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April 23, 2026

To whom it may concern:

Company name: Alleanza Holdings Co., Ltd.
Name of representative: Syunichi Asakura
the Representative Director, Chairperson and CEO
(Securities code: 3546; Prime Market)
Inquiries: Kazuya Ito
Director
(Telephone: +81-24-563-6818)

Notice of Extraordinary General Shareholders Meeting Concerning Share Consolidation, as Well as Abolition of the Provisions of Share Units Number and Partial Amendment to the Articles of Incorporation

The Company hereby announces that it resolved at its board of directors meeting held today to the effect that it shall (i) convene an extraordinary general shareholders meeting to be held on May 27, 2026 (the "Extraordinary General Shareholders Meeting"), and (ii) submit to the Extraordinary General Shareholders Meeting agenda items concerning share consolidation, abolition of the provisions of share units number and partial amendment to the articles of incorporation.

In the course of the above procedure, the Company's common shares (the "Company Shares") will fall under the delisting criteria as defined in the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. ("TSE"). As a result, the Company Shares will be designated as a delisted issue from May 27 to June 25, 2026, and will subsequently be delisted on June 26, 2026. Please note that the Company Shares will be untradable on the TSE Prime Market after being delisted.

I. Extraordinary General Shareholders Meeting

1. Date and Time

Wednesday, May 27, 2026 at 3:00 p.m. Japan time

2. Place

Squere Room, 1st Floor, LT Wedding and Party Emporium
1-10-41 Nodamachi, Fukushima-shi, Fukushima, Japan

3. Meeting Agenda

Proposals to be resolved
Agenda item No.1: Share consolidation
Agenda item No.2: Partial amendment to articles of incorporation

II. Share consolidation

1. Purposes and reasons for share consolidation

As disclosed in "Notice of Expression of Our Opinion in Favor of Tender Offer for Company's Share Certificates by KOHNAN SHOJI Co., Ltd." published by the Company on February 13, 2026 (including partial amendments thereto made by "(Correction) Partial Amendments to the "Notice of Expression of Our Opinion in Favor of Tender Offer for Company's Share Certificates by KOHNAN SHOJI Co., Ltd." announced on February 18, 2026; the "Press Release on Expression of Our Opinion"), KOHNAN SHOJI Co., Ltd. (the "Offeror") implemented a tender offer by the Offeror for the Company Shares and the Share Options (Note 1) (the "Tender Offer") as part of the Tender Offer and a series of subsequent transactions (the "Transaction(s)").

Also, as disclosed in "Notice of Result of the Tender Offer for Company's Share Certificates by KOHNAN SHOJI Co., Ltd. and Changes in Other Affiliates and Major Shareholders" announced by the Company on March 31, 2026, the Offeror implemented the Tender Offer from February 13, 2026 to March 30, 2026 and, as a result, came to own 11,723,970 Company Shares (Percentage of voting rights held (Note 2): 38.79%) as of April 6, 2026 (commencement date of settlement of the Tender Offer).

(Note 1) "Share Options" collectively refer to the share options below:

(I) Share options issued by the Company on September 1, 2016 after and as the replacement for the share options issued pursuant to the resolution at the board of directors meeting of Daiyu Eight Co., Ltd. ("Daiyu Eight") held on May 16, 2014 (the exercise period is from September 1, 2016 to June 10, 2044);

(II) Share options issued by the Company on September 1, 2016 after and as the replacement for the share options issued pursuant to the resolution at the board of directors meeting of Daiyu Eight held on May 15, 2015 (the exercise period is from September 1, 2016 to June 10, 2045); and

(III) Share options issued by the Company on September 1, 2016 after and as the replacement for the share options issued pursuant to the resolution at the board of directors meeting of Daiyu Eight held on April 8, 2016 (the exercise period is from September 1, 2016 to June 10, 2046).

(Note 2) "Percentage of voting rights held" means the percentage (rounded to the second decimal place) obtained by dividing the number of voting rights held by the relevant holder by the number of voting rights (302,202 units) represented by the number of Company Shares (30,220,247 shares) which equals the total number of issued shares as of November 30, 2025 stated in the "Consolidated Financial Results for the Third Quarter of the fiscal year ending February 28, 2026 (Under Japanese GAAP)" announced by the Company on January 13, 2026 (30,193,386 shares) less the number of treasury shares held by the Company as of November 30, 2025 (10,435 shares) (treasury shares, for these purposes, exclude the Company Shares held by Custody Bank of Japan, Ltd. (trust E account) as trust assets of the board benefit trust (BBT) (159,734 shares) since the such shares carry voting rights under laws and regulations), resulting in 30,182,951 shares, plus the number of Company Shares underlying a total of 336 share options of the Company outstanding as of November 30, 2025 (37,296 shares).

Although the details of the purposes and background of the Transactions, including the Tender Offer and a share consolidation of the Company Shares (the "Share Consolidation"), are as set out in the Press Release on Expression of Our Opinion, a summary thereof will be restated below. Of the statements below, those

concerning the Offeror are based on explanations given by the Offeror.

(1) Background of establishment of review system

Taking into account the fact that, regarding the Transactions which the Offeror was proposed via Sumitomo Mitsui Banking Corporation ("SMBC") on August 18, 2025, the Company received another approach, in person from Valor Holdings Co., Ltd. ("Valor Holdings"), and the Offeror communicated that it would positively consider the Transactions on the same day, Mr. Syunichi Asakura who is the Representative Director, Chairperson and CEO of the Company ("Mr. Asakura") received on the same day from Valor Holdings an explanation that the Offeror intends to positively consider the Transactions. In response, between mid-September to mid-October 2025, the Company began to engage with Yamada & Partners Advisory Co., Ltd. ("Yamada & Partners Advisory ") as its third-party valuator independent of the Offeror, Valor Holdings, Mr. Asakura, and Asakura HD Ltd. which is an asset management company of the family of Mr. Asakura and is the third-largest shareholder of the Company ("Asakura HD"; number of shares owned: 1,043,100 shares, Shareholding Ratio (Note 1): 3.45%) (the Offeror, Valor Holdings, Mr. Asakura, and Asakura HD are hereinafter collectively referred to as the "Offeror Related Parties"), the Company and its 8 consolidated subsidiaries (the Company and the 8 consolidated subsidiaries are hereinafter collectively referred to as the "Company Group"), and not being contingent upon the success or failure of the Transactions, the M&A Advisory Services Dept. of Sumitomo Mitsui Banking Corporation ("SMBC's M&A Advisory Services Dept.") as its financial advisor independent of the Offeror Related Parties and the Company Group, and not being contingent upon the success or failure of the Transactions, and Anderson Mori & Tomotsune Gaikokuho Kyodo Jigyo ("Anderson Mori & Tomotsune") as its legal advisor independent of the Offeror Related Parties and the Company Group, and not being contingent upon the success or failure of the Transactions.

Subsequently, on September 25, 2025, the Company received a letter of intent regarding acquisition of the Company Shares excluding all the Company Shares held by Valor Holdings (15,277,114 shares, Shareholding Ratio: 50.55%; the "Non-Tendered Shares") through the Tender Offer and formation of a capital and business alliance between the Offeror and the Company (the "Letter of Intent"). The Company recognized the proposal set out in the Letter of Intent as bona fide and, although the Company had begun to engage with the advisors around the time of receipt of the Letter of Intent as described above, the Company concluded agreements with Anderson Mori & Tomotsune in early September, with Yamada & Partners Advisory in late September, and with SMBC's M&A Advisory Services Dept. in early October, respectively, regarding appointment of an advisor. In addition, based on the advice from Anderson Mori & Tomotsune, began establishing procedures to examine, negotiate, and decide on matters related to the Transactions from a standpoint independent of the Offeror Related Parties, with a view to enhancing the Company's corporate value and protecting the interests of its minority shareholders. Specifically, as described in "3. Grounds for the amount of money expected to be paid to shareholders as a result of the treatment of fractional shares resulting from the share consolidation, etc." - "(3) Measures to ensure the fairness of the Transactions and measures to avoid conflicts of interest" - "(V) Establishment of an independent special committee at the Company and procurement of a report" - "(i) Background of establishment, etc." below, the Company has made preparations for the establishment of a special committee. Hereafter, by resolution of the Company's board of directors meeting held on September 30,

2025, a special committee (the "Special Committee") consisting of four directors, namely Mr. Shigemi Umezu (an outside director of the Company, an audit and supervisory committee member, and an independent officer), Mr. Kazuo Suzuki (an outside director of the Company, an audit and supervisory committee member, and an independent officer), Ms. Ayako Ota (an outside director of the Company, an audit and supervisory committee member, and an independent officer), and Mr. Takeshi Hachimura (an outside director of the Company, an audit and supervisory committee member, and an independent officer) was established (as chairman of the Special Committee, Mr. Kazuo Suzuki was appointed from among the members of the Special Committee.). The Special Committee has not changed its members since the establishment. Furthermore, the Company resolved to formally refer the following matters (collectively, "Matters for Consultation") to the Special Committee for deliberation and advice (for the method of resolution at the Company's board of directors meeting, please refer to "3. Grounds for the amount of money expected to be paid to shareholders as a result of the treatment of fractional shares resulting from the share consolidation, etc." - "(3) Measures to ensure the fairness of the Transactions and measures to avoid conflicts of interest" - "(VI) Unanimous approval of all disinterested directors (including directors who are members of Audit and Supervisory Committee) of the Company" below).

(a) whether the purpose of the Transactions is legitimate and reasonable (including whether the Transactions are expected to contribute to the enhancement of the Company's corporate value)

(b) whether the fairness and appropriateness of the terms and conditions of the Transactions (including whether the level of the purchase price, the method of acquisition, the type of acquisition consideration, and other terms and conditions of the Transactions are fair) are ensured

(c) Whether sufficient procedures have been implemented in the Transactions to ensure the fairness of the terms and conditions of the transaction

(d) Whether the Transactions are considered to be fair for the Company's general shareholders based on (a) to (c) above

(e) The merits of the Company's board of directors' expressing of opinion in favor of the Tender Offer and recommending the Company's shareholders to tender their shares in the Tender Offer

For the background of establishment, etc. of the Special Committee, background of consideration, and details of the decision, please refer to "3. Grounds for the amount of money expected to be paid to shareholders as a result of the treatment of fractional shares resulting from the share consolidation, etc." - "(3) Measures to ensure the fairness of the Transactions and measures to avoid conflicts of interest" - "(V) Establishment of an independent special committee at the Company and procurement of a report" below.

As described in "3. Grounds for the amount of money expected to be paid to shareholders as a result of the treatment of fractional shares resulting from the share consolidation, etc. - "(3) Measures to ensure the fairness of the Transactions and measures to avoid conflicts of interest" - "(V) Establishment of an independent special committee at the Company and procurement of a report" below, the appointment of Yamada & Partners Advisory as the Company's third-party valuator, SMBC's M&A Advisory Services Dept. as the Company's financial advisor, and Anderson Mori & Tomotsune as the Company's legal advisor, has been approved by the Special Committee.

Furthermore, the Company has established a system within the Company to review, negotiate, and make decisions related to the Transactions from a standpoint independent of the Offeror Related Parties and not

being contingent upon the success or failure of the Transactions (including the scope of the Company's directors, officers, and employees involved in the review, negotiation, and decisions related to the Transactions, and their duties), and the Special Committee has confirmed that there are no problems with the review system from the viewpoint of independence and fairness (for further details of the review system, please refer to "3. Grounds for the amount of money expected to be paid to shareholders as a result of the treatment of fractional shares resulting from the share consolidation, etc." - "(3) Measures to ensure the fairness of the Transactions and measures to avoid conflicts of interest" - "(VII) Establishment of independent review system at the Company" below).

