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NEWS RELEASE

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**Notice concerning the Commencement of the Tender Offer for Chilled & Frozen Logistics Holdings Co., Ltd.
(Code: 9099)**

SG HOLDINGS CO., LTD. (the “Tender Offeror”) hereby announces that, at the Board of Directors meeting held on May 31, 2024, it resolved to acquire the common shares (the “Target Company’s Shares”) of Chilled & Frozen Logistics Holdings Co., Ltd. (Code: 9099, listed on the Prime Market of the Tokyo Stock Exchange, Inc. (the “TSE”), the “Target Company”) through a tender offer (the “Tender Offer”) in accordance with the Financial Instruments and Exchange Act (Act No. 25 of 1948 as amended; the “Act”), as detailed below.

1. The Purpose of the Tender Offer, etc.

(1) Outline of the Tender Offer

The Tender Offeror, at the meeting of the Board of Directors held on May 31, 2024, resolved to conduct the Tender Offer as part of a transaction (the “Transaction”) aimed at acquiring all the common shares of the Target Company (the “Target Company’s Shares”) listed on the Prime Market of the Tokyo Stock Exchange (excluding the treasury shares owned by the Target Company) and making the Tender Offeror the sole shareholder of the Target Company.

As of today, the Tender Offeror does not own any of the Target Company’s Shares. In the Tender Offer, the Tender Offeror has set the Lower Limit on the Number of Expected Shares for Which Tender Offer Will be Made of 14,372,200 shares (Shareholding ratio (Note 1): 66.67%) (Note 2). If the total number of shares tendered in the Tender Offer (the “Tendered Share Certificates, etc.”) is less than 14,372,200 shares, the Tender Offeror will not make tender offer, etc. to any of the Tendered Share Certificates, etc. On the other hand, since the objective of the Tender Offer is to acquire all of the Target Company’s Shares, there is no upper limit set on the number of shares for which tender offer will be made. If the total number of Tendered Share Certificates, etc. meets or exceeds the Lower Limit on the Number of Expected Shares for Which Tender Offer Will be Made (14,372,200 shares), the Tender Offeror will make tender offer, etc. to all of the Tendered Share Certificates, etc.

Additionally, if the Tender Offer is successful, the Tender Offeror plans to implement a series of procedures (the “Squeeze-Out Procedures”) to make the Tender Offeror the sole shareholder of the Target Company, as described in “(4) Policy on Reorganization, etc. after Tender Offer (Matters Concerning So-called Two-Tier Takeover Strategy)” below.

(Note 1) “Shareholding ratio” refers to the ratio of shares (rounded to the nearest thousandth) calculated by dividing the number of shares by the total number of issued shares of the Target Company as of March 31, 2024 (25,690,766 shares) as stated in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2024” (the “Target Company Financial Results”) submitted by the Target Company on May 9, 2024, after deducting the number of treasury shares owned by the Target Company as of the same date (4,133,572 shares), resulting

in a total of 21,557,194 shares. The same method applies hereafter.

(Note 2) “Lower Limit on the Number of Expected Shares for Which Tender Offer Will be Made” is the number of shares (14,372,200 shares) obtained by the number of voting rights (143,722; rounded up to the nearest whole number) which is two-thirds or more of the number of voting rights (215,571) corresponding to the number of shares (21,557,194 shares) derived by subtracting the number of treasury shares owned by the Target Company as of March 31, 2024 (4,133,572 shares) from the total number of issued shares of the Target Company as of the same date (25,690,766 shares) as stated in the Target Company Financial Results multiplied by 100 shares which is the number of unit shares of the Target Company. The lower limit is set because while the Tender Offeror aims to make the Target Company a wholly-owned subsidiary through the Transaction if the Tender Offer is successful but the Tender Offeror is unable to acquire all of the Target Company’s Shares through the Tender Offer, to carry out the process of the Share Consolidation (as defined in “② Share Consolidation” under “(4) Policy on Reorganization, etc. after Tender Offer (Matters Concerning So-called Two-Tier Takeover Strategy)” below), a special resolution at the general meeting of shareholders stipulated in Article 309, paragraph (2) of the Companies Act (Act No. 86 of 2005, as amended; hereinafter the same) is required. Therefore, to ensure the smooth execution of the Transaction, it is necessary for the Tender Offeror to own two-thirds or more of the voting rights of all shareholders of the Target Company after the Tender Offer, thereby satisfying this requirement. Additionally, the number of shares of the lower limit of 14,372,200 shares exceeds the number corresponding to the so-called majority of the minority (10,778,598 shares), which refers to more than half of the Target Company’s Shares owned by the shareholders of the Target Company who are not related parties of the Tender Offeror (the total number of issued shares (25,690,766 shares) as of March 31, 2024 stated in the Financial Results minus the number of treasury shares held by the Target Company (4,133,572 shares) as of the same date stated in the Target Company Financial Results (21,557,194 shares)).

According to the “Notice regarding Expression of an Approval Opinion and Recommendation of Acceptance concerning the Tender Offer for the Target Company’s Shares by SG Holdings Co., Ltd. (“The Target Company’s Position Statement Press Release (Tender Offeror)” published by the Target Company on May 31, 2024, after receiving submission of a recommendation (the “Recommendation”) including the content that the Target Company’s Board of Directors should resolve to express an approval opinion and recommend to all the shareholders of the Target Company to accept the Tender Offer in regard to the Tender Offer from the Special Committee (defined in ② Process and reasons of the decision leading up to the approval of the Tender Offer by the Target Company in (2) the Background, Purpose and Process of Decision Leading up to Deciding the Implementation of the Tender Offer and the Management Policy after the Tender Offer below. Hereinafter the same.) at the meeting of the Target Company’s Board of Directors and meeting of the Special Committee composed of outside directors who are independent officers and outside experts held on the same date, the Target Company resolved (i) to express an opinion of approval of the Tender Offer and to the effect of recommending to all the shareholders of the Target Company to accept the Tender Offer and (ii) to the effect of an opinion (regarding the Preceding Tender Offer, an opinion that all the directors amend the opinion of reserving the expression of an opinion on the Preceding Tender Offer and all directors express an opinion opposing the Preceding Tender Offer and to the effect of not accepting the Preceding Tender Offer to all the shareholders of the Target Company) on the Notice Concerning Announcement of Opinion (Reservation) as to Tender Offer for Target Company’s Stock by AZ-COM MARUWA Holdings Inc. (the “Notice of Plans of Preceding Tender Offer”) dated May 7, 2024 (defined in “① Process and reasons of the decision leading up to the approval of the Tender Offer by the Target Company in (2) the Background, Purpose and Process of Decision Leading up to Deciding the Implementation of the Tender Offer and the Management Policy after the Tender Offer. Hereinafter the same.) at the Target Company’s Board of Directors meeting held on the same date,

(2) The Background, Purpose and Process of Decision-Making Leading up to Deciding the Implementation of the Tender Offer and the Management Policy after the Tender Offer.

The background, purpose and process of decision-making leading up to deciding the implementation of the Tender Offer and the management policy after the Tender Offer, are as follows. Please note that the descriptions related to the Target Company in the following statements are based on information published by the Target Company, the opinion statement press releases from the Target Company (Tender Offeror), and explanations received from the Target Company.

① The background, purpose and process of decision leading up to deciding the implementation of the Tender Offer

Sagawa Express Co., Ltd. (“Sagawa Express”) which is a current subsidiary of the Tender Offeror was established in 1965 for the purpose of transportation business. Subsequently, based on the resolution of the extraordinary general meeting of shareholders of Sagawa Express held in February 2006, the Tender Offeror transitioned to a pure holding company structure in March 2006 through a sole share transfer, making Sagawa Express a wholly-owned subsidiary and the Tender Offeror was established.

The Tender Offeror listed its common shares on the First Section of the TSE in December 2017. In April 2022, due to the TSE's market restructuring, it transitioned from the First Section to the Prime Market. As of today, it is listed on the TSE Prime Market.

The Tender Offeror Group (Note 1) primarily develops the following businesses, with a focus on the package delivery business:

- Delivery business centered on the package delivery service
- Logistics business centered on providing international transportation, warehousing, and distribution processing
- Real estate business centered on logistics facilities
- Other businesses to provide efficient logistics solutions

The Tender Offeror Group, under the founding spirit of “Hikyaku no Kokoro” (The spirit of Edo-era express messengers), commits to:

1. Responding to the trust of customers and society, and growing together.
2. Creating new value and contributing to the development of society.
3. Continuously challenging and pursuing all possibilities.

With these principles as the corporate philosophy, it strives to enhance its services and quality to provide customers with “safety,” “satisfaction,” and “trust.”

Additionally, the Tender Offeror Group has unveiled a long-term vision, “Grow the new Story. New logistics, nurturing a new society together.” to realize the aforementioned corporate philosophy. This vision aims for “achieving consolidated operating revenue of 2.2 trillion yen in fiscal year 2030 by using businesses other than package delivery as growth engines” and “achieving carbon neutrality by 2050.” To achieve this long-term vision, the Tender Offeror Group has formulated the medium-term management plan "SGH Story 2024" (from fiscal 2022, to fiscal 2024), with the basic policy of “creation of next-generation competitive advantages to realize sustainable growth.”

In the medium-term management plan, the Tender Offeror Group is focusing on the following key strategies: (i) “enhancement of comprehensive logistics solutions,” (ii) “expansion of management resources leading to the creation of competitive advantages” and (iii) “further advancement of governance.”

(1) Enhancement of comprehensive logistics solutions (GOAL (Note 2))

<Promotion of services aimed at solving social and environmental issues such as decarbonization>

Awareness of global climate change issues is increasingly heightened, and within Japan, it is becoming necessary to respond to the government’s raised reduction targets and the revised Corporate Governance Code's requirements for climate change disclosures.

In this environment, the Tender Offeror Group aims to contribute to building more efficient supply chains for its customers and solving social and environmental issues through the logistics solutions it provides. Additionally, by

advancing the Tender Offeror Group's own initiatives, such as transitioning to electric vehicles and investing in facilities that generate renewable energy, the Tender Offeror Group will also contribute to its customers' efforts to reduce greenhouse gas emissions.

<Expansion of TMS (Note 3) /3PL (Note 4) networks and enhancement of ancillary solutions >

Against the background of the increase in e-commerce ("EC") shipments, the domestic package delivery market is expected to see moderate growth in the medium to long term. Logistics plays a significant role in differentiating customer services, and the demand for advanced logistics solutions from transport operators is increasing.

Leveraging the customer base of the Tender Offeror Group centered around Sagawa Express and the cross-group sales team, "GOAL" as the Tender Offeror Group's strengths, it aims to expand its scope of proposal to encompass its customers' entire supply chain through TMS and 3PL solutions.

<Strengthening international and overseas services >

In international services, the Tender Offeror Group will leverage its domestic sales resources and delivery network to strengthen the acquisition of cargo for international e-commerce, international TMS, and international express services originating from and destined for Japan. In addition, in overseas services, the Tender Offeror Group will work to increase the volume of cargo handled by increasing the wallet share of existing customers, expanding new lanes, and cultivating new customer bases centered on the forwarding (Note 5) business originating from Asia.

<Improvement of profitability through enhancement of service and improvement of efficiency in express package delivery service >

The Tender Offeror Group anticipates that the number of packages handled by its package delivery services will continue to increase due to the acceleration of e-commerce triggered by the pandemic. However, it also expects intensified competition from the rapid growth of low-cost post-in services, the expansion of in-house delivery networks by major e-commerce platforms, and new entrants from other industries.

In this environment, the Tender Offeror Group aims for stable business growth in package delivery services by investing in capacity enhancement focusing on market growth and accelerating DX (digital transformation) investments to improve operational efficiency, service quality, and profitability. In particular, given the rising costs of energy, vehicles, and other expenses, as well as the need to review personnel-related costs such as wage levels and subcontracting fees in this inflationary environment, the Tender Offeror will further pursue efficiency improvements and continue efforts to ensure appropriate fare collection.

(ii) Expansion of management resources leading to the creation of competitive advantages

<Strengthening domestic and overseas transportation network including alliances >

In strengthening the network towards expanding revenue beyond package delivery, the Tender Offeror aims to expand sales by providing diverse, high-quality services and strengthening its network by not only leveraging its own capabilities but also actively promoting alliances with partners.

For package delivery, in response to the increase in the number of packages handled due to market growth, the Tender Offeror Group will focus on expanding relay centers, making optimal investments in sales offices, and strengthening its capabilities by increasing the number of partner companies.

<Investment in human capital and improvement of employee engagement >

As an investment in "human resources" to create next-generation competitive advantages, the Tender Offeror Group will focus on acquiring and developing specialized human resources in areas such as global operations and digital transformation (DX). Additionally, it will try to enhance various systems and education to foster a corporate culture where employees are encouraged to take on new challenges.

<Creation of competitive advantages through investment in DX >

With the goal of contributing to the realization of a sustainable society by solving social and customer issues, the Tender Offeror Group will focus on three initiatives: “evolution of the digital infrastructure,” “operational efficiency,” and “service enhancement.” At the same time, it will pursue efforts to enhance future competitive advantages such as exploration of new business models through R&D. Furthermore, it will strengthen the training of DX (digital transformation) talent necessary to advance these initiatives.

<Creation of new value through open innovation>

The Tender Offeror Group aims to create new value by combining the innovative ideas, technologies, and IT solutions of startups and companies from other industries with the resources of the Tender Offeror Group. To achieve this, it will establish a framework for conducting proof-of-concept projects with agility and will also work on accumulating know-how within the group.

(iii) Further advancement of governance

<Creation of governance structure that meets global standards>

The Tender Offeror Group will enhance its management system, including J-SOX compliance for EXPOLANKA HOLDINGS PLC (“Expolanka”), its major consolidated subsidiary overseas. Additionally, it will work on further strengthening the governance of its overseas subsidiaries and promoting the establishment of internal controls. Furthermore, for Expolanka, the Tender Offeror Group has initiated delisting procedures in March 2024 to establish an optimal governance structure for the international transportation business and to further strengthen group collaboration. Going forward, it will continue to execute medium- to long-term strategies that contribute to increasing corporate value.

<Ongoing advancement of compliance>

The Tender Offeror will enhance the cycle from the detection of misconduct and scandals (including harassment) to response and prevention of recurrence. In addition, it will work on further strengthening its compliance system through education aimed at raising compliance awareness.

- (Note 1) The “Tender Offeror Group” consists of the Tender Offeror, 148 consolidated subsidiaries, and 5 equity-method affiliates.
- (Note 2) “GOAL” stands for “GO Advanced Logistics” and refers to an advanced logistics project team that considers and proposes complex logistics services across the Tender Offeror Group.
- (Note 3) “TMS” refers to a system (Transportation Management System) that utilizes the logistics network and know-how of the Tender Offeror Group and provides optimal logistic services for customer businesses by utilizing the Tender Offeror Group and external transport operators.
- (Note 4) “3PL Network” refers to the comprehensive outsourcing of logistics operations (third-party logistics).
- (Note 5) “Forwarding” refers to the comprehensive operations from collecting cargo from the shipper to transportation, customs clearance, storage, and delivery to consignees.

At the same time, according to the Target Company, the Target Company was established in October 2015 through a joint stock transfer by Meito Transportation Co., Ltd. (“Meito Transportation”) and Hutech norin Co., Ltd. The Target Company’s Shares were listed on the First Section of the TSE. Subsequently, in April 2022, due to the TSE’s market restructuring, the Target Company moved from the First Section to the Prime Market of the TSE.

According to the Target Company, it aims “to become a comprehensive logistics information company centered around low-temperature logistics, capable of handling the globally changing food logistics landscape.” To achieve this vision, on May 10, 2022, the company established the basic policy of “achieving sustainable low temperature zone logistics, meeting the needs of new cold-chains (Note 6).” The Target Company has formulated the Third Mid-Term Management Plan (from fiscal 2022 to fiscal 2024) including the following key strategies: (i) “building a sustainable logistics business,” (ii) “enhancing corporate value through a strategic financial structure,” (iii) “strengthening the functions and earnings base of existing businesses centered on the joint delivery business,” and (iv) “promoting investment in growing fields.” Additionally, on June 16, 2023, the Target Company published “Review of the Mid-Term Management Plan.” The Third

Mid-Term Management Plan (from fiscal 2022 to fiscal 2024) has been revised into a three-year plan, with fiscal 2025 as the final year.

Specifically, while there are no significant changes to the basic policy and key strategies, the Target Company has added the following focus initiatives, considering the diversification of distribution channels for low-temperature products and changes in the social and economic environment: (i) “As sustainability-related measures, make investments in improving productivity through development and the deployment of new technologies contributing to environmental measures, and labor-saving and workforce reduction,” (ii) “promotion of investment and acceleration of growth speed with a view to collaborations and partnerships with other companies in growth areas (overseas, e-commerce (“EC”), and pharmaceuticals, etc.),” and (iii) “further strengthen revenue power and expand businesses utilizing M&A and other means that help make the existing businesses robust.”

(Note 6) “Cold chain” refers to low-temperature logistics used to maintain the quality of frozen and refrigerated cargo.

Additionally, to achieve a stable revenue base based on the premise of business expansion and promote improvement of management efficiency, in the Third Mid-Term Management Plan, the Target Company has set targets for consolidated operating revenue, consolidated operating profit, ROE, equity ratio, and payout ratio as management indicators. However, following the review of the Third Mid-Term Management Plan conducted in June 2023, the Target Company has set new targets for the three-year period from fiscal 2023 to fiscal 2025. These targets include achieving an ROE of 8.0% or higher by the final year, an equity ratio of approximately 45%, a payout ratio of over 20% (gradually increasing to over 30%), consolidated operating revenue of 122.4 billion yen, and consolidated operating profit of 5.7 billion yen by the final year.

