

September 26, 2025

To whom it may concern:

Company name: DD GROUP Co., Ltd.  
Name of representative: Atsuhisa Matsumura,  
President and Representative  
Director  
(Securities code: 3073, TSE  
Prime)  
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Notice of Extraordinary Shareholders' Meeting Regarding Share Consolidation, Abolition of  
Provision on Share Units, and Partial Amendment of Articles of Incorporation

DD GROUP Co., Ltd.(the "Company") announced in the "Notice Regarding Setting of Record Date for Extraordinary General Meeting of Shareholders" dated August 19, 2025 that an extraordinary shareholders' meeting (the "Extraordinary Shareholders' Meeting") is scheduled to be held in aiming for October, 2025, with a record date of September 10, 2025. With respect to the Extraordinary Shareholders' Meeting, the Company hereby announces that at the Board of Directors meeting held today, the Company resolved to convene the Extraordinary Shareholders' Meeting and submit to the Extraordinary Shareholders' Meeting a proposal for share consolidation, abolition of the provision on share units, and a partial amendment to the Articles of Incorporation.

The common shares (the "Shares") of the Company, which are currently listed on the Prime Market of the Tokyo Stock Exchange, Inc. (the "TSE"), will fall under the delisting criteria prescribed in the Securities Listing Regulations of the TSE in the process of the procedures as described above. As a result, the Shares will be designated as securities to be delisted (seiri meigara) from October 29, 2025 to November 20, 2025, and then delisted on November 21, 2025. Please note that, after being delisted, the Shares will no longer be traded on the Prime Market of the TSE.

I. Date, time, and location of the Extraordinary Shareholders' Meeting

1. Date and time     October 29, 2025 (Wednesday)   01 : 00 p.m.
2. Location             B1F, NN Hall&Space, Mita NN Building, 4-1-23 Shiba, Minato-ku, Tokyo

II. Agenda Items for the Extraordinary Shareholders' Meeting

Resolution Items

Proposal No. 1: Share Consolidation

Proposal No. 2: Partial Amendment of Articles of Incorporation

III. Share Consolidation

1. Purpose of and Reasons for the Share Consolidation

As announced by the Company in the "Notice regarding Expression of Opinion in favor of the Tender Offer for the Shares of the Company by PCGVI-1 Inc. and Recommendation to Tender Shares" released as of July 14, 2025 (including the matters amended in the "(Amendment) Partial Amendment to the 'Notice regarding Expression of Opinion in favor of the Tender Offer for the Shares of the Company by PCGVI-1 Inc. and

Recommendation to Tender Shares’ ” released as of August 8, 2025; the “Opinion Press Release”), PCGVI-1 Inc. (the “Offeror”) has decided to commence a tender offer (the “Tender Offer”) for the Shares with the period of 30 business days from July 14, 2025 to August 27, 2025 as the purchase period of the Tender Offer (the “Tender Offer Period”), by acquiring all of the Shares listed on the TSE Prime Market (excluding the restricted shares of the Company (the “Restricted Shares”) granted to our directors as restricted share compensation, treasury stock held by the Company, and the shares subject to a non-tender agreement, which refers to all of the Company Shares held by Matsumuraya Co., Ltd.(“Matsumuraya”), the second-largest shareholder of the Company, whose representative director and president and our largest shareholder, Atsuhisa Matsumura(“Mr. Matsumura”), holds all of its voting rights), as part of a series of transactions (the “Transaction”) intended to privatize the shares of the Company’s Stock. Subsequently, as announced by the Company in the “Notice Regarding the Results of the Tender Offer for Stock of the Company by PCGVI-1 Inc. and Changes in Parent Company and Largest Shareholder as a Major Shareholder” (the “Results Press Release”) released as of August 28, 2025, as a result of the Tender Offer, the Offeror came to hold 14,320,420 Shares (Shareholding Ratio (Note 1): 79.05%) as of September 3, 2025, the commencement date of the settlement for the Tender Offer.

(Note 1) “Shareholding Ratio” means the ratio (rounded to the second decimal place; hereinafter the same applies to the description of the Shareholding Ratio unless otherwise specified) of the number of shares held to the number of shares (18,116,186 shares) obtained by subtracting the number of the treasury shares held by the Company (338,833 shares) as of May 31, 2025 from the total number of issued shares (18,455,019 shares) of the Company as of May 31, 2025 as stated in the “Summary of First Quarter Consolidated Financial Results for the Fiscal Year Ending February 28, 2026 [Japanese GAAP]” (the “Company’s First Quarter Financial Results”) announced by the Company on July 14, 2025.

The following is an outline of the objectives and background of the Transaction, including the Tender Offer and the share consolidation (the “Share Consolidation”) to make the Offeror and Matsumuraya the only shareholders of the Company, the details of which were announced in the Opinion Press Release. The matters set forth below regarding the Offeror are based on explanations given by the Offeror.

The Offeror is a joint stock corporation (kabushiki kaisha) incorporated on June 13, 2025, with the primary purpose of acquiring and holding all shares of the Company’s Stock (excluding the shares of restricted stock of the Target Company that have been granted to the directors of the Company as restricted stock compensation (the “Restricted Stock”), the treasury shares held by the Company and the Non-tendered Shares ) through the Tender Offer and privatizing the shares of the Company’s Stock. In addition, as of today, Polaris Private Equity Fund VI, for which Polaris serves as the general partner (“Polaris Fund VI”), holds 68.02% of the issued shares thereof.

As of July 14, 2025, the corporate group (the “Company Group”), which consists of 14 companies, including the Company and its 10 consolidated subsidiaries, one non-consolidated subsidiary, one equity method affiliate, and one non-equity method affiliate, is engaged in two core businesses, “Food and Beverage/Amusement Business” and “Hotels and Real Estate Business.” In April 2023, the Company released its “New Consolidated Medium-Term Management Plan (from the fiscal year ended February 2024 to the fiscal year ending February 2026)” (the “New Consolidated Medium-Term Management Plan”), which sets consolidated net sales of 40 billion yen, consolidated operating income of 2.8 billion yen (Note 2), and return on equity (ROE) of 20% or more as financial targets for the fiscal year ending February 2026. To further enhance corporate value and shareholder value, the Company has revised its group management vision to “become a ‘Brand Company’ that creates creative and innovative brands,” and the Company is committed to building a business portfolio that evokes “enthusiastic delight” among all stakeholders.

(Note 2) On April 19, 2024, the Company revised the numerical targets for the New Consolidated Medium-Term Management Plan, including raising operating income from 2.8 billion yen to 4.0 billion yen in the New Consolidated Medium-Term Management Plan, based on the results for the fiscal year ended February 2024 and the consolidated full-year business forecast for the fiscal year ending February 2025.

As for the business environment surrounding the Company Group, the Company Group recognizes that the decline in demand caused by the spread of COVID-19, which has had a significant negative impact on the Company Group’s core businesses since 2020, is gradually recovering. On the other hand, the Company Group is aware that cost containment is becoming an even more important management issue as the cost of labor, foodstuffs, utilities, and construction materials remain high due to soaring global resource prices

caused by the crisis in Ukraine and the pressure to raise prices of raw materials and energy resulting from the historic depreciation of the yen against the backdrop of the widening interest rate differential between Japan and the United States. In addition, the Company recognizes that the shrinking market due to the declining population, falling birthrates and aging population, and changing lifestyles and values of consumers, such as the acceleration of behavioral changes triggered by the COVID-19 pandemic and the rapid advancement of digital technology, is expected to have a severe impact on the future business environment, and competition with other companies in the industry will become even fiercer. Furthermore, the Company Group believes that the decline in the working-age population due to population decline and an aging society is contributing to chronic labor shortages in the food service industry, and believes that it is an urgent issue.

In addition, the Company recognizes that there are management issues caused by internal environmental factors, including unprofitable businesses, efficient withdrawal from stores, optimal allocation of limited management resources (human resources, materials, capital, and information) to businesses, and breaking away from a high dependence on restaurant operations. Furthermore, the Company considers that it is required to respond to management issues in store operations, such as the promotion of digital transformation (DX), including the introduction of digital tools such as the spread of QR code-based ordering systems in stores and cross-sectional management of store performance using accounting systems, and the hiring and training of personnel with the ability to manage stores as managers.

In light of the above business environment, the Company Group is working to improve management efficiency by closing unprofitable stores, opening new stores, changing business formats, drastically reforming back-office operations, and promoting joint purchasing with other companies in the same industry through DD Plus Co., Ltd., which is a subsidiary of the Company that provides joint purchasing services for restaurants.

However, as described above, amid the increasingly severe business environment surrounding the Company Group, the Company Group believes that there is a need to reconstruct its corporate governance frameworks, as there have been cases where the optimal allocation of management resources has not necessarily been sufficiently verified, such as whether sufficient investment is being made in high-growth businesses or businesses with high profitability and high investment returns, or whether appropriate resources are being allocated to businesses requiring reforms, and investments have been made even when the growth potential was unclear or profit margins were below internal standards. In addition, to address management issues such as the promotion of DX, the Company believes that it urgently needs to acquire human resources and search for business partners with specialized knowledge who can propose effective solutions, as there is a shortage of human resources with specialized knowledge of digital transformation.

In mid-April 2025, the Company, in looking ahead to future business development, came to believe that it is essential to implement major growth measures by strengthening development of new businesses and business formats, property development, and marketing, as well as re-entering overseas businesses, from which it was forced to withdraw due to the spread of COVID-19, and improving management efficiency through digital transformation (DX). In addition, in mid-April 2025, the Company concluded that in order to realize each of the above measures, it is necessary to implement bold management reforms without being influenced by short-term performance expectations in the stock market, and that it should consider the privatization of the Company's Stock as an option.

In the process of such considerations, when Mr. Matsumura was considering measures to sustainably enhance the Company's corporate value, including the use of outside management resources, in around early April 2021, he had an opportunity to meet with Polaris following Polaris' approach, and in around late October 2022, he had a discussion with Polaris regarding the Company's management policies based on the outlook of the long-term management environment and optimal capital structure. In around late September 2024, the Company held another discussion with Polaris regarding the Company's business condition following the implementation of its structural reforms in response to the COVID-19 pandemic, and since then, the Company and Polaris have had continued discussions.

In the course of the above discussions, Polaris has come to recognize that the Company is building a highly profitable and muscular business and financial base by implementing structural reforms, such as closing unprofitable stores, withdrawing from overseas business, and rationalizing headquarters costs amid the COVID-19 pandemic. While Polaris recognized that these structural reforms had achieved steady results, it could not deny that the promotion of discontinuous measures aiming for further growth might deteriorate the profitability and cash flow of the Company in the short term and might have a negative impact on the share price, and Polaris has come to believe that it would be difficult to implement these measures while maintaining the listing of the Company's Stock. Polaris considers that the most effective way for the Company to deal with management issues in a flexible manner without being affected by short-term

fluctuations in business performance and to achieve sustainable medium- and long-term improvements in corporate value is to privatize the Company's Stock and utilize Mr. Matsumura's management capabilities, such as developing new business models and establishing on-site operations with an emphasis on cost management, and influence, the know-how Polaris has accumulated to date, as well as the resources Polaris possesses, in combination with its own. On September 5, 2024, Polaris held specific discussions with Mr. Matsumura regarding a management buyout (MBO) (Note 3) and reached a common understanding that the most effective means would be to take the Company private and then implement management reforms and actively develop its business.

(Note 3) A "management buyout (MBO)" generally refers to a tender offer in which the offeror is an officer of the Company (including tender offers in which the offeror conducts a tender offer pursuant to the request of an officer the Company and has common interests with an officer the Company) (please see Article 441 of the Securities Listing Regulations of the Tokyo Stock Exchange).

Polaris believes that the Transactions will enable it to provide the following specific support.

- (i) Polaris believes that the Transactions will enable it to provide the following specific support.
- (ii) Promotion of DX
- (iii) Creation of synergies with Polaris' portfolio companies

Mr. Matsumura and Polaris believe that advanced management know-how, especially in terms of human and financial resources, is indispensable to realize the measures described in (i) through (iii) above, and that the collaboration with Polaris, which has deep insight and industry knowledge of the Company backed up by extensive investment experience in the food and beverage business and multi-store business as well as practical value enhancement and other know-how based on these, and which is able to provide implementation support at both the management and operational levels by leveraging its extensive human resources while respecting the management philosophy, corporate culture, and management policies of its portfolio companies, is desirable to complement and strengthen the necessary management know-how and resources to build a management structure that enables agile and flexible decision-making. In addition, Mr. Matsumura and Polaris consider that, while large-scale investments and upfront costs will be required, such as costs associated with the appointment of outside experts in planning and supporting growth strategies and promoting DX, as well as capital expenditures and personnel costs associated with accelerating the opening of new stores and securing necessary personnel when implementing growth strategies, since these efforts could have an uncertain impact on future profitability, in the short term, there is a risk of a decline in the level of profits, deterioration of cash flow, and worsening of the financial condition due to an increase in interest-bearing debt. Therefore, they consider that the above initiatives may not be greatly appreciated by the capital market as a measure of a listed company, and in such case, the possibility that the share price of the Company's Stock may decline and that the shareholders of the Company may suffer adverse effects in the short term is undeniable. Furthermore, in order for the Company to actively and flexibly execute strategic decision-making without being constrained solely by shareholder returns as a listed company, it is considered essential to privatize the Company's Stock. Furthermore, the Company believes that there will be no particular disadvantages arising from the loss of capital ties with existing shareholders or from being included in the Offeror Group. In addition, Mr. Matsumura and Polaris recognize that the Company has enjoyed various benefits as a listed company since its initial public offering in March 2007, including the ability to acquire outstanding human resources due to increased name recognition and improvement in social credibility. However, since the Company has established good relationships with financial institutions, it is expected to be able to secure the necessary funds through indirect financing when needed, and there is currently no need to raise funds through equity financing. Furthermore, the Company has already built brand strength and credibility with its business partners. Therefore, Mr. Matsumura and Polaris consider that the necessity for the Company to maintain its listing and the benefits it can derive from doing so have relatively diminished.