(Note 1) "Shareholding Ratio" means the percentage (rounded to the second decimal place; the same rounding applies hereinafter) obtained by dividing the number of Company Shares held by the relevant holder by the number of Company Shares (30,220,247 shares) which equals the total number of issued shares as of November 30, 2025 stated in the "Consolidated Financial Results for the Third Quarter of the fiscal year ending February 28, 2026 (Under Japanese GAAP)" (the "Company's Financial Results") announced by the Company on January 13, 2026 (30,193,386 shares) less the number of treasury shares held by the Company as of November 30, 2025 stated in the Company's Financial Results (10,435 shares) (treasury shares, for these purposes, exclude the Company Shares held by Custody Bank of Japan, Ltd. (trust E account) as trust assets of the board benefit trust (BBT) which was introduced by the Company at the board of directors meeting held on April 18, 2024, with the view to enhance the awareness of contributing to the improvement of medium-to-long-term performance and the enhancement of corporate value by more clearly linking the compensation of the directors of the Company and its subsidiaries (the "Company's Officers") to the performance and stock value of the Company Group, and by having the Company's Officers share with shareholders not only the benefits of stock price increases but also the risks of stock price declines (159,734 shares) (the "BBT-Owned Shares") since the BBT-Owned Shares carry voting rights under laws and regulations; the same applies hereinafter to references to the number of treasury shares), resulting in 30,182,951 shares, plus the number of Company Shares underlying a total of 336 Share Options outstanding as of November 30, 2025 (37,296 shares) (Note 2).

(Note 2) Breakdown of the Share Options outstanding as of November 30, 2025 is as follows. The Share Options have a condition for exercise that the Share Options may be collectively exercised only within ten days from the day following the date on which the holder loses their position as a director of the Company during each exercise period mentioned above, whereas the tender offer period for the Tender Offer (the "Tender Offer Period") is encompassed in the exercise periods of the Share Options; hence, if holders of Share Options ("Share Option Holders") lose their position as directors of the Company, the Share Option Holders may collectively exercise their Share Options.

Name of Share Option	Number of Share Options	Number of underlying Company Shares
FY2014 Share Option	112 units	12,432 shares

FY2015 Share Option	99 units	10,989 shares
FY2016 Share Option	125 units	13,875 shares
Total	336 units	37,296 shares

(2) Background of review and negotiation

On the basis of the establishment of the review system described above, the Company received a valuation report from Yamada & Partners Advisory on the Company Shares; from SMBC's M&A Advisory Services Dept., advice regarding the negotiation policies with the Offeror and other financial matters; and from Anderson Mori & Tomotsune, legal advice on measures to ensure the procedural fairness in the Transactions and other legal matters. Relying on these reports and advice, the Company has carefully discussed and considered the merits of the Transactions and the appropriateness of their terms and conditions, giving the utmost weight to the opinion of the Special Committee.

After receiving the Letter of Intent on September 25, 2025, the Company and the Special Committee notified Daiwa Securities Co. Ltd. ("Daiwa Securities"), which serves as the Offeror's financial advisor, on September 30, 2025, via SMBC's M&A Advisory Services Dept., that they recognized the proposals in the Letter of Intent, which they received from the Offeror via SMBC's M&A Advisory Services Dept., the Company's financial advisor, as bona fide and have begun establishing a system for reviewing, negotiating, and deciding on the Transactions from the perspectives of enhancing the Company's corporate value and ensuring the interests of the Company's minority shareholders (for the details of the system, please refer to "3. Details of, and grounds and reasons for, the opinion on the Tender Offer" - "(2) Grounds and reasons for the opinion on the Tender Offer"- "(IV) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Company" - "(i) Background of establishment of review system" of the Press Release on Expression of Our Opinion) and that the Company will accept the due diligence to be conducted by the Offeror from mid-November, 2025 to early-January, 2026, together with proceeding with the discussions toward implementing the Transactions. On such basis, the Company and the Special Committee proceeded with internal review and discussions. From late October to mid-December of 2025, the Company and the Special Committee conducted Q&A sessions and exchanged views in several rounds, respectively, regarding the Company's management structure and business policies following the Transactions, and the synergies of the Company and the Offeror in the Transactions. Furthermore, the Company accepted the due diligence conducted by the Offeror from mid-November 2025 to early January 2026 to examine the feasibility of the Transactions. Based on the above, from late January to early February 2026, the Offeror and the Company held discussions regarding the various terms and conditions of the capital and business alliance agreement which aims to enhance the corporate values of both companies through the Transactions and their business alliance (the "Capital and Business Alliance Agreement"). Regarding the purchase price per Company Share in the Tender Offer (the "Tender Offer Price"), the Company has negotiated with the Offeror multiple times since January 9, 2026. Specifically, the Company and the Special Committee received from the Offeror on January 9, 2026, the initial proposal concerning the Transactions including a proposal that the Tender Offer Price be 1,120 yen (the amount calculated by making a 9.46% discount from 1,237 yen, which is the closing price of the Company Shares on the Prime Market of TSE as of the immediately preceding business day of the

date of the proposal, making a 5.33% discount from 1,183 yen, which is the simple average of the closing prices for the one month until the same date, adding a 0.90% premium to 1,110 yen, which is the simple average of the closing prices for the three months until the same date, adding a 3.61% premium to 1,081 yen, which is the simple average of the closing prices for the six months until the same date) and that the purchase price per Share Option (the "Share Option Price") be 1 yen, which are results of comprehensively considering factors such as the Company's business and business conditions and the recent trends in the market price of the Company Shares, in addition to the projected number of shares to be tendered in the Tender Offer, and based on the results of the valuation of the Company Shares conducted by Daiwa Securities, the third-party valuator, grounded on the information obtained from the due diligence conducted by the Offeror regarding the Company and the business plan provided by the Company.

In addition, in such initial proposal, the Company received from the Offeror a proposal which sets the minimum number of shares to be purchased to a number of shares (excluding the Non-Tendered Shares; the "Initially Proposed Minimum Number of Tendered Shares to be Purchased") obtained by multiplying the number of voting rights of all the Company's shareholders (provided, however, that voting rights represented by the BBT-Owned Shares and voting rights represented by the restricted stocks of the Company granted to the Company's directors as restricted stock units and held by the Company's directors ("Restricted Stock") (Note 1) are excluded) by 89.41%, which is the highest percentage of voting rights exercised at the company's regular general shareholders meeting over the past five years, and further multiplying the result of the number of voting rights obtained therefrom by two-thirds (2/3). In response, on January 15, 2026, the Company and the Special Committee requested the Offeror to consider significantly increasing the Tender Offer Price, on the ground that the Tender Offer Price cannot be considered to sufficiently reflect the corporate value of the Company and cannot be considered as having been given sufficient consideration to the interests of the minority shareholders of the Company, and asked, regarding the minimum number of shares to be purchased, the reason for setting the Initially Proposed Minimum Number of Tendered Shares to be Purchased. The Company and the Special Committee received the answer from the Offeror together with the second proposal as described below.

(Note 1) According to the Offeror, while the Restricted Stock may not be tendered in the Tender Offer due to the transfer restriction, the Company resolved at its board of directors meeting held on February 12, 2026, to express a favorable opinion of the Tender Offer, which contemplates taking the Company private. The directors who supported the Tender Offer are expected to vote in favor of the proposal for the Share Consolidation if such proposal is submitted to the Extraordinary General Shareholders Meeting the agenda of which includes the Share Consolidation and partial amendments to the articles of incorporation to abolish the provision of share unit number subject to the Share Consolidation coming into effect following successful completion of the Tender Offer; accordingly, in determining the minimum number of tendered shares to be purchased, the Offeror deducted the number of voting rights represented by 19,000 shares of Restricted Stock (Shareholding Ratio: 0.06%) owned by four Company's directors (Mr. Asakura, Mr. Morisaku Wagato, Mr. Shigeharu Yoshihara, and Mr. Tomohide Nakamura). While two of the four directors above (Mr. Asakura and Mr. Morisaku Wagato) did not participate in the resolution at the board of directors meeting of the Company held on February 12, 2026,

the Tender Agreement (Note 2) was executed with Mr. Asakura as of February 12, 2026; accordingly, he is expected to vote in favor of the proposal for the Share Consolidation at the Extraordinary General Shareholders Meeting. In addition, it is confirmed that Mr. Morisaku Wagato intends to consent to the Transactions. Therefore, it is believed that the directors of the Company who own the Restricted Stock are all expected to consent to the proposal on the Share Consolidation if the Tender Offer is successfully completed.

(Note 2) The agreement between the Offeror and Asakura HD which is an asset management company of the family of Mr. Asakura who is the Representative Director, Chairperson and CEO of the Company, and which is the third-largest shareholder of the Company under which all the Company Shares owned by Asakura HD shall be tendered in the Tender Offer, and the agreement between the Offeror and Mr. Asakura who is the seventh-largest shareholder of the Company (number of shares owned: 275,639 shares, Shareholding Ratio: 0.91%; when combined with the Company Shares owned by Asakura HD - total number of shares owned: 1,318,739 shares, Shareholding Ratio: 4.36%) under which all the Company Shares owned by Mr. Asakura of 269,639 shares (Shareholding Ratio: 0.89%) which exclude 6,000 shares of restricted stock owned by Mr. Asakura since restrict stock may not be tendered in the Tender Offer and Share Options (Mr. Asakura owns 87 units of FY2014 Share Option (number of underlying Company Shares: 9,657 shares), 77 units of FY2015 Share Option (number of underlying Company Shares: 8,547 shares), and 97 units of FY2016 Share Option (number of underlying Company Shares: 10,767 shares)) shall be tendered in the Tender Offer

Subsequently, on January 19, 2026, the Company received the second proposal from the Offeror concerning the Transactions, including a proposal that the Tender Offer Price be 1,200 yen (representing a 6.29% premium to 1,129 yen, being the closing price of the Company Shares on the TSE Prime Market as of the date of the proposal, a 0.33% discount to 1,204 yen, being the simple average closing price for the one-month period ended on that date, a 6.67% premium to 1,125 yen, being the simple average closing price for the three-month period ended on that date, and a 10.09% premium to 1,090 yen, being the simple average closing price for the six-month period ended on that date) and that the Share Option Price be 1 yen. In addition, in such second proposal, the Company was proposed from the Offeror that with regards to the minimum number of shares to be purchased, considering that the voting ratio for the agenda concerning share consolidation tends to be significantly lower than the voting ratio at regular general shareholders meetings under normal circumstances, and given that it is reasonably believed that the agenda concerning share consolidation can be passed if, together with the Non-Tendered Shares, voting rights equivalent to two-thirds (2/3) of the highest percentage of voting rights exercised at the Company's past regular general shareholders meetings can be secured, the Offeror assumes the Initially Proposed Minimum Number of Tendered Shares to be Purchased from the standpoint of increasing the probability of a successful completion of the tender offer. In response, on January 24, 2026, the Company and the Special Committee requested that the Offeror significantly increase the Tender Offer Price on the grounds that the proposed Tender Offer Price did not adequately reflect the Company's corporate value and did not sufficiently take into account the interests of the Company's minority shareholders, and expressed concerns from the perspective of ensuring fairness in the Transactions' procedures, as the Initially

Proposed Minimum Number of Tendered Shares to be Purchased could substantially constrain the minority shareholders' freedom to decide whether to tender their shares and potentially heighten the coercive nature of the transaction.

Subsequently, on January 26, 2026, the Company received the third proposal from the Offeror concerning the Transactions, including a proposal that the Tender Offer Price be 1,275 yen (representing a 15.80% premium to 1,101 yen, being the closing price of the Company Shares on the TSE Prime Market as of the date of the proposal, a 7.69% premium to 1,184 yen, being the simple average closing price for the one-month period ended on that date, a 13.13% premium to 1,127 yen, being the simple average closing price for the three-month period ended on that date, and a 16.65% premium to 1,093 yen, being the simple average closing price for the six-month period ended on that date) and that the Share Option Price be 1 yen. In addition, in such third proposal, the Company was proposed from the Offeror that, while it cannot be theoretically ruled out that the agenda concerning the Share Consolidation might not be approved at the Company's shareholders meeting under the Initially Proposed Minimum Number of Tendered Shares to be Purchased, the Offeror intends to acquire additional Company Shares until it reaches a level where it is realistically likely that the agenda concerning the Share Consolidation to be approved at the Company's shareholders meeting, with the aim of taking the Company Shares private. In response, on January 30, 2026, the Special Committee requested that the Offeror significantly increase the Tender Offer Price on the grounds that the Tender Offer Price did not adequately reflect the corporate value of the Company, significantly underestimated the Company's true corporate value and its existing potential, and disregarded the interests of the Company's minority shareholders, and that the Offeror reconsider the overall transactional terms and conditions.