The Tender Offeror recognizes that while the current social and economic environment is gradually recovering due to the downgrading of COVID-19’s legal status and the removal of various restrictions, the future remains uncertain. This is due to domestic factors such as rising prices and the depreciation of the yen, as well as fears of a slowdown in global economic growth against a background of ongoing global monetary tightening policies and increasing geopolitical risks.

In the logistics industry, in addition to this, the so-called “Logistics 2024 Problem” (the “2024 Problem”), which has been an issue for the entire industry for some time, involves concerns about a shortage of transportation capacity arising from a cap regulation on overtime hours in automobile driving work (application starting April 1, 2024) This is expected to make a significant turning point for the industry.

In this environment, under the long-term vision announced on March 30, 2022 titled “Grow the new Story. New logistics, nurturing a new society together,” the Tender Offeror believes that to create new value in connection with solving the issues faced by customers and society through the provision of logistics solutions, not only its own capabilities but also collaborating with customers, business partners, and partners across different industries and sectors is necessary.

Considering the above, while the Tender Offeror was searching for a partner to collaborate with, on March 21, 2024, the Tender Offeror learned through the “Notice Regarding Plans to Commence Tender Offer for the Shares of Chilled & Frozen Logistics Holdings Co., Ltd. (Code: 9099)” dated March 21, 2024, by AZ-COM MARUWA Holdings (the “Notice of Plans of Preceding Tender Offer”) that Preceding Tender Offeror had proposed a tender offer for the common shares of the Target Company (the “Preceding Tender Offer”) as part of a series of transactions (the “Preceding Transaction”) to make the Target Company a wholly-owned subsidiary of the Preceding Tender Offeror (the “Preceding Proposal”).

At the same time, the Tender Offeror learned from the “Notice Regarding the Establishment of a Special Committee” published by the Target Company on April 1, 2024, that the Target Company had received the Preceding Proposal and resolved to establish a special committee (the “Special Committee”) to ensure the fairness and transparency of the review process and to conduct a serious examination in light of “Guidelines for Corporate Takeovers” published by the Ministry of Economy, Trade and Industry on August 31, 2023 (the “Guidelines for Corporate Takeovers”) for any bona fide Counter Proposal made by a third party regarding the Preceding Proposal and the Preceding Transaction (“Counter Proposal(s)”) and the offerors making Counter Proposals, “Counter Offerors” and a transaction related to Counter Transaction, “Counter Transaction”).

As a result of the Preceding Proposal, the Tender Offeror began concretely considering making the Target Company a wholly-owned subsidiary of the Tender Offeror. At the same time, on April 4, 2024, the Tender Offeror had the opportunity to meet with the Target Company to propose the expansion of existing transactions (Note 7) and deepen personnel exchanges

between both groups. During this meeting, although the Tender Offeror did not mention a capital relationship with the Target Company, it intended to receive an opportunity for a counter proposal from the Target Company.

The Tender Offeror explained to the Target Company that collaboration between the Tender Offeror Group and the Target Company through the transaction relationship would be beneficial for both parties. Later, during the above meeting held on April 4, 2024, a proposal for collaboration made by the Tender Offeror was received by the Target Company and the Target Company informed the Tender Offeror that it had begun establishing a framework to review and assess the outcome of the Preceding Tender Offer and the appropriateness and procedural fairness of its transaction terms, independently of the Preceding Tender Offeror and the Target Company, and the Preceding Tender Offer. This included the establishment of the Special Committee and the making of consultations on the Consultation Matters (defined in “② Process and reasons for the decision-making leading to the approval of the Tender Offer by the Target Company” of “(2) The Background, Purpose and Process of Decision Leading up to Deciding the Implementation of the Tender Offer and the Management Policy after the Tender Offer” below). Additionally, the Target Company informed the Tender Offeror that, in accordance with the Guidelines for Corporate Takeovers, the Tender Offeror would have the opportunity to make a bona fide Counter Proposal to the Preceding Transaction and the Counter Proposal by the Tender Offeror would be seriously examined by the Special Committee.

Consequently, on April 9, 2024, the Tender Offeror submitted a non-binding initial proposal letter related to the Transaction to the Target Company. On April 15, 2024, the Target Company invited the Tender Offeror to participate in the due diligence process aimed at considering the Counter Proposal by the Tender Offeror. In late April 2024, the Tender Offeror appointed Daiwa Securities Co. Ltd. (“Daiwa Securities”) as the financial advisor and third party appraiser and City-Yuwa Partners as the legal advisor, respectively independent from the Tender Offeror, the Target Company and the Preceding Tender Offeror and established a framework to consider making the Target Company a wholly-owned subsidiary by the Tender Offeror through the Tender Offer and began concrete deliberations.

Subsequently, in late April 2024, the Tender Offeror conducted due diligence on the Target Company, reviewing its business, legal, financial, tax, and human resources areas. Additionally, after submitting an initial proposal letter to the Target Company, which included conducting management interviews and specifying the timing of these interviews, the Tender Offeror considered the possibility of other Counter Proposals. Consequently, the Tender Offeror requested an opportunity to directly propose to the Target Company’s Board of Directors and Special Committee the complete acquisition of the Target Company as a wholly-owned subsidiary through the Tender Offer. The Tender Offeror also sought to ensure that the Target Company’s Board of Directors and the Special Committee fully understood the content of the Tender Offeror’s proposal and to gain their support for the Tender Offer. As a result, on April 22, 2024, the Target Company granted the Tender Offeror an opportunity to explain the initial proposal letter to the Target Company’s Representative Director and other executives as part of the management interview process involving both the Tender Offeror and the Target Company.

As a result, incorporating the Target Company, which has many years of knowledge and is a leading expert in Japan in the low-temperature logistics industry, as a wholly-owned subsidiary into the Tender Offeror Group would (a) organically combine the strengths, knowledge, and assets of both companies, enabling the provision of top-notch domestic cold chain solutions to major clients such as food manufacturers, wholesalers, and retailers, and (b) expand the low-temperature logistics area by mutually referring customers and complementing each other’s weaker areas to offer new services. This integration would also allow the development of new areas, such as the medical sector and the export of primary industry products. Therefore, the Tender Offeror is confident that this will greatly contribute to the expansion and development of both the Tender Offeror and the Target Company’s businesses, ultimately enhancing the overall corporate value of the Tender Offeror Group. Therefore, on April 30, 2024, the Tender Offeror submitted a legally binding proposal to the Target Company’s Board of Directors and the Special Committee, which included setting the tender offer price (the “Tender Offer Price”) at 5,740 yen, subject to conducting additional due diligence. If the Transaction is carried out, as described in “(5) Prospects and Reasons for Delisting” below, the Target Company’s Shares will be delisted. However, the Tender Offeror believes that there are no particular disadvantages associated with the Target Company’s delisting.

Regarding the anticipated increase in challenges within the low-temperature logistics industry and the response to the “2024 Problem” faced by the logistics industry, if the Target Company remains publicly listed and becomes the consolidated subsidiary of the Tender Offeror, sharing highly confidential information and utilizing management resources with the Tender Offer Group might be hindered. However, by making the Target Company a wholly-owned subsidiary through the Tender Offer, it would be possible to swiftly and flexibly integrate and develop the management resources of both the Tender

Offeror and the Target Company. This integration would enable the resolution of these challenges and the creation of the following new synergies between the Tender Offeror Group and the Target Company.

The approach to realizing these synergies includes ① "network collaboration" and ② "business collaboration." For ① "network collaboration," potential areas include the joint utilization of the collection and delivery network, efficient operation of the Target Company's low-temperature logistics warehouses, joint development of the Target Company's low-temperature logistics warehouses, and optimization of the last mile. For ② "business collaboration," this could involve proposal-based sales leveraging the strengths of both the Tender Offeror and the Target Company to their respective customers, joint sales efforts for new cold chain initiatives, providing services that combine the diverse delivery modes possessed by both companies, and proposing comprehensive solutions.

<Synergies envisioned by the Tender Offeror and efforts to realize the synergies>

(1) Utilization of the Tender Offeror Group's sales structure and customer base

As of March 31, 2024, in Japan, the Tender Offeror Group has approximately 25,000 sales drivers who, in addition to their collection and delivery duties, also act as sales representatives to understand corporate customers' needs, propose solutions, and grasp their supply chains. This allows the Tender Offeror Group to propose and provide efficient logistics systems utilizing all available resources. To promote such logistics solution proposals the "GOAL" team was formed in the fiscal year ended in March 2015.

The Tender Offeror Group has been referring customers to the Target Company from August 2022 and through the Transaction, not only will customers be referred from the Tender Offeror Group to the Target Company, but also there will be opportunities to develop new customers through joint sales activities involving both the Target Company and the GOAL team. Furthermore, this collaboration could lead to an expansion of service offerings to the Target Company's existing customers and growth in the Target Company's e-commerce-related business.

(2) Optimization of cold chain logistics

Regarding the cold chain logistics owned by the Target Company, by collaborating on shipping and consolidating collection and joint delivery/express delivery for large shippers by utilizing customer base and sales structure of the Tender Offeror Group mentioned above, it is considered possible to enhance and optimize the use of infrastructure for both the Tender Offeror Group and the Target Company, enabling the construction of new transportation and delivery schemes that respond to increased efficiency and logistics volume.

In addition, in the medium term, the Tender Offeror would like to examine building a joint distribution center (Note 8) for food manufacturers, wholesalers, and retail distribution, and move forward with efforts to optimize the entire low-temperature logistics market.

(3) Enhancement of international and overseas services

(i) At SGH Global Japan Co., Ltd., a consolidated subsidiary of the Tender Offeror, the Tender Offeror Group leverages its domestic sales resources and collection and delivery network to strengthen the acquisition of cargo for international e-commerce, international TMS, and international express services originating from and destined for Japan. Additionally, through the Tender Offeror's consolidated subsidiary, EFL GLOBAL LLC, the Tender Offeror has made Trans American Customhouse Brokers, Inc., a U.S. customs broker, a subsidiary. Similarly, through EFL GLOBAL LOGISTICS (PTE.) LTD., another consolidated subsidiary of the Tender Offeror, the Tender Offeror has made Locher Evers International Inc., a Canadian logistics company primarily focused on forwarding, a subsidiary. These efforts have been undertaken to strengthen transportation both domestically and internationally.

By extending these measures to the Target Company, the Tender Offeror believes it can also strengthen its acquisition of cargo for international shipments to and from Japan, expand wallet share with existing customers, open new lanes, and acquire new customers. This will increase the volume of international and overseas service cargo handled by the Target Company.

(ii) In the Socialist Republic of Vietnam ("Vietnam"), which is expected to have high growth in the future (Note 9)', currently, the Tender Offeror Group is in Vietnam with comprehensive logistics licenses, export-import customs clearance, international air and sea transportation, trucking, general warehousing, CFS (Note 10) warehousing, and bonded warehousing. This allows the group to provide high-quality transportation services to its customers.

On the other hand, the Target Company has established a cold chain for low-temperature food products in Vietnam since 2014 through its consolidated subsidiary, MEITO VIETNAM COMPANY LIMITED. By mutually utilizing the resources of the Tender Offeror Group and the Target Company in Vietnam, new initiatives such as expanding food exports from Japan can be realized.

(iii) By utilizing the bonded warehouses owned by the Target Company, the Tender Offeror Group believes it can capture the growing demand for Japanese food exports, contributing to the government's goal of achieving 5 trillion yen in agricultural, forestry, fishery, and food exports by 2030 (Note 11). This will enable the Tender Offeror Group to expand its market share in food export logistics (including imports).

(4) Expansion in the medical-related field

The Tender Offeror Group anticipates that Japan's domestic pharmaceutical market will see increased entry by foreign companies in the specialty pharmaceuticals sector (Note 12), which requires strict temperature control, due to the aging population. With collaboration between the Target Company and the Tender Offeror Group, market share in this business area can be expanded by conducting sale activities targeting these new entrants.

Additionally, by leveraging the know-how in healthcare food logistics that the Target Company has contracted, the Tender Offeror Group believes it can capture the logistics needs for elderly care facility meals and home-delivered meals, markets that are also expected to grow. This can be achieved by utilizing the Tender Offeror Group's customer base.

(5) Capturing in-house logistics of food processing manufacturers

With the expanding market size of the low-temperature logistics sector driven by the increasing demand for frozen foods and rising costs of labor and utilities, the Tender Offeror Group and the Target Company can collaborate in their sales activities. This collaboration would capture the in-house logistics operations of food processing manufacturers, which is expected to lead to further sales growth for the Target Company.

(Note 7) In the fiscal year ending March 2024, there is a payment of approximately 500 million yen from Sagawa Express to Meito Transport for outsourced services.

(Note 8) This refers to a facility that combines the functions required for distribution centers serving corporate clients and those serving individual households, intended for joint use by the Tender Offeror Group and the Target Company.

(Note 9) According to the "World Economic Outlook" published by the World Bank in January 2024, Vietnam's real GDP growth rate is projected to be 5.5% in 2024 and 6.0% in 2025.

(Note 10) "CFS" refers to a facility (Container Freight Station) where small shipments from multiple shippers are consolidated.

(Note 11) Referring to the government export targets of 2 trillion yen by 2025 and 5 trillion yen by 2030 that were set out in the "Strategy to Realize Export Expansion of Agricultural, Forestry, Fishery and Food Products," compiled in November 2020 by the Ministerial Conference on Measures to Address Regulations of Importing Countries for Expanding Exports of Agricultural, Forestry, Fishery, and Food Products (the Ministerial Conference).

(Note 12) "Specialty pharmaceuticals" are a category of drugs that, due to their nature, require strict temperature control and traceability during distribution and storage.

Subsequently, on May 8, 2024, the Tender Offeror accepted a request from the Special Committee and responded to questions to it. Then, on May 9, 2024, the Tender Offeror was informed through QuestHub Co., Ltd. ("QuestHub") the Target Company's financial advisor, that the Tender Offeror had been selected as a candidate tender offeror of the Target Company's Shares and that the opportunity for additional due diligence would be provided.

Following this, the Tender Offeror and the Target Company engaged in ongoing discussions and negotiations toward the implementation of the Transaction. In mid-May 2024, the Tender Offeror conducted the requested additional due diligence on the Target Company. On May 22, 2024, the Tender Offeror informed the Target Company that, even after the additional due diligence, there would be no change to the Tender Offer Price.

The Tender Offeror believes that the Tender Offer is a more attractive proposal for the Target Company and its shareholders considering that: ① the Tender Offer price per share ("Tender Offer Price") (5,740 yen per share) is set higher than the tender offer price (3,000 yen per share) in the Preceding Tender Offer (for the background on the

determination of the Tender Offer Price, please refer to “Background of Determination” in “(2) Price of Tender Offer, etc.” of “4. Period of Tender Offer, etc., Price of Tender Offer, etc., and Number of Share Certificates, etc. for Which Tender Offer Is Scheduled to be Made” below) and ② the settlement of the Tender Offer is planned to be financed through a combination of borrowings from MUFG Bank, Ltd. (“MUFG Bank”) and the Tender Offeror's own funds and the Tender Offeror has already secured a loan commitment dated May 31, 2024 from MUFG Bank, ensuring the availability of settlement funds.

Additionally, the Tender Offeror believes that the Tender Offer Price is reasonable, given that it falls within the range of the valuation results calculated using the discounted cash flow method (“DCF Method”) in the Share Valuation Report (Daiwa Securities) (as defined in “① Procurement of share valuation report from independent third party valuation firm by Tender Offeror” of “(3) Matters Concerning Valuation”) and that it comprehensively considers the expected synergies and other factors related to the implementation of the Transaction. The Tender Offeror believes that carrying out this transaction at the Tender Offer Price will also be in the best interest of the Tender Offeror's shareholders.

Additionally, the Tender Offeror is aware through the Notice Regarding Commencement of Tender Offer for the Shares of Chilled & Frozen Logistics Holdings Co., Ltd. (Code: 9099) dated May 1, 2024 by Preceding Tender Offeror that the period of tender offer, etc. in the Preceding Tender Offer is from May 2, 2024, to June 17, 2024. The commencement date for the Tender Offer is set for June 3, 2024. Furthermore, the Tender Offeror has decided to set the tender offer period (“the “Tender Offer Period”) for the Tender Offer at 30 business days, despite the shortest period prescribed by law being 20 business days. This is intended to provide shareholders of the Target Company with adequate time to make a well-considered decision regarding the tendering of the Tender Offer.

② Process and reasons for the decision-making leading to the approval of the Tender Offer by the Target Company

(1) (i) Proposal from the Preceding Tender Offeror, confirmation of sincerity of proposal, and establishment of review framework

The Target Company received a letter of intent regarding the Preceding Proposal on March 21, 2024, and began its review of the Preceding Proposal.

Specifically, in mid-April 2024, as outlined in “(3) Measures to Ensure the Fairness of the Tender Offer such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest, etc.” below, the Target Company appointed QuestHub as the financial advisor, and TMI Associates as the legal advisor . (Both advisors are independent of the Preceding Tender Offeror, the Target Company, and the outcome of the Preceding Transaction) Additionally, the Target Company appointed Plutus Consulting Co., Ltd. (“Plutus Consulting”) as the third-party valuation institution independent of the Preceding Tender Offeror, the Target Company, and the outcome of the Preceding Transaction.

In addition, the Target Company received advice from QuestHub and TMI Associates and, in light of the Preceding Proposal from the Preceding Tender Offeror and the content of the Preceding Tender Offeror’s Notice of Plans of Preceding Tender Offer dated March 21, 2024, it determined that the Preceding Tender Offeror’s Preceding Proposal was a “bona fide offer with specificity, rationale of purpose, and feasibility” in the Guidelines for Corporate Takeovers. Consequently, by a resolution at the meeting of the Target Company's Board of Directors dated April 1, 2024, a special committee was established to review and negotiate the Preceding Transaction and any Counter Transactions independently of the Preceding Tender Offeror, the Target Company, and the outcome of the Preceding Transaction.

