



December 17, 2025

To All Concerned:

Company Name: Hoky Medical Co., Ltd.  
President: Hideki Kawakubo, President and  
CEO  
Securities code: 3593 (Tokyo Stock Exchange,  
Prime Market)  
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## Notice Regarding Expression of Opinion in Support of Tender Offer for Company Shares by TCG2509 Co., Ltd. and Recommendation to Tender

Hoky Medical Co., Ltd. (the “Company”), hereby announces that, at the Board of Directors meeting held today, it has resolved to express an opinion in support of the tender offer (the “Tender Offer”) for the Company’s common stock (the “Company Shares”) by TCG2509 Co., Ltd. (the “Offeror”) as well as to recommend that the Company’s shareholders tender their shares in the Tender Offer.

The above resolution of the Board of Directors was made on the assumption that the Company Shares will be delisted as a result of the Tender Offer and the series of subsequent procedures (the “Squeeze-out Procedures”) (the transactions designed to take the Company private by the Offeror acquiring all of the Company Shares (excluding the treasury shares held by the Company) is hereinafter referred to as the “Transactions”).

### I. Outline of the Offeror

(1) Name	TCG2509 Co., Ltd.	
(2) Address	1-5-1 Marunouchi, Chiyoda-ku, Tokyo	
(3) Name and title of representative	Representative Director: Genta Saito	
(4) Description of business	Acquire and hold the Company Shares, and control and manage the business of the Company after the Tender Offer has been successfully completed.	
(5) Capital stock	25,000 yen (as of December 17, 2025)	
(6) Date of incorporation	November 13, 2025	
(7) Major shareholders and shareholding ratio (as of December 17, 2025)	TCG2508 Co., Ltd.	100%
(8) Relationship between the Offeror and the Company		
Shareholding		Not applicable
Personnel		Not applicable
Trading		Not applicable
Applicability as a related party		Not applicable

## **II. Tender Offer Price**

6,700 yen per share of the Company Share (the “Tender Offer Price”)

## **III. Details of, and Grounds, and Reasons for, the Opinion Regarding the Tender Offer**

### **A. Details of the Opinion**

The Company, at the meeting of the Board of Directors held today, based on the grounds and reasons outlined below in “B. Grounds and Reasons for the Opinion Regarding the Tender Offer”, resolved to express an opinion in support of the Tender Offer and to recommend its shareholders to tender in the Tender Offer.

Furthermore, the resolution of the Board of Directors of the Company has been resolved by the method described below in “7. Unanimous Approval by the Disinterested Directors (including Directors Who Are Audit & Supervisory Committee Members) of the Company” under “F. Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures to Ensure Fairness in the Tender Offer.”

### **B. Grounds and Reasons for the Opinion Regarding the Tender Offer**

The basis and grounds for the Opinion on the Tender Offer, particularly regarding the Offeror, are based on explanations received from the Offeror.

#### **1. Overview of the Tender Offer**

The Offeror is a corporation established on November 13, 2025, for the purpose of acquiring the Company Shares through the Tender Offer. As of today, the Offeror is wholly owned by TCG2508 Co., Ltd. (the “Offeror Parent Company”), which is established under Japanese law. Furthermore, as of today, the Offeror Parent Company is wholly owned by TCG2507 Co., Ltd. (the “Offeror Grandparent Company”), which is also established under Japanese law. In addition, as of today, the Offeror Grandparent Company is wholly owned by CJP V HC Holding VII, L.P, a limited partnership formed on December 17, 2024 under the laws of the Cayman Islands (the “Carlyle Fund”), all of whose interests are held and managed by the Carlyle Group (including its affiliate companies and other related entities, “Carlyle”). As of today, Carlyle, the Carlyle Fund, the Offeror Grandparent Company, the Offeror Parent Company, and the Offeror (the “the Offeror’s Affiliates”) do not own any Company Shares.

Carlyle is a global investment company with approximately 2,500 employees across 27 locations on four continents and manages approximately \$474.1 billion in assets across 660 funds in three business segments (Note 1) (as of the end of September 2025).

(Note 1) Specifically, the three business segments of: Global Private Equity (total assets under management: approximately \$163.5 billion), which engages in investment activities such as buyout investments, including the privatization of listed companies, growth capital (the provision of growth capital to emerging companies), and strategic minority investments, as well as real asset investments such as real estate and energy; (1) Global Credit (total assets under management: approximately \$208.5 billion), which invests primarily in credit, such as collateralized loan obligations and mezzanine financing; and (3) Carlyle AlpInvest (total assets under management: approximately \$102.1 billion), which invests in private equity funds (as of the end of September 2025).

Carlyle's corporate private equity investments, which are performed in corporate investment activities at the Global Private Equity segment, have a cumulative record of over 800 investments in total since establishment in 1987. Furthermore, since the beginning of its operations in Japan in 2000, Carlyle has also made a total of approximately 40 investments through its buyout fund, which primarily invests in Japanese companies, including Tsubaki Nakashima Co., Ltd., Nihon Iryojimu Center Corp. (currently Solasto Corporation), Simplex Inc., ARUHI Corporation, Hitachi Metals Techno Ltd. (currently SENQICIA Corporation), WingArc1st Inc., Orion Breweries, Ltd., Rigaku Corporation, AOI TYO Holdings, Inc. (currently KANAMEL Inc.), TOTOKU ELECTRIC CO., LTD. (currently TOTOKU INC.), Uzabase, inc., IWASAKI ELECTRIC CO., LTD., SEIKO PMC CORPORATION (currently CHEMIPAZ CORPORATION), KFC Holding Japan limited, Kyoden Co., Ltd., kaonavi, inc., and TRYT Inc., among others.

The Offeror, on December 17, 2025 with the objective of making the Company its wholly owned subsidiary, decided to commence the Tender Offer, as part of a series of transactions (the "Transactions") to acquire all Company Shares listed on the Prime Market of Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange") (excluding the treasury shares held by the Company and restricted shares held by the Company's directors (the "Restricted Shares"), which amounts to 10,896 shares in total, representing 0.05% ownership ratio (Note 2))

(Note 2) "Ownership ratio" refers to the ratio of shares relative to the total number of issued shares of the Company as of September 30, 2025, as stated in the Company's Second Quarter Financial Results for Fiscal Year 2026, which is 22,535,463. The ownership ratio is rounded to the nearest third decimal place. This definition applies consistently throughout the document when referring to ownership ratio. "Ownership ratio" means the ratio of shares held by the Company (rounded to the nearest hundredth) to the total number of shares issued by the Company (21,559,772 shares), calculated by subtracting the number of treasury shares held by the Company as of September 30, 2025 (975,691 shares) from the total number of shares issued by the Company (22,535,463 shares). (the "Adjusted Total Number of Issued Shares of the Company").

In connection with the Tender Offer, at the request of the Company to enhance the feasibility of the Transactions, the Offeror entered into a tender offer agreement (the "Tender Offer Agreement") dated December 17, 2025 with NIPPON ACTIVE VALUE FUND PLC ("NAVF") (holding 1,993,200 shares, ownership ratio: 8.97%), NAVF Select LLC ("NAVF LLC") (holding 592,900 shares, ownership ratio: 2.75%), and Dalton Investments, Inc. ("Dalton Inc."; holding 3,419,300 shares; ownership ratio: 15.86%; NAVF, NAVF LLC, Dalton Inc., and their respective affiliates are collectively referred to as the "Dalton Group"). The Tender Offer Agreement stipulates that: Dalton Group will tender all of its 5,945,400 Company shares (ownership ratio: 27.58%) to the Tender Offer, and (1) following completion of the Squeeze-Out Procedures, the Offeror and Dalton Group will enter into an agreement (Note 3) regarding Dalton Group's indirect acquisition of up to 20% of the economic interests in the Carlyle Fund by acquiring the limited partnership interests in a limited partnership Carlyle plans to form under the laws of the Cayman Islands (the "LP Interest Acquisition"; the specific percentage of LP interests to be acquired by each Dalton Group company remains undetermined). For more details regarding the LP Interest Acquisition, please refer to "IV. Matters Relating to Material Agreements Concerning the Tender Offer".

(Note 3) The valuation of the Company Shares, which serves as the basis for determining the contribution amount for the limited partner interests in the LP Interest Acquisition is planned to be set at 6,700 yen so that this does not violate the purpose of the uniformity rules for tender offer prices provided in Article 27-2, Paragraph 3 of the Financial Instruments and Exchange Act (provided, however, that a technical adjustment is planned based on the consolidation ratio of the Company Shares in the reverse share

split to be implemented as part of the Squeeze-Out Procedures), identical to the Tender Offer Price. No issuance at a valuation lower than this amount, i.e., no issuance at a price lower than the Tender Offer Price, is planned. Furthermore, the reason Carlyle is acquiring the LP interests from Dalton Group is that, at the request of the Company, Carlyle and Dalton Group discussed the conditions for Dalton Group's tender of the Company Shares it holds in the Tender Offer as well as the conditions for such tender including the LP Interest Acquisition. Through such discussions, it was considered that Dalton Group, having held shares in the Company over the medium-to-long-term, possesses certain insights regarding the Company's business and measures to enhance corporate value. Carlyle also considered that it could benefit from sharing such insights with Dalton Group. Thus, the acquisition of the LP interests by Dalton Group was considered independently of Dalton Group's decision to tender or not to tender its shares in the Tender Offer. Therefore, we believe this does not violate the purpose of the uniformity rules for tender offer prices provided in Article 27-2, Paragraph 3 of the Financial Instruments and Exchange Act.

Since the Offeror ultimately aims to make the Company a wholly-owned subsidiary of the Offeror, if the Offeror cannot acquire all of the Company's shares (excluding treasury shares held by the Company and shares subject to transfer restrictions) in the Tender Offer, the Offeror plans to carry out the Squeeze-Out Procedures (for more details, please refer to "E. Policies on the Organization Restructuring, etc., After the Tender Offer (Matters Concerning the so-called Two-Step Acquisition" below) after successfully completing the Tender Offer.

In the Tender Offer, the Offeror intends to make the Company a wholly-owned subsidiary. Therefore, the minimum number of shares to be purchased (Note 4) is set at 14,362,400 shares (ownership ratio: 66.62%) for the minimum number of shares to be purchased. If the total number of Share Certificates, Etc. tendered in response to the Tender Offer (the "Tendered Share Certificates, Etc.") does not reach this minimum number, the Offeror will not purchase any of the Tendered Share Certificates, Etc. On the other hand, in the Tender Offer, the Offeror has not set an upper limit on the number of shares to be purchased. Therefore, if the total number of Tendered Share Certificates, Etc. reaches or exceeds the minimum number of shares to be purchased (14,362,400 shares), the Offeror will purchase all the Tendered Share Certificates, Etc..

(Note 4) The minimum number of shares to be purchased in the Tender Offer is set at 14,362,400 shares, representing ownership ratio of 66.62% in the Company. This figure was calculated by first multiplying two-thirds of the total number of voting rights (215,597 voting rights) associated with the adjusted total number of issued Company Shares (21,559,772 shares), which amounts to 143,732 voting rights, rounded up. From this, the number of voting rights (108 voting rights) associated with the restricted shares (10,896 shares) were subtracted, which would result in 143,624 voting rights. The result is then multiplied by the Company's unit share number of 100 to determine the number of shares. The minimum number of shares to be purchased (14,362,400 shares) is set to ensure that the Offeror can solely make the Company a wholly-owned subsidiary through the Transactions. When carrying out the Reverse Share Split process described below in "2. Reverse Share Split" in "E. Policies on the Organization Restructuring, etc., After the Tender Offer (Matters Concerning the so-called Two-Step Acquisition" below, a special resolution at a shareholders' meeting as stipulated in Article 309, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended; hereinafter the same). Due to the transfer restrictions imposed on the Restricted Shares, their holders are not eligible to tender their shares in the Tender Offer. However, the Company resolved at its board of directors meeting held on

December 17, 2025 to express its opinion supporting the Tender Offer, based on the assumption of delisting. Upon such resolution, out of six directors of the Company, five directors of the Company excluding Mr. James B. Rosenwald III participated in the deliberation and resolution of this matter, and all directors participating in the resolution exercised their voting rights in favor of the resolution (Mr. James B. Rosenwald III serves as Chief Investment Officer at Dalton Investments, Inc., which executed the Tender Agreement with the Offeror; therefore, from the perspective of avoiding any conflict of interests, Mr. James B. Rosenwald III did not participate in any deliberation or resolution regarding the agenda concerning the Transactions, including the abovementioned Board of Directors meeting, or any consultation or negotiation with the Offeror on behalf of the Company, and Mr. James B. Rosenwald III does not hold any Restricted Shares). Therefore, it is anticipated that directors of the Company holding the Restricted Shares will consent to the Squeeze-Out Procedures if the Tender Offer is successful. Consequently, when considering the minimum number of shares to be purchased, we have deducted the number of the Restricted Shares.

If the Tender Offer is successfully completed, the Offeror plans to cover the funds required for the Tender Offer, through the investment from the Carlye Fund and will allocate such funds to settle the Tender Offer.

## **2. Background, Purposes, and Decision-making Process Leading to the Implementation of the Tender Offer, and Management Policy After the Tender Offer**

### **a. Business Environment, etc., Surrounding the Company**

The Company was founded as “Hoki Meishodo” in December 1955 for the purpose of paper and stationary retail as well as selling medical recording paper and incorporated as “Hoki Recording Paper Marketing” in April 1961. The Company changed its trade name to “HOGY” in October 1970, and in 1972 began manufacturing and selling medical-use non-woven fabric products. In April 1987, the Company again changed its trade name to the current “HOGY Medical” and in 1994 began manufacturing and selling its Surgical Product Kit, a set of surgical supplies used in operations, treatments, and other medical procedures. In addition, the “Premium Surgical Kit” (Note 1) launched in 2016 as a value-added product that contributes to streamlining surgery preparation while ensuring medical institution safety, has been highly evaluated by the Company’s customers. By supporting the safety and efficiency of frontline healthcare services through these kinds of products, the Company is continuing to protect the “safety” and “security” of patients and healthcare professionals, thereby contributing to further improving the quality of medical care. In addition, in December 1991 the Company Shares were listed on the Second Section of the Tokyo Stock Exchange, and following their designation to the First Section of the Tokyo Stock Exchange in March 2000, the Company Shares are today listed on the Prime Market of the Tokyo Stock Exchange pursuant to the restructuring of its market segments in April 2022.

(Note 1) The “Premium Surgical Kit” is a surgical kit product sold by the Company that combines the medical instruments needed pre-, during, and post-surgery into an all-in-one kit. By adopting a transparent and highly flexible plastic container as its wrapping, the Premium Surgical Kit allows for the significant expansion of items compared to those included in the conventional kits, which supports the leveling and streamlining of surgery preparations.

The corporate group (the “Company Group”), which as of today is comprised of the Company, and its two subsidiaries and two second-tier subsidiaries for a total of five companies, has adopted the corporate philosophy of “to promote good health and prosperity through contribution to medical progress,” and offers solutions through products and systems that contribute to the safety of patients and healthcare professionals as well as to management improvement at medical institutions and other organizations. In light of a changing management environment that includes changes in disease patterns, medical technology, and workers as well as advancing diversity and globalization, on July 16, 2024 the Company announced its new medium-term business plan (FY 2024 to FY 2026) (the “Medium-Term Business Plan”), in which it raised the Company Group’s desired state for the year 2035 as to be “a company like none other, playing a part in the advancement of medical care in Japan and the ASEAN region” and “a solution provider, focusing on customers’ perspectives and creating new value.” Under the Medium-Term Business Plan, and in order to implement sweeping structural reforms to create a solid business platform that will serve as the foundation for the achievement of Vision 2035, the Company Group is endeavoring to improve its medium-to-long-term corporate value, with the basic policies for its business strategy comprising of (1) reviewing its product portfolio, (2) reforming its sales organization and strengthening its sales force, (3) strengthening the competitiveness of core businesses and products, (4) promoting overseas business, and (5) creating future core businesses and products.

However, as the situation surrounding the medical institutions that are the Company Group’s customers is significantly changing, the business environment in which the Company Group is positioned is becoming increasingly challenging. In particular, due to increases in material and utility costs, as well as challenges such as growing labor shortages and increased personnel costs caused by the full-scale implementation of doctors’ work style reforms, management at medical institutions, which comprise a large portion of the recipients of the Company Group’s products, is under pressure, which has had a major impact on the Company Group’s business development. Even from a medium-to-long-term perspective, reductions in the number of surgeries performed and in the medical market due to population decline are also unavoidable, and the Company recognizes that its domestic business environment will become increasingly challenging going forward.

Due to the change of the Company’s President in April 2024, the Company Group shifted from a founder-led management system to a management system centered on the Company’s corporate philosophy and corporate value. Triggered by this shift, the Company Group is now in a transitional period of management reforms, including changes to its management structure, and is taking measures to enhance its corporate governance structure, such as transitioning in June 2024 to a company with an Audit and Supervisory Committee. As the business environment for medical institution management is becoming increasingly challenging, the Company must do more to solve its customers’ problems, and the Company recognizes that it is at a major turning point in which structural and mindset reforms undertaken by officers and employees acting as one is essential. In light of this, in order for the Company Group to achieve sustainable growth going forward, it must reliably produce results addressing the major management issues set out in the Medium-Term Management Plan. The Company also recognizes that securing the management resources necessary for reliably implementing the policies to achieve those goals is an important management issue.

**b. Background, Purposes, and Decision-making Process Leading to the Decision to Implement the Tender Offer by the Offeror**

Carlyle has positioned healthcare as one of its most important global investment sectors, possessing extensive investment experience in this field, including domestic investments in Qualicaps Co., Ltd. and Solasto Corporation, while continuously researching and evaluating investment opportunities.

During this research and evaluation, Carlyle recognized that the surgical kit products offered by the Company significantly contribute to improving surgical productivity and efficiency, which is considered one of the most significant challenges in hospital management. Carlyle particularly valued how the Premium Surgical Kit and Opera Master (Note 1) reduce the workload for doctors and nurses at medical sites while enhancing hospital profitability. Through interviews with multiple healthcare professionals, Carlyle has confirmed the high reliability and market leadership of the Company's products.

(Note 1) "Opera Master" is an operational support system provided by the Company, designed to streamline operating room management and support hospital operational improvements. It visualizes operating rooms through standardization of surgical supplies and cost management, identifies and analyzes issues, and continuously proposes improvements. It contributes to enhancing the profitability and operational efficiency of medical institutions.

Following initial contact with the Company, Carlyle has continuously engaged in discussions with its management team since March 4, 2025. These discussions have deepened its understanding of the Company's business operations, management policies, and growth strategies, while also fostering a relationship of mutual trust. During these discussions, Carlyle learned that the Company aims to evolve "from a surgical kit manufacturer to a solution provider (Note 2) that addresses a wide range of challenges faced by medical institutions." Carlyle strongly resonated with this direction and, on April 21, 2025, Carlyle made an initial proposal (that does not include economic conditions) to the Company regarding going private.

(Note 2) A "solution provider" refers to an entity that leverages the customer relationships built by the Company to date, develops a multi-vendor business model that combines multiple products and services—including those from other companies, not limited to its own—to deliver value, and provides optimal solutions from a wide range of options to meet customer needs regarding hospital management and operating room operations.

Subsequently, around July 2025, Carlyle was approached by Nomura Securities Co., Ltd. ("Nomura Securities"), the Company's financial advisor, regarding participation in the bidding process for the delisting of the Company's shares (the "First Bidding Process"), and began a full-scale review.

Following the initial due diligence regarding the business, Carlyle recognized that the Company has also faced challenges in recent years, including slowing sales growth and declining profit margins. To address these challenges, it is necessary to enhance corporate value through measures such as increasing customer coverage by acquiring new customers, improving profitability by expanding the product lineup, and achieving sales growth in overseas markets.

Carlyle determined that going private would be effective in enabling the steady execution of these measures from a medium- to long-term perspective, freeing the Company to a certain extent from short-term stock price valuations and market pressures. This led to the consideration of implementing the Tender Offer in late July 2025. Carlyle believes that going private will enable

the establishment of a management structure allowing for agile and flexible decision-making, thereby maximizing the Company's inherent growth potential.

Based on this consideration, Carlyle reaffirmed that the Company's business is a meaningful investment opportunity worthy of committing resources to pursue. Consequently, on July 31, 2025, Carlyle submitted a non-binding initial letter of intent to Nomura Securities, premised on taking the Company private.

On August 29, 2025, Carlyle received a notice regarding the implementation of the final bidding process (the "Final Bidding Process") for submitting a legally binding proposal concerning the delisting of the Company Shares through Nomura Securities, as one of several potential outside partners. Upon receiving this inquiry, Carlyle decided to participate in the Final Bidding Process to submit a legally binding proposal.

Subsequently, from early September to late October 2025, Carlyle conducted due diligence on the Company's business, financial, and legal matters, held meetings with the Company's management, and proceeded with analysis and consideration regarding the acquisition of the Company Shares. During the due diligence process, a survey targeting physicians regarding usage status, penetration rate, evaluation points, and factors considered when selecting manufacturers for surgical kits was conducted, confirming that the Premium Surgical Kit receives high customer ratings, particularly in disease areas where surgeries requiring general anesthesia, such as cardiac surgery and neurosurgery, are prevalent. At the same time, challenges were reaffirmed, including a slowdown in sales growth rate due to a sales focus overly concentrated on retaining existing customers rather than acquiring new ones, and a decline in profit margins due to factors such as increased depreciation expenses resulting from foreign exchange impacts and enhanced capital investment for new factory operations. Carlyle intends to evolve the Company into a "true solution provider meeting the needs of medical institutions" by integrating Carlyle's global network with management talent and its management expertise with the knowledge of the Company's management team, which has driven its growth. Carlyle believes that it will be able to provide support to the Company in implementing the measures described below.

#### (1) Further Penetration of Premium Surgical Kits

Carlyle intends to focus on expanding sales of Premium Surgical Kits as the most critical factor for the Company's revenue growth. Particularly in medical sites using Opera Master, Carlyle knows well equipped Premium Surgical Kits can be utilized more effectively by customers because the system enables more precise tracking of medical material data. Carlyle believes that accurately identifying each customer's needs through Opera Master and steadily executing the expansion of Premium Surgical Kit sales and the enhancement of its components will be key to further growth. The Premium Surgical Kit is still in the process of being adopted relative to the number of general anesthesia surgeries performed in Japan. Carlyle aims for further penetration by enhancing the value it provides to customers. Carlyle aims to support the acquisition of new customers and the enhancement of value provided to existing customers by leveraging its global network of management talent and management expertise.

#### (2) Enhancing Convenience Through Expanded Premium Surgical Kit Components

Currently, the materials that can be included in the Company's surgical kit account for only approximately 50% of the components used in operating rooms. However, Carlyle's due diligence survey of physicians identified unmet needs, such as anesthesia sets and components for minimally invasive surgeries such as robotic surgery, a field expected to grow. Moving forward, Carlyle aims



to expand the lineup of the Company's products to include components used pre- and post-operatively, and, with its support, to strengthen the proposal capabilities and sales promotion of the Premium Surgical Kit by leveraging Opera Master to precisely understand customer needs and developing/sourcing new components, striving to enhance convenience. Carlyle will utilize its expertise in marketing activity support and data utilization support to assist these initiatives to be undertaken by the Company.

### (3) Improving Profitability

The Company is currently strengthening its management accounting functions, including promoting the "visualization" of profitability at the customer, component, and kit levels. Carlyle will support this initiative and work to establish a framework within the Company that enables the swift identification of unprofitable products, review of sales strategies, and implementation of price adjustments.

In addition, Carlyle will optimize in-house production and outsourcing based on product differentiation and price competitiveness, building the optimal supply chain to achieve cost competitiveness.