Subsequently, on February 2, 2026, the Company received the fourth proposal from the Offeror concerning the Transactions, including a proposal that the Tender Offer Price be 1,325 yen (representing a 22.80% premium to 1,079 yen, being the closing price of the Company Shares on the TSE Prime Market as of the immediately preceding business day of the date of the proposal, a 14.32% premium to 1,159 yen, being the simple average closing price for the one-month period ending on that date, a 17.57% premium to 1,127 yen, being the simple average closing price for the three-month period ending on that date, a 21.23% premium to 1,093 yen, being the simple average closing price for the six-month period ending on that date) and that the Share Option Price be 1 yen. In response, on February 4, 2026, the Special Committee requested an increase in the Tender Offer Price, stating that while it would like to see a level exceeding 1,500 yen per share as the Tender Offer Price, the proposed Tender Offer Price significantly underestimated the Company's true corporate value and its existing potential, and has not reached a level at which the Special Committee can recommend the shareholders to tender their shares in the Tender Offer.

After receiving the Special Committee's above request, on February 6, 2026, the Company received the fifth proposal from the Offeror concerning the Transactions, including a proposal that the Tender Offer Price be 1,335 yen (representing a 19.20% premium to 1,120 yen, being the closing price of the Company Shares on the TSE Prime Market as of February 5, 2026, the immediately preceding business day of the date of the proposal, a 16.49% premium to 1,146 yen, being the simple average closing price for the one-month period ended on that date, a 18.14% premium to 1,130 yen, being the simple average closing price for the three-month period ended on that date, and a 21.92% premium to 1,095 yen, being

the simple average closing price for the six-month period ended on that date) and that the Share Option Price be 1 yen. In addition, in such fifth proposal, the Company was proposed from the Offeror that, although the Offeror believes that adequate consideration has been given from the perspective of protecting the minority shareholders even the Initially Proposed Minimum Number of Tendered Shares to be Purchased, it sincerely accepts the Special Committee's opinion and that the minimum number of shares to be purchased be set at the number of shares that secures two-thirds (2/3) of the voting rights of the number of voting rights of all the Company's shareholders (provided, however, that voting rights represented by the BBT-Owned Shares and voting rights represented by the Restricted Stocks held by the Company's directors are excluded). In response, on February 7, 2026, the Special Committee accepted the minimum number of shares to be purchased proposed by the Offeror, but it requested an increase in the Tender Offer Price to a level exceeding 1,500 yen, stating that it does not reach the lower end of the range of the share valuation results of the Company under discounted cash flow method (the "DCF Method") conducted by Yamada & Partners Advisory, the Company's third-party valuator, and it can hardly be considered that it sufficiently reflects the Company's true corporate value and has not reached a level at which the Special Committee can recommend the shareholders to tender their shares in the Tender Offer.

After receiving the Special Committee's above request, on February 9, 2026, the Company received the sixth proposal from the Offeror concerning the Transactions, including a proposal that the Tender Offer Price be 1,410 yen (representing a 24.23% premium to 1,135 yen, being the closing price of the Company Shares on the TSE Prime Market as of February 9, 2026, the date of the proposal, a 25.33% premium to 1,125 yen, being the simple average closing price for the one-month period ended on that date, a 24.45% premium to 1,133 yen, being the simple average closing price for the three-month period ended on that date, and a 28.65% premium to 1,096 yen, being the simple average closing price for the six-month period ended on that date) and that the Share Option Price be 1 yen. In response, the Special Committee requested an increase in the Tender Offer Price, stating that it does not reach the lower end of the range of the share valuation results of the Company under the DCF Method conducted by Yamada & Partners Advisory, the Company's third-party valuator, and it can hardly be considered that it sufficiently reflects the Company's true corporate value and has not reached a level at which the Special Committee can recommend the shareholders to tender their shares in the Tender Offer.

After receiving the Special Committee's above request, on February 10, 2026, the Company received the seventh proposal from the Offeror concerning the Transactions, including a proposal that the Tender Offer Price be 1,465 yen (representing a 29.07% premium to 1,135 yen, being the closing price of the Company Shares on the TSE Prime Market as of February 9, 2026, the immediately preceding business day of the date of the proposal, a 30.22% premium to 1,125 yen, being the simple average closing price for the one-month period ended on that date, a 29.30% premium to 1,133 yen, being the simple average closing price for the three-month period ended on that date, and a 33.67% premium to 1,096 yen, being the simple average closing price for the six-month period ended on that date) and that the Share Option Price be 1 yen. In response, the Special Committee deliberated on the proposed price, considering that it exceeds the lower end of the range of the share valuation results of the Company under the DCF Method conducted by Yamada & Partners Advisory, the Company's third-party valuator, and decided to accept such price on the part of the Special Committee and furthermore, determined that with regard to the Share

Option Price, it is appropriate to leave to the Share Option Holders' decisions on whether to tender their Share Options in the Tender Offer.

As of February 10, 2026, the Company received a report (the "Report") from the Special Committee. For further details of the Report including the reasons therefor, please refer to Attachment 1 to the Press Release on Expression of Our Opinion dated February 13, 2026.

(3) Details of the decision-making

In light of the circumstances described above, the Company, at its board of directors meeting held on February 12, 2026, has carefully discussed and considered whether the Transactions, including the Tender Offer, are expected to contribute to the enhancement of the Company's corporate value, and whether the terms and conditions of the Transactions, including the Tender Offer Price, are reasonable, with reference to the legal advice received from Anderson Mori & Tomotsune, the advice received from SMBC's M&A Advisory Services Dept. from a financial perspective, and the share valuation report on the Company Shares that was submitted by Yamada & Partners Advisory as of February 10, 2026 (the "Share Valuation Report (Yamada & Partners Advisory)"), and giving the utmost weight to the judgment of the Special Committee as described in the Report.

As a result, the Company has concluded that the Transactions, including the Tender Offer conducted by the Offeror, are expected to contribute to the enhancement of the Company's corporate value as follows:

(a) Achieving economies of scale

If the sales of the Offeror and the Company were simply combined, the combined group would rank first by sales in the home improvement center industry. This scale would enable economies of scale in product pricing and product development. The Company believes consumers would benefit in terms of both price and quality through cost reductions leading to lower prices and the development of more attractive products. In addition, the Company believes it could operate its stores as a tenant within locations operated by the Offeror or operate co-located or jointly operated stores with the Offeror.

(b) Improving gross profit margin ratio and enhancement of appeal through collaboration of PB products

The Company believes that, among other initiatives, the joint development of PB products will reduce the cost ratio, thereby enabling the Company to improve its gross profit margin. Furthermore, the Company believes that the joint development of PB brands that can be widely promoted across home improvement centers and specialty shops will lead to an enhanced appeal of its products.

(c) Cost reduction through mutual utilization of logistics hubs

The Company believes that utilizing headquarters and hubs will optimize logistics functions and improve delivery efficiency. In addition, the Company believes that, in the long term, reconstructing and integrating the system infrastructure will realize further cost reductions.

(d) Initiatives for human capital management

The Company believes that personnel exchanges and other efforts by the Offeror and the Company will enable them to collaborate in fostering the next generation of talents. In addition, the Company believes that the exchange of information in relation to internal environment improvements will lead to the enhancement of various personnel-related systems.

(e) Resolution of parent-subsidiary dual listing

Currently, Valor Holdings and the Company have a parent-subsidiary dual listing relationship. As the costs associated with maintaining this listing were projected to rise significantly, increasing the Company's expenses, the Company believes that going private through the Transactions will reduce costs. Furthermore, from a corporate governance perspective, resolving the parent-subsidiary dual listing also offers the benefit of resolving structural conflicts of interest.

The Company is aware that the disadvantages of going private are that the Company will not be able to raise funds through equity financing in the capital markets and that the Company will lose the benefits of being a listed company, including enhanced social credibility, public confidence, and recruitment. In addition, the Company is aware that losing capital ties with existing shareholders and being included in the Offeror, its 7 consolidated subsidiaries and 7 non-consolidated subsidiaries (collectively the "Offeror Group") may adversely impact stakeholders such as employees and business partners. However, the Company believes that, after the Transactions have been implemented, the Company will be able to raise necessary funds by leveraging the Offeror's and Valor Holdings' credibility and be supported by the Offeror's reputation and credibility as a group company of the Offeror, which is a listed company. Furthermore, the Company recognizes that, through its business activities to date, it already has a substantial business base, including brand strength, reputation, and credibility, and believes that by continuing to use the current management system and focusing on enhancing the social value of each existing business after inclusion in the Offeror Group as a result of going private, the basic policy being to maintain the company name, the brand, and the terms and conditions of employment, and by explaining to stakeholders together with the Offeror Group, the business policies and management structure following the Transactions, although it will lose capital ties with existing shareholders, it believes that it will be able to prevent adverse impacts on stakeholders, including business partners, and considering that it believes that it can further enhance the corporate image and brand strength in the medium- to long-term, the Company believes that the disadvantages resulting from going private through the Transactions, and those resulting from losing capital ties with existing shareholders and being included in the Offeror Group, will be limited.

In addition, as described in "3. Grounds for the amount of money expected to be paid to shareholders as a result of the treatment of fractional shares resulting from the share consolidation, etc." - "(1) Grounds and reasons for the amount of money expected to be paid to shareholders as a result of the treatment of fractional shares" - "(II) Treatment of fractional shares less than one share, and the amount of money expected to be paid to shareholders as a result of such treatment and the reasonableness of such amount" below, the Company's board of directors believes that Tender Offer Price and the terms and conditions of the Tender Offer are appropriate, and that the Tender Offer will provide the Company's shareholders with a reasonable opportunity to sell the Company Shares at a price with a reasonable premium added thereto.

(a) Based on the valuation results in the Share Valuation Report (Yamada & Partners Advisory) as described in "3. Details of, and grounds and reasons for, the opinion on the Tender Offer" - "(3) Matters related to calculation" - "(I) Procurement of a share valuation report from an independent third-party valuator retained by the Company" - "(ii) Summary of calculation" of the Press Release on Expression of Our Opinion, the Tender of Price is higher than the valuation results based on the market share price

method and the comparable company method, and is also at a level that falls within the range of the valuation results based on the DCF Method. It is noted that although the Tender Offer Price is close to the lower end of such range, considering that the financial projections underlying the DCF Method are by no means conservative and that the Company could evaluate, in the course of the discussions and negotiations with the Offeror, the Tender Offer Price to be the maximum possible price the Offeror could offer, the fact that the Tender Offer Price is close to the lower end of such range cannot be considered grounds for denying the reasonableness of the Tender Offer.