The Special Committee was comprised of six members: Nobuyuki Takagi (Chairman of Special Committee and Independent Outside Director who is Audit and Supervisory Committee Member), Akihiro Mizutani (Independent Outside Director), Takeshi Tanaka (Independent Outside Director), Michiho Tachi (Independent Outside Director who is Audit and Supervisory Committee Member and attorney-at-law), Shiro Toba (Independent Outside Director who is Audit and Supervisory Committee Member and certified public accountant), and Yoshiyuki Wada (outside expert, Representative Director of KIC Co., Ltd. and certified public accountant). Additionally, the Target Company has appointed Yoshiyuki Wada as a committee member due to his specialized knowledge as a certified public accountant and his extensive experience and insight as a director and auditor of other companies.

The Target Company's Board of Directors consulted with the Special Committee on: (a) What opinion should the Board of Directors of the Target Company express regarding the Preceding Tender Offer? (b) Would the Preceding Transaction be considered not detrimental to the minority shareholders of the Target Company? (c) If a Counter Proposal is made by a Counter Offeror, what opinion should the Target Company's Board of Directors of the Target Company express regarding the Counter Proposal, and the Counter Transaction be considered not detrimental to the minority shareholders of the Target Company? (These matters are collectively referred to as "Consultation Matters."). Regarding Consultation Matter (c), it was included in the Consultation Matters in anticipation of the possibility that a third party, having reviewed the contents of the Notice of Plans of Preceding Tender Offer, might emerge as a Counter Offeror following the public announcement of the proposal related to the Preceding Transaction proposal.

In establishing the Special Committee, the Target Company's Board of Directors of the Target Company resolved the following measures: (a) The Special Committee, when deemed necessary, can determine matters related to the selection of the chairperson and other operations of the Special Committee by a majority vote. (b) The Special Committee can conduct investigations related to the Preceding Transaction and Counter Transaction at the expense of the Target Company. (This includes questioning and requesting explanations or advice from the officers or employees of the Target Company related to the Preceding Transaction or Counter Transaction or the advisors of the Target Company related to the Preceding Transaction or Counter Transaction as necessary for reviewing the Consultation Matters). (c) The Special Committee can request the Target Company (i) to communicate its proposals, other opinions, or questions to the transaction parties (including but not limited to the Preceding Tender Offeror and the Counter Offeror, as well as officers and employees related to the Preceding Transaction or Counter Transaction and advisors involved in the Preceding Transaction or Counter Proposal; hereinafter the same in this (c)) and (ii) to arrange opportunities for discussions and negotiations with the Special Committee itself and the transaction parties. Even if the Special Committee does not request such opportunities of (ii), if the Target Company engages in discussions and negotiations with the transaction parties, it must promptly report the details to the Special Committee. Based on this content, the Special Committee can provide opinions and necessary instructions or requests to the Target Company regarding the policy of discussions and negotiations with transaction parties. (d) If the Special Committee does not reach a unanimous opinion regarding the recommendation, the conclusion approved by the majority of the members will be considered the content of the Special Committee's recommendation. However, members with differing opinions on all or a part of the content of recommendation can request that their opinions be included in the recommendation. (e) From the viewpoint of the convenience of proceedings, even if officers or employees of the Target Company or advisors of the Target Company related to the Preceding Transaction or Counter Transaction attend the Special Committee meetings, the Special Committee can request the attendees to leave as appropriate. (f) The Special Committee, when deemed necessary, can appoint its own attorneys, valuation firms, certified public accountants, or other advisors at the expense of the Target Company. The Special Committee can also request the appointment or change of the Target Company's advisors related to the Preceding Transaction or Counter Transaction and give necessary instructions to these advisors of the Target Company.

In addition, according to the Target Company, as outlined in "② Establishment of an independent Special Committee at the Target Company and obtaining a recommendation from the Special Committee" of "(3) Measures to Ensure the Fairness of the Tender Offer such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest, etc." the Special Committee has approved the appointment of QuestHub as the financial advisor, TMI Associates as the legal advisor, and Plutus Consulting as the third-party valuation institution for the Target Company. Additionally, according to the Target Company, as outlined in "② Establishment of an independent Special Committee at the Target Company and obtaining a recommendation from the Special Committee" of "(3) Measures to Ensure the Fairness of the Tender Offer such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest, etc.," based on the above authority, the Special Committee appointed Nagashima Ohno & Tsunematsu as its independent legal advisor and YAMADA Consulting Group Co., Ltd. ("Yamada-CG") as its independent financial advisor and third-party valuation institution in early April 2024.

(ii) Process of review and negotiation

The Target Company had an interview with the Preceding Tender Offeror on April 3, 2024 (the "Interview on April 3"), where the Preceding Tender Offeror explained the contents of the Preceding Proposal (It is noted that no additional

information beyond what was publicly disclosed in the Preceding Proposal was provided by the Preceding Tender Offeror at the Interview on April 3).

Subsequently, as announced by the Target Company on April 10, 2024, in the “Notice Regarding Sending the List of Inquiries to Preceding Tender Offeror Concerning the Planned Commencement of Tender Offer for the Target Company’s Shares,” the Target Company’s Board of Directors of the Target Company, after consultation with the Special Committee, sent the Preceding Tender Offeror the list of inquiries to request such information as the Target Company believes necessary for its sincere consideration as to the Preceding Tender Offeror’s Proposal (the “Questionnaire dated April 10”) (the Target Company’s Board of Directors of the Target Company, in the Questionnaire dated April 10, requested the provision of information including the schedule and scheme of the Preceding Transaction, the background leading to the implementation of the Preceding Proposal, the treatment of the Target Company’s Shares held by Katsumi Wasami, President and CEO of the Preceding Tender Offeror, the specific synergies and dis-synergies of the Preceding Transaction and their economic impact, and the Preceding Tender Offeror’s financial risks and governance structure post-transaction). The Preceding Tender Offeror provided a reply to the Questionnaire dated April 10 on April 12, 2024 (the “Reply dated April 12”).

Following this, as announced by the Target Company on April 19, 2024, in the “Notice Regarding Sending Additional List of Inquiries to Preceding Tender Offeror Concerning the Planned Commencement of Tender Offer for the Target Company’s Shares,” the Target Company, in light of the content of the Reply dated April 12 and in consultation with the Special Committee, sent the “Second Inquiries List” to request such information as the Target Company believes necessary for its consideration, etc. as to the Preceding Tender Offeror’s Proposal (the “Question Letter dated April 19”) (the Target Company’s Board of Directors of the Target Company requested further information on the schedule, scheme, and transaction terms of the Preceding Transaction, factual recognition regarding the background of the Preceding Proposal, the acquisition of shares held by Katsumi Wasami, President and CEO of the Preceding Tender Offeror, the specific synergies and dis-synergies of the Preceding Transaction and their economic impact, and the Preceding Tender Offeror’s financial risks and governance structure post-transaction). The Preceding Tender Offeror provided an answer to the Question Letter dated April 19 on April 23, 2024.

Subsequently, on April 24, 2024, the Special Committee had an interview with the Preceding Tender Offeror, during which the Preceding Tender Offeror provided oral explanations regarding matters deemed necessary by the Special Committee for the review of the Preceding Proposal.

In such circumstances, in response to receiving the Preceding Proposal from the Preceding Tender Offeror In light of this situation, to seek the best option from the perspective of enhancing the corporate value of the Target Company and the common interests of its shareholders, the Target Company, based on the Guidelines for Corporate Takeovers, requested submission of letters of intent from companies and investment funds that had directly expressed interest to the Target Company and those approached through QuestHub as part of a market check in early April 2024. By April 9, 2024, the Target Company had received non-binding initial proposal letters from nine companies (excluding the Preceding Tender Offeror, referred to as the “Initial Offerors”) concerning potential partnerships aimed at enhancing the medium- to long-term corporate value of the Target Company.

Consequently, the Target Company closely examined these initial proposal letters from perspectives including the transaction terms contained in the initial proposal letter, the understanding of the Target Company as indicated in the initial proposal letter, the potential contribution of the candidate to the Target Company’s medium- to long-term growth, the anticipated synergies from becoming a partner with the candidate, and the management policy after the Counter Transaction. From the Initial Offerors, the Target Company selected a total of four companies and investment funds whose proposed prices of tender offer, etc. per share of the Target Company’s Shares that exceeded that of the Preceding Proposal and who were evaluated relatively highly in the perspectives of understanding of the Target Company, as well as strategies and measures aimed at enhancing the Target Company’s medium- to long-term corporate value. On April 15, 2024, these four companies were invited to participate in the due diligence process for the consideration of the Counter Proposals.

Additionally, according to the Target Company, the Target Company informed the Preceding Tender Offeror, as part of the Questionnaire dated April 10, that it was willing to cooperate with the Preceding Tender Offeror's due diligence. However, the Preceding Tender Offeror indicated in the Reply dated April 12 that it did not intend to conduct due diligence, and thus, no due diligence was carried out by the Preceding Tender Offeror.

Furthermore, for the purpose of thorough and sincere consideration of the Preceding Proposal and the Counter Proposals received from the Initial Offerors, the Target Company and the Special Committee sent a "request letter" to the Preceding Tender Offeror on April 24, 2024, asking for the commencement of the Preceding Tender Offer to be postponed until at least the end of May 2024. This was publicly announced in the "Notice Regarding Submission of Request Letter Concerning the Postponement of Commencement of Tender Offer to AZ-COM MARUWA Holdings Inc." dated April 24, 2024.

Subsequently, by May 1, 2024, the Target Company received legally binding proposals (collectively, the "Counter Offer Letters") from the four business companies and invest funds invited to participate in the due diligence process (the "Counter Offerors"). In comparing and reviewing the proposals in the Counter Offer Letters and the Preceding Proposal, it was found that the Tender Offeror's proposed price of 5,740yen per share of the Target Company's Shares was the highest among the Counter Offerors. Although the Tender Offeror requested additional due diligence, its proposal was considered superior to those of the other Counter Offerors and the Preceding Tender Offeror in terms of the likelihood of transaction completion and the strategies and measures aimed at enhancing medium- to long-term corporate value. As a result, on May 9, 2024, the Target Company selected the Tender Offeror as the candidate for purchasing the Target Company's Shares. The Target Company also informed the Tender Offeror of this decision and provided an opportunity for additional due diligence.

Thereafter, the Target Company continued discussions and negotiations between the Target Company and the Tender Offeror toward the implementation of the Transaction. Specifically, the Target Company provided the Tender Offeror with the opportunity for additional due diligence in mid-May 2024, as requested. Following the completion of this additional due diligence, the Tender Offeror informed the Target Company on May 22, 2024, that there would be no changes to the Tender Offer Price.

Under these circumstances, the Target Company carefully reviewed and discussed whether the Transaction, including the Tender Offer, would contribute to the enhancement of its corporate value and whether the transaction terms, including the Tender Offer Price, were reasonable.

The Target Company concluded that the Transaction would indeed contribute to the enhancement of its corporate value, based on the following reasons.

Namely, after the execution of the Transaction, the Target Company expects to realize and implement the synergies and measures described in "① The background, purpose and process of decision leading up to deciding the implementation of the Tender Offer" above such as (1) leveraging the sales structure and customer base of the Tender Offeror Group, (2) optimizing cold chain logistics, (3) enhancing international and overseas services, (4) expanding in the medical-related field, and (5) capturing the in-house logistics of food processing manufacturers and thereby will significantly contribute to addressing urgent management issues faced by the Target Company such as the "2024 Problem" and optimizing the logistics network and support the achievement of the Third Medium-Term Management Plan, the expansion of e-commerce-related logistics by the Target Company, overseas businesses, and other temperature-controlled businesses identified as growth areas, and the strengthening of existing businesses centered on joint delivery services and it is believed that the Target Company's major customers, including food wholesalers and distributors, will accept the Transaction and that the risk of losing these major customers is extremely limited. Consequently, the Target Company has determined the Transaction will contribute to its medium- to long-term growth and the enhancement of its corporate value.

Additionally, the Tender Offer Price of 5,740 yen per share is considered a reasonable price that ensures the benefits that the general shareholders of the Target Company should enjoy. The other conditions of the Tender Offer are also deemed fair. Therefore, the Target Company has determined that the Tender Offer provides an opportunity for the

general shareholders of the Target Company to sell their shares at a reasonable price with an appropriate premium.

- A) The price is higher than the tender offer price in the Preceding Tender Offer and the stock value assessment and tender offer prices offered by the Counter Offerors.
- B) The price was agreed upon with the Tender Offeror with the substantial involvement of the Special Committee, after sufficient measures were taken to ensure the fairness of the transaction terms, including the Tender Offer Price, as described in “(3) Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest, etc., to Ensure the Fairness of the Tender Offer.”
- C) The price exceeds the range of valuation results using the market share price method, the comparable listed companies method, and the DCF Method” of valuation results of the Target Company’s Shares obtained by Plutus in the share valuation report concerning the valuation results of the shares of the Target Company obtained by Plutus (the “Share Valuation Report (Plutus Consulting)”) as described in “④Procurement of Share Valuation Report from Independent Third Party Valuation Firm by Target Company” in “(3) Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest, etc., to Ensure the Fairness of the Tender Offer” below.
- D) The said price is, adding a premium of 181% (rounded to the nearest whole number after the decimal point. The same applies in calculating each premium rate herein) to 2,041 yen which was the closing price of the Company Shares on the TSE on March 21, 2024, immediately before the announcement of the Preceding Transaction by the Preceding Tender Offeror, which triggered the Target Company Share’s price fluctuations, adding a premium of 199% of the simple average of those closing prices for the past 1 month of 1,919 yen (rounded off to the nearest whole number. The same applies in the calculation of the simple average of closing prices herein), adding a premium of 232% to the simple average of those closing prices for the past 3 months of 1,729 yen, adding a premium of 267% to the simple average of those closing prices for the past 6 months of 1,565 yen. It means that the said price should be recognized as having been given a superior premium level compared to similar transactions in the past, considering premium levels in 60 cases (median: 38.15% and average: 48.01% compared to the previous day’s closing price, median: 34% and average: 46% compared to the average of those closing prices of the past 1 month of the previous day, median: 41% and average: 52% compared to the average of those closing prices of the past 3 months of the previous day, and median 45% and average 54% compared to the average of those closing prices of the past 6 months of the previous day), as a result of similar case studies which were published on or after June 28, 2019, which is the publication date of the “Fair M&A Guidelines” formulated by the Ministry of Economy, Trade and Industry, and also which were successfully completed via tender offers by May 21, 2024 (provided, however, that among such successfully completed tender offers, picking up only examples of a tender offer with the premise of going private of the TSE’s listed companies by a third party, and premise where the tender offeror owned less than 20.00% on a voting rights basis before the tender offer, but excluding Tokyo Pro Market cases and also excluding cases of tender offers for treasury stock, so-called discount tender offers and management buy-out (MBO) (Note 1) transactions).

(Note 1) “Management buy-out (MBO)” means a transaction in which the tender offeror makes a tender offer based on an agreement with the Target Company’s officers and shares common interests with the Target Company’s officers.

In addition, the said price has a premium of 17% to the closing price of 4,900 yen for the Target Company’s Shares on the TSE on May 30, 2024, the business day immediately before the announcement date of the implementation of the Tender Offer, a premium of 33% to the simple average of those closing prices of 4,327 yen for the past 1 month, a premium of 76% to the simple average of those closing prices of 3,261 yen for the past 3 months and a premium of 134% to the simple average of those closing prices of 2,452 yen for the past 6 months, while it is reasonable to believe that the said closing price of the Target Company’s Shares as of May 30, 2024 was significantly influenced by the expectation for the Transaction due to the Notice of Plans of Preceding Tender

Offer press released on March 2024 by the Preceding Tender Offeror and then the speculative report stating the Tender Offeror's showing up as a white knight by Nikkei Newspaper (Nikkei, Inc.) on May 17, 2024 and therefore, in analyzing the premium, the Target Company emphasized comparison with the stock price before the announcement of the Preceding Transaction by the Preceding Tender Offeror.

- E) In the Transaction, the Tender Offer Period is set at 30 business days, ensuring that general shareholders have an adequate opportunity to make an informed decision regarding their acceptance of the Tender Offer.
- F) In the Squeeze-Out Procedures, the money delivered to shareholders as consideration is planned to be calculated to be the same as the Tender Offer Price multiplied by the number of the Target Company's Shares owned by each shareholder (excluding the Target Company), so consideration will be given to ensure that general shareholders have the opportunity to make an appropriate judgment as to whether to accept the Tender Offer, and to avoid creating any coercive effect thereby.
- G) The Tender Offer Price and other conditions of the Tender Offer are deemed reasonable, as detailed in “② Establishment of Special Committee Independent from Target Company and Procurement of Recommendation from Special Committee” of “(3) Measures to Ensure the Fairness of the Tender Offer such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest, etc.”

The general disadvantages of delisting include the inability to raise funds through equity financing from capital markets and the loss of benefits enjoyed as a listed company, such as increased visibility and social credibility. However, considering the Target Company's current financial situation and the low-interest-rate environment in recent indirect financing, it is possible to secure funds through self-financing and loans from financial institutions. Therefore, the necessity for equity financing is not high, at least for the foreseeable future. Furthermore, increased visibility and social credibility can still be achieved through sincere business execution. If so, the disadvantages of delisting of shares of the Target Company are considered to be limited.

