as the conditions precedent for tendering shares in the Tender Offer by Mr. Masao Sasaki: (i) all of the representations and warranties of the Tender Offeror (Note 1) are true and correct as of the execution date of the Tender Agreement and the Commencement Date; (ii) the Tender Offeror has fulfilled or complied with all of its obligations (Note 2) to be fulfilled or complied with by the Commencement Date pursuant to the Tender Agreement; and (iii) the Tender Offer does not violate any laws and regulations and there are no directives, responses, recommendations, or other measures or dispositions from a court or other judicial or administrative authority to the effect that the purchase contemplated by the Tender Offer violates any laws and regulations or that the Tender Offer should be suspended or postponed. However, the Tender

Agreement stipulates that Mr. Masao Sasaki may, at his discretion, waive any of the above conditions precedent and fulfill his obligations to tender his shares in the Tender Offer.

(Note 1) In the Tender Agreement, the Tender Offeror has made representations and warranties regarding (a) establishment and existence, (b) execution and performance of the Tender Agreement, (c) enforceability, (d) obtaining permits and licenses, (e) absence of conflicts with laws and regulations, (f) absence of involvement with anti-social forces, and (g) absence of bankruptcy proceedings.

(Note 2) In the Tender Agreement, the Tender Offeror has substantially agreed to bear the following obligations to Mr. Masao Sasaki: (a) the obligation to provide notice if he is aware of any breach of any representations and warranties; (b) the obligation to pay public taxes and dues; and (c) the obligation of confidentiality.

In addition, in the Tender Agreement, Mr. Masao Sasaki has made the covenants that, for the period until the commencement date of settlements for the Tender Offer, (i) he will not exercise his right to request the convocation, right to propose agenda items, right to propose resolutions, or other rights as a shareholder with respect to the general meeting of shareholders of the Company, (ii) he will not transfer, create security over, or otherwise dispose of all the Company's Shares or the Share Options, or acquire, offer, or transfer (including short-selling) the Company's Shares and the Share Options or any right related to the Company's Shares and the Share Options, nor will he engage in any competing transactions (which means any proposal, solicitation, discussion, negotiation, agreement, execution, or provision of information by a third party other than the Tender Offeror concerning the transaction that competes or conflicts with the Tender Offer, or that makes the purchase of the Company's Shares through the Tender Offer difficult; hereinafter the same) with third parties, (iii) he will immediately notify the Tender Offeror if he receives a proposal related to the competing transactions from a third party and discuss in good faith with the Tender Offeror concerning the policies, (iv) with respect to the general meeting of shareholders of the Company with a record date for the exercise of rights prior to the commencement date of the settlement for the Tender Offer (if applicable), if Mr. Masao Sasaki has voting right for the shares to be tendered, he shall, in accordance with the instructions of the Tender Offeror, either (a) exercise such voting rights in accordance with the instructions of the Tender Offeror or (b) deliver to the Tender Offeror or any person designated by the Tender Offeror a power of attorney or other necessary document granting comprehensive proxy rights for such voting rights, and (v) he will not engage in any act that would constitute the purchase of the Shares, Etc. of the Company, except for the purchases under the accumulated stock investment plan.

(2) Memorandum

As stated in "(II) Share Consolidation" in "(4) Policy for reorganization after the Tender Offer (matters concerning "two-step acquisition")" in "3. Details of, and Grounds and Reasons for the Opinion on the Tender Offer" above, the Company and the Tender Offeror entered into the Memorandum as of June 6, 2025 today, under which the Tender Offeror agreed to discuss in good faith and reach an agreement with the Company after the settlements for the Tender Offer regarding the grant of alternative compensation in lieu of the Restricted Shares, having the equivalent economic value to the Restricted Shares, to the Company's officers and employees. Given the nature of the Restricted Shares as retirement benefits or severance payments, such alternative compensation will be determined through discussions between the Company and the Tender Offeror after the successful completion of the Tender Offer, independently of the Tender Offer and without being contingent on whether the Restricted Shares are tendered in the Tender Offer, in order to ensure that the economic benefits to be enjoyed by the Company's officers and employees who hold the Restricted Shares are not substantially impaired. Therefore, the Company believes that it does not conflict with the purpose of uniformity regulation for tender offer price (Article 27-2 (3) of the Act).

