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November 20, 2026

To Whom It May Concern:

Company Name: Wacom Co., Ltd.
Representative: Nobutaka Ide, President and Representative Director (CEO)
(Securities Code: 6727, Prime Market of the Tokyo Stock Exchange)
Contact: Amane Kojima, Director and CFO
Tel: +81-3-5337-6502

Company Name: MP-2611 Co., Ltd
Representative: Tetsuya Kaneko, Representative Director

Notice Regarding the Planned Commencement of a Tender Offer by MP-2611 Co., Ltd for Shares of Wacom Co., Ltd. (Securities Code: 6727)

MP-2611 Co., Ltd hereby announces that it has today released the attached "Notice Regarding the Planned Commencement of a Tender Offer for Shares of Wacom Co., Ltd. (Securities Code: 6727)."

End

This material is published pursuant to a request made by MP-2611 Co., Ltd (the Tender Offeror) to Wacom Co., Ltd. (the Target Company of the Tender Offer), in accordance with Article 30, Paragraph 1, Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act.

(Attached Material)
"Notice Regarding the Planned Commencement of a Tender Offer for Shares of Wacom Co., Ltd. (Securities Code: 6727)" dated November 20, 2026

November 20, 2026

To Whom It May Concern:

Company Name: MP-2611 Co., Ltd
Representative: Tetsuya Kaneko, Representative Director

Notice Regarding the Planned Commencement of a Tender Offer for Shares of Wacom Co., Ltd. (Securities Code: 6727)

MP-2611 Co., Ltd (the "**Tender Offeror**") hereby announces that it has today decided to acquire all of the common shares (the "**Target Company Shares**") of Wacom Co., Ltd. (securities code: 6727; listed on the Prime Market of the Tokyo Stock Exchange, Inc. (the "**Tokyo Stock Exchange**"); the "**Target Company**") (but excluding the treasury shares held by the Target Company and the Shares Agreed Not to Be Tendered (as defined in "(1) Outline of the Purpose of the Tender Offer" in "2. Purpose of Purchase, etc." below; the same applies hereinafter)) and all of the American Depositary Receipts (as defined in "(1) Outline of the Purpose of the Tender Offer" in "2. Purpose of Purchase, etc." below; the same applies hereinafter) through a tender offer (the "**Tender Offer**") under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the "**Act**"), as follows.
With respect to the Tender Offer, in the examination to date, it is expected that the procedures for, and responses to, obtaining the necessary permits, approvals, and other authorizations under competition laws in Japan and overseas (Japan, Taiwan, and Australia) and the necessary permits, approvals, and other authorizations under investment laws and regulations in Japan and overseas (Japan, Germany, and Bulgaria) (collectively, the "**Clearance**") will take a certain amount of time; accordingly, the Tender Offeror expects to promptly commence the Tender Offer upon the satisfaction (or waiver by the Tender Offeror; there is no contractual restriction on the Tender Offeror's waiver of any of Tender Offer Conditions Precedent (as defined below) (I), (II), (V), and (VIII), while the Tender Offeror is not permitted under the Tender Offer Agreement (as defined below) to waive any of Tender Offer Conditions Precedent (III), (IV), (VI), and (VII); and a waiver of Tender Offer Condition Precedent (IV) requires the consent of SESP (as defined below) (and such consent must not be unreasonably withheld if the waiting period for the Clearance required to be obtained by SESP is reasonably expected to expire by the last day of the Tender Offer Period (as defined below))) of the conditions precedent set out in the "Tender Offer Conditions Precedent" below, including receipt of the Clearance, as set forth in the tender offer agreement entered into today between the Tender Offeror and the Target Company (the "**Tender Offer Agreement**"), and the transaction agreement entered into today between the MBKP Fund (as defined in "(1) Outline of the Purpose of the Tender Offer" in "2. Purpose of Purchase, etc." below) and Samsung Electronics Singapore Pte. Ltd. ("**SESP**") (number of shares owned: 8,398,400; ownership ratio: 6.32%; the ownership ratio is defined in "(1) Outline of the Purpose of the Tender Offer" in "2. Purpose of Purchase, etc." below) (the "**Transaction Agreement (SESP)**") (the "**Tender Offer Conditions Precedent**"; the Tender Offer Conditions Precedent are set forth in the Tender Offer Agreement, and Tender Offer Condition Precedent (IV) is also set forth in the Transaction Agreement (SESP)). With respect to the procedures under competition laws in Japan and overseas, the Tender Offeror is preparing for the relevant filings and plans to make such filings promptly once preparations are complete. With respect to the procedures under investment laws and regulations in Japan and overseas, the Tender Offeror is likewise preparing for the relevant filings and plans to make such filings promptly once preparations are complete. As of today, having regard to the period required to prepare for each filing and the expected period from the making of each filing to receipt of the Clearance, and taking into account discussions with domestic and international law firms regarding these procedures and other related matters, the Tender Offeror aims to commence the Tender Offer by around the middle of February 2027. However, because it is difficult to accurately predict the amount of time required for the procedures and other related matters at the relevant domestic and overseas authorities with jurisdiction over the Clearance procedures, the Tender Offeror will promptly announce details of the Tender Offer schedule once they have been determined. The Tender Offeror

will also promptly announce any change to the anticipated timing of commencement of the Tender Offer.

Tender Offer Conditions Precedent

The Tender Offer will be commenced if all of the following conditions precedent are satisfied (or waived by the Tender Offeror).

(I) (i) As of the date of announcement of the Tender Offer, a resolution has been adopted by the Target Company's board of directors to express an opinion in favor of the Tender Offer and recommending that the Target Company's shareholders tender their shares in the Tender Offer (including an opinion recommending that holders of the American Depositary Receipts (a) deliver their American Depositary Receipts to the Depositary Banks (as defined in "(1) Outline of the Purpose of the Tender Offer" in "2. Purpose of Purchase, etc." below; the same applies hereinafter) in advance, (b) receive delivery of the Target Company Shares relating to the American Depositary Shares (as defined in "(1) Outline of the Purpose of the Tender Offer" in "2. Purpose of Purchase, etc." below; the same applies hereinafter) represented by such American Depositary Receipts, and then (c) tender such shares in the Tender Offer) (the "**Opinion in Favor and Recommendation to Tender at Announcement**"), and such opinion has been publicly disclosed in accordance with laws and regulations; and (ii) as of the day immediately preceding the commencement date of the Tender Offer, a resolution has been adopted by the Target Company's board of directors to express an opinion in favor of the Tender Offer (the "**Opinion in Favor at Commencement**"; the Opinion in Favor at Commencement and the opinion in favor of the Tender Offer included in the Opinion in Favor and Recommendation to Tender at Announcement are hereinafter collectively referred to as the "**Opinion in Favor**"), the Opinion in Favor at Commencement has been publicly disclosed in accordance with laws and regulations, and the Opinion in Favor has neither been amended nor withdrawn, nor has a resolution been adopted contradicting the Opinion in Favor (Note 1).

(II) The Target Company's special committee established in connection with the Tender Offer (the "**Special Committee**") has issued a favorable report regarding the Target Company's board of directors adopting the resolutions relating to each of the opinions set forth in (I) above; and the content of the report on the Opinion in Favor has not been amended (other than where the amended report is favorable with respect to the Target Company's board of directors maintaining the Opinion in Favor) or withdrawn (Note 2).

(III) In implementing the Transaction (as defined in "(1) Outline of the Purpose of the Tender Offer" in "2. Purpose of Purchase, etc." below; the same applies hereinafter), all of the Clearance required to be obtained by the Tender Offeror has been obtained, or it is objectively and reasonably expected that all of the Clearance will be obtained by the last day of the purchase period in the Tender Offer (the "**Tender Offer Period**") (Note 3).

(IV) The Clearance required to be obtained by SESP for the SESP Reinvestment (as defined in "(1) Outline of the Purpose of the Tender Offer" in "2. Purpose of Purchase, etc." below; the same applies hereinafter) has been obtained.

(V) No event has arisen that would permit withdrawal of a tender offer as set forth in the proviso to Article 27-11, Paragraph 1 of the Act (Note 4).

(VI) Confirmation has been obtained from the Target Company that there are no material facts about the Target Company's business (as defined in Article 166, Paragraph 2 of the Act) that have not been publicized (as defined in Paragraph 4 of the same Article), and the Tender Offeror is not aware of any fact that a tender offer, etc. will be implemented for the Target Company Shares (as defined in Article 167, Paragraph 2 of the Act, excluding the Tender Offer) that has not been publicized (as defined in Paragraph 4 of the same Article).

(VII) No decision or other determination has been made by a government authority or other body restricting or prohibiting implementation of the Transaction, and there is no specific risk that any such decision or determination will be made.

(VIII) If the Tender Offer is not commenced by February 24, 2027, the deadline for exercising the right to propose agenda items set forth in Article 303, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended; the "**Companies Act**") with respect to the Target Company's ordinary shareholders' meeting for the fiscal year ending March 2027 has passed without the

right to propose an agenda item relating to a dividend of surplus having been exercised by any shareholder of the Target Company.

(Note 1) With respect to Tender Offer Condition Precedent (I), at the meeting of its board of directors held today, the Target Company adopted a resolution to the effect that, as its opinion as of today, if the Tender Offer is commenced, it will express an opinion in favor of the Tender Offer and recommend (i) that the Target Company's shareholders tender their shares in the Tender Offer, and (ii) that holders of the American Depositary Receipts (a) deliver their American Depositary Receipts to the Depositary Banks in advance, (b) receive delivery of the Target Company Shares relating to the American Depositary Shares represented by such American Depositary Receipts, and then (c) tender such shares in the Tender Offer. Accordingly, as of today, the Tender Offeror expects Tender Offer Condition Precedent (I) to be satisfied if the Tender Offeror commences the Tender Offer.

(Note 2) With respect to Tender Offer Condition Precedent (II), at the meeting of the Special Committee held on November 19, 2026, as the Special Committee's opinion as of November 19, 2026, a favorable report has been issued regarding the Target Company's board of directors expressing its opinion in favor of the Tender Offer and recommending (i) that the Target Company's shareholders tender their shares in the Tender Offer and (ii) that holders of the American Depositary Receipts (a) deliver their American Depositary Receipts to the Depositary Banks in advance, (b) receive delivery of the Target Company Shares relating to the American Depositary Shares represented by such American Depositary Receipts, and then (c) tender such shares in the Tender Offer. Accordingly, as of today, Tender Offer Condition Precedent (II) has been satisfied.

(Note 3) With respect to Tender Offer Condition Precedent (III), as of today, based on advice from domestic and international law firms, the Tender Offeror is proceeding with the necessary responses so that it can complete receipt of the Clearance by the middle of February 2027, when the Tender Offer is expected to commence, and the current status and outlook going forward are as set forth in the table below.

The Tender Offeror is announcing, as of today and before the public notice of commencement of the Tender Offer, its intention to implement the Tender Offer, having considered that it has been confirmed that, with respect to the investment laws and regulations in Germany and the competition law in Taiwan among the Clearance listed in the table below, it may be necessary for the implementation of the Tender Offer to have been publicly announced in order to carry out the relevant procedures, and that the procedures under competition laws and investment laws and regulations in each of the regions listed in the table below require a certain amount of time, the length of which is difficult to predict accurately.

In addition, among the Clearance listed in the table below, with respect to the Foreign Exchange and Foreign Trade Act of Japan, a filing is required not only because the Tender Offeror will implement the Transaction, but also because SESP will implement the SESP Reinvestment.

Current Status and Outlook for Receipt of the Clearance

Region	Governing Laws and Regulations	Required Procedures and Periods	Current Status	Expected Timing of Completion of Procedures
Clearance required to be obtained by the Tender Offeror, the Tender Offeror Parent Company, or the MBKP Fund (each as defined in "(1) Outline of the Purpose of the Tender Offer" in "2. Purpose of Purchase, etc." below)				

Region	Governing Laws and Regulations	Required Procedures and Periods	Current Status	Expected Timing of Completion of Procedures
Japan	Act on Prohibition of Private Monopolization and Maintenance of Fair Trade	Aiming to obtain the clearance within 30 days after the filing.	Plan to make a filing between today and the beginning of December 2026	Beginning of January 2027 (planned)
Australia	Competition and Consumer Act 2010 (competition law)	Aiming to obtain a decision to the effect that a filing is not required for the Tender Offer (an "Exemption Decision") within 25 business days after submission of the relevant documents necessary to receive an Exemption Decision.	Plan to make an application between today and the beginning of December 2026	End of January 2027 (planned)
Taiwan	Taiwan Fair Trade Act	Aiming to obtain the clearance within 1.5 months to 2.5 months after commencement of the filing.	Plan to make a filing between today and the end of November 2026	Middle of February 2027 (planned)
Japan	Foreign Exchange and Foreign Trade Act	Aiming to complete the review within two months after the filing.	Plan to make a filing between today and the end of November 2026	End of January 2027 (planned)
Germany	German Foreign Trade and Payments Ordinance (investment laws and regulations)	Aiming to obtain the clearance within three months after the filing.	Plan to make a filing between today and the end of November 2026	Middle of February 2027 (planned)
Bulgaria	Bulgarian Investment Promotion Act	Aiming to obtain the clearance within three months after the filing.	Plan to make a filing between today and the end of November 2026	Middle of February 2027 (planned)
Clearance required to be obtained by SESP				
Japan	Foreign Exchange and Foreign Trade Act	Aiming to complete the review within two months after the filing.	Plan to make a filing between today and the end of November 2026	End of January 2027 (planned)

(Note 4) As of today, the Tender Offeror is not aware of any event having arisen that falls under Tender Offer Conditions Precedent (V) through (VIII).

1. Outline of Purchase, etc.

Purpose of the Tender Offer	Taking the Target Company Shares private (a management buyout (MBO) (Note 1))
Purchase Period	The Tender Offer is expected to be commenced promptly upon the satisfaction (or waiver by the Tender Offeror) of the Tender Offer Conditions Precedent. As of today, the Tender Offeror aims to commence the Tender Offer by around the middle of February 2027, taking into account discussions with domestic and international law firms regarding the procedures and responses required to obtain the Clearance. The Tender Offer Period is expected to be 20 business days. (Note 2)
Purchase Price	1,030 yen per share of common stock 1,030 yen per Target Company Share relating to the American Depositary Shares represented by the American Depositary Receipts
Minimum Number of Shares to Be Purchased	88,349,600 shares (planned) (Note 3)
Maximum Number of Shares to Be Purchased	— shares
Target Company's Opinion	In favor, and recommending tender

(Note 1) "Management buyout (MBO)" means a tender offer in which the tender offeror is an officer of the target company of the tender offer (including a tender offer conducted by a person who conducts the tender offer at the request of an officer of the target company of the tender offer and shares a common interest with such officer of the target company of the tender offer).

(Note 2) The Tender Offer Period may exceed 20 business days due to differences between holidays in Japan and the United States, because the Tender Offer Period is expected to be of a length sufficient to ensure the minimum required tender offer period of 20 business days in the United States under the U.S. securities laws. The same applies hereinafter with respect to references to business days in the Tender Offer Period.

(Note 3) With respect to the minimum number of shares to be purchased (88,349,600 shares), the ownership ratio of share certificates, etc. (meaning the ownership ratio of share certificates, etc. set forth in Article 27-2, Paragraph 8 of the Act, and if a person has any specially related parties set forth in Paragraph 1, Item 1 of the same Article (however, among specially related parties, those who are excluded from specially related parties pursuant to Article 3, Paragraph 2, Item 1 of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates by Persons Other Than Issuers (Ministry of Finance Order No. 38 of 1990, as amended; the "**Cabinet Office Order**") in calculation of the ownership ratio of share certificates, etc., in each item of Article 27-2, Paragraph 1 of the Act shall be excluded), meaning the ownership ratio of share certificates, etc., after adding the ownership ratio of share certificates, etc., of those specially related parties; the same applies hereinafter) after the purchase, etc., where a purchase, etc. is made, will be 66.66% (rounded to two decimal places) (Note 4).

(Note 4) The ownership ratio of share certificates, etc. is calculated using, as the denominator, the number of voting rights held by all shareholders of the Target Company as of September 30, 2026 (1,327,794 units), as stated in the 44th Semi-Annual Report (the "**Target Company Semi-Annual Report**") filed by the Target Company on November 11, 2026. This is because, although the number of shares constituting less than one unit of the Target Company as of today is not known and the number of

voting rights held by all shareholders of the Target Company as of today is accordingly unknown, the number of voting rights held by all shareholders of the Target Company as of September 30, 2026, is the most recent number ascertainable from documents published or filed by the Target Company.

2. Purpose of Purchase, etc.

(1) Outline of the Purpose of the Tender Offer

The Tender Offeror is a stock company established on October 1, 2026; and as of today, all of its issued shares (excluding treasury shares) are directly owned by MP-2610 Co., Ltd (the "**Tender Offeror Parent Company**"), all of whose issued shares (excluding treasury shares) are in turn owned by a fund (the "**MBKP Fund**") to which MBK Partners Co., Ltd. or its related companies (collectively, "**MBKP**") provide services. Through the Tender Offer and a subsequent series of procedures, the main purpose of the Tender Offeror is to acquire and own the Target Company Shares, which are listed on the Prime Market of the Tokyo Stock Exchange, thereby taking the Target Company Shares private (the "**Transaction**") and working together with the Target Company to manage and administer the Target Company toward common business objectives. As of today, none of the Tender Offeror, the Tender Offeror Parent Company, MBKP, or the MBKP Fund owns any Target Company Shares.

MBKP is an independent private equity firm established in March 2005, with a dedicated focus on private equity investment in three East Asian countries: Japan, the People's Republic of China, and the Republic of Korea. With support from investors, mainly institutional investors, such as global companies, banks, financial institutions, family offices, public pension funds, foundations, sovereign funds, and funds-of-funds, as of today MBKP has approximately 32.4 billion US dollars in assets under management, and invests in large to medium-sized companies, with a focus on the retail/consumer goods, communications/media/technology, financial services, and healthcare sectors. After making an investment, MBKP actively provides management support to its portfolio companies in order to maximize their corporate value. Since its establishment in March 2005, MBKP has built a track record of 87 investments in East Asian countries, including 17 companies and 22 investments in Japan, such as Yayoi Co., Ltd., USJ Co., Ltd., INVOICE, Inc., Komeda Co., Ltd., TASAKI & Co., Ltd. (formerly Tasaki Shinju Co., Ltd.), Accordia Next Golf Co., Ltd., Kuroda Group Co., Ltd. (formerly Kuroda Electric Co., Ltd.), Orchid Inc. (formerly Godiva Japan, Inc.), Tsukui Holdings Corporation, EPS Holdings, Inc., SOYOKAZE Co., Ltd. (formerly UNIMAT Retirement Community Co., Ltd.), HITOWA Holdings Co., Ltd., Japan Best Rescue System Co., Ltd., Alinamin Pharmaceutical Co., Ltd., FICT Inc., SOLASTO Corporation, and Artemira Holdings Co., Ltd. After making investments, MBKP has achieved increases in net sales and earnings capacity by working together with the management of each portfolio company over the medium to long term on value creation themes specific to that company. MBKP regards private equity investment in Japan (including take-private transactions of listed companies) as a focus area on a par with investment in China and Korea, and it has long selected leading investment targets in Japan with the aim of further enhancing the corporate value of high-quality companies with strong growth potential.

The Tender Offeror has now decided, on condition that the Tender Offer Conditions Precedent are satisfied (or waived by the Tender Offeror), to implement the Tender Offer as part of the Transaction by acquiring all of the Target Company Shares listed on the Prime Market of the Tokyo Stock Exchange (but excluding the treasury shares held by the Target Company and the Shares Agreed Not to Be Tendered) and all of the American Depositary Receipts (Note 1).

(Note 1) According to the registration statements relating to the American Depositary Receipts (Form F-6EF and Form F-6POS) filed with the U.S. Securities and Exchange Commission by Citibank, N.A. on October 10, 2013, by The Bank of New York Mellon on November 12, 2013, and by Deutsche Bank Trust Company Americas on January 14, 2014 and September 29, 2017, respectively (collectively, the "**American Depositary Receipt Registration Statements**"), American depositary receipts relating to the Target Company Shares issued in the United States (the "**American**

Depositary Receipts") have been issued by Citibank, N.A., The Bank of New York Mellon, and Deutsche Bank Trust Company Americas (collectively, the "**Depositary Banks**") with respect to the shares of the Target Company; however, according to the Target Company, it has not been involved in the issuance of the American Depositary Receipts. Because the Tender Offer aims to acquire all of the Target Company Shares, the Tender Offeror is required, pursuant to Article 27-2, Paragraph 5 of the Act and Article 8, Paragraph 5, Item 3 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended; the "**Order**"), to solicit offers to sell, etc. with respect to all share certificates, etc. issued by the Target Company; accordingly, the American Depositary Receipts are included in the classes of share certificates, etc. to be purchased, etc. On the other hand, given that the American Depositary Receipts are securities issued in the United States, it has become clear that it is difficult for the Tender Offeror to acquire the American Depositary Receipts in the Tender Offer. This is because, in practice, there is no financial instruments business operator or other entity able to handle them as tender offer agent in the acquisition of such American Depositary Receipts by the Tender Offeror, which is a resident of Japan, in the Tender Offer to be conducted outside the United States. Therefore, in the Tender Offer, only tenders of the Target Company Shares will be accepted; tenders of the American Depositary Receipts will not be accepted, and tenders of the Target Company Shares relating to the American depositary shares deposited with the Depositary Banks that are represented by the American Depositary Receipts (the "**American Depositary Shares**") will be accepted. Accordingly, holders of the American Depositary Receipts who wish to tender in the Tender Offer are required to (a) deliver their American Depositary Receipts to the Depositary Banks in advance, (b) receive delivery of the Target Company Shares relating to the American Depositary Shares represented by those American Depositary Receipts, and then (c) tender those shares. According to the American Depositary Receipt Registration Statements, one American Depositary Share is equivalent to one Target Company Share.

In addition, the Tender Offer is being conducted by the Tender Offeror based on discussions with Mr. Nobutaka Ide, the Target Company's President and Representative Director (CEO) ("**Mr. Ide**"), and constitutes a so-called management buyout (MBO).

In connection with the Tender Offer, the Tender Offeror has today entered into a tender offer non-tender agreement (the "**Non-Tender Agreement (Mr. Ide)**") with Mr. Ide (number of shares owned: 155,953; ownership ratio (Note 2): 0.12%), and the MBKP Fund has today entered into a shareholders agreement (the "**Shareholders Agreement (Mr. Ide)**") with Mr. Ide, under which Mr. Ide has agreed, among other things: (i) that if the Tender Offeror commences the Tender Offer, he will not tender any of the Target Company Shares he owns (the "**Shares Agreed Not to Be Tendered**") (Note 3) in the Tender Offer (Note 4); and (ii) that if the Squeeze-Out Procedures (as defined below; the same applies hereinafter) are carried out by the Share Consolidation (as defined in "(4) Policy on the Organizational Restructuring, etc. After the Tender Offer" below; the same applies hereinafter), he will vote in favor of the proposals relating to the Share Consolidation at the Extraordinary Shareholders Meeting (as defined in "(4) Policy on the Organizational Restructuring, etc. After the Tender Offer" below; the same applies hereinafter). In addition, under the Non-Tender Agreement (Mr. Ide), the Tender Offeror has agreed with Mr. Ide that, on a date on or after the date on which the consideration for the Squeeze-Out Procedures is received, as separately determined by the Tender Offeror after discussions with Mr. Ide, Mr. Ide will contribute to the Tender Offeror Parent Company an amount separately agreed upon by both parties after discussions by the commencement date of settlement of the Tender Offer, as the full amount obtained by deducting, from the full amount of the consideration that Mr. Ide is expected to be able to receive assuming that Mr. Ide sold the Shares Agreed Not to Be Tendered pursuant to the Squeeze-Out Procedures on the Squeeze-Out Effective Date (as defined below) reasonably anticipated upon successful completion of the Tender Offer, an amount equivalent to the tax expected to be imposed on Mr. Ide as a result of that sale (Note 5) (the "**Mr. Ide Reinvestment**"), although the terms, timing and other details of the Mr. Ide Reinvestment remain undetermined as of today. In addition, as

of today, there is no agreement between the Tender Offeror and any Target Company director other than Mr. Ide regarding his or her appointment as an officer, or treatment, following the Tender Offer; and the management structure of the Target Company after the Tender Offer is successfully completed, including the composition of its officers, is to be determined through discussions with the Target Company after the Tender Offer is successfully completed.

(Note 2) The "ownership ratio" means the ratio (rounded to two decimal places) to the number of shares obtained by deducting, from the total number of issued shares as of September 30, 2026 (135,000,000 shares), as stated in the Target Company Semi-Annual Report, the number of treasury shares owned by the Target Company as of September 30, 2026, as stated in the "Q2 FY 3/2027 Summary of Consolidated Financial Results" published by the Target Company on October 30, 2026 (2,200,216 shares) (resulting in 132,799,784 shares; the "**Reference Number of Shares**"). The same applies hereinafter with respect to references to ownership ratio.

(Note 3) With respect to 137,753 shares of the Target Company Shares (ownership ratio: 0.10%; the "**Restricted Shares Owned by Mr. Ide**") among the Shares Agreed Not to Be Tendered that were granted to Mr. Ide as transfer restricted stock compensation, the allotment agreement relating to the Restricted Shares Owned by Mr. Ide provides that, if, during the transfer restriction period, a consolidation of shares (limited to a case where such consolidation of shares would result in Mr. Ide holding only a fraction of less than one share of the transfer restricted shares) or a demand for the sale of the Target Company Shares (meaning a demand for the sale of shares as defined in Article 179, Paragraph 2 of the Companies Act) is approved at a shareholders meeting of the Target Company (or, in the case of a demand for the sale of shares, by the Target Company's board of directors), then pursuant to a resolution of the Target Company's board of directors, the transfer restriction on the number of the Restricted Shares Owned by Mr. Ide equal to the number obtained by multiplying a fraction, of which the numerator is the number of months from the month containing the date on which the Restricted Shares Owned by Mr. Ide were granted, to the month containing the effective date of the consolidation of shares set forth in Article 180, Paragraph 2, Item 2 of the Companies Act (in the case of a consolidation of shares) or the date on which the specially controlling shareholder set forth in Article 179-2, Paragraph 1, Item 5 of the Companies Act acquires the shares to be sold (in the case of a demand for the sale of shares) (such date, the "**Squeeze-Out Effective Date**"), and the denominator is 12 (if the result exceeds 1, it is deemed to be 1) by the number of the Restricted Shares Owned by Mr. Ide owned by Mr. Ide as of the Squeeze-Out Effective Date (with any fraction of less than one share resulting from such calculation rounded down), will be released immediately before the business day preceding the Squeeze-Out Effective Date (but only where the Squeeze-Out Effective Date occurs before the end of the transfer restriction period), in which case the Target Company will, as of the business day preceding the Squeeze-Out Effective Date, automatically acquire without consideration all of the Restricted Shares Owned by Mr. Ide for which the transfer restriction has not been released as of that date. Accordingly, in the Transaction, pursuant to the provisions described above, the Restricted Shares Owned by Mr. Ide for which the transfer restriction has been released as of the business day preceding the Squeeze-Out Effective Date will be made subject to the Demand for Share Cash-Out (as defined in "(4) Policy on the Organizational Restructuring, etc. After the Tender Offer" below; the same applies hereinafter) or the Share Consolidation, and the Restricted Shares Owned by Mr. Ide for which the transfer restriction has not been released as of the business day preceding the Squeeze-Out Effective Date are expected to be acquired by the Target Company without consideration. The transfer restricted shares of the Target Company (27,736 shares) granted as transfer restricted stock compensation to Target Company directors other than Mr. Ide (together with the Restricted Shares Owned by Mr. Ide, a total of 165,489 shares, the "**Restricted Shares**") are expected to be treated in the same manner (the Tender Offeror plans to consider, in consultation with the Target Company, alternative measures, such as the

introduction of a new incentive plan, relating to such acquisition without consideration, although the details are undetermined).

(Note 4) Because the Target Company's allotment agreement for transfer restricted stock compensation contains no provision for release of the transfer restriction even if a tender offer is commenced, the Restricted Shares cannot be tendered in the Tender Offer. 137,753 shares, representing 88.3% of the Shares Agreed Not to Be Tendered owned by Mr. Ide, are Restricted Shares. 18,200 shares, representing 11.7% of the Shares Agreed Not to Be Tendered owned by Mr. Ide, do not constitute Restricted Shares. However, from the perspective of avoiding the cumbersome procedures of tendering only part of the Target Company Shares owned by Mr. Ide and not tendering the other part, it has been agreed that all of the Target Company Shares owned by Mr. Ide will not be tendered in the Tender Offer but will instead be handled in the Squeeze-Out Procedures.

(Note 5) The valuation of the Target Company Shares that forms the basis for determining the paid-in price per common share of the Tender Offeror Parent Company in the Mr. Ide Reinvestment is intended to be the same amount as the price per Target Company Share for the purchase, etc. in the Tender Offer (the "**Tender Offer Price**") (provided that, if the Squeeze-Out Procedures are implemented by the Share Consolidation, a formal adjustment will be made based on the consolidation ratio of the Target Company Shares in the Share Consolidation), so as not to conflict with the purpose of the requirement for uniformity of tender offer prices (Article 27-2, Paragraph 3 of the Act); and it is not established on terms more favorable than the Tender Offer Price. The reason why the Tender Offeror Parent Company is receiving the Mr. Ide Reinvestment from Mr. Ide is that as described in "(I) Background, Purpose, and Decision-Making Process Leading to the Tender Offeror's Decision to Implement the Tender Offer" in "(2) Background, Purpose, and Decision-Making Process Leading to the Implementation of the Tender Offer, and Management Policy After the Purchase, etc." below, after the Transaction, Mr. Ide is expected to continue to play a responsible role in the Target Company's management policy and lead the Target Company's overall management for the Target Company's long-term growth, as the Target Company's President and Representative Director (CEO); and the intention is for Mr. Ide to continue to have, after the Transaction, a shared incentive with the Tender Offeror toward enhancing the Target Company's corporate value. Because Mr. Ide's reinvestment was considered independently of whether Mr. Ide tenders his shares in the Tender Offer, the Tender Offeror does not consider it to be contrary to the purpose of the requirement for uniformity of tender offer prices (Article 27-2, Paragraph 3 of the Act).

In addition, in connection with the Tender Offer, the MBKP Fund has today entered into the **Transaction Agreement (SESP)** and a shareholders agreement (the "**Shareholders Agreement (SESP)**") with SESP, the Target Company's second-largest shareholder and a member of the Samsung Group (as defined below) (number of shares owned: 8,398,400; ownership ratio: 6.32%), under which SESP has agreed, among other things: (i) that if the Tender Offeror commences the Tender Offer, it will tender all of the Target Company Shares it owns (the "**SESP Shares Agreed to Be Tendered**") in the Tender Offer; and (ii) that SESP will, within five business days after completion of the settlement relating to the Tender Offer, make a capital contribution to the Tender Offeror Parent Company (Note 6) (the "**SESP Reinvestment**") in a manner such that SESP's voting interest in the Tender Offeror Parent Company on a fully diluted basis after completion of the Transaction will be equivalent to SESP's current voting interest in the Target Company, namely 6.3%. Regarding the reason why SESP is to make an equity investment in the Tender Offeror Parent Company after the Transaction through the SESP Reinvestment, please see Note 6 below.

(Note 6) The valuation of the Target Company Shares that forms the basis for determining the paid-in price per common share of the Tender Offeror Parent Company in the SESP Reinvestment is intended to be the same amount as the Tender Offer Price (provided that, if the Share Consolidation is implemented as the Squeeze-Out Procedures, a

formal adjustment will be made based on the consolidation ratio of the Target Company Shares in the Share Consolidation), so as not to conflict with the purpose of the requirement for uniformity of tender offer prices (Article 27-2, Paragraph 3 of the Act); and it is not established on terms more favorable than the Tender Offer Price. The reason why the Tender Offeror Parent Company is receiving the SESP Reinvestment from SESP is that, as described in "(I) Background, Purpose, and Decision-Making Process Leading to the Tender Offeror's Decision to Implement the Tender Offer" in "(2) Background, Purpose, and Decision-Making Process Leading to the Implementation of the Tender Offer, and Management Policy After the Purchase, etc." below, the Tender Offeror considers that Samsung Electronics Co., Ltd. and its related companies (collectively, the "**Samsung Group**"; the Tender Offeror, Mr. Ide, MBKP, the MBKP Fund, and the Samsung Group are hereinafter collectively referred to as the "**Tender Offer-Related Parties**") are an extremely important business partner of the Target Company; and they have been building a collaborative relationship with the Target Company in terms of capital, technology, and business since entering into a capital and business alliance with the Target Company in January 2013. In light of this relationship, the Tender Offeror considers that having SESP continue, after the Transaction, to hold minority shareholder status as a strategic partner of the Target Company, and maintaining and developing the collaborative relationship between the Target Company and the Samsung Group while the Target Company continues to maintain autonomy as an independent company as it has to date, will maintain the stable trading relationship between the Target Company and the Samsung Group that is a source of the Target Company's corporate value, while further strengthening the Target Company's position as a long-term and stable strategic partner of the Samsung Group, thereby contributing toward enhancing the Target Company's corporate value. Accordingly, the Tender Offeror intends for SESP, as a member of the Samsung Group, to make an equity investment in the Tender Offeror Parent Company through the SESP Reinvestment.

In addition, the Tender Offeror has today entered into a tender agreement with Asset Value Investors Limited ("**AVI**") (the "**Tender Agreement (AVI)**"), under which AVI has agreed that if the Tender Offeror commences the Tender Offer, it will tender all of the Target Company Shares that AVI Japan Opportunity Trust Plc, AVI Japanese Special Situations Fund, AVI Global Trust Plc, AVI Global Special Situations Fund, and one other investment entity (collectively, the "**AVI Funds, etc.**") own, namely, 26,765,950 shares (ownership ratio: 20.16%) (the "**AVI Shares Agreed to Be Tendered**") in the Tender Offer; and the Tender Offeror has also entered into a tender agreement with Kaname Capital, L.P. ("**KC**"), a shareholder of the Target Company (the "**Tender Agreement (KC)**"), under which KC has agreed that if the Tender Offeror commences the Tender Offer, it will tender all of the Target Company Shares that KC owns, directly or indirectly, as of today (including, in addition to those owned by KC itself, those owned for the account of funds or clients whose assets KC manages under discretionary investment management agreements (collectively, the "**KC Funds, etc.**")), namely 7,145,000 shares (ownership ratio: 5.38%) (the "**KC Shares Agreed to Be Tendered**") in the Tender Offer. For an outline of the Non-Tender Agreement (Mr. Ide), the Transaction Agreement (SESP), the Tender Agreement (AVI), and the Tender Agreement (KC), please see "(6) Material Agreements Relating to the Tender Offer" below.

The Tender Offeror has set the minimum number of shares to be purchased in the Tender Offer at 88,349,600 shares (ownership ratio: 66.53%); and if the total number of share certificates, etc. tendered in the Tender Offer (the "**Tendered Share Certificates, etc.**") is less than the minimum number of shares to be purchased (88,349,600 shares), the Tender Offeror will not purchase, etc. any of the Tendered Share Certificates, etc. On the other hand, as described above, because the purpose of the Tender Offer is to take the Target Company Shares private, the Tender Offeror has not set a maximum number of shares to be purchased; and if the total number of the Tendered Share Certificates, etc. is equal to or greater than the minimum number of shares to be purchased (88,349,600 shares), the Tender Offeror will purchase, etc. all of the Tendered Share Certificates, etc.

The minimum number of shares to be purchased (88,349,600 shares) is the number of shares obtained by multiplying the number (883,496 units) (Note 7) obtained by deducting, from the number of voting rights (885,332 units, rounded up to the nearest whole number) obtained by multiplying the number of voting rights (1,327,997 units) relating to the Reference Number of Shares (132,799,784 shares) by two-thirds, the number of voting rights (1,559 units) relating to the Shares Agreed Not to Be Tendered (155,953 shares) and the number of voting rights (277 units) relating to the Restricted Shares (27,736 shares) granted to Target Company directors other than Mr. Ide, by the Target Company's per-unit number of shares (100 shares) (88,349,600 shares) (Note 8). The minimum number of shares to be purchased was set at this level because, as the Tender Offeror's purpose in the Tender Offer is to acquire all of the Target Company Shares (but excluding the treasury shares held by the Target Company and the Shares Agreed Not to Be Tendered) and all of the American Depositary Receipts and take the Target Company Shares private, and a special resolution at a shareholders meeting as provided in Article 309, Paragraph 2 of the Companies Act is required in order to carry out the procedures for the Share Consolidation, this level would allow that requirement to be satisfied by the Tender Offeror, Mr. Ide, and the Target Company directors other than Mr. Ide who own Restricted Shares alone after the Tender Offer is successfully completed, in order to ensure that the procedures for the Share Consolidation are duly carried out. For the relationship between the minimum number of shares to be purchased in the Tender Offer and the Majority of Minority (the "**MoM**"), please see "(IX) Establishment of the Minimum Number of Shares to Be Purchased to Satisfy the Majority of Minority (MoM) Requirement" in "(3) Measures to Ensure the Fairness of the Tender Offer" below.

(Note 7) The Restricted Shares cannot be tendered in the Tender Offer because they are subject to a transfer restriction; however, because a resolution was adopted at the Target Company's board of directors meeting held today to the effect that, as the Target Company's opinion as of the same date, if the Tender Offer is commenced, the Target Company will express an opinion in favor of the Tender Offer and recommend (i) that the Target Company's shareholders tender their shares in the Tender Offer, and (ii) that holders of the American Depositary Receipts (a) deliver their American Depositary Receipts to the Depositary Banks in advance, (b) receive delivery of the Target Company Shares relating to the American Depositary Shares represented by those American Depositary Receipts, and then (c) tender those shares in the Tender Offer, and, as described in "(VII) Approval of All Disinterested Directors (Including Directors Who Are Audit and Supervisory Committee Members) of the Target Company" in "(3) Measures to Ensure the Fairness of the Tender Offer" below, all of the Target Company's directors who participated in the deliberations and resolution (nine of the total ten directors of the Target Company, excluding Mr. Ide) voted in favor of that resolution, the Tender Offeror believes that, if the Tender Offer is commenced and is successfully completed, affirmative votes are expected to be cast with respect to the Restricted Shares at the Extraordinary Shareholders Meeting, and the Tender Offeror has accordingly deducted the number of Restricted Shares in determining the minimum number of shares to be purchased.

(Note 8) The minimum number of shares to be purchased is a provisional figure based on information currently available. The actual minimum number of shares to be purchased as of the commencement of the Tender Offer may differ from the figure above due to future changes in the number of treasury shares held by the Target Company and other factors. The final minimum number of shares to be purchased will be determined prior to the commencement of the Tender Offer, based on information available when the Tender Offer is commenced.