Given these considerations, the Target Company resolved at its Board of Directors' meeting on May 31, 2024, to express an opinion in favor of the Tender Offer as the opinion of the Target Company and to recommend that the shareholders of the Target Company accept the Tender Offer. In light of these factors, at the Target Company's Board of Directors meeting held on May 31, 2024, the Target Company expressed its opinion endorsing the Tender Offer and also resolved to recommend that shareholders of the Target Company tender their Target Company's Shares to the Tender Offer. On the other hand, the Preceding Tender Offer is in an alternative relationship with the Tender Offer, for which the Target Company's Board of Directors resolved to express its endorsement and recommendation to have the Target Company's Shares to be tender to the Tender Offer, the Target Company's Board of Directors has also resolved to express its opinion to oppose the Preceding Tender Offer. For details of the resolution, please refer to the Opposition Release regarding the Preceding Tender Offer.

③ Management policy after the Tender Offer and the Transaction

The Tender Offeror and the Target Company plan to promote management measures to realize the synergy effects described in “① The background, purpose and process of decision leading up to deciding the implementation of the Tender Offer” above. Through this, both companies intend to fully leverage their business characteristics and, through their collaboration, contribute to the further development and maximization of corporate value for both the Tender Offeror and the Target Company even after the Tender Offer.

Regarding the management structure of the Target Company post-Transaction, the Tender Offeror has not made any agreements regarding the appointment or treatment of officers at this time. After the Transaction, the details of the management structure, including the composition of the Target Company's officers, will be reviewed based on the current executive structure of the Target Company. The Tender Offeror is considering adjustments that may include dispatching outside directors from the Tender Offeror Group, considering the management and governance structure of the Tender Offeror Group.

(3) Measures to Ensure the Fairness of the Tender Offer such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest, etc.

As of today, the Tender Offeror holds no Target Company's Shares, and the Tender Offer does not constitute a tender offer by a controlling shareholder. Furthermore, the Tender Offer does not constitute a tender offer conducted by a tender offeror who is an officer of the Target Company, nor does it fall under a tender offer conducted by a person who carries out the tender offer at the request of an officer of the Target Company and shares common interests with the officer of the Target Company, and the Transaction, including the Tender Offer, does not constitute a management buyout.

However, considering that the Tender Offer is being carried out as part of the objective to make the Target Company a wholly-owned subsidiary of the Tender Offeror, and that the Transaction, including the Tender Offer, is a Counter Proposal to the Preceding Proposal following a market check by the Target Company, the following measures have been taken to eliminate any arbitrariness in the decision-making process of the Target Company's Board of Directors and to ensure the fairness and transparency of the Transaction. The measures implemented by the Target Company are based on explanations received from the Target Company.

① Procurement of Share Valuation Report from Independent Financial Advisor and Third Party Valuation Firm by the Tender Offeror

In deciding the Tender Offer, the Tender Offeror engaged Daiwa Securities, the independent third-party valuation firm and financial advisor, to evaluate the value of the Target Company's Shares. On May 30, 2024, the Tender Offeror obtained a stock valuation report (the "Stock Valuation Report (Daiwa Securities)"). Daiwa Securities is not an affiliated party of the Tender Offeror, the Target Company, or the Preceding Tender Offeror and does not have any significant interest in the Tender Offer.

Furthermore, the Tender Offeror, considering the other measures implemented to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest during the Transaction, believes that the interests of the minority shareholders of the Target Company have been adequately protected. Therefore, the Tender Offeror has not obtained a fairness opinion from Daiwa Securities regarding the fairness of the Tender Offer Price.

② Establishment of Special Committee independent from the Target Company and procurement of recommendation from Special Committee

As provided in "② Process and reasons for the decision-making leading to the approval of the Tender Offer by the Target Company" of "(2) The Background, Purpose and Process of Decision Leading up to Deciding the Implementation of the Tender Offer and the Management Policy after the Tender Offer" above, the Target Company established the Special Committee by resolution at the meeting of the Target Company's Board of Directors dated April 1, 2024, and the Target Company appointed 6 persons, Nobuyuki Takagi (Chairman of Special Committee and Independent Outside Director who is Audit and Supervisory Committee Member), Akihiro Mizutani (Independent Outside Director), Takeshi Tanaka (Independent Outside Director), Michiho Tachi (Independent Outside Director who is Audit and Supervisory Committee Member and attorney-at-law), Shiro Toba (Independent Outside Director who is Audit and Supervisory Committee Member and certified public accountant) and Yoshiyuki Wada (outside expert, Representative Director of KIC Co., Ltd. and certified public accountant), as members of the Special Committee, upon confirming that the candidates of members of the Special Committee were independent from the Preceding Tender Offeror, the Target Company and success or failure of the Preceding Transaction and did not have any material interest in success or failure of the Preceding Transaction which is different from interests of all non-controlling shareholders and by taking into account the opinions heard from 5 outside directors of the Target Company and the reactions of such 5 outside directors when sounding out the possibility of their appointment as members of the Special Committee (And, each member of the Special Committee will be paid a fixed amount of compensation as consideration for their duties, regardless of the content of their report, and this compensation does not include a success fee that is conditional on the completion of the Transaction.)

Although Yoshiyuki Wada is not a director of the Target Company, he is expected to supervise the market check process as well as to compare the Preceding Proposal to Counter-Proposals as part of his role as a member of the Special Committee, and is expected to contribute to the Special Committee because he has a plenty of expertise and knowledge regarding M&A, organizational restructuring, financial conditions improvement, etc. as well as because he is a certified public accountant who has served as a member of many independent investigation committees related to the corporate valuation.

In implementing the recommendation on the Matters of Inquiry, the Special Committee has conducted a total of 12

meetings between April 3, 2024 and May 31 of the same year, with attendance of all six members at each meeting. The meetings were held for a total of approximately 16 hours (rounded down to the nearest whole number). At each meeting, reporting, information sharing, deliberations, and decision-making took place. In addition, between each of the meetings, opinions were exchanged via e-mail and other means, and the Matters of Inquiry were carefully discussed and considered.

The Special Committee appointed Nagashima Ohno and Tsunematsu as its own legal advisor and Yamada-CG as its own independent financial advisor and third-party accounting organization on April 3, 2024, after confirming that they have no problems with their independence from the Preceding Tender Offeror and the Target Company. Subsequently no problems with their independence from the Counter-Offerors were confirmed.

Based on the foregoing, the Special Committee, while receiving advice from Yamada-CG and Nagashima Ohno & Tsunematsu from time to time, examined the Matters of Inquiry by conducting reviewing each materials and documents received from the Preceding Tender Offeror, Counter-Offerors including the Tender Offeror, and the Target Company's management, as well as having interviews with each of the Preceding Tender Offeror and the Counter-Offerors, including the Tender Offeror. Additionally, the Special Committee received timely reports from the Target Company's management regarding the process and content of discussions and negotiations between the Target Company's management and the Preceding Tender Offeror and the Counter-Offerors, including the Tender Offeror. At the same time, the Special Committee discussed the consultation and negotiation policies that the Target Company should take, expressed its opinions to the Target Company's management multiple times. Through such activities, the Special Committee was substantially involved in carrying out the Target Company's market check process and communication with the Preceding Tender Offeror.

As a result of the above-mentioned developments, the Special Committee, as a result of careful discussions and deliberations regarding the Matters of Inquiry as stated above, submitted to the Target Company's Board of Directors, as of May 31, 2024, upon agreement with the unanimous consent of all members, a recommendation report, which is summarized as follows:

(i) Contents of Recommendation Report

The Target Company's Board of Directors should express its opinion endorsing the Tender Offer and resolve to recommend that the Target Company's shareholders tender their shares to the Tender Offer. The Tender Offer is not disadvantageous to minority shareholders of the Target Company. (Report on Matter of Inquiry' Matter (c).)

Since the Preceding Tender Offer has an alternative relationship with the Tender Offer, which the Target Company's Board of Directors of the Target Company should express its endorsement to and recommendation to tender the shares to, the Target Company's Board of Directors has no alternative but to have the Target Company express its opinion of opposition and request that the Company's shareholders not tender their shares to the Preceding Tender Offer. (Report on Matters of Inquiry' Matter (a).) Regarding whether the Preceding Tender Offer is disadvantageous to minority shareholders of the Target Company, since the Tender Offer is implemented which is more advantageous to minority shareholders than the Preceding Tender Offer, there is no choice but to conclude that it is disadvantageous. (Report on Matters of Inquiry' Matter (b).)

(ii) Consideration

(a) Consideration of the Tender Offer

(A) To examine whether the Transaction will contribute to the enhancement of the corporate value of the Target Company

The Special Committee reviewed the materials and documents submitted by the Tender Offeror and the management of the Target Company, and held an interview with the Tender Offeror on May 8, 2024. The Special Committee confirmed the Tender Offeror's assessment of the Target Company, the significance and purpose of the Transaction, the policy for realizing synergies and synergies from the Transaction, and the possibility of dyssynergies from the Transaction or damage to the Target Company's corporate value, as described in "② Background, Purpose and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer" in "(2) Grounds and Reasons for Opinion Concerning Tender Offer" above.

In addition, the Special Committee examined the materials and documents submitted by the Target Company's management and received reports from the Target Company's management from time to time, and confirmed that the Target

Company's management is aware of the urgent management issues the Target Company is facing, the meaning and objectives of the transaction, the synergies from the transaction, and the assessment of the disadvantages and dyssynergies associated with the transaction, as described in "(4) Process and Reasons for Decision-Making that led to the Target Company's endorsement to the Tender Offer" in "(2) Grounds and Reasons for Opinions Concerning the Tender Offer" above, and that the Target Company's management believes that the transaction will contribute to the Target Company's medium-to long- term growth and enhancement of corporate value.

The Special Committee recognizes that the Tender Offeror has generally the same views as the Target Company's management regarding the significance and purpose of the Transaction, the synergies from the Transaction, and the evaluation of the disadvantages and dyssynergies associated with the Transaction, and that there is nothing unreasonable about the views of the Tender Offeror and the Target Company's management. The measures and efforts that the Tender Offeror considers to realize the synergies from the Transaction are important measures that will contribute to the creation of synergies in the Tender Offeror's Group, which we will become a member of through the Transaction, and further enhancement of the Target Company's corporate value, in line with the Target Company's current awareness of issues such as responding to the "2024 Problem" and improving the efficiency of the Target Company's distribution network. In light of (i) the clear complementary relation between us, which has strengths mainly in the midstream of logistics, and the Tender Offeror, which has strengths in the last-mile, in improving the efficiency of cold-chain logistics, while there is little overlap in their functions, (ii) the Target Company and the Tender Offeror's Group have already certain trades in EC field, and such trading has been progressing smoothly, and (iii) in the interviews with the Tender Offeror conducted by the Special Committee, the Special Committee has been able to obtain specific explanations on measures that can be expected to generate short-term synergies from the Transaction. In light of these facts, the Special Committee can envision a concrete path toward the creation of large synergies through the Transaction, and the Special Committee can expect to create large synergies with a high degree of certainty, similar to the views of the Tender Offeror and the Target Company's management. It is recognized that there are basically no dyssynergies or disadvantages associated with the Transaction (if any, they are limited). The Tender Offer Price is significantly higher than the upper limit of the Target Company's share value per share based on the DCF method of the Share Valuation Report (Yamada-CG). However, in light of the synergies explained by the Tender Offeror and the Tender Offer Price proposed by the Counter-Offerors other than the Tender Offeror, the Tender Offer Price can be evaluated as a reasonable price based on the positive assessment of the synergies generated by the Transaction and the allocation of the synergies to the Target Company's shareholders. The Special Committee has determined that there is no specific concern about the possibility of extremely high-risk business operations after the Transaction.

In light of the above, the Special Committee finds that the Transaction contributes to the enhancement of the Target Company's corporate value and its purpose is reasonable.

With regard to the Preceding Transaction and the transaction related to the Counter-Proposals from the Counter-Offerors other than the Tender Offeror, the Target Company's management believes that the enhancement of the Target Company's corporate value beyond the Transaction is not expected, and the Special Committee considers that the Target Company's management's view is not unreasonable.

(B) To examine the validity of the terms and conditions of the Transaction

a. Best of the proposals obtained as a result of active market checks

The Target Company has been conducting an active market check through the process described in "(ii) History of Examinations and Negotiations" in "(4) Process and Reasons for Decision-Making that led to the Target Company's endorsement to the Tender Offer" in "(2) Grounds and Reasons for Opinion Concerning the Tender Offer" above. The Special Committee considers that this process is a fair market check conducted with the substantial involvement of the Special Committee, and that the terms and conditions of the Transaction, which are the best of the proposals obtained through the fair market check that ensures a competitive environment, can be expected to be fairly distributed between the acquirer (i.e., The Tender Offeror) and the Target Company's stockholders (i.e., the Company's shareholders) with respect to the increase in corporate value due to the acquisition. The prices proposed by the Preceding Tender Offeror and the Counter-Proposals by

other than the Tender Offeror were inferior to the Tender Offer Price, and the terms and conditions of the Transaction were the best among those proposed.

b. Validity of the Tender Offer Price

i. Procedures and contents of formulation of Business Plans

The Target Company's management has obtained the Share Valuation Report (Plutus) from Plutus, and the Special Committee has acquired the Share Valuation Report (Yamada-CG) from Yamada-CG. These share valuation reports are based on the Business Plan prepared by the Target Company's management and approved by the Special Committee. In approving the Business Plan, based on the explanation of the Target Company's management to the Special Committee and the question and answer sessions with the Special Committee, the Special Committee has determined that there are no circumstances that should be questioned about the fairness of the process of formulating the Business Plan and that there are no unreasonable points in its content.

ii. Review of calculation results

Based on the explanations given by Plutus and Yamada-CG to the Special Committee on the contents of the Share Valuation Report (Plutus) and the Share Valuation Report (Yamada-CG) and the question and answer sessions with the Special Committee, the Special Committee has concluded that (i) the methods used by Plutus and Yamada-CG to calculate the share value are commonly used in the calculation of the share value in privatization transactions, and there are no unreasonable reasons for the adoption of these methods, and (ii) there are no unreasonable reasons for the rationality of the calculations made by Plutus and Yamada-CG. Therefore, the Special Committee considers that the Share Valuation Report (Plutus) and the Share Valuation Report (Yamada-CG) can be relied upon in assessing the share value of the Target Company's Shares.

The Tender Offer Price exceeds the range of the calculation results for both the Share Valuation Report (Plutus) and the Share Valuation Report (Yamada-CG).

iii. Premium analysis

The Tender Offer Price is, adding a premium of 181% to 2,041 yen which was the closing price of the Target Company Shares on the TSE on March 21, 2024, immediately before the announcement of the Preceding Transaction by the Preceding Tender Offeror, which triggered the Target Company's Shares price fluctuations, adding a premium of 199% of the simple average of those closing prices for the past 1 month of 1,919 yen, adding a premium of 232% to the simple average of those closing prices for the past 3 months of 1,729 yen, adding a premium of 267% to the simple average of those closing prices for the past 6 months of 1,565 yen. In addition, the said price has a premium of 17% to the closing price of 4,900 yen for the Target Company's Shares on the TSE on May 30, 2024, the business day immediately before the announcement date of the implementation of the Tender Offer, a premium of 33% to the simple average of those closing prices of 4,327 yen for the past 1 month, a premium of 76% to the simple average of those closing prices of 3,261 yen for the past 3 months and a premium of 134% to the simple average of those closing prices of 2,452 yen for the past 6 months.

This means that the Tender Offer Price should be recognized as having been given a superior premium level compared to similar transactions in the past, considering premium levels in 60 cases (median: 34% and average: 46% compared to the previous day's closing price, median: 38% and average: 48% compared to the average of those closing prices of the past 1 month of the previous day, median: 41% and average: 52% compared to the average of those closing prices of the past 3 months of the previous day, and median 45% and average 54% compared to the average of those closing prices of the past 6 months of the previous day), as a result of similar case studies which were published on or after June 28, 2019, which is the publication date of the "Fair M&A Guidelines" formulated by the Ministry of Economy, Trade and Industry, and also which were successfully completed via tender offers by May 21, 2024 (provided, however, that among the successful tender offers, picking up only examples of a tender offer with the premise of going private by a third party, and premise where the tender offeror owned less than 20.00% on a voting rights basis before the tender offer, but excluding Tokyo Pro Market cases

and also excluding cases of tender offers for treasury stock, so-called discount tender offers and management buy-out (MBO) transactions).

In this regard, it should be noted that the Tender Offer Price marks the premium of 17% to the closing price on the business day prior to the preparation date of the Report. However, it is reasonable to consider that the fluctuation of the Target Company's Shares market price since the announcement of the commencement of the Preceding Tender Offer by the Preceding Tender Offeror has risen in an abnormal manner, mainly as a result of trading based on the intentions of market participants, even in light of the trends in the Tokyo Stock Price Index (TOPIX), and such fluctuation does not affect the judgment of the Special Committee that the Tender Offer Price is given a superior premium compared to similar transactions in the past. In addition, the fact that the premium level based on the recent market price of the Target Company's Shares is lower than that of similar precedents does not affect the opinion of the Special Committee. In light of these developments in the Target Company's Shares market price, the Special Committee emphasizes comparing the premiums with the market prices of the Target Company's Shares prior to the launch of the Preceding Tender Offer.

iv. Summary

The Tender Offer Price exceeds the range of the results of calculating the share value of the Target Company's Shares in either of the Share Valuation Report (Plutus) and the Share Valuation Report (Yamada-CG). Given that the Tender Offer Price is given an advantageous premium over similar transactions in the past, the Tender Offer Price is considered to be a reasonable price for which the benefits to be enjoyed by the Target Company's shareholders, including minority shareholders, were secured as the tender offer price for the Tender Offer.