5. Details of provision of profit by the Tender Offeror or its special affiliates
Not applicable.

6. Policy on treatment of the basic policy concerning control of the Company
Not applicable.

7. Questions to the Tender Offeror
Not applicable.

8. Request for extension of Tender Offer Period
Not applicable.

9. Future prospect

Please see "(II) Background and purpose of the Tender Offer and decision-making process leading to the implementation of the Tender Offer" in "(2) Grounds and reasons for the opinion," "(4) Policy for reorganization after the Tender Offer (matters concerning "two-step acquisition")" and "(5) Prospects of, and reasons for, delisting" in "3. Details of, and Grounds

and Reasons for the Opinion on the Tender Offer."

10. Others

(1) Release of "(Interim) Financial Results for the Second Quarter of the Fiscal Year ending October 2025 (non-consolidated) Japanese GAAP"

On June 6, 2025, the Company has released "(Interim) Financial Results for the Second Quarter of the Fiscal Year ending October 2025 (non-consolidated) Japanese GAAP". For details, please see the released Report.

(2) Release of "Notification on Revision of Year-End Dividend Forecast (No Dividend)"

As stated in "Notification on Revision of Year-End Dividend Forecast (No Dividend)" released on June 6, 2025, the Company has resolved to revise the year-end dividend forecast for the fiscal year ending October 2025 and not to pay year-end dividends for the fiscal year ending October 2025, on the Board of Directors meeting held on June 6, 2025. For details, please see "Notification on Revision of Year-End Dividend Forecast (No Dividend)", released on the same day of the meeting.

End

(Reference) Notice Concerning Commencement of Tender Offer by Usami Koyu Co., Ltd. for the Shares, Etc. of Fuji Corporation (Code number: 7605) as of June 6, 2025, as attached

To whom it may concern

Company name: Usami Koyu Co., Ltd.
 Representative: Tomoya Usami
 Representative Director
 Tel: +81-52-586-1166

Notice Concerning Commencement of Tender Offer by Usami Koyu Co., Ltd.
for the Shares, Etc. of Fuji Corporation (Code number: 7605)

Usami Koyu Co., Ltd. (the “**Tender Offeror**”) hereby announces that it has resolved to implement the tender offer as part of the transaction to make the Fuji Corporation (Code number: 7605, Prime Market of the Tokyo Stock Exchange, Inc. (the “**TSE**”); the “**Target Company**”) a wholly-owned subsidiary of the Tender Offeror by acquiring the common shares (the “**Target Company Shares**”) (including the Target Company Shares to be delivered upon the exercise of the Share Options (defined in “(2) Class of Shares for Purchase” of “(II) Share options” below), but excluding the Target Company’s transfer-restricted shares that have been granted to the directors and employees of the Target Company as transfer-restricted share compensation, and the treasury shares owned by the Target Company) and all of the Share Options of Target Company through a tender offer (the “**Tender Offer**”) pursuant to the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the “**Act**”).

As of today, the Tender Offeror does not own any Target Company Shares or any Share Options.

In implementing the Tender Offer, the Tender Offeror, as of today, entered into: (i) a tender agreement with Mr. Fumiki Endo, who is a major and the largest shareholder, as well as being the Chairman and Representative Director of the Target Company (number of shares owned: 7,683,200 shares; Ownership Ratio (Note 1): 42.34%), concerning the 7,682,400 shares (Ownership Ratio: 42.33%) among the Target Company Shares owned by Mr. Fumiki Endo, excluding the 800 shares of the Target Company Shares that have been allotted to Mr. Fumiki Endo as a Director of the Target Company and are owned by him as transfer-restricted share compensation; and (ii) a tender agreement with Mr. Masao Sasaki, who is the third-largest shareholder, as well as the Vice Chairman and Director of the Target Company (number of shares owned: 1,183,000 shares; Ownership Ratio: 6.52% (Note 2)), concerning the 1,132,100 shares (Ownership Ratio: 6.24%) among the Target Company Shares owned by Mr. Masao Sasaki, excluding the 50,900 shares of the Target Company Shares that have been allotted to Mr. Masao Sasaki as a Director of the Target Company and are owned by him as transfer-restricted share compensation (“Mr. Fumiki Endo” and “Mr. Masao Sasaki” are hereinafter collectively referred to as the “**Prospective Tendering Shareholders**”; and the respective tender agreements with the Prospective Tendering Shareholders are hereinafter collectively referred to as the “**Tender Agreements**”), whereby the Tender Offeror has reached agreements with the Prospective Tendering Shareholders for their tendering of the 8,814,500 shares (Ownership Ratio: 48.57%; hereinafter, the “**Shares to be Tendered**”), among the Target Company Shares owned by them (total number of shares owned: 8,866,200 shares; Ownership Ratio: 48.86%).