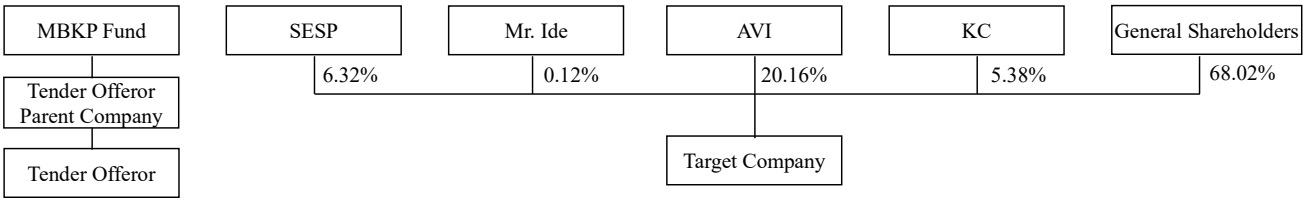
If it is unable to acquire all of the Target Company Shares (but excluding the treasury shares held by the Target Company and the Shares Agreed Not to Be Tendered) and all of the American Depositary Receipts through the Tender Offer, the Tender Offeror plans to implement, after the Tender Offer is successfully completed, a series of procedures to make the Tender Offeror the sole shareholder of the Target Company and take the Target Company Shares private (the "**Squeeze-Out Procedures**"), as described in "(4) Policy on the Organizational Restructuring, etc. After the Tender Offer" below.

In addition, after completion of the Squeeze-Out Procedures, the Tender Offeror and the Target Company plan to implement an absorption-type merger (the "**Absorption-Type Merger**") in which the Tender Offeror will be the surviving company and the Target Company will be the absorbed company; however, as of today, the timing and other details of the Absorption-Type Merger remain undetermined.
In addition, the Tender Offeror plans to fund the amount required for the Transaction, including the Tender Offer, through borrowings (the "**Borrowing**") from Mizuho Bank, Ltd. and MUFG Bank, Ltd., as senior lenders (collectively, the "**Senior Lenders**"), and Mizuho Bank, Ltd., as mezzanine lender (the "**Mezzanine Lender**"), as well as a capital contribution from the Tender Offeror Parent Company (the "**Investment**"). Subject to successful completion of the Tender Offer and fulfillment of other applicable conditions, the Tender Offeror plans (i) to receive the Investment of 59,700 million yen from the Tender Offeror Parent Company no later than two business days before the commencement date of settlement of the Tender Offer (the "**Settlement Commencement Date**"), and (ii) to receive the proceeds of the Borrowing no later than the business day immediately preceding the Settlement Commencement Date. With respect to the Borrowing, the Tender Offeror has obtained a commitment letter dated October 9, 2026, from the Senior Lenders stating that they are prepared to provide financing in an aggregate amount of up to 68,000 million yen, and a commitment letter dated October 9, 2026, from the Mezzanine Lender stating that it is prepared to provide financing in an amount of up to 13,346 million yen; and preparation of the settlement funds necessary for the purchase price in the Tender Offer has also been completed.
Details of the Borrowing are to be set forth in a loan agreement relating to the Borrowing following separate discussions with the Senior Lenders and the Mezzanine Lender; however, the loan agreement for the Borrowing is expected to provide that the Target Company Shares acquired by the Tender Offeror through the Tender Offer, and certain other assets, etc. of the Tender Offeror, will be provided as collateral.

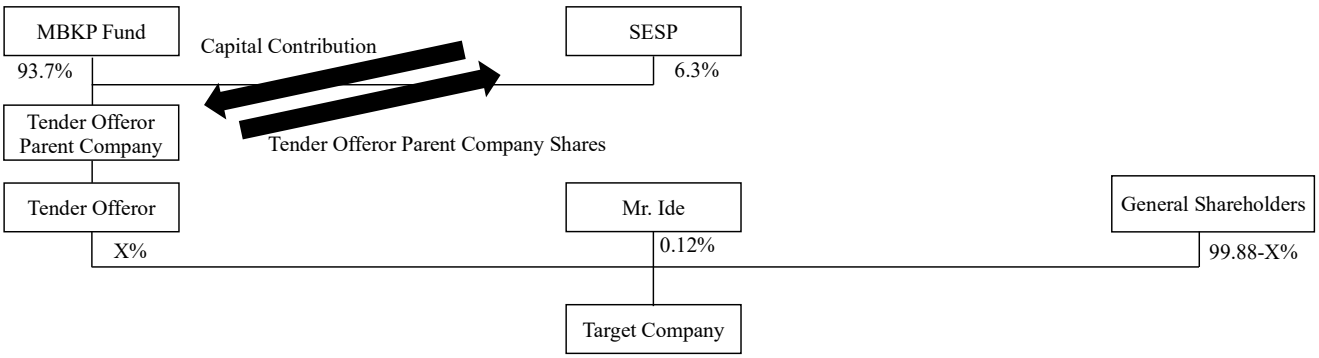
According to the "Notice Regarding Expression of Opinion on Implementation of MBO and Planned Commencement of Tender Offer, and Recommendation to Tender" (the "**Target Company Press Release**") published by the Target Company on November 20, 2026, the Target Company, at its board of directors meeting held on the same date, resolved, as its opinion as of that date, that if the Tender Offer is commenced, it will express an opinion in favor of the Tender Offer and recommend (i) that the Target Company's shareholders tender their shares in the Tender Offer, and (ii) that holders of the American Depositary Receipts (a) deliver their American Depositary Receipts to the Depositary Banks in advance, (b) receive delivery of the Target Company Shares relating to the American Depositary Shares represented by those American Depositary Receipts, and then (c) tender those shares in the Tender Offer. In addition, because the Tender Offer is planned to be commenced if the Tender Offer Conditions Precedent are satisfied (or if they are waived by the Tender Offeror), the Target Company also resolved, at the above board of directors meeting of the Target Company, to request that the Special Committee, prior to commencement of the Tender Offer, consider whether there has been any change to the opinion expressed by the Special Committee to the Target Company's board of directors on November 19, 2026 and state to the Target Company's board of directors, if there has been no change, to that effect, or, if there has been any change, provide its revised opinion. It further resolved, taking into account such opinion, to express its opinion on the Tender Offer again when the Tender Offer is commenced. For details of the Target Company's decision-making process, please see the Target Company Press Release, "(III) Content, Grounds, and Reasons for the Target Company's Opinion on the Tender Offer" in "(2) Background, Purpose, and Decision-Making Process Leading to the Implementation of the Tender Offer, and Management Policy After the Purchase, etc." below, and "(VII) Approval of All Disinterested Directors (Including Directors Who Are Audit and Supervisory Committee Members) of the Target Company" in "(3) Measures to Ensure the Fairness of the Tender Offer" below.

An outline of the Transaction as currently contemplated is, in general terms, as follows.

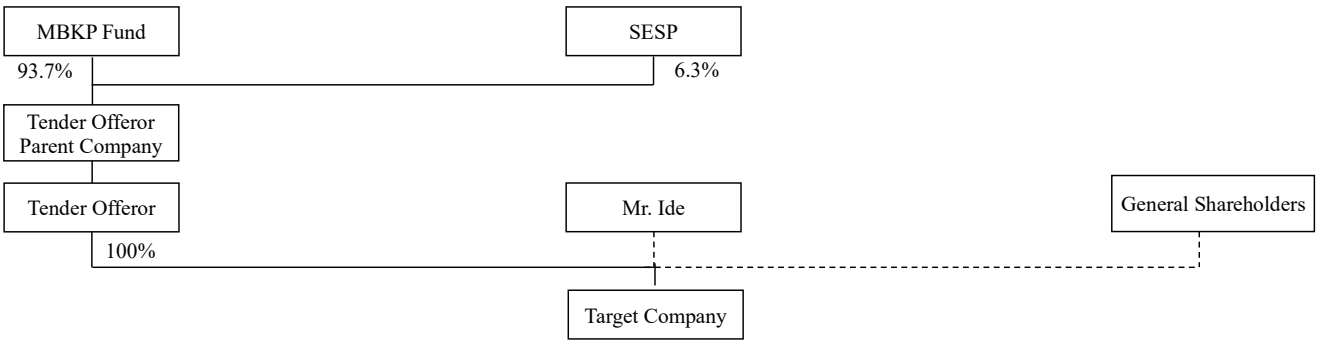
I. Before Implementation of the Tender Offer (as of Today)



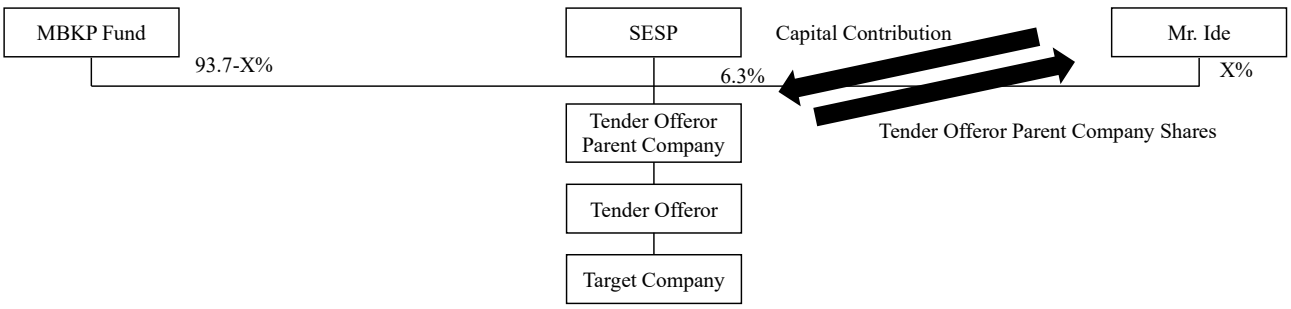
II. After the Tender Offer Is Successfully Completed and the SESP Reinvestment (end of March 2027 (planned))



III. After the Squeeze-Out Procedures (June 2027 (planned))

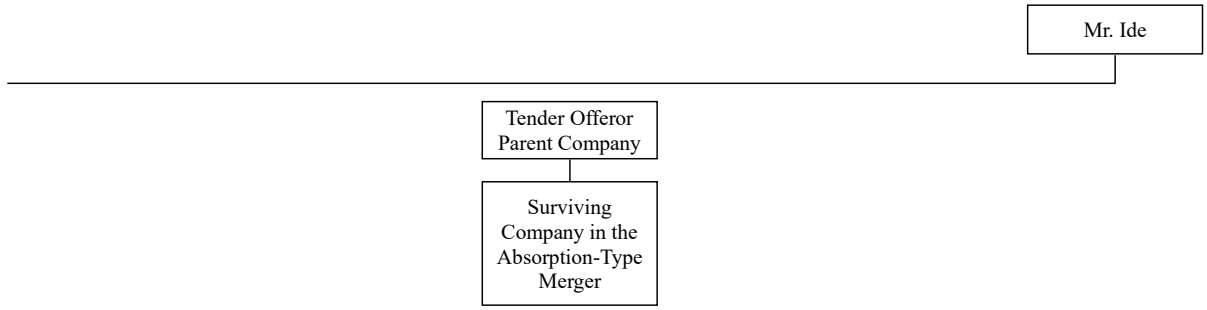


IV. After the Mr. Ide Reinvestment (undetermined)



V. After the Absorption-Type Merger (undetermined)





(2) Background, Purpose, and Decision-Making Process Leading to the Implementation of the Tender Offer, and Management Policy After the Purchase, etc.

The background, purpose, and decision-making process leading to the Tender Offeror's decision to implement the Tender Offer, and the Tender Offeror's management policy after the Tender Offer, are as follows. The descriptions below relating to the Target Company are based on information published by the Target Company, the Target Company Press Release, and explanations received from the Target Company.

(I) Background, Purpose, and Decision-Making Process Leading to the Tender Offeror's Decision to Implement the Tender Offer

According to the Target Company Press Release, the Target Company was established as Wacom Co., Ltd. in Ageo City, Saitama Prefecture in July 1983 with capital of 48 million yen, and commenced its electronic devices business (now its Branded Business) and its ECS (Engineering Collaborative Solutions) business. The Target Company subsequently expanded into the pen and sensor component field (now its Technology Solution Business) in April 2002, listed its shares on the JASDAQ Market of the Japan Securities Dealers Association in April 2003, and listed on the First Section of the Tokyo Stock Exchange in December 2005. Following reorganization of the market segments of the Tokyo Stock Exchange implemented in April 2022, the Target Company transitioned to the Prime Market of the Tokyo Stock Exchange, where it remains listed as of today.

As of today, the Target Company's corporate group consists of the Target Company, 19 consolidated subsidiaries, and one equity-method affiliate (the "**Target Company Group**"); and under the Target Company Group's vision of "Life-long Ink," it aims to continue to provide meaningful experiences for people and society over the long term and to contribute toward making this world more humane through the Target Company's technology. At present, the Target Company Group is promoting its group medium-term business plan "Wacom Chapter 4" (the "**Medium-Term Business Plan**"), covering the period from the fiscal year ended March 2026 to the fiscal year ending March 2029; and the entire Target Company Group is working together to enhance corporate value with a view to further evolving its business model as an "instrument craftsman" that provides comprehensive inking experiences across all forms of "*kaku* (inking)" in general across the four use-case domains of "Creation," "Learning/Teaching," "Work/Play & Beyond," and "Well-being."

The Target Company Group has long operated the Technology Solution Business and the Branded Business, the outlines of which are as follows.

(a) Technology Solution Business

The Target Company Group develops and manufactures components and modules such as digital pens, multi-touch sensors, and touch panels equipped with digital pen technology (Note 1) (Active ES (Note 2) and EMR (Note 3)), and supplies them to global OEM customers (Note 4). These are incorporated into mobile devices such as smartphones, tablets, notebook PCs, and e-book readers, and are used for applications such as handwriting input.

(Note 1) "Digital pen technology" refers to technology for detecting the position, pen pressure, and other attributes of a pen using an electronic pen, a sensor, and other components, and inputting characters, figures, and other content as digital information.

(Note 2) "Active ES (Active Electrostatic)" refers to a capacitive-coupling pen input technology in which a sensor on the screen side detects the signal of an electric field generated by driving the electrodes of a pen (which requires a battery), thereby obtaining the position and pen pressure. The same sensor can also detect finger touch.

(Note 3) "EMR (Electromagnetic Resonance)" refers to an electromagnetic-induction pen input technology in which an alternating magnetic field generated by driving sensor coils on the screen side supplies power to the resonant circuit of a pen (which does not require a battery); and after the drive is stopped, the same coils detect the magnetic field emitted by the pen to detect the position and pen pressure.

(Note 4) "OEM (Original Equipment Manufacturer) customers" refers to customer companies that adopt the technology and related components, modules, and other products supplied by the Target Company and develop, manufacture, and sell their own branded devices incorporating them.

(b) Branded Business

The Target Company Group develops, manufactures, and sells, as its own branded products, pen tablets and similar products that use pressure-sensitive pens to enable fine drawing and text input on liquid crystal display surfaces and similar surfaces. These are used not only for creative applications such as computer-graphics-based graphic design, film and animation production, photo editing, and illustration, but also for applications such as online education and telework. The Target Company Group also provides products for business applications that support business digital transformation (DX) in fields such as healthcare and the public sector.

Over many years, the Target Company Group has refined the technology that supports the fundamental human act of "*kaku*," and has developed proprietary digital ink technology, a co-creation ecosystem with communities including creators, and long-term business relationships with its major global OEM customers. Under the Medium-Term Business Plan, the Target Company Group aims to move beyond its existing business model centered on the provision of devices by building a new revenue model combining hardware sales with data and services, redefining Pen and Ink as the "optimal interface for people to make use of AI" in the AI era, and expanding into growth markets that were previously inaccessible to it, and nurturing new businesses as a third pillar following its two existing businesses. Specifically, the Target Company Group is working on: (i) advancing the development of "USM" (Note 6), a next-generation technology that eliminates the need for a dedicated digitizer (Note 5) and enables reductions in thickness, weight, and costs, toward commercialization; (ii) transitioning to a service-based business by deploying an all-in-one hardware-plus-service model in fields such as education, logistics, healthcare, and well-being; (iii) commercializing business in the areas of intellectual property protection and creator support through "Wacom Yuify" (Note 7); and (iv) strengthening its implementation capability and management foundation for new business areas centered on "Pen × Ink × AI," utilizing M&A and strategic alliances. The Target Company Group has also set targets of consolidated net sales of 150 billion yen, consolidated operating profit of 15 billion yen, ROE of 20% or more, and ROIC of 18% or more by the final year of the Medium-Term Business Plan (the fiscal year ending March 2029), while planning investments of 62 billion yen in R&D and capital expenditure and 12 billion yen or more in technology and capital alliances, together with enhanced shareholder returns through a total payout ratio of 50% or more and a progressive dividend policy (with a minimum annual dividend of 22 yen per share).

(Note 5) "Dedicated digitizer" refers to a sensor dedicated to pen input that is provided separately from the sensor for finger-touch input, in order to detect input by an electronic pen.

(Note 6) "USM (Universal Sensor Module)" refers to a technology that enables EMR-type pen input on a capacitive finger-touch sensor. Because it does not require a dedicated sensor coil, it achieves a thinner and lighter sensor while retaining the EMR characteristic of not requiring a battery in the pen.

(Note 7) "Wacom Yuify" refers to a service that supports the protection of copyright through recording, management, and other related activities concerning information on the creators of digital works.

On the other hand, the business environment surrounding the Target Company Group is changing rapidly. Specifically, advances in sensor and communication technology and AI and software technology are causing the functional and performance requirements demanded by OEM customers to

become more sophisticated and diverse. In addition, the rise of low-priced products, centered on Chinese manufacturers, has made it challenging to maintain profitability in the entry-level market for branded products; and the education, healthcare, and business DX fields require the development of more specialized, industry-specific solutions. Furthermore, as the Target Company Group shifts from a hardware-only model to a software-and-service integrated model, the investment required to renew its product portfolio and strengthen research and development is increasing. The Target Company's consolidated net sales decreased from 118,794 million yen in the fiscal year ended March 2024 to 109,995 million yen in the fiscal year ended March 2026, and the Target Company Group recognizes that in order to respond to these environmental changes and achieve sustainable growth, it is essential to update its organizational structure, actively allocate management resources to higher-profitability areas, and implement bold and flexible measures involving up-front investment. However, each of these measures requires a certain amount of up-front investment or temporary expense, and the possibility that they may place a burden on the Target Company Group's earnings and cash flow in the short term cannot be ruled out. On the other hand, as a listed company, the Target Company has set targets for enhanced shareholder returns, including a total payout ratio of 50% or more and a progressive dividend policy; and it needs to give sufficient consideration to its short-term performance and evaluation by the capital markets, which in practice places certain constraints on its allocation of funds and use of management resources for medium- to long-term growth.
Going forward, the Target Company recognizes that achieving the targets of the Medium-Term Business Plan will require a review of the allocation of management resources and a further response to changes in the external environment; and it believes that there will be a greater need than ever to consider strategic countermeasures and make swift management decisions necessary to implement them promptly.

Against this backdrop, Mr. Ide believed that in order to continuously deliver the "*kaku* experience" to customers and various communities, and in order to respond to changes in the business environment and achieve the Target Company's sustainable growth and enhancement of corporate value, it was necessary to renew the product portfolio, make up-front investments in growth areas, update its organizational structure, and implement strategic M&A, all with sufficient scale and speed. On the other hand, while these measures would contribute toward enhancing the Target Company Group's corporate value over the medium to long term, they could lead to a deterioration in cash flow and earnings in the short term, which could adversely affect the Target Company's market share price. Accordingly, Mr. Ide also believed that it would be difficult to implement these measures flexibly while maintaining the listing of the Target Company Shares, and that there were certain constraints on the Target Company's growth on a stand-alone basis. Mr. Ide accordingly believed that it would be beneficial to collaborate with an appropriate partner capable of providing capital, human resources, management know-how, etc. in order to realize these growth strategies.
Against this background, from September 2024, Mr. Ide and Mr. Amane Kojima, Director (CFO) of the Target Company ("**Mr. Kojima**"), each received approaches from multiple private equity funds, including MBKP, in connection with discussions regarding the Target Company's capital policy, management support, and other related matters, and held preliminary exchanges of views regarding the Target Company's business, future management policy, and core technology, among other things. These exchanges of views were conducted from the perspective of securing management options for enhancing the Target Company's medium-term corporate value. With each of the funds other than MBKP, the exchanges of views were limited to one or several occasions, after which contact ceased or discussions did not materialize; consequently, although the status of discussions with the funds with which exchanges of views had been held multiple times and with which a certain degree of progress had been made was shared with the Target Company's board of directors, such discussions did not progress to execution of a non-disclosure agreement or receipt of a specific acquisition proposal. On the other hand, dialogue continued with MBKP from September 2024, and mutual understanding of the Target Company's business, technology, and future growth strategy deepened.
Through such dialogue, Mr. Ide came to assess MBKP as an appropriate partner for maximizing the Target Company's medium- to long-term corporate value at the end of July 2025, for the following reasons.

(a) Deep Understanding of the Target Company's Business, Technology, and Customer Base
Mr. Ide assessed that MBKP has a deep understanding of the Target Company's business structure, technology, and customer base, and MBKP's views aligned with his own regarding the growth strategy needed to address the business environment and business challenges facing the Target Company.

(b) MBKP's Global Network
Given that MBKP has, over the past ten years, achieved the largest share, at 36% by transaction value, of the large-scale Korea-sponsor-led buyout market, and that the Target Company's Technology Solution Business has the Samsung Group of Korea as a major customer, Mr. Ide determined that MBKP's global network and expertise, including in Korea, would contribute toward enhancing the Target Company's corporate value and constituted a differentiating factor that would be difficult for another partner to replicate.

(c) Management Support Capabilities
Given that MBKP has carried out multiple take-private transactions in Japan in collaboration with incumbent management, and has a track record of substantially increasing the net sales and EBITDA of its domestic portfolio companies after investment through these take-private transactions, Mr. Ide assessed that MBKP has the capability, in the Transaction as well, to work with the incumbent management to develop concrete measures for enhancing the Target Company's medium- to long-term corporate value and to support their implementation.

(d) M&A Support Capability, etc.
Mr. Ide determined that MBKP has led multiple acquisitions at its domestic portfolio companies, with a track record of consistently supporting M&A at portfolio companies from the selection and sourcing of acquisition targets through to deal execution, financing, and post-merger integration, and that MBKP has sufficient financial strength to provide, as necessary, the additional funding required to execute growth investments and strategic M&A after taking the Target Company private in order to achieve the targets set out in the Medium-Term Business Plan.

MBKP, for its part, through discussions with Mr. Ide and Mr. Kojima, respectively, since September 2024, came to place a high value on the Target Company's proprietary technology platform relating to digital pens and digital ink, its relationships with global customers and partners, its strong brand power, and its co-creation ecosystem. At the same time, MBKP recognized that although the Target Company's products play an important role in differentiating customers' products through a superior pen experience, their strategic value has not been fully recognized; and that because the Target Company's Technology Solution Business, while based on strong relationships with its major customers, is subject to fluctuations in performance depending on trends in OEM customers' product cycles and adoption models, among other factors, there is room to build a sustainable and stable growth foundation by further deepening relationships with existing customers and expanding its customer base, the range of applications, and products incorporating the Target Company's technology. MBKP further came to believe that in order to achieve the targets set out in the Medium-Term Business Plan, the Target Company would need to achieve not only growth through an extension of its existing businesses but also discontinuous growth through the full-scale launch of new-category products, the commercialization of new use-case domains such as education, healthcare, and business DX, and strategic M&A. However, MBKP also came to recognize that while the Target Company has abundant technology seeds in new areas such as education, healthcare, and business DX, it faces the challenge of not having sufficiently developed the human resources, organization, and sales channels needed to launch and monetize them as businesses. In addition, while the Target Company has already been working toward new growth through the introduction of new-category products, technology and capital alliances with external companies, and the development of new use cases, among other initiatives, commercialization and monetization of these initiatives have yet to reach full scale; and MBKP recognized that there are considerable management challenges in simultaneously pursuing the renewed growth of existing businesses and up-front investment in new growth areas while responding to changes in the external environment, including OEM customers' product cycles, the prices of components including semiconductor memory, and foreign exchange rates.

MBKP therefore believes that by taking the Target Company Shares private and establishing an environment in which necessary growth investments and management reforms can be implemented swiftly and flexibly from a medium- to long-term perspective, without being overly influenced by short-term performance and the impact on market share price, and by utilizing, in addition to the Target Company's internal management resources, MBKP's capital, human resources, network centered on Japan, China, and Korea, and management know-how accumulated through supporting the management of its portfolio companies, it will be possible to accelerate transformation that would otherwise take time for the Target Company to achieve on its own and address the management challenges described above to realize the Target Company's medium- to long-term growth and enhancement of corporate value.
Specifically, MBKP believes that it can provide the following principal forms of support toward enhancing the Target Company's medium- to long-term corporate value.

(a) Renewed Growth of the Top Line of Existing Businesses
MBKP believes that it can support the renewed growth of the top line of the Target Company's existing businesses by accelerating the launch of new-category products and marketing investment, while enhancing the sophistication of unit price and profitability management. MBKP also believes that it can improve visibility of the progress and profitability of each measure, and accelerate and enhance the sophistication of investment and withdrawal decisions, by improving the efficiency of management accounting and the monthly closing process and developing KPIs and a business-specific profitability management process.

(b) Commercialization of New Growth Areas
MBKP positions areas such as education, healthcare, and business DX as the Target Company's third growth pillar, and believes that it can support the deepening of collaboration with companies in which the Target Company has already invested or with which it has already formed alliances, the development of new partners, the building of sales channels, and the establishment of a development framework for industry-specific solutions. In addition, because launching new growth areas requires up-front investment and will take a certain amount of time before commercialization and monetization, MBKP believes that it can contribute toward the commercialization of new growth areas by creating an environment in which the necessary research and development investments and marketing investments can be made flexibly, without being constrained by their short-term impact on profit and loss.

(c) Discontinuous Growth Through Strategic M&A
MBKP believes that in order for the Target Company to achieve the targets set out in the Medium-Term Business Plan, discontinuous growth through strategic M&A is important, in addition to organic growth. By utilizing MBKP's track record of executing M&A at its portfolio companies, its network centered on Japan, China, and Korea, and its specialized expertise, MBKP believes that it can consistently support the Target Company from the selection of target areas, the search for M&A candidates, and deal execution through to post-merger integration, and by providing additional equity as necessary and taking other measures, contribute toward building a capital structure that enables growth investments and M&A to be executed flexibly and timely.

(d) Acquisition of Specialized Human Resources and Strengthening of Management Systems
MBKP positions strengthening the Target Company's capability to commercialize and monetize new businesses as a priority; and it believes that it can support the recruitment of specialized human resources in areas such as marketing, new business development, corporate planning, finance, and legal affairs, by utilizing the network of MBKP and its operating team. In addition, MBKP believes that it can contribute toward further strengthening the Target Company's management system by helping strengthen its organizational capabilities, including executive officers and other management personnel and the personnel supporting them, taking into account the Target Company's existing organizational structure and consultations with its management, through the utilization of MBKP's operating team, operating partners, and outside experts in each field as necessary.

In addition, through preliminary analysis based on publicly available information and other sources from September 2024 and subsequent exchanges of views with Mr. Ide and Mr. Kojima, respectively, MBKP came to believe that in providing the forms of support described above and implementing measures to resolve the Target Company's management challenges based on such support, so long as the Target Company maintains the listing of its shares, it would be required to manage its business with consideration for short-term returns to shareholders and profit levels, and therefore up-front investment accompanied by a temporary increase in expenses, a short-term decline in profit levels, or a deterioration in cash flow might not be sufficiently evaluated by the capital markets, which could in turn make it difficult for MBKP to provide the support intended to enhance the Target Company's medium- to long-term corporate value. MBKP therefore determined that taking the Target Company Shares private would enable the provision of MBKP's management resources and expertise, swift decision-making, and fundamental reform not constrained by short-term performance. MBKP also considered it important, in order to smoothly implement the measures described above while maintaining the Target Company's business strengths, to ensure a structure in which Mr. Ide, who has built relationships of trust with the Target Company's customers, business partners, and other stakeholders, would continue after the Transaction to play a responsible role in the Target Company's management policy as its President and Representative Director (CEO) and continue to lead its overall management toward its long-term growth. In addition, MBKP considered that while making clear that the Transaction is not intended to be for Mr. Ide's personal gain or preservation of his position by having MBKP, a third party independent from Mr. Ide, own a substantial portion of the Target Company Shares, an equity investment by Mr. Ide himself would demonstrate his responsibility as a party to the business transformation and his commitment to its execution, thereby clarifying to customers, the various communities, and team members the foregoing collaborative relationship contemplated by MBKP and Mr. Ide; accordingly, in June 2026, MBKP proposed this to Mr. Ide.
Based on the foregoing background, MBKP and Mr. Ide (collectively, the "**Proposers**") determined that taking the Target Company Shares private through a management buyout (MBO) would be desirable to realize the Target Company's medium- to long-term growth and enhancement of corporate value. Based on such determination, on July 6, 2026, the Proposers submitted to the Target Company a proposal (the "**Letter of Intent**"), expressing a preliminary, nonbinding intention that an acquisition vehicle established and directly or indirectly controlled by MBKP would become the Tender Offeror and take the Target Company Shares private through a management buyout (MBO).
Thereafter, having regard to the obligation under the capital alliance agreement between the Target Company and the Samsung Group to immediately notify the Samsung Group of any acquisition proposal received from a third party with respect to the Target Company Shares, and because Mr. Ide believed that the Samsung Group was an extremely important business partner of the Target Company and that it was necessary, in order to enhance the Target Company's corporate value, to maintain and develop the ongoing collaborative relationship with the Samsung Group even after the Transaction, he explained to Samsung Electronics Co., Ltd. on July 6, 2026, the background and purpose of the Transaction and the policy of maintaining and developing the long-term technology, business, and capital relationship with Samsung Electronics Co., Ltd. even after the Target Company Shares are taken private. The Proposers subsequently held ongoing discussions with Samsung Electronics Co., Ltd. regarding the Transaction and the post-Transaction collaborative relationship, among other things.
In light of having made the proposal to Mr. Ide in June 2026 as described above, MBKP appointed Nishimura & Asahi (Gaikokuho Kyodo Jigyo) as its legal advisor, independent from the Tender Offer-Related Parties, on June 15, 2026. In addition, on July 22, 2026, MBKP received notice from the Target Company to the effect that it would proceed with consideration regarding the implementation of the Transaction by MBKP; accordingly, MBKP appointed Mizuho Securities Co., Ltd. ("**Mizuho Securities**") as its financial advisor, independent from the Tender Offer-Related Parties, on July 28, 2026. From the beginning of August 2026 to the end of September 2026, MBKP then conducted business, financial, tax, legal, intellectual-property, and other due diligence on the Target Company, and interviews with the Target Company's management, based on information disclosed by the Target Company regarding its business environment and its management strategy, business plan, and other matters, as well as publicly available information such as its annual securities reports and timely disclosure materials. Based on the information obtained in the process, MBKP further analyzed and

considered the significance of the Transaction, the acquisition structure, the feasibility of the Transaction, and the post-acquisition management policy.
As a result of this consideration, MBKP came to believe that in order for the Target Company to achieve medium-term growth and enhance its corporate value going forward, it would be necessary to promote top-line growth of existing businesses, commercialization of new growth areas, and discontinuous growth through strategic M&A; and that in addition to the Target Company's internal management resources, utilizing MBKP's human resources, management know-how, and expertise regarding M&A and post-merger integration would be beneficial in enhancing the ability to execute these measures and maximizing the effectiveness and speed of transformation.
With respect to the general disadvantages associated with taking the Target Company Shares private, namely the inability to raise funds through the capital markets and the possible decline in brand recognition and creditworthiness as a listed company, MBKP believes that regarding the former, the Target Company has not relied on equity financing to raise funds in its business operations to date, and it will be possible, after the Target Company Shares are taken private, to utilize MBKP's financial strength and creditworthiness. Regarding the latter, MBKP believes that because the Target Company's brand power and creditworthiness are considered to have become sufficiently established among customers, business partners, and other stakeholders through the Target Company's many years of business activities, and because it is considered possible to maintain or further strengthen the Target Company's external creditworthiness by utilizing MBKP's global network and management support capability, the adverse effects associated with taking the Target Company Shares private will be limited.
In light of the results of this consideration and other factors, the Proposers submitted to the Special Committee, on October 6, 2026, on the premise that the Target Company would not pay the year-end dividend for the fiscal year ending March 2027 or any subsequent dividends and would not acquire its own shares (excluding purchases pursuant to requests for the purchase of shares constituting less than one unit under the Companies Act; the same applies hereinafter), a legally binding final proposal setting the Tender Offer Price at 900 yen (an amount reflecting a premium of 0.90% (rounded to two decimal places; the same applies hereinafter with respect to the calculation of premium rates) on the closing price of the Target Company Shares of 892 yen on the Prime Market of the Tokyo Stock Exchange on October 5, 2026, the business day immediately preceding the date of the proposal). In response to this proposal, on October 8, 2026, the Proposers received from the Special Committee a request to raise the Tender Offer Price on the grounds that, among other things, in light of the estimate results of a third-party valuation firm, the proposed price did not sufficiently reflect the intrinsic value of the Target Company. In response, the Proposers reconsidered the Tender Offer Price and, on October 12, 2026, made a proposal to the Special Committee, on the premise that the Target Company would not pay the year-end dividend for the fiscal year ending March 2027 or any subsequent dividends and would not acquire its own shares, setting the Tender Offer Price at 950 yen (an amount reflecting a premium of 10.34% on the closing price of the Target Company Shares of 861 yen on the Prime Market of the Tokyo Stock Exchange on October 9, 2026, the business day immediately preceding the date of the proposal). In response to this proposal, on October 13, 2026, the Proposers received from the Special Committee a request to raise the Tender Offer Price on the grounds that, with respect to the proposed price, the level of premium on the most recent market share price of the Target Company Shares was still low compared with the premium rates in similar transactions, and the proposed price could not be considered to be at a level that sufficiently reflected the intrinsic value of the Target Company. In response, the Proposers reconsidered the Tender Offer Price and, on October 15, 2026, made a proposal to the Special Committee, on the premise that the Target Company would not pay the year-end dividend for the fiscal year ending March 2027 or any subsequent dividends and would not acquire its own shares, setting the Tender Offer Price at 960 yen (an amount reflecting a premium of 12.15% on the closing price of the Target Company Shares of 856 yen on the Prime Market of the Tokyo Stock Exchange on October 14, 2026, the business day immediately preceding the date of the proposal). In response to this proposal, on October 19, 2026, the Proposers received from the Special Committee a request to raise the Tender Offer Price on the grounds that, among other things, the increase from the previous proposal was extremely limited and, in light of the estimate results of a third-party valuation firm, the proposed price still did not sufficiently reflect the intrinsic value of the Target Company. In response, the Proposers reconsidered the Tender Offer Price and, on

November 5, 2026, made a proposal to the Special Committee, setting the Tender Offer Price at 1,000 yen (an amount reflecting a premium of 36.80% on the closing price of the Target Company Shares of 731 yen on the Prime Market of the Tokyo Stock Exchange on November 4, 2026, the business day immediately preceding the date of the proposal). In response to this proposal, the Proposers received from the Special Committee, on November 5, 2026, a request to the effect that, although the proposed price reflected a certain increase, a further increase in the Tender Offer Price was still necessary. In response, the Proposers reconsidered the Tender Offer Price and, on November 9, 2026, made a proposal to the Special Committee, again setting the Tender Offer Price at 1,000 yen (an amount reflecting a premium of 48.15% on the closing price of the Target Company Shares of 675 yen on the Prime Market of the Tokyo Stock Exchange on November 6, 2026, the business day immediately preceding the date of the proposal). The Proposers informed the Special Committee that they had also been discussing the Tender Offer Price with AVI and KC, and that, as of that date, they had not received from any of AVI or KC a request to raise the Tender Offer Price to a price exceeding 1,000 yen. In addition, on November 11, 2026, the Proposers received a request for a meeting from the Special Committee; and at the web meeting with the Special Committee held on November 12, 2026, they received from the Special Committee a request to further raise the Tender Offer Price. In response, the Proposers reconsidered the Tender Offer Price and, on November 13, 2026, made a proposal to the Special Committee, setting the Tender Offer Price at 1,015 yen (an amount reflecting a premium of 42.36% on the closing price of the Target Company Shares of 713 yen on the Prime Market of the Tokyo Stock Exchange on November 12, 2026, the business day immediately preceding the date of the proposal). In making this proposal, the Proposers informed the Special Committee that the proposed price was the maximum price level that they could offer at that time, and that this proposal would constitute their final proposal regarding the Tender Offer Price. In response to this proposal, on November 14, 2026, the Proposers received from the Special Committee a response to the effect that it had determined that the final proposed price setting the Tender Offer Price at 1,015 yen was at a level at which it would be appropriate to express an opinion recommending tendering in the Tender Offer. Thereafter, as described below, the Proposers discussed the terms of the Tender Agreement (AVI) with AVI and reached agreement with AVI on the terms of the Tender Agreement (AVI) on the premise that the Tender Offer Price would be 1,030 yen; accordingly, on November 17, 2026, after explaining such background to the Special Committee, the Proposers notified the Special Committee that they would raise the Tender Offer Price to 1,030 yen (an amount reflecting a premium of 49.71% on the closing price of the Target Company Shares of 688 yen on the Prime Market of the Tokyo Stock Exchange on November 16, 2026, the business day immediately preceding the date of the communication). Following the foregoing process, the Tender Offeror entered into the Tender Offer Agreement with the Target Company today.

In parallel, in the middle of August 2026, MBKP approached the Samsung Group, of which SESP, the Target Company's second-largest shareholder, is a member and which is an extremely important business partner of the Target Company, regarding the structure of taking the Target Company private and the reinvestment by SESP in the Tender Offeror Parent Company, among other things; and at the beginning of October 2026, MBKP received notice from the Samsung Group that it would be able to proceed with its consideration on the premise of such structure.
Meanwhile, from the middle of August 2026 to the middle of November of the same year, MBKP continued discussions with the Samsung Group regarding the capital relationship after the Target Company Shares are taken private, the collaborative relationship relating to long-term technology and business, and the tender agreement; as a result, the MBKP Fund entered into the Transaction Agreement (SESP) and the Shareholders Agreement (SESP) with SESP on November 20, 2026.

In parallel, MBKP also continued discussions with Mr. Ide regarding his not tendering his shares in the Tender Offer and the Mr. Ide Reinvestment; as a result, the Tender Offeror entered into the Non-Tender Agreement (Mr. Ide) with Mr. Ide on November 20, 2026, and the MBKP Fund entered into the Shareholders Agreement (Mr. Ide) with Mr. Ide on the same date.