Because the Tender Offer Price is considered to be reasonable as the tender offer price for the Tender Offer, the Tender Offer Price is also reasonable as the consideration to be delivered to the Target Company's shareholders in the Squeeze-out Procedure, which is the same amount as the Tender Offer Price.

c. Validity of the scheme

The first step adopted in the Transaction is to make a tender offer by setting the minimum number of shares that the Tender Offeror will acquire more than two-thirds of the total number of voting rights of the Target Company at the time of the Tender Offer, and to implement squeeze-out through the demand for sale of shares or the consolidation of shares at the time of the second step. This is a method generally adopted as a method of privatization, and shareholders of the Target Company who are dissatisfied with the Tender Offer Price are entitled to petition the court for a determination of the price after the demand for purchase of shares. As described in (c) vii) below, the method of the Transaction is not unreasonable and is found to be appropriate in light of the fact that the Tender Offer excludes coerciveness.

d. Summary

As described above, the terms and conditions of the Transaction are deemed to be fair and reasonable for the following reasons: (i) the Tender Offer Price and other terms and conditions of the Transaction are the best of the proposals obtained through fair market checking; (ii) the Tender Offer Price for the Tender Offer and the consideration to be delivered to the Target Company's shareholders in the Squeeze-out Procedure are deemed to be reasonable from the viewpoint of comparison with the value of the Target Company's shares calculated by a third-party calculation organization and comparison with premiums in similar transactions in the past; and (iii) the scheme of the Transaction is also deemed to be reasonable.

(C) Examination of the fairness of the review procedures for the Transactions

As the following measures to ensure fairness were taken when considering the Transaction, it is recognized that, when considering the Transaction, including the market check process described above, fair procedures were implemented from the perspective of promoting the interests of the Target Company's shareholders, including minority shareholders, and that sufficient consideration was given to the interests of the Target Company's shareholders through fair procedures.

i) Establishment of an independent special committee (the Special Committee)

As described in "(i) Proposal from Preceding Tender Offeror, Confirmation of Sincerity of Proposal, and History of Establishment of Examination System" in "④ Process and Reasons for Decision-Making that led to the Target Company's endorsement to the Tender Offer" in "(2) Grounds and Reasons for Opinions Concerning Tender Offer," above, the Special Committee consists of six members, mainly independent outside directors of the Target Company. Through the questionnaire, the Special Committee members confirmed that they were independent from the Preceding Tender Offeror and the Preceding Transaction, from the Tender Offeror and the Transaction, as well as from the Counter-Offerors other than the Tender Offeror and the Counter-Proposals by them. Based on advices, as needed, by Nagashima Ohno & Tsunematsu, the Special Committee legal advisor, a system was established in which the Special Committee members could conduct deliberations and negotiations from a fair and independent standpoint.

Each of the Special Committee's members, with the exception of Yoshiyuki Wada, are independent outside directors of the Target Company and the members

exchanged diverse and multifaceted opinions on behalf of us and the Target Company's shareholders, including minority shareholders, in accordance with the duty of care of entrusted by the Target Company with duty of case of a good manager, and Yoshiyuki Wada, as special committee member entrusted by the Target Company with duty of case of a good manager, exchanged diverse and multifaceted opinions in favor of the Target Company and the Target Company's shareholders, including minority shareholders, and held substantial discussions to form opinions as the Special Committee.

Thus, the Special Committee is an independent special committee for the Target Company and is considered to have functioned effectively in the review procedure of the Transaction.

ii) Acquisition of independent expert advice from outside experts by the Target Company's management and the Special Committee

The Target Company's management appointed QuestHub, TMI Associates and Plutus, independent from the Preceding Tender Offeror and the Target Company, as a financial advisor, a legal advisor and third-party calculation organizations, respectively. The Target Company's management has confirmed that QuestHub, TMI Associates and Plutus do not fall under the category of related parties of the Preceding Tender Offeror nor of the Counter Offerors including the Tender Offeror, nor of the Target Company, and do not have any material interest in the Preceding Transaction nor of the transactions related to the Counter Proposals, including the Transaction. The Target Company's management has reviewed the Proposal while obtaining expert advice from QuestHub, TMI Associates and Plutus from time to time.

In addition, as described in (ii) above, the Special Committee appointed Yamada-CG and Nagashima Ohno & Tsunematsu as an independent financial advisor, a third-party calculation organization and a legal advisor, respectively, independent from the Preceding Tender Offeror and the Target Company's management and the Counter-Offerors including the Tender Offeror. The Special Committee, from time to time, from the viewpoint of enhancing the Target Company's corporate value and the common interests of the Target Company's shareholders including minority shareholders, reviewed the Preceding Proposal and the Counter-Proposals including the Proposal, while obtaining expert advice from Yamada-CG and Nagashima Ohno & Tsunematsu on (i) the methods and processes of the Special Committee's decision-making regarding the consideration of the Preceding Proposal and the Counter-Proposals, (ii) the procedures related to the Preceding Proposal and the Counter-Proposals including the Proposal, and (iii) the points to be addressed in the decision-making regarding the Preceding Proposal, the Counter-Proposals including the Proposal received from the Tender Offeror regarding the Transaction.

iii) Active market checks

We have conducted an active market check through the process described in "(ii) History of Examinations and Negotiations" in "④ Process and Reasons for Decision-Making that led to the Target Company's endorsement to the Tender Offer" in "(2) Grounds and Reasons for Opinion Concerning Tender Offer" above, and the Tender Offeror's proposal for the Transaction was obtained through such market check. (A) The process was designed to provide

opportunities for proposals to a sufficiently large number of parties who were likely to be interested in the acquisition of the Target Company, including those who had made proposals to us; (B) The process was designed to provide opportunities for proposals and due diligence to the maximum number of proposals and opportunities for proposals within the limited time and resources due to the announcement of the commencement of the Preceding Tender Offer in early May 2024 and the actual commencement of the Preceding Tender Offer on May 2 of the same month; (C) The process was designed to provide opportunities for proposals and due diligence to the maximum number of proposals and opportunities for due diligence to the maximum number of proposals; (D) The process was designed to provide opportunities for due diligence to the Preceding Tender Offeror in light of such circumstances as the fair treatment of the proposers; and (E) the Target Company could receive legally binding proposals from four Counter-Offerors other than the Preceding Tender Offeror. Given such circumstances, etc., the process can be evaluated as implemented fairly and effectively with ensuring a competitive environment.

iv) Enhancement of information provision to the Target Company's shareholders and transparency of the process

The Target Company received the Preceding Proposal from the Preceding Tender Offeror on March 21, 2024, and since the Preceding Tender Offeror gave notice of the commencement of the Preceding Tender Offer, the Target Company has been holding press releases each time for inquiries and responses to the Preceding Proposal.

We also issued press releases on the progress of the market checking process as needed, to the extent that it does not interfere with the smooth progress of the process and the consideration of the Preceding Proposal and Counter Proposals. Through the disclosure of these press releases by the Target Company, information was provided to the Target Company's shareholders, including minority shareholders, regarding the progress of examination of the Preceding Proposal and the Counter Proposals. It can be deemed that the transparency of the above process has been ensured, to the extent that there was no impediment to the consideration of the Preceding Proposal and the Counter Proposals, and that the Target Company should avoid the disclosure of uncertain information which might cause unnecessary confusion to the Target Company's shareholders.

In addition, at the commencement of the Tender Offer, the Target Company will make a press release expressing the Target Company's opinions on the Tender Offer and the Preceding Tender Offer. Upon confirmation by the Special Committee of the drafts of those press releases as of the date hereof, it is anticipated that adequate disclosures will be made, including (i) information about the Special Committee, (ii) information about the share value calculation reports and (iii) other information, to ensure that the Target Company's shareholders, including the minority shareholder, will have the opportunity to make an appropriate judgment on the Transaction on the basis of adequate information.

v) Acquisition of calculation reports from independent expert third-party calculation organizations

As described in "i. Procedures and contents of formulation of Business Plans" of "b. Validity of the Tender Offer Price" in "(b) To examine the validity of the terms and conditions of the Transaction" above, the Target Company's management has obtained the Share Valuation Report (Plutus) from Plutus which was appointed as a third-party calculation organization with expertise independent from the Target Company, the Preceding Tender Offeror and the Counter-Offerors including the Tender Offeror. In addition, the Special Committee obtained the Share Valuation Report (Yamada-CG) from Yamada CG, which was appointed as a third-party calculation organization with expertise independent from the Target Company, the Preceding Tender Offeror and the Counter-Offerors including the Tender Offeror. For more information on these calculations, please refer to "ii. Review of calculation results" of "b. Validity of Tender Offer Price" of "(b) To examine the validity of the terms and conditions of the Transaction" above.

vi) Tender Offer Period

In the Tender Offer, the Tender Offer Period is set at 30 business days, which ensures that the Target Company's shareholders, including minority shareholders, have the opportunity to make appropriate decisions regarding the application for the Tender Offer (and to make purchases of the Target Company's shares by persons other than the

Tender Offeror).

vii) Elimination of coercive forces

In the Transaction, in the Tender Offer conducted as a first step, the minimum number of planned purchases is set such that the Tender Offeror owns at least two-thirds of the total number of voting rights of the Tender Offeror after the Tender Offer is successfully completed. This is a scheme that ensures squeeze-out after the Tender Offer is successfully completed. In addition, the amount of money to be delivered to the Target Company's shareholders in the squeeze-out process after the completion of the Tender Offer will be calculated to be the same as the price obtained by multiplying the Tender Offer Price by the number of the Target Company Shares owned by each shareholder (excluding the Target Company and the Tender Offeror), and this will be announced at the commencement of the Tender Offer. Therefore, it is recognized that consideration has been given to ensure that the Target Company's shareholders, including minority shareholders, have the opportunity to make appropriate decisions on whether or not to apply for the Tender Offer, and by such measures the scheme of the Tender Offer could be evaluated to have considered to have no coercive force.

(D) Summary

As described in (a) above, the Tender Offer is considered to contribute to the enhancement of the Target Company's corporate value, and as described in (b) above, the terms and conditions of the Tender Offer are considered to be reasonable. In addition, as described in (c) above, fair procedures have been implemented in the Tender Offer from the perspective of benefiting the Target Company's shareholders, including minority shareholders.

Therefore, the Special Committee believes that the Target Company should resolve to express the Target Company's endorsement to the Tender Offer and recommend the Target Company's shareholders to tender their Target Company's Shares to the Tender Offer, and that the Tender Offer will not be detrimental to the Target Company's minority shareholders.

(b) Consideration of the Preceding Tender Offer

Like the Tender Offer, the Preceding Tender Offer is in the position of an alternative to the Tender Offer for the purpose of making the Target Company a wholly owned subsidiary of the Preceding Tender Offeror. After comparing and examining the content of the Preceding Proposal and the Counter-Proposals, the Target Company believes that it is appropriate to express an opinion endorsing the Tender Offer as described in (a) above. Therefore, we believe it is appropriate to express an opinion opposing the Preceding Tender Offer, which is in an alternative relation to the Tender Offer, and to recommend the Target Company's shareholders not to apply for the Preceding Tender Offer. Regarding whether the Preceding Tender Offer is disadvantageous to the Target Company's minority shareholders, as well, since the Tender Offer, which is more favorable to minority shareholders than the Preceding Tender Offer, is implemented, we must conclude that the Preceding Tender Offer is disadvantageous to minority shareholders.

(c) Summary

As described in (a) above, the Tender Offer is considered to contribute to the enhancement of the Target Company's corporate value, the terms and conditions of the Transaction are reasonable, and fair procedures have been implemented from the perspective of benefiting the Target Company's shareholders including minority shareholders. Therefore, the Special Committee believes that the Target Company should resolve to express the Target Company's opinion to endorse the Tender Offer and recommend the Target Company's shareholders to tender in the Tender Offer, and that this proposed Transaction will not be detrimental to the Target Company's minority shareholders.

On the other hand, the Special Committee considers that it is appropriate for the Target Company to express its opposition to the Preceding Tender Offer, which is in an alternative relation to the Tender Offer, and to express its opinion to recommend the Target Company's shareholders not to tender in the Preceding Tender Offer, which is appropriate for the Target Company to express its endorsement, and also the Special Committee considers that it is appropriate that the Preceding Tender Offer

must be judged to be disadvantageous to minority shareholders.

In light of the examination described in (a) above and the fact that the tender offer prices proposed in the Counter Offers is less than the Tender Offer Price, the Counter-Offers made by the Counter-Offerors other than the Tender Offeror shall not be deemed to be superior to the Transaction from the viewpoint of improving the Target Company's corporate value and the common interests of shareholders.

③ Advice to the Target Company from independent law firm

As provided in "(i) Proposal from the Preceding Tender Offeror, confirmation of sincerity of proposal, and establishment of review framework" of "(2) Process and reasons for the decision-making leading to the approval of the Tender Offer by the Target Company" of "(2) The Background, Purpose and Process of Decision Leading up to Deciding the Implementation of the Tender Offer and the Management Policy after the Tender Offer" above, the Target Company appointed TMI Associates as a legal advisor independent from the Preceding Tender Offeror, Counter Offerors including Tender Offeror, Target Company, Preceding Transaction and success or failure of Counter Transaction including Transaction and is receiving legal advice from TMI Associates including advice on the measures to be taken to ensure fairness in the procedures on the Preceding Transaction and Counter Offerors including Tender Offeror, the procedures on the Preceding Transaction and Counter Offerors including Tender Offeror, and the Target Company's decision-making methods concerning the Preceding Transaction and Counter Offerors including Tender Offeror and their process, etc.

On an additional note, TMI Associates does not fall under relevant party of Preceding Tender Offeror, Counter Offerors including Tender Offeror or Target Company and does not have any material interest in the Preceding Transaction or Counter Transaction including Transaction. Furthermore, the compensation to be paid to TMI Associates does not include any contingent fee whose payment is conditional upon conditions such as success or failure of Preceding Transaction and Counter Transaction including Transaction.

④ Procurement of share valuation report from independent third party valuation by Target Company

(i) Name of valuation firm and its relationship with Target Company, Preceding Tender Offeror and Tender Offeror

When announcing opinion on the Preceding Tender Offer and making decisions on the Counter Transaction, the Target Company requested Plutus, as a third-party valuation firm independent from the Preceding Tender Offeror, Counter Offerors including Tender Offeror and Target Company, for the valuation of Target Company's Shares and obtained the Share Valuation Report (Plutus) as of May 31, 2024, in order to ensure the fairness of decision-making on the tender offer price of Preceding Tender Offer and the transaction terms of Counter Transaction.

Furthermore, at 3rd Special Committee, the Special Committee confirmed that the Special Committee can also receive professional advice from Plutus as necessary upon approving Plutus as a third-party valuation firm of Target Company due to the fact that there is no issue as to the independence and expertise of Plutus. On an additional note, the Target Company views that sufficient care has been taken on the interest of minority shareholders of Target Company when taking into consideration the other measures taken to ensure fairness and measures taken to avoid conflict of interest when conducting the Preceding Transaction and Counter Transaction including Transaction and therefore has not obtained from Plutus a fairness opinion on the fairness of Tender Offer Price. On an additional note, Plutus does not fall under relevant party of Preceding Tender Offeror or Counter Offerors including Tender Offeror and does not have any material interest in Preceding Transaction or Counter Transaction including Transaction. Furthermore, the compensation to be paid to Plutus relating to the Preceding Transaction and Counter Transaction including Transaction does not include any contingent fee whose payment is conditional upon conditions such as entering into the Transaction.

(ii) Overview of valuation of Target Company's Shares

Upon considering the valuation method to be used for valuating the Target Company's Shares from multiple share valuation methods, Plutus has valued the Target Company's Shares by using the market share price method because the

Target Company's Shares are listed on the TSE Prime Market and there is stock price in the market, comparable listed companies method because inference regarding valuation of Target Company's Shares through other similar companies is feasible, and the DCF Method, in order to incorporate the status of future business activities into the valuation.

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

Market Share Price Method:	1,565 yen ~ 2,041 yen
Comparable Listed Companies Method:	1,142 yen ~ 1,922 yen
DCF Method:	2,942yen ~ 3,232 yen

Under the market share price method, in order to eliminate any impact of announcement of Preceding Proposal on the share price, the valuation range of Target Company's Shares per share is valued as between 1,565yen and 2,041 yen by having the valuation base date as March 21, 2024 which is viewed as the date not affected by such announcement and based on the closing price of Target Company's Shares on the base date of TSE Prime Market which is 2,041 yen, the simple average of closing price during the period of 1 month immediately prior to such date which is 1,919 yen, the simple average of closing price during the period of 3 months immediately prior to such date which is 1,729 yen and the simple average of closing price during the period of 6 months immediately prior to such date which is 1,565 yen.

Under the comparable listed companies method, the valuation range of Target Company's Shares per share is valued as between 1,142 yen and 1,922 yen by comparing with market prices of listed companies running relatively similar business and financial index showing profitability of such companies.

Under the DCF method, the value per share of the Target Company's Shares was calculated to be in the range of 2,492 yen to 3,232 yen following the calculation of corporate value and share value of the Target Company after the free cash flow that the Target Company was expected to generate in and after the fiscal year ending March 2025 was discounted to the present value at a certain discount rate, based on various factors such as earnings and investment plans set out in the five fiscal years business plan from the fiscal year ending March 2025 to the fiscal year ending March 2029 (the "Business Plan") prepared by the Target Company and information disclosed to the general public, as well as assuming an increase in sales from large-scale new capital investments, and extending the forecast period to the fiscal year ending March 2031, which will reflect depreciation costs from the capital investments in the fiscal year ending March 2029.