Furthermore, to support the execution of profit improvement initiatives in direct material procurement already being pursued by the Company, Carlyle will work to formulate a competitive supplier negotiation framework through building an optimal company-wide procurement strategy, clearly distinguishing core and non-core suppliers among existing partners, and developing new suppliers. In these initiatives, Carlyle will make decisions by balancing positive and negative aspects while encouraging execution across the entire company—not just the procurement department, but also design and development, sales, and manufacturing—to achieve profitability improvements with speed.

Regarding production, Carlyle will advance efforts on two fronts: overall optimization across the Company's three bases in Tsukuba, Miho, and Indonesia, and productivity improvements at individual factories, aiming to accomplish these goals with the Company.

### (4) Enhancing the Value Opera Master Delivers to Customers

Carlyle will continue expanding the functionality of Opera Master to support the overall surgical operations and management improvement of medical institutions. In addition to existing features like picking list creation (Note 3), compiling actual material usage data, and analyzing department- and case-specific income/expenses and operating room utilization rates, Carlyle will implement AI-driven optimization of operating room scheduling and streamline various tasks through the organization of surgery-related data. This will contribute to increased surgical volume and improved profitability, thereby enhancing the added value that will be provided to customers. Furthermore, Carlyle aims to evolve into a true solution platform for medical institutions by visualizing the results of management improvements through analysis of data accumulated in Opera Master while also seeking to expand into management support areas such as operational improvements and personnel allocation optimization for medical institutions in the future. Carlyle will support the execution of these initiatives by leveraging its expertise in introducing new technologies like AI and in management support.

(Note 3) "Picking list creation" refers to the electronic generation of material preparation lists for surgical preparation. This enables the prevention of omissions or errors in required items and standardizes procedures, eliminating reliance on the individual experience of healthcare professionals such as nurses responsible for preparation.

## (5) Overseas Sales Growth

The Company has historically operated in Southeast Asia. However, its sales scale has remained limited due to constrained local sales and marketing resources within the Company's business strategy positioning and insufficient penetration of its product value proposition. Carlyle will identify priority markets for overseas expansion based on each country's surgical volume, affinity for the Company's products, and regulatory environment. Going forward, Carlyle will collaborate with management to refine the Company's focus markets, develop sales and marketing strategies, and build an optimal supply chain, aiming to grow into a platform provider supporting healthcare institutions across Asia. Furthermore, for overseas expansion, Carlyle will leverage the Carlyle Group's extensive network between Asian healthcare institutions/companies.

Based on the results of this review, the Offeror submitted a legally binding proposal (the "Final Proposal") on October 27, 2025. The Final Proposal included statements to the effect (i) that Carlyle will conduct the Transactions on the premise of making the Company a wholly-owned subsidiary, and (ii) that after multifaceted and comprehensive analysis of materials including the financial information disclosed by the Company, the external environment surrounding the Company, and the results of due diligence conducted on the Company, and after also comprehensively considering factors such as the trend in the market price of the Company Shares on the Tokyo Stock Exchange Prime Market, the Tender Offer Price is set at 6,700 yen. The Tender Offer Price of 6,700 yen in the Final Proposal represents a 23.39% premium (rounded to the nearest thousandth; the same applies to subsequent premium calculations) over the closing price of 5,130 yen for the Company Shares on the Tokyo Stock Exchange Prime Market on October 24, 2025, the business day preceding the submission date of the Final Proposal. It also represents a 26.25% premium over the simple average closing price of 5,307 yen for the past month (rounded to the nearest whole number; the same applies to subsequent calculations of the simple average closing price), 28.67% over the simple average closing price of 5,207 yen for the past three months, and 46.45% over the simple average closing price of 4,575 yen for the past six months.

Subsequently, on November 21, 2025, the Offeror received a written request from the Company, delivered through Nomura Securities, asking the Offeror to further raise the tender offer price. This request concerned the proposed price of 6,700 yen stated in the Final Proposal, based on the perspective of maximizing the interests of the Company's minority shareholders and gaining support for the Transactions from a greater number of shareholders. Subsequently, on November 25, 2025, the Offeror responded that the price proposed in the Final Proposal represented the maximum amount it could offer and that there was no room to raise the tender offer price. In response, on December 2, 2025, the Offeror received communication from the Company stating that while it could not be said the proposal harmed the Company's shareholder interests, the Company believed there was room for the Offeror to resubmit a price that fully reflected the intrinsic value of the Company Shares, and requested a further increase in the Tender Offer Price. Subsequently, on December 3, 2025, the Offeror responded that the proposed price stated in the Final Proposal was the best and final offer, leaving no room for further increases and not subject to renegotiation, and that there was no room for any increase in the tender offer price. The Offeror also expressed its desire to be granted exclusive negotiation rights at an early stage. Based on such response, on December 8, 2025, Carlyle held a meeting with the Special Committee with the attendance of its advisors, PwC Advisory and Momo-o, Matsuo & Namba, and conducted negotiations to confirm whether there would be room for any further increase in the tender offer price. However, Carlyle responded that there was no room for an increase in the tender offer price on December 9, 2025. Then, on December 10, 2025, Carlyle and the Company executed a memorandum concerning exclusive negotiation rights and was granted exclusive negotiation rights.

Following the submission of Carlyle's Final Proposal, the Offeror, upon request from the Company on November 10, 2025, and with a view to enhance the feasibility of the Transactions, commenced discussions with the Dalton Group on November 12, 2025 regarding their tender of the Company Shares owned by the Dalton Group in the Tender Offer, and the terms of such tender, including the LP Interest Acquisition. Subsequently, taking into account the Company's intentions, the Offeror reached an agreement with the Dalton Group on December 17, 2025, regarding the Dalton Group's tender of all Company Shares it holds in response to the Tender Offer and the terms of the Tender Agreement, including the LP Interest Acquisition. Considering the above background and the terms of the Tender Agreement, the Offeror believes that the continuation of indirect investment by the Dalton Group after the Transactions pursuant to the Tender Agreement will not affect the Company's management policy after the Tender Offer as described in "c. Management Policy After the Tender Offer" below. For details regarding the Tender Agreement, please refer to "1. Tender Agreement" in "IV. Matters Relating to Material Agreements Concerning the Tender Offer" below.

**c. Management Policy After the Tender Offer**

After the Transactions, Carlyle will actively allocate management resources based on the medium-to-long-term perspective by providing the management resources that Carlyle has, the expertise of Carlyle's global industry expert team, and the wide-ranging management human resources network that it has cultivated, while utilizing the business bases that the Company has build thus far, to further improve the Company's corporate value. Although the Offeror anticipates appointing several individuals nominated by Carlyle as officers of the Company, no decisions have been made at this time. The policy will be determined after discussions and deliberations with the Company following the successful completion of the Tender Offer.

**3. The Decision-making Process and Reasons for Which the Company Agreed to the Tender Offer**

**a. Background for Establishing a Review System**

In light of the management environment as described above in "a. Business Environment, etc., Surrounding the Company" in "2. Background, Purposes and Decision-making Process Leading to the Implementation of the Tender Offer, and Management Policy After the Tender Offer," the Company commenced discussions with multiple external potential partners from late March 2020. These discussions were mainly centered on exchanging opinions regarding the long-term management environment outlook and business strategy, the most appropriate capital policy, the possible contributions by external potential partners toward resolving management challenges of the Company, and other matters.

While continuously holding discussions with external potential partners, mainly regarding the future direction of the Company as well as the possibility of accelerating overseas expansion, by sharing future trends in the industry and the business environment faced by the Company, the Company made pivotal management decisions on its management, such as changes in the management structure in April 2024 and transitioning to a company with audit and supervisory committee in June 2024. Based on this, amid an increasingly challenging business environment, the Company has come to recognize again that in order to sustain growth going forward, it is necessary to consider options such as not only relying solely on its own managerial resources, but also collaborating with external potential partners through capital strategies. Under these circumstances, in order to proceed with the specific consideration of the Company's capital strategies, in mid-April 2025, the Company appointed Nomura Securities as its financial advisor

and third-party valuation firm and Mori Hamada & Matsumoto Gaikokuho Kyodo Jigyo (“Mori Hamada & Matsumoto”) as its legal advisor, both of which are independent from the Company, the Potential Partners (as defined in “b. Background of Review and Negotiations,” including the Offeror’s Affiliates), and Dalton Group. In addition, the Company held several meetings with multiple external potential partners including Carlyle and received initial intentions and proposals without economic conditions regarding the privatization of the Company, and the Company proceeded with its consideration of the Company’s capital strategies from the standpoint of enhancing the Company’s corporate value and securing the common interests of the shareholders. Then, as described below in “c. The Details of the Company’s Decision, under the recent considerably uncertain macro environment, the Company determined from the standpoint of further enhancing the Company’s corporate value that it would be most appropriate to make agile and strategic decision-making that contribute to enhancing corporate value from a medium-to-long-term perspective by allowing the external potential partners to privatize the Company Shares and utilizing the abundant management resources to be provided by the external potential partners, without being constrained by the pursuit of short-term earnings driven by consideration of shareholders. Following such determination, the Company commenced a bidding process (the “Process”) involving the Potential Partners that were expected to show interest in the Company’s business from around mid-July 2025 on the assumption that the Company Shares would be privatized.

In addition, as described below in “F. Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures to Ensure Fairness in the Tender Offer,” prior to the deliberations and resolutions on whether to implement the Transactions, because (i) the Tender Offer will be conducted in order to privatize the Company Shares and (ii) in the Transactions, the intention of Dalton Group is important from a feasibility standpoint and there is likely to be certain conflicts of interest between Dalton Group and the minority shareholders (general shareholders) of the Company, on July 25, 2025, the Company established a special committee (the “Special Committee”) consisting of three members – Mr. Yuji Takada (an Outside Director and Audit & Supervisory Committee Member of the Company), Mr. Katsusuke Higuchi (an Outside Director and Audit & Supervisory Committee Member of the Company), and Ms. Mime Egami (an Outside Director and Audit & Supervisory Committee Member of the Company) – while being independent from the Company, the Potential Partners (including the Offeror’s Affiliates) and Dalton Group and ensuring a balance of knowledge, experience, and capabilities of the Special Committee as a whole, from the standpoint of eliminating arbitrariness and possible conflicts of interest in the decision-making process leading to the decision to conduct the Tender Offer as well as ensuring the fairness of the procedures and terms of the Transactions and, in turn, ensuring the appropriate performance of duty of care as directors. Then, the Company has consulted with the Special Committee on the matters that the Company’s Board of Directors or the Company’s Representative Director considers it necessary to consult with respect to the Transactions in consideration of (i) the reasonableness of the purpose of the Transactions (including whether the Transactions will contribute to enhancement of the corporate value of the Company), (ii) the fairness and appropriateness of the procedures related to the Transactions, (iii) the fairness and appropriateness of the terms of the Transactions, (iv) (if the Tender Offer is conducted as part of the Transactions) whether the Company’s Board of Directors should express an opinion in support of the Tender Offer and recommend shareholders to tender in the Tender Offer, (v) based on the above, whether the Company’s Board of Director’s decision on the implementation of the Transactions would be fair to the Company’s minority shareholders (general shareholders), and (vi) any other matters relating to the Transactions that the Board of Directors or the representative director of the Company deems necessary to consult with the Special Committee, in light of the purpose for which the Special Committee has been established (collectively referred to as the “Advisory Matters.”). In addition, in establishing the Special

Committee, the Company's Board of Directors resolved that (a) the Board of Directors would make decisions regarding the implementation of the Transactions by fully respecting the judgments of the Special Committee, and (b) if the Special Committee determined that the implementation or terms of the Transactions were not appropriate, the Board of Directors would not approve the implementation of the Transactions. Additionally, the Board of Directors resolved to grant the Special Committee the authority to: (i) be substantially involved in the process of negotiations conducted by the Company with respect to the Transactions (including, as necessary, giving instructions or requests about the negotiation policy, or conducting direct negotiations), (ii) appoint its own financial and legal advisors (at the Company's expense), or designate or approve (including post-approval) the Company's financial and legal advisors, as necessary, in reviewing or deciding on the Advisory Matters, and (iii) receive necessary information from the Company's officers or employees or other persons deemed necessary by the Special Committee for reviewing and deciding on the Advisory Matters, as necessary. Further, the Special Committee has confirmed that there are no issues with the independence of Nomura Securities and Mori Hamada & Matsumoto from the Company, the Potential Partners (including the Offeror's Affiliates), and Dalton Group as described in "a. Name of Valuation Firm and its Relationship with the Offeror and the Company" in "6. Obtainment by the Company of a Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Firm" in "C. Matters Regarding Calculation," and "5. Obtainment by the Company of Advice from an Independent Law Firm" in "F. Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures to Ensure Fairness in the Tender Offer" below. In addition, as described below in "2. Establishment of an Independent Special Committee for the Company and Obtainment of the Special Committee Report from the Special Committee" in "F. Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures to Ensure Fairness in the Tender Offer," based on the above authority, in July 25, 2025, the Special Committee appointed PwC Advisory LLC ("PwC Advisory") as its own financial advisor and third-party valuation firm and Momo-o, Matsuo & Namba as its own legal advisor, both of which are independent from the Company, the Potential Partners (including the Offeror's Affiliates), and Dalton Group.

**b. Background of Review and Negotiations**

As described above in "a. Background for Establishing a Review System," the Company held discussions about external potential partners, and approached six private equity funds, including Carlyle (the "Potential Partners"), who were expected to show interest in the Company's business to participate in the Process from around mid-July 2025 on the assumption that the Company Shares would be privatized. As a result, as the Company confirmed that the Potential Partners showed interest in the participation in the Process, the Company received confidentiality letter of undertaking from those Potential Partners and initiated the first bidding phase on July 14, 2025. At that time, the Company submitted to the Potential Partners the business plans for three fiscal years from the fiscal year ending March 2026 to the fiscal year ending March 2028.

The Company then received a non-legally binding first letters of intent from six Potential Partners who participated in the First Bidding Process, including Carlyle, on July 31, 2025. After carefully considering the understanding of the Company's business, the support system after the Transactions, the possibility of corporate value enhancement of the Company in light of the track record of support in past cases, etc., the financial aspects, the proposed purchase price per Company Share presented, and other matters, the Company invited four Potential Partners, including Carlyle (the "Final Potential Partners"), for the final bidding phase on August 29, 2025.

Thereafter, the Company provided to three Final Potential Partners who participated in the Final Bidding Process, excluding one Final Potential Partner who withdrew from participation, the opportunities to conduct due diligence and interviews with the management team of the Company including interview with the employees of the Company Group with respect to the business, finances, taxes and legal affairs of the Company Group.

Then, on October 27, 2025, the Company received legally binding final letters of intent from two Final Potential Partners and a non-legally binding final letter of intent from one Final Potential Partner. The Company and the Special Committee carefully reviewed the final letters of intent received from two Final Potential Partners from the perspective of (i) the comparison mainly on the tender offer price relating to the Transactions, and the appropriate form of growth strategies and support system for enhancing corporate value, and (ii) the past value-enhancement track record, the expected investment period and future exit policy, the discussion policy with Dalton Group, and other perspectives. Then, after confirming the contents of the proposal through face-to-face discussions, based on the fact that Carlyle proposed the highest tender offer price, the Company and the Special Committee finally determined that it was appropriate to develop the Process based on the final letter of intent received from Carlyle from the perspective of enhancing the Company's corporate value and maximizing the interests of the minority shareholders of the Company. As a result, on November 21, 2025, after obtaining approval from the Special Committee, the Company notified Carlyle that the Company would hold final discussions about the Process with Carlyle as the Final Potential Partner, and submitted to Carlyle through Nomura Securities a document requesting Carlyle to consider further increase in the tender offer price of 6,700 yen that was proposed in the final letter of intent received from Carlyle on October 27, 2025 from the perspective of maximizing the interests of the minority shareholders of the Company and obtaining the approval of a greater number of the shareholders. Then, on November 25, 2025, the Company received a response from Carlyle that the price proposed in the final letter of intent was the maximum price that Carlyle was able to present, and there would be no room for any increase in the tender offer price. In response to that, on December 2, 2025, based on the consultations with the Special Committee, the Company notified Carlyle that such proposal would not necessarily damage the interests of the shareholders of the Company, but the Company expected that there would be a room for Carlyle to make another proposal for a price that would fully reflect the intrinsic value of the Company Shares, and the Company requested Carlyle to further increase the tender offer price. Subsequently, on December 3, 2025, the Company received a response from Carlyle stating that (i) the price proposed in the final letter of intent was the best proposal that Carlyle was able to present, which assumed no further proposal and represented its best and final offer, leaving no room for any increase, and therefore there would be no room for any increase in the tender offer price, and (ii) Carlyle desired an early grant of exclusive negotiation rights. Based on such response, on December 8, 2025, the Special Committee held a meeting with Carlyle with the attendance of its advisors, PwC Advisory and Momo-o, Matsuo & Namba, and conducted negotiations to confirm whether there would be room for any further increase in the tender offer price. However, Carlyle responded that there was no room for an increase in the tender offer price on December 9, 2025. Then, based on the consultations with the Special Committee, on December 10, 2025, the Company decided to execute a memorandum concerning exclusive negotiation rights with the Offeror and grant to the Offeror exclusive negotiation rights. Through these processes, the Special Committee was substantially involved in the selection process of Carlyle in the Process, while also examining the fairness of the Transactions, including the Tender Offer Price proposed by Carlyle, and holding question-and-answer sessions with Carlyle regarding the proposed price and other terms of the Transactions.

Then, as a result of sharing information of the Process described above, and the discussions and negotiations with Carlyle, the Special Committee considered the Advisory Matters based on

the advice from PwC Advisory and Momo-o, Matsuo & Namba, and the contents of the share valuation report (the “Share Valuation Report (PwC)”); for the details, please refer to “b. Outline of Calculation” in “2. Obtainment by the Special Committee of a Share Valuation Report from an Independent Third-Party Valuation Firm” in “C. Matters Regarding Calculation” below.) obtained from PwC Advisory on December 17, 2025, and submitted to the Company on December 17, 2025 a report (the “Special Committee Report”) stating that it is appropriate that the Company’s Board of Directors would express an opinion in support of the Tender Offer to be conducted as part of the Transactions and express an opinion to recommend that the shareholders of the Company tender their shares in the Tender Offer and that the decision-making on the implementation of the Transactions by the Company’s Board of Directors would be fair to the interests of the minority shareholders (general shareholders) of the Company (for the details of the Special Committee Report and the specific activities, etc. of the Special Committee, please refer to “2. Establishment of an Independent Special Committee for the Company and Obtainment of the Special Committee Report from the Special Committee” in “F. Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures to Ensure Fairness in the Tender Offer” below.).

In addition, the Company announced the downward revision of the consolidated earnings forecast for the second quarter of the fiscal year ending March 2026 (interim period) and for the fiscal year ending March 2026 in the “Notice Regarding Revision of Interim and Full-Year Earnings Forecasts for the Fiscal Year Ending” dated October 15, 2025. The Company’s consolidated earnings forecast for the fiscal year ending March 31, 2026 had factored in the impact from price competition, in addition to anticipated expansion in sales of value-added, problem-solving products—such as the Premium Surgical Kit—starting from the second quarter. However, in response to further deterioration in its operating environment, including growth in the number of deficit-running hospitals, the Company has adopted a sales strategy prioritizing customer loyalty maintenance, and SG&A expenses have risen due to front-loaded investment-type expenditures—including spending for recruitment and training, R&D, repairs, and digital transformation—and one-off outlays associated with the relocation of the Company’s head office and restructuring measures. Consequently, the Company has lowered its consolidated earnings forecast for the second quarter of the fiscal year ending March 2026 (interim period) and for the fiscal year ending March 2026.

#### **c. Details of the Company’s Decision**

Following the above process, the Company, at the Board of Directors meeting held today, carefully discussed and considered whether the Transactions, including the Tender Offer, would contribute to enhancing the Company’s corporate value, and whether the terms of the Transactions, including the Tender Offer Price, were appropriate, based on Nomura Securities’ advice from a financial perspective, the content of the share valuation report on the results of valuation of the Company Share submitted by Nomura Securities on December 17, 2025 (the “Share Valuation Report (Nomura Securities)”) and legal advice from Mori Hamada & Matsumoto, while fully respecting the judgment of the Special Committee as indicated in the Special Committee Report.

As a result, the Company concluded that the Transactions would contribute to enhancing the Company’s corporate value for the following reasons.

Under the Medium-Term Business Plan, the Company aims to become a solution provider centered on high-value-added surgical kits. The Company has also laid out its policy to become a company like none other, playing a part in the advancement of medical care in Japan and the ASEAN region by strengthening its supply chain and promoting overseas businesses, and through

Carlyle's proposal and related discussions, the Company and Carlyle have reached a shared understanding regarding the broad direction of the Company's intention to evolve from a surgical kit manufacturer to a solution provider that addresses a wide range of challenges faced by medical institutions by offering higher value-added products and services. The Company believes that the Transactions will enable the Company to strategically implement measures to enhance its corporate value from a medium-to-long-term perspective, specifically in the manner as described below, by working in cooperation with Carlyle, and based thereon, leveraging Carlyle's management resources such as its networks and expertise.

- (i) Promote growth of domestic business, strengthen cost competitiveness and improve profitability

As a leading company in Japan's surgical kit market, the Company has supported safe and efficient operating room management and ideal hospital operations at medical institutions. In order to evolve into a "true solution provider that meets the needs of medical institutions," the Company believes that expanding sales of Premium Surgical Kits and enhancing the functionality of Opera Master is essential, and to achieve those goals, the Company believes that it is necessary to increase the number of its sales representatives and other personnel, establish an organizational sales structure, and substantially broaden its range of equipment and materials that can be incorporated into surgical kit products, while enhancing the competitiveness of its Premium Surgical Kits through collaboration with medical device wholesalers. To that end, by leveraging Carlyle's extensive human network and its proven management expertise—backed by a track record of value creation in its portfolio companies within the medical devices and consumables areas, which is the Carlyle's most important global investment area—the Company believes that it will be able to expand sales of Premium Surgical Kits, enhance the value proposition of Opera Master, thereby accelerating the growth of domestic operations, strengthening cost competitiveness, and improving profitability.

- (ii) Promote overseas business with a focus on Southeast Asia

Although the Company has been developing its business in Southeast Asia and working to improve the profitability of its supply chain, it has remained dependent on the domestic market for revenue due to limited resources at its overseas bases and insufficient penetration of the value proposition of its products. In this regard, by leveraging the global platform and specialized expertise of the global industry-dedicated teams of Carlyle, the Company believes that it will be possible to redesign its sales and marketing strategies, organizational structures, and systems in Southeast Asia, and by utilizing Carlyle's extensive network of medical institutions and healthcare companies in Southeast Asia, the Company will be able to promote overseas operations centered on Southeast Asia through the establishment of an optimal supply chain.

- (iii) Achieve discontinuous growth through mergers, acquisitions, and partnerships with an eye to industry restructuring

In order to evolve into a "true solution provider meeting the needs of medical institutions," the Company believes that the key is to achieve discontinuous growth by strengthening mergers, acquisitions and partnerships with companies that can realize broad and deep improvements in hospital management, without being bound by the existing business framework. To this end, the Company believes that it is essential to have the ability to collect and analyze information on mergers, acquisitions and partnerships, as well as the ability to evaluate and make judgments when



considering strategies. Carlyle has an extensive track record of investments in the medical equipment and consumables areas globally, and has made a cumulative total of approximately 40 investments in Japan. By leveraging the networks and execution capabilities of Carlyle, the Company will aim to achieve discontinuous growth, and in turn, will itself take the lead in industry restructuring.