In addition, in parallel with the negotiations with the Target Company and the Special Committee described above, the Tender Offeror commenced discussions with AVI regarding tendering in the

Tender Offer on October 9, 2026, provided an explanation of the background to the Transaction, and on October 15, 2026, presented the tender offer price of 960 yen that it had proposed to the Target Company as of that date; on the same date, AVI indicated its intention to consider entering into the Tender Agreement (AVI). In addition, the Tender Offeror presented a draft of the Tender Agreement (AVI) to AVI on the 29th of the same month, but AVI requested revisions to the Tender Agreement (AVI). Thereafter, in the course of negotiating the Tender Agreement (AVI) with AVI, although the Tender Offeror had obtained a response from AVI on November 5, 2026 to the effect that it could accept a Tender Offer Price of 1,000 yen, the Tender Offeror held further discussions with AVI regarding the terms of the Tender Agreement (AVI) from the perspective of further increasing the likelihood of completion of the Transaction. As a result, on the 16th of the same month, the Tender Offeror obtained a response from AVI to the effect that it accepted the terms of the Tender Agreement (AVI), on the premise that the Tender Offer Price of 1,015 yen agreed upon with the Special Committee would be raised to 1,030 yen. In response, on November 17, 2026, the Proposers, after explaining the above background to the Special Committee, notified the Special Committee that the Tender Offer Price would be 1,030 yen. Thereafter, the Tender Offeror entered into the Tender Agreement (AVI) with AVI as of November 20, 2026.

In addition, in parallel with the negotiations with the Target Company, the Special Committee, and AVI described above, the Tender Offeror commenced discussions with KC regarding tendering in the Tender Offer on October 13, 2026, provided an explanation of the background to the Transaction, and on October 19, 2026, presented the tender offer price of 960 yen that it had proposed to the Target Company as of that date; however, on the same date, KC requested an increase in the Tender Offer Price. In addition, the Tender Offeror presented a draft of the Tender Agreement (KC) to KC on the 29th of the same month, but KC requested revisions to the Tender Agreement (KC). Thereafter, in the course of negotiating the Tender Agreement (KC), although the Tender Offeror had obtained a response from KC on November 5, 2026 to the effect that it could accept a Tender Offer Price of 1,000 yen, from the perspective of further increasing the likelihood of completion of the Transaction, the Tender Offeror proposed on November 16 of the same year to raise the Tender Offer Price to 1,030 yen; and it obtained a response from KC to the effect that it accepted, as of the same date, a Tender Offer Price of 1,030 yen, and that it also accepted proceeding toward execution of the Tender Agreement (KC) as of the 20th of the same month. Thereafter, the Tender Offeror entered into the Tender Agreement (KC) with KC as of November 20, 2026.

Based on the foregoing consideration, discussions, and determinations, the Tender Offeror decided, on November 20, 2026, to implement the Tender Offer as part of the Transaction, with the Tender Offer Price set at 1,030 yen and the purchase price per Target Company Share relating to the American Depositary Shares represented by the American Depositary Receipts set at the same amount as the Tender Offer Price.

(II) Background to, and Basis for, Determination of the Purchase Price

(i) Target Company Shares

On November 20, 2026, the Tender Offeror decided to set the Tender Offer Price at 1,030 yen after comprehensively considering the following factors: the results of the due diligence conducted on the Target Company from the beginning of August 2026 to the end of September 2026; the Target Company's financial information and other matters set forth in its annual securities reports and similar documents; trends in the Target Company's share price (a closing price of the Target Company Shares of 687 yen on the Prime Market of the Tokyo Stock Exchange on November 19, 2026, the business day immediately preceding the date of announcement of the planned commencement of the Tender Offer, a simple average closing price over the past one month up to that date of 764 yen (rounded to the nearest yen; the same applies hereinafter with respect to the calculation of simple average closing prices), a simple average closing price over the past three months up to that date of 812 yen, and a simple average closing price over the past six months up to that date of 812 yen); the results of discussions and negotiations with the Target Company and the Special Committee; the Target Company's board of directors' decision as to whether to support the Tender Offer; and the prospects for tenders in the Tender Offer, among other factors.

The Tender Offeror determined the Tender Offer Price by comprehensively considering various factors relating to the value of the Target Company Shares, including by reference to objective materials such as the financial information described above, and based on discussions and negotiations with the Target Company and the Special Committee; and it has not obtained a share valuation report or a fairness opinion from a third-party valuation firm. The Tender Offer Price of 1,030 yen represents a premium of 49.93% on the closing price (687 yen) of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on November 19, 2026, the business day immediately preceding the date of announcement of the planned commencement of the Tender Offer, a premium of 34.82% on the simple average closing price over the most recent one month up to that date of 764 yen, a premium of 26.85% on the simple average closing price over the most recent three months up to that date of 812 yen, and a premium of 26.85% on the simple average closing price over the most recent six months up to that date of 812 yen.

(ii) Target Company Shares Relating to the American Depositary Shares Represented by the American Depositary Receipts

In light of the fact that the American Depositary Receipts represent the American Depositary Shares deposited with the Depositary Banks, and that one American Depositary Share is equivalent to one Target Company Share, the purchase price per Target Company Share relating to the American Depositary Shares represented by the American Depositary Receipts has been set at 1,030 yen, the same amount as the Tender Offer Price.

(III) Content, Grounds, and Reasons for the Target Company's Opinion on the Tender Offer

(i) Background to Establishment of the Review Framework

As described in "(I) Background, Purpose, and Decision-Making Process Leading to the Tender Offeror's Decision to Implement the Tender Offer" above, the Target Company received the Letter of Intent from the Proposers on July 6, 2026.

In addition, because the Transaction constitutes a management buyout (MBO) and issues of structural conflicts of interest exist between the Target Company and its general shareholders, the Target Company established the Special Committee to consider the proposal relating to the Transaction (for the composition, specific activities, and other related matters regarding the Special Committee, please see "(VI) Establishment of an Independent Special Committee and Acquisition of a Report from the Special Committee by the Target Company" in "(3) Measures to Ensure the Fairness of the Tender Offer" below), pursuant to a resolution of the Target Company's board of directors held on July 10, 2026, for the purpose of ensuring prudence in the Target Company's decision-making regarding the Transaction, eliminating the possibility of arbitrariness and conflicts of interest in the decision-making process of the Target Company's board of directors, and ensuring the fairness thereof, thereby establishing a framework for conducting the consideration, negotiation, and determination relating to the Transaction.

After receiving the MBO proposal from MBKP, at the end of June 2026, Mr. Ide gave the Target Company's directors a prior explanation to the effect that he was considering, with MBKP, taking the Target Company Shares private through an MBO involving Mr. Ide's own reinvestment; thereafter, in light of his position of considering the Transaction on the side of the Proposers, Mr. Ide has not participated in the consideration, discussions, or negotiations of the Transaction from the standpoint of the Target Company, or in the deliberations or resolutions of the Target Company's board of directors relating to the Transaction.

As described in "(VI) Establishment of an Independent Special Committee and Acquisition of a Report from the Special Committee by the Target Company" in "(3) Measures to Ensure the Fairness of the Tender Offer" below, the Target Company obtained the Special Committee's approval, at its meeting held on July 22, 2026, for the appointment of Anderson Mori & Tomotsune ("**Anderson Mori & Tomotsune**") and Daiwa Securities Co. Ltd. ("**Daiwa Securities**") as the Target Company's legal advisor and financial advisor and third-party valuation firm, respectively, after the Special Committee confirmed that there was no issue with their independence, expertise, or track record. In addition, since receiving the Letter of Intent from the Proposers on July 6, 2026, the Target Company has established, within the Target Company, a framework independent from the Tender Offer-Related Parties for conducting the consideration, negotiation, and determination relating to the Transaction (including the

scope of the Target Company's officers and employees involved in the consideration, negotiation, and determination relating to the Transaction and their respective duties); and it obtained the Special Committee's approval, on July 22, 2026, that there was no issue with such review framework from the perspective of independence and fairness (for details of the establishment of the Target Company's independent review framework, please see "(VIII) Establishment of an Independent Review Framework at the Target Company" in "(3) Measures to Ensure the Fairness of the Tender Offer" below).
Accordingly, as described in "(I) Acquisition of a Share Valuation Report from an Independent Third-Party Valuation Firm by the Target Company," "(III) Advice from an Independent Law Firm Obtained by the Target Company," and "(V) Advice from an Independent Financial Advisor Obtained by the Target Company" in "(3) Measures to Ensure the Fairness of the Tender Offer" below, the Target Company appointed, pursuant to a resolution of its board of directors held on July 30, 2026, Anderson Mori & Tomotsune as its legal advisor, independent from the Target Company and the Tender Offer-Related Parties, and Daiwa Securities as its financial advisor and third-party valuation firm, independent from the Target Company and the Tender Offer-Related Parties, in order to eliminate arbitrariness in the decision-making process of the Target Company and its board of directors in the Transaction and to ensure fairness, transparency, and objectivity.

(ii) Background to the Consideration and Negotiation
Under the framework described above, having regard to the Target Company's management environment, business conditions, and other factors, the Target Company has carefully considered the merits of the Transaction and the fairness of the terms of the Transaction, including the Tender Offer Price, through ongoing discussions and negotiations with the Proposers, while receiving advice from Anderson Mori & Tomotsune and Daiwa Securities.
Specifically, after establishing the Special Committee on July 10, 2026, the Target Company proceeded with consideration and discussion in the Special Committee. At its first meeting, held on the 22nd of the same month, the Special Committee confirmed that there was no issue with the independence, expertise, or track record of the Target Company's legal advisor and financial advisor and third-party valuation firm and approved their appointment. It also appointed Nagashima Ohno & Tsunematsu as its own independent legal advisor, and confirmed that there was no issue, from the perspective of independence and fairness, with the review framework for the Transaction established within the Target Company. The Special Committee further appointed Plutus Consulting Co., Ltd. ("**Plutus Consulting**") as its own independent financial advisor and third-party valuation firm on the 30th of the same month.
On July 30, 2026, the Special Committee sent the Proposers a written list of questions covering, among other things, the background and purpose of the Transaction, the structure of the Transaction, the impact of taking the Target Company Shares private on the Target Company's business, the measures that the Proposers are contemplating implementing after the Transaction, and other terms of the Transaction; and it received a written response from the Proposers on August 7 of the same year. After considering the response, the Special Committee held direct interviews with MBKP on the 17th of the same month, and with Mr. Ide on the 20th of the same month, and held question-and-answer sessions regarding the background to the Transaction and the need to take the Target Company Shares private, the management structure and management policy after the Transaction, the impact on relationships with the Target Company's major customers, the treatment of the Target Company's employees after the Transaction, and other matters. In addition, in order to independently confirm the Target Company management's own views on the need for the Transaction and the existence of alternatives to the Transaction, the Special Committee conducted multiple interviews with the Target Company's directors and executive officers from the 25th to the 27th of the same month. It received explanations of, and held question-and-answer sessions on, their reactions to the proposal relating to the Transaction, the Target Company's business environment and competitive environment, relationships with major customers and major business partners, management structure and human resources-related challenges after taking the Target Company Shares private, and other matters.
The written list of questions described above also included matters relating to the status of the exchanges of views held with multiple private equity funds, including MBKP, and the background leading to Mr. Ide's decision to implement the Transaction jointly with MBKP. Specifically, because

the Transaction is a management buyout (MBO) involving an investment by Mr. Ide, and Mr. Ide, after having been involved, as the Representative Director of the Target Company, in the exchanges of views with each of the private equity funds described above, came to propose the Transaction as one of the Proposers, the Special Committee considered the reasons for such selection, and the fairness and reasonableness of the selection process, to be a premise for evaluating the legitimacy and reasonableness of the purpose of the Transaction and the appropriateness of the terms of the Transaction; accordingly, regarding all candidates including those merely approached or contacted, it requested that the Proposers clarify the timing and origin of the contact with Mr. Ide, the depth of consideration, the content of the dialogue, and the reasons and timing of, and the person responsible for, any decision to discontinue consideration, and confirmed these matters through the written responses and question-and-answer sessions during the interviews described above. In addition, the Special Committee also confirmed with Mr. Kojima the background to the contact and exchanges of views with each fund.

Through this review, the Special Committee received an explanation from the Proposers to the effect that the initial dialogue with MBKP was not premised on an MBO involving an investment by Mr. Ide; and that, thereafter, as consideration for taking the Target Company Shares private and the method of implementing it progressed, Mr. Ide came to consider implementing the Transaction jointly with MBKP. The Special Committee also received a response to the effect that, while no specific acquisition proposal was received from candidates other than MBKP, understanding of the Target Company's business and technology deepened through the ongoing dialogue with MBKP; and that Mr. Ide selected MBKP as a partner in light of its business understanding, management support capability, capability to support the execution of strategic M&A, and financial strength, among other factors. Based on the explanations regarding the timing and depth of dialogue with each candidate and the reasons for discontinuing consideration, the Special Committee confirmed that, with respect to the reasons for and the process of selecting the Transaction partner, the selection did not unreasonably exclude any particular candidate and was not conducted for Mr. Ide's personal benefit; and that the selection was made based on the feasibility of measures contributing toward enhancing the Target Company's corporate value.

In addition, the Special Committee considered the business plan forming the basis for the valuation of the Target Company Shares in the following order. First, the Special Committee considered whether the Medium-Term Business Plan already published by the Target Company could be used 'as-is' as the basis for the share valuation in the Transaction, and the reasons why it could not be so used; and it received an explanation from the Target Company regarding the changes to the assumptions of the Medium-Term Business Plan resulting from significant deterioration in the current business environment that has arisen since formulation of the Medium-Term Business Plan, including the rapid advancement of AI, the increase in memory prices, and increased cost-reduction pressure in the Technology Solution Business, as well as an explanation of the specific factors underlying such changes. As a result, the Special Committee determined that it would be inappropriate to use the Medium-Term Business Plan "as-is" as the basis for the share valuation in the Transaction, and that it would be appropriate to use a new business plan reflecting the current business environment and the Target Company's latest business condition. The Special Committee then received from the Target Company multiple draft versions of a new business plan prepared by the Target Company, together with an explanation of the assumptions of, and differences between, each draft. On September 4, 2026, it determined to proceed with its consideration based on the draft, among them, that could maximize the business plan within a reasonable range, while also requesting that the Target Company (i) lay out the quantitative differences between the Medium-Term Business Plan and that draft and the factors leading to them, (ii) verify the upside factors for the current and following fiscal years' plan figures, and (iii) verify the upside factors additionally expected over the medium- to long-term plan period. Subsequently, on September 10, 2026, the Special Committee received from the Target Company an explanation on, and held a question-and-answer session regarding, the quantitative differences by business (a breakdown of increase and decrease factors) between the Medium-Term Business Plan and the business plan, the results of verification of the levels of the current and following fiscal years' plan figures, and additional upside factors. In light of such explanation and question-and-answer session, in order to further verify the content of the business plan, the Special Committee requested that the Target Company: (i) review the level of selling, general, and administrative expenses over the plan

period considering that such level was high compared with past actual results; (ii) reconsider from the perspective of whether the decrease factors incorporated for each business were conservative; (iii) quantify the effects expected from collaboration with the Target Company's subsidiaries; and (iv) explain the factors behind fluctuations in profit levels during the plan period. In response to these requests, the Target Company revised the business plan upward and then explained the content and results of such additional consideration to the Special Committee and held a question-and-answer session; and the Special Committee re-verified the reasonableness of each plan figure in such business plan and the assumptions thereof. Following the foregoing consideration, the Special Committee confirmed the reasonableness of the content, key assumptions, preparation process, etc. of the business plan on September 18, 2026, and approved it.

Subsequently, the Special Committee, upon being informed of the recent circumstances that the results forecast for the interim period of the fiscal year ending March 2027 was expected to exceed internal expectations, and in light of the fact that the proposal relating to the Transaction is an MBO, which is a conflict-of-interest transaction, came to believe, from the perspective of maximizing share value, that there might be further room to review the business plan. In addition, based on the view that it would be reasonable to take into account that, even amid a rapid deterioration in the business environment, the Target Company and its major customers would make their best efforts to stop the deterioration in business performance, in order to quantitatively reflect such necessary efforts in such business plan, on October 13, 2026, the Special Committee received additional explanations from the Target Company regarding the results forecast for the interim period of the fiscal year ending March 2027 and the outlook for the full fiscal year, the assumptions regarding manufacturing costs and selling, general, and administrative expenses during the business plan period from the next fiscal year onward, and the new business areas that had long been a challenge and were a pillar of the Medium-Term Business Plan, and held a question-and-answer session. Thereafter, in light of such question-and-answer session, in order to further verify the content of the business plan, the Special Committee requested that the Target Company provide additional explanations as to whether there was room to review manufacturing costs in the Branded Business from the next fiscal year onward, whether there was similar room for review in the Technology Solution Business, and how the expansion of new business areas, which can be considered a pillar of the Medium-Term Business Plan, would be carried over and reflected in such business plan.

In response to these requests, on October 16, 2026, the Special Committee received an explanation from the Target Company of the content and results of such additional consideration, held a question-and-answer session, and re-verified the possibility of revising the business plan.

Following the foregoing consideration, on October 19, 2026, the Special Committee confirmed that the draft revised business plan had content maximized within a reasonable range and approved it again. Thereafter, on October 19, 2026, the Target Company disclosed such revised business plan (the "**Business Plan**") to the Proposers.

In addition, the discussions and negotiations regarding the Tender Offer Price have been conducted as follows, under a framework in which the Special Committee considered and determined the negotiation policy and was substantively involved in the discussions and negotiations with the Proposers through Daiwa Securities, the Target Company's financial advisor.

On October 6, 2026, the Target Company received from the Proposers a legally binding final proposal setting the Tender Offer Price at 900 yen per share (representing a premium of 0.90% on the closing price of 892 yen on October 5, 2026, the business day immediately preceding the date of the proposal, a premium of 6.89% on the simple average closing price over the most recent one month up to that date of 842 yen, a premium of 11.66% on the simple average closing price over the most recent three months up to that date of 806 yen, and a premium of 11.66% on the simple average closing price over the most recent six months up to that date of 806 yen).

In response, on October 8, 2026, as a result of considering such proposal, the Special Committee determined that the proposed tender offer price, in light of the estimate results of a third-party valuation firm, could not be considered to appropriately reflect the intrinsic value of the Target Company and could not be considered to be at a level that gave sufficient consideration to the interests of the Target Company's general shareholders, and requested that the Proposers substantially raise and reconsider the Tender Offer Price.

Thereafter, on October 12, 2026, the Target Company received from the Proposers a revised proposal setting the Tender Offer Price at 950 yen per share (representing a premium of 10.34% on the closing price of 861 yen on October 9, 2026, the business day immediately preceding the date of the proposal, a premium of 11.63% on the simple average closing price over the most recent one month up to that date of 851 yen, a premium of 17.00% on the simple average closing price over the most recent three months up to that date of 812 yen, and a premium of 17.57% on the simple average closing price over the most recent six months up to that date of 808 yen).
In response, on October 13, 2026, as a result of considering such revised proposal, the Special Committee determined that the level of premium on the most recent market share price of the Target Company Shares was still low compared with the premium rates in similar transactions and could not be considered to be at a level that sufficiently reflected the intrinsic value of the Target Company; accordingly, the Special Committee requested that the Proposers further raise and reconsider the Tender Offer Price.
Thereafter, on October 15, 2026, the Target Company received from the Proposers a revised proposal setting the Tender Offer Price at 960 yen per share (representing a premium of 12.15% on the closing price of 856 yen on October 14, 2026, the business day immediately preceding the date of the proposal, a premium of 11.63% on the simple average closing price over the most recent one month up to that date of 860 yen, a premium of 17.79% on the simple average closing price over the most recent three months up to that date of 815 yen, and a premium of 18.67% on the simple average closing price over the most recent six months up to that date of 809 yen).
In response, although the Special Committee considered such revised proposal in light of, among other things, the fact that the amount of increase from the previous proposal remained extremely limited, the level of premium on the most recent market share price, and the results of the estimate of the value of the Target Company Shares, it determined that the proposed price still did not reach a level that gave sufficient consideration to the interests of the Target Company's general shareholders; and on October 19, 2026, it requested that the Proposers further raise the Tender Offer Price. In addition, as described above, the Target Company disclosed the Business Plan on the same date, and requested that the Tender Offer Price also be considered in light of the Business Plan.
Thereafter, on November 5, 2026, the Target Company received from the Proposers a revised proposal setting the Tender Offer Price at 1,000 yen per share (representing a premium of 36.80% on the closing price of 731 yen on November 4, 2026, the business day immediately preceding the date of the proposal, a premium of 18.34% on the simple average closing price over the most recent one month up to that date of 845 yen, a premium of 20.34% on the simple average closing price over the most recent three months up to that date of 831 yen, and a premium of 22.25% on the simple average closing price over the most recent six months up to that date of 818 yen).
In response, on November 5, 2026, as a result of considering such revised proposal in light of, among other things, the results of the estimate of the value of the Target Company Shares and the levels of premium on the simple average closing prices over the most recent one month, three months, and six months, the Special Committee responded that, although a certain price increase had been made, it still requested an increase in the Tender Offer Price.
Thereafter, on November 9, 2026, the Special Committee received from the Proposers a response to the effect that the Tender Offer Price would continue to be 1,000 yen per share (representing a premium of 48.15% on the closing price of 675 yen on November 6, 2026, the business day immediately preceding the date of the proposal, a premium of 18.91% on the simple average closing price over the most recent one month up to that date of 841 yen, a premium of 22.55% on the simple average closing price over the most recent three months up to that date of 816 yen, and a premium of 23.30% on the simple average closing price over the most recent six months up to that date of 811 yen), together with information to the effect that they had also been discussing the Tender Offer Price with AVI and KC and that, as of that date, they had not received from any of AVI or KC a request to raise the Tender Offer Price to a price exceeding 1,000 yen.
In response, on November 12, 2026, the Special Committee, with all members in attendance, held a web meeting with the Proposers, informed them that setting the Tender Offer Price at 1,000 yen per share did not reach a level that gave sufficient consideration to the interests of the Target Company's general shareholders, and directly requested that the Proposers further raise and reconsider the Tender Offer Price.

Thereafter, on November 13, 2026, the Special Committee received from the Proposers a final proposal setting the Tender Offer Price at 1,015 yen per share (representing a premium of 42.36% on the closing price of 713 yen on November 12, 2026, the business day immediately preceding the date of the proposal, a premium of 26.72% on the simple average closing price over the most recent one month up to that date of 801 yen, a premium of 23.48% on the simple average closing price over the most recent three months up to that date of 822 yen, and a premium of 24.54% on the simple average closing price over the most recent six months up to that date of 815 yen). In receiving such proposal, the Special Committee was informed that the proposed price was the maximum price level that could be offered at that time, and that such proposal would constitute the final proposal regarding the Tender Offer Price.
In response, as a result of considering such final proposal by comprehensively taking into account, among other things, the results of the estimate of the value of the Target Company Shares, the levels of premium on the simple average closing prices over the most recent one month, three months, and six months, and the background of the discussions and negotiations to date, the Special Committee determined that the final proposed price setting the Tender Offer Price at 1,015 yen per share was at a level at which it would be appropriate to express an opinion recommending tendering in the Tender Offer, and on November 14, 2026, responded to that effect to the Proposers. The Special Committee also conveyed that such response did not constitute its final report regarding the Transaction, and that the Special Committee's final report and the determination of the opinion of the Target Company's board of directors would be made after confirming, among other things, the final content of the share valuation reports and other related documents.
Thereafter, on November 17, 2026, the Special Committee received from the Proposers, together with an explanation of the background to the effect that they had discussed the terms of the Tender Agreement (AVI) with AVI and reached agreement with AVI on the terms of the Tender Agreement (AVI) on the premise that the Tender Offer Price would be 1,030 yen, a communication to the effect that they would raise the Tender Offer Price to 1,030 yen (an amount reflecting a premium of 49.71% on the closing price of the Target Company Shares of 688 yen on the Prime Market of the Tokyo Stock Exchange on November 16, 2026, the business day immediately preceding the date of the communication).

(iii) Content of the Determination
Based on the foregoing background, the Target Company received the necessary legal advice from Anderson Mori & Tomotsune, its legal advisor, regarding the method and process of its board of directors' decision-making, including the various procedures relating to the Transaction, and other matters requiring attention, and received a report (the "**Report**") from the Special Committee dated November 19, 2026 (for the content of the Report, the specific activities of the Special Committee, and other related matters, please see "(VI) Establishment of an Independent Special Committee and Acquisition of a Report from the Special Committee by the Target Company" in "(3) Measures to Ensure the Fairness of the Tender Offer" below).
In addition, the Target Company received, from Daiwa Securities, its third-party valuation firm, a share valuation report (the "**Share Valuation Report (Daiwa Securities)**") relating to the Target Company Shares dated November 19, 2026 (for an outline of the Share Valuation Report (Daiwa Securities), please see "(ii) Outline of the Valuation" under "(I) Acquisition of a Share Valuation Report from an Independent Third-Party Valuation Firm by the Target Company" in "(3) Measures to Ensure the Fairness of the Tender Offer" below).
The Target Company then carefully discussed and considered, while giving the utmost respect to the content of the Report submitted by the Special Committee and having regard to the legal advice received from Anderson Mori & Tomotsune, the financial advice received from Daiwa Securities, and the content of the Share Valuation Report (Daiwa Securities) obtained, as well as the content of the Share Valuation Report (Plutus Consulting) (as defined below; the same applies hereinafter) and the Fairness Opinion (as defined in "(i) Name of the Valuation Firm and Its Relationship with the Target Company, the Special Committee, and the Tender Offeror" under "(II) Acquisition of a Share Valuation Report and a Written Opinion on the Share Valuation (Fairness Opinion) from an Independent Third-Party Valuation Firm by the Special Committee" in "(3) Measures to Ensure the Fairness of the Tender Offer" below; the same applies hereinafter) submitted through the Special

Committee, whether the Transaction would enhance the Target Company's corporate value, and whether the terms of the Transaction, including the Tender Offer Price, were fair, among other things. As a result, the Target Company determined, having regard to the following points and other factors, that the measures intended by the Proposers described in "(I) Background, Purpose, and Decision-Making Process Leading to the Tender Offeror's Decision to Implement the Tender Offer" above are reasonable; and that taking the Target Company Shares private through the Transaction would contribute toward enhancing the Target Company's corporate value.

(a) Growth of Existing Businesses and Improvement of Profitability

The Target Company believes that, in order to achieve sustainable growth, it is important to utilize its technological capabilities, brand power, and customer base to launch new-category products and expand its customer base, range of applications, and products incorporating its technology, while increasing the profitability of each product and business. In this regard, the Target Company believes that, by utilizing MBKP's knowledge and domestic and international network relating to management support for its portfolio companies, it can enhance the sophistication of marketing measures, pricing, unit price management, and other matters, and increase the effectiveness of the initiatives the Target Company is pursuing toward the growth and improved profitability of its existing businesses.

(b) Acceleration of Commercialization in New Growth Areas

The Target Company is working, based on its technologies relating to digital pens and digital ink, to expand into new areas such as education, healthcare, and business DX as new businesses intended to become its third pillar; and it believes that, in order to link these initiatives to continuous revenue generation, it is necessary to proceed in an integrated manner not only with technology development but also with the development of solutions tailored to customer needs, the development of alliance partners, and the building of sales channels. In this regard, the Target Company believes that, by utilizing MBKP's support for the development of new partners and for business development, it can promote the combination of the Target Company's technology base with external management resources and accelerate commercialization and monetization in new growth areas.

(c) Strengthening of the Ability to Execute Strategic M&A and Growth Investments

The Target Company believes that, in order to realize the growth strategy set out in the Medium-Term Business Plan, it is important to acquire the necessary technologies, human resources, and business foundations through M&A and technology and capital alliances, in addition to growth utilizing its own management resources. The Target Company believes that, by utilizing MBKP's domestic and international network and its knowledge regarding the execution of M&A and post-merger integration, it can strengthen its initiatives from the search for candidates through to deal execution and post-acquisition integration. In addition, the Target Company believes that, together with the financial support explained by the Proposers, including additional funding as necessary, its options for flexibly executing strategic M&A and growth investments will expand.

(d) Strengthening of Human Resources and the Management Control System Supporting the Growth Strategy

The Target Company believes that, in order to pursue the growth of its existing businesses and expansion into new areas in parallel, it is important to secure specialized human resources and strengthen organizational capabilities to carry out these initiatives, and to enhance its management control system so that it can ascertain the progress and profitability of each measure in a timely manner and make decisions on the allocation of management resources. In this regard, the Target Company believes that, by utilizing the human resources network and management support knowledge of MBKP and its operating team, it can advance the recruitment of specialized human resources and enhance the sophistication of management accounting, business-specific profitability management, and other matters, thereby strengthening the structure supporting execution of its growth strategy.

The Target Company believes that some of the above initiatives require up-front investment and will take a certain amount of time before commercialization and monetization. The Target Company believes that promoting these initiatives through the Transaction by combining its management

resources with MBKP's support, without being overly influenced by the impact on short-term performance and the market share price, will enhance its ability to execute them and the speed of execution compared with pursuing them on a stand-alone basis, and will contribute toward enhancing its medium- to long-term corporate value.

On the other hand, the Target Company also considered the disadvantages of taking the Target Company Shares private through the Transaction. Specifically, because the Transaction is intended to result in the delisting of the Target Company Shares, the Target Company considered: (i) that it would no longer be able to raise funds through equity financing from the capital markets; (ii) that there could be an adverse effect on the recruitment of employees, the retention of existing employees, the maintenance and expansion of business relationships with business partners, and other matters, all of which are premised on the social credibility and name recognition as a listed company; (iii) that the governance and compliance systems could become weaker than when it was listed; and (iv) that there could be a possible impact on the relationship with the Samsung Group, which is both a major shareholder and a major customer of the Target Company.
With respect to (i), the Target Company believes that there will be no impediment. This is because, in addition to the fact that the Target Company maintained an equity ratio of 57.6% as of the end of the fiscal year ended March 2026 and that there is little need to raise funds through equity financing in its current business activities, the Proposers have explained that, after the Transaction, a structure will be designed on the premise of making the necessary growth investments, that the funds managed by MBKP can provide additional equity funding as needed flexibly, and that it will also be possible to raise funds on a scale that would be difficult for a listed company to pursue due to dilution concerns. With respect to (ii), the Target Company recognizes that its Technology Solution Business is a BtoB business model (Note 1), in which customers' assessments of creditworthiness and credibility depend significantly on transaction track record, technological capability, quality, and reliability of supply, and that such creditworthiness and recognition are built up over the long term within the industry through dealings with customers. The Target Company also recognizes that the brand value of its Branded Business is based mainly on the evaluation of its products within the creator community, and does not depend on it being a listed company. The Target Company therefore believes that the impact of delisting on customers and business partners will be limited. With respect to employee recruitment and retention, the Target Company Group recognizes that many people who wish to join the Target Company Group do so because they identify with the Target Company Group's business, which provides value to society through the "*kaku*" experience under its "Life-long Ink" vision; and it believes that reasons for joining the Target Company are not necessarily limited to it being a listed company. The Target Company Group has also been creating an environment that accommodates diverse working styles, including by introducing a system that allows employees to freely choose their place of work and a super-flex-time system with no core hours. In addition, the Target Company Group appoints people to key management positions with emphasis on their enthusiasm and ability to accomplish their goals, regardless of gender, nationality, age, or other factors. In particular, it considers it important to develop and secure engineers who drive technological innovation; accordingly, it focuses on human resource development. In this way, the Target Company recognizes that there has recently been a trend toward placing importance on the working environment, treatment, job satisfaction, and other factors when deciding which company to work for; therefore, it does not consider this to be a significant disadvantage. The Proposers have informed the Target Company that it is currently contemplated that the employment and treatment of the Target Company's employees will, in principle, continue unchanged. With respect to (iii), the Proposers have informed the Target Company that they recognize the loss of the capital markets' management oversight function as an issue that needs to be directly addressed, and that they intend to secure a management oversight function to substitute for the market's oversight function over a listed company, through monthly monitoring by the board of directors, including directors dispatched by MBKP, and discipline through functional meetings. In addition, the policy is to maintain and strengthen the current internal control system and governance system. In light of the foregoing, the Target Company does not believe that there will be any particular impediment. With respect to (iv), the Proposers have informed the Target Company that the trading relationship between the Target Company and the Samsung Group is based on technology, quality, price, and contractual terms, and that it is contemplated that SESP, as a member

of the Samsung Group, will continue to participate as a shareholder even after the Target Company Shares are taken private. The Target Company also recognizes that its trading relationships with major OEM customers, including the Samsung Group, are based on the accumulation of joint development across multiple generations over many years, and are not affected by whether the Target Company Shares are listed; therefore, it believes that the risk that the Transaction will have a material impact on such trading relationships is low.
In light of the foregoing, the Target Company determined, at its board of directors meeting held today, that the advantages of taking the Target Company Shares private outweigh the disadvantages.
The Target Company also believes that in order to enhance the Target Company's corporate value from a medium- to long-term perspective, it is necessary to build a management structure that can swiftly address each of the measures without being constrained by short-term evaluation by the stock market. Furthermore, the Target Company determined that it would be reasonable to implement a management buyout (MBO) under which, while the Target Company Shares are taken private, Mr. Ide, the Target Company's President and Representative Director (CEO), who has a thorough knowledge of the Target Company's business and business environment, will continue to be involved in the Target Company's management going forward, in order to efficiently implement the measures described above.

(Note 1) "BtoB (Business to Business)" refers to a business model in which a company provides products or services to other companies.

For the reasons set out in (a) through (g) below, the Target Company determined that the Tender Offer Price (1,030 yen) secures the benefits that the Target Company's general shareholders should enjoy; and that the Tender Offer provides the Target Company's shareholders with a reasonable opportunity to sell their shares.

(a) According to the results of the valuation of the Target Company Shares in the Share Valuation Report (Daiwa Securities) and the share valuation report obtained by the Special Committee from Plutus Consulting on November 19, 2026 (the "**Share Valuation Report (Plutus Consulting)**") described in "(ii) Outline of the Valuation" under "(I) Acquisition of a Share Valuation Report from an Independent Third-Party Valuation Firm by the Target Company" and "(ii) Outline of the Valuation" under "(II) Acquisition of a Share Valuation Report and a Written Opinion on the Share Valuation (Fairness Opinion) from an Independent Third-Party Valuation Firm by the Special Committee" in "(3) Measures to Ensure the Fairness of the Tender Offer" below, the Tender Offer Price falls within the per-share value calculation ranges under the discounted cash flow method (the "**DCF Method**") by Daiwa Securities and Plutus Consulting, exceeds the ranges of the valuation results under the market price method by both firms, and further exceeds the valuation range under the comparable company method by Plutus Consulting.

(b) As described in "(3) Measures to Ensure the Fairness of the Tender Offer" below, the Tender Offer Price was determined after measures to ensure the fairness of the Tender Offer were taken; accordingly, it is considered to reflect consideration for the interests of general shareholders.

(c) The Tender Offer Price was determined, after the measures described above had been taken and the Special Committee had determined its negotiation policy on its own initiative, as a result of sincere and continuous discussions and negotiations conducted by the Target Company with the Proposers through Daiwa Securities.

(d) As described in "(VI) Establishment of an Independent Special Committee and Acquisition of a Report from the Special Committee by the Target Company" in "(3) Measures to Ensure the Fairness of the Tender Offer" below, the Report obtained from the Special Committee also expresses the opinion that the Tender Offer Price is considered to be fair.

(e) As described in "(iii) Outline of the Fairness Opinion" under "(II) Acquisition of a Share Valuation Report and a Written Opinion on the Share Valuation (Fairness Opinion) from an Independent Third-Party Valuation Firm by the Special Committee" in "(3) Measures to Ensure the Fairness of the Tender Offer" below, the Special Committee has obtained the Fairness Opinion from Plutus Consulting, which is independent from both the Target Company and the Tender Offer-Related Parties and receives only a fixed fee payable

regardless of whether the Transaction succeeds, to the effect that the Tender Offer Price is fair to the Target Company's general shareholders from a financial perspective.

(f) With respect to the American Depositary Receipts, it is difficult for the Tender Offeror to acquire the American Depositary Receipts because, in practice, there is no financial instruments business operator or other entity able to handle them as tender offer agent in the acquisition thereof by the Tender Offeror, which is a resident of Japan, in the Tender Offer to be conducted outside the United States; and the purchase price per Target Company Share relating to the American Depositary Shares represented by the American Depositary Receipts is planned to be set at the same amount as the Tender Offer Price; in light of the foregoing, there is nothing unreasonable about the treatment of the American Depositary Receipts or the purchase price per Target Company Share relating to the American Depositary Shares represented by the American Depositary Receipts.

(g) The Tender Offer Price of 1,030 yen represents a premium of 49.93% on the closing price of the Target Company Shares of 687 yen on the Prime Market of the Tokyo Stock Exchange on November 19, 2026, the business day immediately preceding the date of announcement of the planned commencement of the Tender Offer, a premium of 34.82% on the simple average closing price over the most recent one month up to that date of 764 yen, a premium of 26.85% on the simple average closing price over the most recent three months of 812 yen, and a premium of 26.85% on the simple average closing price over the most recent six months of 812 yen. In addition, such premiums are recognized as being at a reasonable level in comparison with the level of premiums in 331 cases of tender offers for the purpose of making the target company a wholly owned subsidiary, targeting companies listed on the Prime Market of the Tokyo Stock Exchange (the First Section prior to the review of the market segments), announced from June 28, 2019, the date on which the "Fair M&A Guidelines" were published, to October 30, 2026 (median premium of 41.29% on the closing price on the business day immediately preceding the announcement date, median premium of 42.55% on the simple average closing price over the most recent one month, median premium of 43.61% on the simple average closing price over the most recent three months, and median premium of 45.82% on the simple average closing price over the most recent six months), and with the level of premiums in 81 cases among them in which the target company's PBR calculated from the tender offer price exceeded 2.0 times (median premium of 31.61% on the closing price on the business day immediately preceding the announcement date, median premium of 37.93% on the simple average closing price over the most recent one month, median premium of 41.81% on the simple average closing price over the most recent three months, and median premium of 45.55% on the simple average closing price over the most recent six months).