The Business Plan, which Plutus used in the DCF method, does not include the fiscal year in which we expect a significant increase or decrease in earnings in comparison to the previous fiscal year; provided, however, that it includes those fiscal years in which significant increases or decreases in free cash flow are expected. Specifically, due to an increase in working capital in the fiscal year ending March 2026, free cash flow is expected to decrease to 1,534 million yen in the fiscal year ending March 2026. Additionally, in the fiscal year ending March 2028, free cash flow is expected to decrease to (8,707) million yen due to increased investment due to the acquisition of new facilities, but in the fiscal year ending March 2029, free cash flow is expected to increase to 3,068million yen, because the Target Company plans to reduce investment in new facilities compared to the fiscal year ending March 2028. Also the synergies expected to be realized from the execution of the Transaction is not considered, because it is difficult to estimate specifically at the present time and therefore it has not been added to this Business Plan, which Plutus used in DCF method.

On an additional note, Plutus has used the information provided by the Target Company and publicly available information in calculating the Target Company's Shares value, has assumed that that information is all accurate and complete, and has not independently verified the accuracy or completeness thereof. In addition, Plutus did not evaluate nor verify independently information regarding the assets and liabilities of the Target Company's and its affiliates' (including off-balanced liabilities and contingent liabilities) nor asked any third-party organization to appraise or evaluate such assets or liabilities. Also, Plutus assumed that information regarding the Target Company's financial projections have been reasonably prepared based on the Target Company's best projections and judgments currently available.

As provided in “② Establishment of Special Committee independent from Target Company and procurement of recommendation from Special Committee” above, the Special Committee appointed Nagashima Ohno & Tsunematsu as a legal advisor independent from Preceding Tender Offeror, Counter Offerors including Tender Offeror, Target Company, Preceding Transaction and success or failure of Counter Transaction including Transaction and is receiving legal advice from Nagashima Ohno & Tsunematsu including advice on the measures to be taken to ensure the fairness in the procedures on the Preceding Transaction and Counter Offerors including Tender Offeror, the procedures on the Preceding Transaction and Counter Offerors including Tender Offeror, and the Target Company’s decision-making methods concerning the Preceding Transaction and Counter Offerors including the Tender Offeror and their process, etc.

On an additional note, Nagashima Ohno & Tsunematsu does not fall under relevant party of Preceding Tender Offeror, Counter Offerors including Tender Offeror or Target Company and does not have any material interest in the Preceding Transaction or Counter Transaction including the Transaction. The compensation of Nagashima Ohno & Tsunematsu is the amount calculated by multiplying the number of billable hours by hourly fee regardless of success or failure of Preceding Transaction and Counter Transaction including the Transaction, and does not include any contingent fee whose payment is conditional upon entering into the Transaction.

⑥ Procurement of share valuation report from independent third party valuation firm by Special Committee

(i) Name of valuation firm and its relationship with Target Company, Preceding Tender Offeror and Tender Offeror

When considering the Consultation Matters, the Special Committee requested Yamada-CG, as a third-party valuation firm independent from Preceding Tender Offeror, Counter Offerors including Tender Offeror and Target Company, for the valuation of Target Company’s Shares and obtained the share valuation report on the results of valuation of Target Company’s Shares (“Share Valuation Report (Yamada-CG)”) as of May 31, 2024, in order to ensure the fairness of decision-making on the transaction terms of Preceding Tender Offer and Counter Transaction. The Special Committee has not received from Yamada-CG a fairness opinion stating that the transaction terms relating to the Transaction including the Tender Offer Price are fair. On an additional note, Plutus does not fall under relevant party of Preceding Tender Offeror or Counter Offerors including Tender Offeror and does not have any material interest in the Preceding Transaction or Counter Transaction including the Transaction. Furthermore, at its first meeting, the Special Committee appointed Yamada-CG as its financial advisor and third-party valuation firm upon confirming that there is no issue as to the independence and expertise of Yamada-CG.

Furthermore, the compensation to be paid to Yamada-CG relating to the Preceding Transaction and Counter Transaction including Transaction does not include any contingent fee whose payment is conditional upon conditions such as entering into Transaction.

(ii) Overview of valuation of Target Company’s Shares

Upon considering the valuation method to be used for valuating the Target Company’s Shares from multiple share valuation methods, Yamada-CG has analyzed the equity value of Target Company’s Shares per share by using (i) the market share price method due the fact that the Target Company’s Shares are listed on the TSE Prime Market and there is market share price, (ii) the comparable listed companies method because inference regarding valuation of Target Company’s Shares through other similar companies is feasible and (iii) the DCF Method in order to incorporate the contents and forecasts, etc. of Target Company’s performance into the valuation, under the premise that the Target Company is going concern and based on the view that it is appropriate to value the Target Company’s Shares from multiple perspectives, and the Special Committee has obtained the Share Valuation Report (Yamada-CG) as of May 31, 2024.

The valuation ranges of Target Company’s Shares per share valuated by Plutus by using the methods mentioned above are as follows:

Market Share Price Method: 1,565 yen ~ 2,041 yen

Comparable Listed Companies Method: 2,016 yen ~ 2,497 yen

DCF Method: 2,111 yen ~ 3,178 yen

Under the market share price method, in order to eliminate any impact of announcement of Preceding Transaction on the share price, the valuation range of Target Company's Shares per share is valued between 1,565 yen and 2,041 yen by having the valuation base date as March 21, 2024 which is viewed as the date not affected by such announcement and based on the closing price of Target Company's Shares on the base date of the TSE Prime Market which is 2,041 yen, the simple average of closing price during the period of 1 month immediately prior to such date which is 1,919 yen, the simple average of closing price during the period of 3 months immediately prior to such date which is 1,729 yen and the simple average of closing price during the period of 6 months immediately prior to such date which is 1,565 yen.

Under the comparable listed companies method, the valuation range of Target Company's Shares per share is valued between 2,016 yen and 2,497 yen by comparing with market prices of listed companies running relatively similar business and financial index showing profitability of such companies.

Under the DCF Method, the valuation range of Target Company's Shares per share is valued between 2,111 yen and 3,178 yen by analyzing the current corporate value and current equity value of Target Company by discounting at a certain discount rate the free cash flow which the Target Company is expected to generate in and after the fiscal year ending March 31, 2025 based on various factors such as revenue and investment plan provided in the Business Plans and information made available to the public.

On an additional note, the Business Plan, which Yamada-CG used in the DCF method, does not include the fiscal year in which we expect a significant increase or decrease in earnings in comparison to the previous fiscal year; provided, however, that it includes those fiscal years in which significant increases or decreases in free cash flow are expected. Specifically, in the fiscal year ending March 2028, free cash flow is expected to decrease due to increased investment due to the acquisition of new facilities, but in the fiscal year ending March 2029, because the Target Company plans to reduce investment in new facilities compared to the fiscal year ending March 2028, the Target Company expects free cash flow to increase in the fiscal year ending March 2029. Also the synergies expected to be realized from the execution of the Transaction is not considered, because it is difficult to estimate specifically at the present time and therefore it has not been added to this Business Plan, which Yamada-CG used in DCF method.

Yamada-CG has used the information provided by the Target Company and publicly available information in calculating the Target Company's Shares value, has assumed that that information is all accurate and complete, and has not independently verified the accuracy or completeness thereof. In addition, Yamada-CG did not evaluate nor verify independently information regarding the assets and liabilities of the Target Company's and its affiliates' (including off-balanced liabilities and contingent liabilities) nor asked any third-party organization to appraise or evaluate such assets or liabilities. Also, Yamada-CG assumed that information regarding the Target Company's financial projections have been reasonably prepared based on the Target Company's best projections and judgments currently available.

⑦ Approvals from all directors (including directors who are Audit and Supervisory Committee Member) having no interest in Target Company

As provided in “② Process and reasons for the decision-making leading to the approval of the Tender Offer by the Target Company” of “(2) The Background, Purpose and Process of Decision Leading up to Deciding the Implementation of the Tender Offer and the Management Policy after the Tender Offer” above, the Target Company's Board of Directors carefully considered in good faith whether or not the Transaction including the Tender Offer contributes to the enhancement of corporate value of Target Company and whether or not the transaction terms of Transaction including the Tender Offer Price are reasonable, by taking into consideration the contents of advice from QuestHub and Share Valuation Report (Plutus) and the legal advice received from TMI Associates and by respecting the contents of decision of Special Committee as provided in the Recommendation.

As a result, “② Process and reasons for the decision-making leading to the approval of the Tender Offer by the Target

Company” of “(2) The Background, Purpose and Process of Decision Leading up to Deciding the Implementation of the Tender Offer and the Management Policy after the Tender Offer” above, the Target Company came to a decision that it is best for the Tender Offeror to privatize the Target Company’s Shares upon determining that the Transaction contributes to the enhancement of corporate value of Target Company and the Target Company’s Shares of 5,740 yen per share, which is the Tender Offer Price, provide all non-controlling shareholders of Target Company with reasonable opportunity to sell the Target Company’s Shares at a price with an appropriate premium, and the total of 10 directors of Target Company (of whom 3 persons are Independent Outside Directors who are Audit and Supervisory Committee Members and 1 person is Outside Director who is Audit and Supervisory Committee Member) unanimously passed a resolution at the meeting of the Target Company’s Board held as of today to announce their view that they agree to the Tender Offer and to recommend to all shareholders of Target Company to accept the Tender Offer.

⑧ Measures to secure opportunity for other tender offerors to make tender offer

As provided in “(2) Process and reasons for the decision-making leading to the approval of the Tender Offer by the Target Company” of “(2) The Background, Purpose and Process of Decision Leading up to Deciding the Implementation of the Tender Offer and the Management Policy after the Tender Offer” above, due to its receipt of Preceding Proposal from the Preceding Tender Offeror, the Target Company has secured the persons other than the Tender Offeror with an opportunity to make tender offer for the Target Company’s Shares by requesting the companies and investment funds which indicated their intent directly to the Target Company and the companies and investment funds (9 in total) which sounded out their proposals to the Tender Company via QuestHub in early April 2024 for submission of letter of intent as a market check by taking into consideration the Guidelines for Corporate Takeovers, in order to search for best choice from the perspective of enhancement of corporate value of Target Company and common interest of shareholders, by taking into account the fact that the Target Company received messages from multiple companies that they were interested in acquiring the Target Company. On an additional note, the Tender Offer Price is the highest price when compared with the tender offer price of Preceding Tender Offer and with the valuated equity value and tender offer price offered by the Counter Offerors.

Furthermore, in order not to hinder the opportunity for counter acquisition offers, etc., the Tender Offeror and Target Company have not entered into any agreement, which restricts any counter offerors from contacting the Target Company such as entering into agreement which prohibits any contact with counter acquisition offerors, and are paying attention to ensure fairness in the Tender Offer.

⑨ Measures to secure opportunity for shareholders of Target Company to make appropriate decisions on whether or not to accept the Tender Offer

While the shortest period for tender offer, etc. for tender offer as prescribed in the laws and regulations is 20 business days, the Tender Offeror has set the Tender Offer Period at 30 business days. By setting the Tender Offer Period longer than the statutory period, the Tender Offeror is planning to ensure fairness of Tender Offer in order to secure opportunity for all shareholders of Target Company to make appropriate decision on the acceptance of Tender Offer and to ensure opportunity for persons other than the Tender Offeror to make counter tender offer, etc. of Target Company’s Shares.

Furthermore, as provided in “⑧ Measures to secure opportunity for other tender offerors to make tender offer” above, the Tender Offeror has not entered into any agreement with the Target Company which restricts the counter acquisition offerors from contacting the Target Company such as agreement including deal protection provision which prohibits the Target Company from contacting the counter acquisition offerors. By securing opportunity for counter tender offer, etc. together with setting up a Tender Offer Period as described above, the Tender Offeror is paying attention to ensure fairness in the Tender Offer.

(4) Policy on Reorganization, etc. after Tender Offer (Matters Concerning So-called Two-Tier Takeover Strategy)

As provided in “(1) Overview of Tender Offer” above, in order to implement the Tender Offer as a part of transaction whose purpose is to make the Target Company a wholly-owned subsidiary of Tender Offeror, the Tender Offeror is planning

to take the Squeeze-Out Procedures after the conclusion of Tender Offer in case the Tender Offeror could not acquire all Target Company's Shares through the Tender Offer.

① Demand to cash out

Through the conclusion of Tender Offer, the total number of voting rights in the Target Company to be held by the Tender Offeror will be no less than 90% of total number of voting rights in the Target Company and if the Tender Offeror becomes a special controlling shareholder as prescribed in Article 179, paragraph (1) of the Companies Act, the Tender Offeror plans to demand all shareholders of Target Company (excluding Tender Offeror and Target Company) (the "Shareholders Subject to Cash Out") to cash out all of the Target Company's Shares held by them (the "Cash Out Demand") promptly after the completion of closing of Tender Offer pursuant to PART II, Chapter II, Section 4-2 of the Companies Act. The Cash Out Demand is scheduled to state that as consideration for Target Company's Shares per share, the amount equivalent to the Tender Offer Price will be paid to the Shareholders Subject to Cash Out. In such case, the Tender Offeror plans to notify the Target Company of this fact and to request the Target Company for approval on the Cash Out Demand. If the Target Company approves the Cash Out Demand through the resolution of its Board of Directors, the Tender Offeror will obtain all of Target Company's Shares held by the Shareholders Subject to Cash Out as of the procurement date provided in the Cash Out Demand without obtaining the approval of each Shareholder Subject to Cash Out, in accordance with the procedures in the relevant laws and regulations. In such case, the Tender Offeror plans to pay each Shareholder Subject to Cash Out the amount equivalent to the Tender Offer Price as consideration for Target Company's Shares per share held by respective Shareholders Subject to Cash Out. On an additional note, according to The Target Company's Position Statement Press Release (Tender Offeror), if the Target Company receives a notice from the Tender Offeror of Tender Offeror's plan to demand cash out of shares, etc. and matters under the items in Article 179-2, paragraph (1) of the Companies Act, the Target Company plans to approve such demand for cash out of shares, etc. at its meeting of the Target Company's Board of Directors.

As the provision in the Companies Act whose purpose is to protect the rights of minority shareholders in connection with the Cash Out Demand, Article 179-8 of the Companies Act and other provisions in the relevant laws and regulations prescribe that the Shareholders Subject to Cash Out are entitled to petition to the court for determination of sales price of Target Company's Shares held by them. If such petition has been made, the court will ultimately determine the sales price.

② Share Consolidation

If the total number of voting rights in the Target Company held by the Tender Offeror after the conclusion of Tender Offer is less than 90% of voting rights all shareholders of Target Company, the Tender Offeror plans to request the Target Company to hold an extraordinary general meeting of shareholders of Target Company including a proposal to consolidate the Target Company's Shares (the "Share Consolidation") and a proposal to partially amend the Articles of Incorporation which will delete the provision on share unit on the condition that the Share Consolidation becomes effective (the "Extraordinary General Meeting of Shareholders") promptly after the completion of closing of Tender Offer, pursuant to Article 180 of the Companies Act. Furthermore, the Tender Offeror is planning to agree to such proposals at the Extraordinary General Meeting of Shareholders. As of today, the Extraordinary General Meeting of Shareholders is scheduled to be held in September, 2024.

If the proposal for Share Consolidation is approved at the Extraordinary General Meeting of Shareholders, each of shareholders of Target Company will hold number of Target Company's Shares in proportion to the Share Consolidation ratio approved at the Extraordinary General Meeting of Shareholders as of the effective date of Share Consolidation. If the Share Consolidation produces any fractional share less than 1 share in the number of the shares, the shareholder of Target Company will receive the proceeds which are obtained through the sale, etc. of number of Target Company share(s) equivalent to the sum of such fractional shares (If the sum of such fractional shares includes a fractional share, such fractional share is to be rounded off; hereinafter the same.), in accordance with the procedures prescribed in Article 235 of the Companies Act and other relevant laws and regulations. With respect to the sales price of number of Target Company's Shares equivalent to the sum of such fractional shares, the Tender Offeror is planning to request the Target Company to

petition to the court for approval of voluntary sale, upon calculating so that the amount of proceeds to be provided to the shareholders of Target Company who did not accept the Tender Offer (excluding Tender Offeror and Target Company) as a result of such sale will be same as the amount equivalent to the Tender Offer Price multiplied by the number of Target Company's Shares held by each of such shareholders.

The Share Consolidation ratio is to be determined as of today, but the Tender Offeror is planning to request the Target Company to come to a decision so that the number of Target Company's Shares held by the shareholders of Target Company, who did not accept the Tender Offer (excluding Tender Offeror and Target Company), will become a fractional share less than 1 share so that only the Tender Offeror will hold all of the Target Company's Shares (excluding treasury shares held by the Target Company). According to the Target Company, in case of conclusion of Tender Offer, the Target Company plans to accept such request from the Tender Offeror.

In the event that Share Consolidation occurs and the Share Consolidation produces any fractional share less than 1 share in the number of the shares, as the provisions in the Companies Act whose purpose is to protect the rights of minority shareholders in connection with the Share Consolidation, Articles 182-4 and 182-5 of the Companies Act and other provisions in the relevant laws and regulations prescribe that the shareholders of Target Company (excluding Tender Offeror and Target Company) are entitled to request the Target Company to purchase all the fractional Target Company's Shares held by them which are less than 1 share at a fair price and to petition to the court for determination of sales price of Target Company's Shares.

As explained above, under the Share Consolidation, the number of Target Company's Shares to be held by the shareholders of Target Company, who did not accept the Tender Offer (excluding Tender Offeror and Target Company), is scheduled to be fractional share less than 1 share and therefore, the shareholders of Target Company, who will be opposed to the Share Consolidation (excluding Tender Offeror and Target Company), are expected to be able to make the petition mentioned above. The purchase price of Target Company's Shares in case the petition mentioned above is made will be ultimately determined by the court.