(b) The Tender Offer Price represents a price obtained by adding a premium of 28.28% to the closing price of 1,142 yen of the Company Shares in the TSE Prime Market on February 10, 2026, being the business day prior to the date of the Offeror's announcement of the Tender Offer, a premium of 30.11% to the simple average closing price of 1,126 yen for the last one-month period ended on that date, a premium of 29.19% to the simple average closing price of 1,134 yen for the last three-month period ended on that date, or a premium of 33.67% to the simple average closing price of 1,096 yen for the last six-month period ended on that date, respectively. Compared with the premium level (a median premium of 28.08% to the closing price of the business day prior to the date of the announcement, a median premium of 32.04% to the simple average closing price for the immediately preceding one-month period, a median premium of 35.33% to the simple average closing price for the immediately preceding three-month period, and a median premium of 42.62% to the simple average closing price for the immediately preceding six-month period) of similar cases in the recent years (specifically, among the successfully completed TOB cases that were announced from June 28, 2019, the date on which the Ministry of Economy, Trade and Industry issued the "Fair M&A Guidelines," up to and including December 30, 2025, 35 cases where the expected holding ratio of the purchaser and specially related parties after implementation of the TOB was 100% and where the squeeze-out procedure was conducted by way of a share consolidation (excluding the cases where the target company is an REIT or listed on the TOKYO PRO Market, share buyback tender offers, discounted tender offers, first-tier tender offers in two-tier tender offers, MBOs, cases where the target company is an investment corporation, or cases with a price book-value ratio (PBR) of less than 1.0.) (the same applies to the following "similar cases in the recent years".)), the premium level of the Tender Offer Price falls below the median premium to the simple average closing price of the similar cases in the recent years for immediately preceding one-month, three-month, and six-month period. However, considering the fact that the premium level of the Tender Offer Price was lower due to the temporary surge in the Company's market share price from late-December, 2025, to early-January, 2026, and that despite such temporary surge in the Company's market share price, the premium level of the Tender Offer Price still exceeds the median premium to the closing price on the day prior to the date of the announcement of the similar cases in the recent years (28.08%), the premium level is not significantly inferior and it is at a level where its reasonableness cannot be denied solely on the basis that there are certain points where it falls below the median premium of similar cases in the recent years.

(c) The Tender Offer Price reflects consideration of minority shareholders' interests, including the implementation of measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of

interest, as set out under "3. Grounds for the amount of money expected to be paid to shareholders as a result of the treatment of fractional shares resulting from the share consolidation, etc." - "(3) Measures to ensure the fairness of the Transactions, and measures to avoid conflicts of interest" below.

(d) The Tender Offer Price was determined through good-faith, continuous discussions and negotiations between the Company and the Offeror, after implementing the measures described above.

(e) The Special Committee received a timely report from the Company on the status of negotiations and was substantially involved in negotiating the terms and conditions of the Transactions by providing opinions, instructions, and requests regarding the Company's negotiation policy. As described in "3. Grounds for the amount of money expected to be paid to shareholders as a result of the treatment of fractional shares resulting from the share consolidation, etc." - "(3) Measures to ensure the fairness of the Transactions and measures to avoid conflicts of interest" - "(V) Establishment of an independent special committee at the Company and procurement of a report" below, the Report concludes that, under other various terms and conditions of the present case, the minority shareholders would receive (i) all value that could be realized without conducting the Transactions and (ii) an appropriate portion of the value that would not be realized if the Transactions were not conducted (i.e., the increase in corporate value would be fairly allocated to the minority shareholders), and that the Tender Offer Price is reasonable (for the details of the Report including the reasons therefor, please refer to Attachment 1 to the Press Release on Expression of Our Opinion dated February 13, 2026).

(f) The Offeror has proposed a two-step acquisition consisting of a cash tender offer followed by a squeeze-out by way of share consolidation.

(g) Although the Offeror proposed the Initially Proposed Minimum Number of Tendered Shares to be Purchased, it sincerely accepted Company's and the Special Committee's opinion and set the minimum number of shares to be purchased at the number of shares that secures voting rights equivalent to two-thirds (2/3) of the number of voting rights of all the Company's shareholders (provided, however, that voting rights represented by the BBT-Owned Shares and voting rights represented by the Restricted Stocks held by the Company's directors are excluded).

Accordingly, at the board of directors meeting held on February 12, 2026, the Company resolved to express its opinion in favor of the Tender Offer and to recommend that the Company's shareholders tender their shares in the Tender Offer. As for the Share Options, the Company resolved that it will leave to the Share Option Holders' decisions on whether to tender their Share Options in the Tender Offer, considering that the Share Option Price is 1 yen.

After that, as stated above, despite the successful completion of the Tender Offer, the Offeror failed to acquire all Company Shares (including the Company Shares to be delivered upon exercise of the Share Options, but excluding all Company treasury shares and the Non-Tendered Shares) through the Tender Offer; hence, at the request of the Offeror, the Company, at the board of directors meeting held today,

decided to implement the Share Consolidation subject to approval of shareholders at the Extraordinary General Shareholders Meeting to make the Offeror and Valor Holdings the only shareholders of the Company and accordingly resolved to submit an agenda item concerning the Share Consolidation to the Extraordinary General Shareholders Meeting.

As a result of the Share Consolidation, the number of Company Shares held by the shareholders other than the Offeror and Valor Holdings will be fractional shares less than one share.

2. Outlines of share consolidation

(1) Schedule of share consolidation

(i) Date of public notice of the record date for the Extraordinary General Shareholders Meeting	March 19, 2026 (Thu)
(ii) Record date for the Extraordinary General Shareholders Meeting	April 6, 2026 (Mon)
(iii) Date of resolution of board of directors	April 23, 2026 (Thu)
(iv) Date of the Extraordinary General Shareholders Meeting	May 27, 2026 (Wed) (Scheduled)
(v) Date of designation as a delisted issue	May 27, 2026 (Wed\) (Scheduled)
(vi) Last trading day of Company Shares	June 25, 2026 (Thu) (Scheduled)
(vii) Date of delisting of Company Shares	June 26, 2026 (Fri) (Scheduled)
(viii) Effective date of Share Consolidation	June 30, 2026 (Tue) (Scheduled)

(2) Details of share consolidation

(I) Class of shares to be consolidated

Common shares

(II) Ratio of consolidation

7,505,804 Company Shares are to be consolidated into one share.

(III) Total number of issued shares to decrease

30,023,213 shares (Note 1)

(Note 1) Since the Company has resolved at the Board of Directors held on April 23, 2026 to cancel 170,169 treasury shares owned by the Company ((i) 10,435 treasury shares as of November 30, 2025; and (ii) 159,734 shares of the Company owned by Mizuho Trust & Banking Co., Ltd.. in its capacity as the trustee of the trust assets of the Company's board benefit trust (BBT), which the Company plans to acquire without consideration by June 29, 2026) as of June 29, 2026, the "Total number of issued shares to decrease" is based on the total number of issued shares after such cancellation. The cancellation of treasury shares is subject to the agenda item concerning the Share Consolidation being approved as originally proposed at the Extraordinary General Shareholders Meeting.

(IV) Total number of issued shares before effectuation

30,023,217 shares (Note 2)

(Note 2) The "Total number of issued shares before effectuation" shows the total number of issued shares after such cancellation as stated above in (Note 1).

(V) Total number of issued shares after effectuation

4 shares

(VI) Total number of authorized shares after effectuation

16 shares

(VII) Treatment of fractional shares less than one share and amount of money expected to be paid to shareholders as a result of such treatment

(i) Whether the treatment under Article 235, Paragraph 1 of the Companies Act or the treatment under Article 234, Paragraph 2 of the said act as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the said act is planned, and the reasons therefor

As described in "1. Purposes and reasons for share consolidation"- "(3) Details of the decision-making" above, upon the Share Consolidation, the number of Company Shares held by the shareholders other than the Offeror and Valor Holdings will be fractional shares of less than one share.

With respect to fractional shares of less than one share resulting from the Share Consolidation, the Company will sell the number of shares equivalent to the total number of such fractional shares (pursuant to Article 235, Paragraph 1 of the Companies Act (Act No. 86 of 2005, as amended; the same applies hereinafter) when the total number includes fractional shares of less than one share, such fractions will be rounded down) in accordance with the provisions of Article 235 of the Companies Act and other relevant laws and regulations, and will pay the proceeds from the sale to the shareholders in proportion to their fractional shares. The Company plans to sell such shares to the Offeror with permission of a court in accordance with Article 234, Paragraph 2 of the Companies Act as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the said act, considering that it is unlikely that any purchaser can be found through public sale due to the facts that the Share Consolidation is to be conducted as part of the Transactions which aim at making the Offeror and Valor Holdings the only shareholders of the Company and that the Company Shares are to be delisted as of June 26, 2026, becoming shares with no market price.

In such case, if the court permission above is obtained as planned, the sales price is expected to be set so as to provide each shareholder with money equivalent to the amount obtained by multiplying the number of Company Shares held by each of the shareholders recorded or stated on the final shareholder register of the Company as of June 29, 2026 which is the day preceding the effective date of the Share Consolidation, by 1,465 yen which is the same as the Tender Offer Price. Provided, however, that the actual amount to be paid may differ from the above amount in cases where the court permission is not obtained or where adjustments of fractions are necessary in calculation.

(ii) Name of person expected to purchase shares subject to sale

KOHNAN SHOJI Co., Ltd .

(iii) Method by which the person expected to purchase shares subject to sale secures funds to pay the sale price, and the reasonableness of the method

The Offeror plans to finance the purchase payment for the Transactions including the amount necessary for the acquisition of the number of Company Shares that equals to the total number of fractional shares resulting from the Share Consolidation by means of borrowing from SMBC. The Company has confirmed the method by which the Offeror secures the funds by confirming the loan certificate which the Offeror obtained from SMBC.

According to the Offeror, the Offeror intends to fund the payment of the sales price of the Company Shares that equal to the total number of fractional shares less than one share resulting from the Share Consolidation from the above amount and no event has occurred that may hinder such payment, and the Offeror is not aware of any likelihood of occurrence of such event in the future.

Based on the above, the Company has determined that the method is reasonable by which the Offeror secures funds for the payment of the sales proceeds of the Company Shares that equal to such fractional shares.

(iv) Expected timing of sale and expected timing of payment of sales proceeds to shareholders

The Company plans to file a petition with a court after the effectuation of the Share Consolidation in early August 2026 in accordance with Article 234, Paragraph 2 of the Companies Act as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the same act, seeking permission for sale of the Company Shares to the Offeror that equal to the total number of fractional shares less than one share resulting from the Share Consolidation. The timing of obtaining such permission may vary depending on the circumstances in the court and other factors. The Company expects to sell such Company Shares with the court permission in late August 2026, and then to make necessary preparations for payment of the proceeds from the sale to the shareholders, and to pay such sales proceeds to the shareholders in early October 2026. As described above, the Company has determined that the Company Shares that equal to the total number of fractional shares less than one share resulting from the Share Consolidation will be sold and the sales proceeds will be paid to the shareholders at the respective timing mentioned above, considering the period of time required from the effective date of the Share Consolidation to a series of procedures for the sale.

3. Grounds for the amount of money expected to be paid to shareholders as a result of the treatment of fractional shares resulting from the share consolidation, etc.

(1) Grounds and reasons for the amount of money expected to be paid to shareholders as a result of the treatment of fractional shares

(I) Matters that were considered to not harm interest of shareholders other than parent company, etc. if there is such parent company, etc.

As of the date of the Press Release on Expression of Our Opinion, the Offeror does not own any Company Shares or Share Options and the Tender Offer does not constitute a tender offer by a controlling shareholder. Furthermore, none of the Company's management is scheduled to invest, directly or indirectly, in the Offeror, and the Transaction, including the Tender Offer, does not constitute a management buyout (MBO) transaction.

However, considering the fact that (i) the Transactions are intended to take the Company Shares

private and make the Offeror and Valor Holdings the only shareholders of the Company, (ii) Valor Holdings has made an agreement with the Offeror not to tender shares in the Tender Offer and pursuant to the agreement between the Offeror and Valor Holdings setting out the operation of the Company and treatment of the Company Shares after the Transactions (the "Shareholders Agreement") and the memorandum of understanding between the Offeror and Valor Holdings concerning the capital and business alliance with the view to accelerating the growth strategies of the three companies including the Company (the "MOU"), Valor Holdings will remain a shareholder of the Company and continue to maintain its influence as the Company's parent company after the implementation of the Transactions, and (iii) as the Offeror and the Company have entered into the Capital and Business Alliance Agreement regarding the operation of the Company after completion of the Transactions and the Offeror and Valor Holdings have entered into the MOU, it is possible that the interests of Valor Holdings, the Company's parent company, and those of the Company's minority shareholders may not align. Accordingly, considering the above possibilities and the intent of the request under Article 441 (Matter to be Observed in relation to MBO, etc.) of the Securities Listing Regulations of the TSE, the Company has implemented the measures described below in "(3) Measures to ensure the fairness of the Transactions, and measures to avoid conflicts of interest" to ensure due care in its decision-making regarding the Transactions.