Based on the foregoing, the Target Company resolved, at its board of directors meeting held today, as its current opinion, that if the Tender Offer is commenced, it will express an opinion in favor of the Tender Offer and recommend (i) that the Target Company's shareholders tender their shares in the Tender Offer, and (ii) that holders of the American Depositary Receipts (a) deliver their American Depositary Receipts to the Depositary Banks in advance, (b) receive delivery of the Target Company Shares relating to the American Depositary Shares represented by such American Depositary Receipts, and then (c) tender those shares in the Tender Offer. Such resolution of the Target Company's board of directors was adopted on the premise that the Target Company Shares are expected to be delisted through the implementation of the Tender Offer and the Squeeze-Out Procedures. In addition, the Target Company also resolved, at the above board of directors meeting, to request that the Special Committee, prior to commencement of the Tender Offer, consider whether there has been any change to the opinion expressed by the Special Committee to the Target Company's board of directors on November 19, 2026, and state to the Target Company's board of directors, if there has been no change, to that effect, or, if there has been any change, provide its revised opinion. It further resolved, taking into account such opinion, to express its opinion on the Tender Offer again when the Tender Offer is commenced.

For details of the above board of directors' resolution, please see "(VII) Approval of All Disinterested Directors (Including Directors Who Are Audit and Supervisory Committee Members) of the Target Company" in "(3) Measures to Ensure the Fairness of the Tender Offer" below.

(IV) Management Policy After the Tender Offer

As described in "(1) Outline of the Purpose of the Tender Offer" above, the Transaction constitutes a so-called management buyout (MBO), and Mr. Ide is expected to continue to be involved in the Target Company's management after the Transaction. With respect to the management structure, including the composition of officers, of the Target Company after the Tender Offer is successfully completed, while MBKP Fund-affiliated persons nominated by the MBKP Fund will be appointed to a majority of the positions, the policy is, in principle, to maintain the Target Company's current management structure; and it is intended that the current management will continue to handle day-to-day operations. The specific officer composition and other details of the management structure remain undetermined as of today, and they are to be determined through discussions with the Target Company after the Tender Offer is successfully completed. In addition, it is currently contemplated that the employment and treatment of the Target Company's employees will, in principle, continue unchanged.

The Proposers recognize that, in order for the Target Company to achieve further growth and enhancement of corporate value over the medium- to long term, it is important to establish a management environment in which management decisions can be made from a medium- to long-term perspective, and to accurately ascertain changes in the environment and promote measures such as strengthening human capital management, developing human resources, and strengthening organizational capabilities. The Proposers also believe that, in order to steadily implement these measures and realize the sustainable growth and medium- to long-term enhancement of corporate value of the Target Company, it is important to advance, under a stable management framework in which the shareholders and the management are united, the development of human resources who will be responsible for the future management and establishment of a new management structure. The Proposers believe that such new management structure will require not only the ability to understand and stably operate the existing businesses, but also the ability to lead: (i) the co-creation of markets and ecosystems together with the Target Company's customers, business partners, and other stakeholders within communities of technology, customers, creators, and others; (ii) the creation of a cycle that continuously provides and enhances customer experiences by combining products, services, AI, and communities, rather than remaining limited to stand-alone sales of hardware or software; and (iii) the continuous updating of business models and of models for creating and delivering value while adapting to the rapidly changing external and technological environment going forward. At the same time, the Proposers believe that it is important for these capabilities to be possessed not by a single successor but by the management team as a whole, centered on the Target Company's CEO. Accordingly, while the development and promotion of internal personnel will be the basic approach, the Proposers plan to supplement them with external personnel if the necessary capabilities cannot be secured through internal personnel alone. No specific individual has been determined as a successor at present; and after the Transaction, the Proposers will systematically proceed with granting candidates responsibilities and opportunities to gain experience and with forming, developing, promoting, and assessing the management team. The significance of the Transaction being implemented as a management buyout (MBO) involving Mr. Ide lies not in Mr. Ide remaining in a leading position in management over the long term, but in embedding his knowledge, relationships with customers and partners, values, and culture in the Target Company as its business foundation, organizational capabilities, and governance, moving away from a state dependent on a specific individual, and, while treating the relisting of the Target Company Shares as one of the principal options, passing these on to the next-generation management team during the preparation period therefor.

Further, although the Tender Offeror plans to implement the Absorption-Type Merger, conditional on completion of the Squeeze-Out Procedures, the timing and other details of the Absorption-Type Merger remain undetermined as of today.

In addition, because the Tender Offeror is implementing the Tender Offer with the purpose of taking the Target Company private, and plans, if unable to acquire all of the Target Company Shares (but excluding the treasury shares held by the Target Company and the Shares Agreed Not to Be Tendered) and all of the American Depositary Receipts through the Tender Offer, to implement the Squeeze-Out Procedures after the Tender Offer is successfully completed, as described in "(4) Policy on the Organizational Restructuring, etc. After the Tender Offer" below, the Tender Offeror accordingly does not plan to acquire any additional Target Company Shares after the Tender Offer.

(3) Measures to Ensure the Fairness of the Tender Offer

Considering that the Tender Offer is being conducted as part of a transaction constituting a management buyout (MBO), and that issues of structural conflicts of interest and information asymmetry typically exist in such transactions, the Tender Offeror and the Target Company have implemented the measures set forth below in order to ensure the fairness of the Tender Offer Price, eliminate arbitrariness in the decision-making process leading to the decision to implement the Tender Offer, avoid conflicts of interest, and ensure the fairness of the Transaction, including the Tender Offer.

The descriptions below regarding measures implemented by the Target Company are based on the Target Company Press Release and explanations received from the Target Company.

(I) Acquisition of a Share Valuation Report from an Independent Third-Party Valuation Firm by the Target Company

(i) Name of the Valuation Firm and Its Relationship with the Target Company and the Tender Offeror

According to the Target Company Press Release, in expressing its opinion regarding the Tender Offer, in order to ensure the fairness of the decision-making process concerning the Tender Offer Price proposed by the Proposers, the Target Company requested that Daiwa Securities, a third-party valuation firm independent from the Target Company and the Tender Offer-Related Parties, value the Target Company Shares, and obtained the Share Valuation Report (Daiwa Securities) on November 19, 2026. The Target Company did not obtain a written opinion (fairness opinion) from Daiwa Securities regarding the fairness of the Tender Offer Price. This is because, as described in "(II) Acquisition of a Share Valuation Report and a Written Opinion on the Share Valuation (Fairness Opinion) from an Independent Third-Party Valuation Firm by the Special Committee" below, the Special Committee has obtained from Plutus Consulting, a third-party valuation firm independent from both the Target Company and the Tender Offer-Related Parties, the Share Valuation Report (Plutus Consulting) and the Fairness Opinion, thereby obtaining an objective opinion from an independent third party regarding the fairness of the Tender Offer Price; and because other measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest described in "(3) Measures to Ensure the Fairness of the Tender Offer" have also been implemented, and therefore the fairness of the Transaction is considered to be sufficiently ensured. According to the Target Company, Daiwa Securities is not a related party of the Target Company or the Tender Offer-Related Parties and has no material interest that should be stated in relation to the Transaction, including the Tender Offer. In addition, the Special Committee approved the appointment of Daiwa Securities as the Target Company's third-party valuation firm. For the remuneration structure of Daiwa Securities in connection with the Transaction, please see "(V) Advice from an Independent Financial Advisor Obtained by the Target Company" below.

(ii) Outline of the Valuation

According to the Target Company, after considering which of several valuation methods to adopt in calculating the value of the Target Company Shares, and based on the view that it is appropriate to assess the value of the Target Company Shares from multiple perspectives on the premise that the Target Company is a going concern, Daiwa Securities calculated the value of the Target Company Shares using: the market price method because the Target Company Shares are listed on the Prime Market of the Tokyo Stock Exchange and have a market share price; and the DCF Method as a valuation method to reflect the status of future business activities in the valuation; and the Target Company obtained the Share Valuation Report (Daiwa Securities) from Daiwa Securities on November 19, 2026. According to the Target Company, the per-share valuation ranges of the Target Company Shares calculated by Daiwa Securities using the above methods are as follows.

Market price method: 687 yen to 812 yen
DCF Method: 968 yen to 1,196 yen

Under the market price method, with November 19, 2026, the business day immediately preceding the date of announcement of the Transaction, as the valuation reference date, Daiwa Securities calculated

the per-share valuation ranges of the Target Company Shares to be from 687 yen to 812 yen, based on the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on the valuation reference date of 687 yen, as well as, in order to even out price fluctuations due to temporary factors, the simple average closing price for the most recent one month up to the valuation reference date (from October 20, 2026 to November 19 of the same year) of 764 yen, the simple average closing price for the most recent three months (from August 20, 2026 to November 19 of the same year) of 812 yen, and the simple average closing price for the most recent six months (from May 20, 2026 to November 19 of the same year) of 812 yen.

Under the DCF Method, based on various factors, including the financial projections in the Business Plan for the five fiscal years from the fiscal year ending March 2027 to the fiscal year ending March 2031, which the Target Company prepared covering the period that can be reasonably projected at present in light of the current earnings environment, the Target Company's business performance, and other factors, the Target Company's consolidated balance sheet as of the end of September 2026, and publicly available information, Daiwa Securities calculated the corporate value and share value of the Target Company by discounting to present value, at a certain discount rate, the free cash flow that the Target Company is expected to generate from October 2026 onward, and calculated the per-share valuation range of the Target Company Shares to be from 968 yen to 1,196 yen. The weighted average cost of capital (WACC) was adopted as the discount rate, and a rate of 8.9% to 9.7%, including a size risk premium that takes into account the Target Company's size, was used. In calculating the terminal value, the constant growth model was adopted, and the terminal value of the Target Company was calculated to be 138.2 billion yen to 177.1 billion yen, using a perpetual growth rate of 1.5% to 2.5% in light of domestic and international inflation rates, the growth rate of the industry to which the Target Company belongs, and other factors. In calculating the terminal value, an adjustment has been made so as not to take into account the temporary expenditures for acquisition consideration, etc. relating to M&A expected in the fiscal year ending March 2031, the final fiscal year of the Business Plan.

The Business Plan on which Daiwa Securities' DCF Method calculation is based includes fiscal years in which significant increases or decreases in profit and significant increases or decreases in free cash flow are expected compared with the previous fiscal year. Specifically, for the fiscal year ending March 2028, significant decreases in operating profit and EBITDA are expected due to a decline in the gross profit margin resulting from, among other things, increasing demands for cost reductions in the Technology Solution Business and changes in the product mix associated with trends in OEM customers' product cycles and adoption models, as well as the absence of the temporary factor associated with a large-scale project expected to be recorded in the fiscal year ending March 2027 in the Branded Business. In addition, for the fiscal year ending March 2029, significant increases in operating profit and EBITDA are expected due to an increase in net sales from the acquisition of new projects and improved efficiency of selling, general, and administrative expenses in the Technology Solution Business, as well as the effects of strategic M&A and various measures in the Branded Business. Furthermore, for the fiscal year ending March 2029, a significant decrease in free cash flow is expected due to the payment of acquisition consideration relating to strategic M&A, while for the fiscal year ending March 2030, a significant increase in free cash flow is expected because no similar expenditure is planned for that fiscal year, among other factors.
The Business Plan was prepared for the purpose of considering the appropriateness of the terms of the Transaction, taking into account the business environment surrounding the Target Company and its earnings situation, among other things, including the rapid advancement of AI, the increase in semiconductor memory prices, and increasing demands for cost reductions in the Technology Solution Business that have arisen since formulation of the Medium-Term Business Plan, and none of the Tender Offer-Related Parties, including Mr. Ide, was involved in its preparation. In addition, the Business Plan is not premised on the implementation of the Transaction; and because it is presently difficult to specifically estimate the synergy effects expected to be realized through the implementation of the Transaction, such synergy effects have not been factored into the Business Plan. The financial projections and free cash flow under the Business Plan on which Daiwa Securities' DCF Method calculation is based are as follows.

(Units: millions of yen)

	Fiscal year ending March 2027 (6 months)	Fiscal year ending March 2028	Fiscal year ending March 2029	Fiscal year ending March 2030	Fiscal year ending March 2031
Net sales	56,196	108,405	137,016	144,145	151,293
Operating profit	5,956	6,082	13,943	15,072	16,560
EBITDA	6,747	7,932	15,840	17,012	18,541
Free cash flow	6,560	3,633	(315)	8,815	9,661

(Note 1) The figures for the fiscal year ending March 2027 (6 months) are those for the period from October 1, 2026 to March 31, 2027, and are calculated by deducting the actual (cumulative) figures up to September 30, 2026 from the full-year plan figures for the fiscal year ending March 2027 (net sales of 104,600 million yen, operating profit of 12,000 million yen, and EBITDA of 13,800 million yen). Whether there are significant increases or decreases as described above has been determined, for the fiscal year ending March 2027, based on the full-year plan figures.

(Note 2) According to the Target Company, in valuing the Target Company Shares, Daiwa Securities used, in principle, the information provided by the Target Company and publicly available information as they were, assuming that all such materials and information were accurate, complete, and appropriate; and it did not independently verify the accuracy, completeness, or appropriateness thereof. Daiwa Securities neither independently conducted any valuation, appraisal, or assessment of the assets or liabilities of the Target Company and its related companies (including contingent liabilities), nor did it ask any third-party firm to conduct any valuation, appraisal, or assessment thereof. Furthermore, Daiwa Securities has confirmed with the Target Company that there are no undisclosed material facts that would affect the valuation, or contingent liabilities, off-balance-sheet liabilities, litigation, or the like that could affect the valuation, and the valuation is premised thereon. In addition, Daiwa Securities has assumed that the Business Plan was prepared reasonably and in accordance with appropriate procedures based on the best estimates and judgments available as of the valuation reference date; and Daiwa Securities has not independently verified the accuracy, appropriateness, or feasibility of the Business Plan. In addition, Daiwa Securities' valuation is premised on the financial, economic, market, and other conditions as of November 19, 2026, and is based on the materials and information obtained by Daiwa Securities up to that date. Daiwa Securities has conducted multiple interviews regarding the Business Plan on which the valuation was based and has analyzed and considered its content. In addition, as described in "(VI) Establishment of an Independent Special Committee and Acquisition of a Report from the Special Committee by the Target Company" below, the Special Committee has confirmed the reasonableness of the content, key assumptions, preparation process, etc. of the Business Plan.

(II) Acquisition of a Share Valuation Report and a Written Opinion on the Share Valuation (Fairness Opinion) from an Independent Third-Party Valuation Firm by the Special Committee

(i) Name of the Valuation Firm and Its Relationship with the Target Company, the Special Committee, and the Tender Offeror

According to the Target Company Press Release, in considering the Advisory Matters (as defined in "(i) Background to the Establishment of the Special Committee" under "(VI) Establishment of an Independent Special Committee and Acquisition of a Report from the Special Committee by the Target Company" below; the same applies hereinafter), as described in "(VI) Establishment of an Independent Special Committee and Acquisition of a Report from the Special Committee by the Target Company" below, pursuant to the authority granted by the Target Company's board of directors, on July 30, 2026, the Special Committee appointed Plutus Consulting as a third-party valuation firm and financial advisor independent from the Target Company and the Tender Offer-Related Parties, and requested that it calculate the value of the Target Company Shares, provide financial advice regarding

the terms and conditions of the Transaction, including the Tender Offer Price, from the perspective of the Target Company's general shareholders, and express an opinion on the fairness of the Tender Offer Price. The Special Committee obtained the Share Valuation Report (Plutus Consulting) on November 19, 2026 from Plutus Consulting, and also obtained, on the same date, a written opinion stating that the Tender Offer Price is fair, from a financial perspective, to the Target Company's general shareholders (the "**Fairness Opinion**").
The reason why the Special Committee obtained the Fairness Opinion from Plutus Consulting is that the Transaction constitutes a management buyout (MBO), and that the Mr. Ide Reinvestment by Mr. Ide, the President and Representative Director (CEO) of the Target Company, is planned to be made in the Tender Offeror Parent Company. Accordingly, issues of structural conflicts of interest and information asymmetry typically exist between the Target Company and its general shareholders. The Special Committee therefore determined that obtaining an objective opinion from a third party independent from the Tender Offer-Related Parties regarding the fairness of the Tender Offer Price would serve the interests of the Target Company's general shareholders.
Plutus Consulting is not a related party of the Target Company or the Tender Offer-Related Parties, and it has no material interest that should be stated in relation to the Transaction, including the Tender Offer. In addition, the remuneration payable to Plutus Consulting in connection with the Transaction consists solely of a fixed fee payable regardless of whether the Transaction is successfully completed; and it does not include any contingency fee payable upon the announcement or successful completion of the Transaction, including the Tender Offer, and other conditions.
Moreover, the Target Company obtained the Share Valuation Report (Daiwa Securities) from Daiwa Securities, the Target Company's financial advisor and third-party valuation firm, as described in "(I) Acquisition of a Share Valuation Report from an Independent Third-Party Valuation Firm by the Target Company" above. However, the Special Committee separately appointed Plutus Consulting as the Special Committee's own financial advisor and third-party valuation firm in order to conduct a financial review from a standpoint independent from the Target Company in considering the Advisory Matters.

(ii) Outline of the Valuation
According to the Target Company, after considering which of several valuation methods to adopt in calculating the value of the Target Company Shares, and based on the view that it is appropriate to assess the value of the Target Company Shares from multiple perspectives on the premise that the Target Company is a going concern, Plutus Consulting calculated the per-share value of the Target Company using, as valuation methods, the market price method because the Target Company Shares are listed on the Prime Market of the Tokyo Stock Exchange, the comparable company method because there are multiple listed companies comparable to the Target Company, allowing for an estimate of the share value of the Target Company Shares through comparison with similar listed companies, and the DCF Method to reflect the status of future business activities in the valuation; and the Target Company obtained the Share Valuation Report (Plutus Consulting) from Plutus Consulting through the Special Committee on November 19, 2026.
According to the Target Company, the per-share valuation ranges of the Target Company Shares calculated using the above methods are as follows.

Market price method: 687 yen to 812 yen
Comparable company method: 554 yen to 673 yen
DCF Method: 665 yen to 1,155 yen

Under the market price method, with November 19, 2026, the business day immediately preceding the date of the resolution of the Target Company's board of directors regarding the expression of its opinion on the Tender Offer, as the reference date, Plutus Consulting calculated the per-share valuation range of the Target Company Shares to be from 687 yen to 812 yen, based on the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on the reference date of 687 yen, the simple average closing price for the most recent one month of 764 yen, the simple average closing price for the most recent three months of 812 yen, and the simple average closing price for the most recent six months of 812 yen.

Under the comparable company method, after selecting Elecom Co., Ltd. and BUFFALO INC. as listed companies engaged in businesses having a certain degree of similarity to the Target Company, Plutus Consulting calculated the business value using the multiples of business value to EBIT and EBITDA, and, by making adjustments for non-business assets, interest-bearing debt, and other items, calculated the per-share valuation range of the Target Company Shares to be from 554 yen to 673 yen.
Under the DCF Method, based on various factors, including the earnings projections and investment plans in the Business Plan for the fiscal years ending March 2027 through March 2031, which the Target Company prepared covering the period reasonably foreseeable at the time of its preparation, the Target Company's financial information for the second quarter of the fiscal year ending March 2027, and publicly available information, Plutus Consulting calculated the corporate value and share value of the Target Company by discounting to present value, at a certain discount rate, the free cash flow that the Target Company is expected to generate, and calculated the per-share valuation range of the Target Company Shares to be from 665 yen to 1,155 yen. A rate of 9.0% to 10.9% has been adopted as the discount rate, as the weighted average cost of capital. In calculating the discount rate, a size risk premium has not been taken into account. In calculating the terminal value, the perpetual growth rate method and the multiple method have been adopted. Under the perpetual growth rate method, the perpetual growth rate has been set at 0% to 2%, and the terminal value has been calculated to be 105,302 million yen to 161,105 million yen; the minimum perpetual growth rate is based on the theoretically assumed long-term economic environment, and the maximum is based on the inflation rate, demographics, regional characteristics, and other macro factors. Under the multiple method, taking into account the levels of companies in the industry and other factors, the EV/EBIT multiple applicable to the business value has been set at 5.2x to 6.8x and the EV/EBITDA multiple at 4.3x to 5.9x, and the terminal value has been calculated to be 79,798 million yen to 112,515 million yen. In addition, cash and deposits have been added in the calculation of the share value after deducting the cash and deposits required for business operations, as estimated by comprehensively taking into account the Target Company's past cash flow management results and other factors.
The financial projections under the Business Plan on which Plutus Consulting's DCF Method calculation is based are as follows. Such financial projections include fiscal years in which significant increases or decreases in profit and significant increases or decreases in free cash flow are expected compared with the previous fiscal year. Specifically, for the fiscal year ending March 2028, significant decreases in operating profit and EBITDA are expected due to a decline in the gross profit margin resulting from, among other things, increasing demands for cost reductions in the Technology Solution Business and changes in the product mix associated with trends in OEM customers' product cycles and adoption models, as well as the absence of the temporary factor associated with a large-scale project expected to be recorded in the fiscal year ending March 2027 in the Branded Business. In addition, for the fiscal year ending March 2029, significant increases in operating profit and EBITDA are expected due to an increase in net sales from the acquisition of new projects and improved efficiency of selling, general, and administrative expenses in the Technology Solution Business, as well as the effects of strategic M&A and various measures in the Branded Business. Furthermore, for the fiscal year ending March 2029, a significant decrease in free cash flow is expected due to the payment of acquisition consideration relating to strategic M&A, and for the fiscal year ending March 2030, a significant increase in free cash flow is expected because no similar expenditure is planned for that fiscal year, among other factors.
The Business Plan on which Plutus Consulting based its valuation of the Target Company Shares was prepared, for the purpose of considering the Transaction, by employees who have no interest in the Tender Offeror, and was subsequently approved after consideration by the Special Committee.
In addition, because it is presently difficult to specifically estimate the impact on earnings of the synergy effects expected to be realized through the implementation of the Transaction, such synergy effects have not been reflected.

(Units: millions of yen)

	Fiscal year ending March 2027 (6 months)	Fiscal year ending March 2028	Fiscal year ending March 2029	Fiscal year ending March 2030	Fiscal year ending March 2031
Net sales	56,196	108,405	137,016	144,145	151,293
Operating profit	5,956	6,082	13,943	15,072	16,560
EBITDA	6,747	7,932	15,840	17,012	18,541
Free cash flow	10,385	3,264	(116)	8,966	9,804

(Note 1) According to the Target Company, in valuing the Target Company Shares, Plutus Consulting used, in principle, the information provided by the Target Company and publicly available information as they were, assuming that all such materials and information were accurate and complete; and it did not independently verify the accuracy or completeness thereof. In addition, Plutus Consulting neither independently conducted any valuation or assessment of the assets and liabilities of the Target Company (including off-balance-sheet assets and liabilities and other contingent liabilities), nor did it ask any third-party firm to conduct any appraisal or assessment thereof. Furthermore, Plutus Consulting assumed that the information concerning the Target Company's financial projections had been reasonably prepared by the officers and employees of the Target Company (limited to those independent from the Tender Offeror) based on the best estimates and judgments available at present. However, Plutus Consulting has conducted multiple interviews regarding the Business Plan on which the valuation was based and has analyzed and considered its content. In addition, as described in "(VI) Establishment of an Independent Special Committee and Acquisition of a Report from the Special Committee by the Target Company" below, the Special Committee has confirmed the reasonableness of the content, key assumptions, preparation process, etc. of the Business Plan.

(iii) Outline of the Fairness Opinion

According to the Target Company, the Target Company has obtained, through the Special Committee, the Fairness Opinion from Plutus Consulting dated November 19, 2026, to the effect that Plutus Consulting considers the Tender Offer Price of 1,030 yen per share to be fair to the Target Company's general shareholders from a financial perspective (Note 2). The Fairness Opinion expresses the opinion that the Tender Offer Price of 1,030 yen per share is fair to the Target Company's general shareholders from a financial perspective, in light of the results of the valuation of the Target Company's share value based on the Business Plan and other factors. The Fairness Opinion was issued following, in addition to the results of the valuation of the Target Company's share value conducted by Plutus Consulting after receiving disclosure from the Target Company of the current status of the Target Company Group's business, its future business plans, and other matters and receiving explanations thereof, question-and-answer sessions with the Target Company regarding the outline, background, and purpose of the Tender Offer, consideration of the Target Company Group's business environment, the economy, markets, financial conditions, and other matters to the extent Plutus Consulting deemed necessary, and review procedures by a review committee at Plutus Consulting that is independent from its engagement team.

(Note 2) According to the Target Company, in preparing the Fairness Opinion, Plutus Consulting has assumed that the basic materials provided by the Target Company, the publicly available materials, and the information obtained from the Target Company are accurate and complete. Plutus Consulting has not conducted any independent investigation or verification of their accuracy or completeness, and assumes no obligation to do so. Accordingly, Plutus Consulting assumes no liability arising from any deficiency in these materials or any non-disclosure of material facts.

Plutus Consulting has assumed that the Business Plan and other materials used as basic materials for the Fairness Opinion were reasonably prepared based on the best estimates and judgments available at the time of their preparation. Plutus Consulting does not guarantee their feasibility and expresses no

view on the analyses or forecasts on which their preparation was premised or on the assumptions underlying them.
Plutus Consulting is not a legal, accounting, or tax professional. Accordingly, Plutus Consulting neither expresses any view on, nor assumes any obligation with respect to, any legal, accounting, or tax issues relating to the Tender Offer.
Plutus Consulting has not independently conducted any valuation or appraisal of the assets and liabilities (including off-balance-sheet assets and liabilities and other contingent liabilities) of the Target Company and its related companies, including analysis and valuation of individual assets and liabilities, and has not received any valuation report or appraisal report regarding them. Accordingly, Plutus Consulting has not evaluated the solvency of the Target Company or its related companies.
The Fairness Opinion expresses an opinion, from a financial perspective, on the fairness of the Tender Offer Price for the purpose of serving as a reference for the Target Company's consideration in expressing its opinion on the Tender Offer. Accordingly, the Fairness Opinion does not express any opinion on the relative merits of the Tender Offer compared with any transaction that could be an alternative to the Tender Offer, the benefits to be brought about by the implementation of the Tender Offer, or whether the Tender Offer should be implemented.
The Fairness Opinion does not express any opinion to holders of securities issued by the Target Company, creditors, or other related parties. Accordingly, Plutus Consulting assumes no liability to shareholders or third parties who rely on the Fairness Opinion.
Plutus Consulting neither solicits investment in the Target Company or the like, nor does it have the authority to do so. Accordingly, the Fairness Opinion does not recommend that shareholders tender their shares in the Tender Offer or take any other action in relation to the Tender Offer.
The Fairness Opinion states the opinion of Plutus Consulting, as of the date of submission of the Fairness Opinion, as to whether the Tender Offer Price is fair to the Target Company's general shareholders from a financial perspective, premised on the financial and capital markets, economic conditions, and other circumstances as of that date, and based on the information provided to or obtained by Plutus Consulting up to that date. Even if these premises change due to future changes in circumstances, Plutus Consulting assumes no obligation to revise, change, or supplement its opinion.
The Fairness Opinion does not imply or suggest any opinion regarding matters other than those expressly stated in the Fairness Opinion or regarding any matters after the date of submission of the Fairness Opinion.

(III) Advice from an Independent Law Firm Obtained by the Target Company
According to the Target Company Press Release, in order to ensure the fairness and appropriateness of the decision-making of the Target Company's board of directors in connection with the Transaction, including the Tender Offer, the Target Company appointed Anderson Mori & Tomotsune as its legal advisor independent from the Target Company and the Tender Offer-Related Parties; and it received from Anderson Mori & Tomotsune the necessary legal advice regarding the decision-making method and process of the Target Company's board of directors, including the various procedures relating to the Transaction, including the Tender Offer, as well as other points to be noted. Anderson Mori & Tomotsune is not a related party of the Target Company or the Tender Offer-Related Parties and has no material interest that should be stated in relation to the Transaction, including the Tender Offer. In addition, the remuneration payable to Anderson Mori & Tomotsune in connection with the Transaction is calculated by multiplying the hours worked by the applicable hourly rates, regardless of whether the Transaction is successfully completed; and it does not include any contingency fee payable upon successful completion of the Transaction. In addition, the Special Committee approved the appointment of Anderson Mori & Tomotsune as the Target Company's legal advisor.

(IV) Advice from an Independent Law Firm Obtained by the Special Committee
According to the Target Company Press Release, as described in "(i) Background to the Establishment of the Special Committee" under "(VI) Establishment of an Independent Special Committee and Acquisition of a Report from the Special Committee by the Target Company" below, pursuant to the authority granted by the Target Company's board of directors, on July 22, 2026, the Special Committee appointed Nagashima Ohno & Tsunematsu, independent from the Target Company and the Tender Offer-Related Parties, as its own legal advisor; and it has received legal advice from

Nagashima Ohno & Tsunematsu, including advice regarding the measures to be taken to ensure the fairness of procedures in the Transaction, the method of reviewing the Advisory Matters and matters to be noted in connection therewith, the methods of deliberation and operation of the Special Committee, the decision-making method and process of the Target Company in relation to the Transaction, and preparation of the Report.
Considering that the Transaction constitutes a management buyout (MBO) and that issues of structural conflicts of interest and information asymmetry typically exist between the Target Company and its general shareholders, the Special Committee appointed its own legal advisor (Nagashima Ohno & Tsunematsu), in addition to Anderson Mori & Tomotsune, the Target Company's legal advisor. This is because it determined that securing a framework under which it could obtain legal advice from a standpoint independent from the Target Company and its advisors would enhance the effectiveness of its consideration of the Advisory Matters and the procedural fairness of the Transaction.
Nagashima Ohno & Tsunematsu is not a related party of the Target Company or the Tender Offer-Related Parties and has no material interest that should be stated in relation to the Transaction, including the Tender Offer. In addition, the remuneration payable to Nagashima Ohno & Tsunematsu in connection with the Transaction is calculated by multiplying the hours worked by the applicable hourly rates, regardless of whether the Transaction is successfully completed; and it does not include any contingency fee payable upon successful completion of the Transaction.

(V) Advice from an Independent Financial Advisor Obtained by the Target Company
According to the Target Company Press Release, in order to ensure the fairness and appropriateness of the decision-making of the Target Company's board of directors in connection with the Transaction, including the Tender Offer, the Target Company appointed Daiwa Securities as its financial advisor, independent from the Tender Offer-Related Parties; and it has received advice from Daiwa Securities regarding the decision-making method and process of the Target Company's board of directors, including the various procedures relating to the Transaction, including the Tender Offer, other points to be noted, financial advice, and advice regarding discussions and negotiations with the Proposers. In addition, as described in "(ii) Background to the Special Committee's Deliberations" under "(VI) Establishment of an Independent Special Committee and Acquisition of a Report from the Special Committee by the Target Company" below, based on the negotiation policy determined by the Special Committee, the Target Company has conducted discussions and negotiations with the Proposers, through Daiwa Securities, regarding the terms and conditions of the Transaction, including the Tender Offer Price. For the Share Valuation Report (Daiwa Securities) obtained by the Target Company from Daiwa Securities, please see "(I) Acquisition of a Share Valuation Report from an Independent Third-Party Valuation Firm by the Target Company" above.
Daiwa Securities is not a related party of the Target Company or the Tender Offer-Related Parties; and it has no material interest that should be stated in relation to the Transaction, including the Tender Offer. In addition, the Special Committee has approved the appointment of Daiwa Securities as the Target Company's financial advisor and third-party valuation firm. Remuneration payable to Daiwa Securities in connection with the Transaction includes a contingency fee payable upon announcement or successful completion of the Transaction and other conditions. Nevertheless, the Target Company appointed Daiwa Securities as its financial advisor and third-party valuation firm under the remuneration structure described above based on the determination that the fact that the remuneration includes a contingency fee payable upon the announcement or successful completion of the Transaction and other conditions does not negate the independence of Daiwa Securities, taking into account: (i) that such remuneration structure is reasonable in light of general practices in the same type of transactions; and (ii) whether a remuneration structure under which the Target Company would incur a substantial monetary burden even if the Transaction is not completed is appropriate, among other things.

(VI) Establishment of an Independent Special Committee and Acquisition of a Report from the Special Committee by the Target Company
(i) Background to the Establishment of the Special Committee
According to the Target Company Press Release, as described in "(III) Content, Grounds, and Reasons for the Target Company's Opinion on the Tender Offer" under "(2) Background, Purpose, and

Decision-Making Process Leading to the Implementation of the Tender Offer, and Management Policy After the Purchase, etc." above, because the Transaction constitutes a management buyout (MBO) and issues of structural conflicts of interest typically exist between the Target Company and its general shareholders (including those who own the American Depositary Shares), the Target Company established, pursuant to a resolution of the Target Company's board of directors meeting held on July 10, 2026, the Special Committee, which is composed of members who are independent from the Tender Offer-Related Parties and has no interest in the outcome of the Transaction, for the purpose of ensuring prudence in the Target Company's decision-making regarding the Transaction, eliminating the possibility of arbitrariness and conflicts of interest in the decision-making process of the Target Company's board of directors, and ensuring the fairness thereof. In selecting the members of the Special Committee, the Target Company, after confirming the independence and qualifications of the Target Company's independent outside directors who were member candidates, and with a view to ensuring a balance of knowledge and experience within the Special Committee as a whole and maintaining the Special Committee at an appropriate size to enable a sufficient number of meetings to be held, determined that, by appointing the following three persons, the Special Committee would have the knowledge and experience necessary to consider the Transaction, and accordingly appointed them as members of the Special Committee: Mr. Osamu Hosokubo (outside director and independent officer (audit and supervisory committee member) of the Target Company; corporate auditor of SHIKIGAKU. Co., Ltd.; representative member of Great Asia Capital & Consulting LLC), who has experience participating in special committees of other companies and knowledge of corporate management, Mr. Yuji Ono (outside director and independent officer (audit and supervisory committee member) of the Target Company; attorney, Miyake & Partners), who has expertise and practical experience as an attorney in corporate legal affairs, and Ms. Andrea Knoblich (outside director and independent officer of the Target Company; outside director of Rigaku Holdings Corporation), who has extensive practical experience in the financial industry, including in M&A. In addition, Mr. Osamu Hosokubo assumed the position of chairperson of the Special Committee by mutual election among the members of the Special Committee. The composition of the Special Committee has remained unchanged since the appointment of its members through the present date.

Pursuant to the above resolution of the board of directors, the Target Company consulted the Special Committee on: (a) whether the purpose of the Transaction is legitimate and reasonable (including whether the Transaction contributes toward enhancing the corporate value of the Target Company); (b) whether the fairness and appropriateness of the terms and conditions of the Transaction (including the purchase price in the Tender Offer) are ensured; (c) whether the fairness of the procedures relating to the Transaction is ensured; (d) whether, in light of the matters described in (a) through (c) above, the Transaction is considered to be fair to the Target Company's general shareholders; and (e) whether it is appropriate for the Target Company's board of directors to express an opinion in favor of the Tender Offer and to recommend that the Target Company's shareholders tender their shares in the Tender Offer (items (a) through (e) are hereinafter referred to as the "**Advisory Matters**"), and asked the Special Committee to submit a Report to the Target Company regarding these matters.

Further, in consulting the Special Committee, the Target Company's board of directors resolved that it would make decisions regarding the Transaction, including whether to support the Tender Offer, by giving the utmost respect to the opinions of the Special Committee; and that, if the Special Committee determined that the Transaction was not appropriate, the Target Company's board of directors would not decide to proceed with the Transaction.

In addition, pursuant to the above resolution of the board of directors, the Target Company granted the Special Committee: (a) the authority to designate or approve (including ex post facto approval) the Target Company's financial advisor, legal advisor, and other professionals; (b) the authority, where the Special Committee deems it necessary in considering the Advisory Matters, to appoint its own advisors and other professionals (the Special Committee may seek professional advice from the Target Company's advisors and other professionals if it determines that it can rely on and seek professional advice from them, for reasons such as that they have a high degree of expertise and there is no issue with their independence; and the reasonable expenses for professional advice from the Special Committee's advisors and other professionals will be borne by the Target Company); (c) the authority to receive from the Target Company's officers and employees and other persons whom the Special Committee deems necessary the information necessary for the consideration and determination of the

Transaction; (d) the authority to be substantively involved in the negotiation process regarding the terms and conditions of the Transaction by, among other things, confirming in advance the policy for negotiations regarding the terms and conditions of the Transaction, receiving timely reports on the status thereof, and expressing opinions, giving instructions, and making requests at important stages, and to negotiate directly on its own as necessary; and (e) the authority, if the Special Committee determines that the terms and conditions of the Transaction are not appropriate, not to support the Transaction on such terms and conditions. The remuneration payable to each member of the Special Committee consists solely of a fixed amount payable regardless of whether the Transaction is successfully completed, and it does not include any contingency fee payable upon the announcement or successful completion of the Transaction or other conditions.
Furthermore, pursuant to the authority described in (b) above, the Special Committee appointed Nagashima Ohno & Tsunematsu, a legal advisor independent from the Target Company and the Tender Offer-Related Parties, as its own advisor on July 22, 2026, and appointed Plutus Consulting as its financial advisor and third-party valuation firm on July 30, 2026. The Special Committee determined that by appointing its own advisors in addition to the advisors to the Target Company, it would be able to secure a framework under which it could obtain professional advice from a standpoint independent from the Target Company and thereby conduct a more effective deliberation of the Advisory Matters. Neither Plutus Consulting nor Nagashima Ohno & Tsunematsu is a related party of the Target Company or the Tender Offer-Related Parties, and neither has any material interest that should be stated in relation to the Transaction, including the Tender Offer. In addition, the remuneration payable to Plutus Consulting and Nagashima Ohno & Tsunematsu in connection with the Transaction will be paid regardless of whether the Transaction is successfully completed, and it does not include any contingency fee payable upon the announcement or successful completion of the Transaction or other conditions.