Then, having determined that the best option to realize the sustainable enhancement of the Company's corporate value is to provide shareholders with an opportunity to sell their shares without suffering from any short-term negative impact, establish a management structure that enables flexible decision-making without being constrained by short-term stock market valuation by privatizing the Company's Stock, and improve management flexibility and make the most of Polaris' management capabilities and management support, on March 14, 2025, Polaris proposed the privatization of the Company's Stock on the premise that it would be a management buyout (MBO) with re-investment by Mr. Matsumura and commenced discussions and negotiations regarding the feasibility of the Transactions with the Company.

On March 14, 2025, the Company was informed by Mr. Matsumura, the Company's president and representative director, that he had begun examining taking the Company's Stock private and had commenced discussions with multiple private equity funds ("PE Funds"), including Polaris. Specifically, Mr. Matsumura informed the Company that on March 12, 2025, he received an initial communication regarding taking the Company's Stock private from one PE Fund other than Polaris (the "Alternative Candidate"), and on March 14, 2025, the Company received a request from Polaris and Mr. Matsumura to examine taking the Company's Stock private under a management buyout (MBO) through reinvestment by Mr. Matsumura. Therefore, on March 14, 2025, the Company appointed Mori Hamada & Matsumoto Foreign Law Joint Enterprise ("Mori Hamada") as its legal advisor and PwC Advisory LLC ("PwC") as its financial advisor and third-party valuator, and it established a system for examining, negotiating, and making judgments regarding the Transactions from the perspectives of enhancing the Company's corporate value and ensuring the interests of its minority shareholders from a position independent of Mr. Matsumura, Polaris, and the Alternative Candidate. From mid-March 2025, the Company provided an opportunity for Polaris and the Alternative Candidate to conduct initial business due diligence.

Following initial business due diligence, on April 11, 2025, the Company received a non-binding written proposal from Polaris and Mr. Matsumura stating matters such as the purpose and background of the Transactions and the anticipated structure of the Transactions, in which a special purpose company established by Polaris would conduct a tender offer for the Company's Stock, following which the Company's Stock would be taken private through means such as procedures to squeeze out the Company's minority shareholders. On the same date, the Company also received notification from the Alternative Candidate that it had suspended its examination of transactions relating to taking the Company's Stock private.

Subsequently, taking into consideration the facts that the Transactions constitute a management buyout (MBO) through a tender offer by Mr. Matsumura, the Company's president and representative director, in which a portion of the Company's Stock will be acquired, and that such transactions typically involve issues regarding structural conflicts of interest and information asymmetry, in order to ensure thorough care in the decision-making regarding the Transactions, remove any arbitrariness from the Company's decision-making regarding the process of examining the Transactions, and ensure the fairness of the entire process of examining and judging whether the Transactions should be conducted, the appropriateness of the terms and conditions of the Transactions, and other such matters, based on advice from Mori Hamada, the Company resolved at a meeting of its board of directors on April 14, 2025 to establish the Special Committee composed mainly of the Company's independent outside directors who do not have interests in Polaris or Mr. Matsumura and do not have interests that differ from the Company's general shareholders in regard to whether or not the Transactions are consummated (the "Special Committee", for the composition of the Special Committee, the specific activities it conducted, and other such matters, please see "(iii) Establishment of an independent special committee at the Company and obtainment of a report from such special committee" in "(3) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer" under "3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation" below) in order to establish a system for examining whether or not to conduct the Transactions independent from Polaris and Mr. Matsumura (collectively with the Offeror, the "Parties Related to the Offeror") as well as from the Transactions. The Company requested the Special Committee (1) to examine whether or not the Transactions should be conducted (including whether or not the Company's board of directors should support the Tender Offer and whether or not it should recommend that the Company's shareholders tender their shares in the Tender Offer) and make a recommendation to the Company's board of directors and (2) to examine whether the decisions of the Company's board of directors regarding the Transactions would be disadvantageous to the Company's minority shareholders and express an opinion to the Company's board of directors (collectively, the "Consultation Matters"). The Company's board of directors also resolved that, when the Special Committee examines the matters stated in (1), (i) it shall examine and judge whether or not the Transactions should be conducted from the perspective of whether or not the Transactions would contribute to enhancing the Company's corporate value, and (ii) it shall examine and judge the appropriateness of the terms and conditions of the Transactions and the fairness of the procedures for the Transactions from the perspective of furthering the interests of the Company's general shareholders. In addition, when establishing the Special Committee, the Company's board of directors resolved that (i) the decisions of the Company's board of directors regarding the Transactions will be made while respecting to the maximum extent the judgment the Special Committee and (ii) if the Special Committee judges that it is not appropriate to conduct the Transactions or that the terms and conditions of the Transactions are not appropriate, the Company's

board of directors will not approve the Transactions (including not supporting the Tender Offer) under those terms and conditions.

In addition, when establishing the Special Committee, the Company's board of directors resolved to grant the Special Committee authorities including those (a) to negotiate the terms and conditions of the Transactions with the counterparty in the Transactions (including indirect negotiations through the Company's employees, officers, or advisors, etc.), (b) as necessary when examining the Consultation Matters, to appoint its own financial, legal, or other advisors (in which case the Company shall bear any fees) and to designate or approve (including ex post facto approval) the Company's financial, legal, or other advisors (if the Special Committee has confirmed that there are no issues in regard to the independence and expertise of the Company's advisors, the Special Committee may seek expert advice therefrom), (c) to request persons deemed necessary by the Special Committee to attend its meetings and provide explanations regarding necessary information, (d) to receive information necessary for examining and making judgments regarding the Transactions from the Company's employees and officers, including information regarding the content of business plans and the basis for the preparation thereof, and (e) to conduct other actions deemed necessary by the Special Committee when examining and making judgments regarding the Transactions.

As stated in "(iii) Establishment of an independent special committee at the Company and obtainment of a report from such special committee" in "(3) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer" under "3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation" below, on the same date, the Special Committee confirmed that there were no issues in regard to the independence and expertise of Mori Hamada, the Company's legal advisor, and PwC, the Company's financial advisor and third-party valuator, and approved the appointment thereof. In addition, as stated in "(iv) Establishment of an independent review system in the Company" in "(3) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer" under "3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation" below, the Company established a system for examining the Transactions with the approval of the Special Committee.

Taking into consideration advice from PwC and Mori Hamada and the deliberations of the Special Committee, the Company carefully examined matters such as the purpose of the Transactions, the management structure and management policy after the Transactions, the reasonableness of the terms and conditions of the Tender Offer, and the fairness of the series of procedures for the Transactions, and it repeatedly engaged in discussions and negotiations with the Offeror on multiple occasions.

Specifically, on April 11, 2025, the Company received a non-binding written proposal from Polaris and Mr. Matsumura stating matters such as the purpose and background of the Transactions and the anticipated structure of the Transactions, in which a special purpose company established by Polaris would conduct a tender offer for the Company's Stock, following which the Company's Stock would be taken private through means such as procedures to squeeze out the Company's minority shareholders. After carefully examining that proposal, on April 25, 2025, the Company sent a letter to Polaris through the Special Committee containing questions regarding matters such as the background of the Transactions, the business environment and management issues facing the Company, the merits and demerits of the Transactions, the management structure after the Transactions, and the terms and conditions of the Transactions. The Company received a written response to those questions from Polaris on May 7, 2025, based on which it held a meeting with Polaris on May 13, 2025 to ask further questions regarding those matters. Through the written response and responses at the meeting, the Company received preliminary explanations from Polaris regarding the purpose and background of the Transactions, including the process by which Polaris came to propose the Transactions to the Company based on the Company's business environment and management issues (as stated in "(II) Background, purpose and decision-making process leading to the Offeror's decision to implement the Tender Offer" above, Polaris' responses included building a management structure that enables agile decision-making by taking the Company's Stock private), the merits and demerits of taking the Company's Stock private, including the synergies anticipated through the Transactions (Polaris' responses included a tie-up with Senden Kaigi Co., Ltd., one of Polaris' existing portfolio companies), the management policy after the Transactions, including the future officer structure (Polaris' responses included that it plans for Mr. Matsumura to continue his participation in the management of the Company as a director after the Transactions), and the structure of the Transactions (Polaris' responses included that the main purpose of the Transactions is to take the Company's Stock private). In addition, from April 15 to early June 2025, Polaris conducted due diligence on the Company Group.

Following that, on June 20, 2025, the Company and the Special Committee received a legally binding final

proposal on the privatization transactions from Polaris and Mr. Matsumura which, taking into consideration matters such as the results of due diligence, included (i) setting the purchase price per share of the Company's Stock in the Tender Offer (the "Tender Offer Price") at 1,500 yen per share (which includes a premium of 6.16% on 1,413 yen, the closing price of the Company's Stock on the Prime Market of the TSE on June 19, 2025, the business day immediately preceding June 20, 2025, a premium of 9.73% on 1,367 yen, the simple average closing price for the one-month period up to that date, a premium of 13.72% on 1,319 yen, the simple average closing price for the three-month period up to that date, and a premium of 14.16% on 1,314 yen, the simple average closing price for the six-month period up to that date; the "First Proposal Price") and not including the Preferred Stock in the scope of the Tender Offer as the DBJ Fund intends to separately redeem for cash all of the Preferred Stock it holds after the successful completion of the Tender Offer, (ii) including all of the common shares issued by the Company, excluding treasury shares and the Non-tendered Shares, in the scope of the Tender Offer, (iii) not setting a maximum number of shares to be purchased in the Tender Offer, and setting the minimum number at 10,589,400 shares (Shareholding Ratio: 58.45%), and (iv) planning to conduct the Squeeze-out Process if all of the Company's Stock is not acquired through the Tender Offer. In response, on June 25, 2025, taking into consideration advice from PwC and Mori Hamada and the results of the preliminary calculation of the Company's share value by PwC, the Company's third-party valuator, the Company and the Special Committee requested Polaris and Mr. Matsumura to reexamine their proposal as the First Proposal Price was not nearly at a level that could be found to give sufficient consideration to the Company's corporate value and the interests of its general shareholders. Following that, on June 27, 2025, the Company and the Special Committee received a proposal from Polaris and Mr. Matsumura to set the Tender Offer Price at 1,550 yen per share (which includes a premium of 6.31% on 1,458 yen, the closing price of the Company's Stock on the Prime Market of the TSE on June 26, 2025, the business day immediately preceding June 27, 2025, a premium of 11.27% on 1,393 yen, the simple average closing price for the one-month period up to that date, a premium of 16.89% on 1,326 yen, the simple average closing price for the three-month period up to that date, and a premium of 17.87% on 1,315 yen, the simple average closing price for the six-month period up to that date; the "Second Proposal Price"). In response, on July 1, 2025, taking into consideration advice from PwC and Mori Hamada and the results of the preliminary calculation of the Company's share value by PwC, the Company's third-party valuator, the Company and the Special Committee requested Polaris and Mr. Matsumura to reexamine their proposal as the Second Proposal Price was not nearly at a level that could be found to give sufficient consideration to the interests of the Company's general shareholders, and the Company and the Special Committee sought confirmation regarding the planned tender offer period in the Tender Offer and whether or not Polaris and Mr. Matsumura planned to set the minimum number of shares to be purchased in the Tender Offer at a majority of minority. Following that, on July 1, 2025, the Company and the Special Committee received a proposal from Polaris and Mr. Matsumura to set the Tender Offer Price at 1,575 yen per share (which includes a premium of 7.14% on 1,470 yen, the closing price of the Company's Stock on the Prime Market of the TSE on June 30, 2025, the business day immediately preceding July 1, 2025, a premium of 11.70% on 1,410 yen, the simple average closing price for the one-month period up to that date, a premium of 18.60% on 1,328 yen, the simple average closing price for the three-month period up to that date, and a premium of 19.68% on 1,316 yen, the simple average closing price for the six-month period up to that date; the "Third Proposal Price") and received a response to the effect that Polaris and Mr. Matsumura planned to set the tender offer period in the Tender Offer at 30 business days and did not plan to set the minimum number of shares to be purchased in the Tender Offer at a majority of minority. In response, on July 4, 2025, taking into consideration advice from PwC and Mori Hamada and the results of the preliminary calculation of the Company's share value by PwC, the Company's third-party valuator, the Company and the Special Committee strongly requested Polaris and Mr. Matsumura to reexamine their proposal as the Third Proposal Price was not nearly at a level that could be found to give sufficient consideration to the interests of the Company's general shareholders. Following that, on July 7, 2025, the Company and the Special Committee received a proposal from Polaris and Mr. Matsumura to set the Tender Offer Price at 1,680 yen per share (which includes a premium of 16.34% on 1,444 yen, the closing price of the Company's Stock on the Prime Market of the TSE on July 4, 2025, the business day immediately preceding July 7, 2025, a premium of 18.06% on 1,423 yen, the simple average closing price for the one-month period up to that date, a premium of 25.56% on 1,338 yen, the simple average closing price for the three-month period up to that date, and a premium of 27.18% on 1,321 yen, the simple average closing price for the six-month period up to that date; the "Fourth Proposal Price"). In response, on July 8, 2025, taking into consideration advice from PwC and Mori Hamada and the results of the preliminary calculation of the Company's share value by PwC, the Company's third-party valuator, the Company and the Special Committee requested Polaris and Mr.

Matsumura to reexamine their proposal as the Fourth Proposal Price could still not be found to give sufficient respect to the interests of the Company's general shareholders. Following that, on July 8, 2025, the Company and the Special Committee received a proposal from Polaris and Mr. Matsumura to set the Tender Offer Price at 1,700 yen per share (which includes a premium of 17.40% on 1,448 yen, the closing price of the Company's Stock on the Prime Market of the TSE on July 7, 2025, the business day immediately preceding July 8, 2025, a premium of 18.88% on 1,430 yen, the simple average closing price for the one-month period up to that date, a premium of 26.58% on 1,343 yen, the simple average closing price for the three-month period up to that date, and a premium of 28.69% on 1,321 yen, the simple average closing price for the six-month period up to that date; the "Fifth Proposal Price"). In response, on July 10, 2025, taking into consideration advice from PwC and Mori Hamada and the results of the preliminary calculation of the Company's share value by PwC, the Company's third-party valuator, the Company and the Special Committee requested Polaris and Mr. Matsumura to reexamine their proposal as the Fifth Proposal Price could still not be found to give sufficient respect to the interests of the Company's general shareholders. In addition, in order to protect the interests of general shareholders, the Special Committee examined methods for ensuring the fairness of the Transactions by confirming the intentions of the general shareholders, and the Special Committee requested Polaris and Mr. Matsumura to set the minimum number of shares to be purchased in the Tender Offer at a majority of minority as a measure to ensure fairness. Following that, on July 10, 2025, the Company and the Special Committee again received a proposal from Polaris and Mr. Matsumura to set the Tender Offer Price at 1,700 yen per share. Polaris and Mr. Matsumura also informed the Company and the Special Committee that 1,700 yen was the final proposal price as it was the highest amount they could offer and it would be extremely difficult to raise the price any further. Furthermore, Polaris and Mr. Matsumura responded that they would set the minimum number of shares to be purchased in the Tender Offer at a majority of minority as requested by the Company and the Special Committee. In response, on July 12, 2025, taking into consideration advice from PwC and Mori Hamada, the results of the calculation of the Company's share value by PwC, the Company's third-party valuator, and the fact that respect had been given to confirming the intentions of the general shareholders by setting the minimum number of shares to be purchased in the Tender Offer at a majority of minority, the Company and the Special Committee agreed to set the Tender Offer Price at 1,700 yen.