(II) Treatment of fractional shares less than one share, and the amount of money expected to be paid to shareholders as a result of such treatment and the reasonableness of such amount

As stated above in "(2) Details of share consolidation," - "(VII) Treatment of fractional shares less than one share and amount of money expected to be paid to shareholders as a result of such treatment" - "(i) Whether the treatment under Article 235, Paragraph 1 of the Companies Act or the treatment under Article 234, Paragraph 2 of the said act as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the said act is planned, and the reasons therefor" upon the Share Consolidation, the Company's shareholders will be provided with money equivalent to the amount obtained by multiplying the number of Company Shares held by each of the shareholders by 1,465 yen which is the same as the Tender Offer Price.

Furthermore, based on the reasons described below, the Company believes that Tender Offer Price and the terms and conditions of the Tender Offer are appropriate, and that the Tender Offer will provide the Company's shareholders with a reasonable opportunity to sell the Company Shares at a price with a reasonable premium added thereto.

(a) Based on the valuation results in the Share Valuation Report (Yamada & Partners Advisory) as described in "3. Details of, and grounds and reasons for the opinion on the Tender Offer" - "(3) Matters related to calculation" - "(I) Procurement of a share valuation report from an independent third-party valuator retained by the Company" - "(ii) Summary of calculation" in the Press Release on Expression of Our Opinion, the Tender Offer Price is higher than the valuation results based on the market share price method and the comparable company method, and is also at a level that falls within the range of the valuation results based on the DCF Method. It is noted that although the Tender Offer Price is close to the lower end of such range, considering that the

financial projections underlying the DCF Method are by no means conservative and that the Company could evaluate, in the course of the discussions and negotiations with the Offeror, the Tender Offer Price to be the maximum possible price the Offeror could offer, the fact that the Tender Offer Price is close to the lower end of such range cannot be considered grounds for denying the reasonableness of the Tender Offer.

(b) The Tender Offer Price represents a price obtained by adding a premium of 28.28% to the closing price of 1,142 yen of the Company Shares in the TSE Prime Market on February 10, 2026, being the business day prior to the date of the Offeror's announcement of the Tender Offer, a premium of 30.11% to the simple average closing price of 1,126 yen for the last one-month period ended on that date, a premium of 29.19% to the simple average closing price of 1,134 yen for the last three-month period ended on that date, or a premium of 33.67% to the simple average closing price of 1,096 yen for the last six-month period ended on that date, respectively. Said premium level is not significantly inferior compared with the premium level (a median premium of 28.08% to the closing price of the business day prior to the date of the announcement, a median premium of 32.04% to the simple average closing price for the immediately preceding one-month period, a median premium of 35.33% to the simple average closing price for the immediately preceding three-month period, and a median premium of 42.62% to the simple average closing price for the immediately preceding six-month period) of similar cases in the recent years (specifically, among the successfully completed TOB cases that were announced from June 28, 2019, the date on which the Ministry of Economy, Trade and Industry issued the "Fair M&A Guidelines," up to and including December 30, 2025, 35 cases where the expected holding ratio of the purchaser and specially related parties after implementation of the TOB was 100% and where the squeeze-out procedure was conducted by way of a share consolidation (excluding the cases where the target company is an REIT or listed on the TOKYO PRO Market, share buyback tender offers, discounted tender offers, first-tier tender offers in two-tier tender offers, MBOs, cases where the target company is an investment corporation, or cases with a price book-value ratio (PBR) of less than 1.0.)), and it is at a level where its reasonableness cannot be denied solely on the basis that there are certain points where it falls below the median premium of comparable cases.

(c) The Tender Offer Price reflects consideration of minority shareholders' interests, including the implementation of measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest, as set out under "(3) Measures to ensure the fairness of the Transactions, and measures to avoid conflicts of interest" below.

(d) The Tender Offer Price was determined through good-faith, continuous discussions and negotiations between the Company and the Offeror, after implementing the measures described above.

(e) The Special Committee received a timely report from the Company on the status of negotiations and was substantially involved in negotiating the terms and conditions of the Transactions by

providing opinions, instructions, and requests regarding the Company's negotiation policy. As described in "(3) Measures to ensure the fairness of the Transactions, and measures to avoid conflicts of interest" - "(V) Establishment of an independent special committee at the Company and procurement of a report" below, the Report concludes that, under other various terms and conditions of the present case, the minority shareholders would receive (i) all value that could be realized without conducting the Transactions and (ii) an appropriate portion of the value that would not be realized if the Transactions were not conducted (i.e., the increase in corporate value would be fairly allocated to the minority shareholders), and that the Tender Offer Price is reasonable (for the details of the Report including the reasons therefor, please refer to Attachment 1 of the Press Release on Expression of Our Opinion as of February 13, 2026).

(f) The Offeror has proposed a two-step acquisition consisting of a cash tender offer followed by a squeeze-out by way of share consolidation.

(g) Although the Offeror proposed the Initially Proposed Minimum Number of Tendered Shares to be Purchased, it sincerely accepted Company's and the Special Committee's opinion and set the minimum number of shares to be purchased at the number of shares that secures voting rights equivalent to two-thirds (2/3) of the number of voting rights of all the Company's shareholders (provided, however, that voting rights represented by the BBT-Owned Shares and voting rights represented by the Restricted Stocks held by the Company's directors are excluded).

Accordingly, at the board of directors meeting held on February 12, 2026, the Company resolved to express its opinion in favor of the Tender Offer and to recommend that the Company's shareholders tender their shares in the Tender Offer. As for the Share Options, the Company resolved that it will leave to the Share Option Holders' decisions on whether to tender their Share Options in the Tender Offer, considering that the Share Option Price is 1 yen.

For the resolution method used by Company's board of directors above, please refer to "(VI) Unanimous approval of all disinterested directors (including directors who are members of Audit and Supervisory Committee) of the Company" in "(3) Measures to ensure the fairness of the Transactions, and measures to avoid conflicts of interest" below.

Furthermore, the Company confirmed at the board of directors meeting held on February 12, 2026 that no material changes were made to conditions underlying the calculation of the Tender Offer Price after the resolutions to express its opinion in favor of the Tender Offer and to recommend that the Company's shareholders tender their shares in the Tender Offer, and to leave the decision to the Share Option Holders whether or not to tender in the Tender Offer until the time of resolution at the Board of Directors meeting as of April 23, 2026 which resolved the convocation of the Extraordinary General Shareholders Meeting.

Based on the above, the Company determines that the method of rounding fractional shares and the amount expected to be paid to the shareholders as a result of the treatment of fractional shares is reasonable.

(III) Disposition of material assets, assumption of material liabilities and other events affecting the status of company's assets that occurred to the Company after the end of the final business year

(i) Tender Offer

As described in "1. Purposes and reasons for share consolidation" above, the Offeror carried out the Tender Offer with a tender offer period commencing on February 13, 2026 and ending on March 30, 2026, and as a result, came to own 11,723,970 Company Shares (Percentage of voting rights held: 38.79%) as of April 6, 2026 (the commencement date of the settlement of the Tender Offer).

(ii) Cancellation of treasury shares

The Company resolved at the Board of Directors as of April 23, 2026 to cancel 170,169 shares of the treasury shares owned by the Company ((i) 10,435 shares of the treasury shares owned as of November 30, 2025, and (ii) 159,734 shares of the Company Shares owned by Mizuho Trust & Banking Co., Ltd. the trustee, as the trust asset of the Company's board benefit trust (BBT), which the Company plans to acquire without consideration by June 29, 2026) as of June 29, 2026. The cancellation of the treasury shares is subject to the proposal on the Share Consolidation being approved and adopted at the Extraordinary General Shareholders Meeting as originally proposed.

(2) Possibility of delisting

(I) Delisting

As described in "1. Purposes and reasons for share consolidation" above, the Company plans to carry out the Share Consolidation for the purpose of making the Offeror and Valor Holdings the only shareholders of the Company, subject to approval of the shareholders at the Extraordinary General Shareholders Meeting. Consequently, the Company Shares will be delisted through the prescribed procedures in accordance with the TSE's delisting criteria.

As for the timeline thereof, the Company Shares will be designated as a stock to be delisted from May 27, 2026 until June 25, 2026, and then be delisted on June 26, 2026. The Company Shares can no longer be traded on the Prime Market of the TSE after being delisted.

(II) Reasons for delisting

As described in "1. Purposes and reasons for share consolidation" above, the Company reached a conclusion that the Transactions including the Tender Offer would enhance the corporate value of the Company.

(III) Impact on minority shareholders and the opinions thereon

As described in "(3) Measures to ensure the fairness of the Transactions, and measures to avoid conflicts of interest" - "(V) Establishment of an independent special committee at the Company and procurement of a report" below, the Company has obtained the Report as of February 10, 2026 to the effect that the decision to carry out the Transactions would be fair to general shareholders of the Company.

(3) Measures to ensure the fairness of the Transactions, and measures to avoid conflicts of interest

As of the date of the Press Release on Expression of Our Opinion, the Offeror does not own any Company Shares or Share Options and the Tender Offer does not constitute a tender offer by a controlling shareholder. Furthermore, none of the Company's management is scheduled to invest, directly or indirectly, in the Offeror, and the Transaction, including the Tender Offer, does not constitute a management buyout (MBO) transaction.

However, considering the fact that (i) the Transactions are intended to take the Company Shares private and make the Offeror and Valor Holdings the only shareholders of the Company, (ii) Valor Holdings has made an agreement with the Offeror not to tender shares in the Tender Offer and pursuant to the Shareholders Agreement and the MOU, Valor Holdings will remain a shareholder of the Company and continue to maintain its influence as the Company's parent company after the implementation of the Transactions, and (iii) as the Offeror and the Company have entered into the Capital and Business Alliance Agreement regarding the operation of the Company after completion of the Transactions and the Offeror and Valor Holdings have entered into the MOU, it is possible that the interests of Valor Holdings, the Company's parent company, and those of the Company's minority shareholders may not align. Accordingly, considering the above possibilities and the intent of the request under Article 441 (Matter to be Observed in relation to MBO, etc.) of the Securities Listing Regulations of the TSE, the Company has implemented the following measures to ensure due care in its decision-making regarding the Transactions, to eliminate the influence of Valor Holdings in the discussion process for the Transaction and the arbitrariness in the Company's decision-making, and to ensure fairness through the entire process of deliberation and decision-making on the pros and cons of the Transaction, the fairness and appropriateness of the terms of the Transaction, and other matters.

Since the Offeror believes that setting a minimum number of the "Majority of Minority" in the Tender Offer would destabilize the successful completion of the Tender Offer, which in turn might not serve the interests of minority shareholders who wish to tender in the Tender Offer, and it has not set a minimum number of the "Majority of Minority" in the Tender Offer. However, since the Offeror and the Company implemented the following measures, the Offeror believes that due consideration was given to the interests of the Company's minority shareholders.

The following descriptions regarding measures implemented by the Offeror are based on explanations given by the Offeror.

(I) Procurement of a share valuation report from an independent third-party valuator retained by the Offeror

(i) Company Shares

According to the Offeror, in determining the Tender Offer Price, the Offeror requested Daiwa Securities, its financial adviser, to calculate the Company's share value as its third-party valuator independent of the Offeror Group, the Company, and Valor Holdings. According to the Offeror, Daiwa Securities is not a related party of the Offeror Group, the Company, or Valor Holdings and has no material interest in the Transactions.

According to the Offeror, after considering, from among various share valuation methods, the valuation method that should be adopted when calculating the share value of the Company, and from the perspective that it would be appropriate to assess the value of the Company Shares in multiple ways based on the premise that the Company is a going concern, Daiwa Securities calculated the share value

of the Company Shares using each of: (i) the market share price method which takes into account the trend of the Company's market share price; (ii) the comparable company method because there are several listed companies comparable to the Company and it is possible to infer the share value of the Company Shares by comparison with such comparable companies; and (iii) the DCF Method which takes into account factors such as the details and forecast of the Company's business performance. According to the Offeror, as of February 10, 2026, the Offeror received from Daiwa Securities a share valuation report (the "Share Valuation Report (Daiwa Securities)"). In addition, according to the Offeror, as the Offeror believes that sufficient consideration has been given to the interests of the Company's minority shareholders, taking into account the other measures to ensure the fairness of the Tender Offer Price that are implemented in connection with the Transactions, the Offeror has not obtained an opinion concerning the fairness of the Tender Offer Price (fairness opinion) from Daiwa Securities.