(ii) Background to the Special Committee's Deliberations
The Special Committee held a total of 30 meetings from July 22, 2026 to November 19, 2026, and carefully considered and discussed the Advisory Matters.
Specifically, on July 22, 2026, the Special Committee first confirmed that there were no issues regarding the independence from the Target Company and the Tender Offer-Related Parties or the expertise of Anderson Mori & Tomotsune, as the legal advisor, and Daiwa Securities, as the financial advisor and third-party valuation firm; and it approved their appointment as the Target Company's advisor and third-party valuation firm, respectively, prior to their appointment by the Target Company. The Special Committee also confirmed that it would obtain professional advice from the Target Company's advisors and other professionals as necessary. Furthermore, after receiving an explanation from the Target Company regarding the review framework established internally for the Transaction, the Special Committee confirmed and approved that there were no issues with such framework from the perspective of independence and fairness.
In addition, as described in "(i) Background to the Establishment of the Special Committee" above, the Special Committee, after confirming that there were no issues regarding the independence from the Target Company and the Tender Offer-Related Parties, or the expertise of each advisor, appointed Nagashima Ohno & Tsunematsu on July 22, 2026, and appointed Plutus Consulting on July 30, 2026, as its own advisors.
The Special Committee received from Nagashima Ohno & Tsunematsu explanations regarding the background to the requirement for establishing a special committee and the role of a special committee, and other relevant matters; and it received legal advice regarding matters including the process and method of decision-making in connection with the Transaction, as well as other matters to be noted in making decisions regarding the Transaction. The Special Committee also received explanations from Anderson Mori & Tomotsune, the Target Company's legal advisor, regarding the measures to be taken to ensure procedural fairness in the Transaction; and based on such explanations, it considered those measures. In addition, the Special Committee collected and reviewed the various review materials and other necessary information and materials submitted by the Proposers and the Target Company; and as described in "(ii) Background to the Consideration and Negotiation" under "(III) Content, Grounds, and Reasons for the Target Company's Opinion on the Tender Offer" in "(2) Background, Purpose, and Decision-Making Process Leading to the Implementation of the Tender

Offer, and Management Policy After the Purchase, etc." above, it received explanations and conducted question-and-answer sessions regarding the details, background, significance and purpose of the Transaction, the measures contemplated to be implemented following the Transaction, and the background leading to Mr. Ide's decision to implement the Transaction jointly with MBKP, through written questions submitted to the Proposers and interviews with the Proposers.
In addition, as described in the same "(ii) Background to the Consideration and Negotiation," the Special Committee conducted interviews with the Target Company's directors and executive officers regarding the Target Company's own perception of the background to and purpose of the Transaction, the reasons it considers the Transaction necessary, the management structure after implementation of the Transaction, and the measures planned to be implemented, among other matters.
The Special Committee also confirmed that the Business Plan had been prepared by persons independent from the Tender Offer-Related Parties. In addition, as described in "(ii) Background to the Consideration and Negotiation" above, after receiving explanations from the Target Company on multiple occasions and requesting that the Target Company conduct additional verification, the Special Committee confirmed and approved the reasonableness of the details of the final Business Plan, its material assumptions, and the process of preparation.
Moreover, the Special Committee received from Plutus Consulting explanations regarding its valuation of the Target Company Shares and financial advice concerning the details and assumptions of the Business Plan and the level of the Tender Offer Price proposed by the Proposers. On November 19, 2026, the Special Committee received the Share Valuation Report (Plutus Consulting) from Plutus Consulting; and after receiving explanations regarding the valuation methodologies, material assumptions, and valuation results set forth therein, it conducted question-and-answer sessions and confirmed their reasonableness. Furthermore, on November 19, 2026, the Special Committee received the Fairness Opinion from Plutus Consulting (for details of the Share Valuation Report (Plutus Consulting) and the Fairness Opinion, please see "(II) Acquisition of a Share Valuation Report and a Written Opinion on the Share Valuation (Fairness Opinion) from an Independent Third-Party Valuation Firm by the Special Committee" above). In addition, as described in "(ii) Background to the Consideration and Negotiation" under "(III) Content, Grounds, and Reasons for the Target Company's Opinion on the Tender Offer" in "(2) Background, Purpose, and Decision-Making Process Leading to the Implementation of the Tender Offer, and Management Policy After the Purchase, etc." above, after the Target Company received a proposal from the Proposers on October 6, 2026 setting the Tender Offer Price at 900 yen, the Special Committee, taking into account the financial advice received from Plutus Consulting based on the results of its valuation of the Target Company Shares, the legal advice received from Nagashima Ohno & Tsunematsu, as well as the financial advice and negotiation-related advice, including advice regarding policies on negotiations with the Proposers, received from Daiwa Securities, the Target Company's financial advisor and third-party valuation firm, and the advice received from Anderson Mori & Tomotsune regarding the measures to ensure the fairness of the Transaction and avoid conflicts of interest, carefully reviewed the Tender Offer Price through fair procedures excluding the influence of the Proposers, determined the negotiation policies on its own, and was substantively involved, through Daiwa Securities, in the negotiation process with the Proposers regarding the transaction terms. In addition, even after being informed that AVI and KC planned to tender their shares in the Tender Offer on the premise that the Tender Offer Price would be 1,000 yen, the Special Committee continued price negotiations and conducted negotiations to elicit a higher tender offer price, including by directly requesting a price increase itself at the web meeting with the Proposers on November 12, 2026.

(iii) Details of the Special Committee's Determination

Through the process described above, the Special Committee carefully discussed and considered the Advisory Matters, taking into account the legal advice received from Nagashima Ohno & Tsunematsu, the financial advice received from Plutus Consulting, and the details of the Share Valuation Report (Plutus Consulting) and the Fairness Opinion submitted on November 19, 2026. As a result, on November 19, 2026, the Special Committee submitted to the Target Company's board of directors with the unanimous approval of all members, the Report, the content of which is summarized as follows.
The Special Committee is expected to be consulted again by the Target Company's board of directors

when the Tender Offer is commenced as to whether there has been any change in the opinion in the Report.

(a) Content of the Report

(i) It is considered that the Transaction is expected to contribute toward enhancing the Target Company's corporate value, and that the purpose of the Transaction is legitimate and reasonable.

(ii) It is considered that the fairness and appropriateness of the terms and conditions of the Transaction, including the Tender Offer, have been ensured, including with respect to the level of consideration, the method of implementing the Transaction, and the type of consideration.

(iii) It is considered that the fairness of the procedures, including the measures to ensure fairness adopted in implementing the Transaction, has been ensured.

(iv) In light of (i) through (iii) above, the Transaction is considered to be fair to the Target Company's general shareholders.

(v) It is considered appropriate for the Target Company's board of directors to express an opinion in favor of the Tender Offer and to recommend (A) that the Target Company's shareholders tender their shares in the Tender Offer, and (B) that holders of the American Depositary Receipts [(AA)] deliver their American Depositary Receipts to the Depositary Banks in advance, [(BB)] receive delivery of the Target Company Shares relating to the American Depositary Shares represented by such American Depositary Receipts, and then [(CC)] tender such shares in the Tender Offer. The above includes a report relating to the American Depositary Receipts, which is not expressly stated in Advisory Matter 5; however, the Special Committee has determined that whether to recommend that holders of the American Depositary Receipts tender their shares is included as a detailed item of Advisory Matter 5, and has made the above report.

(b) Reasons for the Report

1. Advisory Matter 1

(1) The Special Committee's Understanding of, and Policy for Considering, Advisory Matter 1

Advisory Matter 1 inquires whether the Transaction, including the Tender Offer, contributes toward enhancing the corporate value of the Target Company and whether the purpose of the Transaction is legitimate and reasonable.

In light of, among other things, the Target Company's understanding of its business environment and management challenges, the Special Committee considered whether the Transaction contributes toward enhancing the Target Company's corporate value, and whether its purpose is legitimate and reasonable.

(2) The Target Company's Recognition of Its Current Situation

(I) History and Business Description of the Target Company

According to the Target Company, the outline of the Target Company's history and business description is as follows.

• The Target Company was established as Wacom Co., Ltd. in Ageo City, Saitama Prefecture in July 1983 with capital of 48 million yen, and commenced its electronic devices business (now its Branded Business) and its ECS (Engineering Collaborative Solutions) business. The Target Company subsequently expanded into the pen and sensor component field (now its Technology Solution Business) in April 2002, listed its shares on the JASDAQ Market of the Japan Securities Dealers Association in April 2003, and listed on the First Section of the Tokyo Stock Exchange in December 2005. Following the reorganization of the market segments of the Tokyo Stock Exchange implemented in April 2022, the Target Company transitioned to the Prime Market of the Tokyo Stock Exchange, where it remains listed as of today.

• As of the date of preparation of the Report, the Target Company's corporate group consists of the Target Company, 19 consolidated subsidiaries, and one equity-method affiliate; and under the Target Company Group's vision of "Life-long Ink," it aims to continue to provide meaningful experiences for people and society over the long term and to contribute toward making this world more humane through the Target Company's technology. At present, the Target Company is promoting the Medium-Term Business Plan, covering the period from the fiscal year ended March 2026 to the fiscal year

ending March 2029; and the entire Target Company Group is working together to enhance corporate value with a view to further evolving its business model as an "instrument craftsman" that provides comprehensive inking experiences across all forms of "*kaku*" in general across the four use-case domains of "Creation," "Learning/Teaching," "Work/Play & Beyond," and "Well-being."
• The Target Company Group has long operated the Technology Solution Business and the Branded Business, the outlines of which are as follows.
(a) Technology Solution Business
The Target Company Group develops and manufactures components and modules such as digital pens, multi-touch sensors, and touch panels equipped with digital pen technology (Active ES and EMR), and supplies them to global OEM customers. These are incorporated into mobile devices such as smartphones, tablets, notebook PCs, and e-book readers, and are used for applications such as handwriting input.
(b) Branded Business
The Target Company Group develops, manufactures, and sells, as its own branded products, pen tablets and similar products that use pressure-sensitive pens to enable fine drawing and text input on liquid crystal display surfaces and similar surfaces. These are used not only for creative applications such as computer-graphics-based graphic design, film and animation production, photo editing, and illustration, but also for applications such as online education and telework. The Target Company Group also provides products for business applications that support business DX in fields such as healthcare and the public sector.
• Over many years, the Target Company Group has refined the technology that supports the fundamental human act of "*kaku*," and has developed proprietary digital ink technology, a co-creation ecosystem with communities including creators, and long-term business relationships with its major global OEM customers. Under the Medium-Term Business Plan, the Target Company Group aims to move beyond its existing business model centered on the provision of devices by building a new revenue model combining hardware sales with data and services, redefining Pen and Ink as the "optimal interface for people to make use of AI" in the AI era, and expanding into growth markets that were previously inaccessible to it, and nurturing new businesses as a third pillar following its two existing businesses. Specifically, the Target Company Group is working on: (i) advancing the development of "USM", a next-generation technology that eliminates the need for a dedicated digitizer and enables reductions in thickness, weight, and costs, toward commercialization; (ii) transitioning to a service-based business by deploying an all-in-one hardware-plus-service model in fields such as education, logistics, healthcare, and well-being; (iii) commercializing business in the areas of intellectual property protection and creator support through "Wacom Yuify"; and (iv) strengthening its implementation capability and management foundation for new business areas centered on "Pen × Ink × AI," utilizing M&A and strategic alliances. The Target Company Group has also set targets of consolidated net sales of 150 billion yen, consolidated operating profit of 15 billion yen, ROE of 20% or more, and ROIC of 18% or more by the final year of the Medium-Term Business Plan (the fiscal year ending March 2029), while planning investments of 62 billion yen in R&D and capital expenditure and 12 billion yen or more in technology and capital alliances, together with enhanced shareholder returns through a total payout ratio of 50% or more and a progressive dividend policy (with a minimum annual dividend of 22 yen per share).

(II) The Target Company's Recognition of Its Business Environment and Management Challenges
According to the Target Company, it recognizes its business environment and management challenges as follows.
• The business environment surrounding the Target Company Group is changing rapidly. Specifically, advances in sensor and communication technology and AI and software technology are causing the functional and performance requirements demanded by OEM customers to become more sophisticated and diverse. In addition, the rise of low-priced products, centered on Chinese manufacturers, has made it challenging to maintain profitability in the entry-level market for branded products; and the education, healthcare, and business DX fields require the development of more specialized, industry-specific solutions.
• Furthermore, as the Target Company Group shifts from a hardware-only model to a software-and-service integrated model, the investment required to renew its product portfolio and strengthen

research and development is increasing. The Target Company's consolidated net sales decreased from 118,794 million yen in the fiscal year ended March 2024 to 109,995 million yen in the fiscal year ended March 2026, and the Target Company Group recognizes that in order to respond to these environmental changes and achieve sustainable growth, it is essential to update its organizational structure, actively deploy management resources in higher-profitability areas, and implement bold and flexible measures involving up-front investment. However, each of these measures requires a certain amount of up-front investment or temporary expense, and the possibility that they may place a burden on the Target Company Group's earnings and cash flow in the short term cannot be ruled out. On the other hand, as a listed company, the Target Company has set targets for enhanced shareholder returns, including a total payout ratio of 50% or more and a progressive dividend policy; and it needs to give sufficient consideration to its short-term performance and evaluation by the capital markets, which in practice places certain constraints on its allocation of funds and use of management resources for medium- to long-term growth.

(III) Evaluation of the Target Company's Recognition

With respect to the foregoing recognition by the Target Company of its business environment and management challenges, no contradictions or points contrary to objective facts are found, and the Special Committee is not aware of any circumstances that would necessitate denying its content.

(3) Significance of the Transaction

(I) Significance of the Transaction as Considered by the Tender Offeror Parties

According to the hearings and interviews, question-and-answer sessions, the sending of questions, receipt of answers, and other activities (collectively, the "**Interviews, etc.**"), the Tender Offeror and Mr. Ide (the "**Tender Offeror Parties**") believe that by taking the Target Company Shares private and establishing an environment in which necessary growth investments and management reforms can be implemented swiftly and flexibly from a medium- to long-term perspective, without being overly influenced by short-term performance and the impact on market share price, and by utilizing, in addition to the Target Company's internal management resources, MBKP's capital, human resources, network centered on Japan, China, and Korea, and management know-how accumulated through supporting the management of its portfolio companies, it will be possible to accelerate transformation that would otherwise take time for the Target Company to achieve on its own and address the management challenges described above to realize the Target Company's medium- to long-term growth and enhancement of corporate value. Specifically, MBKP believes that it can principally provide the forms of support set out in (a) through (d) below toward enhancing the Target Company's medium- to long-term corporate value.

(a) Renewed Growth of the Top Line of Existing Businesses

• MBKP believes that it can support the renewed growth of the top line of the Target Company's existing businesses by accelerating the launch of new-category products and marketing investment, while enhancing the sophistication of unit price and profitability management. MBKP also believes that it can improve visibility of the progress and profitability of each measure, and accelerate and enhance the sophistication of investment and withdrawal decisions, by improving the efficiency of management accounting and the monthly closing process and developing KPIs and a business-specific profitability management process.

(b) Commercialization of New Growth Areas

• MBKP positions areas such as education, healthcare, and business DX as the Target Company's third growth pillar, and believes that it can support the deepening of collaboration with companies in which the Target Company has already invested or with which it has already formed alliances, the development of new partners, the building of sales channels, and the establishment of a development framework for industry-specific solutions. In addition, because launching new growth areas requires up-front investment and will take a certain amount of time before commercialization and monetization, MBKP believes that it can contribute toward the commercialization of new growth areas by creating an environment in which the necessary research and development investments and marketing investments can be made flexibly, without being constrained by their short-term impact on profit and loss.

(c) Discontinuous Growth Through Strategic M&A

• MBKP believes that in order for the Target Company to achieve the targets set out in the Medium-Term Business Plan, discontinuous growth through strategic M&A is important, in addition to organic growth. By utilizing MBKP's track record of executing M&A at its portfolio companies, its network centered on Japan, China, and Korea, and its specialized expertise, MBKP believes that it can consistently support the Target Company from the selection of target areas, the search for M&A candidates, and deal execution through to post-merger integration, and by providing additional equity as necessary and taking other measures, contribute toward building a capital structure that enables growth investments and M&A to be executed flexibly and timely.

(d) Acquisition of Specialized Human Resources and Strengthening of Management Systems

• MBKP positions strengthening the Target Company's capability to commercialize and monetize new businesses as a priority; and it believes that it can support the recruitment of specialized human resources in areas such as marketing, new business development, corporate planning, finance, and legal affairs, by utilizing the network of MBKP and its operating team. In addition, MBKP believes that it can contribute toward further strengthening the Target Company's management system by helping strengthen its organizational capabilities, including executive officers and other management personnel and the personnel supporting them, taking into account the Target Company's existing organizational structure and consultations with its management, through the utilization of MBKP's operating team, operating partners, and outside experts in each field as necessary.

• In addition, through preliminary analysis based on publicly available information and other sources from September 2024 and subsequent exchanges of views with each of Mr. Ide and Mr. Kojima, MBKP came to believe that in providing the forms of support described above and implementing measures to resolve the Target Company's management challenges based on such support, so long as the Target Company maintains the listing of its shares, it would be required to manage its business with consideration for short-term returns to shareholders and profit levels, and therefore up-front investment accompanied by a temporary increase in expenses, a short-term decline in profit levels, or a deterioration in cash flow might not be sufficiently evaluated by the capital markets, which could in turn make it difficult for MBKP to provide the support intended to enhance the Target Company's medium- to long-term corporate value.

• MBKP therefore determined that taking the Target Company Shares private would, including through the provision of MBKP's management resources and knowledge, enable swift decision-making and fundamental reform not constrained by short-term performance. MBKP also considered it important, in order to smoothly implement the measures described above while maintaining the Target Company's business strengths, to ensure a structure in which Mr. Ide, who has built relationships of trust with the Target Company's customers, business partners, and other stakeholders, would continue after the Transaction to play a responsible role in the Target Company's management policy as its President and Representative Director (CEO) and continue to lead its overall management toward its long-term growth.

• In addition, MBKP considered that while making clear that the Transaction is not intended to be for Mr. Ide's personal gain or preservation of his position by having MBKP, a third party independent from Mr. Ide, own a substantial portion of the shares of the Target Company, an equity investment by Mr. Ide himself would demonstrate his responsibility as a party to the business transformation and his commitment to its execution, thereby clarifying to customers, the various communities, and team members the foregoing collaborative relationship contemplated by MBKP and Mr. Ide.

(II) Significance of the Transaction as Considered by the Target Company

According to the draft of the Target Company Press Release and the Interviews, etc., the Target Company believes that it is necessary to implement the various measures contemplated by the Tender Offeror Parties described in (I) above, for the following reasons.

(A) Growth of Existing Businesses and Improvement of Profitability

• The Target Company believes that, in order to achieve sustainable growth, it is important to utilize its technological capabilities, brand power, and customer base to launch new-category products and expand its customer base, range of applications, and products incorporating its technology, while increasing the profitability of each product and business. In this regard, the Target Company believes that, by utilizing MBKP's knowledge and domestic and international network relating to management support for its portfolio companies, it can enhance the sophistication of marketing measures, pricing,

unit price management, and other matters, and increase the effectiveness of the initiatives the Target Company is pursuing toward the growth and improved profitability of its existing businesses.

(B) Acceleration of Commercialization in New Growth Areas

• The Target Company is working, based on its technologies relating to digital pens and digital ink, to expand into new areas such as education, healthcare, and business DX as new businesses intended to become its third pillar; and it believes that, in order to link these initiatives to continuous revenue generation, it is necessary to proceed in an integrated manner not only with technology development but also with the development of solutions tailored to customer needs, the development of alliance partners, and the building of sales channels. In this regard, the Target Company believes that, by utilizing MBKP's support for the development of new partners and for business development, it can promote the combination of the Target Company's technology base with external management resources and accelerate commercialization and monetization in new growth areas.

(C) Strengthening of the Ability to Execute Strategic M&A and Growth Investments

• The Target Company believes that, in order to realize the growth strategy set out in the Medium-Term Business Plan, it is important to acquire the necessary technologies, human resources, and business foundations through M&A and technology and capital alliances, in addition to growth utilizing its own management resources. The Target Company believes that, by utilizing MBKP's domestic and international network and its knowledge regarding the execution of M&A and post-merger integration, it can strengthen its initiatives from the search for candidates through to deal execution and post-acquisition integration. In addition, the Target Company believes that, together with the financial support explained by the Tender Offeror, including additional funding as necessary, its options for flexibly executing strategic M&A and growth investments will expand.

(D) Strengthening of Human Resources and the Management Control System Supporting the Growth Strategy

• The Target Company believes that, in order to pursue the growth of its existing businesses and expansion into new areas in parallel, it is important to secure specialized human resources and strengthen organizational capabilities to carry out these initiatives, and to enhance its management control system so that it can ascertain the progress and profitability of each measure in a timely manner and make decisions on the allocation of management resources. In this regard, the Target Company believes that, by utilizing the human resources network and management support knowledge of MBKP and its operating team, it can advance the recruitment of specialized human resources and enhance the sophistication of management accounting, business-specific profitability management, and other matters, thereby strengthening the structure supporting execution of its growth strategy.

• In addition, the Target Company believes that some of the above initiatives require up-front investment and will take a certain amount of time before commercialization and monetization. The Target Company believes that promoting these initiatives through the Transaction by combining its management resources with MBKP's support, without being overly influenced by the impact on short-term performance and the market share price, will enhance its ability to execute them and the speed of execution compared with pursuing them on a stand-alone basis, and will contribute toward enhancing its medium- to long-term corporate value.

(III) Evaluation of the Significance of the Transaction as Considered by the Tender Offeror Parties

The significance of the Transaction as considered by the Tender Offeror Parties described in (I) above is based on the management challenges of the Target Company described above, and can be evaluated as consistent with the significance of the Transaction as considered by the Target Company. In addition, in light of the Target Company's management challenges, there are no circumstances that raise doubts about the significance of the Transaction considered by the Target Company as described in (II) above.

(IV) Other Effects of Implementing the Transaction

Possible disadvantages that may arise for the Target Company in connection with the Transaction are assumed to be: (a) that it would no longer be able to raise funds through equity financing from the capital markets; (b) that there could be an adverse effect on the recruitment of employees, the retention of existing employees, the maintenance and expansion of business relationships with business partners, and other matters, all of which are premised on the social credibility and name recognition as

a listed company; (c) that the governance and compliance systems could become weaker than when it was listed; and (d) that there could be a possible impact on the relationship with the Samsung Group, which is both a major shareholder and a major customer of the Target Company; and the Special Committee received the following explanations from the Target Company regarding the extent of each disadvantage.

• With respect to (a), the Target Company believes that there will be no impediment. This is because, in addition to the fact that the Target Company maintained an equity ratio of 57.6% as of the end of the fiscal year ended March 2026 and that there is little need to raise funds through equity financing in its current business activities, according to the Tender Offeror Parties, after the Transaction, a structure will be designed on the premise of making the necessary growth investments, the funds managed by MBKP can provide additional equity funding as needed flexibly, and it will also be possible to raise funds on a scale that would be difficult for a listed company to pursue due to dilution concerns.

• With respect to (b), the Target Company recognizes that its Technology Solution Business is a BtoB business model, in which customers' assessments of creditworthiness and credibility depend significantly on transaction track record, technological capability, quality, and reliability of supply, and that such creditworthiness and recognition are built up over the long term within the industry through dealings with customers. The Target Company also recognizes that the brand value of its Branded Business is based mainly on the evaluation of its products within the creator community, and does not depend on it being a listed company. The Target Company therefore believes that the impact of delisting on customers and business partners will be limited. With respect to employee recruitment and retention, the Target Company Group recognizes that many people who wish to join the Target Company Group do so because they identify with the Target Company Group's business, which provides value to society through the "*kaku*" experience under its "Life-long Ink" vision; and it believes that reasons for joining the Target Company are not necessarily limited to it being a listed company. The Target Company Group has also been creating an environment that accommodates diverse working styles, including by introducing a system that allows employees to freely choose their place of work and a super-flex-time system with no core hours. In addition, the Target Company Group appoints people to key management positions with emphasis on their enthusiasm and ability to accomplish their goals, regardless of gender, nationality, age, or other factors. In particular, it considers it important to develop and secure engineers who drive technological innovation; accordingly, it focuses on human resource development. In this way, the Target Company recognizes that there has recently been a trend toward placing importance on the working environment, treatment, job satisfaction, and other factors; therefore, it does not consider this to be a significant disadvantage. According to the Tender Offeror, it is currently contemplated that the employment and treatment of the Target Company's employees will, in principle, continue unchanged even thereafter.

• With respect to (c), the Tender Offeror recognizes the loss of the capital markets' management oversight function as an issue that needs to be directly addressed, and that it intends to secure a management oversight function to substitute for the market's oversight function over a listed company, through monthly monitoring by the board of directors, including directors dispatched by MBKP, and discipline through functional meetings. In addition, the policy is to maintain and strengthen the current internal control system and governance system. In light of the foregoing, the Target Company does not believe that there will be any particular impediment.

• With respect to (d), according to the Tender Offeror, the trading relationship between the Target Company and the Samsung Group is based on technology, quality, price, and contractual terms, and it is contemplated that SESP will continue to participate as a shareholder even after the Target Company Shares are taken private. The Target Company also recognizes that its trading relationships with major OEM customers, including the Samsung Group, are based on the accumulation of joint development across multiple generations over many years, and are not affected by whether the Target Company Shares are listed; therefore, it believes that the risk that the Transaction will have a material impact on such trading relationships is low.

There are no circumstances that raise doubts about the foregoing points, and no particular circumstances have been identified that would materially impede enhancing the Target Company's corporate value through implementation of the Transaction.

(V) Possibility of Adopting Other Methods (Necessity of Choosing Delisting as a Means)
According to the explanations of the Tender Offeror Parties in the Interviews, etc., while the business environment surrounding the Target Company is changing significantly due to advances in AI, changes in the business environment surrounding customers, and other factors, it is an urgent issue to flexibly pursue new businesses, M&A, and other growth measures while maintaining technology, human resources, and the customer base. On the other hand, as a listed company, the Target Company cannot avoid giving significant consideration to demands for short-term earnings, dividends, and the like, and these may constrain the measures that the Target Company should pursue. Therefore, the Tender Offeror Parties believe that taking the Target Company Shares private is appropriate in order to promote the measures to be pursued more swiftly from a medium- to long-term perspective.
In light of the above explanations, and given the business environment surrounding the Target Company, the Special Committee is not aware of any circumstances that would lead it to conclude that the Tender Offeror Parties' view that it is necessary to take the Target Company Shares private in order to implement the various measures is unreasonable.
In view of the foregoing, the decision to conduct the Transaction in order to take the Target Company Shares private and then implement the various measures is considered to be reasonable.

(4) Summary
Based on the foregoing facts, the various measures that the Target Company and the Tender Offeror intend to implement can be considered reasonable in light of the Target Company's management challenges, and there are no circumstances that would negate the significance of implementing the Transaction as a prerequisite to implementing such measures.
In addition, given that no particular circumstances have been identified that would materially impede enhancing the Target Company's corporate value through implementation of the Transaction, there are no circumstances that would negate the Transaction's contribution to addressing the management challenges recognized by the Target Company and, ultimately, to enhancing the Target Company's corporate value.
Accordingly, the Special Committee reports its opinion to the effect that the Transaction is expected to contribute toward enhancing the Target Company's corporate value and that the purpose of the Transaction is considered to be legitimate and reasonable.

2. Advisory Matter 2
(1) The Special Committee's Understanding of, and Policy for Considering, Advisory Matter 2
Advisory Matter 2 inquires about the fairness and appropriateness of the terms and conditions of the Transaction (including the purchase price in the Tender Offer).
In this regard, the "Fair M&A Guidelines" (the "**M&A Guidelines**") contain the following statement regarding the reasonableness of transaction terms (Section 3.2.2 of the M&A Guidelines), which is also useful in considering the fairness of the terms and conditions of the Transaction:
"With respect to the reasonableness of transaction terms, it is important for the Special Committee to consider the reasonableness of transaction terms by (a) ensuring that in discussions and negotiations of transaction terms with an acquiring party, reasonable efforts are made to conduct the M&A transaction on the best possible transaction terms for general shareholders, while also increasing corporate value, and (b) confirming the contents of the stock price valuation, which is an important basis for judging the reasonableness of transaction terms, and the rationality of financial forecasts, assumptions and other factors which are the premises for such valuation. In addition, it is important to examine not only the level of the acquisition consideration but also the reasonableness of both the acquisition method and types of acquisition consideration."
Accordingly, the Special Committee considers the fairness of the terms and conditions of the Transaction in light of the above points made in the M&A Guidelines.
In addition, because the M&A Guidelines state, as the specific content of (b) above, that it is advisable to consider, in addition to the results of a valuation by an independent third-party valuation firm with expertise, the positioning and feasibility of the business plan on which the valuation was based, the characteristics of the valuation methodologies used, the level of premiums generally paid in similar M&A transactions, the value that can be realized without such M&A transaction, and the expected

increase in corporate value created by such M&A transaction (Section 3.3.2.1B of the M&A Guidelines), the Special Committee conducts its consideration taking these points into account.

(2) Ensuring an Appropriate Negotiation Process

First, as described in "3. Advisory Matter 3" below, the various procedures adopted in connection with the Transaction, including the establishment of the Special Committee, for the purpose of ensuring that reasonable efforts are made to conduct the M&A transaction on the best possible transaction terms for general shareholders, are considered fair.

In addition, as described below, the Special Committee negotiated with the Tender Offeror Parties on multiple occasions to increase the Tender Offer Price. Accordingly, the negotiations may be regarded as having been conducted based on objective and consistent discussions substantially equivalent to those that would take place between mutually independent parties. There are no circumstances indicating that the Target Company failed to make reasonable efforts to conduct the M&A transaction on the best possible transaction terms for general shareholders.

Specifically, since October 6, 2026, the Target Company has conducted multiple rounds of negotiations with the Tender Offeror Parties regarding the terms and conditions of the Transaction. The specific course of the negotiations is as follows.

- On October 6, 2026, the Target Company received from the Tender Offeror Parties an initial proposal setting the Tender Offer Price at 900 yen, on the premise that the Target Company would pay an interim dividend of 12 yen per share for the fiscal year ending March 2027 and would neither make any other dividend of surplus with a record date before the Settlement Commencement Date of the Tender Offer nor acquire any of its own shares with an acquisition date before that date.
- In response, on October 8, 2026, following consideration by the Special Committee, the Target Company requested that the Tender Offeror Parties reconsider the Tender Offer Price on the grounds that the proposed Tender Offer Price could not be considered to be at a level that gave appropriate consideration to the interests of the Target Company's general shareholders.
- On October 12, 2026, the Target Company received from the Tender Offeror Parties a revised proposal setting the Tender Offer Price at 950 yen.
- In response, on October 13, 2026, following consideration by the Special Committee, the Target Company requested that the Tender Offeror Parties reconsider the Tender Offer Price on the grounds that the premium of the proposed Tender Offer Price over the recent market price of the Target Company Shares remained low compared with the premium rates in similar transactions and that the proposed Tender Offer Price could not be considered to be at a level that sufficiently reflected the intrinsic value of the Target Company.
- On October 15, 2026, the Target Company received from the Tender Offeror Parties a revised proposal setting the Tender Offer Price at 960 yen.
- In response, on October 19, 2026, following consideration by the Special Committee, the Target Company requested that the Tender Offeror Parties reconsider the Tender Offer Price on the grounds that the increase from the previous proposal was extremely limited and that the proposed Tender Offer Price still could not be considered to be at a level that gave sufficient consideration to the interests of the Target Company's general shareholders.
- Thereafter, on November 5, 2026, the Target Company received from the Tender Offeror Parties a revised proposal setting the Tender Offer Price at 1,000 yen.
- In response, on November 5, 2026, the Target Company responded with respect to such revised proposal that, although the proposed price reflected a certain increase, a further increase in the Tender Offer Price was still necessary.
- Thereafter, on November 9, 2026, the Target Company received from the Tender Offeror Parties a proposal that the Tender Offer Price would continue to be 1,000 yen. At that time, the Tender Offeror Parties responded to the Special Committee that they had also been holding discussions with AVI and KC regarding the Tender Offer Price and that, as of that date, they had not received from either AVI or KC any request to increase the Tender Offer Price to a price exceeding 1,000 yen.
- In response, on November 12, 2026, the Special Committee held a web meeting with the Tender Offeror Parties, informed the Tender Offeror Parties that it considered that setting the

tender offer price at 1,000 yen did not reach a level that gave sufficient consideration to the interests of the Target Company's general shareholders, and requested that the Tender Offeror Parties further increase and reconsider the tender offer price.

- On November 13, 2026, the Target Company received from the Tender Offeror Parties a revised proposal setting the tender offer price at 1,015 yen. In making such proposal, the Tender Offeror Parties communicated that the proposed price was the maximum price level that could be offered at that time and that such proposal would constitute their final proposal regarding the Tender Offer Price.
- In response, on November 14, 2026, the Special Committee responded that it had determined that the final proposed price setting the Tender Offer Price at 1,015 yen was at a level at which it would be appropriate to express an opinion recommending that shareholders tender their shares in the Tender Offer.
- Thereafter, on November 17, 2026, the Tender Offeror Parties reported that, from the perspective of further enhancing the stability and likelihood of completion of the Transaction, as a result of further discussions with AVI regarding the tender agreement with AVI, they had reached agreement on the tender agreement on the premise that the Tender Offer Price would be increased from 1,015 yen to 1,030 yen.
- In response, on November 17, 2026, following consideration by the Special Committee, the Target Company determined that the price of 1,030 yen proposed by the Tender Offeror Parties was a price that gave sufficient consideration to the interests of general shareholders.
- Following the above discussions and negotiations, the Tender Offeror is expected to decide on November 20, 2026 to set the Tender Offer Price at 1,030 yen and to implement the Tender Offer as part of the Transaction.

(3) Relationship Between the Share Valuation and the Tender Offer Price

(I) Acquisition of a Share Valuation Report from the Target Company's Third-Party Valuation Firm

In considering the fairness and appropriateness of the Tender Offer Price, the Target Company appointed Daiwa Securities, a third-party valuation firm independent from the Target Company and the Tender Offer-Related Parties, and obtained the Share Valuation Report (Daiwa Securities).

(A) Reasonableness of the Business Plan

Because the Business Plan serves as the basis for the share valuation conducted by Daiwa Securities using the DCF Method, it is necessary to verify the credibility and appropriateness of the Business Plan. In particular, because the Business Plan was prepared after the possibility of the Transaction being implemented was specifically recognized, particular care must be exercised to ensure that its preparation is not influenced by any arbitrariness intended to affect the success or failure of the Transaction.

The Special Committee carefully considered the business plan that forms the basis for the valuation of the Target Company Shares, from the perspective of confirming the reasonableness of its preparation process, content, and material assumptions.

Specifically, the Special Committee first considered whether it would be appropriate to use the Medium-Term Business Plan already published by the Target Company as the basis for the valuation of the Target Company Shares in the Transaction. In this regard, the Special Committee received an explanation from the Target Company that the assumptions of the Medium-Term Business Plan had changed due to the significant deterioration in the current business environment since the formulation of the Medium-Term Business Plan, including the increase in memory prices, increased cost-reduction pressure in the Technology Solution Business, and the rapid advancement of AI, as well as an explanation of the specific factors underlying such changes. As a result, the Special Committee determined that it would be inappropriate to use the Medium-Term Business Plan as-is as the basis for the share valuation in the Transaction and that it would be appropriate to use a new business plan reflecting the current business environment and the Target Company's latest operating conditions.

In addition, the Special Committee received from the Target Company multiple drafts of the new business plan prepared by the Target Company and explanations of the assumptions underlying, and differences between, the respective drafts. The Special Committee then decided to proceed with its

consideration based on the draft that, among the multiple drafts presented, maximized the business plan within a reasonable range. Based on this policy, the Special Committee requested that the Target Company (i) organize the quantitative differences between the Medium-Term Business Plan and that draft, and the factors giving rise to those differences; (ii) verify the feasibility of the upside factors incorporated into the plan figures for the current and next fiscal years; and (iii) verify the existence and feasibility of any additional upside factors expected during the medium- to long-term plan period.

Thereafter, the Special Committee received from the Target Company explanations regarding the quantitative differences by business between the Medium-Term Business Plan and such business plan, together with a breakdown of the factors contributing to the increases and decreases, the results of verification of the levels of the plan figures for the current and next fiscal years, and additional upside factors during the plan period, and conducted a question-and-answer session with the Target Company. In light of such explanations and the question-and-answer session, in order to further verify the content of the business plan, the Special Committee requested that the Target Company (i) closely examine the level of selling, general and administrative expenses during the plan period, given that such expenses were projected to be at a higher level than the actual results for prior fiscal years; (ii) reconsider whether the factors contributing to decreases incorporated for each business were overly conservative; (iii) quantify the effects expected from collaboration with the Target Company's subsidiaries; and (iv) provide additional explanations regarding the factors behind fluctuations in profit levels during the plan period and their reasonableness.
In response to these requests, the Target Company revised the business plan upward and then explained the content and results of such additional review to the Special Committee and conducted a question-and-answer session with the Special Committee. The Special Committee then reassessed the reasonableness of each of the plan figures in such business plan and the underlying assumptions. Following the foregoing review, the Special Committee confirmed the reasonableness of the content, material assumptions, preparation process, and other aspects of such business plan and approved such business plan.
Thereafter, upon being informed of the recent development that the results forecast for the interim period of the fiscal year ending March 2027 was expected to exceed the internally assumed level, the Special Committee came to believe that there might be further room to review such business plan from the perspective of maximizing share value, given that the proposal relating to the Transaction constituted an MBO, which is a conflict-of-interest transaction. The Special Committee also considered it reasonable to conduct its review on the premise that, even amid a rapidly deteriorating business environment, the Target Company and its major customers would make their best efforts to prevent a deterioration in business performance. Accordingly, in order to quantitatively reflect the effects of such efforts in that business plan, on October 13, 2026, the Special Committee received additional explanations from the Target Company regarding the results forecast for the interim period of the fiscal year ending March 2027 and the outlook for the full fiscal year, the assumptions regarding manufacturing costs and selling, general and administrative expenses during the business plan period from the next fiscal year onward, and the new business areas that had long been identified as a challenge and had formed a pillar of the Medium-Term Business Plan, and conducted a question-and-answer session with the Target Company. In light of the question-and-answer session, the Special Committee requested that the Target Company provide additional explanations, in order to further verify the content of the business plan, regarding whether there was room to review manufacturing costs in the Branded Business from the next fiscal year onward, whether there was similar room for review in the Technology Solution Business, and how the expansion of the new business areas, which could be considered a pillar of the Medium-Term Business Plan, would be carried forward and reflected in such business plan.

In response to these requests, on October 16, 2026, the Special Committee received from the Target Company an explanation of the content and results of such additional review, conducted a question-and-answer session with the Target Company, and reassessed whether the business plan could be revised.