In the process of those negotiations, taking into consideration advice from PwC and Mori Hamada, the Special Committee determined the negotiation policies after careful examination from the perspective of furthering the interests of the minority shareholders.

Following that, on July 14, 2025, the Company received a report from the Special Committee dated July 14, 2025 (the "Report") stating that (a) the Special Committee believes that the Company's board of directors should support the Tender Offer and recommend that the Company's shareholders tender their shares in the Tender Offer and (b) the Special Committee believes that the decisions of the Company's board of directors regarding the Transactions are not disadvantageous to the Company's minority shareholders. (For a summary of the Report, the specific activities conducted by the Special Committee, and other such matters, please see "(iii) Establishment of an independent special committee at the Company and obtainment of a report from such special committee" under "(3) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer" under "3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation" below.)

Following the above process, the Company carefully examined whether or not the Transactions, including the Tender Offer, will contribute to enhancing the corporate value of the Company and whether or not the terms and conditions of the Transactions, including the Tender Offer Price, are appropriate while taking into account the share valuation report obtained from PwC on July 10, 2025 (the "Share Valuation Report"), financial advice from PwC, and legal advice received from Mori Hamada regarding the decision-making process and methods relating to the Transactions, including the Tender Offer, and other considerations when making decisions in regard to the Transactions, including the Tender Offer, and while respecting to the maximum extent the judgment of the Special Committee stated in the Report submitted thereby.

Cost containment has become an even more important management issue as the cost of labor, foodstuffs, utilities, and construction materials remains high, and the Company believes that it is also necessary to respond to increasingly fierce competition caused by the shrinking market due to the declining population, falling birthrates and aging population, and changing values of people and to address management issues regarding the business environment surrounding the Company, such as the promotion of digital transformation (DX) including the introduction of digital tools, and hiring and training personnel with the ability to manage stores and personnel with work experience in marketing and branding.



In light of the above management environment, the Company Group has worked to improve management efficiency, but amid the increasingly challenging management environment surrounding the Company Group, the Company has come to recognize that it is essential to implement key growth strategies, including strengthening areas such as new business and business model development, property development, and marketing, as well as re-entering overseas businesses that it was forced to withdraw from due to the COVID-19 pandemic and promoting digital transformation (DX) to improve management efficiency, in order to move forward with its future business development. In addition, the Company came to the conclusion that in order to realize each of the above items, it is necessary to implement bold management reforms without being influenced by short-term performance expectations in the stock market, and that taking the Company's Stock private should be considered as an option. Therefore, the Company began seriously examining the Transactions.

As a result, the Company judged that conducting the Transactions with the Offeror would make it possible to implement bold management reforms without being influenced by short-term performance expectations in the stock market and would contribute to enhancing the corporate value of the Company Group from the following perspectives.

In addition, the Company judged that in order to promote various types of measures under the following perspectives, the continued involvement of Mr. Matsumura, who is the Company's founder and has the deepest understanding of the management of the Company Group, in the Company's management would provide the greatest contribution to enhancing corporate value.

(a) Opening new stores under existing business formats and accelerating the development of new business formats

Based on a model of developing stores with a variety of business formats, as of July 14, 2025, the Company Group operates more than 300 stores under more than 110 brands in Japan. However, as the market environment is rapidly changing and customer needs are diversifying, the Company believes that in order to achieve the sustained growth of the Company Group, it is essential to introduce new perspectives to its existing store opening strategies. Furthermore, the Company believes that in order to maintain its competitive advantage amid this environment, it is necessary not only to expand stores under existing business formats, but also to accelerate the development of new business formats based on trends in the food service market and customer needs. Polaris has experience investing in many food service businesses and businesses with many stores, and by leveraging Polaris' know-how on adding value and its store opening models backed up by successful examples of store openings, the Company believes that it can expand stores under existing business formats in areas where the Company's strengths can be utilized and accelerate the development of new business formats.

(b) Strengthening marketing strategies

In order to continue expanding the Company Group's business amid the changing competitive environment, the Company believes that it is essential to maximize LTV by strengthening its marketing strategies. By utilizing Polaris' strong know-how in marketing and branding, such as enhancing the ability to attract customers through marketing and improving customer appeal through branding, the Company believes it will be possible to restructure its marketing strategies, accelerate market penetration after opening new stores, strengthen marketing using social networking services, mobile apps, and other technologies, and improve customer loyalty and satisfaction.

(c) Systematically promoting digital transformation

As the cost of labor, foodstuffs, utilities, and construction materials remains high, the Company believes that in order to further expand the Company Group's business, it is essential to implement new technologies and actively leverage digital tools and to train and hire human resources to accomplish those goals. By utilizing successful examples of promoting digital transformation at Polaris' portfolio companies and its know-how for doing so, as well as its systems that support the promotion of digital transformation, the Company believes it will be possible to reduce the above costs, manage performance and utilize customer data across all stores, improve operational efficiency by enhancing the Company's infrastructure, and strengthen its sales activities and digital marketing. In addition, by utilizing Polaris' know-how on matters such as hiring personnel and formulating human resources strategies to actively work to train and hire human resources to promote digital transformation, the Company believes it will be possible to systematically promote digital transformation.

(d) Re-expanding overseas

The Company Group has not engaged in the overseas business since withdrawing therefrom when it conducted structural reforms during the COVID-19 pandemic. While the Japanese market is expected to shrink in the future due to a declining population, the popularity of Japanese cuisine around the world is growing, and stylish Japanese dining based on izakaya (Japanese style pubs) is steadily becoming more common particularly in Asia. Taking into account those and other factors, in order for the Company to achieve sustained growth moving forward, it believes that it is essential to re-expand overseas. By utilizing Polaris' track record in supporting overseas expansion through means such as franchising, the Company believes that it will be possible to expand its business overseas via a method that reduces the required expenses and risks as much as possible.

The Company considered that the demerits of taking the Company's Stock private may include an impact on areas such as acquiring excellent human resources and expanding transaction partners through the improved trust from society and name recognition that the Company has enjoyed as a listed company, as well as being unable to procure funds through equity financing from the capital market. However, taking into consideration the fact that the Company has already established a certain level of name recognition within the industry as well as recent increases in the costs for maintaining listing, the Company believes that there is little value to maintaining its listing moving forward. Additionally, the Company Group's performance is good, and based on the current financial condition of the Company Group in which it is sufficiently able to obtain the funds necessary for its business activities through means such as loans from financial institutions, there is not expected to be a need to procure a large amount of funds through equity financing for the near future. Therefore, the Company believes that the demerits of taking the Company's Stock private will be limited and that the merits of the Transactions exceed those demerits. In addition to the demerits of taking the Company's Stock private, the Company considered that one potential demerit of coming under control of Polaris would be a feeling of uncertainty and constraints on autonomy due to being acquired by a fund with a culture that differs from that of the Company, but as stated in "(IV) Management policy after the Tender Offer" below, it is anticipated that Mr. Matsumura, the Company's founder, will continue serving as representative director and that other current management members will basically continue serving in their roles, and the Company therefore believes that this demerit will be limited.

In addition, for the reasons set forth in "(ii) Method of processing fractional shares less than one share, amount of cash expected to be delivered to shareholders through such processing, and matters relating to the appropriateness of such amount" under "(1) Grounds and Reasons for Amount of Cash Expected to be Delivered to Shareholders through Processing of Fractions" under "3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation" below, the Company judged that the Tender Offer Price and other terms and conditions of the Tender Offer are reasonable and that the Tender Offer provides the shareholders of the Company a reasonable opportunity to sell the Company's Stock at a price that includes a reasonable premium and under reasonable terms and conditions.

Based on the above, at a meeting of the Company's board of directors held on July 14, 2025, the Company resolved to express an opinion in support of the Tender Offer and to recommend that the Company's shareholders tender their shares in the Tender Offer.

For details of the resolution at the above meeting of the board of directors, please see "(v) Unanimous approval of all disinterested directors (including directors who are Audit & Supervisory Committee Members) of the Company" under "(3) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer" under "3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation" below.

Then, as stated above, the Tender Offer was successfully completed, but the Offeror did not acquire all of the Shares (excluding the shares of the Restricted Stock, the treasury shares held by the Company and the Non-tendered Shares). Therefore, as previously set forth in the Opinion Press Release, the Company, upon the request of the Offeror, decided at the Board of Directors meeting held today to carry out the Share Consolidation for making the Offeror and Matsumuraya the only shareholders of the Company, subject to the approval of its shareholders at the Extraordinary Shareholders' Meeting, at a ratio of 1,488,000 Shares to one share as set forth in "(ii) Consolidation ratio" in "(2) Particulars of Share Consolidation" under "2. Overview of Share Consolidation" below. Through the Share Consolidation, the number of the Shares held by the Company's shareholders other than the Offeror and Matsumuraya will become fractional shares less than one share. For other details regarding the Transaction, please refer to the Opinion Press Release and Results Press

Release below.

## 2. Overview of Share Consolidation

### (1) Schedule of Share Consolidation

Announcement date of record date of Extraordinary Shareholders' Meeting	August 26, 2025
Record date of Extraordinary Shareholders' Meeting	September 10, 2025
Date of resolution by Board of Directors	September 26, 2025
Date of Extraordinary Shareholders' Meeting	October 29, 2025 (tentative)
Date of designation as securities to be delisted	October 29, 2025 (tentative)
Final trading date	November 20, 2025 (tentative)
Date of delisting	November 21, 2025 (tentative)
Effective date of Share Consolidation	November 26, 2025 (tentative)

### (2) Particulars of Share Consolidation

#### (i) Class of shares to be consolidated

Common shares

(Note) The Articles of Incorporation of the Company provide for the Class A Preferred Shares. However, pursuant to a resolution approved at the meeting of the Board of Directors held on August 19, 2025, all of the Class A Preferred Shares were acquired by and subsequently cancelled by the Company as of September 3, 2025. Accordingly, as of the date hereof, only common shares remain outstanding.

#### (ii) Consolidation ratio

1,488,000 Shares will be consolidated into one share.

#### (iii) Reduction in total number of outstanding shares

18,105,378 shares

#### (iv) Total number of outstanding shares prior to Share Consolidation taking effect

18,105,390 shares

(Note) Since the Company resolved at the Board of Directors meeting as of today to cancel, as of November 25, 2025, (i) all of the treasury shares held by the Company (338,833 shares) and (ii) all of the Restricted Shares granted to its directors as restricted stock compensation (10,796 shares), which are scheduled to be acquired by the Company without compensation as of November 25, 2025, the "Total number of outstanding shares prior to Share Consolidation taking effect" is the total number of outstanding shares after the cancellation.

#### (v) Total number of outstanding shares after Share Consolidation taking effect

12 shares

#### (vi) Total number of authorized shares as of effective date

48 shares

#### (vii) Method of processing fractional shares less than one share and amount of cash expected to be delivered to shareholders through such processing

##### (a) Whether the Company intends to proceed pursuant to the provision of Article 235(1) of the Companies Act, or Article 234(2) as applied mutatis mutandis pursuant to Article 235(2) of the same Act, and the reason therefor

As set forth in "1. Purpose of and Reasons for the Share Consolidation" above, it is planned that, through the Share Consolidation, the Shares held by shareholders other than the Offeror and Matsumuraya will become fractional shares less than one share.

With respect to fractional shares less than one share resulting from the Share Consolidation, if there are any fractional shares upon the Share Consolidation, the amount of cash corresponding to the amount obtained by selling the Shares equivalent to the total number of such fractional shares (if the aggregated number of entitlements to fractional shares includes a fractional number, such fractional number will be rounded down; hereinafter the same applies) will be delivered to the Company's shareholders in accordance with the

procedures under Article 235 of the Companies Act (Act No. 86 of 2005, as amended) and other relevant laws and regulations.

With respect to such sale, in view of the fact that the Share Consolidation is to be carried out as part of the Transaction for the purpose of making the Offeror and Matsumuraya the only shareholders of the Company and taking the Shares private, and that the Shares will be delisted as of November 21, 2025 and will become non-marketable shares, it is unlikely that a new buyer will appear through an auction process, and thus it is planned that the Shares equivalent to such fractional shares will be sold to the Offeror with the permission of the court pursuant to the provisions of Article 234, Paragraph 2 of the Companies Act applied *mutatis mutandis* under Article 235, Paragraph 2 of the same Act.

The sale price in such case, if the above permission of the court is obtained as planned, is planned to be set at a price that makes it possible to deliver to each shareholder listed or recorded in the Company's final shareholder register as of November 25, 2025, the day immediately preceding the effective date of the Share Consolidation, cash in the amount obtained by multiplying the number of Shares held by the shareholder by JPY 1,700, which is the same amount as the Tender Offer Price. However, the amount of cash that will be actually delivered to the shareholders may not be the same as the above amount in certain cases such as when the Company is unable to obtain the permission of the court or it is necessary to make adjustments for fractions in the calculation.