As stated above, the Company believes that promoting agile and strategic decision-making for a medium-to-long-term growth together with Carlyle through the Transactions will contribute to further enhancing the Company's corporate value. However, while the implementation of those measures is expected to contribute to the growth and corporate value enhancement of the Company on a medium-to-long-term basis, the Company considers that such implementation may require significant time and investment as well as reform of existing businesses, and cause a temporary reduction in profit levels and cash flows, and that if the Transactions are not premised on privatization, there is a concern that it may adversely affect the market price of the Company Shares on a short-term basis and undermine the interests of the minority shareholders of the Company.

On the other hand, since the Transactions are premised on taking the Company Shares private, the Company also considered the impact on the name recognition and social credibility the Company has enjoyed as a listed company, as well as the impact on its fundraising from capital markets, primarily through equity financing. The Company has determined that the possibility of a negative impact on its social credibility is limited because the Company believes that the impact on the name recognition it has enjoyed by being a listed company is minimal considering that it operates in the so-called B2B business sector and that it has built relationships of trust with its customers, mainly medical institutions, based on its past track record in business dealings and the products and services that the Company offers. The Company also believes that it can sufficiently enhance its external credibility by leveraging Carlyle's global networks and name recognition in society. Furthermore, based on the current financial position of the Company, the need for equity financing is not high for the foreseeable future, and thus the impact on fundraising is also expected to be limited. Through discussions with Carlyle, the Company has also determined that financial burdens and operational constraints or the like in connection with the implementation of the Transactions will cause a limited impact on business operations following the Transactions. The Company acknowledges that because the major shareholders of the Company, excluding the Dalton Group, are financial investors whose purpose is to purely invest, and since they have no specific relationship with the Company's businesses, the Company does not expect any demerits from the loss of capital relationships with those major shareholders. The Company also does not expect any demerits caused by Carlyle becoming the Company's shareholder as a result of privatization other than the general demerits relating to the privatization described above.

In addition, in light of the following points, among other factors, the Company has determined that the Tender Offer Price of 6,700 yen per share is an appropriate price that secures the interests that should be enjoyed by the Company's general shareholders, and that the Tender Offer provides the Company's general shareholders with a reasonable opportunity to sell their Company Shares at a price with an appropriate premium.

- (i) The Company conducted the Process after taking sufficient measures to ensure the fairness of the terms of the Transactions, including the Tender Offer Price, as set out in "F. Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures to Ensure Fairness in the Tender Offer" below, and the tender offer price for the Transactions proposed by Carlyle during the Process was the highest price compared to the prices offered by other Final Potential Partners.

- (ii) Of the results of valuation of the Company Shares by Nomura Securities in the Share Valuation Report (Nomura Securities) as stated in “1. Obtainment by the Company of a Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Firm” in “C. Matters Regarding Calculation” below, the price exceeds the upper limits of the results of valuation using the average market price method and the comparable company method and is within the range of the results of valuation using the DCF Method (as defined in “b. Outline of Calculation” in “1. Obtainment by the Company of a Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Firm” in “C. Matters Regarding Calculation” below).
- (iii) Of the results of valuation of the Company Shares by PwC in the Share Valuation Report (PwC) as stated in “2. Obtainment by the Special Committee of a Share Valuation Report from an Independent Third-Party Valuation Firm ” in “C. Matters Regarding Calculation” below, the price exceeds the upper limits of the results of valuation using the market price analysis and the comparable company analysis and is within the range of the results of valuation using the DCF Method (as defined in “b. Outline of Calculation” in “1. Obtainment by the Company of a Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Firm” in “C. Matters Regarding Calculation” below).
- (iv) While it is considered that expectations for accomplishing the plan to take the Company private could be factored into in the market prices of the Company Shares from July 26, 2025 onwards due to the speculative report made by Mergermarket after the trading hours on July 25, 2025, which referred to the possibility of taking the Company Shares private (the “Speculative Report (Mergermarket)”), the Tender Offer Price represents a premium of 69.19% on the closing price (3,960 yen) of the Company Shares on the Prime Market of the Tokyo Stock Exchange on July 25, 2025, as of which the market prices of the Company Shares are considered to have been unaffected by the Speculative Report (Mergermarket), and a premium of 70.83% on the simple average closing price over the one-month period preceding July 25, 2025 of 3,922 yen, a premium of 70.44% on the simple average closing price over the three-month period preceding July 25, 2025 of 3,931 yen, and a premium of 55.74% on the simple average closing price over the six-month period preceding July 25, 2025 of 4,302 yen. In addition, it can be determined that the level of premiums of the Tender Offer Price is considered to be comparable with that of the premiums in similar transactions because the median premiums in other 59 cases of tender offers for shares of other companies similar to the Transactions, in which target companies were Japanese listed companies and which were announced on and after January 1, 2021 and the settlement of which have commenced on or before December 16, 2025 (this only includes tender offers in which no maximum number of shares to be purchased was set, that were conducted with the aim of making the target companies wholly-owned subsidiaries of the tender offerors, and in which the voting rights ratios of the tender offerors (including those held by specially related parties of the tender offerors) as of the business day before the announcement date were less than 15% and the target companies expressed their opinion in support of the tender offers and recommended that their shareholders tender their shares in the respective tender offers, and excludes tender offers that constituted MBO transactions, step-one transactions of two-step tender offers, and tender offers at discounted prices (i.e., where the premiums on the closing prices as of the business day before the announcement date and the premiums on the simple average closing prices over the preceding one-month, three-month, and six-month periods were all negative)) was 47.92% on the closing prices of the relevant shares on the business day before the announcement of the relevant tender offers, and were 52.50% on the simple average closing prices over the one-month period preceding the business day before the announcement thereof, 54.55% on the simple average closing prices over the three-month period preceding the business day before

the announcement thereof, and 56.03% on the simple average closing prices over the six-month period preceding the business day before the announcement thereof (for the avoidance of doubt, during the market hours on December 15, 2025, the Nikkei released news reports speculating on the privatization of the Company Shares by Carlyle (the “Speculative Reports (Nikkei)”), and the closing price on December 15, 2025 became 6,750 yen that was higher than the Tender Offer Price. However, as the Company published a press release titled “Regarding Media Reports” before the market hours on December 16, 2025, and disclosed accurate information as of that time regarding the total purchase price of the Tender Offer, the closing price on December 16, 2025, which is the business day immediately preceding the announcement date of the Tender Offer, was 6,580 yen, which was lower than the Tender Offer Price. Therefore, the Company believes that such sudden market changes in the share price was temporary due to the effect of the Speculative Reports (Nikkei) that included inaccurate information regarding the total purchase price of the Tender Offer and that the pricing of the share price after the Speculative Reports (Nikkei) was not necessarily done in an appropriate manner.).

- (v) The price has also been judged to be appropriate in the Special Committee Report obtained from the Special Committee as stated in “2. Obtainment by the Special Committee of a Share Valuation Report from an Independent Third-Party Valuation Firm” in “F. Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures to Ensure Fairness in the Tender Offer” below.

Based on the above, the Company determined that the Transactions will contribute to enhancing the Company’s corporate value and that the terms of the Transactions, including the Tender Offer Price, are reasonable, and at the Board of Directors meeting held today, the Company resolved to express its opinion in support of the Tender Offer and to recommend that the Company’s shareholders tender their shares in the Tender Offer.

For the method of resolution at the relevant Board of Directors meeting, please refer to “7. Unanimous Approval by the Disinterested Directors (Including Directors Who Are Audit & Supervisory Committee Members) of the Company ” in “F. Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures to Ensure Fairness in the Tender Offer” below.

## **C. Matters Regarding Calculation**

### **1. Obtainment by the Company of a Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Firm**

#### **a. Name of Valuation Firm and its Relationship with the Offeror and the Company**

The Company, in expressing its opinion regarding the Tender Offer, and to ensure fairness in the decision-making process concerning the Tender Offer Price presented by Carlyle, requested Nomura Securities, a financial advisor and third-party valuation firm independent of the Potential Partners (including the Offeror’s Affiliates), the Dalton Group, and the Company, to calculate the share price of the Company Shares, and obtained the Share Valuation Report (Nomura Securities) on December 17, 2025.

It should be noted that Nomura Securities is not a related party of the Potential Partners (including the Offeror’s Affiliates), the Dalton Group, or the Company, and has no material interest in connection with the Transactions needing to be disclosed. In addition, the Company did not obtain an opinion regarding the fairness of the Tender Offer Price (a fairness opinion) from Nomura Securities because the Company

believed that sufficient consideration has been given to the interests of the general shareholders of the Company in light of other measures that have been taken to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest when implementing the Transactions (for specific details, please refer to “F. Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures to Ensure Fairness in the Tender Offer” below).

It should also be noted that compensation payable to Nomura Securities includes success fees that are paid upon the satisfaction of certain conditions, such as the successful completion of the Transactions. The Company, taking into account common market practices for the same type of transactions and the pros and cons of the fee arrangement, whereby the Company would be required to pay a corresponding amount even if the Transactions were not successfully completed, has determined that the independence of Nomura Securities should not be compromised even if its fees included success fees payable on the condition of completion of the Tender Offer, and the Company therefore appointed Nomura Securities as its financial advisor and third-party valuation firm based on the above fee arrangement.

#### **b. Outline of Calculation**

Nomura Securities, after considering multiple valuation methods to apply in calculating the value of the Company Shares in the Tender Offer, concluded that a multifaceted evaluation of the value of the Company Shares would be appropriate, based on the assumption that the Company is a going concern, and it applied: (i) the average market price method, given that the Company is listed on the Tokyo Stock Exchange Prime Market; (ii) the comparable company method, as there are publicly listed companies engaged in relatively similar businesses to the Company, making it possible to infer the share value by comparisons with comparable companies; and (iii) the discounted cash flow method (the “DCF Method”) to reflect the future business activities of the Company in the valuation. The Company obtained the Share Valuation Report (Nomura Securities) from Nomura Securities on December 17, 2025. It should be noted that the Company did not obtain an opinion regarding the fairness of the Tender Offer Price (a fairness opinion) from Nomura Securities because the Company believed that sufficient consideration has been given to the interests of the general shareholders of the Company in light of other measures that have been taken to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest when implementing the Transactions (for specific details, please refer to “F. Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures to Ensure Fairness in the Tender Offer” below).

The ranges of the value per Company Share as calculated by each of the above methods in the Share Valuation Report (Nomura Securities) is as follows:

Average market price method (Record Date 1): 3,906 yen to 4,302 yen

Average market price method (Record Date 2): 5,051 yen to 6,580 yen

Comparable company method: 3,904 yen to 5,816 yen

DCF Method: 5,640 yen to 7,189 yen

Under the average market price method, the share value per share of the Company Shares was (a) calculated to range from 3,906 yen to 4,302 yen, using July 25, 2025 as the calculation record date (“Record Date 1”), which is considered to not be impacted by the Speculative Report (Mergermarket) by Mergermarket after the trading hours on July 25, 2025 regarding taking the Company Shares private, based on (i) the closing price of the Company Shares of 3,960 yen on the Prime Market of the Tokyo Stock Exchange on Record Date 1, (ii) the simple average closing price of 3,906 yen for the preceding five business days, (iii) the simple average closing price of 3,922 yen for the preceding one month, (iv) the

simple average closing price of 3,931 yen for the preceding three months, and (v) the simple average closing price of 4,302 yen for the preceding six months, and (b) calculated to range from 5,051 yen to 6,580 yen, using December 16, 2025, which is the business day immediately preceding the announcement date of the Tender Offer, as the calculation record date (“Record Date 2”), based on (i) the closing price of the Company Shares of 6,580 yen on the Prime Market of the Tokyo Stock Exchange on Record Date 2, (ii) the simple average closing price of 6,086 yen for the preceding five business days, (iii) the simple average closing price of 5,829 yen for the preceding one month, (iv) the simple average closing price of 5,506 yen for the preceding three months, and (v) the simple average closing price of 5,051 yen for the preceding six months.

Under the comparable company method, the value per share of the Company Shares was calculated to range from 3,904 yen to 5,816 yen, by selecting Daiken Medical Co., Ltd. as a publicly listed company that engages in relatively similar businesses, and using the EBITDA multiple, operating income multiple, net income multiple and shareholders’ equity multiple.

Under the DCF Method, the value per share of the Company Shares was calculated to range from 5,640 yen to 7,189 yen, which is based on analyzing the Company’s corporate value and share value by discounting to the present value, using a certain discount rate, the free cash flow expected to be generated by the Company from the third quarter of the fiscal year ending March 2026 assuming various factors such as earnings forecasts and investment plans for the three fiscal years from the fiscal year ending March 2026 to the fiscal year ending March 2028, as outlined in the business plan prepared by the Company covering the three fiscal years from the fiscal year ending March 2026 to the fiscal year ending March 2028 (the “Business Plan”), for the period that is reasonably foreseeable at this time, based on the Company’s past performance, current earnings situation, and the business environment surrounding the Company, and other publicly available information. In addition, in analyzing the share value, assets related to the former headquarters and the like were recorded as non-operational assets. The discount rate (weighted average cost of capital) used ranged from 5.50% to 6.00%. The going concern value was calculated to be between 97,577 million yen and 131,125 million yen based on the perpetual growth rate method and the multiple method. For the perpetual growth rate method, a perpetual growth rate of 0.25% to 1.25% was used based on factors such as the long-term economic outlook for the Company, and for the multiple method, an EBITDA multiple was used, which is common practice in valuations for M&A transactions, using a multiple of 8.0 to 10.0 times based on the Company’s levels in the past.

The Business Plan was prepared by the Company for the purpose of considering the Transactions based on the business plan prepared by using the business plan in the Medium-Term Business Plan announced by the Company on July 16, 2024 after lowering its consolidated earnings forecast for the second quarter of the fiscal year ending March 2026 (interim period) and for the fiscal year ending March 2026 as announced in the “Notice Regarding Revision of Interim and Full-Year Earnings Forecasts for the Fiscal Year Ending March 31, 2026” dated October 15, 2025 for the fiscal years ending March 2026, the business plan in the Medium-Term Business Plan for the fiscal year ending March 2027, and the business plan in the Medium-Term Business Plan and the next medium-term management plan for the fiscal year ending March 2030, as announced in the Medium-Term Management Plan, for the fiscal year ending March 2028, and incorporates reasonable assumptions for each item.

The Business Plan, which Nomura Securities used as a premise for the valuation under the DCF Method, includes business years during which significant increases or decreases in profit and free cash flow are expected. Specifically, for the fiscal year ending March 2026, as described above in “b. Background of Review and Negotiations” in “3. The Decision-making Process and Reasons for Which the Company Agreed to the Tender Offer” in “B. Grounds and Reasons for the Opinion Regarding the Tender Offer,” a deterioration in the business environment is expected, including an increase in loss-making facilities at medical institutions, and for the fiscal year ending March 2027, the Company plans to increase the number

of facilities with Opera Master contracts and expand sales of products such as its Premium Surgical Kit, and for the fiscal year ending March 2028, while growth is expected for Opera Master and Premium Surgical Kits, it is expected that measures based on the medium-term management plan will progress as scheduled, such as the development of new equipment and materials and the expansion of DX products, and as a result, operating profit is projected to increase by 4,738 million yen year-on-year in the fiscal year ending March 2027, and free cash flow is projected to decrease by 6,346 million yen year-on-year in the fiscal year ending March 2026, increase by 2,997 million yen year-on-year in the fiscal year ending March 2027, and increase by 2,257 million yen year-on-year in the fiscal year ending March 2028. It should be noted that the synergy effects expected to be realized through the implementation of the Transactions have not been factored into the financial forecasts as it is difficult to specifically estimate them at this time.

The financial forecasts used for the analysis pursuant to the DCF Method are as follows.

(Unit: million yen)

	Fiscal Year Ending March 2026 (six months)	Fiscal Year Ending March 2027	Fiscal Year Ending March 2028
Sales	20,388	46,700	50,500
Operating income	1,496	7,512	8,691
EBITDA	4,400	11,749	13,931
Free cash flow	(132)	3,588	5,846

(Note) Nomura Securities, when calculating the share value of the Company Shares, has assumed that the publicly available information and all of the information provided by the Company is accurate and complete, and did not independently verify their accuracy and completeness. Nomura Securities has not conducted any independent evaluation, appraisal or assessment of the assets or liabilities (including derivatives, off-balance-sheet assets and liabilities, and other contingent liabilities) of the Company or its affiliates, including analysis and evaluation of individual assets and liabilities, nor has Nomura Securities commissioned any appraisal or assessment from any third-party firm. Nomura Securities has assumed that the business plans of the Company had been reasonably considered or prepared based on the best projections and judgments made in good faith that were currently available to the management of the Company at the time of the calculations. The calculations by Nomura Securities reflect the information and the economic conditions available to it as of December 16, 2025. The calculations by Nomura Securities were performed solely to serve as a reference for the Company's board of directors in examining the share value of the Company Shares.

## **2. Obtainment by the Special Committee of a Share Valuation Report from an Independent Third-Party Valuation Firm**

### **a. Name of Valuation Firm and its Relationship with the Offeror and the Company**

The Special Committee, in examining the Transactions, and to ensure the fairness of the Tender Offer Price presented by Carlyle and otherwise ensure the fairness of the Transactions, including the Tender Offer, requested PwC Advisory, as its own financial advisor and third-party valuation firm independent of the Potential Partners (including the Offeror's Affiliates), the Dalton Group, and the Company, to calculate the share price of the Company Shares, and obtained the Share Valuation Report (PwC) on December 17, 2025.

It should be noted that PwC Advisory is not a related party of the Potential Partners (including the Offeror's Affiliates), the Dalton Group, or the Company, and has no material interest in connection with

the Transactions needing to be disclosed. In addition, the Special Committee did not obtain an opinion regarding the fairness of the Tender Offer Price (a fairness opinion) from PwC Advisory because the Company believed that sufficient consideration has been given to the interests of the general shareholders of the Company in light of other measures that have been taken to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest when implementing the Transactions (for specific details, please refer to “F. Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures to Ensure Fairness in the Tender Offer” below).

It should also be noted that compensation payable to PwC Advisory does not include success fees that are paid upon the satisfaction of certain conditions, such as the successful completion of the Transactions.

**b. Outline of Calculation**

PwC Advisory, after considering multiple valuation methods to apply in calculating the value of the Company Shares in the Tender Offer, concluded that a multifaceted evaluation of the value of the Company Shares would be appropriate, based on the assumption that the Company is a going concern, and it applied: (i) the market price analysis, given that the Company is listed on the Tokyo Stock Exchange Prime Market; (ii) the comparable company analysis, as there are publicly listed companies engaged in relatively similar businesses to the Company, making it possible to infer the share value by comparisons with comparable companies; and (iii) the DCF Method to reflect the future business activities of the Company in the valuation. The Special Committee obtained the Share Valuation Report (PwC) from PwC Advisory on December 17, 2025. It should be noted that the Special Committee did not obtain an opinion regarding the fairness of the Tender Offer Price (a fairness opinion) from PwC Advisory because the Company believed that sufficient consideration has been given to the interests of the general shareholders of the Company in light of other measures that have been taken to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest when implementing the Transactions (for specific details, please refer to “F. Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures to Ensure Fairness in the Tender Offer” below).

The ranges of the value per Company Share as calculated by each of the above methods in the Share Valuation Report (PwC) is as follows:

Market price analysis (Record Date 1):	3,922 yen to 4,302 yen
Market price analysis (Record Date 2):	5,051 yen to 6,580 yen
Comparable company analysis:	4,289 yen to 5,773 yen
DCF Method:	5,187 yen to 6,838 yen

Under the market price analysis, the share value per share of the Company Shares was (a) calculated to range from 3,922 yen to 4,302 yen, using July 25, 2025 as the Record Date 1, which is considered to not be impacted by the Speculative Report (Mergermarket) by Mergermarket after the trading hours on July 25, 2025 regarding taking the Company Shares private, based on (i) the closing price of the Company Shares of 3,960 yen on the Prime Market of the Tokyo Stock Exchange on Record Date 1, (ii) the simple average closing price of 3,922 yen for the preceding one month, (iii) the simple average closing price of 3,931 yen for the preceding three months, and (iv) the simple average closing price of 4,302 yen for the preceding six months, and (b) calculated to range from 5,051 yen to 6,580 yen, using December 16, 2025, which is the business day immediately preceding the announcement date of the Tender Offer, as the Record Date 2, based on (i) the closing price of the Company Shares of 6,580 yen on the Prime Market of the Tokyo Stock Exchange on Record Date 2, (ii) the simple average closing price of 5,829 yen for the preceding one month,

(iii) the simple average closing price of 5,506 yen for the preceding three months, and (iv) the simple average closing price of 5,051 yen for the preceding six months.

Under the comparable company analysis, the value per share of the Company Shares was calculated to range from 4,289 yen to 5,773 yen, by selecting Sysmex Corporation, Asahi Intecc Co., Ltd., Nihon Kohden Corporation, Nipro Corporation, MANI, Inc., PHC Holdings Corporation, Nagaileben co., Ltd., Daiken Medical Co., Ltd., and JMS Co., Ltd. as a publicly listed company that engages in relatively similar businesses, and using the enterprise-value-to-EBITDA multiple.

Under the DCF Method, the value per share of the Company Shares was calculated to range from 5,187 yen to 6,838 yen, which is based on analyzing the Company's corporate value and share value by discounting to the present value, using a certain discount rate, the free cash flow expected to be generated by the Company from the third quarter of the fiscal year ending March 2026 assuming various factors such as earnings forecasts and investment plans as outlined in the Business Plan and publicly available information. The discount rate (weighted average cost of capital) used ranged from 6.4% to 7.4%. The calculation of the discount rate took into account size risk premiums based on factors such as the size of the Company. The going concern value was calculated to be between 96,215 million yen and 134,604 million yen based on the perpetual growth rate method. For the perpetual growth rate method, a perpetual growth rate of 0.75% to 1.75% was used after comprehensively considering factors such as the external environment. In addition, assets related to the former headquarters and the like was added to the Company's corporate value as non-operational assets.

The Business Plan was prepared by the Company for the purpose of considering the Transactions based on the business plan prepared by using the business plan in the Medium-Term Business Plan announced by the Company on July 16, 2024 after lowering its consolidated earnings forecast for the second quarter of the fiscal year ending March 2026 (interim period) and for the fiscal year ending March 2026 as announced in the "Notice Regarding Revision of Interim and Full-Year Earnings Forecasts for the Fiscal Year Ending March 31, 2026" dated October 15, 2025 for the fiscal years ending March 2026, the business plan in the Medium-Term Business Plan for the fiscal year ending March 2027, and the business plan in the Medium-Term Business Plan and the next medium-term management plan for the fiscal year ending March 2030, as announced in the Medium-Term Management Plan for the fiscal year ending March 2028, and incorporates reasonable assumptions for each item.

The Business Plan, which PwC Advisory used as a premise for the valuation under the DCF Method, includes business years during which significant increases or decreases in profit and free cash flow are expected. Specifically, for the fiscal year ending March 2026, as described above in "b. Background of Review and Negotiations" in "3. The Decision-making Process and Reasons for Which the Company Agreed to the Tender Offer" in "B. Grounds and Reasons for the Opinion Regarding the Tender Offer," a deterioration in the business environment is expected, including an increase in loss-making facilities at medical institutions, and for the fiscal year ending March 2027, the Company plans to increase the number of facilities with Opera Master contracts and expand sales of products such as its Premium Surgical Kit, and for the fiscal year ending March 2028, while growth is expected for Opera Master and Premium Surgical Kits, it is expected that measures based on the medium-term management plan will progress as scheduled, such as the development of new equipment and materials and the expansion of DX products, and as a result, operating profit is projected to increase by approximately 4,738 million yen year-on-year in the fiscal year ending March 2027, and free cash flow is projected to decrease by approximately 5,452 million yen year-on-year in the fiscal year ending March 2026, increase by approximately 2,443 million yen year-on-year in the fiscal year ending March 2027, and increase by approximately 1,974 million yen year-on-year in the fiscal year ending March 2028. It should be noted that the synergy effects expected to be realized through the implementation of the Transactions have not been factored into the financial forecasts as it is difficult to specifically estimate them at this time.