Following the foregoing review, on October 19, 2026, the Special Committee confirmed that the draft revised business plan had maximized content within a reasonable range and reapproved it. On the same date, the Target Company disclosed the revised Business Plan to the Tender Offeror Parties.
For the following reasons, the Special Committee determined that there were no circumstances that would negate the reasonableness of the preparation process or content of the Business Plan.
There is no indication that the Tender Offeror Parties or any of their related persons were involved in or influenced the preparation of the Business Plan. In addition, the Special Committee confirmed that: (a) the Medium-Term Business Plan was prepared independently of the Transaction before the possibility of implementing the Transaction was specifically recognized; (b) after it was determined that the Medium-Term Business Plan could not be used as-is as the basis for the valuation, the Business Plan was prepared in accordance with a policy of making it as positive as possible within a reasonable range; (c) in the process of considering the Business Plan, a review process was conducted multiple times, under which the quantitative differences between the Medium-Term Business Plan and the draft business plan prepared by the Target Company were organized, the Special Committee discussed and considered, on an element-by-element basis, the upside factors relating to the plan figures for the current and next fiscal years and additional upside factors during the medium- to long-term plan period, and the Target Company was then requested to reassess the draft based on such consideration, and the Business Plan was prepared through this process; (d) in light of the recent development that the results forecast for the interim period of the fiscal year ending March 2027 was expected to exceed the assumed level, the Special Committee further considered whether there was room for upward revision of the previously approved business plan and repeatedly reassessed it without adhering to the original business plan, following which the Business Plan was revised; and (e) with respect to the finally approved Business Plan, the main factors for the fiscal years in which significant increases or decreases in profit and increases or decreases in free cash flow are anticipated are the absence of the effect of temporary large-scale projects, fluctuations in profit margins associated with changes in product mix and other factors, the acquisition of new projects and the effects of each measure, and the timing of the payment of acquisition consideration relating to strategic M&A, and the Special Committee received explanations regarding the relationship between these factors and the plan figures for each fiscal year and considered their content; in particular, with respect to increases and decreases in free cash flow, the Special Committee considered the effect of the timing of investment expenditures separately from changes in earning power. Based on these considerations, the Special Committee has confirmed that, including the fact that there are fiscal years in which such increases or decreases are anticipated, the finally approved Business Plan was prepared based on the current business environment and future projections within a reasonable range, with no unreasonable aspects.
Daiwa Securities and Plutus Consulting held multiple question-and-answer sessions with the Target Company regarding the Business Plan and gained an understanding of the process by which it was prepared and the Target Company's current circumstances. They then confirmed the reasonableness of the Target Company's business plan by examining whether there were any unreasonable aspects thereof. The Special Committee received reports to that effect and conducted question-and-answer sessions, and found no unreasonable aspects in the analysis of the Business Plan conducted by Daiwa Securities and Plutus Consulting.

(B) Reasonableness of the Valuation Methods and Bases for Valuation

At the 17th meeting and the 30th meeting of the Special Committee, the Special Committee received from Daiwa Securities detailed explanations regarding, among other things, the results of the valuation of the Target Company Shares, the valuation methods, and the process by which Daiwa Securities arrived at the valuation results.
First, after considering which valuation methods should be adopted from among multiple valuation methods in valuing the Target Company Shares, and based on the view that it is appropriate to evaluate the share value of the Target Company Shares from multiple perspectives on the premise that the Target Company is a going concern, Daiwa Securities valued the Target Company Shares using, as valuation methods, (i) the market price method, because the Target Company is listed on the Prime Market of the Tokyo Stock Exchange and a market price exists, and (ii) the DCF Method, in order to reflect the status of future business activities in the valuation. The valuation approach, under which the market price is used as a benchmark and combined with the DCF Method, which incorporates the

present value of future cash flows into the valuation, is in line with the standard approach to corporate valuation and can be considered appropriate.
Among the valuation methods adopted by Daiwa Securities, under the market price method, using November 19, 2026 as the reference date, the share price was calculated based on the closing price on the reference date and the simple average closing prices for the most recent one-month, three-month, and six-month periods up to the reference date. In light of the fact that there have been no material fluctuations in the Target Company's share price that appear to be attributable to special factors and no particularly abnormal movements, the share price periods selected by Daiwa Securities for its valuation are appropriate, and the price range under the market price method is considered sufficiently reasonable.
Next, with respect to the DCF Method, arbitrary manipulation of figures or the use of unreasonable assumptions for any of the calculation elements could significantly affect the final valuation results. From this perspective, the Special Committee reviewed Daiwa Securities' valuation process through the Interviews, etc. However, the Special Committee found no arbitrary manipulation of figures or use of unreasonable assumptions that should be particularly noted with respect to the various bases for calculation adopted in the DCF Method.
With respect to the comparable company method, under which the share value of the Target Company is calculated through comparison with the market prices and financial indicators, such as profitability, of listed companies engaged in businesses relatively similar to that of the Target Company, the Special Committee received an explanation from Daiwa Securities that it had decided not to adopt this method because, taking into account the business characteristics, financial indicators, and other relevant factors of other companies, it was unable to select appropriate listed companies comparable to the Target Company. The Special Committee determined that there was nothing particularly unreasonable about this explanation.
As described above, the Special Committee found nothing unreasonable in the selection of the market price method and the DCF Method or in the respective valuation methods and bases for valuation. Accordingly, the Special Committee concluded that it could rely on the Share Valuation Report (Daiwa Securities) prepared by Daiwa Securities in considering the share value of the Target Company Shares.

(C) Results of the Share Valuation
According to the Share Valuation Report (Daiwa Securities) prepared by Daiwa Securities, the share value of the Target Company Shares under each valuation method is as set out in Table 1 below, and the Tender Offer Price falls within the calculation range under the DCF Method by Daiwa Securities and exceeds the range of calculation results under the market price method.

<Table 1: Share Value of the Target Company Shares by Daiwa Securities>

Valuation method	Reference date	Per-share value
Market price method	November 19, 2026	687 yen to 812 yen
DCF Method	November 19, 2026	968 yen to 1,196 yen

(II) Acquisition of a Share Valuation Report and a Fairness Opinion from the Special Committee's Own Third-Party Valuation Firm
(A) Acquisition of the Share Valuation Report (Plutus Consulting)
In considering the fairness and appropriateness of the Tender Offer Price, the Special Committee appointed Plutus Consulting as its own financial advisor and as a third-party valuation firm independent from the Target Company and the Tender Offer-Related Parties in order to independently verify the appropriateness of the terms and conditions of the Transaction, including the Tender Offer Price, and obtained the Share Valuation Report (Plutus Consulting).

(a) Reasonableness of the Business Plan
As described in "(A) Reasonableness of the Business Plan" in "(I) Acquisition of a Share Valuation Report from the Target Company's Third-Party Valuation Firm" above, the Special Committee has confirmed that there were no particularly unreasonable aspects of the preparation process or content of the Business Plan.

(b) Reasonableness of the Valuation Methods and Bases for Valuation

At the 18th meeting and the 30th meeting of the Special Committee, the Special Committee received from Plutus Consulting detailed explanations regarding, among other things, the results of the valuation of the Target Company Shares, the valuation methods, and the process by which Plutus Consulting arrived at the valuation results.

First, after considering which valuation methods should be adopted from among multiple valuation methods in valuing the Target Company Shares, and based on the view that it is appropriate to evaluate the value of the Target Company Shares from multiple perspectives on the premise that the Target Company is a going concern, Plutus Consulting calculated the per-share value of the Target Company using, as valuation methods, (i) the market price method, because the Target Company Shares are listed on the Prime Market of the Tokyo Stock Exchange; (ii) the comparable company method because there are multiple listed companies comparable to the Target Company, allowing for an estimate of the share value of the Target Company Shares through comparison with similar listed companies; and (iii) the DCF Method, in order to reflect the status of future business activities in the valuation. The valuation approach, under which the market price and the share prices of comparable companies are used as a benchmark and combined with the DCF Method, which incorporates the present value of future cash flows into the valuation, is in line with the standard approach to corporate valuation and can be considered appropriate.

Among the valuation methods adopted by Plutus Consulting, under the market price method, using November 19, 2026 as the reference date, the share price was calculated based on the closing price on the reference date and the simple average closing prices for the most recent one-month, three-month, and six-month periods up to the reference date. In light of the fact that there have been no material fluctuations in the Target Company's share price that appear to be attributable to special factors and no particularly abnormal movements, the share price periods selected by Plutus Consulting for its valuation are appropriate, and the price range under the market price method is considered sufficiently reasonable.

Next, with respect to the comparable company method, Plutus Consulting selected Elecom Co., Ltd. and BUFFALO INC. as comparable listed companies engaged in businesses having a certain degree of similarity to that of the Target Company. Plutus Consulting calculated the business value using business value-to-EBITDA and business value-to-EBIT multiples and then calculated the share price by making adjustments for non-business assets, interest-bearing debt, and other items. Although the Target Company operates in a unique business domain and there are no listed companies engaged in exactly the same business as the Target Company, the above two companies were used as comparables for reference purposes because, as computer peripheral equipment manufacturers, they have a certain degree of similarity to the Target Company. In light of this positioning, the Special Committee determined that there was nothing particularly unreasonable about Plutus Consulting's explanation that relatively greater weight should be placed on the valuation results under the DCF Method.

In addition, with respect to the DCF Method, arbitrary manipulation of figures or the use of unreasonable assumptions for any of the calculation elements could significantly affect the final valuation results. From this perspective, the Special Committee reviewed Plutus Consulting's valuation process through the Interviews, etc. However, the Special Committee found no arbitrary manipulation of figures or use of unreasonable assumptions that should be particularly noted with respect to the various bases for calculation adopted in the DCF Method.

As described above, the Special Committee found nothing unreasonable in the selection of the market price method, the comparable company method, and the DCF Method or in the respective valuation methods and bases for valuation. Accordingly, the Special Committee concluded that it could rely on the Share Valuation Report (Plutus Consulting) prepared by Plutus Consulting in considering the share value of the Target Company Shares.

(c) Results of the Share Valuation

According to the Share Valuation Report (Plutus Consulting) prepared by Plutus Consulting, the share value of the Target Company Shares under each valuation method is as set out in Table 2 below; and the Tender Offer Price falls within the calculation range under the DCF Method by Plutus Consulting,

exceeds the range of calculation results under the market price method, and further exceeds the calculation range under the comparable company method.

<Table 2: Share Value of the Target Company Shares by Plutus Consulting>

Valuation method	Reference date	Per-share value
Market price method	November 19, 2026	687 yen to 812 yen
Comparable company method	November 13, 2026	554 yen to 673 yen
DCF Method	November 13, 2026	665 yen to 1,155 yen

(B) Acquisition of the Fairness Opinion

The Special Committee obtained the Fairness Opinion dated November 19, 2026 from Plutus Consulting. The Fairness Opinion expresses the opinion that the Tender Offer Price of 1,030 yen per share is fair, from a financial perspective, to the Target Company's general shareholders, in light of, among other things, the results of the share valuation based on the Business Plan. The Fairness Opinion was issued after Plutus Consulting conducted the share valuation, having received from the Target Company disclosure of, and explanations regarding, the current status of the Target Company's business, the Business Plan, and other related materials. Its issuance also followed question-and-answer sessions with the Target Company regarding the outline, background, and purpose of the Tender Offer; Plutus Consulting's consideration, to the extent it deemed necessary, of the Target Company's business environment and economic, market, and financial conditions, among other matters; and review procedures conducted by a review committee at Plutus Consulting that was independent of the engagement team. The Special Committee found no unreasonable aspects in the procedures for issuing the Fairness Opinion or its content.

Based on the foregoing, the Fairness Opinion can be considered reliable.

(III) Consideration of the Premium

(A) Premium in the Transaction

According to Daiwa Securities' explanation in the Interviews, etc., the Tender Offer Price represents the premiums shown in Table 3 below over the closing prices of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange through November 19, 2026 (the "**Immediately Preceding Business Day**").

<Table 3: Premium of the Tender Offer Price>

Reference value	Share price	Premium
Closing price on the Immediately Preceding Business Day	687 yen	49.9%
Simple average closing price over the past one month up to the Immediately Preceding Business Day	764 yen	34.8%
Simple average closing price over the past three months up to the Immediately Preceding Business Day	812 yen	26.8%
Simple average closing price over the past six months up to the Immediately Preceding Business Day	812 yen	26.8%

(B) Comparison with Other Cases

As the M&A Guidelines state that it is difficult to establish a single, objective standard such as "a premium of at least a certain percentage is fair" in comparison with the market share price (M&A Guidelines 2.2.2), the Special Committee also recognizes that it cannot immediately assert that the tender offer price is fair, appropriate, or unfair merely because a premium such as that described above has been added.
However, according to the explanation by Daiwa Securities in the Interviews, etc., the above premium can be considered to be at a reasonable level in comparison with the level of premiums granted in determining the purchase price, etc. in 331 cases of tender offers for the purpose of making a listed company a wholly owned subsidiary, among listed companies on the Prime Market of the Tokyo Stock Exchange, on which the Target Company is listed (or, for cases announced before the review of the market segments by the Tokyo Stock Exchange on April 4, 2022, listed companies on the First Section of the Tokyo Stock Exchange), announced from June 28, 2019, the date on which the M&A Guidelines were published, to October 30, 2026 (median premium on the closing price on the business day immediately preceding the announcement date (41.3%), median premium on the simple average closing price over the most recent one month (42.5%), median premium on the simple average closing price over the most recent three months (43.6%), and median premium on the simple average closing price over the most recent six months (45.8%)). In addition, the above premium can also be considered to be at a reasonable level in comparison with the level of premiums granted in determining the purchase price, etc. in 81 cases, among the tender offers for the purpose of making a listed company a wholly owned subsidiary during the same period, in which the target company's PBR calculated from the tender offer price exceeded 2.0 times (median premium on the closing price on the business day immediately preceding the announcement date (31.6%), median premium on the simple average closing price over the most recent one month (37.9%), median premium on the simple average closing price over the most recent three months (41.8%), and median premium on the simple average closing price over the most recent six months (45.6%)).

(IV) Execution of the Tender Agreement Between the Tender Offeror and AVI and KC
AVI and KC, who are shareholders of the Target Company, have no capital relationship or other special interest with the Tender Offeror Parties and are independent from the Tender Offeror Parties with respect to the Transaction. The fact that AVI and KC, which are in such position, plan to tender all of the Target Company Shares they own in the Tender Offer may be considered to indicate that AVI and KC regard the Tender Offer Price, etc. and the terms and conditions of the Tender Offer to have a certain degree of economic rationality.

(V) Summary
As described above, taking into account all relevant circumstances, including the following: (i) no particularly unreasonable aspects were identified in the preparation process or content of the Business Plan; (ii) no particularly unreasonable aspects were identified in the content of the share valuations conducted by Daiwa Securities and Plutus Consulting or in the assumptions or analytical methods underlying those valuations; (iii) the Tender Offer Price falls within the calculation ranges under the DCF Method by Daiwa Securities and Plutus Consulting, exceeds the ranges of calculation results under the market price method, and further exceeds the calculation range under the comparable company method by Plutus Consulting; (iv) the Fairness Opinion, to the effect that the Tender Offer Price is fair, from a financial perspective, to the Target Company's general shareholders, was obtained from Plutus Consulting; (v) AVI and KC plan to tender in the Tender Offer; (vi) the Special Committee continued price negotiations even after being informed by the Tender Offeror Parties that AVI and KC planned to tender in the Tender Offer on the premise that the tender offer price would be 1,000 yen, and drew out a higher tender offer price from the Tender Offeror Parties; and (vii) the Tender Offer Price was determined through a process in which sincere and continuous discussions and negotiations were conducted with the Tender Offeror Parties through Daiwa Securities, taking into account, among other things, the results of the analyses of the value of the Target Company Shares conducted by Daiwa Securities and Plutus Consulting and the legal advice received from Anderson Mori & Tomotsune and Nagashima Ohno & Tsunematsu, and it was increased to a level at which the Tender Offeror Parties explained on multiple occasions that they did not intend to make any further increase;

the Tender Offer Price is regarded as providing the Target Company's general shareholders with a reasonable opportunity to sell their shares and as being fair and appropriate.

(4) Appropriateness and Fairness of the Scheme, etc.

In the Transaction, it is contemplated that the Tender Offer will be conducted first and that, following the successful completion of the Tender Offer, the Squeeze-Out Procedures will be implemented through the Demand for Share Cash-Out or the Share Consolidation. In addition, according to the draft press release announcing the planned commencement of the Tender Offer, it has also been made clear that the amount of cash to be delivered to each shareholder of the Target Company and each holder of the American Depositary Receipts as consideration in the Squeeze-Out Procedures is expected to be calculated so as to equal the Tender Offer Price multiplied by the number of Target Company Shares owned by that shareholder.

The method of the Transaction is commonly used in this type of going-private transaction. In addition, shareholders of the Target Company who oppose the second-step procedures may file a petition with a court to determine the price pursuant to the Companies Act.

Because the consideration to be received by the shareholders will be cash, the method of the Transaction has the advantages of facilitating understanding of the consideration and providing a high degree of stability and objectivity in its value. It is also considered desirable because it can satisfy both the need to take the Target Company private promptly and the need to ensure that general shareholders and others have the time and opportunity to make an appropriate decision based on sufficient information.

Based on the foregoing, the adoption of a two-step acquisition method involving a tender offer and the use of cash as the acquisition consideration are regarded as appropriate and fair.

(5) Appropriateness of the Purchase Price for the Target Company Shares Relating to the American Depositary Shares

The Tender Offer also covers the Target Company Shares relating to the American Depositary Shares; and given that the purchase price for the Target Company Shares relating to the American Depositary Shares has been determined to be the same as the Tender Offer Price of 1,030 yen, the Special Committee considers that the purchase price for the Target Company Shares relating to the American Depositary Shares also gives sufficient consideration to the interests of holders of the American Depositary Receipts, for the same reasons as the Tender Offer Price.

(6) Summary

As stated in (1) through (5) above, given the reasonableness of the negotiation process and the scheme of the Transaction, among other matters, the Tender Offer Price is regarded as appropriate and fair.

In addition, because the Transaction ensures that general shareholders will receive consideration equal to the Tender Offer Price per Target Company Share, regardless of whether they receive such consideration through the Tender Offer or the Squeeze-Out Procedures, and holders of the American Depositary Receipts are also expected to receive, in the Squeeze-Out Procedures, through the Depositary Banks, cash equal to the Tender Offer Price per Target Company Share relating to the American Depositary Shares (after conversion into US dollars and deduction of the Depositary Banks' fees, taxes, and the like), the Special Committee reports its opinion that the fairness and appropriateness of the terms and conditions of the Transaction (including the purchase price in the Tender Offer) have been ensured.

3. Advisory Matter 3

(1) The Special Committee's Understanding of, and Policy for Considering, Advisory Matter 3

Advisory Matter 3 inquires about the fairness of the procedures relating to the Transaction.

The Special Committee considered Advisory Matter 3 by confirming the status of the adoption and implementation in the Transaction of the fairness-ensuring measures described in the M&A Guidelines, as well as the status of the adoption of fairness-ensuring measures in transactions similar to the Transaction. In doing so, the Special Committee considered it important to confirm whether fairness-ensuring measures suited to the circumstances of the Transaction had been adopted and

appropriately implemented, rather than requiring the adoption of all the measures addressed in the M&A Guidelines, as also noted in Section 3.1.2 of the M&A Guidelines.
In addition, the Special Committee considered it appropriate, in determining the fairness of the procedures relating to the Transaction, to take into account the following basic perspectives set forth in the M&A Guidelines: (i) ensuring a situation substantially equivalent to an arm's length transaction in the process of formulating the transaction terms; and (ii) ensuring that general shareholders have an opportunity to make an appropriate decision based on sufficient information (Section 2.4 of the M&A Guidelines).

(2) Establishment of the Special Committee and Acquisition of a Report from the Special Committee

The Special Committee was established pursuant to a resolution of the Target Company's board of directors and was requested to consider the Advisory Matters.
In considering the Advisory Matters, the Special Committee has fulfilled the roles that the M&A Guidelines state should be fulfilled by a special committee, specifically: (i) evaluating and deciding on the M&A from the perspective of whether it increases the corporate value of the Target Company; and (ii) from the perspective of benefiting general shareholders, evaluating and deciding on the reasonableness of the transaction terms and the fairness of the procedures (Section 3.2.2 of the M&A Guidelines).
In addition, given that consideration has been given to the following points, the Special Committee is regarded as functioning effectively as a fairness-ensuring measure.

(I) Establishment of the Special Committee as Promptly as Possible (Section 3.2.4.1 of the M&A Guidelines)

After the proposal regarding the Transaction was received from the Tender Offeror Parties on July 6, 2026, the Special Committee was established on July 10, 2026, and its first meeting was held on July 22, 2026. Thus, the Special Committee was established and convened as promptly as possible after receipt of the acquisition proposal from the acquirer.

(II) Composition of the Special Committee (Section 3.2.4.2 of the M&A Guidelines)

The Special Committee consists of three independent outside directors of the Target Company. It has been confirmed that each member is independent from the Tender Offer-Related Parties, has no interest in the outcome of the Transaction, and is qualified to serve as a member of the Special Committee.

(III) Involvement of the Special Committee in the Process of Negotiating the Transaction Terms with the Acquirer (Section 3.2.4.4 of the M&A Guidelines)

The Special Committee confirmed that it would be able to participate substantially in the process of negotiating the terms and conditions of the Transaction by, among other things, reviewing the negotiation policy in advance, receiving timely reports on the status of the negotiations, expressing its opinions at important stages, and providing instructions and making requests. In addition, until the Special Committee received from the Tender Offeror Parties the proposal to set the Tender Offer Price at 1,030 yen per share, it directly communicated its opinions, together with the specific grounds therefor, to the Tender Offeror in writing and thereby directly participated in the negotiation process with the Tender Offeror Parties.

(IV) Acquisition of Advice from Advisors

The Special Committee has been granted the authority, in preparing its report on the Advisory Matters, to receive professional advice or explanations from the Target Company's financial advisor or legal advisor as necessary, after approving such advisor, including by ex post facto approval. The Special Committee has also been granted the authority to appoint its own financial advisor or legal advisor and receive professional advice from such advisor, with the related expenses to be borne by the Target Company. At the first and second meetings of the Special Committee, the Special Committee confirmed that there were no issues regarding the independence of Daiwa Securities, the Target Company's financial advisor; Anderson Mori & Tomotsune, the Target Company's legal advisor; Plutus Consulting, the Special Committee's financial advisor; or Nagashima Ohno & Tsunematsu, the Special Committee's legal advisor. The Special Committee also confirmed that it would seek

professional advice or explanations from these advisors as necessary (see Section 3.2.4.5 of the M&A Guidelines).

(V) Acquisition of Information (Section 3.2.4.6 of the M&A Guidelines)

The Special Committee has collected the information necessary for its consideration and determination by, among other things, sending questions to the Tender Offeror Parties and the Target Company, obtaining responses, and requesting additional information.

(VI) Remuneration of Members (Section 3.2.4.7 of the M&A Guidelines)

The remuneration payable to each member of the Special Committee does not include any contingency fee payable upon the successful completion of the Transaction or the satisfaction of any other conditions.

(VII) Treatment of the Special Committee's Determination by the Target Company's Board of Directors (Section 3.2.5 of the M&A Guidelines)

The Target Company's board of directors has resolved that, in making decisions regarding the Transaction, it will give the utmost respect to the Special Committee's determination and that, if the Special Committee determines that the terms and conditions of the Transaction are not appropriate, the Target Company's board of directors will not express an opinion in favor of the Tender Offer.

(3) The Target Company's Decision-Making Process and Review Framework (Section 3.2.6 of the M&A Guidelines)

It is stated that, where a resolution of the board of directors determining whether to support an M&A transaction is approved by all directors other than those having a material interest in the M&A transaction, and all corporate auditors express the opinion that they have no objection, this constitutes one of the circumstances indicating that the fairness-ensuring measures functioned effectively in the M&A transaction (footnote 46 to Section 3.2.5 of the M&A Guidelines).

In addition, the M&A Guidelines state that, depending on the specific circumstances of each M&A transaction, the target company may establish an internal framework that enables consideration, negotiations, and other activities to be conducted from a standpoint as independent from the acquirer as possible. Such a framework may include excluding from the target company's consideration and negotiation process those directors and other persons having certain interests, including "directors having a special interest" (Section 3.2.6 of the M&A Guidelines), beginning at the consideration and negotiation stage preceding the resolution of the target company's board of directors determining whether to support the M&A transaction.

In this regard, at the meeting of the Target Company's board of directors scheduled to be held on the day following the date of preparation of the Report, it is expected that the directors of the Target Company participating in the deliberations and resolution, consisting of nine directors other than Mr. Ide out of a total of ten directors, will unanimously resolve to express an opinion in favor of the Tender Offer and recommend (i) that the Target Company's shareholders tender their shares in the Tender Offer, and (ii) that holders of the American Depositary Receipts deliver the American Depositary Receipts to the Depositary Banks in advance, receive delivery of the Target Company Shares relating to the American Depositary Shares, and then tender such shares in the Tender Offer.

Mr. Ide, the President and Representative Director (CEO) of the Target Company, has not participated in any deliberations or resolutions of the Target Company's board of directors relating to the Transaction, including the above meeting of the Target Company's board of directors, in light of the fact that he has or may have interests that conflict with those of the Target Company in connection with the Transaction. He has also not participated in any consideration or resolutions relating to the formulation of the Business Plan. Nor has he participated in any consideration of the Transaction or any discussions or negotiations with the Tender Offeror Parties on behalf of the Target Company.

In addition, as described in (2) above, the Target Company has established the Special Committee and decided to obtain its opinion. The Target Company's board of directors will make its decisions regarding the Transaction by giving the utmost respect to the Special Committee's determination. In particular, if the Special Committee determines that the terms and conditions of the Transaction are not appropriate, the Target Company's board of directors will not express an opinion in favor of the Transaction on such terms and conditions. In light of these and other circumstances, it can be said that arbitrariness has been eliminated from the Target Company's decision-making regarding the

Transaction, and the fairness, transparency, and objectivity of its decision-making process have been ensured (Sections 3.2.4.4 and 3.2.5 of the M&A Guidelines).
Based on the foregoing, no circumstances have been identified that would cast doubt on the fairness of the Target Company's decision-making process.

(4) Acquisition of Share Valuation Reports and a Fairness Opinion from Independent Third-Party Valuation Firms (Section 3.3.2 of the M&A Guidelines)

In expressing its opinion on the Tender Offer, in order to ensure the fairness of the decision-making process concerning the Tender Offer Price presented by the Tender Offeror Parties, the Target Company appointed Daiwa Securities on July 30, 2026, as its financial advisor and third-party valuation firm independent from the Target Company and the Tender Offer-Related Parties, requested that Daiwa Securities calculate the value of the Target Company Shares, and obtained the Share Valuation Report (Daiwa Securities). In addition, on July 30, 2026, the Special Committee appointed Plutus Consulting as its financial advisor and third-party valuation firm independent from the Target Company and the Tender Offer-Related Parties, requested that Plutus Consulting calculate the value of the Target Company Shares and express an opinion on the fairness of the Tender Offer Price (fairness opinion), and obtained the Share Valuation Report (Plutus Consulting) and the Fairness Opinion.
As described in detail in 2.(3) above, multiple valuation methods have been adopted in the Share Valuation Report (Daiwa Securities) and the Share Valuation Report (Plutus Consulting), with due care taken to ensure that the share value was not calculated arbitrarily. In addition, there is no indication that the Tender Offeror Parties or any officers or employees of the Target Company engaged in any arbitrary conduct in preparing the Business Plan on which the valuations were based, and no circumstances have been identified that would cast doubt on the fairness of the valuations.
Based on the foregoing, the Share Valuation Report (Daiwa Securities), the Share Valuation Report (Plutus Consulting), and the Fairness Opinion are regarded as share valuation reports and a fairness opinion issued by independent third-party valuation firms.

(5) Acquisition of Advice from Independent Law Firms (Section 3.3.1 of the M&A Guidelines)

In order to ensure fairness and appropriateness in the decision-making process of the Target Company's board of directors relating to the Tender Offer, the Target Company appointed Anderson Mori & Tomotsune on July 30, 2026, as its legal advisor independent from the Target Company and the Tender Offer-Related Parties and has received from Anderson Mori & Tomotsune the necessary legal advice regarding the method and process of decision-making by the Target Company's board of directors, including the various procedures relating to the Transaction, as well as other points to be noted. Anderson Mori & Tomotsune is not a related party of the Target Company or the Tender Offer-Related Parties and has no material interest required to be disclosed in relation to the Transaction, including the Tender Offer.
The remuneration payable to Anderson Mori & Tomotsune is calculated by multiplying the hours worked by the applicable hourly rates, regardless of whether the Transaction is successfully completed, and does not include any contingency fee payable upon successful completion of the Transaction. In addition, at its first meeting, the Special Committee confirmed that there were no issues regarding the independence or expertise of Anderson Mori & Tomotsune and approved its appointment as the Target Company's legal advisor.
In addition, on July 22, 2026, the Special Committee appointed Nagashima Ohno & Tsunematsu as its own legal advisor independent from the Target Company and the Tender Offer-Related Parties and has received legal advice from Nagashima Ohno & Tsunematsu, including advice regarding the measures to be taken to ensure procedural fairness in the Transaction, the various procedures relating to the Transaction, and the method and process of the Target Company's decision-making regarding the Transaction. Nagashima Ohno & Tsunematsu is not a related party of the Target Company or the Tender Offer-Related Parties and has no material interest required to be disclosed in relation to the Transaction, including the Tender Offer. The remuneration payable to Nagashima Ohno & Tsunematsu is calculated by multiplying the hours worked by the applicable hourly rates, regardless of whether the Transaction is successfully completed, and does not include any contingency fee payable upon successful completion of the Transaction.

Based on the foregoing, the Target Company and the Special Committee are regarded as having obtained professional advice from their respective legal advisors from the initial stage of their consideration of the Transaction.

(6) Market Check (Section 3.4.2 of the M&A Guidelines)

According to the draft press release announcing the planned commencement of the Tender Offer, the Tender Offeror plans to set the Tender Offer Period at 20 business days, which is the minimum period prescribed by laws and regulations. However, taking into account the period from the announcement of the planned commencement of the Tender Offer until the commencement of the Tender Offer, the overall period will, in substance, be longer than the minimum period prescribed by laws and regulations, amounting to at least 30 business days, thereby ensuring an opportunity for competing purchases or similar transactions.

In addition, the Tender Offeror and the Target Company have executed the Tender Offer Agreement; and although the Tender Offer Agreement contains provisions restricting, to a certain extent, the Target Company from contacting, etc. any person other than the Tender Offeror, certain exceptions are also provided for in relation to a tender offer or proposal for the purpose of taking the Target Company private made by a person other than the Tender Offeror (a "**Competing Bidder**"); no agreement has been made that would excessively restrict such Competing Bidder from contacting the Target Company, so that the opportunity for a Competing Bidder to make a tender offer or proposal is not unduly restricted; and consideration has been given so as not to impede opportunities for competing purchases or similar transactions. Thus, in combination with the setting of the Tender Offer Period, by ensuring an opportunity for competing purchases or similar transactions, a so-called indirect market check is conducted; and consideration has been given to ensuring the fairness of the Tender Offer.

Further, with respect to the background leading to Mr. Ide's implementation of the Transaction jointly with the Tender Offeror, based on the Tender Offeror's explanation regarding the timing and depth of the dialogue between Mr. Ide and candidates other than the Tender Offeror and the reasons for terminating such consideration, the Special Committee has confirmed that, with respect to the reasons for and process of selecting the partner for the Transaction, no particular candidate was unreasonably excluded, the selection was not made for the purpose of Mr. Ide's personal interests, and the selection was made on the grounds of the feasibility of measures that contribute toward enhancing the corporate value of the Target Company.

In addition, with respect to the Transaction, the Special Committee had also been proceeding with its consideration so as to be able to immediately conduct a so-called active market check, which involves an investigation and consideration of whether there are any potential acquirers in the market, including a bidding process or similar process prior to the announcement of the Transaction, if it determined that it would not be able to receive a proposal of a tender offer price at a sufficient level from MBKP; however, it ultimately did not conduct such active market check. Nevertheless, in light of the following: (a) the corporate value of the Target Company depends significantly on its long-term technological and business relationships with certain key customers, and if a bidding process or similar process were initiated, and the details of such business relationships, which are originally subject to confidentiality obligations, were to become known externally, this could undermine those key customers' confidence in the stability of the Target Company's management and could instead impair the corporate value of the Target Company; (b) if information were disseminated and the market price of the Target Company Shares were to rise temporarily, there could cease to be any potential acquirer capable of effecting a going-private transaction based on such share price level, which could result in the loss of the opportunity itself to enhance corporate value through privatization of the Target Company; (c) a prolonged process could further disperse management resources of the Target Company's officers and employees that should otherwise be devoted to the operation of the Target Company's business; and (d) although the Target Company had been in contact with multiple PE funds even before receiving a proposal regarding the Transaction from MBKP, MBKP was the only one with which discussions and consideration actually deepened to the point of making a specific proposal, and in view of the content of the various measures implemented to ensure the fairness of the Transaction, including the Tender Offer, the fairness of the Transaction is considered to be ensured even without conducting an active market check.

(7) Majority of Minority (Section 3.5 of the M&A Guidelines)

According to the draft press release announcing the planned commencement of the Tender Offer, the minimum number of shares to be purchased in the Tender Offer has been set at 88,349,600 shares (ownership ratio: 66.53%). If the total number of the Tendered Share Certificates, etc. is less than the minimum number of shares to be purchased (88,349,600 shares), none of the Tendered Share Certificates, etc. will be purchased, etc. In the Tender Offer, the number of shares corresponding to the MoM, meaning a majority of the Target Company Shares owned by shareholders of the Target Company who do not have an interest in the Tender Offeror, is 62,122,716 shares. This figure represents a majority of the number of shares obtained by deducting the Target Company Shares owned by Mr. Ide (155,953 shares) and the Target Company Shares owned by SESP (8,398,400 shares) from the Reference Number of Shares (132,799,784 shares). In addition, the number of shares (79,951,200 shares) obtained by deducting the number of shares that SESP, which has an interest in the Tender Offeror, has agreed to tender from the minimum number of shares to be purchased (88,349,600 shares) exceeds the number corresponding to the MoM.

Accordingly, the minimum number of shares to be purchased exceeds a majority of the shares owned by general shareholders who do not have an interest in the Tender Offeror and therefore substantively satisfies the MoM requirement.

In addition, according to the draft press release announcing the planned commencement of the Tender Offer, AVI and KC are each independent third parties that do not have any interest in the Tender Offeror, and the tender agreements with them were entered into based on sincere discussions and negotiations conducted between independent parties, namely the Tender Offeror on the one hand and AVI and KC on the other; accordingly, the Tender Offeror believes that the fact that the tender agreements with them were entered into does not cause AVI and KC to constitute shareholders of the Target Company having an interest in the Tender Offeror for the purpose of determining the MoM. Therefore, it is reasonable to treat AVI and KC as not constituting shareholders of the Target Company having an interest in the Tender Offeror, and setting the minimum number of shares to be purchased in this manner is recognized as respecting the intentions of the Target Company's general shareholders and contributing to ensuring the fairness of the Transaction.

(8) Enhancement of Information Provided to General Shareholders and Improvement of Process Transparency (Section 3.6 of the M&A Guidelines)

The M&A Guidelines recommend that general shareholders be provided with important information to assist them in determining the appropriateness of the transaction terms and other matters (Section 3.6.1 of the M&A Guidelines). Specifically, enhanced disclosure is expected of information concerning the special committee, share valuation reports, and other matters (Section 3.6.2 of the M&A Guidelines). In the Transaction, the draft Target Company Press Release is expected to provide enhanced disclosure of: (i) the authority granted to the Special Committee, the course of its consideration, the status of its involvement in the negotiation process, the content of the Report, the remuneration structure of the members of the Special Committee, and other matters (Section 3.6.2.1 of the M&A Guidelines); (ii) outlines of the Share Valuation Report (Daiwa Securities), the Share Valuation Report (Plutus Consulting), and the Fairness Opinion (Section 3.6.2.2 of the M&A Guidelines); and (iii) the process leading to the implementation of the Transaction, the course of negotiations, and other matters (Section 3.6.2.3 of the M&A Guidelines). Accordingly, it is recognized that the Target Company's shareholders and others are provided with important information to assist them in determining the appropriateness of the transaction terms and other matters.

(9) Elimination of Coerciveness (Section 3.7 of the M&A Guidelines)

According to the draft press release announcing the planned commencement of the Tender Offer, it has been made clear that: (i) if, depending on the number of shares acquired by the Tender Offeror through the successful completion of the Tender Offer (including the Target Company Shares relating to the American Depositary Shares), the total number of voting rights in the Target Company held by the Tender Offeror becomes 90% or more of the voting rights of all shareholders of the Target Company and the Tender Offeror becomes a specially controlling shareholder as provided in Article 179, Paragraph 1 of the Companies Act, the Tender Offeror plans to make the Demand for Share Cash-Out to all shareholders of the Target Company other than the Tender Offeror and the Target Company

pursuant to Part II, Chapter 2, Section 4-2 of the Companies Act promptly after completion of the settlement of the Tender Offer; or, if the total number of voting rights in the Target Company held by the Tender Offeror is less than 90% of the voting rights of all shareholders of the Target Company, the Tender Offeror plans to request that the Target Company hold an extraordinary shareholders meeting in May 2027, the agenda of which will include the implementation of the Share Consolidation and an amendment to the articles of incorporation to abolish the provisions concerning the number of shares constituting one unit, subject to the Share Consolidation becoming effective; and (ii) when the Demand for Share Cash-Out or the Share Consolidation is implemented, the amount of cash to be delivered to each shareholder of the Target Company as consideration is expected to be calculated so as to equal the Tender Offer Price multiplied by the number of Target Company Shares owned by that shareholder.
Furthermore, in light of the fact that both the right of the Target Company's shareholders to demand that the Target Company purchase their shares and the related right to file a petition with a court to determine the price are ensured, it is recognized that due consideration has been given to preventing coercion in connection with the Tender Offer.

(10) Conclusion
As stated in (2) through (9) above, in the Transaction, (i) a situation substantially equivalent to an arm's-length transaction has been ensured in the process of formulating the transaction terms, and (ii) robust fairness-ensuring measures have been adopted and are recognized as having been effectively implemented, also from the perspective of ensuring that general shareholders have an opportunity to make an appropriate decision based on sufficient information (Section 2.4 of the M&A Guidelines). Accordingly, the Special Committee reports its opinion that the fairness of the procedures relating to the Transaction, including the Tender Offer, has been ensured.

4. Advisory Matter 4
(1) The Special Committee's Understanding of, and Policy for Considering, Advisory Matter 4
Advisory Matter 4 inquires whether the Transaction is fair to the Target Company's general shareholders. This entails considering whether the Transaction contributes toward enhancing the Target Company's corporate value and whether the transaction terms and procedures are fair.

(2) The Special Committee's Opinion on Advisory Matter 4
The Special Committee believes that the matters it has been requested to consider in connection with Advisory Matters 1 through 3 encompass all the factors to be taken into account in considering Advisory Matter 4. As stated above, based on its consideration of Advisory Matters 1 through 3, the Special Committee found no issues from the perspective of general shareholders.
Based on the foregoing, the Special Committee reports its opinion that the Transaction, including the Target Company's board of directors expressing an opinion in favor of the Tender Offer, recommending that the Target Company's shareholders tender their shares in the Tender Offer, and recommending that holders of the American Depositary Receipts tender their shares in the Tender Offer, is fair to the Target Company's general shareholders.

5. Advisory Matter 5
(1) The Special Committee's Understanding of, and Policy for Considering, Advisory Matter 5
Advisory Matter 5 inquires whether it is appropriate for the Target Company's board of directors to express an opinion in favor of the Tender Offer and to recommend that the Target Company's shareholders tender their shares in the Tender Offer. The Special Committee conducted its consideration on the understanding that whether to recommend that holders of the American Depositary Receipts tender their shares is also included as a detailed item of Advisory Matter 5.