(b) The name of the person who is likely to become the purchaser of the shares pertaining to the sale  
PCGVI-1 Inc. (The Offeror)

(c) The manner by which a person who is expected to purchase the shares pertaining to the sale secures funds for payment of the purchase price pertaining to the sale, and the adequacy of such method

The Offeror will cover the funds for the execution of the Transaction, including the funds required for the acquisition of the Shares equivalent to the total number of fractional shares less than one share resulting from the Share Consolidation, by a contribution to be made by

Polaris Fund VI, Crown CG Private Equity Fund 2024, L.P., Jewel CG Private Equity Fund 2024, L.P., Tiara CG Private Equity Fund 2024, L.P. and borrowings from Sumitomo Mitsui Banking Corporation, Trust Capital Mezzanine 2022 Investment Partnership, and NEC Capital Solutions Limited. The Company has confirmed the certificate of contribution and the certificates of borrowings, which were submitted as an attachment to the Tender Offer Registration Statement regarding the Tender Offer filed by the Offeror on July 15, 2025, and an attachment to the Amendment to Tender Offer Registration Statement filed by August 8, 2025.

In addition, according to the Offeror, no event has occurred that might hinder the Offeror's payment of the sale price for the Shares equivalent to the total number of fractional shares less than one unit resulting from the Share Consolidation, and the Offeror is not aware of any possibility of such an event occurring in the future. Therefore, the Company has determined that the method of securing funds for the payment of the sale price for the Shares equivalent to the total number of fractional shares less than one share resulting from the Share Consolidation is appropriate.

(d) The timing of the sale and the prospect of the timing of the delivery of proceeds from the sale to the shareholders

The Company intends to petition the court for permission to sell the Shares equivalent to the total number of fractional shares less than one share resulting from the Share Consolidation and have the Offeror purchase the relevant Shares by around late December 2025 pursuant to the provisions of Article 234, Paragraph 2 of the Companies Act applied *mutatis mutandis* under Article 235, Paragraph 2 of the same Act. The timing of obtaining such permission may vary depending on the circumstances of the court, but the Company expects to sell the Shares by way of having the Offeror purchase the relevant Shares by early January 2026 with the permission of the court, and after making the necessary preparations to deliver the proceeds of the sale to the shareholders, the Company expects to deliver the proceeds to the shareholders around late February 2026. In consideration of the period required for the series of procedures relating to the sale from the effective date of the Share Consolidation, the Company believes that at each timing as mentioned above, the Shares equivalent to the total number of fractional shares less than one share resulting from the Share Consolidation will be sold and the proceeds will be delivered to the shareholders.

The proceeds of the sale are scheduled to be distributed to shareholders listed or recorded in the Company's final shareholder register as of November 25, 2025, the day immediately preceding the effective date of the Share Consolidation, in the same manner as the distribution of dividend assets by the Company.

### 3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation

#### (1) Grounds and Reasons for Amount of Cash Expected to be Delivered to Shareholders through Processing of Fractions

(i) Matters considered to avoid harming the interests of the shareholders other than the parent company etc. in cases where there is a parent company etc.

Given that the Share Consolidation is to be carried out as the second step in the so-called two-step acquisition after the Tender Offer, and in light of factors such as the Tender Offer being carried out as part of the Transaction, which constitutes a so-called management buyout (MBO), where there is a problem of structural conflict of interest, and from the perspective of ensuring the fairness of the Tender Offer Price, eliminating arbitrariness in the decision-making process leading the decision to conduct the Tender Offer, and avoiding conflicts of interest, the Offeror and the Company have carried out the measures set out in “(3) Measures to Ensure Fairness of the Transaction and Measures to Avoid Conflict of Interest” to ensure the fairness of the Transaction, including the Tender Offer.

(ii) Method of processing fractional shares less than one share, amount of cash expected to be delivered to shareholders through such processing, and matters relating to the appropriateness of such amount

In the Share Consolidation, as set forth in “(vii) Method of processing fractional shares less than one share and amount of cash expected to be delivered to shareholders through such processing” under “(2) Particulars of Share Consolidation” under “2. Overview of Share Consolidation” above, the Company plans to deliver to all shareholders listed or recorded in the Company’s final shareholder register as of November 25, 2025, the day immediately preceding the effective date of the Share Consolidation, cash in the amount obtained by multiplying the number of Shares held by the shareholders by JPY 1,700, which is the same amount as the Tender Offer Price.

In addition, the Company judged that the Tender Offer Price and other terms and conditions of the Tender Offer are reasonable and that the Tender Offer provides the shareholders of the Company a reasonable opportunity to sell the Company’s Stock at a price that includes a reasonable premium and under reasonable terms and conditions based on the following factors.

- (a) According to the results of the valuation of the Company’s Stock stated in the Share Valuation Report by PwC stated in “(i) Procurement by the Company of a share valuation report from an independent third-party valuator” under “(3) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer” below, the Tender Offer Price of 1,700 yen exceeds the maximum value of the range of values calculated under the market price analysis and is within the range of values calculated under the discounted cash flow method (the “DCF Method”).
- (b) Using July 10, 2025, the date two business days before the announcement date of the implementation of the Tender Offer, as a reference date, the Tender Offer Price of 1,700 yen includes a premium of 15.72% on 1,469 yen, the closing price of the Company’s Stock on the Prime Market of the TSE on the reference date, a premium of 18.06% on 1,440 yen, the simple average closing price for the preceding one-month period, a premium of 25.55% on 1,354 yen, the simple average closing price for the preceding three-month period, and a premium of 28.50% on 1,323 yen, the simple average closing price for the preceding six-month period, and when compared to the medians of premiums on the closing price on the day immediately preceding the announcement date and the simple average closing prices for the preceding one-month, three-month, and six-month periods in 85 management buyout (MBO) transactions for the purpose of taking the target company private that were announced on or after June 28, 2019, the date on which the Ministry of Economy, Trade and Industry published the “Fair M&A Guidelines,” and in which the tender offer was successfully completed on or before July 3, 2025 (such medians were 42.20% on the closing price on the day immediately preceding the announcement date and 43.70%, 45.90%, and 46.60% on the simple average closing prices for the preceding one-month, three-month, and six-month periods, respectively), although it is difficult to view the premiums on the closing price of the Company’s Stock on the reference date of the Tender Offer Price and the market value of the Company’s Stock for the preceding one-month period as being at a high level, the market value of the Company’s Stock has been increasing over the preceding three-month period, and therefore it is appropriate to give suitable consideration to the premiums for the preceding three-month and six-month periods instead of focusing only on the premiums for the most recent closing price and preceding one-month

period. In addition, the rates of tender offer premiums on the market value of shares of companies with high price to book ratios (PBRs) tend to be low as the corporate value of those companies is already highly evaluated by the stock market, and given that the PBR of the Company as of the reference date is significantly above 2, it is possible to view the Tender Offer Price as including a certain level of premiums and to consider that it is not appropriate to focus only on the comparison to the medians of premiums in similar transactions. Therefore, the level of premiums included in the Tender Offer Price cannot entirely be found to be insufficient, and the validity of the Tender Offer Price should be determined after taking into account other circumstances that support that validity.

- (c) As stated in “(vii) Setting of minimum number of shares to be purchased to satisfy majority of minority condition” under “(3) Measures to ensure fairness of Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of Tender Offer” below, the minimum number of shares to be purchased in the Tender Offer has been set to satisfy the majority of minority condition, meaning that the Tender Offer will not be successfully completed without the support of a majority of the Company’s Stock held by the Company’s shareholders who do not have any interests in the Offeror, thereby emphasizing the intentions of the Company’s minority shareholders.
  - (d) The Company finds that consideration has been given to the interests of its minority shareholders as the Tender Offer Price was determined after taking the measures to ensure the fairness of the Tender Offer stated in “(3) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer” below.
  - (e) The Tender Offer Price of 1,700 yen was determined after taking the above measures and following the Special Committee engaging in discussions and negotiations with the Offeror equivalent to those in an arms-length transaction on multiple occasions through the Company’s financial advisor. Specifically, taking into account matters such as the results of the valuation of the Company’s Stock by PwC, financial advice from PwC including advice on policies regarding negotiations with the Offeror, guidance from Mori Hamada regarding measures to ensure the fairness of procedures for the Transactions, and other legal advice from Mori Hamada, the Special Committee engaged in serious and continual discussions and negotiations with the Offeror, as a result of which the Tender Offer Price was raised to 1,700 yen, an increase of approximately 13.33% (rounded to two decimal places) from the First Proposal Price (1,500 yen per share).
  - (f) As stated in “(iii) Establishment of an independent special committee at the Company and obtainment of a report from such special committee” under “(3) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer” below, the Report obtained from the Special Committee states that the Special Committee finds the terms and conditions of the Transactions, including the Tender Offer Price, to be appropriate.
- (iii) Disposal of material assets, assumption of large obligations, and other events having a material effect on the status of company finances arising since the last day of the Company’s last business year
- (a) Tender Offer
 

As set forth in “1. Purpose of and Reasons for the Share Consolidation” above, the Offeror carried out the Tender Offer for the Shares with the period from July 15, 2025 to August 27, 2025 as the Tender Offer Period. As a result, as of September 3, 2025, the commencement date of the settlement for the Tender Offer, the Offeror holds 14,320,420 Shares) (shareholding ratio: 79.05%).
  - (b) Cancellation of treasury shares
 

By resolution passed at the Board of Directors meeting as of today, the Company decided to cancel the Company’s 338,833 treasury shares (equivalent to all of the treasury shares held by the Company as of September 10, 2025) on November 25, 2025, as well as all of the 10,796 restricted shares granted to the Company’s directors as restricted stock compensation, which are scheduled to be acquired by the Company without compensation on the same date. The cancellation of these shares is subject to the proposal relating to the Share Consolidation being passed as in the original draft at the Extraordinary Shareholders’ Meeting, and the total number of outstanding shares of the Company after such cancellation will be 18,105,390 shares.

## (2) Expectation of Delisting

### (i) Delisting

As set forth in “1. Purpose of and Reasons for the Share Consolidation” above, in order to make the Offeror

and Matsumuraya the only shareholders of the Company, the Company will implement the Share Consolidation subject to shareholders' approval at the Extraordinary Shareholders' Meeting. For this reason, the Shares are planned to be delisted through the prescribed procedures in accordance with the delisting standards of the TSE. As for the schedule, after being designated as delisted stock between October 29, 2025 and November 20, 2025, the delisting is planned to take effect on November 21, 2025. After the delisting, the Shares will no longer be traded on the TSE Prime Market.

(ii) Reasons for pursuing delisting

As set forth in "1. Purpose of and Reasons for the Share Consolidation" above, it has been determined that taking the Shares private through the Transaction, including the Tender Offer, will contribute to enhancing the corporate value of the Company Group.

(iii) Impact on minority shareholders and rationale therefor

As set forth in "(iii) Establishment of an independent special committee at the Company and obtainment of a report from such special committee under "(3) Measures to Ensure Fairness of the Transaction and Measures to Avoid Conflict of Interest" below, the Company received the Report dated July 14, 2025 from the Special Committee to the effect that making a decision to execute the Transaction would not be disadvantageous to the Company's minority shareholders.

(3) Measures to Ensure Fairness of the Transaction and Measures to Avoid Conflict of Interest and other measures to ensure fairness of the Tender Offer

In light of the fact that the Tender Offer will be implemented as part of the Transactions that constitute a management buyout (MBO), which typically involves the issue of structural conflicts of interest, the Offeror and the Company have implemented the following measures to ensure the fairness of the Transactions, including the Tender Offer, from the perspectives of ensuring the fairness of the Tender Offer Price, eliminating any arbitrariness in the decision-making process leading to the determination to implement the Tender Offer, and avoiding conflicts of interest. Of the following statements, the statements regarding the measures implemented by the Offeror are based on the explanations provided by the Offeror.

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

As a measure to ensure fairness in examining the Tender Offer Price proposed by the Offeror and making a decision on the opinion regarding the Tender Offer, the Company requested PwC, a financial advisor and third-party valuator independent of the Parties Related to the Offeror and the Company, to calculate the share value of the Company's Stock and obtained the Share Valuation Report from PwC on July 10, 2025. PwC is not a related party of the Parties Related to the Offeror or the Company, and does not have any material interests in the Tender Offer. Compensation for PwC in relation to the Transactions includes fixed fees, payable regardless of whether the Transactions are consummated, and milestone-based fees, which are paid upon reaching certain milestones that have been set throughout the process toward consummating the Transactions. PwC believes that, given the fact that whether the Transactions will be consummated is uncertain, instead of only being paid a fixed fee, incorporating such milestone-based fees into its compensation structure is more preferable from the perspective of the financial burden incurred by the Company, and thus such compensation structure is reasonable for both the Company and PwC. Therefore, the Company determined that the mere fact of having milestone-based fees be included in the compensation for PwC would not negate the independence of PwC, and on that basis, the Company appointed PwC as its financial advisor and third-party valuator based on the above compensation structure. In addition, the Special Committee has confirmed that there are no issues with the independence or expertise of PwC and has approved the Company's appointment of PwC as the Company's financial advisor and third-party valuator. PwC considered multiple share valuation methods to be adopted for the evaluation of the Company's Stock, and based on the assumption that the Company is a going concern and that a multifaceted evaluation of the Company's Stock would be appropriate, PwC calculated the value per share of the Company's Stock using the following: (i) the market price analysis, because the Company's Stock is listed on the Prime Market of the TSE and market prices are available, and (ii) the DCF Method, to ensure that the circumstances of the Company's future business activities would be reflected in the calculation.

The ranges of values per share of the Company's Stock that were calculated by PwC based on the above methods are as follows.

Market price analysis:	1,323 yen to 1,469 yen
DCF Method:	1,687 yen to 2,370 yen

In the market price analysis, July 10, 2025 was used as the reference date, and calculations were performed on the basis of the closing price of the Company's Stock of 1,469 yen on the reference date, the simple average closing price of 1,440 yen (rounded to the nearest whole number; the same applies hereinafter) for the one-month period immediately preceding the reference date, the simple average closing price of 1,354 yen for the three-month period immediately preceding the reference date, and the simple average closing price of 1,323 yen for the six-month period immediately preceding the reference date (all such prices as listed on the Prime Market of the TSE). As a result, the value per share of Company's Stock was calculated to be in the range of 1,323 yen to 1,469 yen.