The financial forecasts used for the analysis pursuant to the DCF Method are as follows.

(Unit: million yen)

	Fiscal Year Ending March 2026 (six months)	Fiscal Year Ending March 2027	Fiscal Year Ending March 2028
Sales	20,387	46,700	50,500
Operating income	1,496	7,512	8,691
EBITDA	4,400	11,698	13,880
Free cash flow	1,001	3,305	5,279

(Note) PwC Advisory, when calculating the share value of the Company Shares, has assumed that it has, in principle, used the information provided by the Company, information obtained through interviews, publicly available information, and other information as presented, and all of such materials and information used are accurate and complete, and that there exist no circumstances that have not been disclosed to PwC Advisory that would have a material impact upon the calculation of the share value of the Company Shares. PwC Advisory did not independently verify the accuracy and completeness of the foregoing information. In addition, PwC Advisory has assumed that the information regarding the business plans of the Company had been reasonably prepared based on the best projections and judgments made by the management of the Company that were currently available. PwC Advisory has not conducted any independent evaluation, appraisal, or assessment of the assets and liabilities (including derivatives, off-balance-sheet assets and liabilities, and other contingent liabilities) of the Company, nor has PwC Advisory commissioned any evaluation, appraisal, or assessment from any third-party firm. The calculations of the share value of the Company Shares by PwC Advisory reflect the information above available to it as of December 16, 2025.

### 3. Calculation Method Used by the Offeror

Carlyle determined the Tender Offer Price by conducting a multifaceted and comprehensive analysis of materials such as the financial information disclosed by the Company, the external environment surrounding the Company, and the results of due diligence conducted on the Company. Additionally, considering that the Company Shares are traded through a financial instruments exchange, Carlyle took into consideration the closing price of the Company Shares on the Tokyo Stock Exchange Prime Market on December 16, 2025, the business day before the announcement of the Tender Offer (6,580 yen), as well as the simple average closing prices for the past month, past three months, and past six months up to that date (5,829 yen, 5,506 yen, and 5,051 yen, respectively).

Carlyle, as a result of discussions and negotiations with the Company, comprehensively considered measures for enhancing corporate value, management and business operation plans, the external environment surrounding the Company, the Company's board of directors' agreement to the Tender Offer and the possibility of recommending shareholders of the Company to tender their shares in the Tender Offer, as well as the prospects for the successful completion of the Tender Offer. Based on these considerations, Carlyle determined the Tender Offer Price (6,700 yen) and did not obtain a valuation report from a third-party valuation firm.

The Tender Offer Price of 6,700 yen includes a premium of 1.82% over the closing price of 6,580 yen for the Company Shares on the Tokyo Stock Exchange Prime Market on December 16, 2025, the business day before the announcement of the Tender Offer. It also includes premiums of 14.94 % over the simple average closing price for the past month (5,829 yen), 21.69 % for the past three months (5,506 yen), and 32.65 % for the past six months (5,051 yen) up to that date.

#### **D. Prospects for Delisting and Reasons Therefor**

The Company Shares are listed on the Tokyo Stock Exchange Prime Market as of today, but the Offeror has not set the maximum number of shares to be purchased in the Tender Offer. Accordingly, depending on the results of the Tender Offer, the Company Shares may be delisted following the prescribed procedures in accordance with the delisting standards established by the Tokyo Stock Exchange. In addition, even if such delisting standards do not apply at the time of the successful completion of the Tender Offer, as stated below in “E. Policies on the Organization Restructuring, etc., After the Tender Offer (Matters Concerning the so-called Two-Step Acquisition),” the Offeror plans to implement the Squeeze-out Procedures after the successful completion of the Tender Offer. If such procedures are carried out, the Company Shares will be delisted in accordance with the delisting standards established by the Tokyo Stock Exchange, following the prescribed procedures. After the Company Shares are delisted, the Company Shares will no longer be tradable on the Tokyo Stock Exchange.

#### **E. Policies on the Organization Restructuring, etc., After the Tender Offer (Matters Concerning the so-called Two-Step Acquisition)**

As described in “1. Overview of the Tender Offer” in “B. Grounds and Reasons for the Opinion Regarding the Tender Offer” above, if the Offeror is unable to acquire all Company Shares (excluding the treasury shares held by the Company) through the Tender Offer, it is planned for the Squeeze-out Procedures to be conducted by any of the following means after the successful completion of the Tender Offer.

##### **1. Share Sale Demand**

If, as a result of the completion of the Tender Offer, the total number of voting rights in the Company held by the Offeror becomes 90% or more of the number of the voting rights of all shareholders of the Company, and the Offeror becomes a special controlling shareholder as provided for in Article 179, Paragraph 1 of the Companies Act, the Offeror intends to, promptly after the completion of the settlement of the Tender Offer, demand that all of the shareholders of the Company (excluding the Offeror and the Company) (the “Selling Shareholders”) sell all of the Company Shares they hold (the “Share Sale Demand”) in accordance with the provisions of Section 4-2 of Chapter II of Part II of the Companies Act.

In the case of Share Sale Demand, the Offeror intends to determine that it will deliver to each Selling Shareholder the amount of cash equal to the Tender Offer Price as consideration for one Company Share. In this case, the Offeror will notify the Company to that effect and request the Company to approve the Share Sale Demand. If the Company approves the Share Sale Demand by a resolution of the board of directors of the Company, the Offeror will acquire from all of the Selling Shareholders all of the Company Shares owned by them on the acquisition date specified in the Share Sale Demand, in accordance with the procedures prescribed in the relevant laws and regulations without any individual approval of the Selling Shareholders. In this case, the Offeror will deliver to each Selling Shareholder the amount of cash equal to the Tender Offer Price as consideration for one Company Share held by the relevant Selling Shareholder. If the Company receives from the Offeror a notice regarding the fact that the Offeror intends to make the Share Sale Demand and regarding a matter set out in any item of Article 179-2, Paragraph 1 of the Companies Act, it will approve the Share Sale Demand at a meeting of the board of directors of the Company.

The Selling Shareholders may, in accordance with the provisions of the Companies Act that aim to protect the rights of general shareholders in circumstances involving the Share Sale Demand, including Article 179-8 of the Companies Act and other relevant laws and regulations, file a petition with a court for a determination of the sale price for their Company Shares. If such petition is filed, the sale price of such Company Shares will ultimately be determined by the court.

## **2. Reverse Share Split**

If, after the completion of the Tender Offer, the total number of voting rights pertaining to the Company Shares held by the Offeror is less than 90% of the number of the voting rights of all shareholders of the Company, the Offeror will, pursuant to Article 180 of the Companies Act, request the Company to hold an extraordinary shareholders' meeting promptly after the settlement of the Tender Offer at which proposals for a reverse share split with respect to the Company Shares (the "Reverse Share Split") and an amendment to the Company's articles of incorporation that would abolish the share unit number provisions on the condition that the Reverse Share Split becomes effective will be submitted (the "Extraordinary Shareholders' Meeting"). The Offeror will vote for these proposals at the Extraordinary Shareholders' Meeting.

If the proposal for the Reverse Share Split is approved at the Extraordinary General Meeting, on the day on which the Reverse Share Split takes effect, the Company's shareholders will hold a number of Company Shares in accordance with the ratio of the Reverse Share Split approved at the Extraordinary Shareholders' Meeting. If the Reverse Share Split results in fractions of less than one share, the shareholders of the Company who hold fractional shares will be paid the cash obtained by selling shares to the Company or the Offeror equivalent to the total number of such fractional shares (if the total number includes a fraction of a share, such fraction of a share will be rounded down) in accordance with the procedures prescribed in Article 235 of the Companies Act and other relevant laws and regulations. The sale price of the Company shares corresponding to the total number of fractional shares will be calculated so that the cash amount distributed to the shareholders matches the Tender Offer Price multiplied by the number of shares of the Company held by each shareholder that became fractional. The Offeror plans to request the court's permission for a voluntary sale to ensure this process is carried out. In addition, although the ratio for the Reverse Share Split of the Company's Shares has not been determined as of today, the Offeror plans to request the Company to determine the ratio so that each Company Share held by the shareholders of the Company who did not tender their shares in the Tender Offer will become fractions of one share, in order for the Offeror to own all of the issued shares of the Company (excluding the treasury shares held by the Company). The Company plans to comply with these requests from the Offeror if the Tender Offer is successfully completed.

The Companies Act prescribes that, in order to protect the rights of general shareholders in relation to a reverse share split, if the Reverse Share Split results in fractional shares arising, the shareholders of the Company may, in accordance with Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations, request that the Company purchase all of such fractional shares at a fair price and may file a petition with the court for a determination of the price of the Company Shares. As stated above, in the Reverse Share Split, each of the Company Shares held by the Company's shareholders who did not tender shares in the Tender Offer is planned to be made less than one share, and therefore, it is planned that shareholders of the Company who oppose the Reverse Share Split will be able to make the petition described above. It should be noted that the purchase price of the Company Shares in the case of such a petition being filed will ultimately be decided by the court.

The procedures above for the Share Sale Demand and the Reverse Share Split may be subject to changes in the implementation methods and timing, depending on the status of the revision, enforcement, interpretation, etc. of the relevant laws and regulations. However, even in such a case, the method of ultimately delivering cash to the shareholders of the Company who did not tender their shares in the Tender Offer (excluding the Offeror and the Company) is planned to be adopted, and the amount of cash to be paid to each such shareholder shall be calculated by multiplying the Tender Offer Price by the number of Company Shares held by that shareholder.

Regarding the Restricted Shares, the Allotment Agreement pertaining to the Restricted Shares stipulates that (a) in the following case, the transfer restrictions on the certain number of Restricted Shares shall be lifted as of the close of business on the business day immediately preceding the Squeeze-Out Effective Date, upon resolution by the Company's board of directors: During the transfer restriction period, if matters concerning a reverse share split (limited to cases where such reverse share split would result in the assignee holding only a fractional share less than one share) are approved at a shareholders' meeting of the Company, or if matters concerning a share purchase request as prescribed in Article 179, Paragraph 2 of the Companies Act are approved by the Company's board of directors (provided, however, that the effective date of the reverse share split or the acquisition date prescribed in Article 179-2, Paragraph 1, Item 5 of the Companies Act (hereinafter referred to as the "Squeeze-Out Effective Date") occurs before the expiration of the transfer restriction period). In this case, the number of Restricted Shares on which the transfer restrictions shall be lifted shall be obtained by multiplying the number of months from the month including the date the allocation of the Restricted Shares was resolved by the Company's board of directors (the "Squeeze-Out Approval Date") by 12 (provided, however, that if the result exceeds 1, it shall be 1), multiplied by the number of Restricted Shares owned by the directors on the Squeeze-Out Approval Date (provided that any fractional share resulting from the calculation shall be rounded down). The Allotment Agreement also stipulates that (b) in the case prescribed in (a) above, the Company shall automatically acquire, without consideration, all of the Restricted Transfer Shares for which the transfer restriction has not been lifted as of the business day preceding the Squeeze-Out Effective Date. In these Squeeze-Out Procedures, in accordance with the provision (a) of the aforementioned Allotment Agreement, Restricted Shares for which the transfer restriction has been lifted immediately prior to the business day preceding the Squeeze-Out Effective Date shall be subject to the Share Sale Demand or the Reverse Share Split. Furthermore, in accordance with the provision (b) of the aforementioned Allotment Agreement, the Company intends to acquire, without compensation, any Restricted Transfer Shares for which the transfer restriction has not been lifted as of the business day preceding the Squeeze-Out Effective Date.

The specific procedures and implementation timing, etc., will be announced by the Company promptly after determination in discussion between the Offeror and the Company. The Tender Offer does not in any way solicit the approval of the Company's shareholders at the Extraordinary General Meeting. In addition, with regard to tender in the Tender Offer or the tax treatment in each of the above procedures, the Offeror requests that the shareholders of the Company check these matters with experts such as tax accountants at their own responsibility.

**F. Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures to Ensure Fairness in the Tender Offer**

As of today, the Company is not a subsidiary of the Offeror, and the Tender Offer does not constitute a tender offer by any controlling shareholder of the Company. In addition, it is not planned that all or part of the management team of the Company will directly or indirectly invest in the Offeror, and thus the Transactions, including the Tender Offer, do not constitute a so-called management buyout (MBO) transaction. However, because (i) the Tender Offer will be conducted in order to privatize the Company Shares and (ii) in the Transactions, the intention of the Dalton Group is important from a feasibility standpoint and there is likely to be certain conflicts of interest between the Dalton Group and the minority shareholders (general shareholders) of the Company, the Offeror and the Company have implemented the following measures from the standpoint of eliminating arbitrariness and possible conflicts of interest in the decision-making process leading to the decision to conduct the Tender Offer as well as ensuring the fairness of the procedures and terms of the Transactions and, in turn, ensuring the appropriate performance of duty of care as directors.

(Note) A “management buyout (MBO)” refers to a transaction in which a tender offeror carries out a tender offer based on an agreement with the officers of the target company and shares common interests with such target company officers.

## **1. Implementation of Bidding Process**

As described in “b. Background of Review and Negotiation” in “3. The Decision-making Process and Reasons for Which the Company Agreed to the Tender Offer” in “B. Grounds and Reasons for the Opinion Regarding the Tender Offer” above, the Company has been conducting the First Bidding Process targeting the Potential Partners since mid-July 2025, and it received non-legally binding first letters of intent from the Potential Partners, including Carlyle. In light of evaluation criteria including ensuring the benefit of shareholders, the Company comprehensively and carefully selected four Final Potential Partners, including Carlyle, to be the participants in the Closing Bid Process. After providing such Final Potential Partners with opportunities to perform due diligence from early September 2025 until late October 2025, the Company received legally binding final letters of intent from two of the Final Potential Partners (including Carlyle) and a non-legally binding final letter of intent from one of the Final Potential Partners on October 27, 2025. In addition to the fact that the tender offer price for the Transactions presented by Carlyle was the highest compared to any of the other tender offer prices for the Transactions presented by the other Final Potential Partners, the Company has determined that its management policy after the Transactions and the support system of Carlyle will contribute to the enhancement of the Company’s corporate value, and therefore the Company has decided to conduct the final negotiations to implement the Transactions with Carlyle. In addition, no Final Potential Partner has offered more favorable terms for the shareholders of the Company than the proposal presented by Carlyle. Accordingly, the Company has implemented the Process and ensured opportunities to receive various proposals to enhance the Company’s corporate value.

## **2. Establishment of an Independent Special Committee for the Company and Obtainment of the Special Committee Report from the Special Committee**

### **a. Background of Establishment**

Because (i) the Tender Offer will be conducted in order to privatize the Company Shares and (ii) in the Transactions, the intention of Dalton Group is important from a feasibility standpoint and there is likely to be certain conflicts of interest between Dalton Group and the minority shareholders (general shareholders) of the Company, the Company consulted with all of its independent directors regarding the selection of the candidates to be the members of the Special Committee from the standpoint of eliminating arbitrariness and possible conflicts of interest in the decision-making process leading to the decision to conduct the Tender Offer as well as ensuring the fairness of the procedures and terms of the Transactions and, in turn, ensuring the appropriate performance of duty of care as directors. Subsequently, as described in “3. The Decision-making Process and Reasons for Which the Company Agreed to the Tender Offer” in “B. Grounds and Reasons for the Opinion Regarding the Tender Offer” above, the Company established the Special Committee by a resolution at the Board of Directors meeting held on July 25, 2025. The Special Committee consists of the following three independent directors of the Company who are independent of each of the Potential Partners, the Offeror, Dalton Group, and the Company: Mr. Yuji Takada (independent Outside Director and Audit & Supervisory Committee Member of the Company), Ms. Mime Egami (independent Outside Director and Audit & Supervisory Committee Member of the Company), and Mr. Katsusuke Higuchi (independent Outside Director and Audit & Supervisory Committee Member of the Company). Mr. Yuji Takada was appointed as chairperson of the Special Committee. It has been confirmed that no members of the Special Committee have any interest with the Potential Partners, the Offeror, or Dalton Group, nor with the success or failure

of the Transactions. Each member of the Special Committee has been paid a fixed amount of compensation for their duties, regardless of the content of the Special Committee Report, and the compensation does not include a success fee contingent upon the successful completion of the Transactions. The Company selected these three individuals as members of the Special Committee from the time of its establishment, and there has been no change in the members of the Special Committee.

As described in “3. The Decision-making Process and Reasons for Which the Company Agreed to the Tender Offer” in “B. Grounds and Reasons for the Opinion Regarding the Tender Offer” above, the Company established the Special Committee by a resolution at the Board of Directors meeting held on July 25, 2025 and consulted the Special Committee regarding the Advisory Matters. In addition, in establishing the Special Committee, the Company’s Board of Directors resolved that (a) the Board of Directors would make decisions regarding the implementation of the Transactions by fully respecting the judgments of the Special Committee, and (b) if the Special Committee determined that the implementation of the Transactions or the transaction terms were not appropriate, the Board of Directors would not approve the implementation of the Transactions. Additionally, the Board of Directors resolved to grant the Special Committee the authority to: (i) be substantially involved in the process of negotiations conducted by the Company with respect to the Potential Partners (including, as necessary, giving instructions or requests about the negotiation policy with the Potential Partners, or conducting direct negotiations with the Potential Partners), (ii) appoint its own financial and legal advisors (at the Company’s expense), or designate or approve (including post-approval) the Company’s financial and legal advisors, as necessary, in reviewing or deciding on the Advisory Matters, and (iii) receive necessary information from the Company’s officers or employees or other persons deemed necessary by the Special Committee for reviewing and deciding on the Advisory Matters, as necessary. Pursuant to the above authority, in July 2025, the Special Committee appointed PwC Advisory as its own financial advisor and third-party valuation firm independent from the Company, the Offeror’s affiliates, Dalton Group and appointed Momo-o, Matsuo & Namba as its legal advisor.

#### **b. Background of Review**

After having been commissioned to submit the Special Committee Report on July 25, 2025, the Special Committee has held a total of 20 meetings to date and has carefully considered the Advisory Matters.

Specifically, the Special Committee confirmed with respect to each of Nomura Securities, the Company’s financial advisor and third-party valuation firm, and Mori Hamada & Matsumoto, the Company’s legal advisor, that there were no issues with their independence pertaining to the success or failure of the Transactions, nor with the Company, the Potential Partners (including the Offeror’s Affiliates), or Dalton Group, as well as their expertise. The Special Committee also confirmed that with respect to each of PwC Advisory and Momo-o, Matsuo & Namba, there were no issues with their independence pertaining to the success or failure of the Transactions, nor with the Company, the Potential Partners (including the Offeror’s Affiliates), or Dalton Group, as well as their expertise, and appointed PwC Advisory as its financial advisor and third-party valuation firm and Momo-o, Matsuo & Namba as its legal advisor.

Subsequently, the Special Committee collected and examined various review materials submitted to it and other necessary information, materials, and the like. The Special Committee also conducted written and oral questioning with the parties that it requested to attend Special Committee meetings, including the Company, on the details, background and significance of the Transactions, the impact of the Transactions on the Company’s corporate value, the reasonableness of the calculation methods of the Tender Offer Price, the background leading to the Offeror’s decision-making, the background and details of discussions and

negotiations between the Company and Carlyle, and other matters related to the Transactions, and has carefully considered and examined the Advisory Matters including by conducting reporting, information sharing, deliberations, and decision-making as necessary through email and other means between meetings. Furthermore, the Special Committee received explanations from Nomura Securities and PwC Advisory regarding the calculation of the share price of the Company Shares. The Special Committee also received explanations from the Company regarding the Company's business plans based on which the share price was calculated and held question-and-answer sessions on these matters. Through these processes, the Special Committee was substantially involved in the selection process of Carlyle in the Process, while also examining the fairness of the Transactions, including the Tender Offer Price proposed by Carlyle, and holding question-and-answer sessions with Carlyle regarding the proposed price and other terms of the Transactions. In addition to the foregoing, the Special Committee received advice from Mori Hamada & Matsumoto and Momo-o, Matsuo & Namba regarding measures to ensure the fairness of the procedures in the Transactions, measures to avoid conflicts of interest, and other general matters related to the Transactions, and held question-and-answer sessions on these matters.

As result of the careful discussions and considerations under the background stated above, at the 20th Special Committee meeting held on December 17, 2025, the Special Committee resolved on the details of the report in response to the Advisory Matters with the unanimous consent of all members.

**c. Content of Decision**

As result of careful discussions on and consideration of the Advisory Matters based on the background stated above, the Special Committee submitted the Special Committee Report to the Company's Board of Directors on December 17, 2025 with the unanimous consent of all members. For the details of the report from the Special Committee and its reasons therefor, please refer to the Special Committee Report (Attachment 1).

**3. Advice Obtained by the Special Committee from an Independent Law Firm**

In considering the Transactions, in order to ensure the fairness thereof, the Special Committee received professional advice from Momo-o, Matsuo & Namba, which was appointed as its legal advisor independent from the Potential Partners (including the Offeror's Affiliates), the Dalton Group, and the Company. Momo-o, Matsuo & Namba advised the Special Committee on the measures to be taken to ensure the fairness of the procedures in the Transactions, various procedures related to the Transactions, and the method, process, and the like of decision-making by the Company.

It should be noted that Momo-o, Matsuo & Namba is not a related party of the Potential Partners (including the Offeror's Affiliates), the Dalton Group, or the Company, and has no material interest in connection with the Transactions needing to be disclosed. The compensation to Momo-o, Matsuo & Namba does not include any success fees that are paid subject to the successful completion the Transactions or the like.

The Special Committee confirmed that there were no issues with the independence and expertise of Momo-o, Matsuo & Namba and approved it as its own legal advisor.

**4. Obtainment by the Special Committee of a Share Valuation Report**

The Special Committee requested PwC Advisory, a financial advisor and third-party valuation firm independent of the Potential Partners (including the Offeror's Affiliates), Dalton Group, and the Company, to calculate the value of the Company Shares, and obtained the Share Valuation Report (PwC) on December 17, 2025. For an overview of the Share Valuation Report (PwC), please refer to "b. Outline of Calculation"

in “2. Obtainment by the Special Committee of a Share Valuation Report from an Independent Third-Party Valuation Firm” in “C. Matters Regarding Calculation” above.

It should be noted that PwC Advisory is not a related party of the Potential Partners (including the Offeror’s Affiliates), the Dalton Group, or the Company, and has no material interest in connection with the Transactions needing to be disclosed. The compensation to PwC Advisory does not include any success fees that are paid subject to the successful completion the Transactions or the like.

The Special Committee confirmed that there were no issues with the independence and expertise of PwC Advisory and approved it as its own financial advisor and third-party valuation firm.

## **5. Obtainment by the Company of Advice from an Independent Law Firm**

As stated in “a. Background for Establishing a Review System” in “3. The Decision-making Process and Reasons for Which the Company Agreed to the Tender Offer” in “B. Grounds and Reasons for the Opinion Regarding the Tender Offer” above, the Company appointed Mori Hamada & Matsumoto as its legal advisor independent of the Potential Partners (including the Offeror’s Affiliates), Dalton Group, and the Company, and has received legal advice therefrom, including advice on the measures to ensure the fairness of the procedures in the Transactions, various procedures in the Transactions, the method and process of the Company’s decision-making regarding the Transactions, and other such matters.

Mori Hamada & Matsumoto is not a related party of the Potential Partners (including the Offeror’s Affiliates), Dalton Group, or the Company, and has no material interest in the Transactions, including the Tender Offer. The Special Committee approved Mori Hamada & Matsumoto as its legal advisor after confirming that there were no issues with the independence of Mori Hamada & Matsumoto. The compensation to Mori Hamada & Matsumoto does not include any success fees that are paid subject to the successful completion the Transactions or the like.