According to the Offeror, the Offeror understands from the Share Valuation Report (Daiwa Securities), that the valuation methods adopted and the ranges of the per share value of the Company Shares calculated using such methods are as follows.

Market share price method:	1,096 yen to 1,142 yen
Comparable company method:	1,194 yen to 1,756 yen
DCF Method:	1,067 yen to 1,637 yen

It is understood that under the market share price method, February 10, 2026 was used as the base date, and the per share value of the Company Shares was calculated to range from 1,096 yen to 1,142 yen, based on the closing price of the Company Shares listed on the TSE Prime Market on the base date (1,142 yen), the simple average of the closing prices for the immediately preceding one-month period (January 13, 2026 to February 10, 2026) (1,126 yen), the simple average of the closing prices for the immediately preceding three-months period (November 11, 2025 to February 10, 2026) (1,134 yen), and the simple average of the closing prices for the immediately preceding six-months period (August 12, 2025 to February 10, 2026) (1,096 yen).

It is understood that under the comparable company method, the per share value of the Company Shares was calculated to range from 1,194 yen to 1,756 yen, by calculating the share value of the Company Shares through comparison of market share prices as well as financial indices indicating profitability, etc. and the like of listed companies engaged in businesses similar to those of the Company.

It is understood that under the DCF Method, based on various factors including the business plan prepared by the Company for the six fiscal years from the fiscal year ending February 28, 2026 to the fiscal year ending February 28, 2031, the most recent trend in the Company's business performance, the results of the due diligence conducted by the Offeror on the Company from mid-November 2025 to early January, 2026, and publicly available information, etc. the per share value of the Company Shares was calculated to range from 1,067 yen to 1,637 yen, as a result of analyzing the enterprise value and the equity value of the Company by discounting the free cash flow that is expected, based on the Company's future earnings forecast from the fiscal year ending February 28, 2026 to the fiscal year ending February 28, 2031 with adjustments made by the Offeror, to be generated by the Company in the 4th quarter of the fiscal year ending February 28, 2026 and onwards to the present value at a certain

discount rate. Please note that the Company's financial projection for the future which Daiwa Securities used for the DCF Method analysis does not include fiscal years in which significant increase or decrease in profit is expected, neither does it include fiscal years in which a significant increase or decrease in free cash flow is expected. In addition, the Company's financial projection for the future which Daiwa Securities used for the DCF Method analysis does not assume the implementation of the Transaction nor reflect the synergy effects expected from the Transaction, as it is impossible to estimate the specific impact on earnings at the time of calculation.

According to the Offeror, the Offeror decided to set the Tender Offer Price at 1,465 yen at the board of directors meeting held on February 12, 2026, comprehensively taking into consideration that the share value of the Company in the Share Valuation Report (Daiwa Securities) obtained on February 10, 2026 exceeded the upper limit of the valuation results calculated by the market share price method and fell within the range of the valuation results of the comparable company method and the DCF method, the results of the due diligence on the Company conducted by the Offeror, whether the Company's board of directors approve the Tender Offer or not, the trend of the market share price of the Company Shares in the past three years (the highest closing price of 1,272 yen and the lowest closing price of 919 yen), and the prospects for the tenders to be made in the Tender Offer, also based on the results of the consultations and negotiations with the Company.

According to the Offeror, the Tender Offer Price of 1,465 yen is a price obtained by adding a premium of 28.28% to the closing price of 1,142 yen of the Company Shares in the TSE Prime Market on February 10, 2026, the business day immediately preceding the date of the Offeror's announcement of the Tender Offer, a premium of .30.11% to the simple average of the closing prices of 1,126 yen for the immediately preceding one-month period (January 13, 2026 to February 10, 2026), premium of .29.19% to the simple average of the closing prices of 1,134 yen for the immediately preceding three-months period (November 11, 2025 to February 10, 2026), or a premium of .33.67% to the simple average of the closing prices of 1,096 yen for the immediately preceding six-months period (August 12, 2025 to February 10, 2026), respectively.

(ii) Share Options

The Share Options provide, as a condition of exercise, that they may be exercised in a lump sum during the exercise period, and only from the day following the day on which the Company's director loses its status as the Company's director to the day on which 10 days therefrom have elapsed. According to the Offeror, considering that, among various factors, the Offeror cannot exercise the Share Options even if it acquires the same, the Offeror set the Share Option Price at 1 yen each.

According to the Offeror, it is noted that the Offeror has not obtained any valuation reports or opinions (fairness opinions) from any third-party valuators as the Offeror decided on the Share Option Price as described above.

(II) Procurement of a share valuation report from an independent third-party valuator retained by the Company

(i) Name of the third-party valuator and relationship with the Company and the Offeror

In expressing its opinion on the Tender Offer, in order to ensure the fairness in the process of its

decision-making on the Tender Offer Price, the Company requested Yamada & Partners Advisory to calculate the value of the Company Shares as a third-party valuator independent of the Offeror Related Parties and the Company Group, as well as the success or failure of the Transactions. The Company has not obtained an opinion concerning the Tender Offer Price (fairness opinion) from Yamada & Partners Advisory since the Company and the Offeror have implemented measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest. Yamada & Partners Advisory, which is a third-party valuator, does not constitute a related party of the Offeror Related Parties or the Company Group and has no material interest in the Tender Offer. The compensation to Yamada & Partners Advisory for the Transactions includes only the fixed fee to be paid regardless of the success or failure of the Transactions and does not include a performance fee to be paid subject to factors including the successful completion of the Transactions.

(ii) Summary of calculation

After considering the valuation methods to be adopted in the Tender Offer and under the assumption that the Company is a going concern, Yamada & Partners Advisory, based on its judgment that it is appropriate to multilaterally evaluate the value of the Company Shares, calculated the share value of the Company Shares based on: (i) the market share price method as the Company Shares are listed on the TSE Prime Market; (ii) the comparable company method given the existence of several listed companies with business profiles relatively similar to the Company, allowing the share value of the Company to be inferred by comparison; and (iii) the DCF Method to reflect the future status of the Company's business activities in the valuation. According to Yamada & Partners Advisory, the valuation methods adopted in calculating the share value of the Company Shares and the ranges of the per share value of the Company Shares calculated based on such methods are as follows:

Market share price method:	1,096 yen to 1,142 yen
Comparable company method:	714 yen to 1,252 yen
DCF Method:	1,460 yen to 3,421 yen

Under the market share price method, with a calculation base date of February 10, 2026, the per share value of the Company Shares was calculated to range from 1,096 yen to 1,142 yen based on the closing price of the Company Shares on the TSE Prime Market as of the calculation base date (1,142 yen), the simple average closing price for the immediately preceding one-month period ending on the calculation base date (1,125 yen), the simple average closing price for the immediately preceding three-month period ending on the calculation base date (1,134 yen), and the simple average closing price for the immediately preceding six-month period ending on the calculation base date (1,096 yen).

Under the comparable company method, KOMERI Co., Ltd., Joyful Honda Co., Ltd., and Nafco Corporation were selected as listed companies business profiles similar to those of the Company, and the per share value of the Company Shares was calculated to range from 714 yen to 1,252 yen, using the EBITDA ratio to the business value in calculating the Company's share value.

Under the DCF Method, taking into account various factors, such as (i) the business plan prepared by the Company for the fiscal year ending February 28, 2026 through fiscal year ending February

28, 2031 (the "Business Plan"), (ii) the Company's financial results for the third quarter of the fiscal year ending February 28, 2026, and (iii) any information disclosed to the general public, the per share value of the Company Shares was calculated to range from 1,460 yen to 3,421 yen, after calculating the enterprise value and equity value of the Company by discounting the free cash flow that the Company is expected to generate in the fourth quarter of the fiscal year ending February 28, 2026 onward, to their present value using an appropriate discount rate. The discount rate is calculated as 4.36% to 5.33% using the weighted average cost of capital, and the going concern value was calculated using the perpetual growth method and the EXIT multiple method. The perpetual growth rate used in the perpetual growth method was set at 0% upon comprehensively taking into account factors, including the external environment. In the EXIT multiple method, the EBITDA ratio to the business value was set at 5.63x to 7.63x, taking into account the level of the listed companies selected in the comparable company method, while the going concern value was calculated to be 53,923 million yen to 112,546 million yen.

The financial projection based on the Business Plan which Yamada & Partners Advisory used as premise for the calculation under the DCF Method is as follows. Please note that the Business Plan which Yamada & Partners Advisory used for the calculation under the DCF method does not include fiscal years in which significant increase or decrease in profit is expected on a year-on-year basis, but includes fiscal years in which a significant increase or decrease in free cash flow is expected on a year-on-year basis.

Specifically, in the fiscal year ending February 29, 2028, while the Company's home center business, its core business, will operate and place orders for products regardless of weekdays and holidays, the payment for the purchases cannot be made on bank holidays and thus, due to the end of February 2027 falling on a holiday, a significant balance of accounts payable will be extinguished, resulting in an estimated decrease of 1,359 million yen on a year-on-year basis in free cash flow. Further, for the fiscal year ending February 28, 2029, the Company estimates an increase of 3,611 million yen on a year-on-year basis in free cash flow due to the reversal effect from the above extinguishment in accounts payable expected for the fiscal year ending February 29, 2028.

The Business Plan has been prepared by directors independent from the Offeror Related Parties for the purpose of verifying the appropriateness of the terms of the Transaction and has been approved by the Company's executive directors excluding those with potential conflicts of interest (i.e., Mr. Asakura, Mr. Morisaku Wagato, and Mr. Masami Tashiro). The Business Plan has been formulated based on the past performance, current profitability and external environment, setting reasonable assumptions for each item. Upon preparation of the Business Plan, the Special Committee held a question-and-answer session with the Company regarding the assumptions and the content and confirmed and approved its reasonableness. The term of the Business Plan is set at a five-year period as a realistic timeframe during which the results of the medium-to-long-term strategy could be quantitatively realized.

In addition, the synergies expected to be realized as a result of the Transactions are not reflected, except for the reduction in costs associated with maintaining the listing, because it is difficult to specifically estimate the impact on earnings as at the time of calculation .

(million yen)

	Fiscal year ending Feb. 28, 2026 (three months)	Fiscal year ending Feb. 28, 2027	Fiscal year ending Feb. 29, 2028	Fiscal year ending Feb. 28, 2029	Fiscal year ending Feb. 28, 2030	Fiscal year ending Feb. 28, 2031
Net sales	38,111	150,598	153,601	156,051	158,493	161,085
Operating profit	1,397	5,698	6,577	7,227	7,917	8,728
EBITDA	2,066	9,304	10,255	10,945	11,739	12,583
Free cash flow	989	3,033	1,674	5,285	5,876	6,455

In calculating the share value of the Company Shares, Yamada & Partners Advisory, in principle, adopted the information, etc. provided by the Company and publicly available information as is, assuming that all of the materials and information, etc. are accurate and complete, and has not independently verified the accuracy or completeness thereof. In addition, no independent evaluation or assessment of the assets and liabilities (including off-balance-sheet assets and liabilities, or other contingent liabilities) of the Company has been conducted, and no request for appraisal or assessment thereof has been made to any third-party agent. Furthermore, it is assumed that information regarding the Company's financial projection was reasonably prepared by Mr. Kazuya Ito, who is a disinterested director of the Company, based on the best possible estimates and judgments as at the time of calculation . However, Yamada & Partners Advisory has conducted Q&A sessions with the Company regarding the Business Plan used as a basis for the calculations and has confirmed the details thereof.