In the DCF Method, the share value of the Company was calculated by (i) calculating the business value of the Company by discounting to the present value at a given discount rate (weighted average cost of capital) the free cash flow that the Company is expected to generate during and after the second quarter of the fiscal year ending February 2026, based on factors such as revenues and investment plans under the Company's business plans for the three fiscal years from the fiscal year ending February 2026 to the fiscal year ending February 2028 prepared by the Company (the "Business Plan"), financial information of the Company, and publicly available information, and then (ii) adding to or deducting from the calculated business value the amounts of non-operational assets and interest bearing debts, etc. In the calculation of the share value, discount rates of between 5.9% and 6.9% were used. In addition, perpetual growth rates were taken into account to calculate the terminal value, using perpetual growth rates of between 0.5% and 1.0%. The calculations resulted in a value per share of the Company's Stock in the range of 1,687 yen to 2,370 yen.

The Business Plan was prepared by the Company based on the business plan that was used as the basis when preparing the New Consolidated Medium-Term Management Plan (for the period from the fiscal year ended February 2024 to the fiscal year ending February 2026) announced by the Company on April 21, 2023 and the revised New Consolidated Medium-Term Management Plan announced by the Company on April 19, 2024 in light of changes in the market environment during the period from the formulation and revision of the New Consolidated Medium-Term Management Plan up to that time, the recent revenue environment, the performance of the Company, and other factors. The Company determined that it would be appropriate to consider the validity of the Tender Offer Price by calculating the share value of the Company based on the Business Plan that was prepared based on financial projections that were considered by the Company to be objective and reasonable and more closely reflect the current status of the Company. When the Company prepared the Business Plan, the Special Committee received explanations from the Company regarding the content of a draft version of the Business Plan, material conditions precedent thereto, and other related matters and confirmed the reasonableness of the content of the final version of the Business Plan, the material conditions precedent thereto, the process of preparation thereof, and other related matters. The Special Committee also confirmed that the discrepancies that had arisen between the figures stated in the New Consolidated Medium-Term Management Plan and these financial projections were reasonable in light of the recent revenue environment, performance of the Company, and other factors because the market environment had been changing since the formulation of the New Consolidated Medium-Term Management Plan up to that time, and on that basis, the Special Committee approved the draft version of the Business Plan.

The Company's financial projections under the Business Plan that PwC used as a basis for the DCF Method calculations are as indicated below, and such financial projections do not include fiscal years in which significant increases or decreases in earnings or free cash flow to equity are expected. In addition, the synergistic effect expected to be achieved by the implementation of the Transactions is not reflected in the business forecast that PwC used for the DCF Method, as it is difficult to specifically estimate any such effect at this time.



(Unit: million yen)

	Fiscal year ending February 2026 (Nine months)	Fiscal year ending February 2027	Fiscal year ending February 2028
Net Sales	32,247	43,190	44,938
Operating Profit	2,958	4,163	4,510
EBITDA	3,924	5,537	5,998
Free Cash Flow	1,771	3,124	3,104

When evaluating the Company's Stock, PwC used, as a general rule, the information provided by the Company, publicly available information, and other materials on an as-is basis, assuming that all of the materials and information, etc. were accurate and complete and that there were no undisclosed facts that could have a material impact on the calculation of the value of the Company's Stock by PwC. Therefore, PwC did not independently verify the accuracy or completeness of such materials or information, etc. Further, no independent evaluations or appraisals were conducted, and no assessments or appraisals from third-party organizations were sought, in regard to any of the assets and liabilities of the Company and its affiliates (including unlisted assets and liabilities and other contingent liabilities). PwC also assumed that the information regarding the Company's financial projections had been reasonably prepared based on the best predictions and judgments that could be made by the Company's management team as of present.

The evaluation of the Company's Stock by PwC was based on the above information available up to July 10, 2025. The calculations by PwC were performed solely to serve as a reference for the Company's board of directors in examining the value of the Company's Stock.

The Company has not obtained an opinion regarding the fairness of the Tender Offer Price (a fairness opinion) from PwC.

(ii) Advice received by the Company from an independent law firm

In order to ensure fairness and appropriateness in the decision-making by the Company's board of directors regarding the Transactions, including the Tender Offer, the Company has appointed Mori Hamada as its legal advisor independent of the Parties Related to the Offeror and the Company, and has been receiving legal advice from Mori Hamada regarding the method and process of decision-making by the Company's board of directors regarding the Transactions and other matters to consider. Mori Hamada is not a related party of the Parties Related to the Offeror, and does not have any material interests that should be noted in relation to the Tender Offer. Compensation for Mori Hamada in relation to the Transactions will be calculated by multiplying the number of hours worked by an hourly rate regardless of whether the Transactions are consummated, and does not include any contingent fees that are to be paid subject to the consummation of the Transactions. Furthermore, the Special Committee has confirmed that there are no issues with the independence of Mori Hamada and has approved its appointment as the Company's legal advisor.

(iii) Establishment of an independent special committee at the Company and obtainment of a report from such special committee

(a) Background of establishment

In consideration of the fact that the Transactions constitute a so-called management buyout (MBO) involving the partial acquisition of the Offeror or the Company's Stock by Mr. Matsumura, the Company's representative director and president, and that the Transactions constitute transactions that typically involve issues of structural conflicts of interest and information asymmetry, and from the perspectives of ensuring careful decision-making in the Transactions, eliminating arbitrariness in the Company's decision-making regarding the examination process for the Transactions, and ensuring fairness throughout the entire process of examining and making decisions on whether to implement the Transactions and the validity of the terms and conditions of the Transactions, at the Company's board of directors meeting held on April

14, 2025, the Company resolved, based on advice it received from Mori Hamada, to establish the Special Committee for the purpose of establishing a framework independent of the Parties Related to the Offeror and the Transactions with respect to whether to implement the Transactions. The Special Committee is composed of the following six members: Mr. Mikio Yamano (an independent outside director of the Company); Mr. Yasuhiro Nishimura (an independent outside director and member of the Audit & Supervisory Committee of the Company); Mr. Tetsuo Saito (an independent outside director and member of the Audit & Supervisory Committee of the Company); Mr. Shigeyuki Ishida (an independent outside director and member of the Audit & Supervisory Committee of the Company); Mr. Yusaku Kurahashi (an attorney-at-law at Kurahashi Law Office), who has specialized knowledge and extensive experience as an attorney-at-law; and Mr. Yoshitake Kamino (a certified public accountant, tax accountant, and representative member at Aoyama Access Tax & Consulting), who has specialized knowledge and extensive experience as a certified public accountant. Although Mr. Yusaku Kurahashi and Mr. Yoshitake Kamino are not directors of the Company, from the perspective of supplementing the knowledge of the members of the Special Committee who are outside directors, the Company has requested Mr. Yusaku Kurahashi and Mr. Yoshitake Kamino to serve as members of the Special Committee as outside experts, because of their extensive knowledge of M&A transactions, including those similar to the Transactions. The Company has selected these six individuals to serve as members of the Special Committee since its establishment, and there have been no changes to the members of the Special Committee since their selection. In addition, the Special Committee has elected Mr. Mikio Yamano as the chairman by a mutual election of the committee members. Furthermore, compensation for the members of the Special Committee is comprised only of fixed fees or fees based on a time-charge system, which are to be paid regardless of the content of the matters the committee members report, and the Company has not adopted any contingent fees that are to be paid to the Special Committee members subject to the consummation of the Transactions. The Company has confirmed that all members of the Special Committee are independent of the Parties Related to the Offeror and the consummation of the Transactions.

The Company's board of directors consulted with the Special Committee regarding the Consultation Matters (namely, (A) to examine whether to implement the Transactions (whether the Company's board of directors should support the Tender Offer and recommend that the shareholders of the Company tender their shares in the Tender Offer) and to make a recommendation to the Company's board of directors thereon, and (B) to examine whether the decision by the Company's board of directors regarding the Transactions would be disadvantageous to the Company's minority shareholders and to provide an opinion thereon to the Company's board of directors). The Company's board of directors has also resolved that, when examining the matters described in (A) above, the Special Committee will (i) examine and determine whether the Transactions should be implemented from the perspective of whether the Transactions would contribute to the enhancement of the corporate value of the Company and (ii) examine and determine the validity of the transaction terms and the fairness of the procedures from the perspective of securing the interests of the Company's general shareholders.

Furthermore, the Company's board of directors has resolved that (i) the decisions of the Company's board of directors regarding the Transactions will be made with the utmost respect to the judgment of the Special Committee, and (ii) if the Special Committee determines that the implementation or the terms and conditions of the Transactions are not appropriate, the Company's board of directors will not approve the Transactions under those terms and conditions (including not supporting the Tender Offer).

Upon establishing the Special Committee, the Company's board of directors has resolved to: (a) authorize the Special Committee to conduct negotiations regarding transaction terms with the counterparty of the Transactions (including indirect negotiations through the Company's officers and employees, advisors, or the like); (b) authorize the Special Committee to appoint its own financial, legal, or other advisors as necessary (in which case the Company shall bear the costs) or to appoint or approve (including ex-post facto approval) financial, legal, or other advisors for the Company when examining the Consultation Matters (if the Special Committee confirms that there are no issues with the independence or expertise of the Company's advisors, then it may seek professional advice from the Company's advisors); (c) authorize the Special Committee to request the attendance of persons deemed necessary by the Special Committee at meetings of the Special Committee to provide explanations regarding necessary information; (d) authorize the Special Committee to receive from the Company's officers and employees information necessary to examine and make decisions concerning the Transactions, including information regarding the details of, and the conditions precedent to the preparation of, the Company's business plans; and (e) grant the Special Committee other authorities in relation to conducting such matters as the Special Committee deems necessary in order to examine and make decisions concerning the Transactions.

(b) Process of examination

The Special Committee met a total of 10 times, for a total of approximately 10 hours, between April 21, 2025 and July 11, 2025, and carried out careful discussions and examinations with respect to the Consultation Matters by, among other actions, reporting to and sharing information with other members as well as by deliberating and making decisions on the relevant matters through e-mail and the like between those meetings.

Specifically, on April 21, 2025, the Special Committee first confirmed that there were no issues in regard to the independence or expertise of Mori Hamada, the Company's legal advisor, and PwC, the Company's financial advisor, and approved their appointments as such, and the Special Committee confirmed that the Special Committee itself may receive professional advice from those advisors as necessary. Subsequently, based on the legal advice received from Mori Hamada, the Special Committee examined the measures to be taken to ensure the fairness of the procedures in the Transactions. Furthermore, on April 28, 2025, the Special Committee approved the internal examination framework for the Transactions established by the Company after confirming that there were no issues in regard to its independence.

Based on the foregoing, in examining the Consultation Matters, the Special Committee sent questions to Polaris on April 25, 2025 regarding matters such as the background to the Transactions, the Company's business environment and management issues, the advantages and disadvantages of the Transactions, the management structure after the Transactions, and the terms and conditions of the Transactions. Based on the written response received from Polaris on May 7, 2025, the Special Committee conducted interviews and held question-and-answer sessions with Polaris on May 13, 2025. In addition, the Special Committee sent questions to the Company's management on June 16, 2025 regarding matters such as the background to the Transactions, the Company's business environment and management issues, the progress of the New Consolidated Medium-Term Management Plan, the management's views on the advantages and disadvantages of the Transactions, the management structure after the Transactions, and the terms and conditions of the Transactions. Based on the written response received from the Company's management on June 23, 2025, the Special Committee conducted interviews and held question-and-answer sessions with the Company's management on July 1, 2025.

Furthermore, on April 28, 2025, the Special Committee received explanations from the Company and held question-and-answer sessions regarding the details, material conditions precedent, and process of preparation of the Business Plan prepared by the Company, which was presented to the Offeror in the Transactions and which was used as the basis for the valuation of the Company's Stock by PwC, and then confirmed and approved the reasonableness of those matters by taking into account the advice from a financial perspective received from PwC, the Company's financial advisor. In addition, PwC conducted the valuation of the Company's Stock based on the Business Plan. The Special Committee received explanations from PwC regarding the valuation methods used in the valuation of the Company's common shares conducted by PwC, the reasons for adopting such valuation methods, and the details of calculation and material conditions precedent for each valuation method, and then confirmed the reasonableness of those matters after holding question-and-answer sessions and deliberating on and examining those matters. In addition, the Special Committee prepared and established policies for negotiations with the Parties Related to the Offeror regarding the terms of the Transactions, including the Tender Offer Price, and requested advice from PwC on negotiations based on such policies. The Special Committee also convened meetings of the Special Committee as necessary and received timely reports from the Company, PwC, and Mori Hamada regarding the process and details of the discussions and negotiations with the Parties Related to the Offeror pertaining to the Transactions, and discussed the policies for such discussions and negotiations. The Special Committee has been substantially involved in the negotiation process with the Offeror by taking actions such as holding discussions with the Company and PwC on negotiation policies and providing opinions on multiple occasions until the Company received the final proposal of the terms and conditions of the Transactions. As a result, on July 10, 2025, the Company received from the Offeror a proposal that included setting the Tender Offer Price at 1,700 yen per share, and after receiving a total of six proposals, the Tender Offer Price was ultimately raised to 1,700 yen per share, which represents an increase of approximately 13.33% (rounded to the second decimal place) from the initial offer price of 1,500 yen.

Furthermore, the Special Committee has received explanations from both Mori Hamada and PwC on multiple occasions regarding the content of the drafts for the press release and opinion statement regarding the Tender Offer to be released or submitted by the Company, and the Special Committee has confirmed that the Company will provide appropriate and sufficient disclosure.

(c) Determination

As a result of its careful discussions and examinations with respect to the Consultation Matters in light of the background described above, the Special Committee submitted the Report to the Company's board of directors on July 14, 2025 as summarized below with the unanimous approval of all members of the Special Committee.

(A) Details of the Report

- (a) The Company's board of directors (should support the Tender Offer and recommend that the Company's shareholders tender their shares in the Tender Offer.
- (b) The decisions of the Company's board of directors regarding the Transactions are not disadvantageous to the Company's minority shareholders.