## **6. Obtainment by the Company of a Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Firm**

As stated in “a. Name of Valuation Firm and its Relationship with the Offeror and the Company” in “1. Obtainment by the Company of a Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Firm” in “C. Matters Regarding Calculation” above, the Company requested Nomura Securities, a financial advisor and third-party valuation firm independent of the Potential Partners (including the Offeror’s Affiliates), Dalton Group, and the Company, to calculate the value of the Company Shares, and obtained the Share Valuation Report (Nomura Securities) on December 17, 2025. For an overview of the Share Valuation Report (Nomura Securities), please refer to “b. Outline of Calculation” in “1. Obtainment of a Share Valuation Report from a Financial Advisor and Third-Party Valuation Firm Independent of the Company” in “C. Matters Regarding Calculation” above.

It should be noted that Nomura Securities is not a related party of the Potential Partners (including the Offeror’s Affiliates), Dalton Group, or the Company, and has no material interest in connection with the Transactions needing to be disclosed. The Special Committee confirmed that there were no issues with the independence of Nomura Securities and approved it as the Company’s financial advisor and third-party valuation firm. In addition, the Company did not obtain an opinion regarding the fairness of the Tender Offer Price (a fairness opinion) from Nomura Securities because the Company believed that sufficient consideration has been given to the interests of the minority shareholders of the Company in light of other measures that have been taken to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest when implementing the Transactions (for specific details, please refer to “F. Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures to Ensure Fairness in the Tender Offer”).



It should also be noted that compensation payable to Nomura Securities includes success fees that are paid upon the satisfaction of certain conditions, such as the successful completion of the Transactions. The Company, taking into account common market practices for the same type of transactions and the pros and cons of the fee arrangement, whereby the Company would be required to pay a corresponding amount even if the Transactions were not successfully completed, has determined that the independence of Nomura Securities should not be compromised even if its fees included success fees payable on the condition of completion of the Tender Offer, and the Company therefore appointed Nomura Securities as its financial advisor and third-party valuation firm based on the above fee arrangement.

#### **7. Unanimous Approval by the Disinterested Directors of the Company (including Directors Who Are Audit and Supervisory Committee Members)**

As stated in “3. The Decision-making Process and Reasons for Which the Company Agreed to the Tender Offer” in “B. Grounds and Reasons for the Opinion Regarding the Tender Offer” above, in the Tender Offer, in consideration of the legal advice received from Mori Hamada & Matsumoto, the financial advice received from Nomura Securities, and the contents of the Share Valuation Report (Nomura Securities), and while paying the utmost respect to the decision of the Special Committee stated in the Special Committee Report, the Company carefully discussed and considered whether the Transactions, including the Tender Offer, would contribute to the enhancement of the Company’s corporate value and whether the terms of the Transactions, including the Tender Offer Price, were appropriate.

As a result, as stated in “3. The Decision-making Process and Reasons for Which the Company Agreed to the Tender Offer” in “B. Grounds and Reasons for the Opinion Regarding the Tender Offer” above, the Company determined that the Transactions would contribute to the enhancement of the Company’s corporate value and that the terms of the Transactions, including the Tender Offer Price, were appropriate, and at its Board of Directors meeting held today, the Company resolved, with the unanimous approval of all directors (including directors who are audit and supervisory committee members) of the Company (unanimous approval of five directors excluding Mr. James B. Rosenwald III) who participated in the deliberation and resolution, to express their support for the Tender Offer and to recommend that the Company’s shareholders tender their shares in the Tender Offer.

Mr. James B. Rosenwald III serves as Chief Investment Officer at Dalton Investments, Inc., which executed the tender Agreement with the Offeror; therefore, from the perspective of avoiding any conflict of interests, Mr. James B. Rosenwald III did not participate in any deliberation or resolution regarding the agenda concerning the Transactions, including the abovementioned Board of Directors meeting, or any consultation or negotiation with the Offeror on behalf of the Company.

#### **8. Measures to Secure Opportunities to Purchase from Other Buyers**

As stated in “1. Implementation of Bidding Process” above, the Company has selected the Offeror by establishing the evaluation criteria from the perspectives such as enhancing its corporate value and maximizing its shareholder value, and by conducting a comprehensive evaluation in a reasonable manner based on the evaluation criteria after implementing the Process and ensuring that a competitive environment was maintained. Therefore, the Company believes that opportunities for persons other than the Offeror to purchase the Company Shares have already been sufficiently secured.

In addition, the Offeror plans to set the Tender Offer Period to be 30 business days, whereas the shortest period stipulated by laws and regulations is 20 business days (Article 27-2, Paragraph 2 of the Act; Article 8, Paragraph 1 of the Order for Enforcement of the Financial Instruments and Exchange Act) (Cabinet Order No. 321 of 1965, as amended). The Offeror intends to ensure that the Company’s shareholders have an opportunity to make appropriate decisions regarding their tender in the Tender Offer by setting the Tender Offer Period to be longer than the shortest period required by laws and regulations,

and it also intends to ensure the fairness of the Tender Offer by ensuring that persons other than the Offeror have opportunities to make competing purchases for the Company Shares.

The Offeror and the Company have not entered into any agreement that obligates the Company to support the Tender Offer or recommend its shareholders to tender in the Tender Offer, nor have they entered into any agreement that would restrict competing offerors from contacting the Company, such as any agreement containing transaction protection provisions that would prohibit the Company from contacting competing offerors other than the Offeror. Accordingly, together with the setting of the Tender Offer Period, the Offeror has given consideration to ensure the fairness of the Tender Offer.

As stated in “b. Background, Purposes, and Decision-making Process Leading to the Decision to Implement the Tender Offer by the Offeror” in “2. Background, Purposes, and Decision-making Process Leading to the Implementation of the Tender Offer, and Management Policy After the Tender Offer” above, in this matter, the Process has been implemented prior to the Tender Offer, and the Offeror was selected by comparing it with multiple other potential acquirers under a certain competitive situation. Therefore, the Company believes that sufficient opportunities for persons other than the Offeror to acquire the Company Shares have already been provided.

#### **9. Setting the Minimum Number of Shares to be Purchased to Exceed the Number Equivalent to the Majority of Minority**

The Offeror has set the minimum number of shares to be purchased at 14,362,400 shares (ownership ratio: 66.62%). If the total number of tendered shares does not meet the minimum purchase number, the Offeror will not purchase any tendered shares. The minimum number of shares to be purchased (14,362,400 shares, ownership ratio: 66.62%) exceeds the sum (13,752,587 shares) of (i) the majority of (x) the number of shares (15,614,372 shares, ownership ratio: 72.42%) representing the total number of issued shares of the Company as of September 30, 2025 (22,535,463 shares), as stated in the Company’s Second Quarter Financial Results Summary minus (y) the number of treasury shares held by the Company as of the same date (975,691 shares) and the number of the Company Shares held by the Dalton Group that executed the Tender Offer Agreement (5,945,400 shares) (7,807,187 shares, ownership ratio: 36.21%) and (ii) the number of the Company Shares (5,945,400 shares) held by the Dalton Group, which represents the number representing a majority of the Company Shares held by shareholders of the Company who have no relationship of interest with the Offeror, i.e., the so-called “Majority of Minority.” Accordingly, in consideration of the wishes of the Company’s general shareholders, if the majority of shareholders who are not related parties of the Offeror do not give their consent, the Transactions, including the Tender Offer, will not take place.

### **IV. Matters Relating to Material Agreements Concerning the Tender Offer**

#### **1. Tender Agreement**

The Offeror has agreed with Dalton Group, dated December 17, 2025, that Dalton Group will tender all 5,945,400 Company Shares it owns (ownership ratio: 27.58%) to the Tender Offer if it commences, and has agreed to the terms described below in A through F.

The Offeror has not entered into any agreement with Dalton Group regarding the tender of shares in the Tender Offer other than the Tender Agreement, and there are no benefits provided by the Offeror to Dalton Group other than the monetary consideration obtained by tendering shares in the Tender Offer. The Tender Agreement does not stipulate any preconditions for Dalton Group’s tender of shares if the Tender Offer commences. (Note 1)

##### **A. Prohibition on Acquisition, etc.**

The Dalton Group shall not transfer, pledge, or otherwise dispose of all or part of its shares in the Target Shares (including, but not limited to, tendering such shares in a tender offer other than the Tender Offer), nor shall it acquire shares in the Target Shares or any rights pertaining to such shares.

#### B. Matters Concerning Competing Transactions

Dalton Group shall not, either directly or indirectly, engage in any act (including, without limitation, agreements with third parties, offers to enter into agreements, solicitations of offers, acceptances, discussions, negotiations, solicitations, or provision of information) that competes with, conflicts with, or is inconsistent with the Tender Offer or any other transaction contemplated by the Tender Agreement, or that has the potential to do so, either by itself or through another party, with any person other than the Offeror (the “Competing Transactions”).

Dalton Group shall immediately notify the Offeror of any solicitation, proposal, information provision, or application received from any third party other than the Offeror regarding Competing Transactions, and shall consult in good faith with the Offeror regarding its response to such third party.

#### C. Competing Proposal

Notwithstanding the foregoing A. and B., Dalton Group may request discussions with the Tender Offeror regarding changes to the Tender Offer Price, provided that all of the following requirements are satisfied. (i) a third party commences a cash tender offer (on terms equivalent to the Tender Offer; the “Competing Tender Offer”) to acquire all Company Shares at a purchase price exceeding 8,040 yen, and (ii) the special committee established by the Company’s Board of Directors has issued a positive recommendation regarding the Company’s Board of Directors supporting the Competing Tender Offer or expressing a neutral opinion, and the Company has actually expressed support or a neutral opinion regarding the Competing Tender Offer, and (iii) Dalton Group has not violated any of its obligations under the Tender Agreement. If the Offeror fails to change the Tender Offer Price to an amount equal to or greater than the purchase price for the Competing Tender Offer by the earlier of either: the date seven business days after the date the request for such consultation was made, or the business day preceding the last day of the Tender Offer Period, the Dalton Group shall be exempt from the obligation to tender its shares in the Tender Offer. Provided, however, that if during the tender offer period of the Competing Tender Offer, the Tender Offer Price becomes equal to or higher than the tender offer price for the Competing Tender Offer, Dalton Group shall tender all of its Company Shares to the Tender Offer.

#### D. Matters Concerning Shareholders' Meetings

Dalton Group shall not exercise the Company’s shareholder rights, including the right to request the convening of a shareholders’ meeting and the right to submit shareholder proposals, without the prior written consent of the Offeror during the period from the date of execution of the Tender Agreement to the commencement date of settlement for the Tender Offer.

Dalton Group shall exercise all voting rights and other rights pertaining to the Company Shares at any shareholders’ meeting of the Company held prior to the commencement date of settlement for the Tender Offer, in accordance with the instructions of the Offeror. It shall take any necessary measures (if any) to ensure the Offeror’s intentions are appropriately reflected.

#### E. LP Interest Acquisition

The Dalton Group shall, (i) upon the completion of the Tender Offer and (ii) subject to the effective date of the Reverse Share Split or the Share Sale Demand occurring after the commencement date of settlement for the Tender Offer, by acquiring interests in a limited partnership to be formed by Carlyle under the laws of the Cayman Islands, thereby indirectly acquiring up to approximately 20% of the economic interest in the Carlyle Fund.

Subject to the completion of the LP Interest Acquisition, pursuant to the terms of an agreement to be separately executed regarding the LP Interest Acquisition, the Dalton Group (limited to those who become shareholders of the Offeror's Grandparent Company indirectly through the LP Interest Acquisition) shall collectively have the right to nominate one director of the Offeror's Grandparent Company.

#### F. Matters Concerning Shareholders' Meetings

The Offeror may terminate the Tender Agreement in the event of (i) a material breach by the Dalton Group of its obligations under the Tender Offer Agreement, (ii) a material breach by the Dalton Group of its representations and warranties, (iii) the Offeror withdrawing the Tender Offer in accordance with laws and regulations, or (iv) the Tender Offer failing to succeed despite having commenced.

The Dalton Group may terminate the Tender Agreement in the event of (i) a material breach by the Offeror of its obligations under the Agreement, (ii) a material breach by the Offeror of its representations and warranties, (iii) the Offeror withdrawing the Tender Offer in accordance with laws and regulations, or (iv) the Tender Offer failing to succeed despite having commenced.

In addition to the above, the Tender Agreement contains representations and warranties by Dalton Group (Note 2), indemnification provisions, and general provisions.

(Note 1) In the Tender Agreement, the Offeror makes representations and warranties regarding the following items: (i) establishment, existence, and legal capacity, etc., (ii) authority to execute and perform the Tender Agreement and completion of necessary procedures, (iii) the execution and performance of the Tender Agreement and its enforceability, (iv) the acquisition and fulfillment of necessary permits and approvals and compliance with laws and regulations, (v) the absence of any conflict with laws and regulations, (vi) the absence of any bankruptcy proceedings, (vii) the absence of any relationship with anti-social forces, (viii) the absence of any violation of anti-corruption laws, anti-money laundering laws, sanctions-related laws, etc.

(Note 2) In the Tender Agreement, Dalton Group makes representations and warranties regarding the items (i) through (viii) in Note 1 above, as well as (ix) lawful and valid holding of Company Shares, and absence of related claims.

## 2. Memorandum of Understanding

The Offeror entered into a memorandum of understanding with the Company on December 17, 2025, agreeing that the Company will provide timely cooperation regarding any matters reasonably requested by the Offeror for the purpose of procuring funds for the settlement of the Tender Offer and other funds necessary for the execution of the Transactions.

## V. Details of Benefits Received From the Offeror or Its Specially Related Parties

Not applicable

**VI. Policy for Responses Regarding Basic Policies on the Control of the Company**

Not applicable

**VII. Inquiries to the Offeror**

Not applicable

**VIII. Request for Extension of the Tender Offer Period**

Not applicable

**IX. Future Prospects**

Please refer to “2. Background Purposes and Decision-making Process Leading to the Implementation of the Tender Offer, and Management Policy After the Tender Offer” in “B. Grounds and Reasons for the Opinion Regarding the Tender Offer,” “D. Prospects for Delisting and Reasons Therefor,” and “E. Policies on the Organization Restructuring, etc., After the Tender Offer (Matters Concerning the so-called Two-Step Acquisition) in “III. Details of, and Grounds, and Reasons for, the Opinion Regarding the Tender Offer” above.

**X. Others**

Notice Regarding Revision of Dividend Forecast (No Dividend) for the Fiscal Year Ending March 2026 and Abolition of Shareholder Benefit Program

The Company resolved at its Board of Directors meeting held today to revise its dividend forecast for the fiscal year ending March 2026 published by the Company on October 27, 2025 and not to distribute a third quarter dividend or year-end dividend for the fiscal year ending March 2026 and to abolish the shareholder benefit program from the fiscal year ending March 2027, conditional upon the successful completion of the Tender Offer. For details, please refer to the press release published by the Company today.

(Reference)

Special Committee Report (Attachment 1)

Notice Regarding Commencement of Tender Offer for the Common Stock of Hoya Medical Co., Ltd. (Securities Code: 3593) by TCG2509 Co., Ltd. (Attachment 2)

**[Solicitation Regulations]**

This Press Release is intended to express the Company's opinion regarding the Tender Offer and has not been prepared for the purpose of soliciting an offer to sell shares. If shareholders wish to make an offer to sell their shares, they should first carefully read the tender offer explanation statement concerning the Tender Offer and make an offer to sell their shares at their sole discretion. This Press Release shall neither be, nor constitute a part of, an offer or solicitation to sell, or solicitation of an offer to purchase, any securities, and neither this Press Release (or any part of this Press Release) nor its distribution shall be interpreted to constitute the basis of any agreement in relation to the Tender Offer, and this Press Release may not be relied upon at the time of entering into any such agreement.

**[U.S. Regulations]**

The Tender Offer will be conducted in accordance with the procedures and information disclosure standards prescribed in the Financial Instruments and Exchange Act of Japan. However, these procedures and information disclosure standards are not necessarily the same as the procedures and information disclosure standards in the U.S. In particular, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended) and the rules prescribed thereunder do not apply to the Tender Offer; therefore, the Tender Offer is not conducted in accordance with those procedures or standards. The financial statements contained in this Press Release and reference materials thereof have not been prepared in accordance with the U.S. accounting standards. Accordingly, such financial information may not necessarily be equivalent or comparable to those prepared in accordance with the U.S. accounting standards. Moreover, as the Offeror is a company incorporated outside of the U.S. and a part of or all of its directors are non-U.S. residents, it may be difficult to enforce any rights or claims arising under the U.S. federal securities laws. It may also be impossible to commence legal actions against a non-U.S. company or its officers in a non-U.S. court on the grounds of a violation of the U.S. securities laws. Furthermore, there is no guarantee that a corporation that is based outside of the U.S. or its subsidiaries or affiliated companies may be compelled to submit themselves to the jurisdiction of a U.S. court.

All procedures for the Tender Offer shall be conducted entirely in the Japanese language. Some or all of the documents relating to the Tender Offer are or will be prepared in the English language. However, if there is any inconsistency between the document in English and the document in Japanese, the Japanese document shall prevail.

The Offeror and its affiliate (including the Company) and their respective financial advisors and the affiliates of the tender offer agent may, within their ordinary course of business and to the extent permitted under the related Japanese financial instruments and exchange laws and regulations, purchase or take actions to purchase the Company's common stock for their own account or for their customers' accounts other than through the Tender Offer prior to the commencement of, or during the purchase period of the Tender Offer in accordance with the requirements of Rule 14e-5(b) under the U.S. Securities Exchange Act of 1934. If any information concerning such purchase, etc. is disclosed in Japan, disclosure of such information in English will be made by the person conducting such purchase, etc. on the website of such person.

**[Forward-Looking Statements]**

This Press Release contains "forward-looking statements" as defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the U.S. Securities Exchange Act of 1934. It is possible that actual results may substantially differ from the projections, etc. as expressly or implicitly indicated in any "forward-looking statements" due to any known or unknown risks, uncertainties, or any other factors. Neither the Offeror nor any of its affiliates gives any assurance that such projections, etc. expressly or implicitly indicated in any "forward-looking statements" will ultimately be accurate. The "forward-looking statements" included in this Press Release have been prepared based on the information available to the Offeror as of the date of this Press Release, and unless otherwise required by applicable laws and regulations or Financial Instruments and Exchange Act, neither the Company nor any of its affiliates is obliged for updating or modifying such statements in order to reflect any future events or circumstances.

**[Other Countries]**

The announcement, issuance, or distribution of this Press Release may be legally restricted in some countries or territories. In such case, shareholders should be aware of and comply with such restriction. The announcement, issuance, or distribution of this Press Release shall not be interpreted as an offer to purchase or solicitation of an offer to sell share certificates concerning the Tender Offer, but shall be interpreted simply as a distribution of information.

December 17, 2025

To Hoky Medical Co., Ltd.

The Special Committee of Hoky Medical Co., Ltd.

Chairperson Yuji Takada

Member Katsusuke Higuchi

Member Mime Egami

### **Special Committee Report**

This Special Committee hereby submits its report as set forth in Sections 2 through 4 below regarding the advisory matters described in Section 1 below (“**Advisory Matters**”), which were consulted to it by the Board of Directors of Hoky Medical Co., Ltd. (“**Company**”).

The “Transactions” herein refers to the series of transactions aimed at the Company’s privatization, consisting of the tender offer (“**Tender Offer**”) for the Company’s common shares (“**Company Shares**”) by TCG2509 Co., Ltd. (“**Offeror**”) and the subsequent squeeze-out procedure through the demand for share cash-out by the special controlling shareholder or share consolidation.

TCG2508 Co., Ltd., which owns all of the Offeror’s issued shares, is referred to as the “**Offeror Parent Company**.” TCG2507 Co., Ltd., which owns all of the Offeror Parent Company’s issued shares, is referred to as the “**Offeror Grandparent Company**.” CJP V HC Holdings VII, L.P., which owns all of the Offeror Grandparent Company’s issued shares, is referred to as “**Carlyle Fund**.” The Carlyle Group (including its affiliates and other related entities), which holds and manages all interests in Carlyle Fund, is referred to as “**Carlyle**.” Carlyle, Carlyle Fund, the Offeror Grandparent Company, the Offeror Parent Company and the Offeror are collectively referred to as the “**Offeror Group**.” The Company, its two subsidiaries and two sub-subsidiaries are collectively referred to as the “**Company Group**.”

## **I. Matters Consulted to the Special Committee**

- (1) The reasonableness of the purpose of the Transactions (including whether the Transactions will contribute to enhancement of the corporate value of the Company)
- (2) The fairness and appropriateness of the procedures related to the Transactions
- (3) The fairness and appropriateness of the terms of the Transactions
- (4) (If the tender offer is conducted as part of the Transactions) whether the Company's Board of Directors should express an opinion in support of the tender offer and recommend shareholders of the Company to tender in the tender offer
- (5) Based on the above, whether the Company's Board of Director's decision on the implementation of the Transactions would be fair to the Company's minority shareholders (general shareholders)

## **II. Contents of the Report**

### **1. Regarding the Advisory Matter (1)**

The Transactions are considered as contributing to enhancement of the corporate value of the Company, and its purpose is considered as reasonable.

### **2. Regarding the Advisory Matter (2)**

The procedures related to the Transactions are considered to be fair and appropriate.

### **3. Regarding the Advisory Matter (3)**

The terms of the Transactions are considered to be fair and appropriate.

### **4. Regarding the Advisory Matter (4)**

It is considered appropriate for the Company's Board of Directors to express an opinion in support of Tender Offer, and to recommend shareholders of the Company to tender in the Tender Offer.

### **5. Regarding the Advisory Matter (5)**

Based on the above Advisory Matters (1) through (4), it is considered fair to the Company's minority shareholders (general shareholders) that the Company's Board of Directors makes a decision on the implementation of the Transactions.



### III. Procedure leading to the Report

The Special Committee, having been commissioned to submit this Report on July 25, 2025, has held a total of 20 meetings to date and has carefully deliberated on the advisory matters listed in Section I (“**Advisory Matters**”).

Specifically, the Special Committee confirmed that Nomura Securities Co., Ltd. (“**Nomura Securities**”), which serves as the Company’s financial advisor and third-party valuation firm, and Mori Hamada & Matsumoto, which serves as the Company’s legal advisor, are both independent of the success or failure of the Transactions, the Company, the Potential Partners (as defined in Section IV. 2. (1) below; the same applies hereinafter) (including the Offeror Group), and the Company’s large shareholders, NIPPON ACTIVE VALUE FUND PLC (“**NAV F**”), NAVF Select LLC (“**NAV F LLC**”) and Dalton Investments, Inc. (“**Dalton Inc.**”) (along with their respective groups, collectively, “**Dalton Group**”), and have appropriate expertise. Furthermore, the Special Committee, having confirmed that there are no issues regarding their independence of the success or failure of the Transactions, the Company, the Potential Partners (including the Offeror Group) and the Dalton Group, and their expertise, appointed PwC Advisory LLC (“**PwC Advisory**”) as its financial advisor and third-party valuation firm, and Momo-o, Matsuo & Namba as its legal advisor.

Based on the above, the Special Committee collected and reviewed various materials submitted to it, along with other necessary information and documents. The Special Committee also conducted written and oral questioning with persons who were requested to attend the Special Committee, including the Company as to the details of the Transactions, its background and significance, the impact of the Transactions on the corporate value of the Company, the reasonableness of the tender offer price calculation methodology, the circumstances leading to the Offeror's decision-making, and the process and details of discussions and negotiations between the Company and Carlyle, as well as other matters related to the Transactions. Furthermore, between meetings, the Special Committee reported, shared information, deliberated, and made decisions as necessary via email and other means. Through these processes, the Special Committee carefully discussed and examined the Advisory Matters. Furthermore, the Special Committee received explanations from Nomura Securities and PwC Advisory regarding the valuation of the Company Shares. It also received explanations from the Company regarding the business plan underlying this share valuation and engaged in question-and-answer sessions on these points. Through these processes, the Special Committee substantially participated in the selection process of Carlyle within the tender process premised on the privatization of the Company Shares (“**Process**”), examined the fairness of the

Transactions, including the tender offer price proposed by Carlyle, and also engaged in question-and-answer sessions with Carlyle regarding the proposed price and other terms of the Transactions. In addition, the Special Committee received advice from Mori Hamada & Matsumoto and Momo-o, Matsuo & Namba regarding measures to ensure procedural fairness of the Transactions, measures to avoid conflicts of interest and other matters related to the Transactions, and held question-and-answer sessions on these points.