In addition, the Special Committee has confirmed the reasonableness of factors, such as the details of the Business Plan, key prerequisites, and the background to its preparation, through Q&A sessions with the Company and has given approval for the proposed Business Plan. Please note that, while the Share Options are also included in the subject of the Tender Offer, the Company has not obtained a valuation report or opinion on the fairness of the Share Option Price (fairness opinion) from any third-party valuator, because the Share Option Price is set at 1 yen in every case.

(III) Expert advice to the Company from an independent financial advisor

The Company has appointed SMBC's M&A Advisory Services Dept. as a financial advisor for the Transactions and has received expert advice from SMBC's M&A Advisory Services Dept. from a financial perspective including advice on measures to be taken to ensure fairness in the process of the Transaction and the decision-making method and process, etc. of the Company for the Transactions.

MBC's M&A Advisory Services Dept. does not constitute the Offeror Related Parties or a related party of the Company Group and has no material interest in the Transactions including the Tender Offer. SMBC as a corporation holds the status as a shareholder of the Offeror (shareholding ratio to the total number of issued shares as of the end of August, 2025 (excluding treasury shares): 0.12%), the status as a shareholder of Valor Holdings (shareholding ratio to the total number of issued shares as of the end of August, 2025 (excluding treasury shares): 0.50%) and has conducted loan transactions, etc. with the Offeror Related Parties and the Company Group as part of ordinary banking transactions.

While SMBC as a corporation may consider making a loan to the Offeror in connection with the Transaction, the Company has appointed SMBC's M&A Advisory Services Dept. based on the

judgment that SMBC has, under legal obligations in accordance with the relevant laws and regulations including Article 13-3-2, Paragraph 1 of the Banking Act (Act No. 59 of 1981, as amended) and Article 14-11-3-3 the Ordinance for Enforcement of the Banking Act (Order of the Ministry of Finance No. 10 of 1982, as amended), has constructed and implemented appropriate conflict of interest management systems such as information barriers within the bank (between sections in charge of financial advisory and sections in charge of ordinary banking operations) and SMBC's M&A Advisory Services Dept. as a financial advisor has implemented appropriate measures to prevent adverse effects. The Special Committee has confirmed at the first meeting of the Special Committee that there are no issues with respect to the independence or expertise of the financial advisor appointed by the Company and that the Special Committee may receive expert advice therefrom as necessary.

Furthermore, the compensation to SMBC's M&A Advisory Services Dept. for the Transactions includes a performance fee to be paid subject to the successful completion of the Transactions, etc. Taking into account general practices in similar transactions and the appropriateness of the compensation structure that would impose a reasonable financial burden on the Company if the Transactions fail, etc. the Company has determined that the inclusion of a performance fee to be paid subject to the completion of the Tender Offer would not negate the independence of SMBC's M&A Advisory Services Dept., and therefore appointed SMBC's M&A Advisory Services Dept. as the Company's financial advisor in accordance with the above compensation structure.

(IV) Expert advice to the Company from an independent law firm

To ensure transparency and reasonableness in the decision-making process of the Company's board of directors regarding the Transaction, the Company has appointed Anderson Mori & Tomotsune as a legal advisor independent from the Offeror Related Parties and the Company Group and the success or failure of the Transaction, and has received necessary legal advice from Anderson Mori & Tomotsune on the method and process of decision-making by the Company's board of directors regarding the Transaction and other matters to note. Anderson Mori & Tomotsune does not constitute the Offeror Related Parties or a related party of the Company Group and has no material interest in the Transactions including the Tender Offer. The fees paid to Anderson Mori & Tomotsune are to be paid only on an hourly basis regardless of success or failure of the Transaction and do not include any performance fee upon successful completion of the Transaction. The Special Committee has confirmed at the first meeting of the Special Committee that there are no issues with respect to the independence or expertise of the legal advisor appointed by the Company and that the Special Committee may receive expert advice therefrom as necessary.

(V) Establishment of an independent special committee at the Company and procurement of a report

(i) Background of establishment, etc.

Prior to deliberation and resolution by the Company's board of directors on the pros and cons of the Transaction, the Company has established the Special Committee by resolution at the Company's board of directors held on September 30, 2025, which consists of four members who are outside directors and audit and supervisory committee members of the Company (Mr. Shigemi Umezu, Mr. Kazuo Suzuki, Ms. Ayako Ota and Mr. Takeshi Hachimura), for the purpose of

eliminating arbitrariness in the decision-making process of the Company regarding the Transaction and ensuring fairness, transparency and objectivity in the Company's decision-making process. The Company has appointed such four members of the Special Committee from the beginning so that the composition of the Special Committee as a whole will ensure a balance in knowledge, experience and ability and there has been no change to the members of the Special Committee. Upon the appointment of the Special Committee members, the Company confirmed that none of the four members, (Mr. Shigemi Umezu, Mr. Kazuo Suzuki, Ms. Ayako Ota and Mr. Takeshi Hachimura, has material interest with any of the Offeror Related Parties and that all the four members are independent of the success or failure of the Transactions. Mr. Kazuo Suzuki was elected by the members of the Special Committee to serve as its chairperson.

Each member of the Special Committee will be paid a fixed amount, and no performance fee payable upon the announcement or successful completion of the Transaction including the Tender Offer is adopted.

Based on the above, as stated in "3. Details of, and grounds and reasons for the opinion on the Tender Offer" - "(2) Grounds and reasons for the opinion on the Tender Offer" - "(IV) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Company" - "(i) Background of establishment of review system" of the Press Release on Expression of Our Opinion, the Company consulted with the Special Committee regarding the Matters for Consultation. Furthermore, the Company's board of directors has resolved the following matters.

(a) In considering the matters for consultation, the Special Committee may use the Company's advisors with respect to the Transactions, and may retain a third-party institution, etc. to conduct the valuation of the Company's shares, the provision of the fairness opinion with respect to the Transactions and other matters that the Special Committee deems necessary, and in such case, the Company shall bear the reasonable costs of such service.

(b) The decision of the Company's board of directors regarding the Transactions shall be made with the utmost respect for the judgment of the Special Committee, and in particular, if the Special Committee determines that the terms and conditions of the Transactions are not appropriate, the Company's board of directors shall not opine in favor of the Transactions under such terms and conditions.

(c) The Special Committee shall be authorized to request the Company's directors, employees, and other persons deemed necessary by the Special Committee to attend Special Committee meetings and request explanations of necessary information in order to ensure the committee's appropriate decisions.

(d) The Special Committee shall be authorized to be in substance involved in the process of negotiations concerning the terms and conditions of the Transactions by confirming in advance the Company's plan on negotiation concerning the terms and conditions of the Transactions, receiving reports from the Company on the status of negotiation in a timely manner, stating its opinions and giving instructions and requests to the Company.

(ii) Background of consideration

The Special Committee held a total of 16 meetings between September 30, 2025 and February

10, 2026, and performed its duties regarding the Matters for Consultation through such means as reporting, information sharing, consideration, and decision making via email. Specifically, the Special Committee confirmed that there were no issues regarding the independence, expertise and performance of SMBC's M&A Advisory Services Dept. as the Company's financial advisor, Yamada & Partners Advisory as its third-party valuation agency, and Anderson Mori & Tomotsune as its legal advisor, and approved such appointments.

On September 30, 2025, the Special Committee appointed Nishida Law Office as its own legal advisor independent from the Offeror Related Parties, the Company Group and the success or failure of the Transaction, after confirming that there were no issues regarding its expertise, performance and independence from the Offeror Related Parties, the Company Group and the success or failure of the Transaction.

The Special Committee has received explanations from the Offeror and Valor Holdings regarding the background that led to the proposal of the Transaction, the purpose of the Transaction, and the management structure and operation policy, etc. after the Transaction and held a Q&A session.

The Special Committee has also received explanations from the Company regarding the purpose of the Transaction, the estimated impact of the Transaction on the Company's business, and the management structure and operation policy, etc. after the Transaction and held a Q&A session.

Furthermore, taking into account the advice given by SMBC's M&A Advisory Services Dept. from a financial perspective, the Special Committee received explanations from the Company and held a Q&A session regarding the details of the business plan of the Company, important preconditions, and the background of preparation, etc., and confirmed the reasonableness of these matters and approved the same. As stated in "(II) Procurement of a share valuation report from an independent third-party valuator retained by the Company" above, Yamada & Partners Advisory conducted a share valuation of the Company Shares based on the Company's business plan, independent of the parties related to the preparation of the business plan. The Special Committee received explanations from the method of share valuation adopted by Yamada & Partners Advisory and the reasons for adopting such valuation method, the details of valuation by each valuation method and important preconditions and confirmed the reasonableness thereof after holding a Q&A session and after deliberation and discussion.

The Special Committee has held reviews and discussions upon the Company's negotiation with the Offeror, taking into account the financial advice given by SMBC's M&A Advisory Services Dept. and legal advice given by Anderson Mori & Tomotsune, which are the Company's advisors, and stated necessary opinions as necessary upon the negotiation policy of the Company. Specifically, the Special Committee stated that the Company should request an increase of the Tender Offer Price to the Offeror on six occasions, having been timely informed from the Company regarding the details of negotiations and discussion on the Tender Offer Price and the Share Option Price each time when the Company received a proposal of the Tender Offer Price and the Share Option Price from the Offeror. Since the Company has conducted negotiations with the Offeror according to such opinion, etc., the Special Committee was substantially involved in the negotiation and discussion process between the Company and the Offeror.

As a result, on February 10, 2026, the Company received a proposal from the Offeror, which

would set the Tender Offer Price at 1,465 yen and the Share Option Price at 1 yen and increased the Tender Offer Price to 1,120 yen, from the initially proposed price of 1,465 yen.

(iii) Details of the decision-making

In light of the circumstances described above, the Special Committee, having carefully discussed and considered the Matters for Consultation while taking into account the legal advice received from Anderson Mori & Tomotsune, as well as the advice received from SMBC's M&A Advisory Services Dept. from a financial perspective and the Share Valuation Report (Yamada & Partners Advisory) received from Yamada & Partners Advisory as of February 10, 2026, submitted the Report to the Company's board of directors on the same date by unanimous approval of all committee members. For details of the Report including the reasons for the report, please refer to Attachment 1 of the Press Release on Expression of Our Opinion dated February 13, 2026.

(VI) Unanimous approval of all disinterested directors (including directors who are members of Audit and Supervisory Committee) of the Company

Based on the Share Valuation Report (Yamada & Partners Advisory) received from Yamada & Partners Advisory, the Report submitted by the Special Committee, legal advice given by Anderson Mori & Tomotsune and other relevant materials, the Company has carefully discussed and considered the terms of the Transaction including the Tender Offer.

As a result, as stated in "3. Details of, and grounds and reasons for, the opinion on the Tender Offer" - "(2) Grounds and reasons for the opinion on the Tender Offer" - "(IV) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Company" of the Press Release on Expression of Our Opinion, having determined that the Transactions would contributes to the enhancement of the Company's corporate value and that the terms of the Transactions including the Tender Offer Price are appropriate, the Company has resolved at the board of directors meeting held on February 12, 2026, with unanimous approval of eight disinterested directors including the directors who also serve as the Audit and Supervisory Committee members, to express its approval of the Tender Offer and to recommend the shareholders to tender their shares in the Tender Offer and to leave the decision on whether to tender their Share Options to the discretion of the Share Option Holders.

At the board of directors meeting described above, after discussion by eight directors out of 11 directors of the Company, excluding Mr. Asakura, Mr. Morisaku Wagato, and Mr. Masami Tashiro, the board has resolved as above with unanimous approval.

To avoid any suspicion of conflict of interest and to ensure the fairness of the Transaction, out of the Company's directors, Mr. Asakura, who has executed the Tender Agreement, and Mr. Morisaku Wagato and Mr. Masami Tashiro, who also serve as officers of Valor Holdings, have not participated in any discussion and resolution at the Company's board of directors related to the Transaction nor taken part in any discussion or negotiation with the Offeror regarding the Transaction on behalf of the Company.