(B) Reasons for the Report

Consultation Matter (i) (whether or not the Company's board of directors should support the Tender Offer and whether or not it should recommend that the Company's shareholders tender their shares in the Tender Offer)

a) Whether or not the Transactions would contribute to enhancing the corporate value of the Company

a. Business environment and management issues of the Company Group

- The Special Committee shares the same awareness regarding the business environment and management issues of the Company Group as that stated in "1. Purpose of and Reasons for the Share Consolidation" above.
- Taking into account that business environment and those management issues, the Company Group has areas in which it is necessary to invest both human and material resources, but as it is difficult to find that the Company Group has the knowledge, know-how, and investment capabilities necessary for those investments, the Special Committee agrees with the Company's awareness that further efforts are necessary, such as forming strategies with the support of a business strategy partner who can provide solutions to issues, and the Special Committee finds that the purpose of such measures to address those management issues is reasonable.

b. Significance (Merits) of the Transactions

- The synergies that the Offeror anticipates as stated in "1. Purpose of and Reasons for the Share Consolidation" above and the synergies that the Company believes will be achievable through the Transactions are largely consistent.
- In addition, amid increasingly intense competition in the store-based food service industry due to the rapidly declining population caused by falling birthrates and aging population and changing consumer needs caused by changing values, labor shortages are becoming more severe, and it is necessary to rapidly implement thorough and effective measures. The Special Committee finds that the above synergies to be achieved through the unification of the Offeror and the Company are important as they would each contribute to resolving the Company's management issues, and if realized, those measures would contribute to enhancing the Company's corporate value.

c. Demerits of the Transactions

- The Special Committee finds the Company's awareness regarding the demerits of taking the Company's Stock private as stated in "1. Purpose of and Reasons for the Share Consolidation" above to be reasonable.
- The Special Committee also considers that common demerits of delisting include limitations on financing methods and a decline in social credibility and name recognition leading to negative impacts on business relationships with transaction partners and on hiring personnel. However, in regard to financing, taking into account the recent financial environment, there are many cases in which it is considered more reasonable to procure funds through indirect financing rather than relying on equity financing, and given that Polaris can be expected to invest in the Company, there is little risk of a significant obstacle occurring in regard to the Company's management. Additionally, in regard to social credibility and name recognition, the Company has already established a certain degree of trust with its transaction partners, and the Special Committee does not believe that existing business relationships will be significantly damaged due to delisting, nor does it believe that the Company's customer trust and name recognition, which the Company has built up through its business operations up to the present, will immediately be lost due to

delisting. Furthermore, in regard to hiring personnel, although delisting is expected to lead to a decrease in the number of job applicants, by aiming to achieve relisting, the Special Committee believes that it will be possible to acquire highly motivated personnel, as when the Company was a startup, which may lead to improving the speed of business growth.

- Based on the above, the Special Committee believes that the demerits of the Transactions will be limited and will be smaller than the merits of the Transactions stated in b. above.

d. Examination of options other than the Transactions

- As measures to enhance the Company's corporate value other than the Transactions, the Company believes that it could conduct anticipatory investments and M&A transactions that it is currently examining while maintaining its listing. However, the Company Group is constantly affected by changes in its share price due to quarterly financial results announcements and analyst evaluations, as a result of which there have been cases in the past in which the Company refrained from making investments within a single business year due to concerns regarding short-term share price changes. In addition, anticipatory investments and M&A transactions often put short-term strain on profits and incur significant costs, as a result of which the Company has tended to hesitate to conduct such measures due to concerns of a negative impact on its share price.
- The Company believes that by choosing to conduct the Transactions, taking the Company's Stock private after the Transactions will release the Company from the pressure of short-term share price changes, which will enable the Company to boldly and dramatically undertake strategic anticipatory investments and large-scale M&A transactions from a long-term perspective without being excessively concerned with the wishes of the Company's shareholders, thereby making it possible to establish a firm foundation for future growth.
- The Special Committee also believes that if the Company chooses to maintain its listing, it would likely be difficult for the Company to conduct strategic anticipatory investments or M&A transactions to thoroughly address the business environment and management issues of the Company Group without taking into consideration worsened short-term cash flows and negative impacts on share prices. In addition, if the Company has minority shareholders, it may be difficult for the Company to actively utilize Polaris's know-how due to potential conflicts of interest between the Parties Related to the Offeror and the Company's minority shareholders. Therefore, the Special Committee finds that the Offeror taking the Company's Stock private would contribute to the medium- to long-term growth of the Company Group.
- In regard to the possibility of transactions with the Alternative Candidate, given that the Alternative Candidate suspended its examination of transactions relating to taking the Company's Stock private, the Special Committee finds that it is appropriate and reasonable to conduct the Transactions with the Offeror, in which Polaris and Mr. Matsumura, both of whom proposed the Transactions, have invested or plan to invest.

e. Summary

- Based on the above, the Special Committee believes that the Company's awareness regarding the purpose of the Transactions is reasonable, and it finds that the Transactions would contribute to enhancing the Company's corporate value.

b) Validity of the terms and conditions of the Transactions

a. Results of calculation of share value by independent third-party valuator

- The Share Valuation Report from PwC, the Company's financial advisor and third-party valuator independent from the Parties Related to the Offeror, uses market price analysis and the DCF Method as calculation methods, and the Special Committee has confirmed the reasonableness of the content of the share value analysis and the significant underlying assumptions for the calculation under each method.
- In the market price analysis, the share value of the Company was calculated by analyzing the most recent closing price of the Company's Stock and the average closing prices over certain periods. That type of calculation method is commonly used in transactions similar to the Transactions. In addition, it can be said that the calculation periods used are commonly used for this method, and the Special Committee confirmed that no material events occurred during these periods that would necessitate adjustments to market share values. Based on the above, the Special Committee does not find any unreasonable matters in regard to the details of the calculation by market price analysis.
- In addition, in the DCF Method, the share value of the Company was calculated by (i) calculating

the business value of the Company by discounting to the present value at a given discount rate (weighted average cost of capital) the free cash flow that the Company is expected to generate during and after the second quarter of the fiscal year ending February 2026, based on factors such as revenues and investment plans under the Business Plan prepared by the Company for the three fiscal years from the fiscal year ending February 2026 to the fiscal year ending February 2028, financial information of the Company, and publicly available information, and then (ii) adding to or deducting from the calculated business value the amounts of non-operational assets and interest bearing debts, etc. PwC set the discount rates and the perpetual growth rates for calculating the terminal value used in the DCF Method based on its expert perspective as a third-party valuator, and the Special Committee does not find any particularly unreasonable matters in regard to aspects such as the basis for the calculation of those figures and the calculation methods.

- The Special Committee finds that the risk of any impact caused by issues of structural conflicts of interest was reasonably eliminated by means such as the Business Plan on which the calculation under the DCF Method was based being prepared under the direction of persons independent from the Parties Related to the Offeror. In addition, the Business Plan was prepared by the Company based on the business plan that was used as the basis when preparing the New Consolidated Medium-Term Management Plan (for the period from the fiscal year ended February 2024 to the fiscal year ending February 2026) announced by the Company on April 21, 2023 and the revised New Consolidated Medium-Term Management Plan announced by the Company on April 19, 2024 in light of changes in the market environment during the period from the formulation and revision of the New Consolidated Medium-Term Management Plan up to the present, the recent revenue environment, the performance of the Company, and other factors, and the Business Plan was prepared based on financial projections that were considered by the Company to be objective and reasonable and more closely reflect the current status of the Company. The Special Committee finds that the planned figures for each fiscal year under the Business Plan are likely to be accurate.
- Based on the above, the Special Committee finds the Business Plan on which the calculation of the share value of the Company was based to be reasonable in light of the underlying assumptions thereof, the background of the preparation thereof, and the current status of the Company.
- Furthermore, in light of the valuation of the Company's Stock stated in the Share Valuation Report, the Tender Offer Price exceeds the maximum value of the range of values calculated under the market price analysis and is within the range of values calculated under the DCF Method.

b. Premiums on the market value of the Company's Stock

- Using July 10, 2025, the date two business days before the announcement date of the implementation of the Tender Offer, as a reference date, the Tender Offer Price of 1,700 yen includes a premium of 15.72% on 1,469 yen, the closing price of the Company's Stock on the Prime Market of the TSE on the reference date, a premium of 18.06% on 1,440 yen, the simple average closing price for the preceding one-month period, a premium of 25.55% on 1,354 yen, the simple average closing price for the preceding three-month period, and a premium of 28.50% on 1,323 yen, the simple average closing price for the preceding six-month period. The medians of premiums on the closing price on the day immediately preceding the announcement date and the simple average closing prices for the preceding one-month, three-month, and six-month periods in 85 management buyout (MBO) transactions for the purpose of taking the target company private that were announced on or after June 28, 2019, the date on which the Ministry of Economy, Trade and Industry published the "Fair M&A Guidelines," and in which the tender offer was successfully completed on or before July 3, 2025 were 42.20% on the closing price on the day immediately preceding the announcement date and 43.70%, 45.90%, and 46.60% on the simple average closing prices for the preceding one-month, three-month, and six-month periods, respectively.
- In comparison to those examples, it is difficult to view the premiums on the closing price of the Company's Stock on the reference date of the Tender Offer Price and the market value of the Company's Stock for the preceding one-month period as being at a high level. However, the market value of the Company's Stock has been increasing over the preceding three-month period, and therefore it is appropriate to give suitable consideration to the premiums for the preceding

three-month and six-month periods instead of focusing only on the premiums for the most recent closing price and preceding one-month period. In addition, the rates of tender offer premiums on the market value of shares of companies with high price to book ratios (PBRs) tend to be low as the corporate value of those companies is already highly evaluated by the stock market, and given that the PBR of the Company as of the reference date is significantly above 2, it is possible to view the Tender Offer Price as including a certain level of premiums and to consider that it is not appropriate to focus only on the comparison to the medians of premiums in similar transactions. Therefore, the level of premiums included in the Tender Offer Price cannot entirely be found to be insufficient, and the validity of the Tender Offer Price should be determined after taking into account other circumstances that support that validity.

c. Setting of a majority of minority condition

- As stated in c. in e) below, the minimum number of shares to be purchased in the Tender Offer has been set to satisfy a so-called majority of minority condition. Setting a majority of minority condition will lead to a greater emphasis on ensuring that the general shareholders have the opportunity to make judgements by directly confirming that a majority of the general shareholders are satisfied with the transaction terms. Further, when setting a majority of minority condition, it is necessary to set transaction terms at a level which the majority of general shareholders are expected to be satisfied with in order to successfully complete the Tender Offer; therefore, setting a majority of minority condition also serves the function of strengthening the negotiating power of the Company during the process of forming the transaction terms, thereby contributing to the Tender Offer being conducted under transaction terms favorable to the general shareholders.
- In other words, the fact that the minimum number of shares to be purchased has been set to satisfy the majority of minority condition in this case can be considered to be an element that enhances the validity of the transaction terms (including the Tender Offer Price) of the Transactions.

d. Process of negotiating and determining the price

- The Special Committee engaged in discussions and negotiations with the Offeror regarding the terms and conditions of the Transactions, including the Tender Offer Price, as a result of which the Tender Offer Price was raised a total of four times, ultimately achieving an increase of approximately 13.33% (rounded to two decimal places) from the tender offer price in the first proposal (1,500 yen).
- Based on the above, it can be found that serious discussions and negotiations were held between the Special Committee and the Offeror.

e. Reasonableness of transaction methods

- The two-step acquisition method proposed by the Offeror involving a tender offer for cash consideration and a subsequent demand for share cash-out or share consolidation is a method commonly used in transactions to take a company private. The consideration to be paid in the transactions in the second step is planned to be set to be equivalent to the Tender Offer Price, and shareholders who are dissatisfied with the amount of the consideration can file a petition with a court to determine the share price. Accordingly, the Special Committee finds this method to not be unreasonable.
- Mr. Matsumura plans to indirectly reinvest in the Company through the Reinvestment, and according to the Offeror, the appraised value of the Company's Stock to be used as a basis when determining the issue price per common share of the Offeror in the Reinvestment is planned to be set to be equivalent to the Tender Offer Price, and therefore, the Special Committee does not find any unreasonable matters in regard to consistency with the Tender Offer Price in the Reinvestment.
- The Offeror plans to indirectly acquire the Company's Stock through the Share Transfer, and according to the Offeror, the appraised value of the Company's Stock to be used as a basis when determining the transfer price of Matsumuraya's Stock in the Share Transfer will be set to be equivalent to the Tender Offer Price, and therefore, the Special Committee does not find any unreasonable matters in regard to consistency with the Tender Offer Price in the Share Transfer.

f. Summary

- The Special Committee believes that the validity of the transaction terms of the Transactions has been ensured from the perspective of pursuing the interests of the Company's minority shareholders in light of the fact, as stated above, (a) the Tender Offer Price has been deemed to

be valid comprehensively considering that (i) while the Special Committee does not find any unreasonable matters in the valuation methods and the details of valuations (including the details of the Business Plan used as the basis for the calculation) in the share valuation by PwC, an independent third-party valuator, and the share valuation is believed to be valid in light of current practices, the Tender Offer Price is higher than the upper limit of the price range in the Share Valuation Report calculated in accordance with the market price analysis and falls within the price range calculated in accordance with the DCF Method, (ii) although it cannot necessarily be said that the premium level is high compared to similar cases, it cannot be categorically evaluated as insufficient, (iii) the majority of minority condition has been set, which can operate as an element that enhances the validity of the transaction terms of the Transactions, and (iv) the price negotiations were conducted with the Offeror, and as a result of such negotiations, the price was raised significantly on multiple occasions from the initial proposal; and (b) the Special Committee does not find any unreasonable matters in the method of the Tender Offer.

c) Fairness of procedures in the Transactions

- The Company established the Special Committee, and it can be found that the Special Committee is structured properly to protect the interests of the Company's general shareholders from an independent standpoint. Further, a mechanism has been ensured in which the Company's board of directors makes decisions while paying the maximum respect to the determinations of the Special Committee, and the Special Committee has been granted the necessary authority and the like to function effectively.
- It can be found that in the Transactions, the Special Committee has been substantially involved in the negotiation process related to the transaction terms between the Company and the Offeror, including the Tender Offer Price (including being involved in discussions, negotiations, and the like conducted through PwC, who is an advisor of the Special Committee).
- The Company has appointed PwC as its financial advisor and a third-party valuator independent from the Parties Related to the Offeror, the Company, and the Transactions, has received advice therefrom from a financial perspective throughout the entire examination process for the Transactions, including advise on the negotiation policy with the Offeror regarding the Tender Offer Price, and the Company has also obtained the Share Valuation Report in order to ensure fairness in the decision-making process regarding the Tender Offer Price proposed by the Offeror.
- In order to ensure the fairness and appropriateness of the decision-making of the Company's board of directors regarding the Transactions, including the Tender Offer, the Company has received legal advice from Mori Hamada as a legal advisor independent from the Parties Related to the Offeror, the Company, and the Transactions.
- The Company has established an internal system to review, negotiate, and make judgements concerning the Transactions from the perspective of enhancing the Company's corporate value and securing the interests of the Company's minority shareholders, from a standpoint independent from the Offeror, which consists solely of Mr. Motoaki Saito, Senior Managing Director, and other two officers and employees, who are deemed to be independent from the Parties Related to the Offeror, and this system has been approved by the Special Committee. It can be found that the internal independent review system at the Company has been appropriately built and is functioning effectively.
- Because the Transactions fall under a management buyout (MBO) by Mr. Matsumura, the Company's President and Representative Director, Mr. Matsumura has not participated in any of the deliberations or resolutions so far pertaining to any agenda items related to the Transactions, and the Company plans to not allow Mr. Matsumura to be involved in the deliberations and resolutions at the meeting of the Company's board of directors to be held on July 14, 2025 to deliberate on the board of directors' expression of its opinion on the Tender Offer. In addition, Mr. Matsumura has not participated in any discussions or negotiations with the Offeror regarding the Transactions on behalf of the Company.
- On March 14, 2025, the Company was informed by Mr. Matsumura, the Company's President and Representative Director, that an examination of taking the shares of the Company's stock private as well as discussions with multiple PE Funds, including Polaris, had commenced. Subsequently, the Company also received offers from the Alternative Candidate, as well as from Polaris, who is a Party Related to the Offeror, to examine taking the shares of Company's Stock private. The Special Committee is able to assess that during this process, the Offeror was in a competitive environment where selection would be made through comparison with the



Alternative Candidate, which the Special Committee considers as having had a certain effect as a market check from the perspective of examining the existence of potential acquirers.