On an additional note, the Tender Offer does not in any way solicit the approvals of all shareholders of Target Company at the Extraordinary General Meeting of Shareholders.

Depending on the circumstances, etc. such as amendment or effectuation of relevant laws and regulations or interpretation of relevant laws and regulations by the authorities, there is a possibility of change in method and timing of implementation of procedures under ① and ② above. However, even in such case, if the Tender Offer is concluded, the method of providing proceeds to the shareholders of Target Company, who did not accept the Tender Offer (excluding Tender Offeror and Target Company), is ultimately scheduled to be used and in such case, the amount of proceeds to be provided to each of such shareholders is scheduled to be calculated so that such amount will be same as the amount equivalent to the Tender Offer Price multiplied by the number of Target Company's Shares held by each of such shareholders.

With regard to the specific procedures and the timing of their implementation, etc., the Tender Offeror is planning to request the Target Company to have discussion after the conclusion of Tender Offer and to request the Target Company to promptly announce them as soon as they have been decided.

With respect to the tax treatment of acceptance of Tender Offer or each of the procedures mentioned above, the shareholders of Target Company are requested to check with tax expert at their responsibility.

(5) Possibility of Delisting and Its Reason

The Target Company's Shares are listed on the TSE Prime Market as of today, but since the Tender Offeror does not set a maximum limit on the number of shares for which tender offer will be made in the Tender Offer, there is a possibility that the Target Company's Shares will be delisted by going through prescribed procedures in accordance with the criteria for delisting of TSE depending on the outcome of Tender Offer. Furthermore, even in the case where such criteria are not met as of the time of conclusion of Tender Offer, if the Tender Offeror implements the Squeeze-Out Procedures as provided in "(4) Policy on reorganization, etc. after Tender Offer (matters concerning so-called two-tier takeover strategy)" above, the

Target Company's Shares will meet the criteria for delisting of TSE and the Target Company's Shares will be delisted by going through the prescribed procedures. After the delisting, the Target Company's Shares cannot be traded in the TSE Prime Market.

The purpose and reason for delisting, the impact on non-controlling shareholders and the views thereon are as provided in “② Process and reasons for the decision-making leading to the approval of the Tender Offer by the Target Company” of “(2) The Background, Purpose and Process of Decision Leading up to Deciding the Implementation of the Tender Offer and the Management Policy after the Tender Offer” above.

(6) Matters Concerning Material Agreements Relating to Tender Offer

Not applicable.

2. Overview of Tender Offer, etc.

(1) Overview of Target Company

① N a m e	Chilled & Frozen Logistics Holdings Co., Ltd.	
② L o c a t i o n	Arc Building Shinjuku, 33-8, Wakamatsu-cho, Shinjuku-ku, Tokyo	
③ Name and Title of Representative	Hiromasa Aya, Representative Director, President and CEO	
④ B u s i n e s s C o n t e n t s	Business management of the subsidiaries and entire group engaging in cargo transportation, warehousing business, and related services, other incidental businesses	
⑤ C a p i t a l	4,000,000,000 yen (as of March 31, 2024)	
⑥ Date of Establishment	October 1, 2015	
⑦ Major Shareholders and Their Shareholding Ratios (as of September 30, 2023)	The Master Trust Bank of Japan, Ltd. (trust account)	9.04%
	Maruha Nichiro Corporation	6.98%
	Kyodo Milk Industry CO., LTD.	6.06%
	The Norinchukin Bank	5.05%
	The Kyoei Fire and Marine Insurance Company, Limited	5.00%
	Chilled and Frozen Logistics Holdings Employee Stock Ownership Plan	3.56%
	Chilled and Frozen Logistics Holdings Trading Partner Stock Ownership Plan	3.31%
	BBH FOR FIDELITY LOW-PRICED STOCK FUND (MUFG Bank, Ltd., standing proxy)	3.19%
	JA Mitsui Leasing Ltd.	3.03%

	Masaru Wasami	2.96%
⑧ Relationship with Tender Offeror and Target Company		
Capital Relationship	Not applicable.	
Personnel Relationship	Not applicable.	
Transaction Relationship	There is payment of approximately 500 million yen from SAGAWA EXPRESS CO., LTD. to Meito Transportation Co., Ltd. for outsourcing of work in the fiscal year ending March 31, 2024.	
Status of Applicability to Relevant Parties	Not applicable.	

(1) (Note) “Major Shareholders and Their Shareholding Ratios (as of September 30, 2023)” is cited from “Status of Major Shareholders” in the Report for Second Quarter of 9th Fiscal Year filed by the Target Company on November 10, 2023.

(2) Schedule, etc.

① Schedule, etc.

Resolution of the Target Company's Board of Directors	May 31, 2024 (Friday)
Date of Public Notice for Commencing Tender Offer	June 3, 2024 (Monday) Electronic public notice will be made and such fact will be published in Nihon Keizai Shimbun. Electronic Public Notice Web Address: (https://disclosure2.edinet-fsa.go.jp/)
Filing Date of Notification of Tender Offer	June 3, 2024 (Monday)

③ Filed initial period of tender offer, etc.
From June 3, 2024 (Monday) to July 12, 2024 (Friday) (30 business days)

④ Possibility of extension based on request by Target Company
Not applicable.

⑤ Contact information to check the extension
Not applicable.

(3) Price of Tender Offer, etc.
5,740 yen per common share

(4) Basis of Valuation, etc. of Price of Tender Offer, etc.

① Basis of valuation

When considering the Tender Offer Price, the Tender Offeror requested Daiwa Securities, its financial advisor, for

the valuation of Target Company's Shares as a third-party valuation firm independent from Tender Offeror, Target Company and Preceding Tender Offeror.

Upon considering the valuation method to be used for valuating the Target Company's Shares from multiple share valuation methods, Daiwa Securities has valuated the Target Company's Shares by using (i) the market share price method which takes into account the movement of stock price of Target Company's Shares in the market, (ii) the comparable listed companies method because there are listed companies comparable to the Target Company and inference regarding valuation of Target Company's Shares through other similar companies is feasible and (iii) the DCF Method in order to incorporate the status of future business activities into the valuation, under the premise that the Target Company is going concern and based on the view that it is appropriate to value the Target Company's Shares from multiple perspectives, and the Tender Offeror has obtained from Daiwa Securities the Share Valuation Report (Daiwa Securities) on 30 May, 2024. On an additional note, Daiwa Securities does not fall under relevant party of Target Company or Preceding Tender Offeror and does not have any material interest in the Tender Offer. Furthermore, the Tender Offeror views that sufficient care has been taken on the interest of minority shareholders of Target Company when taking into consideration the other measures taken to ensure fairness and measures taken to avoid conflict of interest when conducting the Transaction and has not obtained a fairness opinion on the fairness of Tender Offer Price.

The results of valuation of Target Company's Shares per share by Daiwa Securities by using the methods mentioned above are as provided below.

Market Share Price Method	2,452 yen ~ 4,900 yen
Comparable Listed Companies Method	1,464 yen ~ 2,613 yen
DCF Method	2,672 yen ~ 6,402 yen

Under the market share price method, the valuation range of Target Company's Shares per share is analyzed as between 2,452 yen and 4,900 yen by having the base date as May 30, 2024 which is the business day immediately preceding the date of announcement of implementation of Tender Offer and based on the closing price of Target Company's Shares on the base date of the TSE Prime Market which is 4,900 yen, the simple average of closing price during the period of 1 month immediately prior to such date (from May 1, 2024 to May 30, 2024) which is 4,327 yen, the simple average of closing price during the period of 3 months immediately prior to such date (from March 1, 2024 to May 30, 2024) which is 3,261 yen and the simple average of closing price during the period of 6 months immediately prior to such date (from December 1, 2023 to May 30, 2024) which is 2,452 yen.

Under the comparable listed companies method, the valuation range of Target Company's Shares per share is analyzed as between 1,464 yen and 2,613 yen by comparing with market prices of listed companies running relatively similar business and financial index showing profitability, etc. of such companies.

Under the DCF Method, the valuation range of Target Company's Shares per share is analyzed as between 2,672 yen and 6,402 yen by valuating the corporate value and equity value of Target Company by discounting at a certain discount rate the free cash flow which the Target Company is expected to generate in and after the fiscal year ending March 31, 2025 based on proposed business plan of Target Company for 5 fiscal years from the fiscal year ending March 31, 2025 to the fiscal year ending March 31, 2029, which the Tender Offeror estimated by taking into consideration various factors such as trend of Target Company's business performance until most recently, information made available to the public, results of due diligence which the Tender Offeror conducted on the Target Company and synergy effect expected from implementation of Transaction, based on the knowledge which the Tender Offeror has on the Target Company's business. On an additional note, the proposed business plan of Target Company for 5 fiscal years from the fiscal year ending March 31, 2025 to the fiscal year ending March 31, 2029, in which Daiwa Securities used the DCF Method, is premised on the implementation of Transaction and the synergy effect is expected from the Transaction.

The Tender Offeror determined that it is reasonable to offer a price which is market price of Target Company plus appropriate premium and ultimately came to a decision to have the Tender Offer Price as 5,740 yen per share on May

31, 2024, by making overall consideration such as price of tender offer, etc. in the Preceding Tender Offer and movement of market price of Target Company's Shares, by also taking into account the contents/outcome of valuation provided in the Share Valuation Report (Daiwa Securities). By taking into overall consideration such as the fact that the Tender Offer Price is within the range of valuation results calculated by using the DCF Method and the synergy effect expected from the implementation of Transaction in the valuation results in the Share Valuation Report (Daiwa Securities), the Tender Offeror views that the Tender Offer Price is reasonable and the implementation of Transaction at the Tender Offer Price is in the best interest of all shareholders of Tender Offeror as well.

On an additional note, the Tender Offer Price of 5,740 yen per share is a price which (i) premium of 17% is added to 4,900 yen which is the closing price of Target Company's Shares in the TSE Prime Market on May 30, 2024 which is the most recent transaction date prior to the announcement on the implementation of Tender Offer, (ii) premium of 33% is added to 4,327 yen which is simple average of closing price during the period of 1 month immediately prior to such date (from May 1, 2024 to May 30, 2024), (iii) premium of 76% is added to 3,261 yen which is the simple average of closing price during the period of 3 months immediately prior to such date (from March 1, 2024 to May 30, 2024) and (iv) premium of 134% is added to 2,452 yen which is the simple average of closing price during the period of 6 months immediately prior to such date (from December 1, 2023 to May 30, 2024).

In addition, the Tender Offer Price is a price which premium of 91% is added to 3,000 yen per share which is the price of tender offer, etc. of Preceding Tender Offer

② Background information on valuation

As provided in "1 The Purpose of the Tender Offer, etc." above, the Tender Offeror was searching for a partner, with whom the Tender Offeror should work together, and found out on March 21, 2024 that the Preceding Tender Offeror was making the Preceding Proposal as a part of Preceding Transaction through the Notice of Plans of Preceding Tender Offer. On the other hand, the Tender Offeror found out through the "Notice of Establishment of Special Committee" announced by the Target Company as of April 1, 2024 that upon receiving the Preceding Proposal, the Target Company passed a resolution at its meeting of the Target Company's Board of Directors to establish the Special Committee for the purpose of ensuring fairness and transparency of review process and conducting review in good faith the Preceding Proposal and any Counter Proposal of any third party, by taking into account the "Guidelines for Corporate Takeovers" published by the Ministry of Economy, Trade and Industry on August 31, 2023.

Due to the Preceding Proposal, the Tender Offeror began to consider in detail making the Target Company its wholly-owned subsidiary. On April 4, 2024, the Tender Offeror got an opportunity to have an interview with the Target Company for the purpose of expanding the existing transaction (Payment of approximately 500 million yen from Sagawa Express to Meito Transport for outsourced services) and implementing the proposal to deepen the human resources exchange between the two groups, and although the Tender Offeror did not mention capital relationship with the Target Company, the Tender Offeror explained to the Target Company that the Tender Offeror believed that collaboration between Tender Offer Group and Target Company through such transaction relationship is beneficial to both companies, with an intention to get an opportunity from the Target Company to make counter proposal.

Thereafter, during the interview mentioned above held on April 4, 2024, the Tender Offeror received an explanation from the Target Company that upon receiving the proposal for collaboration from the Tender Offeror, the Target Company (i) began the development of structure, specifically the establishment of Special Committee, to consider and to make decision on the good and bad of Preceding Tender Offer, the reasonableness of its transaction terms and fairness of procedures from the position independent from the Preceding Tender Offeror, Target Company and Preceding Tender Offer and (ii) would consider in good faith at the Special Committee if the Tender Offeror has an opportunity to make a sincere counter proposal against the Preceding Transaction and makes a counter proposal, by taking into account the "Guidelines for Corporate Takeovers", together with the commencement of consultation of Consultation Matters.

Therefore, the Tender Offeror submitted to the Target Company a legally non-binding initial proposal letter on the

Transaction on April 9, 2024 and received from the Target Company an invitation for due diligence process to consider the counter proposal of Tender Offeror. Upon receiving such invitation, the Tender Offeror appointed Daiwa Securities as financial advisor and third party valuation firm independent from the Tender Offeror, Target Company and Preceding Tender Offeror and City-Yuwa Partners as legal advisor in late April 2024, and developed a review structure on making the Target Company a wholly-owned subsidiary of Tender Offeror through the Tender Offer.

Thereafter, the Tender Offeror conducted due diligence on the Target Company and checked the areas such as business, legal affairs, finance, tax and HR in late April 2024. Furthermore, after submitting the initial proposal letter including the proposal for management interview between Tender Offeror and Target Company and its timing, the Tender Offeror made a proposal directly to the Target Company's Board of Directors and Special Committee to make the Target Company a wholly-owned subsidiary of Tender Offeror through the Tender Offer by taking into account the possibility of Counter Offerors other than the Tender Offeror and continuously requested the Target Company's Board of Directors and Special Committee to have an opportunity to explain the Tender Offeror's proposal including the Tender Offer in order for the Target Company's Board of Directors and Special Committee to correctly understand the contents of Tender Offeror's proposal and approve the Tender Offer, and the Tender Offeror got from the Target Company an opportunity to explain the initial proposal letter to the representative director, etc. of Target Company on April 22, 2024 as a part of management interview between Tender Offeror and Target Company.

As a result, the Tender Offeror became confident that having the Target Company, which has many years of knowledge and one of the top expertise in Japan in the cold chain logistics industry, as a wholly-owned subsidiary of Tender Offeror would strongly contribute to the expansion/development of Tender Offeror's and Target Company's business and enable to realize the enhancement of corporate value of entire Tender Offeror Group because it (A) not only organically tie the strengthen and knowledge assets, etc. of both companies and make it possible to provide the main customers such as food manufacturers, wholesalers and retailers with one of the best cold chain solutions in Japan, (B) but also bring in customers to each other, supplement each other in the areas in which they are not strong at and expand the cold chain logistics territories by increasing the clients as well as enabling the development of new areas such as medical field and export of goods in the primary industries. Therefore, the Tender Offeror submitted to the Target Company's Board of Directors and Special Committee a legally binding proposal letter including the Tender Offer Price of 5,740 yen on April 30, 2024 on the condition of additional due diligence.

Thereafter, upon request from the Special Committee, the Tender Offeror responded to the questions addressed to the Tender Offeror on May 8, 2024. Then on May 9, 2024, the Tender Offeror was informed via QuestHub, which was financial advisor of Target Company, that the Tender Offeror was selected as a candidate of tender offeror of Target Company's Shares and was given the opportunity to conduct additional due diligence.

Thereafter, the Tender Offeror continuously discussed/negotiated with the Target Company to implement the Transaction. The Tender Offeror conducted the additional due diligence, which it requested to the Target Company, in mid-May 2024 and informed the Target Company on May 22, 2024 that it will not change the Tender Offer Price even after conducting such additional due diligence.

On May 31, 2024, the Tender Offeror came to a decision to implement the Tender Offer and decided on the Tender Offer Price. The Tender Offeror views that the Tender Offer is even more attractive proposal to the Target Company and all shareholders of Target Company given ① the fact that the Tender Offer Price (5,740 yen per share) is set at a higher price than the price of tender offer, etc. in the Preceding Tender Offer (3,000 yen per share) and ② the fact that the settlement of Tender Offer is scheduled to be carried out by using the loan from MUFG Bank and Tender Offeror's own funds, the loan certificate dated May 31, 2024 has been obtained from MUFG Bank and therefore the settlement funds have been taken care of.

Furthermore, by taking into overall consideration such as the fact that the Tender Offer Price is within the range of valuation results calculated by using the DCF Method and the synergy effect expected from the implementation of Transaction in the valuation results in the Share Valuation Report (Daiwa Securities), the Tender Offeror views that the Tender Offer Price is reasonable and the implementation of Transaction at the Tender Offer Price is in the best interest of all

shareholders of Tender Offeror as well.

⑤ Relationship with valuation firm

When determining the Tender Offer Price, the Tender Offeror requested Daiwa Securities, its financial advisor, for the valuation of Target Company's Shares as a third-party valuation firm independent from Tender Offeror, Target Company and Preceding Tender Offeror, and obtained the Share Valuation Report (Daiwa Securities) from Daiwa Securities on May 30, 2024. On an additional note, Daiwa Securities does not fall under relevant party of Tender Offeror, Target Company or Preceding Tender Offeror and does not have any material interest in the Tender Offer.

(5) Number of share certificates, etc. for which tender offer will be made

Number of Share Certificates for Which Tender Offer Will be Made	Minimum Number of Share Certificates for Which Tender Offer Will be Made	Maximum Number of Share Certificates for Which Tender Offer Will be Made
21,557,194 shares	14,372,200 shares	- shares

(Note 1) If the total number of Subscribed Share Certificates, etc. does not meet the minimum number of share certificates for which tender offer will be made, tender offer, etc. of all Tendered Share Certificates, etc. will not be made.