(VII) Establishment of independent review system at the Company

As described in "3. Details of, and grounds and reasons for, the opinion on the Tender Offer" - "(2)

Grounds and reasons for the opinion on the Tender Offer" - "(IV) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Company" of the Press Release on Expression of Our Opinion, the Company has established a system internally to consider, negotiate, and make decisions regarding the Transactions from the standpoint of being independent from the Offeror. Specifically, on September 25, 2025, after receiving a notice that stated that the Offeror has started consideration for implementing the Transaction, the Company established a project team to consider the Transactions and to discuss and negotiate with the Offeror. The members of the project team exclude Mr. Asakura, who has executed the Tender Agreement, and Mr. Morisaku Wagato, and Masami Tashiro, who also serve as officers of Valor Holdings. The project team is composed only of six officers and employees of the Company (including Mr. Kazuya Ito, a director) who do not concurrently serve as officers and employees of the Offeror or Valor Holdings and has not served as officers or employees of the Offeror in the past, and such treatment continues. The Special Committee confirmed that there were no issues with the Company's review system (including the scope of the Company's directors, officers and employees involved in the consideration, negotiation, and decision-making regarding the Transactions and their duties) from the viewpoint of independence and fairness.

(VIII) Establishment of measures to ensure purchase opportunities from other purchasers

As described in "4. Matters concerning material agreements regarding the tendering of shares by the Company's shareholders and other matters in relation to the Tender Offer " - "(1) Capital and Business Alliance Agreement" of the Press Release on Expression of Our Opinion, the Capital and Business Alliance Agreement executed between the Company and the Offeror as of February 12, 2026 provides the Company's obligations to express an opinion (the "Opinion") on the date of execution of the Capital and Business Alliance Agreement that it supports the Tender Offer and recommends that the Company's shareholders tender their shares in the Tender Offer (including, to the effect, that the Tender Offer Price is appropriate and that whether the Share Option Holders will tender their Share Options in the Tender Offer shall be left to the discretion of the Share Option Holders), as well as to adopt a resolution of the board of directors (the "Resolution"), subject to the successful completion of the Tender Offer, not to pay the year-end dividend for the fiscal year ending February 28, 2026 and to abolish the shareholder benefits from the fiscal year ending February 28, 2026, and that the Company publicly disclose these matters and their details in accordance with applicable laws and regulations. The Capital and Business Alliance Agreement also provides the Company's obligations to maintain the Resolution without any amendment or withdrawal, and not to pass any resolution inconsistent therewith from the date of the execution of the Capital and Business Alliance Agreement until the end of the Tender Offer Period. However, it is also stated that the Company will not assume the above obligations if it is reasonably deemed that maintaining the Opinion would violate the duty of care of a good manager of the Company's directors, and in such case, the Company will discuss in good faith the handling thereof with the Offeror.

The Offeror has set the Tender Offer Period at 30 business days, which is longer than the statutory minimum of 20 business days. By setting the Tender Offer Period longer than the statutory minimum, the Offeror intends to ensure that the Company's shareholders and the Share Option Holders have adequate opportunity to make informed decisions regarding tendering their shares and Share Options to the Tender Offer, and that persons other than the Offeror have an opportunity to make competing

purchase offers, etc. thus ensuring the fairness of the Tender Offer.

4. Future prospects

As described in "3. Grounds for the amount of money expected to be paid to shareholders as a result of the treatment of fractional shares resulting from the share consolidation, etc." – "(2) Possibility of delisting" - "(I) Delisting" above, the Company Shares are scheduled to be delisted on June 26, 2026 in connection with the implementation of the Share Consolidation.

5. Matters concerning MBO, etc.

(1) Matters concerning measures to ensure fairness and to avoid conflicts of interest

The Transaction does not constitute a so-called MBO, etc., and the "Matters to be Observed Pertaining to Disclosure of MBO, etc." set forth in Article 441 of the Securities Listing Regulations do not apply.

However, given that (i) the Transaction contemplates privatizing the Company Shares and reducing the Company's shareholders to only Valor Holdings and the Offeror; (ii) Valor Holdings will not tender in the Tender Offer and, pursuant to the Shareholders Agreement entered into with the Offeror, is expected to remain a shareholder of the Company after the Transaction and continue to exert influence as the Company's parent company; and (iii) the Offeror and the Company have entered into the Capital and Business Alliance Agreement regarding the Company's operations following the completion of the Transaction, and the Offeror and Valor Holdings have entered into the MOU; there is a possibility that the interests of Valor Holdings, the Company's parent, and the Company's minority shareholders may not coincide. Accordingly, the Company implements the procedures prescribed in the "Matters to be Observed Pertaining to Disclosure of MBO, etc." as actions analogous to an MBO, etc. With respect to the Transaction, including the Tender Offer, the Company has implemented the measures to ensure fairness and to avoid conflicts of interest as described in "3. Grounds for the amount of money expected to be paid to shareholders as a result of the treatment of fractional shares resulting from the share consolidation, etc." - "(3) Measures to ensure the fairness of the Transactions, and measures to avoid conflicts of interest" above.

(2) Status of compliance with the policy concerning measures to protect minority shareholders

The Transaction also constitutes a transaction involving Valor Holdings, which is a controlling shareholder and other parties specified by the enforcement regulations. The Company's "Policy Concerning Measures to Protect Minority Shareholders upon Conducting Transactions with Controlling Shareholder" as set forth in the Corporate Governance Report published on May 30, 2025, state:

"We decide whether to enter into transactions with companies in the Valor Holdings Group and, where transactions are entered into, determine their terms in the same manner as for transactions with other parties, taking into account contract terms, market prices and other relevant factors, and handle such transactions fairly and appropriately so as not to harm the interests of minority shareholders. When deciding to enter into material transactions, we consult with a Conflict-of-Interest Management Committee (special committee), composed of four independent outside directors who have no conflicts of interest with the controlling shareholder. The Conflict-of-Interest Management Committee (special committee) deliberates on the necessity and reasonableness of the proposed transactions from the

perspective of minority shareholder protection, as well as the appropriateness and fairness of the terms and conditions, and reports its findings to the board of directors. The board of directors makes decisions on whether to proceed with the transactions while respecting the Committee's report. During the fiscal year ended February 28, 2025, the Conflict-of-Interest Management Committee held three meetings and, after deliberating on the necessity and reasonableness of the proposed transactions as well as the appropriateness and fairness of the terms and conditions, reported to the board of directors that none of the matters were disadvantageous to minority shareholders. All four members of the Conflict of Interest Management Committee attended all three meetings." The Company has, as described in "3. Grounds for the amount of money expected to be paid to shareholders as a result of the treatment of fractional shares resulting from the share consolidation, etc." - "(3) Measures to ensure the fairness of the Transactions, and measures to avoid conflicts of interest" received the Report from the Special Committee, obtained the Share Valuation Report (Yamada & Partners Advisory) from Yamada & Partners Advisory, an independent third party valuator, and received legal advice from Anderson Mori & Tomotsune, to ensure the fairness of the Tender Offer and to avoid conflicts of interest. Therefore, the Company considers that these measures comply with the above guidelines.

(3) Opinion of the Special Committee on fairness to general shareholders

Furthermore, as described in "3. Grounds for the amount of money expected to be paid to shareholders as a result of the treatment of fractional shares resulting from the share consolidation, etc." - "(3) Measures to ensure the fairness of the Transactions, and measures to avoid conflicts of interest" - "(V) Establishment of an independent special committee at the Company and procurement of a report" above, the Company received the Report from the Special Committee concerning the fairness, to the Company's general shareholders, of the Transaction, including the Tender Offer. For details of the Report including the reasons for the report, please refer to Attachment 1 of the Press Release on Expression of Our Opinion dated February 13, 2026.

III. Abolition of the provisions of share units number

1. Reasons for the abolition

If the Share Consolidation takes effect, the total number of shares issued by the Company will be four shares, thereby eliminating the need to specify the share units number.

2. Scheduled date of the abolition

June 30, 2026 (Tuesday)

3. Terms of the abolition

The abolition is subject to the agenda item concerning the Share Consolidation and the agenda item concerning the partial amendment to the articles of incorporation regarding the abolition of the provisions of share units number (for details, please refer to "IV. Partial amendment to the articles of incorporation" below) being approved as originally proposed at the Extraordinary General Shareholders Meeting.

IV. Partial amendment to the articles of incorporation

1. Purpose of the amendment to the articles of incorporation

(1) If agenda item no. 1 is approved as originally proposed and the Share Consolidation becomes effective, the total number of authorized shares of the Company Shares will be reduced to 16 shares in accordance with the provision of Article 182, Paragraph 2 of the Companies Act. In order to clarify this point, it is proposed that Article 6 (Total Number of Authorized Shares) of the articles of incorporation be amended, subject to the Share Consolidation becoming effective.

(2) If agenda item no. 1 is approved as originally proposed and the Share Consolidation becomes effective, the total number of shares issued by the Company will be four shares, thereby eliminating the need to specify the share units number. Therefore, subject to the Share Consolidation becoming effective, in order to abolish the provisions regarding the share units number of the Company Shares, which is currently set at 100 shares per unit, it is proposed to delete the entirety of Article 7 (Share Units Number) and Article 8 (Rights Regarding Shares Less Than One Unit) of the articles of incorporation and renumber the articles upward accordingly.

(3) If agenda item no. 1 is approved as originally proposed and the Share Consolidation becomes effective, the Company Shares will be delisted, and the only holders of one or more shares of the Company Shares will be Valor Holdings and the Offeror. Consequently, the provisions regarding the record date for the annual general shareholders meeting and the provisions regarding measures for electronic provision of materials for general shareholders meetings will no longer be necessary. Therefore, subject to the Share Consolidation becoming effective, it is proposed to delete the entirety of Article 12 (Record Date of the Annual General Shareholders Meeting) and Article 16 (Measures for Electronic Provision, etc.) of the articles of incorporation and renumber the articles upward accordingly.

2. Details of the amendment to the articles of incorporation

The details of the amendments are as follows. Please note that the amendments to the articles of incorporation concerning the agenda item will take effect on June 30, 2026, the effective date of the Share Consolidation, subject to agenda item no. 1 being approved as originally proposed at the Extraordinary General Shareholders Meeting and the Share Consolidation becoming effective.

(Underlines indicate amended portions.)

Current articles of incorporation	Proposed amendments
Article 6 (Total Number of Authorized Shares) The total number of shares authorized for issuance by the Company shall be 120,000,000 shares.	Article 6 (Total Number of Authorized Shares) The total number of shares authorized for issuance by the Company shall be 16 shares.
Article 7 (Share Units Number) The share units number of the Company shall be 100 shares.	(Deleted)
Article 8 (Rights Regarding Shares Less Than One Unit) Shareholders who hold shares of the Company in a number less than one share unit may not exercise any rights with respect to such shares less than one share unit other than:	(Deleted)

Current articles of incorporation	Proposed amendments
(i) the rights listed in each item of Article 189, Paragraph 2 of the Companies Act; (ii) the right to make a demand pursuant to the provision of Article 166, Paragraph 1 of the Companies Act; and (iii) the right to receive an allotment of offered shares and offered share options in proportion to the number of shares held by such shareholder.	
Article 9 to Article 11 (Text omitted)	Article 7 to Article 9 (No change)
Article 12 (Record Date of the Annual General Shareholders Meeting) The record date for voting rights at the Company's annual general shareholders meeting is the last day of February each year.	(Deleted)
Article 13 to Article 15 (Text omitted)	Article 10 to Article 12 (No change)
Article 16 (Measures for Electronic Provision, etc.) (1) When convening a general shareholders meeting, the Company will take measures for electronic provision in providing information contained in the reference documents for the shareholders meeting, etc. (2) The Company is not required to include all or some of the electronic provision measures matters specified in a Ministry of Justice Order in the documents delivered to the shareholders who made a request for delivery of documents by the record date for voting rights.	(Deleted)
Article 17 to Article 43 (Text omitted)	Article 13 to Article 39 (No change)

3. Date of the amendment to the articles of incorporation

June 30, 2026 (Tuesday) (scheduled)

End