(Note 1) “Ownership Ratio” means a ratio (rounded to the nearest second decimal place) of the number of the Target Company Shares owned by any given shareholder of the Target Company, to 18,147,599 shares, which is the number of the Target Company Shares that is obtained as follows (the “**Total Number of Shares After Considering Potential Shares**”): 18,405,400 shares, which is the total number of issued shares of the Target Company as of April 30, 2025, as stated in the “Financial Results for the Six Months Ended April 30, 2025 (Interim Period) (Based on Japanese GAAP) (Non-consolidated)” submitted by the Target Company on June 6, 2025 (the “**Target Company’s Q2 Financial Results**”), less 294,001 shares, which is the number of treasury shares owned by the Target Company as of April 30, 2025, as stated in the Target Company’s Q2 Financial Results (such difference equaling 18,111,399 shares), plus 36,200 shares (Note 3), which is the number of shares to be delivered upon the exercise of a total of 181 Share Options remaining as of April 30, 2025, as reported by

the Target Company.

(Note 2) The breakdown of the Share Options remaining as of April 30, 2025, as reported by the Target Company to the Tender Offeror, is as follows:

Name of Share Options	Number of Share Options as of April 30, 2025	Number of Target Company Shares to Be Delivered Upon Exercise of Share Options
First Series Share Options	59	11,800
Second Series Share Options	52	10,400
Third Series Share Options	70	14,000
Total	181	36,200

Overview of the Tender Offer is as follows:

(1) Name of Target Company

Fuji Corporation

(2) Class of Shares for Purchase

(I) Common shares

(II) Share options (the share options listed in (i) through (iii) below are collectively referred to as the “**Share Options**”):

- (i) The first series share options issued in accordance with a resolution adopted at the Target Company’s Board of Directors meeting held on January 27, 2017 (exercise period: from February 14, 2017, to February 13, 2047);
- (ii) The second series share options issued in accordance with a resolution adopted at the Target Company’s Board of Directors meeting held on January 29, 2018 (exercise period: from February 14, 2018, to February 13, 2048); and
- (iii) The third series share options issued in accordance with a resolution adopted at the Target Company’s Board of Directors meeting held on January 29, 2019 (exercise period: from February 14, 2019, to February 13, 2049).

(3) Price for Purchase

Common shares	2,830 yen per common share
The first series share options	565,800 yen per share option
The second series share options	565,800 yen per share option
The third series share options	565,800 yen per share option

(4) Period of Purchase,

From June 9, 2025 (Monday) to July 22, 2025 (Tuesday) (31 business days)

(5) Commencement Date of Settlement

July 29, 2025 (Tuesday)

(6) Number of Shares Planned to be Purchased

Class of Shares	Number of Shares to be Purchased	Minimum Number of Shares to be Purchased	Maximum Number of Shares to be Purchased
Common Share	18,147,599 (shares)	9,075,600 (shares)	- (shares)
Total	18,147,599 (shares)	9,075,600 (shares)	- (shares)

(Note 1) The Tender Offeror will not purchase, etc. any of the Tendered Shares, Etc. if the total number of the Tendered Shares, Etc. is less than the minimum number of shares to be purchased (9,075,600 shares). The Tender Offeror will purchase, etc. all of the Tendered Shares, Etc. if the total number of the Tendered Shares, Etc. is equal to or greater than the minimum number of shares to be purchased, etc. (9,075,600 shares).

(Note 2) The Tender Offeror has not set the maximum number of shares to be purchased, and, therefore, 18,147,599 shares, which is the maximum number of the Shares, Etc. of the Target Company to be acquired by the Tender Offeror through the Tender Offer, is stated. Such maximum number is the Total Number of Shares After

Considering Potential Shares (18,147,599 shares).

- (Note 3) Such minimum number of shares to be purchased in the Tender Offer (9,075,600 shares) is the number of shares obtained by multiplying the number of voting rights (181,475 voting rights) pertaining to the Total Number of Shares After Considering Potential Shares (18,147,599 shares), by 50.01%, and further multiplying the product thereof (90,756 voting rights, rounded up to the nearest whole number), by the share units (100 shares) of the Target Company.
- (Note 4) Shares that are less than one unit are also subject to the Tender Offer. If a shareholder exercises its right to demand purchase of shares that are less than one unit in accordance with the Companies Act, the Target Company may buy back its shares during the Tender Offer Period through the procedures provided for by laws and regulations.
- (Note 5) The Tender Offeror does not intend to acquire the treasury shares held by the Target Company through the Tender Offer.
- (Note 6) The Share Options may be exercised up to the last day of the Tender Offer Period, and any Target Company Shares issued or transferred as a result of such exercise will also be subject to the Tender Offer.