(2) The Special Committee's Opinion on Advisory Matter 5
Given that, in connection with Advisory Matters 1 through 3, the purpose of the Transaction has been found to be legitimate and reasonable and the transaction terms and procedures relating to the Transaction have been found to be fair, the Special Committee believes that the Transaction raises no

issues from the perspective of enhancing the Target Company's corporate value or protecting the interests of general shareholders.
Based on the foregoing, with respect to Advisory Matter 5 and in light of Advisory Matters 1 through 3 above, the Special Committee reports its opinion that it is appropriate for the Target Company's board of directors to express an opinion in favor of the Tender Offer and to recommend (i) that the Target Company's shareholders tender their shares in the Tender Offer, and (ii) that holders of the American Depositary Receipts deliver the American Depositary Receipts to the Depositary Banks in advance, receive delivery of the Target Company Shares relating to the American Depositary Shares represented by such American Depositary Receipts, and then tender such shares in the Tender Offer.

For details of the Special Committee's review of the process for selecting a partner for the Transaction, please see "(ii) Background to the Consideration and Negotiation" under "(III) Content, Grounds, and Reasons for the Target Company's Opinion on the Tender Offer" in "(2) Background, Purpose, and Decision-Making Process Leading to the Implementation of the Tender Offer, and Management Policy After the Purchase, etc." above.

(VII) Approval of All Disinterested Directors (Including Directors Who Are Audit and Supervisory Committee Members) of the Target Company

According to the Target Company Press Release, the Target Company carefully considered the terms and conditions of the Transaction, including the Tender Offer, while taking into account the legal advice received from Anderson Mori & Tomotsune, the financial advice received from Daiwa Securities, and the details of the Share Valuation Report (Daiwa Securities) it obtained and of the Share Valuation Report (Plutus Consulting) and the Fairness Opinion received through the Special Committee, while giving the utmost respect to the details of the Report. As a result, as described in "(III) Content, Grounds, and Reasons for the Target Company's Opinion on the Tender Offer" in "(2) Background, Purpose, and Decision-Making Process Leading to the Implementation of the Tender Offer, and Management Policy After the Purchase, etc." above, at the meeting of the board of directors held today, the Target Company's board of directors resolved, with the unanimous approval of all directors of the Target Company who participated in the deliberations and resolution (nine of the total ten directors of the Target Company, excluding Mr. Ide), as the Target Company's opinion as of today, to express its opinion in favor of the Tender Offer and to recommend (i) that the shareholders of the Target Company tender their shares in the Tender Offer, and (ii) that holders of the American Depositary Receipts (a) deliver their American Depositary Receipts to the Depositary Banks in advance, (b) receive delivery of the Target Company Shares relating to the American Depositary Shares represented by those American Depositary Receipts, and then (c) tender those shares in the Tender Offer. In addition, at the above board of directors meeting, the Target Company resolved to request that the Special Committee, prior to the commencement of the Tender Offer, consider whether there had been any change to the opinion expressed by the Special Committee to the Target Company's board of directors on November 19, 2026, and inform the Target Company's board of directors accordingly: if there had been no change, to that effect; or, if there had been any change, its revised opinion. The Target Company further resolved to express its opinion on the Tender Offer again when the Tender Offer is commenced, taking into account the Special Committee's opinion.
In order to avoid any suspicion of conflict of interest and to ensure the fairness of the Transaction, Mr. Ide, among the Target Company's directors, did not participate in any of the deliberations or resolutions at the above board of directors meeting; and after providing an explanation of the consideration of the Transaction to the directors of the Target Company on June 24 and 25, 2026, he did not participate in any discussions or negotiations with the Proposers from the standpoint of the Target Company in relation to the Transaction. This is because he is one of the proposers of the Transaction; he is expected to indirectly hold an interest in the Target Company after the Transaction through the Mr. Ide Reinvestment; and he is expected to continue to be involved in the Target Company's management as its President and Representative Director (CEO) following the Transaction.

(VIII) Establishment of an Independent Review Framework at the Target Company

According to the Target Company Press Release, the Target Company established an internal framework to review, negotiate, and make decisions regarding the Transaction from a standpoint independent of the Proposers, with the aim of eliminating structural conflicts of interest. Specifically, among the directors of the Target Company, Mr. Ide has participated in the consideration of the Transaction together with MBKP; he is expected to indirectly hold an interest in the Target Company after the Transaction through the Mr. Ide Reinvestment; and he is expected to continue to be involved in the management of the Target Company as its President and Representative Director (CEO) following completion of the Transaction. Accordingly, in order to avoid any suspicion of conflict of interest and ensure the fairness of the Transaction, Mr. Ide did not participate in any deliberations or resolutions of the board of directors relating to the Transaction, after providing an explanation of the consideration of the Transaction to the directors of the Target Company on June 24 and 25, 2026, including the resolution of the Target Company's board of directors meeting held on July 10, 2026, regarding the establishment of the Special Committee. He also did not participate in any discussions or negotiations with the Proposers from the standpoint of the Target Company. This review framework consists solely of officers and employees whose independence from the Proposers is recognized (four employees of the Target Company), and such treatment has been maintained up to the present date. The review framework established within the Target Company for the Transaction, including the foregoing treatment, specifically the scope of officers and employees involved in the review, negotiation, and decision-making relating to the Transaction and their respective duties (including duties requiring a high degree of independence, such as preparation of the Business Plan that serves as the basis for the valuation of the Target Company Shares), was established based on the advice of Anderson Mori & Tomotsune; and the Special Committee approved that there were no issues regarding its independence and fairness.

(IX) Establishment of the Minimum Number of Shares to Be Purchased to Satisfy the Majority of Minority (MoM) Requirement

As described in "(1) Outline of the Purpose of the Tender Offer" above, the Tender Offeror has set the minimum number of shares to be purchased in the Tender Offer at 88,349,600 shares (ownership ratio: 66.53%). If the total number of the Tendered Share Certificates, etc. is less than the minimum number of shares to be purchased (88,349,600 shares), the Tender Offeror will not purchase, etc. any of the Tendered Share Certificates, etc. In the Tender Offer, the number of Target Company Shares corresponding to a majority of the Target Company Shares owned by the Target Company's shareholders who do not have an interest in the Tender Offeror, namely, the MoM, is 62,122,716 shares, which represents a majority of the number obtained by deducting the Target Company Shares owned by Mr. Ide (155,953 shares) and the Target Company Shares owned by SESP (8,398,400 shares) from the Reference Number of Shares (132,799,784 shares). The number obtained by deducting the number of shares that SESP, which has an interest in the Tender Offeror, has agreed to tender from the minimum number of shares to be purchased (88,349,600 shares) (which results in 79,951,200 shares) exceeds the number corresponding to the MoM. Accordingly, if the Tender Offeror fails to obtain support from a majority of the Target Company's shareholders who do not have an interest in the Tender Offeror, the Tender Offeror will not conduct the Transaction, including the Tender Offer. The Tender Offeror therefore believes that it has given significant weight to the intentions of the Target Company's general shareholders. In addition, AVI and KC are each independent third parties that do not have any interest in the Tender Offeror, and the Tender Agreement (AVI) and the Tender Agreement (KC) were entered into based on sincere discussions and negotiations conducted at arm's length between the Tender Offeror and AVI and KC, respectively. Accordingly, the Tender Offeror believes that the fact that the Tender Agreement (AVI) and the Tender Agreement (KC) were entered into does not cause AVI or KC to constitute shareholders of the Target Company having an interest in the Tender Offeror for the purpose of determining whether the MoM requirement has been satisfied. The Target Company believes that, for the reasons described above, it is reasonable to treat AVI and KC as shareholders of the Target Company who do not have an interest in the Tender Offeror, and that setting the minimum number of shares to be purchased at that level respects the intentions of the Target Company's general shareholders and contributes to ensuring the fairness of the Transaction; and the Special Committee has reached the same conclusion.

(X) Securing Objective Circumstances to Ensure the Fairness of the Tender Offer

The Tender Offeror announced today that it intends to commence the Tender Offer and plans to commence it after the Tender Offer Conditions Precedent have been satisfied. In addition, the Tender Offeror intends to set the Tender Offer Period at no less than 20 business days, which is the minimum period prescribed by laws and regulations. By doing so, the Tender Offeror intends to provide the Target Company's shareholders and holders of the American Depositary Receipts with an opportunity to make an appropriate decision as to whether to tender in the Tender Offer during the period from today's announcement until the commencement of the Tender Offer and throughout the Tender Offer Period, while also providing any Competing Bidder with an opportunity to make competing purchases or similar transactions with respect to the Target Company Shares, thereby ensuring the fairness of the Tender Offer.

In addition, as described in "(I) Tender Offer Agreement" under "(6) Material Agreements Relating to the Tender Offer" below, the Tender Offer Agreement provides for the Target Company's obligation to maintain the Opinion in Favor and restrictions on the provision of information, discussions, etc. relating to Competing Transactions. However, contact and confirmation are permitted to the extent necessary to determine whether a third-party proposal constitutes a Qualified Competing Proposal; and with respect to a Qualified Competing Tender Offer or a Qualified Competing Proposal that satisfies certain conditions, the provision of information to, and discussions and negotiations, etc. with, such third party are permitted. Furthermore, with respect to a Qualified Competing Tender Offer or a legally binding Qualified Competing Proposal that satisfies certain conditions, the Target Company may request discussions with the Tender Offeror; and if the Tender Offeror does not make a revised proposal to change a price to an amount equal to or greater than the relevant purchase price within the prescribed period, the Target Company shall not bear the obligation to maintain the Opinion in Favor or those relating to the restrictions on Competing Transactions. In light of these exceptions, the Target Company believes that the terms of the Tender Offer Agreement cannot be considered to unduly impede the opportunity for competing proposals to be made that may be more desirable from the perspective of the Target Company's shareholders.

For an outline of the Tender Offer Agreement, please see "(I) Tender Offer Agreement" under "(6) Material Agreements Relating to the Tender Offer" below. Thus, in combination with the setting of the Tender Offer Period described above, by ensuring an opportunity for competing purchases or similar transactions, an indirect market check is conducted; and consideration has been given to ensuring the fairness of the Tender Offer. In the Transaction, no active market check has been conducted. The Special Committee had also been proceeding with its consideration of an active market check so as to be able to conduct it immediately if it determined that it would not be able to receive a proposal of a tender offer price at a sufficient level from the Proposers; however, it determined that not conducting an active market check would serve the interests of the Target Company's general shareholders, based on the following considerations: (i) the corporate value of the Target Company depends significantly on its long-term technological and business relationships with certain key customers, and if a bidding process or similar process were initiated, and that fact were to become known externally, this could undermine those key customers' confidence in the stability of the Target Company's management and could instead impair the corporate value of the Target Company; (ii) if information were disseminated and the market price of the Target Company Shares were to rise temporarily, there could cease to be any potential acquirer capable of effecting a going-private transaction based on such share price level, which could result in the loss of the opportunity itself to enhance corporate value through privatization of the Target Company; (iii) a prolonged process could further disperse management resources of the Target Company's officers and employees that should otherwise be devoted to the operation of the Target Company's business; and (iv) on the other hand, in light of the circumstances described below, opportunities for competing purchases or similar transactions with respect to the Target Company Shares can be considered to have been ensured to a significant extent even without conducting an active market check.

In addition, in its consideration of (i) above, the Special Committee conducted such consideration and determination with the understanding that SESP is expected to continue to directly or indirectly hold an interest in the Target Company following the Transaction. Further, the Samsung Group, including SESP, was not involved in the determination of the Tender Offer Price.

In addition, in making the determination in (iv) above, the Special Committee took into account that (a) as described in "(ii) Background to the Consideration and Negotiation" under "(III) Content, Grounds, and Reasons for the Target Company's Opinion on the Tender Offer" in "(2) Background, Purpose, and Decision-Making Process Leading to the Implementation of the Tender Offer, and Management Policy After the Purchase, etc." above, since September 2024, Mr. Ide and Mr. Kojima had each been approached by multiple private equity funds, including MBKP, in connection with discussions regarding the Target Company's capital policy, management support, and other related matters, and preliminary exchanges of views regarding the Target Company's business, future management policy, and core technology, among other things, had been held; (b) the Tender Offer is scheduled to commence after a considerable period of time has elapsed following today's announcement, and a substantial period for consideration is provided to both the Target Company's shareholders and potential Competing Bidders during the period from today's announcement until the commencement of the Tender Offer and throughout the Tender Offer Period; and as described above, the Tender Offer Agreement permits contact and confirmation to the extent necessary to determine whether a proposal constitutes a Qualified Competing Proposal, as well as the provision of information to, and discussions and negotiations, etc. with, a Competing Bidder under certain conditions. Accordingly, the Special Committee believes that opportunities to make competing acquisition proposals will continue to be available even after announcement of the Tender Offer. However, recognizing that none of the previous preliminary exchanges of views referred to in (a) above constituted a process in which the Target Company or the Special Committee, on the premise that the Transaction would be implemented, requested multiple candidates to present prices and other specific transaction terms and conducted a comparative assessment thereof, the Special Committee determined to ensure the appropriateness of the transaction terms by, among other things, obtaining a share valuation report and a fairness opinion from a third-party valuation firm independently retained by the Special Committee, as described in "(II) Acquisition of a Share Valuation Report and a Written Opinion on the Share Valuation (Fairness Opinion) from an Independent Third-Party Valuation Firm by the Special Committee" above, and to continue to negotiate the level of the Tender Offer Price on its own.

(4) Policy on the Organizational Restructuring, etc. After the Tender Offer

As described in "(1) Outline of the Purpose of the Tender Offer" above, if the Tender Offer is successfully completed but the Tender Offeror is unable to acquire all of the Target Company Shares (excluding the treasury shares held by the Target Company and the Shares Agreed Not to Be Tendered) and all of the American Depositary Receipts through the Tender Offer, the Tender Offeror intends to conduct the Squeeze-Out Procedures with respect to the Target Company using the following methods after successful completion of the Tender Offer for the purpose of acquiring all of the Target Company Shares (excluding the treasury shares held by the Target Company) and all of the American Depositary Receipts and taking the Target Company Shares private.

(I) Demand for Share Cash-Out

If the total number of voting rights in the Target Company held by the Tender Offeror is 90% or more of the total number of voting rights of all shareholders of the Target Company as a result of successful completion of the Tender Offer, and the Tender Offeror thereby becomes a specially controlling shareholder under Article 179, Paragraph 1 of the Companies Act, then promptly after completion of the settlement of the Tender Offer, and pursuant to Part II, Chapter 2, Section 4-2 of the Companies Act, the Tender Offeror intends to demand that all shareholders of the Target Company (excluding the Tender Offeror and the Target Company) (the "**Selling Shareholders**") sell all of their Target Company Shares (the "**Demand for Share Cash-Out**"). In the Demand for Share Cash-Out, the Tender Offeror plans to provide that cash in an amount equal to the Tender Offer Price will be delivered to the Selling Shareholders as consideration for each Target Company Share. In such case, the Tender Offeror will notify the Target Company of such intent and seek the Target Company's approval for the Demand for Share Cash-Out. If the Target Company approves the Demand for Share Cash-Out by a resolution of its board of directors, then in accordance with the procedures prescribed by the relevant laws and regulations and without the need for individual approval of the Selling Shareholders, the Tender Offeror will acquire all of the Target Company Shares from all the Selling

Shareholders on the acquisition date specified in the Demand for Share Cash-Out. In such case, the Tender Offeror plans to pay to each Selling Shareholder cash equal to the Tender Offer Price per Target Company Share as consideration for the Target Company Shares held by such Selling Shareholder.
If the Target Company receives notice from the Tender Offeror of its intention to make the Demand for Share Cash-Out and of the matters set forth in each item of Article 179-2, Paragraph 1 of the Companies Act, the Target Company plans to approve the Demand for Share Cash-Out by a resolution of its board of directors. In addition, because the Target Company Shares subject to the Demand for Share Cash-Out include the Target Company Shares represented by the American Depositary Receipts and owned by the Depositary Banks, if the above approval is given, cash in an amount equivalent to the Tender Offer Price multiplied by the number of such Target Company Shares is expected to be delivered to the Depositary Banks. Regarding provisions under the Companies Act intended to protect the rights of general shareholders in connection with the Demand for Share Cash-Out, the Companies Act provides that the Target Company's shareholders who did not tender in the Tender Offer (excluding the Tender Offeror and the Target Company) may file a petition with a court to determine the sale price of the Target Company Shares they own pursuant to Article 179-8 of the Companies Act and other applicable laws and regulations. If such a petition is filed, the sale price of the Target Company Shares will ultimately be determined by the court.
If a holder of the American Depositary Receipts intends to file a petition for determination of the price, such holder must deliver its American Depositary Receipts to the Depositary Banks, receive delivery of the Target Company Shares deposited with the Depositary Banks, and then file a petition for determination of the price in accordance with Article 179-8 of the Companies Act and other applicable laws and regulations.

(II) Share Consolidation
If the total number of voting rights in the Target Company held by the Tender Offeror is less than 90% of the total number of voting rights of all shareholders of the Target Company after successful completion of the Tender Offer, then promptly after completion of the settlement of the Tender Offer, and pursuant to Article 180 of the Companies Act, the Tender Offeror intends to request that the Target Company hold an extraordinary shareholders meeting (the "**Extraordinary Shareholders Meeting**") with proposals including a consolidation of the Target Company Shares (the "**Share Consolidation**") and a partial amendment to the articles of incorporation to abolish the provisions concerning the number of shares constituting one unit, conditional upon the Share Consolidation becoming effective. The timing of the Extraordinary Shareholders Meeting has not been determined and will vary depending on the timing of successful completion of the Tender Offer; however, if the Tender Offer can be commenced by mid-February 2027, the Tender Offeror plans to request that the Target Company hold the Extraordinary Shareholders Meeting around mid-May 2027. According to the Target Company Press Release, if the Target Company receives such a request from the Tender Offeror, it plans to comply with such request. In addition, the Tender Offeror and Mr. Ide plan to vote in favor of each of the above proposals at the Extraordinary Shareholders Meeting.
If the proposal for the Share Consolidation is approved at the Extraordinary Shareholders Meeting, then on the date on which the Share Consolidation takes effect, the Target Company's shareholders will hold the Target Company Shares in the number corresponding to the ratio of the Share Consolidation approved at the Extraordinary Shareholders Meeting. If any fraction of less than one share is generated from the Share Consolidation, an amount of money obtained by selling to the Target Company or the Tender Offeror the Target Company Shares equivalent to the total number of such fractional shares (any fraction of less than one share remaining after aggregating those fractional shares shall be discarded; the same applies hereinafter) shall be delivered to the Target Company's shareholders for whom a fraction of less than one share is generated, in accordance with the procedures prescribed in Article 235 of the Companies Act and other applicable laws and regulations. With respect to the sale price of the Target Company Shares equivalent to such total number of fractional shares, the Tender Offeror intends to request that the Target Company calculate such price in a manner such that, as a result of the sale, the amount of money to be delivered to each shareholder of the Target Company who did not tender in the Tender Offer (excluding the Tender Offeror and the Target Company) will be equal to the amount obtained by multiplying the Tender Offer Price by the

number of the Target Company Shares held by such shareholder, and to subsequently file with a court a petition to obtain permission for a voluntary sale. In addition, although the ratio of the Share Consolidation has not yet been determined as of today, the Tender Offeror intends to request that the ratio of the Share Consolidation be determined in such a manner that the number of the Target Company Shares held by the Target Company's shareholders who did not tender in the Tender Offer (excluding the Tender Offeror and the Target Company) will become a fraction of less than one share, in order for the Tender Offeror to hold all of the issued shares of the Target Company (excluding the treasury shares held by the Target Company). Because the Target Company Shares subject to the Share Consolidation include the Target Company Shares represented by the American Depositary Receipts and owned by the Depositary Banks, if the above determination is made, the number of the Target Company Shares owned by the Depositary Banks after the Share Consolidation is also expected to become a fraction of less than one share.

Regarding provisions under the Companies Act intended to protect the rights of general shareholders in connection with the Share Consolidation, the Companies Act provides that if any fraction of less than one share is generated as a result of the Share Consolidation, the Target Company's shareholders who did not tender in the Tender Offer (excluding the Tender Offeror and the Target Company) may, pursuant to Articles 182-4 and 182-5 of the Companies Act and other applicable laws and regulations, request that the Target Company purchase at a fair price all of the shares held by such shareholders that constitute a fraction of less than one share; and they may file a petition with a court to determine the price of the Target Company Shares.

As described above, because the number of Target Company Shares held by the Target Company's shareholders who did not tender in the Tender Offer (excluding the Tender Offeror and the Target Company) is expected to become a fraction of less than one share as a result of the Share Consolidation, the Target Company's shareholders who oppose the Share Consolidation (excluding the Tender Offeror and the Target Company) will be able to file the petition described above. If such a petition is filed, the purchase price of the Target Company Shares will ultimately be determined by the court. If a holder of the American Depositary Receipts intends to make a share purchase demand and file a petition for determination of the price, such holder must deliver its American Depositary Receipts to the Depositary Banks, receive delivery of the Target Company Shares deposited with the Depositary Banks, and then make a share purchase demand and file a petition for determination of the price in accordance with Articles 182-4 and 182-5 of the Companies Act and other applicable laws and regulations.

Each of the procedures described in (I) and (II) above may be modified in their method or timing of implementation depending on circumstances such as any amendment to or enforcement of relevant laws and regulations or the interpretation thereof by authorities. Even in such case, however, the method of ultimately delivering cash to the Target Company's shareholders who did not tender in the Tender Offer (excluding the Tender Offeror and the Target Company) is expected to be adopted; and the amount of cash to be delivered to each such shareholder will be calculated so as to be equal to the amount obtained by multiplying the Tender Offer Price by the number of the Target Company Shares held by such shareholder. In such case, the amount of cash to be delivered to the Depositary Banks with respect to the Target Company Shares represented by the American Depositary Receipts and owned by the Depositary Banks will be calculated in the same manner, and holders of the American Depositary Receipts are expected to receive from the Depositary Banks, in accordance with the deposit agreement and proportionate to the number of American Depositary Receipts they own, cash in the amount obtained by converting the cash received by the Depositary Banks into US dollars (rounded to the nearest cent) and deducting the fees of the Depositary Banks, taxes, and other amounts.

With respect to the Restricted Shares, the allotment agreement relating thereto provides that: (a) if, during the transfer restriction period, the Share Consolidation (limited to cases where, as a result of such Share Consolidation, the Restricted Shares held by the grantee consist solely of fractional shares of less than one share) or the Demand for Share Cash-Out for the Target Company Shares is approved at a shareholders meeting of the Target Company (or, in the case of the Demand for Share Cash-Out, by the Target Company's board of directors meeting), then pursuant to a resolution of the Target Company's board of directors meeting, the transfer restrictions on such number of Restricted Shares as

is obtained by multiplying (i) the number obtained by dividing the number of months from the month including the grant date of the Restricted Shares to the month including the Squeeze-Out Effective Date by 12 (provided that if the result exceeds 1, it shall be deemed to be 1), by (ii) the number of Restricted Shares held by the grantee as of the Squeeze-Out Effective Date (with any fraction of less than one share resulting from such calculation rounded down), shall be released immediately before the business day preceding the Squeeze-Out Effective Date (but only if the Squeeze-Out Effective Date occurs before expiration of the transfer restriction period); and (b) the Target Company shall acquire without consideration, as of the business day preceding the Squeeze-Out Effective Date, all Restricted Shares for which the transfer restrictions have not been released as of such date. In the Squeeze-Out Procedures, pursuant to item (a) of the allotment agreement described above, the Restricted Shares for which the transfer restrictions have been released before the Squeeze-Out Effective Date will be made subject to the Demand for Share Cash-Out or the Share Consolidation, while the Restricted Shares for which the transfer restrictions have not been released as of the business day preceding the Squeeze-Out Effective Date are expected to be acquired by the Target Company without consideration pursuant to item (b) of the allotment agreement described above.
The specific procedures and the timing of their implementation in the above cases will be determined in consultation with the Target Company, and the Target Company plans to promptly announce them once determined.
The Tender Offer does not solicit the approval of the Target Company's shareholders (including holders of the American Depositary Receipts) at the Extraordinary Shareholders Meeting. In addition, the Target Company's shareholders (including holders of the American Depositary Receipts) are requested to consult tax advisors or other professional advisors, at their own responsibility, regarding the tax treatment of tendering in the Tender Offer or of the procedures described above.

(5) Likelihood of Delisting, etc. and the Reasons Therefor

As of today, the Target Company Shares are listed on the Prime Market of the Tokyo Stock Exchange; however, the Tender Offeror has not set a maximum number of shares to be purchased in the Tender Offer; therefore, if the Tender Offer is commenced, the Target Company Shares may be delisted through the prescribed procedures in accordance with the delisting criteria of the Tokyo Stock Exchange depending on the results of the Tender Offer.
In addition, even if the Target Company Shares do not fall within such criteria when the Tender Offer is successfully completed, the Tender Offeror intends to implement the Squeeze-Out Procedures after the Tender Offer is successfully completed, as described in "(4) Policy on the Organizational Restructuring, etc. After the Tender Offer" above, in which case the Target Company Shares will be delisted through the prescribed procedures in accordance with the delisting criteria of the Tokyo Stock Exchange. After the delisting of the Target Company Shares, the Target Company Shares will no longer be traded on the Prime Market of the Tokyo Stock Exchange.

(6) Material Agreements Relating to the Tender Offer

(I) Tender Offer Agreement

The Tender Offeror has entered into the Tender Offer Agreement with the Target Company as of today in implementing the Tender Offer. An outline of the Tender Offer Agreement is as follows:

(a) The Target Company will (i) on the execution date of the Tender Offer Agreement, publicly announce, in accordance with laws and regulations and other applicable rules, the resolution of its board of directors to express the Opinion in Favor and Recommendation to Tender at Announcement; and (ii) on the day immediately preceding the commencement date of the Tender Offer, adopt a resolution of its board of directors to express the Opinion in Favor at Commencement, publicly announce such resolution in accordance with laws and regulations and other applicable rules, maintain the Opinion in Favor and not change or withdraw it, and not adopt any resolution contradicting the Opinion in Favor.

(b) After execution of the Tender Offer Agreement, the Target Company will not, directly or through any third party, with any person other than the Tender Offeror, (i) engage in any provision of information, proposal, solicitation, discussion, negotiation, agreement, or execution of any contract toward realizing any transaction that substantively competes with, contradicts, or conflicts with the Transaction, or that is reasonably determined to be capable of

making implementation of the Transaction difficult (a "**Competing Transaction**"); and (ii) if any such act has already been commenced or is continuing as of the execution of the Tender Offer Agreement, promptly discontinue it (provided that if the Target Company receives a proposal or the like relating to a Competing Transaction from any third party other than the Tender Offeror, the Target Company's contacting the person who made such proposal or the like, requesting additional provision of information regarding such proposal or the like (including clarification or specification of the terms and conditions of such proposal or the like), and making other necessary confirmations to the extent necessary to determine whether such proposal or the like constitutes a Qualified Competing Proposal (as defined in (c) below), shall not constitute a breach of this item (b)). In addition, if the Target Company receives a proposal or the like relating to a Competing Transaction from any third party other than the Tender Offeror, or becomes aware that any such proposal or the like specifically exists, it will notify the Tender Offeror of that fact and the content of such proposal or the like as promptly as practicable; and it will discuss in good faith with the Tender Offeror the response to such proposal or the like.

(c) Notwithstanding (b) above, if, after execution of the Tender Offer Agreement, by the day that is five business days before the last day of the Tender Offer Period, (i) a tender offer by a person other than the Tender Offeror (the "**Competing Proponent**") for the Target Company Shares and the American Depositary Receipts (collectively, the "**Target Company Shares, etc.**") for the purpose of taking the Target Company private, at a price (limited to cash) exceeding the Tender Offer Price (for the avoidance of doubt, if the Tender Offer Price has been changed, meaning such changed amount; the same applies hereinafter in this item (c)) by 4% or more (limited to a tender offer that sets a minimum number of shares to be purchased such that the going-private transaction of the Target Company can be reliably achieved if such tender offer is successfully completed), that sets forth terms and conditions that raise no doubt as to the feasibility of such tender offer (including that completion of the financing necessary to reliably achieve the taking-private of the Target Company is reasonably expected, and that the permits, etc. necessary to implement such taking-private of the Target Company are reasonably expected to be obtained within a reasonable period; the same applies hereinafter in this item "(I) Tender Offer Agreement") (in this item "(I) Tender Offer Agreement," a "**Qualified Competing Tender Offer**") is announced or commenced, or (ii) a proposal for a tender offer for the Target Company Shares, etc. for the purpose of taking the Target Company private, at a price (limited to cash) exceeding the Tender Offer Price by 4% or more (limited to a sincere written proposal in which the principal terms of the transaction are clearly indicated, which is specific, and which is reasonably recognized as feasible, also taking into account the likelihood of financing for the tender offer, the likelihood of obtaining the necessary permits, etc., and the likelihood of satisfying the conditions precedent set forth in such proposal; in this item "(I) Tender Offer Agreement," a "**Qualified Competing Proposal**") is made to the Target Company, the Target Company may, only if it is not in breach of its obligations set forth in (b) above, engage in the provision of information, proposals, solicitation, discussions, or negotiations with the Competing Proponent regarding the Qualified Competing Tender Offer or the Qualified Competing Proposal.

(d) If (i) a Qualified Competing Tender Offer is announced or commenced, or (ii) the Target Company receives a proposal that constitutes a Qualified Competing Proposal that sets forth terms and conditions that raise no doubt as to its feasibility, and that is a legally binding proposal in which the conditions precedent to the commencement of the transaction relating to such Qualified Competing Proposal are clearly and specifically indicated and it is reasonably recognized that there is a high probability that all of such conditions precedent will be satisfied by the last day of the Tender Offer Period, then the Target Company may, when it is not in breach of its obligations set forth in (b) above, request to discuss in good faith with the Tender Offeror the response thereto; and if the Target Company makes such request, it will discuss in good faith with the Tender Offeror so that the Tender Offeror is given an opportunity to make a revised proposal regarding the Transaction. If, during the period up to the fourth business day counting from the day immediately following the date of the Target Company's request for discussion to the Tender Offeror, the Tender Offeror does not make a revised proposal to

change the Tender Offer Price to an amount equal to or greater than the purchase price relating to the Qualified Competing Tender Offer or the Qualified Competing Proposal, then the Target Company will not be bound by the obligations set forth in (a) and (b) above (provided that, with respect to (b), such obligations do not include the obligation relating to good-faith discussions), and either the Tender Offeror or the Target Company may terminate the Tender Offer Agreement.

(e) In addition to the foregoing, the Target Company will, in summary, bear (i) the obligation to conduct, or cause its subsidiaries to conduct, its business with the due care of a prudent manager in substantially the same manner as before and within the scope of ordinary business; (ii) the obligation to cooperate within a practically reasonable scope toward obtaining and maintaining the Clearance; (iii) the obligation to permit the Tender Offeror access to the Target Company, its subsidiaries, and their officers and employees to the extent reasonably necessary; (iv) the obligation to cooperate within a practically reasonable scope in the Tender Offeror's financing; (v) the obligation to discuss in good faith with the Tender Offeror the actions to be taken to obtain consent from the counterparties to material contracts that contain provisions requiring the counterparty's consent upon the implementation of the Transaction; (vi) the obligation to notify the Tender Offeror if it becomes aware of any breach of its own representations and warranties, any breach of its obligations, or any possibility that the Tender Offer Conditions Precedent will not be satisfied; and (vii) the obligation to make efforts to publicly announce or eliminate any unpublished material facts of the Target Company.

(f) In addition, the Tender Offer Agreement provides for, in summary, (1) that the Tender Offeror will implement the Tender Offer on a date separately agreed between the parties on or after the date on which all of the Tender Offer Conditions Precedent (for details of the Tender Offer Conditions Precedent, please see "Tender Offer Conditions Precedent" at the beginning of this release) have been satisfied or waived by the Tender Offeror, and that the Target Company will, subject to the successful completion of the Tender Offer, implement the Squeeze-Out Procedures; (2) representations and warranties by the Tender Offeror and the Target Company (Note); (3) obligations of indemnification in the event of a breach of the representations and warranties of, or a breach of the obligations under the Tender Offer Agreement by, the Tender Offeror or the Target Company; and (4) as events of termination of the Tender Offer Agreement, (i) the case where the Tender Offer has not been commenced or successfully completed by May 31, 2027 (or, if the Tender Offer has not been commenced solely because acquisition of the Clearance has not been completed, the procedures toward acquisition of the Clearance are continuing by the Tender Offeror or before the governmental authorities or other bodies having jurisdiction over the procedures relating to the Clearance, and there are no specific circumstances sufficient to find that acquisition of the Clearance is not objectively and reasonably expected, such date shall be automatically extended by one month from that date, and the same shall apply after such extension (provided that such date shall not, as a result of the extension, exceed July 31, 2027; in this item "(I) Tender Offer Agreement," the "**Tender Offer Commencement Deadline**")) for reasons not attributable to the terminating party (provided that if the Tender Offer has been commenced but, on the grounds that settlement of the Tender Offer cannot be commenced by March 31, 2027, the Tender Offer is unsuccessful because the Tender Offer Period cannot be extended or the Tender Offeror terminates the Tender Offer by withdrawal, such failure or termination shall not fall under this case until the Tender Offer Commencement Deadline arrives, unless it is certain that the Tender Offer will not be commenced again by the Tender Offer Commencement Deadline); (ii) the case where there is a breach in any material respect of the representations and warranties of the other party; (iii) the case where there is a material breach of the obligations of the other party under the Tender Offer Agreement, and such breach is not cured within ten business days after a written demand notwithstanding such demand; and (iv) the case where insolvency proceedings have been commenced with respect to the other party, or a petition for the commencement thereof has been filed (excluding a petition for the commencement of insolvency proceedings filed by a third party without reasonable grounds).

(Note) Under the Tender Offer Agreement, the Target Company makes representations and warranties to the Tender Offeror regarding (i) existence and authority; (ii) execution and performance of the Tender Offer Agreement; (iii) enforceability; (iv) absence of conflicts with laws and regulations and other applicable rules; (v) absence of relationships with anti-social forces and the like; (vi) absence of insolvency proceedings; (vii) the total number of issued shares of the Target Company; and (viii) absence of unpublished material facts (as defined in Article 166, Paragraph 2 of the Act). The Tender Offeror makes representations and warranties to the Target Company regarding (i) existence and authority; (ii) execution and performance of the Tender Offer Agreement; (iii) enforceability; (iv) absence of conflicts with laws and regulations and other applicable rules; (v) absence of relationships with anti-social forces and the like; and (vi) absence of insolvency proceedings.

(II) Non-Tender Agreement (Mr. Ide)

The Tender Offeror has entered into the Non-Tender Agreement (Mr. Ide) with Mr. Ide as of today, and has agreed on the following. Other than the Non-Tender Agreement (Mr. Ide) and the Shareholders Agreement (Mr. Ide), no agreement relating to the Transaction has been entered into between the Tender Offeror and Mr. Ide; and no benefits will be provided by the Tender Offeror to Mr. Ide in connection with the Transaction other than the payment of the Tender Offer Price.

(a) Mr. Ide will not tender in the Tender Offer the Shares Agreed Not to Be Tendered that he owns as of the execution date of the Non-Tender Agreement (Mr. Ide). In addition, under the Non-Tender Agreement (Mr. Ide), during the period from the execution date of the Non-Tender Agreement (Mr. Ide) until completion of the Transaction, Mr. Ide will not tender all or part of the Shares Agreed Not to Be Tendered in any tender offer other than the Tender Offer, transfer or assign them to any third party, create any security interest over them, or otherwise dispose of them.

(b) Mr. Ide will not, during the period from the execution date of the Non-Tender Agreement (Mr. Ide) until completion of the Transaction, directly or through any third party, engage with any third party other than MBKP in any contact, communication, provision of information, proposal, solicitation, discussion, negotiation, agreement, or execution of any contract toward realizing any Competing Transaction. In addition, if Mr. Ide receives a proposal or the like relating to a Competing Transaction from any third party other than MBKP, or becomes aware that any such proposal or the like specifically exists, he will notify MBKP, as promptly as practicable, of that fact and of the content of such proposal or the like of which Mr. Ide actually has knowledge; and he will discuss in good faith with MBKP the response to such proposal or the like.

(c) In addition, the Non-Tender Agreement (Mr. Ide) provides for, in summary, (i) Mr. Ide's obligation to cooperate in the implementation of the Transaction, including the Squeeze-Out Procedures, if the Tender Offer is successfully completed (including the obligation to vote in favor at the shareholders meeting relating to the approval of the Share Consolidation); (ii) the obligation to exercise shareholder rights in accordance with the Tender Offeror's instructions at any shareholders meeting of the Target Company held on or before the effective date of the Squeeze-Out Procedures or with a record date on or before the day immediately preceding such date; (iii) the obligation to indemnify the other party in the event of non-performance of the obligations under, or breach of the representations and warranties (Note) in, the Non-Tender Agreement (Mr. Ide); and (iv) as events of termination of the Non-Tender Agreement (Mr. Ide), termination by the Tender Offeror or Mr. Ide in the case where the Tender Offer has not been commenced or successfully completed by May 31, 2027 (or, if the Tender Offer has not been commenced solely because acquisition of the Clearance has not been completed, the procedures toward acquisition of the Clearance are continuing by the Tender Offeror or before the governmental authorities or other bodies having jurisdiction over the procedures relating to the Clearance, and there are no specific circumstances sufficient to find that acquisition of the Clearance is not objectively and reasonably expected, such date shall be automatically extended by one month from that date, and the same shall apply after such extension (provided that such date shall not, as a result of the extension, exceed July 31, 2027; in this item "(II) Non-Tender Agreement (Mr. Ide)," the **"Tender Offer Commencement Deadline**")) for

reasons not attributable to the terminating party (provided that termination of the Tender Offer without its successful completion due to withdrawal or expiration of the period shall not fall under this case until the Tender Offer Commencement Deadline arrives, unless it is certain that the Tender Offer will not be commenced again by such date), or inheritance arising with Mr. Ide as the decedent. In addition, if the Tender Offeror decides not to commence the Tender Offer (including a decision not to commence it again after the Tender Offer has been terminated without being successfully completed), the Tender Offeror shall promptly notify Mr. Ide to that effect. Mr. Ide may terminate the Non-Tender Agreement (Mr. Ide) upon receipt of such notice. If the Tender Offeror intends to commence the Tender Offer again after the Tender Offer has been terminated without being successfully completed, it shall discuss in good faith with Mr. Ide in advance the commencement date and other conditions thereof.