- The Special Committee finds that an indirect market check has been carried out based on the fact that in the Tender Offer, by setting a relatively long purchase period, an appropriate opportunity for the Company's shareholders to make judgements regarding tendering their shares in the Tender Offer has been ensured, as well as an opportunity for persons other than the Offeror to make competing purchases.
- The minimum number of shares to be purchased in the Tender Offer, 10,813,295 shares (Shareholding Ratio: 59.69%), satisfies the so-called majority of minority condition because if the majority of the number of shares of the Company's Stock held by the Company's shareholders who are disinterested in the Offeror do not support the Tender Offer, the Tender Offer will not be successfully completed, and this is a mechanism that places an emphasis on the intent of the minority shareholders of the Company.
- It is planned that information will be extensively disclosed in the draft of the disclosure documents related to the Tender Offer, and it can be said that such disclosure will mitigate information asymmetry regarding the Transactions and ensure the general shareholders an appropriate opportunity to make judgements based on sufficient information. In addition, the Company and the Offeror plan to make appropriate disclosures after obtaining advice from their respective legal advisors.
- It can be found that, in the Transactions, the legality of the Squeeze-Out Procedures has been ensured by giving consideration to prevent any issue of coercion.
- In addition to the foregoing, the Special Committee does not find any fact suggesting that the Company was unduly influenced by the Offeror in the process of the discussions, examinations, and negotiations regarding the Transactions.

d) Conclusion

- It can be found that: the Transactions would contribute to enhancing the corporate value of the Company, as stated in a) above; the validity of the transaction terms of the Transactions, including the purchase price, has been ensured, as stated in b) above, and; fair procedures have been implemented, as stated in c) above. Therefore, the Special Committee finds that sufficient consideration has been given to the general shareholders of the Company.
- Accordingly, the Special Committee believes that it is appropriate for the Company's board of directors to express an opinion in favor of the Tender Offer and an opinion recommending that the shareholders of the Company tender their shares in the Tender Offer.
- Consultation Matter (ii) (whether the decision by the Company's board of directors regarding the Transactions is disadvantageous to the Company's minority shareholders)
- As stated in (a)d) above, it can be found that, from the perspective of pursuing the interests of the general shareholders of the Company, the Transactions would contribute to enhancing the Company's corporate value and the validity of the transaction terms and fairness of the procedures have been ensured.
- Therefore, the Special Committee believes that the decision-making by the Company's board of directors' regarding the Tender Offer (i.e. (a) the decision to express an opinion in favor of the Tender Offer and recommend that the shareholders of the Company tender their shares in the Tender Offer, and (b) the decision regarding the process of taking the shares of the Company's Stock private through the squeeze-out process to be conducted after the Tender Offer as part of the Transactions) is not disadvantageous to the Company's minority shareholders.

(iv) Establishment of an independent review system in the Company

As stated in "1. Purpose of and Reasons for the Share Consolidation" above, the Company has established an internal system to review, negotiate, and make decisions concerning the Transactions from a standpoint independent of the Parties Related to the Offeror and from the perspective of enhancing the corporate value of the Company and securing the interests of the Company's minority shareholders.

Specifically, the Company received initial proposals regarding the delisting of the Company's Stock from the Alternative Candidate on March 12, 2025 and from Polaris and Mr. Matsumura on March 14, 2025. Following the receipt of these proposals, based on the legal advice obtained from Mori Hamada from a standpoint independent of the Parties Related to the Offeror and from the perspective of enhancing the corporate value of the Company and securing the interests of the Company's general shareholders, in the process of conducting negotiations and internal reviews regarding the terms and conditions of the

Transactions, including the Tender Offer Price, the Company established an internal review system consisting only of Mr. Motoaki Saito, Senior Managing Director, and two other officers and employees who were deemed to be independent of the Parties Related to the Offeror and of whom Mr. Matsumura, who is the representative director of the Company and has a special interest in the Offeror, is not included. Under this system, the Company conducted internal reviews regarding the Transactions, including establishing its business plan, holding discussions and negotiations with the Offeror regarding the price and other transaction terms, and responding to the Special Committee. These measures have been approved by the Special Committee.

(v) Unanimous approval of all disinterested directors (including directors who are Audit & Supervisory Committee Members) of the Company

By taking into account the legal advice received from Mori Hamada, the advice from a financial perspective received from PwC, the content of the Share Valuation Report, the Report obtained from the Special Committee, the content of the multiple rounds of ongoing discussions conducted with the Offeror, and other relevant materials, the Company conducted careful discussions and examinations on whether the Transactions, including the Tender Offer by the Offeror, would contribute to the enhancement of the corporate value of the Company and whether the terms and conditions of the Transactions, including the Tender Offer Price, were appropriate.

As a result, as stated in “1. Purpose of and Reasons for the Share Consolidation” above, at the Company’s board of directors meeting held on July 14, 2025, all directors of the Company participating in the deliberations and resolutions (nine out of ten directors of the Company, excluding Mr. Matsumura) reached the conclusion that the Transactions would contribute to the enhancement of the corporate value of the Company given that conducting the Transactions together with the Offeror would enable the Company to implement bold management reforms without being affected by expectations from the stock market for short-term performance and that synergies are expected to be generated through the Transactions, and determined that the Tender Offer would offer an opportunity to the shareholders of the Company to sell their shares at a price inclusive of a reasonable premium and upon reasonable terms and conditions. Therefore, the board of directors of the Company unanimously adopted a resolution to express an opinion in support of the Tender Offer and to recommend that all shareholders of the Company tender their shares in the Tender Offer.

(vi) Measures to ensure purchase opportunities from other purchasers

The Offeror has set the tender offer period at 30 business days, while the shortest statutory period is 20 business days. By setting a long tender offer period, the Offeror ensures to provide the Company’s shareholders with an appropriate opportunity to make a judgment regarding the tender of their shares in the Tender Offer and ensures to provide the opportunities for competing offerors to make a competing purchase for the Company’s Stock, thereby intending to ensure the fairness of the Tender Offer Price.

Additionally, the Offeror and the Company have not entered into any agreement that restricts a competing offeror from having contact with the Company, such as an agreement that includes transaction protection provisions that would prohibit the Company from having contact with a competing offeror. As such, in conjunction with the establishment of the period of purchase above, the Offeror has given consideration to the fairness of the Tender Offer by ensuring opportunities for competing tender offers.

(vii) Setting of minimum number of shares to be purchased to satisfy majority of minority condition

The Offeror has set the minimum number of shares to be purchased in the Tender Offer at 10,813,295 shares (Shareholding Ratio: 59.69%). If the total number of Tendered Shares fails to reach the minimum number of shares to be purchased (10,813,295 shares), the Offeror will not purchase any of the Tendered Shares. The minimum number of shares to be purchased in the Tender Offer (10,813,295 shares) exceeds the number of shares (5,814,892 shares) equivalent to the majority of the number of shares (11,629,783 shares) resulting from (i) the total number of issued shares (18,455,019 shares) of the Company as of May 31, 2025 as stated in the Company’s First Quarter Financial Results less (ii) the number of treasury shares held by the Company (338,833 shares) as of May 31, 2025 (resulting in 18,116,186 shares), and minus (iii) the number of Company’s Stock held by Mr. Matsumura as of July 14, 2025 (4,998,403 shares) and the number of Non-tendered Shares as of July 14, 2025 (1,488,000 shares), that is, the number of shares equivalent to the majority of the number of the Company’s Stock held by the shareholders of the Company who have no interest in the Offeror or Mr. Matsumura (the so-called “majority of minority”). In this way, if the consent of

the majority of the Company's shareholders who have no interest in the Offeror or Mr. Matsumura is not obtained, the Offeror will not conduct the Transactions, including the Tender Offer, thereby emphasizing the intentions of the Company's minority shareholders.

#### 4. Future Prospects

In connection with the implementation of the Share Consolidation, the Shares are planned to be delisted, as described in "(i) Delisting" under "(2) Expectation of Delisting" under "3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation" above. The Transactions constitute a so-called management buyout (MBO), and Mr. Matsumura is expected to acquire the common stock of the Offeror equivalent to 5.00% of the voting rights, as well as to continue managing the Company even after the completion of the Share Consolidation.

For details on the management structure, including the composition of officers after the Transaction, please refer to "(IV) Management policy after the Tender Offer" in "(2) Grounds and reasons for opinions on the Tender Offer" under "3. Details of and grounds and reasons for opinions on the Tender Offer" in the Opinion Press Release.

#### 5. Matters Relating to Transactions etc. with Controlling Shareholder

##### (1) Status of Compliance with Guidelines relating to Policy to Protect Minority Shareholders in Transactions etc. with the Controlling Shareholder

Because the Offeror became the Company's parent company as of the commencement date of the settlement for the Tender Offer (September 3, 2025), the transactions relating to the Share Consolidation constitute transactions, etc. with the controlling shareholder.

In the Corporate Governance Report disclosed by the Company on May 30, 2025, the Company has not established the "guidelines relating to policy to protect minority shareholders in transactions etc. with the controlling shareholder." However, in the case of transactions with the controlling shareholder, the Company's policy is to take necessary measures, such as seeking advice from attorneys-at-law or third-party institutions, to ensure the fairness of the content and terms of such transactions, and to carefully review and make decisions at the Board of Directors meetings to ensure that the interests of minority shareholders are not harmed.

In order to ensure the fairness of the Transaction, including the Tender Offer, as set forth in "(3) Measures to Ensure Fairness of the Transaction and Measures to Avoid Conflict of Interest" under "3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation" above, the Company has taken measures for ensuring fairness and measures for avoiding conflicts of interest, and it is considered that such treatment is in compliance with the above guidelines.

##### (2) Matters Relating to Measures for Ensuring Fairness and Measures for Avoiding Conflicts of Interest

Please refer to "(3) Measures to Ensure Fairness of the Transaction and Measures to Prevent Conflict of Interest" under "3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation" above.

##### (3) Overview of Opinion Obtained from Person Having No Conflict of Interest with Controlling Shareholder that the Transaction is Not Disadvantageous to Minority Shareholders

The Company has received the Report dated July 14, 2025 from the Special Committee to the effect that the Transaction would not be disadvantageous to the Company's minority shareholders. For details, please refer to "(iii) Establishment of an independent special committee at the Company and obtainment of a report from such special committee" under "(3) Measures to Ensure Fairness of the Transaction and Measures to Avoid Conflict of Interest" under "3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation" above.

#### IV. Abolition of the Provision on Share Units

##### 1. Reasons for Abolition

In the case where the Share Consolidation takes effect, the Company's total number of outstanding shares will be 12 shares, and it will cease to be necessary to specify the number of shares in a share unit.

##### 2. Planned Abolition Date

November 26, 2025 (Wednesday)(tentative)

### 3. Conditions of Abolition

The abolition is subject to the proposal for the Share Consolidation and the proposal for partial amendment of the Articles of Incorporation to abolish the provision on share units (for details, please refer to “V. Partial Amendment of Articles of Incorporation” below) being passed as in the original drafts at the Extraordinary Shareholders’ Meeting, and the Share Consolidation taking effect.

## V. Partial Amendment of Articles of Incorporation

### 1. Purpose of Amendment of Articles of Incorporation

- (1) If the proposal for the Share Consolidation is approved as originally proposed and the Share Consolidation takes effect, in accordance with Article 182, Paragraph 2 of the Companies Act, the Company’s total number of authorized shares will be reduced to 48 shares. To clarify this point, subject to the Share Consolidation taking effect, Article 6 (Total Number of Authorized Shares) of the Articles of Incorporation will be amended.
- (2) If the proposal for the Share Consolidation is approved as originally proposed and the Share Consolidation takes effect, the Company’s number of outstanding shares will be 12 shares, and it will cease to be necessary to specify the number of shares in a share unit. Subject to the Share Consolidation taking effect, in order to abolish the provision that currently makes 100 shares the share unit for the Shares, the entire text of Article 7 (Number of Shares in Share Unit), Article 8 (Rights of Holders of Shares Less Than One Unit), will be deleted entirely, and in conjunction with these amendments the article numbers will be shifted up.
- (3) If the proposal for the Share Consolidation is approved as originally proposed and the Share Consolidation takes effect, because the Shares will be delisted and the Tender Offeror and Matsumuraya will be the only shareholders of the Company who hold more than one share, the provisions regarding a record date of Annual General Meeting of Shareholders and the electronic provision system of materials for the shareholders’ meeting will lose their necessity. Therefore, the Company will delete the entire text of Article 11(Record Date), Article 14 (Measures for Electronic Provision, etc.) of the Articles of Incorporation, and move up the number of articles in connection with such change, on the condition that the Share Consolidation takes effect.
- (4) On August 19, 2025, the board of directors of the Company approved the acquisition of all of the Class A preferred shares. In conjunction with this resolution, the Company acquired and canceled all of the Class A preferred shares on September 3, 2025. As a result, the provisions concerning Class A preferred shares and Class Meeting of Shareholders will be eliminated. In addition, the number of articles will be move up due to the deletion of the said regulations.