(7) Tender Offer Agent

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

With respect to details of the Tender Offer, please refer to the Tender Offer Registration Statement scheduled to be submitted June 9, 2025.

End

Restriction on Solicitation

This press release is intended for the announcement of the Tender Offer to the general public and is not intended to solicit sales of shares. If anyone desires to sell his or her shares, the shareholder should review the Tender Offer explanatory statement for the Tender Offer and accept the Tender Offer in his or her own discretion. This press release is not considered as an offer or solicitation of sales of securities or as a solicitation of a purchase offer and does not constitute any such part. This press release (or any part thereof) or the fact of its distribution does not provide a basis of any kind of agreement pertaining to the Tender Offer, and it may not be relied upon when executing any such agreement.

U.S. Regulations

The Tender Offer will be implemented in compliance with the procedures and disclosure standards prescribed in the Financial Instruments and Exchange Act in Japan. Such procedures and standards are different from those applicable in the United States. In particular, Sections 13(e) and 14(d) of the U.S. Securities Exchange Act of 1934 (as amended) (the “U.S. Securities Exchange Act of 1934”), and the rules set forth thereunder, do not apply to the Tender Offer, and the Tender Offer is not conducted pursuant to such provisions. All financial information contained in this press release and its reference documents are based on generally accepted accounting principles in Japan, and such accounting principles may be substantially different from general accounting principles in the U.S. and other countries. In addition, as the Tender Offeror is a legal entity located outside of the United States, and some or all of their officers and directors may not be U.S. residents, it may be difficult to enforce any rights or make claims that can be asserted on the grounds of U.S. securities laws. It may not be possible to commence legal procedures against a non-U.S. company or its officers or directors in courts outside the United States for violations of U.S. securities laws. In addition, it may be difficult to compel a non-U.S. company, or its officer and directors or its affiliates, to subject themselves to a U.S. court’s judgments.

Except as otherwise specified, the Tender Offer and all documents and procedures in respect thereof are prepared or conducted in the Japanese language. If there are discrepancies between any Japanese documents prepared as part of the Tender Offer and any documents or portions of documents translated into or prepared in English, then the Japanese documents will prevail.

The respective financial advisors of the Tender Offeror and its affiliates, the Tender Offeror, and the Target Company, as well as the tender offer agent (and their respective affiliates) may, within the ordinary course of their business, purchase, or conduct any act toward the purchase of the Target Company Shares for their own account or for their customers’ own accounts outside the Tender Offer prior to the commencement of, or during, the period of purchase, etc. in the Tender Offer to the extent permissible under the laws and regulations related to the Financial Instruments and Exchange Act and other applicable laws and regulations in Japan, and in accordance with the requirements of Rule 14e-5(b) under the U.S. Securities Exchange Act of 1934. In such cases, the shares may be purchased and sold at market prices through market transactions or at prices determined through off-market negotiations. Such purchase, etc. may be made at market prices through market transactions or at prices determined through off-market negotiations. If any information regarding such purchase is disclosed in Japan, it will be also disclosed on the English homepage (or by another method of disclosure) of the party who conducted such purchase.

Future Predictions

This press release and its reference documents include “forward-looking statements” as defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the U.S. Securities Exchange Act of 1934. Actual results may differ substantially from projections or other express or implicit forecasts, etc. indicated as “forward-looking statements” due to known or unknown risks, uncertainties or other factors. Neither the Tender Offeror, nor the Target Company, nor any of their affiliates guarantee that the projections and other express or implicit forecasts, etc. indicated as “forward-looking statements” will ultimately be accurate. The “forward-looking statements” in this press release and its reference documents have been prepared based on information available to the Tender Offeror and the Target Company as of the date of submission of this Statement, and unless otherwise required by laws or regulations, neither the Tender Offeror, nor the Target Company, nor any of their affiliates will be responsible for updating or otherwise revising such forward-looking statements in order to reflect any future events or circumstances.

Other Countries

Depending on the country or region, there may be legal restrictions on the release, issuance, or distribution of this press release. In such cases, please take note of such restrictions and comply with them. This press release is not considered as a solicitation of application to purchase or sales of shares related to the Tender Offer, and is simply deemed as distribution of materials for information purposes.