(Note) Under the Non-Tender Agreement (Mr. Ide), Mr. Ide makes representations and warranties to the Tender Offeror regarding (i) execution and performance of the Non-Tender Agreement (Mr. Ide); (ii) enforceability; (iii) absence of conflicts with laws and regulations and other applicable rules; (iv) absence of relationships with anti-social forces and the like; (v) absence of insolvency proceedings; (vi) valid ownership and related matters concerning the Shares Agreed Not to Be Tendered; and (vii) information disclosure. The Tender Offeror makes representations and warranties to Mr. Ide regarding (i) existence and authority; (ii) execution and performance of the Non-Tender Agreement (Mr. Ide); (iii) enforceability; (iv) absence of conflicts with laws and regulations and other applicable rules; (v) absence of relationships with anti-social forces and the like; and (vi) absence of insolvency proceedings.

(III) Transaction Agreement (SESP)

The MBKP Fund has entered into the Transaction Agreement (SESP) with SESP as of today, and has agreed on the following. Other than the Transaction Agreement (SESP) and the Shareholders Agreement (SESP), no agreement relating to the Transaction has been entered into between the Tender Offeror or the MBKP Fund and SESP; and no benefits will be provided by the Tender Offeror or the MBKP Fund to SESP in connection with the Transaction other than the payment of the Tender Offer Price.

(a) SESP will promptly after commencement of the Tender Offer (and no later than five business days after commencement of the Tender Offer) tender in the Tender Offer the SESP Shares Agreed to Be Tendered that SESP owns as of the execution date of the Transaction Agreement (SESP), and it will not withdraw such tender (provided that SESP shall not be required to make such tender if that would violate applicable laws and regulations (including Article 166 of the Act); however, if SESP becomes aware of information regarding the Target Company (including unpublished material facts as set forth in Article 166 of the Act) or other circumstances that are reasonably expected to make SESP unable to make such tender under applicable laws and regulations, SESP shall, to the extent permitted under applicable laws and regulations or the confidentiality obligations borne by the Samsung Group, promptly notify the MBKP Fund to that effect and provide the MBKP Fund with such information regarding such circumstances as the MBKP Fund may reasonably request. In addition, SESP shall use commercially reasonable efforts to avoid giving rise to circumstances under which SESP would not be permitted to make such tender under applicable laws and regulations). In addition, during the period from the execution date of the Transaction Agreement (SESP) until completion of the settlement relating to the Tender Offer, SESP will not tender the SESP Shares Agreed to Be Tendered in any tender offer other than the Tender Offer, or sell, transfer, convey, assign, pledge, create any security interest over, or otherwise dispose of, the SESP Shares Agreed to Be Tendered or any rights relating thereto, to or for the benefit of any third party.

(b) During the period from the execution date of the Transaction Agreement (SESP) until completion of the Transaction, SESP will not, with respect to the SESP Shares Agreed to Be Tendered, directly or indirectly, enter into, solicit, knowingly facilitate, negotiate, or provide information regarding any transaction with a third party that directly or indirectly competes

with, or contradicts, the Tender Offer or any other transaction contemplated by the Transaction Agreement (SESP). In addition, if SESP receives from any third party other than the MBKP Fund a sincere proposal or offer regarding acquisition of the SESP Shares Agreed to Be Tendered or a competing tender offer for the SESP Shares Agreed to Be Tendered, SESP will notify the MBKP Fund in writing of the material terms thereof within a reasonable period; and it will discuss in good faith with the MBKP Fund the response to such third party.

(c) SESP will, promptly after execution of the Transaction Agreement (SESP), commence the procedures necessary to obtain the Clearance required to be obtained by SESP, and use its best efforts to the extent commercially reasonable to obtain such Clearance as promptly as practicable (provided that SESP is not obligated to agree to any condition, undertaking, or remedy that would impose a material burden on SESP); and the MBKP Fund will provide, and cause the Tender Offeror Parent Company to provide, information and cooperation reasonably necessary for such purpose. In addition, if SESP obtains the Clearance required to be obtained by SESP, it will promptly notify the MBKP Fund thereof.

(d) The MBKP Fund will not cause the Tender Offeror to commence the Tender Offer until SESP obtains the Clearance required to be obtained by SESP, without the consent of SESP (provided that if the waiting period relating to the Clearance required to be obtained by SESP is reasonably expected to expire by the last day of the Tender Offer Period, SESP will not unreasonably withhold such consent). In addition, the MBKP Fund will cause the Tender Offeror not to (i) reduce the Tender Offer Price (other than any reduction of the Tender Offer Price, to the extent permitted under the applicable tender offer regulations, on the grounds of the payment or resolution of a dividend of surplus or any other distribution to the Target Company's shareholders), or (ii) make any change to the other terms and conditions of the Tender Offer that would be materially disadvantageous to SESP, in each case without the consent of SESP.

(e) In addition, the Transaction Agreement (SESP) provides for, in summary, (1) the implementation of the Squeeze-Out Procedures and the Absorption-Type Merger if the Tender Offer is successfully completed; (2) the obligation to indemnify the other party in the event of a breach of the representations and warranties (Note) under the Transaction Agreement (SESP) or a material non-performance of the obligations under the Transaction Agreement (SESP); and (3) as events of termination of the Transaction Agreement (SESP), (i) the case where the Tender Offer has not been successfully completed by the date 12 months after the execution date of the Transaction Agreement (SESP) for reasons not attributable to the terminating party; (ii) in the case of termination by SESP, the case where the Tender Offer has been withdrawn or has otherwise not been successfully completed (provided that if, within ten business days after such withdrawal or failure, the MBKP Fund notifies SESP of its intention to recommence a tender offer on terms not disadvantageous to SESP, SESP may terminate the Transaction Agreement (SESP) only if the Tender Offer has not been recommenced by the earlier of the date five months after such notice and the date on which 12 months have elapsed from the execution date of the Transaction Agreement (SESP)); (iii) in the case of termination by SESP, the case where SESP fails to obtain the clearance to be obtained by SESP, or such clearance is granted subject to conditions that would impose a material burden on SESP; and (iv) the case where there is a material breach of the representations and warranties or the obligations of the other party, and such breach is not cured within ten business days after a written demand notwithstanding such demand.

(Note) Under the Transaction Agreement (SESP), SESP makes representations and warranties to the MBKP Fund regarding (i) existence and authority; (ii) absence of conflicts with laws and regulations and other applicable rules; (iii) permits, approvals, and other authorizations; (iv) ownership of the SESP Shares Agreed to Be Tendered; and (v) absence of relationships with anti-social forces and the like. The MBKP Fund makes representations and warranties regarding (i) existence and authority; (ii) absence of conflicts with laws and regulations and other applicable rules; (iii) permits, approvals, and other authorizations; (iv) the Target Company not constituting a real estate-related corporation; and (v) absence of relationships with anti-social forces and the like.

(IV) Tender Agreement (AVI)

The Tender Offeror has entered into the Tender Agreement (AVI) with AVI as of today, and has agreed on the following. Other than the Tender Agreement (AVI), no agreement relating to the Transaction has been entered into between the Tender Offeror and AVI; and no benefits will be provided by the Tender Offeror to AVI in connection with the Transaction other than the payment of the Tender Offer Price.

(a) AVI will, as promptly as reasonably practicable after commencement of the Tender Offer, tender the AVI Shares Agreed to Be Tendered in the Tender Offer; and it will not thereafter withdraw such tender or terminate the contract for the purchase of the AVI Shares Agreed to Be Tendered entered into as a result of such tender. In addition, AVI will not, directly or indirectly, transfer, create any security interest over, or otherwise dispose of all or any part of the AVI Shares Agreed to Be Tendered (including by tendering them in any tender offer other than the Tender Offer), or enter into any agreement to do any of the foregoing; and it will not acquire any Target Company Shares or any rights relating to the Target Company Shares, or enter into any agreement to do so.

(b) AVI (i) will not, after execution of the Tender Agreement (AVI), engage in any contact, communication, provision of information, proposal, solicitation, discussion, negotiation, agreement, or execution of any contract toward realizing a Competing Transaction, and (ii) if any such act has already been commenced or is continuing as of the execution of the Tender Agreement (AVI), AVI will promptly discontinue it. In addition, if AVI receives a proposal or the like relating to a Competing Transaction from any third party other than the Tender Offeror, or becomes aware that any such proposal or the like specifically exists, it will notify the Tender Offeror of that fact and the content of such proposal or the like as promptly as practicable; and it will discuss in good faith with the Tender Offeror the response to such proposal or the like. AVI will cause the AVI Funds, etc. to take all measures necessary to lawfully and validly perform the obligations set forth in (a) above and this paragraph (b) with respect to the AVI Shares Agreed to Be Tendered owned by each of them.

(c) If, by the last day of the Tender Offer Period, (1) a tender offer for all of the Target Company Shares, etc. (excluding treasury shares owned by the Target Company) by a person other than the Tender Offeror for the purpose of taking the Target Company private, at a price (limited to cash) exceeding the Tender Offer Price (for the avoidance of doubt, if the Tender Offer Price has been changed, meaning such changed amount; the same applies hereinafter in this item (c)) by 4% or more, without setting a maximum number of shares to be purchased (in this item "(IV) Tender Agreement (AVI)," a "**Qualified Competing Tender Offer**") is commenced, or (2) a specific, feasible, and sincere proposal is made to the Target Company in a legally binding document committing to conduct a Qualified Competing Tender Offer, provided that such proposal is limited to one where equity commitment letters, debt commitment letters, or other legally binding evidence of funds or balance certificates have been submitted for the entire amount of funds necessary to lawfully complete the taking-private of the Target Company, and it is objectively and reasonably considered certain that such funds can be secured, AVI may request to discuss in good faith with the Tender Offeror the response thereto, in which case the Tender Offeror and AVI will promptly discuss such response in good faith. In such case, if (i) the Tender Offeror does not change the Tender Offer Price to an amount equal to or greater than the purchase price under the Qualified Competing Tender Offer during the period up to the fifth business day counting from the day immediately following the date of AVI's request for discussion to the Tender Offeror, and (ii) AVI is not in breach of any obligation under the Tender Agreement (AVI) or applicable laws and regulations or other applicable rules, AVI may elect not to tender in the Tender Offer or may withdraw its tender in the Tender Offer and tender in the Qualified Competing Tender Offer.

(d) In addition, the Tender Agreement (AVI) provides for, in summary, (i) AVI's obligation not to exercise its shareholder rights, and to withdraw any such exercise already made, during the period from the execution date of the Tender Agreement (AVI) until the Settlement Commencement Date; (ii) if a shareholders meeting of the Target Company is held for which the record date for the exercise of rights comes before the Settlement Commencement Date,

AVI's obligation to exercise voting rights and all other rights at such shareholders meeting relating to the AVI Shares Agreed to Be Tendered in accordance with the Tender Offeror's instructions (provided that the obligations set forth in (i) and (ii) will become effective retroactively as of the execution date of the Tender Agreement (AVI), subject to acquisition of the Clearance, and AVI will cause the AVI Funds, etc. to take all measures necessary to lawfully and validly perform the obligations set forth in (i) and (ii) above with respect to the AVI Shares Agreed to Be Tendered owned by each of them); (iii) the obligation to indemnify the other party in the event of a breach of the obligations under, or a breach of the representations and warranties (Note) in, the Tender Agreement (AVI); and (iv) as an event of termination of the Tender Agreement (AVI), the case where the Tender Offer has not been commenced or successfully completed by May 31, 2027 (provided that, if the Tender Offer has not been commenced solely because acquisition of the Clearance has not been completed, the procedures toward acquisition of the Clearance are continuing by the Tender Offeror or before the governmental authorities or other bodies having jurisdiction over the procedures relating to the Clearance, and there are no specific circumstances sufficient to find that acquisition of the Clearance is not objectively and reasonably expected, such date will be automatically extended for one month, and the same will apply after each such extension; however, such date will not be extended beyond July 31, 2027; in this item "(IV) Tender Agreement (AVI)," the "**Tender Offer Commencement Deadline**") (provided that termination of the Tender Offer without its successful completion due to withdrawal or expiration of the period will not fall under this case unless it is certain that the Tender Offer will not be commenced again by the Tender Offer Commencement Deadline).

(Note) Under the Tender Agreement (AVI), AVI makes representations and warranties to the Tender Offeror with respect to AVI regarding (i) existence and authority; (ii) execution and performance of the Tender Agreement (AVI); (iii) enforceability; (iv) absence of conflicts with laws and regulations and other applicable rules; (v) absence of relationships with anti-social forces and the like; (vi) absence of insolvency proceedings; and (vii) ownership of the AVI Shares Agreed to Be Tendered. The Tender Offeror makes representations and warranties to AVI regarding (i) existence and authority; (ii) execution and performance of the Tender Agreement (AVI); (iii) enforceability; (iv) absence of conflicts with laws and regulations and other applicable rules; (v) absence of relationships with anti-social forces and the like; and (vi) absence of insolvency proceedings.

(V) Tender Agreement (KC)

The Tender Offeror has entered into the Tender Agreement (KC) with KC as of today, and has agreed on the following. Other than the Tender Agreement (KC), no agreement relating to the Transaction has been entered into between the Tender Offeror and KC; and no benefits will be provided by the Tender Offeror to KC in connection with the Transaction other than the payment of the Tender Offer Price.

(a) KC will, as promptly as reasonably practicable after commencement of the Tender Offer (and no later than the day that is five business days before the last day of the Tender Offer Period), tender, or cause the tendering of, the KC Shares Agreed to Be Tendered in the Tender Offer; and it will not thereafter withdraw, or cause the withdrawal of, such tender or terminate, or cause the termination of, the contract for the purchase of the KC Shares Agreed to Be Tendered entered into as a result of such tender. In addition, KC will not, directly or indirectly, transfer, create any security interest over, or otherwise dispose of all or any part of the KC Shares Agreed to Be Tendered (including by tendering them in any tender offer other than the Tender Offer), or enter into any agreement to do any of the foregoing; and it will not acquire any Target Company Shares or any rights relating to the Target Company Shares, or enter into any agreement to do so.

(b) KC (i) will not, after execution of the Tender Agreement (KC), engage in any contact, communication, provision of information, proposal, solicitation, discussion, negotiation, agreement, or execution of any contract toward realizing a Competing Transaction, and (ii) if any such act has already been commenced or is continuing as of the execution of the Tender Agreement (KC), KC will promptly discontinue it. In addition, if KC receives a proposal or

the like relating to a Competing Transaction from any third party other than the Tender Offeror, or becomes aware that any such proposal or the like specifically exists, it will notify the Tender Offeror of that fact and the content of such proposal or the like as promptly as practicable, and it will discuss in good faith with the Tender Offeror the response to such proposal or the like. KC will cause the KC Funds, etc. to take all measures necessary to lawfully and validly perform the obligations set forth in (a) above and this paragraph (b) with respect to the KC Shares Agreed to Be Tendered owned by each of them.

(c) If, by the last day of the Tender Offer Period (including before commencement of the Tender Offer), without any proposal or solicitation by KC, either (1) a tender offer by a person other than the Tender Offeror for all of the Target Company Shares, etc. (excluding treasury shares owned by the Target Company) for the purpose of taking the Target Company private, at a purchase price per common share corresponding to an amount exceeding the Tender Offer Price by 4% or more, without setting a maximum number of shares to be purchased (in this item "(V) Tender Agreement (KC)," a "**Qualified Competing Tender Offer**") is commenced, or (2) a specific, feasible, and sincere proposal is made to the Target Company in a legally binding document committing to conduct a Qualified Competing Tender Offer, and the content of such proposal is publicly announced by the proposer, provided that such proposal is limited to one where: (i) the minimum conditions precedent to commencing the Qualified Competing Tender Offer are clearly and specifically stated, and it is objectively and reasonably considered highly probable that all such conditions precedent will be satisfied by the last day of the Tender Offer Period; (ii) equity commitment letters, debt commitment letters, or other legally binding evidence of funds or balance certificates have been submitted for the entire amount of funds necessary to lawfully complete the taking-private of the Target Company, and it is objectively and reasonably considered certain that such funds can be secured; and (iii) the filings and other procedures with governmental authorities and other bodies under competition laws and regulations, investment-control laws and regulations, and other applicable laws and regulations necessary for the Qualified Competing Tender Offer and the taking-private of the Target Company have been analyzed on reasonable grounds, and it is objectively and reasonably considered that there is a significant likelihood of completing such procedures (in this item "(V) Tender Agreement (KC)," the "**Qualified Competing Proposal**"), KC may request to discuss with the Tender Offeror the response thereto. If KC conducts such discussions in good faith and, taking such discussions into account, determines, after considering the purchase price and other transaction terms of the Qualified Competing Tender Offer, the attributes of the person conducting the Qualified Competing Tender Offer, the certainty of completion of the transaction, and other circumstances, that tendering in the Qualified Competing Tender Offer would be more advantageous to KC than tendering in the Tender Offer, and KC reasonably determines that there is a risk that KC's failure to tender in the Qualified Competing Tender Offer would breach any agreement to which KC is a party or any obligation under applicable laws and regulations or other applicable rules, KC may, by the day that is five business days before the last day of the Tender Offer Period, notify the Tender Offeror thereof in writing, provided that such notice states the reasons for such determination to a reasonable extent. In such case, if (i) the Tender Offeror does not change the Tender Offer Price to an amount equal to or greater than the purchase price under the Qualified Competing Tender Offer by the earlier of the day on which five business days have elapsed from the date of receipt of such written notice and the business day immediately preceding the last day of the Tender Offer Period, and (ii) KC is not in material breach of any obligation under the Tender Agreement (KC) (a breach of the obligations set forth in (b) above is included in such material breach), KC may elect not to tender in the Tender Offer or may withdraw its tender in the Tender Offer and tender in the Qualified Competing Tender Offer. In such case, KC may terminate the Tender Agreement (KC) by written notice to the Tender Offeror, and KC shall not bear any obligation to pay any money, whether as damages, a penalty, or under any other name, in connection with such termination, not tendering in the Tender Offer or the withdrawal of its tender, or tendering in the Qualified Competing Tender Offer. If the Tender Offeror changes the Tender Offer Price within the period set forth in (i) above and the

purchase price under the Qualified Competing Tender Offer is thereafter raised to an amount exceeding the changed Tender Offer Price by 4% or more, this item (c) shall apply again.

(d) In addition, the Tender Agreement (KC) provides for, in summary, (i) KC's obligation not to exercise its shareholder rights, and to withdraw any such exercise already made, during the period from the execution date of the Tender Agreement (KC) until the Settlement Commencement Date; (ii) if a shareholders meeting of the Target Company is held for which the record date for the exercise of rights comes before the Settlement Commencement Date, KC's obligation, to the extent permitted under applicable laws and regulations and other applicable rules, to exercise, or cause the exercise of, voting rights and all other rights at such shareholders meeting relating to the KC Shares Agreed to Be Tendered in accordance with the Tender Offeror's instructions (provided that the obligations set forth in (i) and (ii) will become effective retroactively as of the execution date of the Tender Agreement (KC), subject to acquisition of the Clearance, and KC will cause the KC Funds, etc. to take all measures necessary to lawfully and validly perform the obligations set forth in (i) and (ii) above with respect to the KC Shares Agreed to Be Tendered owned by each of them); (iii) the obligation to indemnify the other party in the event of a breach of the obligations under, or a breach of the representations and warranties (Note) in, the Tender Agreement (KC); and (iv) as an event of termination of the Tender Agreement (KC), (1) the case where the Tender Offer has not been commenced or successfully completed by May 31, 2027 (provided that, if the Tender Offer has not been commenced solely because acquisition of the Clearance has not been completed, the procedures toward acquisition of the Clearance are continuing by the Tender Offeror or before the governmental authorities or other bodies having jurisdiction over the procedures relating to the Clearance, and there are no specific circumstances sufficient to find that acquisition of the Clearance is not objectively and reasonably expected, such date will be automatically extended for one month, and the same will apply after each such extension; however, such date will not be extended beyond July 31, 2027; in this item "(V) Tender Agreement (KC)," the "**Tender Offer Commencement Deadline**") (If, on the grounds that settlement of the Tender Offer cannot be commenced by March 31, 2027, either the Tender Offer is unsuccessful because the Tender Offer Period cannot be extended or the Tender Offeror terminates the Tender Offer by withdrawal, such failure or termination will not fall under this case unless it is certain that the Tender Offer will not be commenced again by the Tender Offer Commencement Deadline), and (2) the case where there is a material breach of any representation or warranty or of the Tender Agreement (KC), and such breach is not cured within ten business days after notice thereof.

(Note) Under the Tender Agreement (KC), KC makes representations and warranties to the Tender Offeror with respect to KC regarding (i) existence and authority; (ii) execution and performance of the Tender Agreement (KC); (iii) enforceability; (iv) absence of conflicts with laws and regulations and other applicable rules; (v) absence of relationships with anti-social forces and the like; (vi) absence of insolvency proceedings; and (vii) ownership of the KC Shares Agreed to Be Tendered. The Tender Offeror makes representations and warranties to KC regarding (i) existence and authority; (ii) execution and performance of the Tender Agreement (KC); (iii) enforceability; (iv) absence of conflicts with laws and regulations and other applicable rules; (v) absence of relationships with anti-social forces and the like; and (vi) absence of insolvency proceedings.

(7) Other Material Matters Relating to the Tender Offer

As described in "(1) Outline of the Purpose of the Tender Offer" above, the Tender Offeror has entered into the Non-Tender Agreement (Mr. Ide) with Mr. Ide, under which the parties have agreed that the Mr. Ide Reinvestment will be implemented on or after the date on which the consideration for the Squeeze-Out Procedures is received; and the MBKP Fund has also entered into the Transaction Agreement (SESP) with SESP, under which the parties have agreed that the SESP Reinvestment will be implemented within five business days after completion of the settlement relating to the Tender Offer. In addition, the Tender Offeror plans to implement the Absorption-Type Merger after completion of the Squeeze-Out Procedures.

3. Outline of the Target Company and the Terms and Conditions of the Purchase, etc.

(1) Outline of the Target Company

(i)	Name	Wacom Co., Ltd.	
(ii)	Address	2-510-1 Toyonodai, Kazo-shi, Saitama	
(iii)	Title and Name of Representative	Nobutaka Ide, President and Representative Director (CEO)	
(iv)	Business Description	Development, manufacture and sale of pen tablets and related software, and digital pen components and modules for smartphones, tablets and other devices	
(v)	Capital	4,203,470,000 yen	
(vi)	Date of Establishment	July 12, 1983	
(vii)	Major Shareholders and Shareholding Ratios (As of September 30, 2026)	The Master Trust Bank of Japan, Ltd. (Trust Account)	13.61%
		AVI Japan Opportunity Trust PLC (Standing Proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	7.53%
		AVI Global Trust PLC (Standing Proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	7.05%
		Samsung Electronics Singapore Pte. Ltd. (Standing Proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	6.32%
		State Street Bank and Trust Client Omnibus Account OM02 505002 (Standing Proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	4.42%
		Custody Bank of Japan, Ltd. (Trust Account)	3.72%
		Japan Absolute Value Fund (Standing Proxy: Tachibana Securities Co., Ltd.)	3.16%
		State Street Bank and Trust Company 505001 (Standing Proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	3.02%
		Masahiko Yamada	2.23%
		State Street Bank and Trust Company 505103 (Standing Proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	2.20%
(viii)	Relationship between the Tender Offeror and the Target Company		
	Capital Relationship	Not applicable	
	Personal Relationship	Not applicable	
	Business Relationship	Not applicable	
	Status as a Related Party	Not applicable	

(Note) "(vii) Major Shareholders and Shareholding Ratios (As of September 30, 2026)" are based on the information stated in the "Status of Major Shareholders" in the Target Company Semi-Annual Report.

(2) Schedule, etc.

The Tender Offer is expected to be commenced promptly upon the satisfaction (or waiver by the Tender Offeror) of the Tender Offer Conditions Precedent. As of today, the Tender Offeror aims to commence the Tender Offer by around mid-February 2027, taking into account discussions with domestic and international law firms regarding the procedures and responses required to obtain the Clearance.

The Tender Offer Period is expected to be 20 business days in principle (however, the Tender Offer Period may exceed 20 business days due to differences between holidays in Japan and the United States, because the Tender Offer Period is expected to be of a length sufficient to ensure the minimum required tender offer period of 20 business days in the United States under the U.S. securities laws).

(3) Purchase Price

(i) 1,030 yen per share of common stock

(ii) 1,030 yen per Target Company Share relating to the American Depositary Shares represented by the American Depositary Receipts

(4) Number of Share Certificates, etc. Planned to Be Purchased

Class of Share Certificates, etc.	Number of Shares to Be Purchased	Minimum Number of Shares to Be Purchased	Maximum Number of Shares to Be Purchased
Common Stock	132,643,831 shares	88,349,600 shares	— shares
Total	132,643,831 shares	88,349,600 shares	— shares

(Note 1) If the total number of the Tendered Share Certificates, etc. is less than the minimum number of shares to be purchased (88,349,600 shares), the Tender Offeror will not purchase, etc. any of the Tendered Share Certificates, etc. If the total number of the Tendered Share Certificates, etc. is equal to or greater than the minimum number of shares to be purchased (88,349,600 shares), the Tender Offeror will purchase all of the Tendered Share Certificates, etc.

(Note 2) Since the maximum number of shares to be purchased in the Tender Offer has not been set, the number of shares to be purchased is the maximum number of Target Company Shares that the Tender Offeror will purchase in the Tender Offer. Such maximum number is the number of shares (132,643,831 shares) obtained by deducting the Shares Agreed Not to Be Tendered (155,953 shares) from the Reference Number of Shares (132,799,784 shares).

(Note 3) Shares constituting less than one unit are also subject to the Tender Offer. If a right to request a purchase of shares constituting less than one unit is exercised by shareholders in accordance with the Companies Act, the Target Company may purchase its own shares constituting less than one unit during the Tender Offer Period in accordance with procedures required by laws and regulations.

(Note 4) The treasury shares held by the Target Company are not scheduled to be acquired through the Tender Offer.

(Note 5) The “number of shares to be purchased” and the “minimum number of shares to be purchased” set forth above are provisional figures based on the information available as of today, and the actual figures in the Tender Offer may differ from the figures set forth above due to changes in the number of treasury shares held by the Target Company and other factors from that point onward. Before commencement of the Tender Offer, the Tender Offeror plans to determine the final “number of shares to be purchased” and “minimum number of shares to be purchased” based on the information available when the Tender Offer is commenced.

(5) Change in the Ownership Ratio of Share Certificates, etc. Resulting from the Purchase, etc.

Number of voting rights pertaining to the share certificates, etc. held by the	— units	(Ownership ratio of share certificates, etc. before the purchase, etc.: — %)

Tender Offeror before the purchase, etc.		
Number of voting rights pertaining to the share certificates, etc. held by specially related parties before the purchase, etc.	1,559 units	(Ownership ratio of share certificates, etc. before the purchase, etc.: 0.12%)
Number of voting rights pertaining to the share certificates, etc. held by the Tender Offeror after the purchase, etc.	1,326,438 units	(Ownership ratio of share certificates, etc. after the purchase, etc.: 99.88%)
Number of voting rights pertaining to the share certificates, etc. held by specially related parties after the purchase, etc.	1,559 units	(Ownership ratio of share certificates, etc. after the purchase, etc.: 0.12%)
Total number of voting rights of all shareholders of the Target Company	1,327,794 units	

(Note 1) "Number of voting rights pertaining to the share certificates, etc. held by specially related parties before the purchase, etc." and the "Number of voting rights pertaining to the share certificates, etc. held by specially related parties after the purchase, etc." are the aggregate number of voting rights pertaining to the share certificates, etc. held by each specially related party (excluding persons who are excluded from specially related parties pursuant to Article 3, Paragraph 2, Item 1 of the Cabinet Office Order for the purpose of calculating the ownership ratio of share certificates, etc. under each item of Article 27-2, Paragraph 1 of the Act). The Tender Offeror plans to confirm the share certificates, etc. of the Target Company held by specially related parties before commencement of the Tender Offer. Therefore, if any correction is required to the "Number of voting rights pertaining to the share certificates, etc. held by specially related parties before the purchase, etc." or the "Number of voting rights pertaining to the share certificates, etc. held by specially related parties after the purchase, etc." set forth above, the corrected information will be disclosed upon commencement of the Tender Offer.

(Note 2) The "Number of voting rights pertaining to the share certificates, etc. held by the Tender Offeror after the purchase, etc." is the number of voting rights (1,326,438 units) relating to the number of shares to be purchased in the Tender Offer (132,643,831 shares).

(Note 3) The "Total number of voting rights of all shareholders of the Target Company" is the number of voting rights of all shareholders as of September 30, 2026, as stated in the Target Company Semi-Annual Report (based on the number of shares per unit being 100 shares). However, since shares constituting less than one unit (excluding shares less than one unit constituting treasury shares held by the Target Company) are also subject to the Tender Offer, when calculating the "Ownership ratio of share certificates, etc. before the purchase, etc." and the "Ownership ratio of share certificates, etc. after the purchase, etc." 1,327,997 voting rights represented by the Reference Number of Shares (132,799,784 shares) are used as the denominator.

(Note 4) The "Ownership ratio of share certificates, etc. before the purchase, etc." and the "Ownership ratio of share certificates, etc. after the purchase, etc." are rounded to two decimal places.

(6) Amount of Funds Required for the Purchase, etc. (Planned) 136,623 million yen

(Note) The "amount of funds required for the purchase, etc." is the amount obtained by multiplying the number of shares to be purchased in the Tender Offer (132,643,831 shares) by the Tender Offer Price (1,030 yen). This amount may change if the actual number of shares to be purchased in the Tender Offer differs due to changes occurring after today or other factors.

(7) Other Conditions and Methods of the Purchase, etc.

(I) Conditions Set Forth in Each Item of Article 27-13, Paragraph 4 of the Act and Details Thereof

If the total number of the Tendered Share Certificates, etc. is less than the minimum number of shares to be purchased (88,349,600 shares), the Tender Offeror will not purchase, etc. any of the Tendered Share Certificates, etc. If the total number of the Tendered Share Certificates, etc. is equal to or greater than the minimum number of shares to be purchased (88,349,600 shares), the Tender Offeror will purchase all of the Tendered Share Certificates, etc.

(II) Conditions for Withdrawal, etc. of the Tender Offer, Details Thereof and Method of Disclosure of Withdrawal, etc.

The Tender Offeror plans to provide that the occurrence of any of the matters set forth in Article 14, Paragraph 1, Item 1, sub-items (a) through (j) and (m) through (t), and Item 3, sub-items (a) through (h) and (j) of the Order, any of the matters set forth in Article 26, Paragraph 4, Item 4, Item 5, and Item 7 of the Cabinet Office Order relating to Items 4 and 5 of Article 14, Paragraph 1 of the Order, or any of the matters set forth in Article 14, Paragraph 2, Items 3 through 6 of the Order will constitute a condition for withdrawal, etc. of the Tender Offer.

The "action equivalent to what is set forth in sub-items (a) through (s)" as set forth in Article 14, Paragraph 1, Item 1, sub-item (t) of the Order refers to cases: (i) where the corporate organization that determines the business execution of the Target Company decides to declare a distribution of surplus with a record date before the Settlement Commencement Date of the Tender Offer (excluding distributions for which the amount of money or other property to be delivered to shareholders is expected to be less than an amount equivalent to 10% of the book value of the net assets on the balance sheet of the Target Company as of the end of its most recent fiscal year (2,947 million yen (Note)); and (ii) where the corporate organization that determines the business execution of the Target Company decides to acquire its own shares (excluding acquisitions for which the amount of money or other property to be delivered in exchange for such shares is expected to be less than an amount equivalent to 10% of the book value of the net assets on the balance sheet of the Target Company as of the end of its most recent fiscal year (2,947 million yen)). In such cases, because a substantial outflow of corporate assets of the Target Company would occur and would materially hinder achieving the purpose of the Tender Offer, the Tender Offeror may withdraw, etc. the Tender Offer on the grounds that such cases constitute an "action equivalent to what is set forth in sub-items (a) through (s)" under Article 14, Paragraph 1, Item 1, sub-item (t) of the Order.

In addition, the "facts equivalent to those set forth in sub-items (a) through (i)" set out in Article 14, Paragraph 1, Item 3, sub-item (j) of the Order refers to the case where (i) any of the statutory disclosure documents submitted by the Target Company previously is found to contain a false statement of a material fact or to omit a statement of a material fact that should have been stated, and the Tender Offeror neither knew nor could have known of such false statement or omission despite exercising reasonable care, (ii) a contract material to the business of the Target Company is terminated due to circumstances arising on or after the commencement date of the Tender Offer, or (iii) any of the events listed in Article 14, Paragraph 1, Item 3, sub-items (a) through (g) of the Order occurs with respect to a material subsidiary of the Target Company.

(Note) Assuming that there is no change in the total number of issued shares or the number of treasury shares, the amount of dividend per share would be equivalent to 23 yen (specifically, this amount is calculated by dividing 2,947 million yen, which corresponds to 10% of the amount of net assets of the Target Company on a non-consolidated basis (29,469 million yen) as of March 31, 2026, as stated in the 43rd Annual Securities Report submitted by the Target Company on June 24, 2026, by the Reference Number of Shares (132,799,784 shares), and rounding up any fraction of less than one yen).

(III) Existence or Absence of Conditions for Reduction of the Purchase Price, Details Thereof, and Method of Disclosure of the Reduction

Pursuant to Article 27-6, Paragraph 1, Item 1 of the Act, if the Target Company conducts any act set forth in Article 13, Paragraph 1 of the Order during the Tender Offer Period, the Tender Offer Price may be reduced in accordance with the standards set forth in Article 19, Paragraph 1 of the Cabinet Office Order.

If the Tender Offeror intends to reduce the Tender Offer Price, it will give electronic public notice and publish a notice to that effect in the Nihon Keizai Shimbun. However, if it is difficult to give public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement using the method set forth in Article 20 of the Cabinet Office Order and give public notice immediately after that. If the Tender Offer Price is reduced, the Tender Offeror will also purchase, etc. the Tendered Share Certificates, etc. tendered on or before the date of that public notice at the reduced Tender Offer Price.

In addition, even if the Target Company conducts any act set forth in Article 13, Paragraph 1 of the Order prior to the commencement of the Tender Offer (excluding the payment by the Target Company of an interim dividend of 12 yen per share for the fiscal year ending March 2027), the Tender Offer Price may be reduced in accordance with standards similar to those set forth in Article 19, Paragraph 1 of the Cabinet Office Order.

(IV) Other

The "method of settlement," the "date of the public notice of commencement of the Tender Offer" and "other conditions and methods of the purchase, etc." will be announced once determined. Mizuho Securities is expected to be appointed as the tender offer agent.

4. Future Outlook

With respect to the policy after the Tender Offer, please see "(2) Background, Purpose, and Decision-Making Process Leading to the Implementation of the Tender Offer, and Management Policy After the Purchase, etc.," "(4) Policy on the Organizational Restructuring, etc. After the Tender Offer" and "(5) Likelihood of Delisting, etc. and the Reasons Therefor" in "2. Purpose of Purchase, etc." above.

5. Other

(1) Details of the Provision of Benefits by the Tender Offeror or Its Specially Related Parties

Not applicable

(2) Other Information Deemed Necessary for Investors to Determine Whether to Tender Their Shares in the Tender Offer

Disclosure of the "Notice of Revision to Year-End Dividend Forecast (No Dividends) for the Fiscal Year Ending March 31, 2027"

According to the Target Company, at a meeting of its board of directors held today, in light of the Tender Offeror's planned commencement of the Tender Offer for the Target Company Shares, the Target Company resolved to revise its dividend forecast for the fiscal year ending March 2027 and not to pay a dividend of surplus with a record date of March 31, 2027 (fiscal year-end). For further details, please refer to the details of such disclosure.

End

[Solicitation Regulations]

These announcement materials are intended to generally announce the Tender Offer, and they were not prepared for the purpose of soliciting offers to sell. If making an offer to sell, please make sure to read the Tender Offer Explanation regarding the Tender Offer before making an offer at your own judgment. These announcement materials neither constitute an offer to sell, a solicitation of an offer to sell, or a solicitation of an offer to purchase any securities, nor do they constitute a part thereof. These announcement materials (or any part hereof) or the fact of their distribution shall not serve as the basis for any contract related to the Tender Offer; and they shall not be relied upon when executing any such contract.

[U.S. Regulations]

The Tender Offer is to be conducted in accordance with the procedures and information disclosure standards provided by the Act, and the procedures and standards therefor are not necessarily the same as those applicable in the United States. Specifically, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended; the "Securities Exchange Act of 1934") and rules based on those provisions do not apply to the Tender Offer, and the Tender Offer does not comply with the procedures and standards thereunder. All financial information contained in these announcement materials has been prepared based on accounting standards in Japan, not U.S. accounting standards; and it is not necessarily comparable to the financial information prepared based on U.S. accounting standards. Further, it may be difficult to enforce any right or claim arising under U.S. securities laws, because the Tender Offeror and the Target Company are corporations incorporated outside the United States and all or some of their officers are not U.S. residents. It may also be impossible to take legal action against a non-U.S. corporation or its officers in a non-U.S. court for a violation of U.S. securities laws. Furthermore, it may not be possible for a U.S. court to subject any non-U.S. corporation or its officers to its jurisdiction.

Unless specifically noted, all procedures relating to the Tender Offer will be carried out in Japanese. All or part of the documents relating to the Tender Offer will be prepared in English, but the Japanese documents shall prevail if there is any inconsistency between the documents.

Statements in these announcement materials include "forward-looking statements" as defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the Securities Exchange Act of 1934. The actual results may significantly differ from the projections, etc. implied or expressly stated in these forward-looking statements due to known or unknown risks, uncertainties, or other factors. None of the Tender Offeror, the Target Company, or their respective affiliates guarantees that projections, etc. expressed or implied in these forward-looking statements will ultimately be correct. The forward-looking statements contained in these announcement materials have been prepared based on the information available to the Tender Offeror as of the date of these announcement materials. Unless required by laws and regulations, none of the Tender Offeror, the Target Company, or their respective affiliates is obligated to change or correct the statements made herein in order to reflect future events or circumstances.

In the ordinary course of business, the Tender Offeror, the financial advisors of the Tender Offeror and their respective affiliates, and the Target Company, respectively, as well as the tender offer agent (and the affiliates thereof) may, to the extent permitted by financial instruments and exchange-related laws and other applicable laws and regulations in Japan, and in accordance with the requirements of Rule 14e-5(b) of the Securities Exchange Act of 1934, purchase common shares of the Target Company for their own account or for the account of their customers, or take actions related to such purchases before commencement of the Tender Offer or during the Tender Offer Period. In such cases, the purchase and sale may be conducted at the market price through market transactions, or the purchase and sale may be conducted at a price decided through negotiations outside of the market. If information regarding such purchases is disclosed in Japan, it will also be disclosed in English on the website of the party that made such purchases (or by other means of disclosure in the United States).