### 2. Content of Amendment of Articles of Incorporation

The amendments are as set out below. Provided that the proposal for the Share Consolidation is approved at the Extraordinary Shareholders’ Meeting as originally proposed, and the Share Consolidation takes effect, these amendments of the Articles of Incorporation are scheduled to take effect on November 26, 2025, which is the effective date of the Share Consolidation.

(Underlines indicate the portions that are to be amended.)

Current Articles of Incorporation	Proposed amendments
(Total Number of Authorized Shares) Article 6 The total number of authorized shares of the Company shall be <u>31,335,000</u> shares. <u>The total number of authorized class shares of the Company shall be as follows for each class of shares:</u> <u>Common shares</u> <u>31,285,000 shares</u> <u>Class A preferred shares</u>	(Total Number of Authorized Shares) Article 6 The total number of authorized shares of the Company shall be <u>48</u> shares.

<p><u>50,000 shares</u></p> <p><u>(Number of Shares per Unit)</u></p> <p><u>Article 7 The number of shares constituting one unit of shares of common stock of the Company shall be 100 shares, and the number of shares constituting one unit of Class A shares shall be one share.</u></p> <p><u>(Rights of Holders of Shares Less Than One Unit)</u></p> <p><u>Article 8 Shareholders of the Company may not exercise in relation to shares of less than one unit any right other than the following rights.</u></p> <p><u>(i) The rights described in each item of Article 189, Paragraph 2 of the Companies Act</u></p> <p><u>(ii) The right to make a demand as provided for by Article 166, Paragraph 1 of the Companies Act</u></p> <p><u>(iii) The right to receive, based on the number of shares held by the shareholder, an allotment of shares for subscription and an allotment of share options for subscription</u></p> <p>Article 9 to Article 10 (Provisions omitted)</p> <p><u>(Record Date)</u></p> <p><u>Article 11 The Company shall consider the shareholders holding voting rights who are stated or recorded in the final shareholder register as of the final day of each year to be the shareholders entitled to exercise their respective rights at the annual general meeting of shareholders for the relevant business year.</u></p> <p><u>2. In addition to the provisions of the preceding paragraph, the Company may, when necessary, with prior public notice and by resolution of the board of directors, temporarily determine the record date.</u></p> <p>Chapter II-2 Class A Preferred Shares</p> <p>(Class A Preferred Dividends)</p> <p><u>Article 11-2 When the Company pays a year-end dividend of surplus in accordance with the provisions of Article 43, such dividend shall be paid to shareholders holding Class A preferred shares (“Class A Preferred Shareholders”) or registered pledgees of</u></p>	<p>(Deleted)</p> <p>(Deleted)</p> <p>Article 7 to Article 8 (Not amended)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p>
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Class A preferred shares (“**Class A Preferred Share Registered Pledgees**”); together with Class A Preferred Shareholders, “**Class A Preferred Shareholders, Etc.**”) who are stated or recorded in the final shareholder register as of the record date for the relevant year-end dividend before the shareholders holding common shares ( “**Common Shareholders**”) or registered pledgees of common shares ( “**Common Share Registered Pledgees**”; together with Common Shareholders, “**Common Shareholders, Etc.**”) who are stated or recorded in the final shareholder register as of the same date, as Class A preferred dividends per Class A preferred share, in the amount calculated by pro-rating, with one year being 365 days, the sum of the amount to be paid in for Class A preferred shares and the Unpaid Class A Preferred Dividends (as defined in the following paragraph) after the year-end dividend for the previous business year (if any) at 4.0% per annum, for the actual number of days during the period from the first day of the business year that includes the record date for the relevant dividend of surplus (however, if the record date for the relevant dividend of surplus belongs to the same business year as the payment date, it shall be the payment date) (including the same day) to the record date for the dividend of such surplus (including the same day) (the “**Class A Preferred Dividend Amount**”) (however, the division shall be made at the end and calculated to the third decimal place below the unit of yen and rounded off to the second decimal place). However, in the business year containing the record date of the year-end dividends, if the Class A Preferred Interim Dividends set forth in Article 12-3 have been paid, the amount obtained by deducting the total amount thereof shall be paid. If the Company acquires the Class A preferred shares during the period between the record date for such dividend of surplus and the date on which such dividend of surplus is paid, the Company shall not be required to pay a year-end dividend of surplus pertaining to such record date with respect to such Class A preferred shares. Any fraction less than one yen resulting from multiplying the Class A preferred dividends by the number of the Class A preferred shares to which the Class A Preferred Shareholders are entitled shall be rounded off.

2. If, in a business year, the amount of surplus per share to be paid to the Class A

Preferred Shareholders, Etc. does not reach the Class A Preferred Dividend Amount pertaining to the relevant business year as the record date, the shortfall (“Unpaid Class A Preferred Dividends”) shall be accumulated from the following business year onward.

3. The Company shall not pay dividends from surplus to Class A Shareholders, Etc. in excess of the Class A Preferred Dividend Amount.

(Class A Preferred Interim Dividends)

(Deleted)

Article 11-3 When the Company pays dividends of surplus (an “Interim Dividend”) with a record date other than the last day of the business year (a “Record Date for Interim Dividend”) in accordance with the provisions of Article 44 or Article 45, the Company shall pay, per Class A preferred share, to the Class A Preferred Shareholders, Etc. who are stated or recorded in the final shareholder registry as of the Record Date for Interim Dividend, before the Common Shareholders, Etc., the dividend of surplus in cash in the amount calculated by, after determining the amount equivalent to 4.0% per annum of the total of the amount to be paid in for the Class A preferred shares and the Unpaid Class A Preferred Dividends (if any) after the year-end dividend for the previous business year, dividing the determined amount by 365 days (however, the division shall be made at the end and calculated to the third decimal place below the unit of yen and rounded off to the second decimal place) for the actual number of days during the period from the first day of the business year that includes the Record Date for Interim Dividend (however, if the Record Date for Interim Dividend belongs to the same business year as the payment date, it shall be the payment date) (including the same day) to the Record Date for Interim Dividend (including the same day) (“Class A Preferred Interim Dividends”). However, in the business year containing the Record Date for Interim Dividend, if the Class A Preferred Interim Dividends set forth in this Article have been paid during the period up to the relevant Interim Dividends, it shall be the amount obtained by deducting the total amount

thereof. If the Company acquires the Class A preferred shares during the period between the Record Date for Interim Dividend and the date on which such Interim Dividend is paid, the Company shall not be required to pay an Interim Dividend pertaining to the Record Date for Interim Dividend with respect to such Class A preferred shares. Any fraction less than one yen resulting from multiplying the Class A Preferred Interim Dividends by the number of the Class A preferred shares to which the Class A Preferred Shareholders are entitled shall be rounded off.

(Distribution of Residual Assets)

(Deleted)

Article 11-4 When the Company distributes residual assets, the Company shall distribute, per Class A preferred share, to Class A Preferred Shareholders, Etc. before the Common Shareholders, Etc. the amount obtained by deducting the amount equivalent to the deduction amount from the amount equivalent to the basic redemption price set forth in Paragraph 2 of the following Article (however, the amount equivalent to the basic redemption price and the amount equivalent to the deduction amount shall be calculated in the basic redemption price formula and the deduction amount formula, respectively, by replacing “Redemption Claim Date” with **“Residual Assets Distribution Date”** (meaning the date on which the distribution of the residual assets is made; the same shall apply hereinafter) and replacing “Preferred Dividends Paid Before Redemption Claim” with **“Preferred Dividends Paid Before Dissolution”** (meaning the Class A preferred dividends paid during the period up to the Residual Assets Distribution Date (including the Class A Preferred Interim Dividends paid during the period up to the Residual Assets Distribution Date))). If the Preferred Dividends Paid Before Dissolution have been paid more than once, the amount equivalent to the deduction amount shall be calculated for each of the Preferred Dividends Paid Before Dissolution, and the total of these amounts shall be deducted from the amount equivalent to the basic redemption price. Any fraction less than



one yen resulting from multiplying (x) the amount equivalent to the basic redemption price less (y) the amount equivalent to the deduction amount by (z) the number of the Class A preferred shares to which the Class A Preferred Shareholders are entitled shall be rounded off.

2. No distribution of residual assets shall be made to Class A Preferred Shareholders, Etc. in addition to the preceding paragraph.

(Right to Claim Redemption for Cash Consideration)

(Deleted)

Article 11-5 A Class A Preferred Shareholder may at any time request that the Company deliver cash in exchange for the acquisition of all or a portion of Class A preferred shares (a “**Redemption Claim**”) up to the distributable amount. When such claim (hereinafter, the date on which the Redemption Claim was made is referred to as “**Redemption Claim Date**”) is made, the Company shall carry out acquisition procedures in accordance with the provisions of laws and regulations. If only a portion of the Class A preferred shares subject to the claim can be acquired, the number of shares to be acquired shall be determined on a pro-rata basis, by lot, or by other reasonable method determined pursuant to the determination by the board of directors.

2. The acquisition price per Class A preferred share shall be calculated by deducting the deduction amount from the basic redemption price, and these amounts shall be calculated by the formula set out below. However, the division shall be made at the end and calculated to the third decimal place below the unit of yen and rounded off to the second decimal place. If the Preferred Dividends Paid Before Redemption Claim specified in the formula below have been paid more than once, the deduction amount shall be calculated for each of the Preferred Dividends Paid Before Redemption Claim, and the total of these amounts shall be deducted from the basic redemption price. Any fraction less than one yen resulting from multiplying the acquisition price by the number of the Class A preferred shares with respect to which the Class A Preferred Shareholders made a Redemption Claim shall be rounded off.

(Basic redemption price calculation formula)

Basic redemption price = 100,000 yen ×  
 $(1+0.04)^{m+n/365}$

The number of days in the period from the payment date (including the same date) to the Redemption Claim Date (including the same date) is “m years and n days,” and “m+n/365” represents the index “(1+0.04).”

(Calculation formula for deduction amount)

Deduction amount = Preferred Dividends Paid Before Redemption Claim ×  
 $(1+0.04)^{x+y/365}$

The “**Preferred Dividends Paid Before Redemption Claim**” shall be the amount of the Class A preferred dividends paid on or after the payment date (including Class A Preferred Interim Dividends paid during the period up to the Redemption Claim Date).

The number of days from the payment date of the Preferred Dividends Paid Before Redemption Claim (including the same day) to the Redemption Claim Date (including the same day) is “x years and y days,” and “x+y/365” represents the index “(1+0.04).”

3. A Redemption Claim under Paragraph 1 of this Article shall become effective when the written claim for such redemption pertaining to the Class A preferred shares arrives at the Company’s head office.

(Acquisition Clause for Cash Consideration)

Article 11-6 The Company may, at any time, acquire all or a portion of the Class A preferred shares in exchange for cash up to the distributable amount, upon the arrival of a date separately determined in accordance with a resolution of the Company’s board of directors (in this Article, the “**Compulsory Redemption Date**.”)  
When acquiring a portion of the Class A preferred shares, the Company shall do so by proportional allocation, lottery, or any other reasonable method specified based on a resolution of the board of directors. The acquisition price per Class A preferred share shall be the amount

(Deleted)

obtained by deducting the amount equivalent to the deduction amount from the amount equivalent to the basic redemption price set forth in Paragraph 2 of the preceding Article (however, the amount equivalent to the basic redemption price and the amount equivalent to the deduction amount shall be calculated in the basic redemption price formula and the deduction amount formula, respectively, by replacing “Redemption Claim Date” with “Compulsory Redemption Date” and replacing “Preferred Dividends Paid Before Redemption Claim” with **“Preferred Dividends Paid Before Compulsory Redemption”** (meaning the Class A preferred dividends paid during the period up to the Compulsory Redemption Date (including the Class A Preferred Interim Dividends paid during the period up to the Compulsory Redemption Date))). If the Preferred Dividends Paid Before Compulsory Redemption have been paid more than once, the amount equivalent to the deduction amount shall be calculated for each of the Preferred Dividends Paid Before Compulsory Redemption, and the combined total amount shall be deducted from the amount equivalent to the basic redemption price. Any fraction less than one yen resulting from multiplying the acquisition price by the number of the Class A preferred shares with respect to which the Company makes a compulsory redemption shall be rounded off.

(Voting Rights)

(Deleted)

Article 11-7 Class A Preferred Shareholders shall not have voting rights at any general meeting of shareholders unless otherwise provided for by laws and regulations.

(Consolidation or Split of Shares, etc.)

(Deleted)

Article 11-8 Except as otherwise provided for by laws and regulations, there shall be no consolidation or split of shares with respect to Class A preferred shares. Class A Preferred Shareholders shall not be entitled to the allotment of shares for subscription or share options for subscription, and the gratis allotment of shares or share options shall not be made.

<p><u>(Mutatis Mutandis Application to General Meeting of Class Shareholders)</u></p> <p>Article 11-9 <u>The provisions of Chapter III (provisions relating to general meeting of shareholders) shall apply mutatis mutandis to each general meeting of class shareholders.</u></p> <p>Article <u>12</u> to Article <u>13</u> (Provisions omitted)</p> <p><u>(Measures for Electronic Provision, Etc.)</u></p> <p>Article 14 <u>When convening a general meeting of shareholders, the Company shall take measures for electronic provision of the contents of reference documents for general meetings of shareholders.</u></p> <p>2. <u>The Company may choose not to enter in documentation to be issued to a shareholder who makes a demand for the issuing of documents before the record date for voting rights all or part of the matters that are (a) prescribed by Order of the Ministry of Justice and (b) the subject of measures taken by the Company for electronic provision.</u></p> <p>Article <u>15</u> to Article <u>40</u> (Provisions omitted)</p>	<p>(Deleted)</p> <p>Article <u>9</u> to Article <u>10</u> (Not amended)</p> <p>(Deleted)</p> <p>Article <u>11</u> to Article <u>36</u> (Not amended)</p>
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3. Schedule for Amendment of the Articles of Incorporation  
November 26, 2025 (tentative)