(Note 2) Since maximum number of share certificates for which tender offer will be made is not set in the Tender Offer, the number of share certificates for which tender offer will be made provides the maximum number of Target Company's Shares to be acquired by the Tender Offeror through the Tender Offer. Such maximum number is number of shares equivalent to the total number of outstanding shares in the Target Company as of March 31, 2024 as provided in the Target Company Financial Results (25,690,766 shares) after deducting the treasury shares held by the Target Company as of March 31, 2024 as provided in the Target Company Financial Results (4,133,572 shares).

(Note 3) Shares less than 1 unit are also subject to the Tender Offer. On an additional note, if any shareholder of Target Company exercises the right to request for purchase of shares less than 1 unit pursuant to the Companies Act, there may be a case where the Target Company purchases its own shares during the Tender Offer Period in accordance with the procedures under the laws and regulations.

(Note 4) There is no plan to acquire the treasury shares held by the Target Company through the Tender Offer.

(6) Change in ownership ratio of share certificates, etc. through tender offer, etc.

Number of Voting Rights Relating to Owned Share Certificates, etc. of Tender Offeror before Tender Offer, etc.	0 units	(Ownership Ratio of Share Certificates, etc. before Tender Offer, etc.: 0.00%)
Number of Voting Rights Relating to Owned Share Certificates, etc. of Person in Special Relationship before Tender Offer, etc.	0 units	(Ownership Ratio of Share Certificates, etc. before Tender Offer, etc.: 0.00%)
Number of Voting Rights Relating to Owned Share Certificates, etc. of Tender Offeror after Tender Offer, etc.	215,571 units	(Ownership Ratio of Share Certificates, etc. after Tender Offer, etc.: 100.00%)
Number of Voting Rights Relating to Owned Share Certificates, etc. of Person in Special Relationship after Tender Offer, etc.	0 units	(Ownership Ratio of Share Certificates, etc. after Tender Offer, etc.: 100.00%)
Number of Voting Rights of All Shareholders, etc. of Target Company	218,366 units	

(Note 1) “Number of Voting Rights Relating to Owned Share Certificates, etc. of Person in Special Relationship before Tender Offer, etc.” and “Number of Voting Rights Relating to Owned Share Certificates, etc. of Person in Special Relationship after Tender Offer, etc.” are the total number of voting rights relating to the share certificates, etc. owned by each person in special relationship (However, out of the persons in special relationship, the persons, who are excluded pursuant to Article 3, paragraph (2), item (i) of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other than Issuer (Ordinance of the Ministry of Finance No. 38 of 1990 including amendments; “Cabinet Office Ordinance”) for the purpose of calculation of ownership ratio of share certificates, etc. under the items of Article 27-2, paragraph 1 of the Act, are excluded.). However, the share certificates, etc. owned by persons in special relationship are also subject to the tender offer, etc., “Number of Voting Rights Relating to Owned Share Certificates, etc. of Person in Special Relationship after Tender Offer, etc.” is 0 units. On an additional note, the Tender Offeror is planning to disclose the amended contents if any amendment becomes necessary upon checking the share certificates, etc. of Target Company held by the person in special relationship on or after the date of this Notice.

(Note 2) “Number of Voting Rights of All Shareholders, etc. of Target Company” is the number of voting rights (1 unit is written as 100 shares) of all shareholders as of December 31, 2023 as provided in the Report for Third Quarter of 9th Fiscal Year filed by the Target Company on February 13, 2024. However, due to the fact that the Tender Offer includes the fractional shares less than 1 share (excluding treasury shares less than 1 share owned by the Target Company), for the calculations of “Ownership Ratio of Share Certificates, etc. before Tender Offer, etc.” and “Ownership Ratio of Share Certificates, etc. after Tender Offer, etc.,” the number of shares (21,557,194 shares) equivalent to the total number of outstanding shares of Target Company as of March 31, 2024 (25,690,766 shares) as provided in the Target Company Financial Results after deducting the number of treasury shares owned by the Target Company as of the same date (4,133,572 shares) as provided in the Target Company Financial Results is used as a denominator.

(Note 3) “Ownership Ratio of Share Certificates, etc. before Tender Offer, etc.” and “Ownership Ratio of Share Certificates, etc. after Tender Offer, etc.” are rounded off to the third decimal place.

(7) Tender offer price

123,738,293,560 yen

(Note) “Tender offer price” is the amount equivalent to the number of share certificates, etc. for which the tender offer will be made in the Tender Offer (21,557,194 shares) multiplied by the Tender Offer Price (5,740 yen).

(8) Method of settlement

① Name and location of head office of financial instruments business operator, bank, etc. who will settle the tender offer, etc.

Daiwa Securities Co. Ltd.

9-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo

② Commencement Date of Settlement

July 22, 2024 (Monday)

③ Method of settlement

The notice on the tender offer, etc. through the Tender Offer will be sent to the address or location of tendering shareholder, etc. (address of standing proxy in case of foreign shareholder, etc.) without delay after the end of Tender Offer Period.

The tender offer will be made in cash. The payment of sales price of share certificates, etc. for which tender offer, etc. was made will be remitted by the TOB agent to the place designated by the tendering shareholder, etc. (standing proxy

in case of foreign shareholder, etc.) (There may be cases where remittance fee will be charged.) or the account of tendering shareholder, etc. at the TOB agent.

④ Method of returning Share Certificates, etc.

In case the tender offer, etc. of all share certificates, etc. under the conditions provided in “① Existence and contents of conditions set out in items in Article 27-13, paragraph (4) of the Act” or “② Existence and contents of conditions of withdrawal, etc. of tender offer and method of disclosing withdrawal, etc.” of “(9) Other conditions and methods of tender offer, etc.” below will not be made, the share certificates, etc., which are required to be returned, will be returned without delay on or after the day which is 2 days after the final day of Tender Offer Period (the day when the withdrawal, etc. is made in case the withdrawal, etc. of tender offer is made), by restoring the condition of account of tendering shareholder, etc. opened at the TOB agent as of the time of subscription.

(9) Other conditions and methods of tender offer, etc.

① Existence and contents of conditions set out in items in Article 27-13, paragraph (4) of the Act”

If the total number of Tendered Share Certificates, etc. does not meet the minimum number of share certificates for which tender offer will be made (14,372,200 shares), the tender offer, etc. of all Tendered Share Certificates, etc. will not be made. If the total number of Tendered Share Certificates, etc. is no less than the minimum number of share certificates for which tender offer will be made (14,372,200 shares), the tender offer, etc. of all Tendered Share Certificates, etc. will be made.

② Existence and contents of conditions of withdrawal, etc. of tender offer and method of disclosing withdrawal, etc.

If any of the events prescribed in Article 14, paragraph (1), item (i)(a) through (j) and (m) through (t), item (iii)(a) through (h) and (j) and item (iv) and Article 14, paragraph (2), item (iii) through item (vi) of the Order for Enforcement of the Financial Instruments and Exchange Act (“Order”), there may be cases where the withdrawal, etc. of Tender Offer will be made.

On an additional note, “anything equivalent to what is set forth in (a) to (s)” as prescribed in Article 14, paragraph (1), item (i)(t) of the Order with respect to the Tender Offer means the case where ① the organ which is responsible for making decisions on the execution of operations (a) came to a decision to distribute surplus whose base date is prior to the date of commencement of settlement relating to the Tender Offer (excluding the monetary amount of proceeds and other properties to be provided to the shareholders which is expected to be less than the amount equivalent to 10% of book value of net assets of unconsolidated balance sheet as of the final day of most recent business year of Target Company (3,494 million yen (Note)) or came to a decision to make a proposal of such distribution at the shareholders meeting of Target Company or (b) came to a decision to distribute surplus whose base date is prior to the commencement of settlement relating to the Tender Offer without showing the specific amount of distribution of surplus and there is a possibility that distribution will be made in the amount exceeding the amount equivalent to 10% of book value of net assets of unconsolidated balance sheet as of the final day of most recent business year of Target Company or ② the organ which is responsible for making decisions on the execution of operations came to a decision to acquire treasury shares (excluding the monetary amount of proceeds and other properties to be exchanged with the shares which is expected to be less than the amount equivalent to 10% of book value of net assets of unconsolidated balance sheet as of the final day of most recent business year of Target Company (3,494 million yen) or came to a decision to make a proposal of such acquisition of treasury shares at the

shareholders meeting of Target Company. Furthermore, “facts equivalent to those set forth in (a) to (i)” as prescribed in Article 14, paragraph (1), item (iii)(j) of the Order with respect to the Tender Offer means (a) the case where it became clear that there were false statements in the material items or material items were missing with respect to legally-required disclosure documents submitted by the Target Company in the past or (b) the case where any of the facts set out in item (iii)(a) through (g) occurred to material subsidiary of Target Company.

Furthermore, (i) if the Tender Offeror receives from the Japan Fair Trade Commission a prior notice of cease and desist order ordering disposal of all or part of Target Company’s Shares, transfer of part of Target Company’s business or other equivalent disposition, (ii) if the cease and desist period for which prior notice of cease and desist order should be provided under the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (“Antimonopoly Act”) will not expire or (iii) if petition is filed to the court against the Tender Offeror for interim order due to the Tender Offeror suspected as a person, who engaged in an act in violation of provision of Article 10, paragraph (1) of the Antimonopoly Act, no later than the day immediately prior to the expiration date of Tender Offer Period (including extended period if any) in connection with the prior notification of Tender Offeror to the Japan Fair Trade Commission pursuant to Article 10, paragraph (2) of the Antimonopoly Act, there may be cases where the Tender Offer will be withdrawn, etc. as the case where permission, etc. under Article 14, paragraph (1), item (iv) of the Order has not been obtained. On an additional note, if the cease and desist period ends without the Tender Offeror receiving a prior notice of cease and desist order or a demand for reports, etc. under Article 10, paragraph (9) of the Antimonopoly Act from the Japan Fair Trade Commission or if the Tender Offeror receives a notice from the Japan Fair Trade Commission that cease and desist order will not be issued, the Tender Offeror will immediately file to the Director-General of Kanto Local Finance Bureau a amended statement on notification of tender offer pursuant to Article 27-8, paragraph (2) of the Act.

In case that withdrawal, etc. is planned, electronic public notice will be made and such fact will be published in Nihon Keizai Shimbun. However, if it will be difficult to make a public notice by the final day of Tender Offer Period, it will be announced by using the method prescribed in Article 20 of the Cabinet Office Ordinance and will make a public notice immediately thereafter.

(Note) If it is assumed that there is no change in the total number of outstanding shares or the number of treasury shares, the amount of dividend per share will be 163 yen (Specifically, it is calculated by dividing 3,494 million yen (The amount less than 1 million yen has been rounded off.), which is equivalent to 10% of 34,949 million yen (The amount less than 1 million yen has been rounded off.) which is the amount of net assets provided in the non-consolidated balance sheet of the Target Company as of March 31, 2023 as provided in the 8th fiscal year securities report filed by the Target Company as of June 29, 2023, by the amount equivalent to the total number of outstanding shares of the Target Company as of March 31, 2024 as provided in the Target Company Financial Results (25,690,766 shares) after deducting the number of treasury shares held by the Target Company as of March 31, 2024 as provided in the Target Company Financial Results (21,557,194 shares), and then rounding upaction of yen).

③ Existence and contents of conditions to reduce the price of tender offer, etc. and method of disclosure of reduction

In case the Target Company engages in any act prescribed in Article 13, paragraph (1) of the Order during the Tender Offer Period, there may be cases where the price of tender offer, etc. will be reduced in accordance with the criteria prescribed in the provision of Article 19, paragraph (1) of the Cabinet Office Ordinance, pursuant to the provision of Article 27-6, paragraph (1), item (i) of the Act.

In case that reduction of price of tender offer, etc. is planned, electronic public notice will be made and such fact will be published in Nihon Keizai Shimbun. However, if it will be difficult to make a public notice by the final day of Tender Offer Period, it will be announced by using the method prescribed in Article 20 of the Cabinet Office Ordinance and will make a public notice immediately thereafter. If the price of tender offer, etc. is reduced, the tender offer, etc. will be made at the price of tender offer, etc. after the reduction even for Tendered Share Certificates, etc. on or prior to the day when such public notice has been made.

However, if the scope of amendment is small, the amendment will be made by preparing a document providing the matters amended and the amended content and by providing such document to the tendering shareholders, etc.

⑦ Method of disclosure of results of tender offer

The results of Tender Offer will be announced on the day immediately following the final day of Tender Offer Period by using the method prescribed in Article 9-4 of the Order and Article 30-2 of the Cabinet Office Ordinance.

⑧ Other

The Tender Offer is not being made and will not be made directly or indirectly in or to, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of (including, without limitation, facsimile, e-mail, internet communication, telex and telephone), or through any facilities of national *securities exchange* of, the United States of America. The shares may not be tendered in the Tender Offer by means or instrumentality mentioned above, through the facilities mentioned above, or from the United States of America.

The tender offer statement relating to the Tender Offer or any related tender offer documents are not being sent or distributed, will not be sent or distributed and may not be sent or distributed by use of the mails or other means to or from the United States of America. Tendering of shares in the Tender Offer, which is in direct or indirect violation of any restrictions mentioned above, will not be accepted.

Upon tendering shares in the Tender Offer, the tendering shareholder, etc. (standing proxy in case of foreign shareholder) may be requested to provide the TOB agent with the representations and warranties provided below.

As of the time of tendering of shares and the time when the tender offer acceptance form is sent, the tendering shareholder, etc. does not reside or is not located in the United States of America. None of information on the Tender Offer (including its copies) is directly or indirectly received or sent in, to or from the United States of America. The tender offer, etc. is not being made or the tender offer acceptance form is not being signed directly or indirectly by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of (including, without limitation, facsimile, e-mail, internet communication, telex and telephone), or through any facilities of national *securities exchange* of, the United States of America. The tendering shareholder, etc. is not a person acting as agent or trustee/delegatee of another person without discretionary power (excluding the case where such another person is giving all instructions on the tender offer, etc. from outside the United States of America).

(10) Date of public notice for commencing tender offer

June 3, 2024 (Monday)

(11) TOB agent

Daiwa Securities Co. Ltd.

9-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo

3. Policy, etc. after Tender Offer and Future Outlook

(1) Policy, etc. after Tender Offer

For policy, etc. after the Tender Offer, please see “(2) The Background, Purpose and Process of Decision Leading up to Deciding the Implementation of the Tender Offer and the Management Policy after the Tender Offer,” “(4) Policy on Reorganization, etc. after Tender Offer (Matters Concerning So-called Two-Tier Takeover Strategy)” and “(5) Possibility of Delisting and Its Reason” of “1. The Purpose of the Tender Offer, etc.” above.

(2) Future Outlook

The impact which the Tender Offer will have on the Target Company’s performance is under review and in case it becomes necessary to revise the consolidated performance forecast of applicable fiscal year as provided in (Reference) of “4. Other” below or any fact arises which should be announced in the future, it will be announced promptly.

4. Other

(1) Existence and Contents of Agreement between Tender Offeror and Target Company or Its Officer

① Approval of Tender Offer

At its meeting of the Target Company's Board of Directors held on May 31, 2024, the Target Company has passed a resolution to express its opinion that it approves the Tender Offer and to recommend to all shareholders of Target Company to tender the shares in the Tender Offer.

For details of decision-making process of Target Company, please see the Target Company Notice Concerning Announcement of Opinion (Tender Offeror) and “② Process and reasons of the decision leading up to the approval of the Tender Offer by the Target Company” in “(2) The Background, Purpose and Process of Decision Leading up to Deciding the Implementation of the Tender Offer and the Management Policy after the Tender Offer” of “3. The Purpose of the Tender Offer, etc.” of “I. Overview of Tender Offer.”

(2) Announcement of “Dividends for Fiscal Year Ending March 31, 2025 (No Dividends) and Discontinuation of Shareholder Special Benefits Plan”

At its meeting of the Target Company's Board of Directors held on May 31, 2024, the Target Company has passed a resolution to revise the interim dividends and year-end dividends for the fiscal year ending March 31, 2025 which the Target Company announced as of May 9, 2024, not to pay the interim dividends and year-end dividends for the fiscal year ending March 31, 2025, and to discontinue the shareholder special benefits plan from the fiscal year ending March 31, 2025, on the condition that the Tender Offer concludes. For details, please see the contents of “Notice of Distribution Dividends of Surplus (No Dividends) for Fiscal Year Ending March 31, 2024 and Discontinuation of Shareholder Special Benefits Plan” announced by the Target Company as of May 31, 2024.

(3) Announcement of “Notice on Dividends of Surplus for Fiscal Year Ended March 31, 2024”

At its meeting of the Target Company's Board of Directors held on May 31, 2024, the Target Company has passed a resolution to pay dividends of surplus in the amount of 22 yen per share by having March 31, 2024 as the base date. For details, please see “Notice on Dividends of Surplus” announced by the Target Company as of May 31, 2024.

(Reference) Consolidated Performance Forecast of Tender Offeror for Fiscal Year Ending March 31, 2025 (April 1, 2024 ~ March 31, 2025) (portion announced on April 30, 2024) and Consolidated Performance of Previous Fiscal Year

(Unit: million yen)

	Operating Revenue	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent
Consolidated Performance Forecast of Applicable Fiscal Year (Fiscal Year Ending March 31, 2025)	1,380,000	96,000	97,000	64,500
Consolidated Performance of Previous Fiscal Year (Fiscal Year Ended March 31, 2024)	1,316,940	89,204	90,850	58,279

End