The Special Committee, having carefully deliberated and examined the Advisory Matters through the above process, unanimously resolved the content of its response thereto at the 20<sup>th</sup> Special Committee meeting held on December 17, 2025.

#### **IV. Reasons of the Report**

##### **1. Regarding the Advisory Matter (1)**

###### **(1) Overview of the Transactions, including its Purpose**

According to explanations received from the Offeror (Carlyle) and the Company, the purpose of the Transactions and the specific details of the expected enhancement of the corporate value of the Company resulting from the Transactions are outlined below.

###### **A. Explanations received from the Offeror (Carlyle)**

According to the explanations received from the Offeror (Carlyle), the purpose of the Transactions is as follows.

- Carlyle positions the healthcare sector as one of its most critical global investment areas. Within this sector, Carlyle possesses extensive investment experience and has continuously researched and evaluated investment opportunities. In this context, Carlyle noted that the surgical kit products provided by the Company significantly contribute to improving the productivity and efficiency of surgeries—a paramount challenge in hospital management. Specifically, Carlyle confirmed the high reliability and market advantage of the Company's products, particularly regarding the Premium Surgical Kit, a surgical kit product sold by the Company, and the Opera Master, the Company's operational support system, which contribute to reducing the workload of doctors and nurses in clinical settings and improving medical institutions' profitability.
- Carlyle has been continuously conducting discussions with the Company's management since March 4, 2025 and has deepened its understanding of the Company's business operations, management policies and growth strategy. During these discussions, Carlyle confirmed that the Company aims to evolve from a surgical kit provider into a solution

provider that addresses a wide range of challenges faced by medical institutions (which leverages the customer touchpoints the Company has built to date and develops a multi-vendor business providing value by combining multiple products and services, including not only the Company's own products but also those of other companies, and provides optimal solutions from a wide range of options to meet customer needs regarding hospital management and surgical room operations), and strongly resonated with this direction.

- The Premium Surgical Kit has earned high customer satisfaction, particularly in disease areas where surgeries requiring general anesthesia, such as cardiac and neurosurgery, are prevalent. However, the Company faces challenges including a slowdown in sales growth rate due to recent sales activities being overly focused on retaining existing customers rather than acquiring new customers, and a decline in profit margins stemming from factors like foreign exchange impacts and increased depreciation expenses resulting from enhanced capital investment for new factory operations. To address these challenges, it is believed necessary to enhance corporate value through measures such as developing new customers and broadening product lineup to improve profitability, alongside driving sales growth in overseas markets. To steadily execute these measures from a medium-to-long-term perspective, it is considered desirable to establish a management structure that enables agile and flexible decision-making by privatization which frees the Company to a certain extent from short-term share price evaluations and market pressures, and to maximize the Company's inherent growth potential.
- Following the completion of the Transactions, Carlyle intends to evolve the Company into a true solution provider that meets the needs of medical institutions, by integrating Carlyle's global network of management talent and management expertise with the insights of the Company's management which has driven the growth of the Company. Specifically, Carlyle considers that it can provide support for the Company's implementation through the following measures:
  - (i) Further penetration of the Premium Surgical Kit
  - (ii) Enhancement of convenience of the Premium Surgical Kit through expanding its components
  - (iii) Improvement of profitability through gaining cost competitiveness and enhancing productivity
  - (iv) Enhancement of the value of the Opera Master delivered to customers through functional expansions, etc.
  - (v) Growth of overseas sales leveraging Carlyle's extensive network, etc.

## B. Explanation Provided by the Company

According to the Company's explanation, Company considers the purpose of the Transactions as follows:

- In the new medium term management plan (FY2025 – FY2027) (“**Medium-Term Business Plan**”), the Company has outlined its policy to become a solution provider centered on high-value-added surgical kits, while also aiming to become a unique company playing a part in the advancement of medical care in Japan and ASEAN region through strengthening its supply chain and promoting overseas business. Through Carlyle's proposal and related discussions, the Company and Carlyle have reached a common understanding regarding the direction for the Company to evolve from a surgical kit provider into a solution provider that broadly addresses a wide range of challenges faced by medical institutions by offering higher value-added products and services.

Through the Transactions, the Company believes that, in collaboration with Carlyle and by leveraging Carlyle's management resources such as its network and know-how, the Company can strategically implement measures to enhance its corporate value from a medium to long-term perspective, as outlined below.

(i) Promoting Growth of Domestic Business, Strengthening Cost Competitiveness, and Improving Profitability

For the Company to evolve into a “true solution provider that meets the needs of medical institutions,” expanding sales of Premium Surgical Kits and enhancing the functionality of Opera Masters are essential. To achieve those goals, the Company believes that, in addition to increasing the number of its sales representatives and other personnel, and establishing an organizational sales structure, substantially broadening its range of equipment and materials that can be integrated into Kit products and strengthening the competitiveness of Premium Surgical Kits through collaboration with medical device wholesalers are necessary. By leveraging Carlyle's extensive human network and its proven management expertise —backed by a track record of value creation in its portfolio companies within the medical device and consumables areas, the Company believes that it can achieve accelerated growth in its domestic business, reinforcement of cost competitiveness and improvement for profitability through expanding sales of Premium Surgical Kits and enhancing the value proposition of Opera Masters.

(ii) Promoting Overseas Business with a focus on Southeast Asia

While the Company has been developing its business in Southeast Asia and worked to improve the profitability of supply chain, limited resources at overseas bases and

insufficient penetration of the value proposition for its products have resulted in continued dependence on the domestic market for revenue. By leveraging the global platform and specialized expertise of the global industry-dedicated teams within Carlyle, the Company can redesign sales and marketing strategies for Southeast Asia and its organizational structures. Further, utilizing Carlyles extensive network with medical institutions and healthcare companies in Southeast Asia will enable the advancement of overseas business, centered on Southeast Asia, through the establishment of an optimal supply chain.

(iii) Achieving Discontinuous Growth through Mergers and Acquisitions, and Partnerships with an Eye to Industry Restructuring

For the Company to evolve into a “true solution provider meeting the needs of medical institutions,” the key lies in achieving discontinuous growth through mergers and acquisitions, as well as strengthened partnerships with companies capable of broadly and deeply improving hospital management, without being bound by the existing businesses framework. This necessitates indispensable capabilities for evaluation and judgment in strategic consideration regarding information gathering and analysis of mergers and acquisitions, and partnerships. Carlyle possesses extensive investment experience globally in the medical equipment and consumables areas, along with a cumulative track record of approximately 40 investments in Japan. Leveraging Carlyle’s network and execution capabilities is expected to enable realizing the Company’s discontinuous growth and, ultimately, position the Company to lead industry restructuring.

- As described above, the Company believes that the Transactions will enable the Company to pursue agile and strategic decision-making with Carlyle toward medium- to long-term growth, which will contribute to further enhancing its corporate value. The Company further believes that while such decision-making is expected to contribute to the Company’s growth and enhancement of its corporate value over the medium-to-long term if achieved, it will require a considerable amount of time and investment, as well as reforms to existing businesses. This may lead to a temporary decline in profit levels and cash flow, and if privatization is not assumed, the decision-making could adversely affect the market price of the Company Shares in the short term and may cause detriment to the Company's minority shareholders.
- On the other hand, the Transactions assume privatization of the Company Shares, potential disadvantages of privatization include impacts on the name recognition and social credibility the Company has enjoyed as a listed company, as well as potential effects on its fundraising from the capital markets, particularly through equity financing. However, as the

Company primarily operates in the B2B business sector with hospitals and medical institutions, the impact on its visibility due to being a listed company is limited. Furthermore, relationships with customers, primarily medical institutions, have been built on trust based on its past track record and the products and services the Company provides. Therefore, the potential negative impact on the Company's social credibility is limited. Additionally, leveraging the global network and name recognition of Carlyle can sufficiently enhance the Company's external credibility. Furthermore, considering the Company's current financial position, the need for equity financing is not high for the foreseeable future, meaning the impact on funding is also limited. Regarding other potential financial burdens or operational restrictions arising from the Transactions, discussions with Carlyle indicate that the impact on the Company's post-transaction business operations is expected to be limited.

## **(2) Review by the Special Committee**

Based on the explanations provided by the Offeror (Carlyle) and the Company as described above, the Special Committee conducted a detailed review including the appropriateness and rationality of the specific details regarding the management environment surrounding the Company and other matters, the impact of the Transactions on the Company's employees, business partners, and others, and the potential for enhancing the Company's corporate value based on these factors. Specifically, the Special Committee comprehensively examined matters including: what measures the Offeror (Carlyle) envisions to enhance corporate value within the Company's current business environment, the specificity and practicality of these measures, the necessity of implementing the Transactions to execute such measures, the anticipated business benefits for the Company from implementing the Transactions, and the existence and extent of any anticipated disadvantages.

As a result, the Special Committee found no particular unreasonableness in the significance and purpose of the Transactions, including the Tender Offer, as envisioned by the Offeror (Carlyle) and the Company as described in (1) above. The Special Committee recognized that the various measures envisioned by the Offeror (Carlyle) address important challenges for the Company's future business development. Furthermore, the Special Committee found no particular unreasonableness in the Company's judgment that it is necessary to realize each of the measures envisioned by the Offeror (Carlyle). Therefore, the Special Committee has concluded that the Transactions are being conducted with the objective of enhancing corporate value by realizing the Company's medium- to long-term growth.

On the other hand, regarding the disadvantages of privatization, such as the impact on name recognition and social credibility, and the impact on raising funds from the capital

markets, the impact on name recognition and social credibility due to privatization is minimal, considering the Company's business model, its relationships with customers, and the global network and social recognition possessed by Carlyle. Furthermore, considering the Company's financial situation, the impact on fundraising is also considered limited. Additionally, the financial burden and operational restrictions associated with implementing the Transactions are expected to have a limited impact on the Company's business operations after the Transactions.

Therefore, the benefits from implementing various measures anticipated by the Offeror (Carlyle) to enhance the Company's corporate value are assessed to outweigh the disadvantages associated with privatization.

The purpose of the Transactions, including the Tender Offer, is deemed legitimate and reasonable. The Special Committee believes the Transactions will contribute to enhancement of the corporate value of the Company.

## **2. Regarding the Advisory Matter (2)**

### **(1) Establishment of the Special Committee**

In light of the increasingly challenging business environment surrounding the Company Group, driven by factors such as changes in the environment surrounding the Company Group's customers (medical institutions), the Company has continuously examined measures to achieve sustainable growth and maximize the corporate value in the medium to long-term. Since late March 2020, the Company has had discussions with multiple external partner candidates, focused on exchanging views regarding long-term business environment outlooks, business strategies, capital strategies, potential contributions of external partner candidates toward resolving the Company's management challenges, and other matters. Through these examinations, the Company recognized that, amid an increasingly challenging business environment, achieving sustainable future growth requires not only leveraging its own management resources but also the consideration of the option to collaborate with external partners through capital strategies. Accordingly, in mid-April 2025, to advance more concrete consideration of the Company's capital strategies, the Company appointed Nomura Securities as its financial advisor and third-party valuation firm, and Mori Hamada & Matsumoto as its legal advisor, which are both independent from the Company, the external partner candidates described below (including the Offeror Group), and Dalton Group.

Subsequently, after further deepening discussions on measures to maximize corporate value, the Company concluded that the optimal path for further enhancing corporate value is to implement a privatization of the Company Shares by a potential external partner, and to fully leverage the abundant management resources provided by the potential external partner and

make agile, strategic decisions that contribute to enhancing corporate value from a medium to long-term perspective, free from the constraints of pursuing short-term performance driven by shareholder concerns. Therefore, starting in early July 2025, the Company approached six private equity funds, including Carlyle, who were deemed likely to show interest in the Company's business ("**Potential Partners**"), regarding participation in the Process premised on the privatization of the Company Shares. Having confirmed that the Potential Partners expressed interest in participating in the Process, the Company commenced the Process on July 14, 2025.

Considering that the Transactions will be implemented for the privatization of the Company Shares ("**Privatization**") and that Dalton Group's intentions are crucial from the perspective of feasibility of the Transactions while there exists certain potential conflicts of interest between Dalton Group and the Company's minority shareholders (general shareholders), to ensure the fairness of the procedures and conditions related to the Transactions, including the Privatization, while eliminating arbitrariness and potential conflicts of interest in the decision-making process leading to the determination to implement the Tender Offer, and thereby ensuring the proper fulfillment of the directors' duty of care, the Company has decided to establish the Special Committee to review and determine the fairness and other matters regarding the procedure such as the merits of the Transactions (including the merits of the Privatization), the appropriateness of the transaction terms, and the selection process for the tender offeror.

Therefore, pursuant to a resolution of the Board of Directors dated July 25, 2025, the Company established the Special Committee, composed of three members—Yuji Takada (Independent Outside Director and Audit and Supervisory Committee Member of the Company), Katsusuke Higuchi (Independent Outside Director and Audit and Supervisory Committee Member of the Company), and Mime Egami (Independent Outside Director and Audit and Supervisory Committee Member of the Company)—upon confirmation that they are independent from the Company, the Potential Partners (including the Offeror Group), and Dalton Group, and that they have no interest in the success or failure of the Transactions (including the Privatization) or in the specific consideration of the series of transactions and other strategic options concerning capital strategies, including the Privatization. The Board of Directors also resolved that, in establishing the Special Committee, (a) the Board of Directors would make decisions regarding the implementation of the Transactions by fully respecting the judgments of the Special Committee, and (b) if the Special Committee determined that the implementation or terms of the Transactions were not appropriate, the Board of Directors would not approve the implementation of the Transactions. Furthermore, the Board of Directors resolved to grant the Special Committee the authority to: (i) be substantially involved



in the process of negotiations conducted by the Company with respect to the Transactions (including, as necessary, giving instructions or requests about the negotiation policy, or conducting direct negotiations), (ii) appoint its own financial and legal advisors (at the Company's expense), or designate or approve (including post-approval) the Company's financial and legal advisors, as necessary, in reviewing or deciding on the Advisory Matters, and (iii) receive necessary information from the Company's officers or employees or other persons deemed necessary by the Special Committee for reviewing and deciding on the Advisory Matters, as necessary. As there is a potential conflict of interest between Dalton Group and the Company's minority shareholders (general shareholders) regarding the Transactions from the perspective of its feasibility, director James B. Rosenwald III, who serves as Chief Investment Officer at Dalton Inc., did not participate in the above deliberations and resolutions from the perspective of preventing conflicts of interest.

Additionally, each member of the Special Committee will receive a fixed amount as compensation for their duties, regardless of the content of the report, and the compensation does not include any success fee payable upon the completion of the Transactions.

Therefore, the Special Committee is considered to be appropriately constituted to protect the interests of general shareholders from an independent standpoint. Furthermore, a mechanism is in place to ensure that the Company's Board of Directors makes decisions by giving utmost consideration to the Special Committee's determination, and the Special Committee is considered to have the necessary authority and other means to function effectively.

## (2) Acquisition of a Share Valuation Report from an Independent Financial Advisor/Third-Party Valuation Firm by the Company and the Special Committee

### A. Acquisition of a Share Valuation Report from an Independent Financial Advisor/Third-Party Valuation Firm by the Company

In considering the Transactions, to ensure the fairness of the Transactions (including the Tender Offer) such as the fairness during the decision-making process toward the determination of the per-share purchase price of the Company Shares in the Tender Offer ("**Tender Offer Price**"), the Company requested Nomura Securities, appointed as a financial advisor and third-party valuation firm independent of the Potential Partners (including the Offeror Group), Dalton Group, and the Company, to perform a valuation of the Company Shares and obtained a share valuation report dated December 17, 2025 ("**Share Valuation Report (Nomura Securities)**").

Nomura Securities does not constitute a related party of the Potential Partners

(including the Offeror Group), Dalton Group, or the Company, and has no material interest in the Transactions, including the Tender Offer. Furthermore, the Special Committee has confirmed that there are no issues with Nomura Securities' independence and expertise and has approved it as the Company's financial advisor and third-party valuation firm.

Nomura Securities' compensation for the Transactions includes a success fee payable upon the completion of the Transactions. However, considering the general practice for similar transactions and the appropriateness of the compensation structure imposing certain financial burden on the Company even if the Transactions do not proceed, the inclusion of a success fee payable upon the completion of the Transactions does not negate Nomura Securities' independence.

Therefore, the Company is considered to have obtained a share valuation report from an independent financial advisor and third-party valuation firm possessing expertise as a basis for its judgment regarding the Transactions.

#### B. Acquisition of a Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Firm by the Special Committee

In considering the Transactions, to ensure the fairness of the Transactions (including the Tender Offer) such as the fairness during the decision-making process toward the determination of the Tender Offer Price, the Special Committee requested PwC Advisory, as the Special Committee's own financial advisor and third-party valuation firm independent of the Potential Partners (including the Offeror Group), Dalton Group, and the Company, to perform a valuation of the Company Share and obtained a share valuation report dated December 17, 2025 ("**Share Valuation Report (PwC)**").

PwC Advisory does not constitute a related party of the Potential Partners (including the Offeror Group), Dalton Group, or the Company, and has no material interest in the Transactions, including the Tender Offer. Furthermore, the Special Committee has confirmed that there are no issues with PwC Advisory's independence and expertise and has approved it as the Special Committee's own financial advisor and third-party valuation firm.

The compensation to PwC Advisory does not include any success fee payable upon the completion of the Transactions.

Therefore, the Special Committee is considered to have obtained a share valuation report from an independent financial advisor and third-party valuation firm possessing expertise as a basis for its judgment regarding the Transactions.

### (3) Acquisition of Advice from Independent Law Firms by the Company and the Special Committee

#### A. Acquisition of Advice from an Independent Law Firm by the Company

In considering the Transactions, to ensure the fairness of the Transactions, the Company has received professional advice from Mori Hamada & Matsumoto, appointed as a legal advisor independent of the Potential Partners (including the Offeror Group), Dalton Group, and the Company, regarding measures to ensure procedural fairness in the Transactions, the procedures for the Transactions, and the Company's decision-making method and processes related to the Transactions.

Mori Hamada & Matsumoto does not constitute a related party of the Potential Partners (including the Offeror Group), Dalton Group, or the Company, and has no material interest in the Transactions, including the Tender Offer. Furthermore, the Special Committee has confirmed that there are no issues with Mori Hamada & Matsumoto's independence and expertise and has approved it as the Company's legal advisor. The compensation to Mori Hamada & Matsumoto does not include any success fee payable upon the completion of the Transactions.

Therefore, the Company is considered to have obtained advice from an independent law firm as a basis for its judgment regarding the Transactions.

#### B. Acquisition of Advice from an Independent Law Firm by the Special Committee

In considering the Transactions, to ensure the fairness of the Transactions, the Special Committee has received professional advice from Momo-o, Matsuo & Namba, appointed as a legal advisor independent of the Potential Partners (including the Offeror Group), Dalton Group, and the Company, regarding measures to ensure procedural fairness in the Transactions, the procedures for the Transactions, and the Company's decision-making method and processes related to the Transactions.

Momo-o, Matsuo & Namba does not constitute a related party of the Potential Partners (including the Offeror Group), Dalton Group, or the Company, and has no material interest in the Transactions, including the Tender Offer. Furthermore, the Special Committee has confirmed that there are no issues with Momo-o, Matsuo & Namba's independence and expertise and has approved it as the Special Committee's own legal advisor. The compensation to Momo-o, Matsuo & Namba does not include any success fee payable upon the completion of the Transactions.

Therefore, the Special Committee is considered to have obtained advice from an independent law firm as a basis for its judgment regarding the Transactions.

#### **(4) Market Check**

The Company has selected the Offeror by implementing the Process, maintaining a competitive environment, establishing evaluation criteria from the perspective of enhancing corporate value and maximizing shareholder value, and conducting a comprehensive and reasonable evaluation based on these criteria. The Special Committee received timely reports from the Company regarding this Process and the status of discussions with the Potential Partners, confirmed the fairness of the Process, advised the Company on negotiation strategies with the Potential Partners and the final candidate selection process, and was substantially involved in the process of selecting the final candidate, Carlyle. Through this Process, the so-called active market check—investigating and considering the existence of potential acquirers in the market—is considered to have been conducted through fair procedures.

Furthermore, the purchase period for this Tender Offer is scheduled to be 30 business days, which is longer than the statutory minimum of 20 business days. Moreover, the Company does not plan to enter into any agreements, etc. that would restrict a competing acquirer from contacting the Company. Therefore, it is considered that the so-called indirect market check will also be conducted.

#### **(5) Majority of Minority Condition**

The Offeror has set the minimum number of shares to be purchased in this Tender Offer at 14,362,400 shares (ownership ratio: 66.62%). If the total number of tendered share certificates, etc. (“**Tendered Shares**”) does not meet the minimum purchase number, the Offeror will not purchase any of the Tendered Shares. The minimum number of share certificates, etc. to be purchased, 14,362,400 shares (ownership ratio: 66.62%), is greater than 13,752,587 shares, which are calculated by (A) the majority of 15,614,372 shares (ownership ratio: 72.42%), i.e., 7,807,187 shares (ownership ratio: 36.21%), which are the majority of (i) the total number of issued shares of the Company as of September 30, 2025 (22,535,463 shares) as stated in the “Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)” announced by the Company on October 27, 2025 minus (ii) (a) the number of treasury shares held by the Company as of September 30, 2025 (975,691 shares) and (b) the total number of shares held by the Dalton Group that has entered into the Tender Agreement with the Offeror (5,945,400) shares, plus (B) 5,945,400 shares, which are the total number of the Company’s Shares held by the Dalton Group that has entered into the Tender Agreement with the Offeror. Accordingly, the so-called “Majority of Minority” condition -- the minimum number of share certificates, etc. to be purchased being greater than the majority of the number of the Company’s Shares held by shareholders who

do not have interest or relationship that may constitute a conflict of interest with the Offeror is set. Consequently, prioritizing the will of the Company's general shareholders, the Transactions, including the Tender Offer, will not proceed unless the consent of a majority of shareholders who have no interest with the Offeror is obtained.

#### **(6) Elimination of Coercive Nature**

No maximum number of shares to be purchased has been set for the Transactions. Following the completion of this Tender Offer, a squeeze-out procedure is planned through the demand for share cash-out by the special controlling shareholder or the share consolidation, aimed at privatization of the Company's Shares. Furthermore, if the Tender Offer is successful, it is planned that cash will ultimately be delivered to shareholders of the Company who did not tender their shares in the Tender Offer. The amount to be delivered to each of such shareholder is planned to be calculated so that it equals the Tender Offer Price multiplied by the number of shares of the Company held by that shareholder. These factors make it possible to assess that the coercive nature associated with a so-called two-step acquisition is eliminated or mitigated. Furthermore, no other circumstances suggesting coercive pressure associated with a two-step acquisition are particularly apparent.

#### **(7) Appropriate Information Disclosure**

The Special Committee received explanations from PwC Advisory and Momo-o, Matsuo & Namba regarding the content of the draft of the disclosure documents related to the Tender Offer and confirmed their content.

These drafts are planned to provide comprehensive disclosure of information about the Special Committee, such as the independence and qualifications of its members, the scope of authority granted to the Special Committee, the Special Committee's deliberation process and involvement in the negotiation of transaction terms with Carlyle including the Process, the Special Committee's judgment on the merits of the transaction, the contents of this Special Committee report including a summary of the basis and reasons for this Special Committee's judgment regarding the appropriateness of transaction terms and the fairness of procedures, and the remuneration system for its members..

Furthermore, these disclosure documents are planned to provide comprehensive disclosure of information regarding the valuation methodologies and contents of the Share Valuation Report (Nomura Securities) and the Share Valuation Report (PwC) obtained by the Company and the Special Committee (including the contents of the Business Plan (as defined in IV.3.(3) below) used in the valuations).

Such comprehensive disclosure is intended to mitigate information asymmetry

regarding the Transactions and ensure that general shareholders have the opportunity to make appropriate judgments based on sufficient information.

Furthermore, although the “Corporate Code of Conduct for MBOs, etc.” does not apply to the Transactions, to enable general shareholders to judge the fairness of the Transactions based on sufficient information, disclosure will be made in accordance with the “Corporate Code of Conduct for MBOs, etc.” The content of the above drafts is considered to comply with the Financial Instruments and Exchange Act and the Tokyo Stock Exchange’s Timely Disclosure Standards, and also appropriately considers recent best practices.

#### **(8) Management of Conflict of Interest by the Company’s Board of Directors**

Director James B. Rosenwald III, who serves as Chief Investment Officer at Dalton Inc. (which executed the Tender Agreement with the Offeror), has been excluded from deliberations and resolutions by the Company’s Board of Directors related to the Transactions due to the potential for certain conflicts of interest with the Company’s general shareholders. He has also not participated in any discussions or negotiations with the Offeror on behalf of the Company.

#### **(9) Summary**

Based on the above points, after careful deliberation and consideration, the Special Committee has determined that procedures to ensure the fairness and appropriateness of the transaction terms have been sufficiently implemented, and the procedures for the Transactions are fair and appropriate.

### **3. Regarding the Advisory Matter (3)**

#### **(1) Implementation of the Bidding Process**

On July 14, 2025, the Company commenced the first bidding process (“**First Bidding Process**”) and on July 31, it received legally non-binding initial letters of intent from six Potential Partners, including Carlyle.

After considering factors such as the level of understanding of the Company’s business, the support structure following the Transactions, the potential for enhancing the Company’s corporate value based on past support track records, financial considerations, and the proposed desired acquisition price per share of the Company’s share, the Company selected four Potential Partners, including Carlyle (“**Final Candidates**”), as entrants to the final bidding process (“**Final Bidding Process**”) on August 29, 2025.

Subsequently, the Company granted due diligence opportunities to three of the Final Candidates participating in the Final Bidding Process (excluding one that withdrew) from

early September 2025 to late October 2025. On October 27, 2025, the Company received legally binding final letters of intent from two of the Final Candidates (including Carlyle) and a non-binding final letter of intent from one of the Final Candidates.

After reviewing the legally binding final letters of intent received from the two companies and confirming the details of their proposals through face-to-face discussions, considering that the tender offer price proposed by Carlyle for the Transactions was the highest compared to the tender offer prices proposed by the other Final Candidates, and further considering that the post-Transactions management policy and support structure would enhance corporate value of the Company, the Company decided to engage in final negotiations with Carlyle to implement the Transactions.

During the implementation of the Process, the Special Committee received ongoing information from Nomura Securities, the Company's financial advisor, regarding the selection of external partner candidates approached to participate in the First Bidding Process, the results of approaching the selected Potential Partners to participate in the First Bidding Process, etc., and confirmed the reasonableness of these actions. Furthermore, when selecting the Final Candidates permitted to participate in the Final Bidding Process based on the results of the First Bidding Process, and when selecting Carlyle based on the results of the Final Bidding Process, the Special Committee received materials and explanations from the Company and Nomura Securities, respectively in advance, and approved the selections after conducting question-and-answer sessions. Thus, the Special Committee has confirmed the fairness of the Process and has been substantially involved in the process of selecting the Offeror.

The Tender Offer Price is the final proposal submitted by Carlyle through the bidding process, which operates on the principle of competition among multiple external partner candidates under the circumstances described above where the Special Committee is substantially involved in the Process. Furthermore, it is the highest bid price among those submitted by the Final Candidates.

## **(2) Status of Negotiations**

The Company has had substantive discussions and negotiations with Carlyle, who proposed the highest price (6,700 yen) in the Process, regarding the tender offer price several times.

Specifically, on November 21, 2025, the Company, through Nomura Securities, submitted a written request to Carlyle to further increase the tender offer price from the perspective of maximizing the interests of the Company's minority shareholders and obtaining support for the Transactions from a greater number of the Company's shareholders.

Subsequently, on November 25, 2025, the Company received a response from Carlyle stating that the price proposed in the final letter of intent was the maximum amount that could be offered and that there was no room to raise the tender offer price. Based on discussions with the Special Committee, on December 2, 2025, the Company responded to Carlyle that, although the proposal was not at a level that would be detrimental to the interests of the Company's shareholders, the Company believes that there is room for Carlyle to propose a new price that fully reflects the intrinsic value of the Company's Shares, and once again requested to further increase the tender offer price. However, on December 3, 2025, the Company received a response from Carlyle stating that: the price proposed in the final letter of intent represents their best and final offer, leaving no room for further increases and not subject to new offer; there is no room to raise the tender offer price; and they want exclusive negotiation rights at early stage. Based on this response, on December 8, 2025, the Special Committee with its advisors, PwC Advisory and Momo-o, Matsuo & Namba, met with Carlyle and negotiated to confirm whether there is room to further raise the tender offer price. However, on December 9, 2025, Carlyle responded that there is no room to raise the Tender Offer Price.

As described above, in the course of such discussions and negotiations, the Special Committee not only received timely reports from the Company on the process and details of such discussions and negotiations, discussed negotiation policies and other matters, provided specific opinions on the content of the assertions against Carlyle, and was substantially involved in the process of negotiations with Carlyle, including conducting negotiation by itself.

Considering such negotiations, the procedures in the negotiation process for the Transactions, including the Tender Offer, are deemed to be fair, and the Tender Offer Price is deemed to have been determined based on the results of such negotiations.

### **(3) Share Valuation Report**

According to the Share Valuation Report (Nomura Securities) obtained on December 17, 2025, by the Company from Nomura Securities, a financial advisor, which is independent from the Potential Partners (including the Offeror Group), Dalton Group, and the Company, under the average market price method: (1) using July 25, 2025 as the valuation reference date 1 (**"Valuation Reference Date 1"**), which is considered unaffected by the Mergermarket's speculative report regarding the privatization of the Company Shares made after the close of trading on 25 July, 2025 (**"Speculative Report"**), the value per share of the Company's Shares was calculated to be in the range of 3,906 yen to 4,302 yen based on the closing price on the Valuation Reference Date 1 (3,960 yen), the simple average of the closing



prices for the most recent five business days (3,906 yen), the simple average of the closing prices for the most recent one month (3,922 yen), the simple average of the closing prices for the most recent three months (3,931 yen), and the simple average of the closing prices for the most recent six months (4,302 yen) of the Company Shares on the Prime Market of the Tokyo Stock Exchange; and (2) using December 16, 2025, when is the business day immediately preceding the scheduled announcement date of the Tender Offer, as the valuation reference

date 2 (“**Valuation Reference Date 2**”), the value per share of the Company’s share was

calculated to be in the range of 5,051 yen to 6,580 yen based on the closing price on the Valuation Reference Date 2 (6,580 yen), the simple average of the closing prices for the most recent five business days (6,086 yen), the simple average of the closing prices for the most recent one month (5,829 yen), the simple average of the closing prices for the most recent three months (5,506 yen), and the simple average of the closing prices for the most recent six months (5,051 yen) of the Company Shares on the Prime Market of the Tokyo Stock Exchange. Under the comparable company method, the range of the value per share of the Company was calculated to be in the range of 3,904 yen to 5,816 yen using EBITDA multiple, operating profit multiple, net income multiple, and shareholder’s equity multiple after designating DAIKEN MEDICAL CO.,LTD. as a listed company operating a business relatively similar to Company’s business. Under the discounted cash flow method (“**DCF Method**” or “**DCF Approach**”), the range of the value per share of the Company was calculated to be in the range of 5,640 yen to 7,189 yen, after analyzing the enterprise value and share value by discounting the free cash flow that the Company is expected to generate in and after the third quarter of the fiscal year ending March, 2026 to the present value at a certain discount rate, assuming various factors including the revenue forecasts and investment plan in a business plan (“**Business Plan**”) covering reasonably foreseeable period (three year period from the fiscal year ending March 2026 to the fiscal year ending March 2028) based on past performance, current earning status, and business environment surrounding the Company, prepared by the Company and publicly disclosed information. In the analysis of the share value, the former headquarters-related assets are recorded as non-operating assets. In addition, the discount rate (weighted average cost of capital) adopted a range of 5.50% to 6.00%. The terminal value is calculated based on the perpetual growth method and the multiple method, resulting in a range of 97,577 million yen to 131,125 million yen. Under the perpetual growth method, the perpetual growth rate of 0.25% to 1.25% was applied, taking into account, including, the long-term economic outlook surrounding the Company. Under the multiple method, the EBITDA multiple, which is commonly applied in M&A valuation practice, was adopted and adopted a range of 8.0x to 10.0x based on the Company’s historical

levels.

Furthermore, the financial projections assumed by Nomura Securities in the analysis using the DCF Method are as follows:

(Unit: million yen)

	Fiscal Year Ending March 2026 (6 months)	Fiscal Year Ending March 2027	Fiscal Year Ending March 2028
Sales	20,388	46,700	50,500
Operating Profit	1,496	7,512	8,691
EBITDA	4,400	11,749	13,931
Free Cash Flow	-132	3,588	5,846

The assumptions and points to note regarding the preparation of the Share Valuation Report and the valuation analysis underlying it in the Share Valuation Report (Nomura Securities) are as described in (Note) below.

(Note) Nomura Securities has calculated the share value of the Company's Shares based on the assumption that all publicly available information and information provided by the Company are accurate and complete and has not independently verified the accuracy or completeness of such information. Nomura Securities neither has independently evaluated, appraised or assessed, nor has requested that any third-party appraise or assess, any assets or liabilities (including financial derivatives, off-balance sheet assets and liabilities, and other contingent liabilities) of the Company or its affiliated companies (including analyzing and evaluating their individual assets and liabilities). The Company's business plan is assumed that it has been reasonably considered or prepared based on the best and most honest forecasts and judgments available to the Company's management at the time of valuation. Nomura Securities' calculation reflects the information and economic condition obtained by Nomura Securities by December 16, 2025. The calculation made by Nomura Securities is solely intended to serve as a reference for the Company's Board of Directors in examining the value of the Company's Shares.

According to the Share Valuation Report (PwC) obtained by the Special Committee from PwC Advisory, a financial advisor of the Special Committee, which is independent from the Potential Partners (including the Offeror Group), Dalton Group, and the Company, the value per share of the Company's Shares under the average market price method: (1) using

July 25, 2025 as the Valuation Reference Date 1, which is considered unaffected by the Speculative Report, was calculated to be in the range of 3,922 yen to 4,302 yen based on the closing price on the Valuation Reference Date 1 (3,960 yen), the simple average of the closing prices for the most recent one month (3,922 yen), the simple average of the closing prices for the most recent three months (3,931 yen), and the simple average of the closing prices for the most recent six months (4,302 yen) of the Company's Shares on the Prime Market of the Tokyo Stock Exchange; (2) using December 16, 2025, when is the business day immediately preceding the scheduled announcement date of the Tender Offer, as the Valuation Reference Date 2, was calculated to be in the range of 5,051 yen to 6,580 yen based on the closing price on the Valuation Reference Date 2 (6,580 yen), the simple average of the closing prices for the most recent one month (5,829 yen), the simple average of the closing prices for the most recent three months (5,506 yen), and the simple average of the closing prices for the most recent six months (5,051 yen) of the Company's Shares on the Prime Market of the Tokyo Stock Exchange. Under the comparable company approach, the range of value per share of the Company's share was calculated to be 4,289 yen to 5,773 yen using EBITDA multiple for the enterprise value after designating Sysmex Corporation, ASAHI INTECC CO., LTD., NIHON KOHDEN CORPORATION, NIPRO CORPORATION, MANI, INC., PHC Holdings Corporation, Nagaileben Co., Ltd., DAIKEN MEDICAL CO., LTD. and JMS Co., Ltd. as listed companies operating a business relatively similar to Company's business. Under the DCF Approach, the range of value per share of the Company's share was calculated to be 5,187 yen to 6,838 yen, after analyzing the enterprise value and share value by discounting the free cash flow that the Company is expected to generate in and after the third quarter of the fiscal year ending March, 2026 at a certain discount rate, assuming various factors including the revenue forecasts and investment plan in the Business Plan prepared by the Company and publicly available information. In addition, the discount rate (weighted average cost of capital) adopted a range of 6.4% to 7.4%, and in calculating the discount rate, size risk premiums are taken into account after considering factors such as the Company's scale. Also, the terminal value is calculated based on the perpetual growth method, resulting in a range of 96,215 million yen to 134,604 million yen, and under the perpetual growth method, the perpetual growth rate of 0.75% to 1.75% was applied, taking into account comprehensive consideration of, including, external factors. Moreover, as non-operating assets, the former headquarters-related assets is added to the enterprise value.

Furthermore, the financial projections assumed by PwC Advisory in the analysis using the DCF Approach are as follows:

(Unit: million yen)

	Fiscal Year Ending March 2026 (6 months)	Fiscal Year Ending March 2027	Fiscal Year Ending March 2028
Sales	20,387	46,700	50,500
Operating Profit	1,496	7,512	8,691
EBITDA	4,400	11,698	13,880
Free Cash Flow	1,001	3,305	5,279

The assumptions and points to note regarding the preparation of the Share Valuation Report and the valuation analysis underlying it in the Share Valuation Report (PwC) are as described in (Note) below.

(Note) PwC Advisory has calculated the share value of the Company's Shares based on the assumption that: in principle, information, including, provided by the Company, gathered through interview, available in public are adopted as they are; adopted material and information are accurate and complete; and there are no undisclosed facts to PwC Advisory that could have a material impact on the valuation of the Company's share, and PwC has not independently verified the accuracy or completeness of such information. In addition, information regarding our business plans is assumed that it has been reasonably prepared based on the best forecasts and judgments currently available to the Company's management. Furthermore, PwC has neither independently evaluated, appraised or assessed, nor has it requested third-party to evaluate, appraise or assess, any assets or liabilities (including financial derivatives, off-balance sheet assets and liabilities, and other contingent liabilities). The valuation of the Company's share by PwC advisory reflects the above information as of December 16, 2025.

The Special Committee, after receiving detailed explanations from Nomura Securities and PwC Advisory regarding, including, the valuation methods used for the share valuation, the reasons for adopting such valuation methods, the details of the valuation based on each valuation method (including rationale for setting the parameters used in the valuation and the specific figure), and the important assumptions, and conducting a Q&A session with Nomura Securities, PwC Advisory, and the Company regarding the details of the figure or assumptions underlying the valuation, the appropriateness of the valuation methodology, and other matters, reviewed the share valuations and found no unreasonable points in light of general valuation practices. In addition, as described in (4) below, there is nothing unreasonable in the Business Plan used as a premise for the calculation of the DCF Method by Nomura Securities and the DCF Approach by PwC Advisory in terms of its preparation method, preparation

process, and content.

The Tender Offer Price exceeds the upper limit of the valuation results based on the average market price method and the comparable company method in the Share Valuation Report (Nomura Securities), and exceeds the median value of the valuation range based on the DCF Method.

Furthermore, the Tender Offer Price exceeds the upper limit of the valuation results based on the average market price approach and the comparable company approach in the Share Valuation Report (PwC), and is close to the upper limit of the valuation range based on the DCF Approach.

#### **(4) Business Plan**

The Business Plan used as the basis for the DCF Method by Nomura Securities and the DCF Approach by PwC Advisory was prepared by the Company, with reasonable assumptions established for each item, for the purpose of considering the Transactions. As for the fiscal year ending March 2026, it is based on the business plan which is prepared basically on the basis of the Medium-Term Management Plan, reflecting the downward revision of the consolidated financial results for the second quarter (interim period) and the full fiscal year (“**Downward Revision**”) announced by the “Notice Regarding Revision of Interim and Full-Year Earnings Forecasts for the Fiscal Year Ending March 31, 2026” dated October 15, 2025. As for the fiscal year ending March 2027, it is based on the business plan under the Medium-Term Management Plan. As for the fiscal year ending March 2028, it is based on the business plan which is prepared by the Company, taking into account the business plan set forth in the Medium-Term Management Plan as well as the next medium-term management plan toward the fiscal year ending March 2030 disclosed therein.

Moreover, in the course of its preparation, there were no indications that the Potential Partners were involved or that any undue pressure was exerted, nor were there any unreasonable aspects regarding the manner or process of its preparation (including the fact that no persons with an interest in the Transactions were involved in preparing the business plan). In addition, the Special Committee was given opportunities to receive explanations from the Company regarding the contents of the business plan and conducted question-and-answer sessions. In these sessions, no circumstances were identified that would require revisions to the business plan, nor were any other unreasonable points found.

In addition, as stated above, as for the fiscal year ending March 2026, the business plan is prepared reflecting the Downward Revisions. However, the Special Committee confirmed that the Downward Revisions were made based on the business performance as of the end of the second quarter of the fiscal year ending March 2026 and were made independently of the

Transactions, and the Special Committee considers that it is acceptable to incorporate the Downward Revisions as the basis for the Business Plan.

#### **(5) Review of Premium**

The Tender Offer Price represents a premium of 69.19% (rounded to the nearest third decimal place; the same shall apply hereinafter regarding premium rates) over the closing price of 3,960 yen of the Company Shares on the Tokyo Stock Exchange Prime Market as of July 25, 2025, which is considered unaffected by the Speculative Report. It also represents a premium of 70.83% over the simple average closing price of 3,922 yen (rounded to the nearest whole number; the same shall apply hereinafter regarding simple average closing prices) for the past one-month period up to the same date, 70.44% over the simple average closing price of 3,931 yen for the past three-month period, and 55.74% over the simple average closing price of 4,302 yen for the past six-month period. Furthermore, the Tender Offer Price represents a premium of 1.82% over the closing price of 6,580 yen of the Company Shares on the Tokyo Stock Exchange Prime Market as of the business day immediately preceding the scheduled announcement date of the Tender Offer (December 16, 2025), 14.94% over the simple average closing price of 5,829 yen for the past one-month period up to the same date, 21.69% over the simple average closing price of 5,506 yen for the past three-month period, and 32.65% over the simple average closing price of 5,051 yen for the past six-month period.

In this regard, the Company's share price recorded a significant increase of 17.68%, rising from the closing price of 3,960 yen on July 25, 2025—the date on which the Speculative Report was published—to 4,660 yen at the close of the next trading day, July 28, 2025, marking the highest rate of increase since the Company's listing (furthermore, the closing price on December 15, 2025, the date of another speculative report by the Nikkei regarding the potential privatization of the Company's shares, surged significantly by 17.39% from the previous trading day's closing price of 5,750 yen on December 12, 2025, reaching 6,750 yen. This increase brought the share price to a level that exceeded the Company's all-time high on a closing price basis (adjusted retrospectively for continuity in price trends by accounting for share splits and other capital changes).). Given the above, it is reasonable to view that the share price after the Speculative Reports was materially affected by expectations and not necessarily regarded as appropriately formulated. Therefore, when referring to the market share value in order to evaluate the intrinsic value of the Company's Share, it is reasonable to use the share price prior to the Speculative Reports as the basis.

Based on above, in light of past comparable cases explained by Nomura Securities (59 cases among tender offers for shares of domestic listed companies announced on or after

January 1, 2021 and for which the commencement of settlement occurred on or before December 16, 2025 that are similar in nature to the Transactions (i.e., cases without an upper limit on the number of shares to be purchased, aimed at making the target a wholly-owned subsidiary, where the acquirer's voting rights ratio including those of its specially related parties, was less than 15% as of the business day prior to the announcement, and the target expressed its opinion in favor of, and recommended tendering into, the tender offer; excluding cases that constitute an MBO, first-step tender offers in a two-step tender offer, and discount TOBs in which the premiums based on the closing price on the business day prior to announcement, the one-month, three-month, and six-month average closing prices were all negative)), the Tender Offer Price represents a premium level not inferior when compared to the median premium levels of such past comparable cases over the closing price on the business day prior to the announcement, as well as the simple average closing prices over the past one, three and six months (47.92%, 52.50%, 54.55% and 56.03%, respectively). Therefore, the Tender Offer Price is deemed to be at a reasonable level.

In addition, even in light of past comparable cases explained by PwC Advisory (53 cases among tender offers for shares of domestic listed companies announced on or after June 28, 2019, the date on which the Ministry of Economy, Trade and Industry's "Guidelines for Fair M&A" were published and the commencement date of settlement had occurred by December 16, 2025, and that are similar in nature to the Transactions (i.e., cases without an upper limit on the number of shares to be purchased, aimed at making the target company a wholly owned subsidiary or privatizing it, where the acquirer's voting rights ratio including those of its specially related parties was 0% as of the business day prior to the announcement; excluding discounted TOBs in which the premiums based on the closing price on the business day prior to announcement, the one-month, three-month, and six-month average closing prices were all negative), the Tender Offer Price represents a premium level not inferior when compared to the median premium levels of such past comparable cases over the closing price on the business day prior to the announcement, as well as the simple average closing prices over the past one, three and six months (47.14%, 52.45%, 48.11% and 53.62%, respectively). Therefore, the Tender Offer Price is deemed to be at a reasonable level.

## **(6) Appropriateness of the Scheme**

The squeeze-out procedures contemplated in the Transactions (the demand for cash-out or share consolidation) are methods generally adopted in privatization transactions such as the Transactions, and are recognized as appropriate for the Transactions.

In addition, if the Tender Offer is completed, shareholders who do not tender their shares in the Tender Offer are expected to ultimately receive cash consideration, and the

amount to be paid to each such shareholder is expected to be calculated so that it is equal to the Tender Offer Price multiplied by the number of Company Shares held by such shareholder.

No unreasonable points are found in the method of implementing the Transactions, and the implementation method is considered appropriate.

#### **(7) Other (Relationship with PBR)**

Given that the PBR level is close to two times, which is well above the level of one-times level for which improvement has been requested by the Tokyo Stock Exchange, the Tender Offer Price is recognized as being at a reasonable level.

#### **(8) Summary**

Based on the above considerations, and following careful discussions and examination within the Special Committee, the Special Committee has concluded that the Transactions is recognized as fair and reasonable.

### **4. Regarding the Advisory Matter (4)**

In light of the examination described in Sections 1 through 3 above and Section 5 below, it is considered appropriate for the Company's Board of Directors 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.

### **5. Regarding the Advisory Matter (5)**

As described in Sections 1 through 3 above, given that the purpose of the Transactions is considered reasonable, the procedures related to the Transactions are considered fair and appropriate, and the terms of the Transactions are considered fair and appropriate, it is considered fair to the Company's minority shareholders (general shareholders) for the Company's Board of Directors to make a decision on the implementation of the Transactions.

## **V. Reservation Matters**

The review and conclusions contained in this Special Committee Report are based on the following assumptions:

- (i) That the procedures related to the Transactions will be conducted by each of the Company and the Offeror in compliance with the Companies Act, the Financial Instruments and Exchange Act, the Tokyo Stock Exchange's Securities Listing



Regulations, and other applicable laws and regulations.

- (ii) That the information described in the various materials submitted to the Special Committee and the information obtained through hearings and other processes are true and accurate, and remain unchanged as of the date of this Special Committee Report.
- (iii) That no facts or circumstances exist, other than the information described in the materials submitted to the Special Committee and the information obtained through hearings and other processes, that would affect the assumptions underlying the Special Committee's review or influence the review process.

Moreover, the review and conclusions contained in this Special Committee Report have been made under the following limitations:

- (i) The conclusions of the Special Committee are based on the materials submitted to the Special Committee and the information obtained through hearings, on the assumption of the foregoing matters. The Special Committee has not independently verified the truthfulness, accuracy, or completeness of such materials or information.
- (ii) The conclusions in this Special Committee Report reflect the judgment of the Special Committee as of the date of this Special Committee Report. The possibility that material changes may occur in the conditions of the Transactions or in the Company's circumstances before the commencement of the Tender Offer, or that a competing proposal may emerge, cannot be ruled out, and such circumstances may require separate consideration.

[End]



December 17, 2025

Company name: Hoky Medical Co., Ltd.  
President: Hideki Kawakubo, President and CEO  
Securities code: 3593 (Tokyo Stock Exchange, Prime Market)  
Inquiries: Taisuke Fujita, Executive Vice President and CFO  
(Tel: +81-3-6229-1300)

**Notice Regarding Commencement of Tender Offer for the Common Stock of Hoky Medical Co., Ltd.  
(Securities Code: 3593) by TCG2509 Co., Ltd.**

Hoky Medical Co., Ltd. (the “Company”) hereby announces that TCG2509 Co., Ltd. has decided today to acquire common stocks of Hoky Medical Co., Ltd. through a tender offer as detailed in the attached document.

This disclosure is being made pursuant to Article 30, Paragraph 1, Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act, based on a request from TCG2509 Co., Ltd. (the tender offeror) to Hoky Medical Co., Ltd. (the company subject to the tender offer).

(Attachment)

“Notice Regarding Commencement of Tender Offer for the Common Stock of Hoky Medical Co., Ltd. (Securities Code: 3593)” dated December 17, 2025

December 17, 2025

To whom it may concern

Company name: TCG2509 Co., Ltd.  
Representative: Genta Saito, Representative Director

**Notice Regarding Commencement of Tender Offer for Common Stock  
of Hoky Medical Co., Ltd. (Securities Code: 3593)**

TCG2509 Co., Ltd. (the “Offeror”) hereby announces on December 17, 2025 that it has decided to acquire common stock (the “Target Shares”) of Hoky Medical Co., Ltd. (Tokyo Stock Exchange (the “TSE”) Prime Market, Securities Code: 3593, the “Target”) through a tender offer (the “Tender Offer”) pursuant to the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended) (the “Act”).

**I. DETAILS OF THE TENDER OFFER**

**A. Name of the Target**

Hoky Medical Co., Ltd.

**B. Class of Share Certificates Etc. to be Purchased**

Common Stock

**C. Tender Offer Period**

From December 18, 2025 (Thursday) to February 5, 2026 (Thursday) (30 business days)

**D. Tender Offer Price**

6,700 yen per share of common stock

**E. Number of Share Certificates Etc. to be Purchased**

Types of Share Certificates Etc.	Number of Share Certificates Etc. to be Purchased	Minimum Number of Share Certificates Etc. to be Purchased	Maximum Number of Share Certificates Etc. to be Purchased
Common stock	21,548,876 (shares)	14,362,400 (shares)	- (shares)

**F. Settlement Start Date**

February 13, 2026 (Friday)

## **G. Tender Offer Agent**

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

## **II. OUTLINE OF THE TENDER OFFER**

The Offeror is a corporation established on November 13, 2025, for the purpose of acquiring the Target Shares through the Tender Offer. As of the date of submission of this document, the Offeror is wholly owned by TCG2508 Co., Ltd. (the “Offeror Parent Company”), which is established under Japanese law. Furthermore, as of the date of submission of this document, the Offeror Parent Company is wholly owned by TCG2507 Co., Ltd. (the “Offeror Grandparent Company”), which is also established under Japanese law. In addition, as of the submission date of this document, the Offeror Grandparent Company is wholly owned by CJP V HC Holding VII, L.P, a limited partnership formed on December 17, 2024 under the laws of the Cayman Islands (the “Carlyle Fund”), all of whose interests are held and managed by the Carlyle Group (including its affiliate companies and other related entities, “Carlyle”). As of the submission date of this document, Carlyle, the Carlyle Fund, the Offeror Grandparent Company, and the Offeror Parent Company do not own any Target Shares.

Carlyle is a global investment company with approximately 2,500 employees across 27 locations on four continents and manages approximately \$474.1 billion in assets across 660 funds in three business segments (Note 1) (as of the end of September 2025).

(Note 1) Specifically, the three business segments of: (1) Global Private Equity (total assets under management: approximately \$163.5 billion), which engages in investment activities such as buyout investments, including the privatization of listed companies, growth capital (the provision of growth capital to emerging companies), and strategic minority investments, as well as real asset investments such as real estate and energy; (2) Global Credit (total assets under management: approximately \$208.5 billion), which invests primarily in credit, such as collateralized loan obligations and mezzanine financing; and (3) Carlyle AlpInvest (total assets under management: approximately \$102.1 billion), which invests in private equity funds (as of the end of September 2025).

Carlyle’s corporate private equity investments, which are performed in corporate investment activities at the Global Private Equity segment, have a cumulative record of over 800 investments in total since establishment in 1987. Furthermore, since the beginning of its operations in Japan in 2000, Carlyle has also made a total of approximately 40 investments through its buyout fund, which primarily invests in Japanese companies, including Tsubaki Nakashima Co., Ltd., Nihon Iryojimu Center Corp. (currently Solasto Corporation), Simplex Inc., ARUHI Corporation, Hitachi Metals Techno Ltd. (currently SENQCIA Corporation), WingArc1st Inc., Orion Breweries, Ltd., Rigaku Corporation, AOI TYO Holdings, Inc. (currently KANAMEL Inc.), TOTOKU ELECTRIC CO., LTD. (currently TOTOKU INC.), Uzabase, inc., IWASAKI ELECTRIC CO., LTD., SEIKO PMC CORPORATION

(currently CHEMIPAZ CORPORATION), KFC Holding Japan limited, Kyoden Co., Ltd., kaonavi, inc., and TRYT Inc., among others.

The Offeror, with the objective of making the Target its wholly owned subsidiary, decided today to start the Tender Offer from December 18, 2025, as part of a series of transactions (the “Transactions”) to acquire all Target Shares listed on the Prime Market of Tokyo Stock Exchange (excluding the treasury shares held by the Target and restricted shares held by the Target’s directors (the “Restricted Shares”), which amounts to 10,896 shares in total, representing 0.05% Ownership Ratio (Note2))

(Note 2) “Ownership Ratio” refers to the ratio of number of shares held by a shareholder (rounded to the nearest hundredth) relative to the total number of shares issued by the Target (21,559,772 shares) (the “Adjusted Total Number of Issued Shares of the Target”), calculated by subtracting the number of treasury shares held by the Target as of September 30, 2025 (975,691 shares), as stated in the Target’s Second Quarter Financial Results for Fiscal Year 2026 (J-GAAP, consolidated) issued on October 27, 2025 (the “Target’s 2Q Financial Results”) from the total number of shares issued by the Target (22,535,463 shares) as stated in the Target’s 2Q Financial Results. The Ownership Ratio is rounded to the nearest third decimal place. This definition applies consistently throughout the document when referring to Ownership Ratio.

In connection with this Tender Offer, the Offeror, upon request from the Target, and with a view to enhancing the feasibility of the Transaction, entered into a tender offer agreement (the “Tender Offer Agreement”) dated December 17, 2025 with NIPPON ACTIVE VALUE FUND PLC (“NAVF”) (holding 1,933,200 shares, ownership ratio:8.97%), NAVF Select LLC (“NAVF LLC”) (holding 592,900 shares, ownership ratio:2.75%), and Dalton Investments, Inc. (“Dalton Inc.”; holding 3,419,300 shares; ownership ratio:15.86%; NAVF, NAVF LLC, Dalton Inc., and their respective affiliates are collectively referred to as the “Dalton Group”). The Tender Offer Agreement stipulates that: (1) Dalton Group will tender all of its 5,945,400 Target shares (ownership ratio: 27.58%) to the Tender Offer, and (2) following completion of the Squeeze-Out Procedures (as defined below; hereinafter the same), Dalton Group will indirectly acquire up to 20% of the economic interests in the Carlyle Fund by acquiring the limited partnership interests in a limited partnership Carlyle plans to form under the laws of the Cayman Islands (the “LP Interest Acquisition”; the specific percentage of LP interests to be acquired by each Dalton Group company remains undetermined) (Note 3).

For more details regarding the LP Interest Acquisition, please refer to “I. Terms and Conditions of the Tender Offer,” “C. Purpose of the Purchase etc.,” “3. Important Agreements Concerning the Tender Offer” in the Tender Offer Registration Statement.

(Note 3) The valuation of the Target Shares, which serves as the basis for determining the payment amount for the limited partner interest in this LP Interest Acquisition, is planned to be set at 6,700 yen (provided, however, that a technical adjustment is planned based on the consolidation ratio of the Target Shares in the reverse share split to be implemented as part of the Squeeze-Out Procedure),

identical to the Tender Offer Price, to ensure compliance with the uniformity regulation for tender offer prices (Article 27-2, Paragraph 3 of the Act). No issuance at a valuation lower than this amount, i.e., no issuance at a price lower than the Tender Offer Price, is planned. Furthermore, the reason Carlyle is acquiring the LP interests from Dalton Group is that, upon receiving a request from the Target, and upon discussions with Dalton Group regarding the terms of the tender for the Tender Offer for the Target Shares held by Dalton Group, including the LP Interest Acquisition, Carlyle recognized that Dalton Group has held the Target Shares over the medium to long term and possesses certain insights regarding the Target's business and measures to enhance corporate value. Carlyle also considered that it could benefit from sharing such insights with Dalton Group. Thus, the acquisition of the LP interests by Dalton Group was considered independently of Dalton Group's decision to tender or not to tender its shares in the Tender Offer. Therefore, we believe this does not violate the purpose of the uniformity rules for tender offer prices provided in Article 27-2, Paragraph 3 of the Act.

Since the Offeror ultimately aims to make the Target a wholly-owned subsidiary of the Offeror, if the Offeror cannot acquire all of the Target's shares (excluding treasury shares held by the Target and shares subject to transfer restrictions) in this tender offer, the Offeror plans to carry out a series of procedures (hereinafter referred to as the "Squeeze-Out Procedures") after the tender offer closes to make the Offeror the sole shareholder of the Target. Please refer to "I. Terms and Conditions of the Tender Offer," "C. Purpose of Purchase etc.," "5. Policy on Organizational Restructuring, etc. after the Tender Offer (Matters Related to the So-called Two-Step Acquisition)" in the Tender Offer Registration Statement for details. In this Tender Offer, the Offeror intends to make the Target a wholly-owned subsidiary. Therefore, the minimum number of shares to be purchased (Note 4) is set at 14,362,400 shares (Ownership Ratio: 66.62%) for the minimum number of shares to be purchased. If the total number of Share Certificates, Etc. tendered in response to the Tender Offer (the "Tendered Share Certificates, Etc.") does not reach this minimum number, the Offeror will not purchase any of the Tendered Share Certificates, Etc. On the other hand, in the Tender Offer, the Offeror has not set an upper limit on the number of shares to be purchased. Therefore, if the total number of Tendered Share Certificates, Etc. reaches or exceeds the minimum number of shares to be purchased (14,362,400 shares), the Offeror will purchase all the Tendered Share Certificates, Etc..

(Note 4) The minimum number of shares to be purchased in this Tender Offer is set at 14,362,400 shares, representing ownership ratio of 66.62% in the Target. This figure was calculated by first multiplying two-thirds of the total number of voting rights (215,597 voting rights) associated with the adjusted total number of issued Target Shares (21,559,772 shares), which amounts to 143,732 voting rights, rounded up. From this, the number of voting rights (108 voting rights) associated with the restricted shares (10,896 shares) were subtracted, which would result in 143,624 voting rights. The result is then multiplied by the Target's unit share number of 100 to determine the number of shares. The minimum number of shares to be purchased (14,362,400 shares) is set to ensure that the Offeror can make the Target a wholly-owned subsidiary through these Transactions. When carrying out the Reverse Share Split process described in "I. Terms and Conditions of the

Tender Offer,” “C. Purpose of Purchase etc.,” “5. Policy on Organizational Restructuring, etc. After the Tender Offer (Matters Related to the So-called Two-Step Acquisition),” “b. Reverse Share Split”, a special resolution at a shareholders' meeting as stipulated in Article 309, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended; hereinafter the same). Due to the transfer restrictions imposed on the Restricted Shares, their holders are not eligible to tender their shares in the Tender Offer. However, the Target resolved at its board of directors meeting held on December 17, 2025 to express its opinion supporting the Tender Offer, based on the assumption of delisting. Of the six directors of Target, five directors, excluding Mr. James B. Rosenwald III, participated in the deliberation and resolution, and all directors who participated in the resolution exercised their voting rights in favor of the resolution. James B. Rosenwald III, who serves as Chief Investment Officer at Dalton Investments, Inc., which has entered into the Tender Agreement with the Offeror, did not participate in any deliberations or resolutions regarding the transaction, including the aforementioned board meeting, from the perspective of preventing conflicts of interest. He also did not participate in any discussions or negotiations with the Offeror on behalf of the Target. Additionally, James B. Rosenwald III does not hold any of the Restricted Shares. Consequently, we anticipate that directors of the Target holding these Restricted Shares will consent to the Squeeze-Out Procedure if this Tender Offer is successful. Consequently, when considering the minimum number of shares to be purchased, we have deducted the number of these Restricted Shares.

### **III. PURPOSE OF THE TENDER OFFER**

Carlyle has positioned healthcare as one of its most important global investment sectors, possessing extensive investment experience in this field, including domestic investments in Qualicaps Co., Ltd. and Solasto Corporation, while continuously researching and evaluating investment opportunities.

During this research and evaluation, Carlyle recognized that the surgical kit products offered by the Target significantly contribute to improving surgical productivity and efficiency, which is considered one of the most critical challenges in hospital management. Carlyle particularly valued how the Premium Kit (Note 5) and OperaMaster (Note 6) reduce the workload for doctors and nurses in medical sites while enhancing hospital profitability. Through interviews with multiple healthcare professionals, we have confirmed the high reliability and market leadership of the Target's products.

(Note 5) The Premium Kit is a surgical kit product sold by Target, which is a comprehensive set of medical supplies required before, during, and after surgery. By adopting transparent, highly flexible plastic containers as the packaging format, this product enables significantly enhanced contents compared to conventional kit products, supporting the standardization and efficiency of surgical preparation.

(Note 6) OperaMaster is an operational support system provided by Target, designed to streamline operating room management and support hospital operational improvements. It visualizes

operating rooms through standardization of surgical supplies and cost management, identifies and analyzes issues, and continuously proposes improvements. It contributes to enhancing the profitability and operational efficiency of medical institutions.

Following initial contact with the Target, Carlyle has continuously engaged in discussions with its management team since March 4, 2025. These discussions have deepened our understanding of the Target's business operations, management policies, and growth strategies, while also fostering a relationship of mutual trust. During these discussions, Carlyle learned that the Target aims to evolve “from a surgical kit manufacturer into a solution provider (Note 7) that addresses a broader range of challenges faced by medical institutions.” Carlyle strongly resonated with this direction and, on April 21, 2025, Carlyle made an initial proposal without economic terms to the Target regarding going private.

(Note 7) A “solution provider” refers to an entity that leverages the customer relationships built by the Target to date, develops a multi-vendor business model that combines multiple products and services—including those from other companies, not limited to its own—to deliver value, and provides optimal solutions from a wide range of options to meet customer needs regarding hospital management and operating room operations.

Subsequently, around July 2025, Carlyle was approached by Nomura Securities Co., Ltd. (hereinafter “Nomura Securities”), the Target's financial advisor, regarding participation in the bidding process for the delisting of the Target's shares (hereinafter “the First Bidding Process”), and began a full-scale review.

Following the initial due diligence regarding the business, Carlyle recognized that the Target has also faced challenges in recent years, including slowing sales growth and declining profit margins. To address these challenges, it is necessary to enhance corporate value through measures such as increasing customer coverage by acquiring new customers, improving profitability by expanding the product lineup, and achieving sales growth in overseas markets.

Carlyle determined that going private would be effective in enabling the steady execution of these measures from a medium- to long-term perspective, freeing the company to a certain extent from short-term stock price valuations and market pressures. This led to the consideration of implementing this tender offer in late July 2025. Carlyle believes that going private will enable the establishment of a management structure allowing for agile and flexible decision-making, thereby maximizing the Target's inherent growth potential.

Based on this consideration, Carlyle reaffirmed that the Target's business is a meaningful investment opportunity worthy of committing resources to pursue. Consequently, on July 31, 2025, Carlyle submitted a non-binding primary proposal to Nomura Securities, premised on taking the Target private.

On August 29, 2025, Carlyle received a notice regarding the implementation of the final bidding process (the “Final Bidding Process”) for submitting a legally binding proposal concerning the delisting of the Target Shares through Nomura Securities, as one of several potential outside partners. Upon receiving this inquiry, Carlyle decided to participate in the Final Bidding Process to submit a legally binding proposal.



Subsequently, from early September to late October 2025, Carlyle conducted due diligence on the Target's business, financial, and legal matters, held meetings with the Target's management, and proceeded with analysis and consideration regarding the acquisition of the Target's shares. During the due diligence process, a survey targeting physicians regarding usage status, penetration rate, evaluation points, and factors considered when selecting manufacturers for surgical kits was conducted, confirming that the Premium Kit receives high customer ratings, particularly in disease areas where surgeries requiring general anesthesia, such as cardiac surgery and neurosurgery, are prevalent. At the same time, challenges were reaffirmed, including a slowdown in sales growth rate due to a sales focus overly concentrated on retaining existing customers rather than acquiring new ones, and a decline in profit margins due to factors such as increased depreciation expenses resulting from foreign exchange impacts and enhanced capital investment for new factory operations. Carlyle intends to evolve the Target into a "true solution provider meeting the needs of medical institutions" by integrating Carlyle's global network with management talent and its management expertise with the knowledge of the Target's management team, which has driven its growth.

Based on the results of this review, Carlyle submitted a legally binding proposal (hereinafter the "Final Proposal"). Subsequently, after extensive discussions with the Target, Carlyle decided to conduct this Tender Offer through the Offeror with the objective of taking the Target Shares private and.

Following the submission of Carlyle's Final Proposal, the Offeror, upon request from the Target on November 10, 2025, and with a view to enhance the feasibility of the Transaction, commenced discussions with the Dalton Group on November 12 regarding their tender of the Target shares owned by the Dalton Group to the Tender Offer, and the terms of such tender, including the LP Interest Acquisition. Subsequently, taking into account the Target's intentions, the Offeror reached an agreement with the Dalton Group on December 17, 2025, regarding the Dalton Group's tender of all Target Shares it holds in response to this Tender Offer and the terms of the Tender Agreement, including the LP Interest Acquisition. Considering the above background and the terms of this Tender Agreement, the Offeror believes that the continuation of indirect investment by the Dalton Group after the Transaction pursuant to this Tender Agreement will not affect the Target's management policy after the Tender Offer as described in "I. Terms and Conditions of the Tender Offer", "C. Purpose of Purchase etc.," "2. Background Purposes and Decision-making Process Leading to the Implementation of the Tender Offer, and Management Policy after the Tender Offer," "c. Management Policy after the Tender Offer" in the Tender Offer Registration Statement. For details regarding this Tender Agreement, please refer to "I. Terms and Conditions of the Tender Offer," "C. Purpose of the Purchase etc.," "3. Important Agreements Concerning the Tender Offer," "a. Tender Agreement" in the Tender Offer Registration Statement.

For specific details regarding the Tender Offer, please refer to the Tender Offer Registration Statement.

End

[Restrictions on Solicitation]

This press release is a press release to announce the Tender Offer to the public and has not been prepared for the purpose of soliciting sales. When offering to sell, please make sure to read the Tender Offer Explanatory Statement regarding the Tender Offer and offer at your own discretion. This press release does not constitute or form part of any offer or solicitation to sell, or any solicitation of offers to purchase any securities, nor shall this press release (or any part thereof) or the fact of its distribution form the basis of any agreement relating to the Tender Offer, nor may it be relied upon in entering into any such agreement.

[Forward-Looking Statements]

This press release may contain expressions related to future outlooks, such as “expect,” “anticipate,” “intend,” “plan,” “believe,” and “assume,” concerning the future business on the part of the Offeror and other companies. These expressions are based on the Offeror’s current business forecast and may change due to future circumstances. The Offeror is not obligated to update these forward-looking statements to reflect actual performance or changes in various circumstances or conditions, and so forth.

[U.S. Regulations]

The Tender Offer will be conducted in accordance with the procedures and information disclosure standards prescribed by Japanese law, while these may differ from the procedures and information disclosure standards in the United States. In particular, the provisions of Article 13 (e) or Article 14 (d) of the U.S. Securities Exchange Act of 1934 (as amended; hereinafter the same) and the related rules stipulated thereunder do not apply to the Tender Offer, and the Tender Offer is not carried out in compliance with these procedures and standards. The financial information included in this press release and its reference documents are based on accounting principles in Japan, and therefore, is not in accordance with the U.S. accounting standards and may not be equivalent to, or comparable with, financial information prepared in accordance with the U.S. accounting standards. In addition, since the Offeror is a corporation incorporated outside the U.S. and all or some of its officers are not U.S. residents, it may be difficult to exercise rights or demands which would be claimed under the U.S. securities laws. It may not be able to bring legal proceedings against a non-U.S. entity or its officers in a court outside of the U.S. for violation of U.S. securities related laws. Furthermore, U.S. courts may not necessarily have jurisdiction over non-U.S. entities and their subsidiaries and affiliates.

Unless otherwise specified, all procedures relating to the Tender Offer are to be conducted entirely in Japanese. All or any part of the document related to the Tender Offer is prepared in the English language and if there is any inconsistency between the English-language documentation and the Japanese-language documentation, the Japanese-language documentation shall prevail.

This press release and its reference documents include “forward-looking statements” as defined in Section 27A of the U.S. Securities Act of 1933 (Securities Act of 1933; as amended) and Section 21E of the Securities Exchange Act (Securities Exchange Act of 1934). The results may significantly differ from those explicitly or implicitly indicated as “forward-looking statements” due to known or unknown risks, or uncertainties, or other causes. Neither the Offeror nor any of its affiliates can provide assurance that such results explicitly or implicitly indicated as “forward-looking statements” will be realized. The “forward-looking statements” in this press release and its reference documents were prepared based on the information held by the Offeror as of today, and unless required by laws and regulations or financial instruments exchange rules, the Offeror, the Target and its affiliates are not obliged to change and/or modify such statements in order to reflect any event or condition in the future.

The Offeror and its affiliates, and the financial advisors of the Offeror, EQT, and the Target; and the tender offer agent (including their affiliates), may, within the ordinary course of their business and to the extent permitted under Japanese financial instruments and exchange regulations and other applicable laws, and in compliance with the requirements of Rule 14e-5(b) under the U.S. Securities Exchange Act of 1934, purchase or take actions to purchase Target Shares for their own account or for the account of their clients, either before the commencement of the Tender Offer or during the Tender Offer Period, outside of the

Tender Offer. Such purchases may be conducted at market prices through market transactions or at prices determined through negotiations outside the market. If information regarding such purchases is disclosed in Japan, it will also be disclosed on the English-language website of the entity that conducted the purchase or its affiliates.

[Other Countries]

Certain countries or regions may impose legal restrictions on the announcement, publication, or distribution of this press release. In such cases, please be aware of and comply with those restrictions. This shall not constitute a solicitation of an offer to purchase or an offer to sell shares in connection with the Tender Offer, and shall be deemed to be merely the distribution of materials for information.