

July 31, 2025

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| Company name | NIHON CHOUZAI Co., Ltd. |
| Company representative | Kazunori Ogi, President and CEO |
| Securities code | 3341; Tokyo Stock Exchange Prime Market |
| Contacts | Takuya Sakurai, Executive Officer & General Manager of Group Corporate Planning Department (Phone: +81-3-6810-0818) |

Notice Regarding Expression of Opinion in Support of, and Recommendation to Tender Shares in, the Tender Offer for Company Shares by AP86 Co., Ltd.

NIHON CHOUZAI Co., Ltd. (the “Company”) hereby announces that at a meeting of its Board of Directors convened on July 31, 2025, it resolved, as set forth below, to express an opinion in support of a tender offer (“Tender Offer”) by AP86 Co., Ltd. (“Tender Offeror”) for the common shares of the Company (“Company Shares”) and to recommend that Company shareholders tender their shares in the Tender Offer.

The foregoing Board of Directors resolution was made on the assumption that the Tender Offeror plans to make the Company a wholly-owned subsidiary of the Tender Offeror through the Tender Offer and subsequent series of procedures, and that the Company Shares are expected to be delisted.

1. Overview of the Tender Offeror

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| (1) | Name | AP86 Co., Ltd. |
| (2) | Address | Toranomon Towers Office 17 th floor, 4-1-28 Toranomon, Minato-ku, Tokyo, Japan |
| (3) | Name and title of representative | Representative Director Toshiya Tsukahara |
| (4) | Description of business | Acquire and own the Company’s share certificates etc. and, after the Tender Offer, control and manage the Company’s operations |
| (5) | Capital | 5,000 yen |
| (6) | Date of incorporation | June 11, 2025 |
| (7) | Principle shareholder and shareholding ratio | AP86 Holdings Co., Ltd. (shareholding ratio: 100.00%) |
| (8) | Relationship between the Company and the Tender Offeror | |
| | Capital relationship | Not applicable. |
| | Personnel relationship | Not applicable. |
| | Transactional relationship | Not applicable. |
| | Status as a related party | Not applicable. |

2. Tender Offer Price

3,927 yen per common share (“Tender Offer Price”)

3. Details of the Opinion Regarding the Tender Offer, and the Basis and Reasons Therefor

(1) Details of the Opinion Regarding the Tender Offer

Based on the basis and reasons set out in “(2) Basis and Reasons for the Opinion Regarding the Tender Offer” below, the Company resolved, at a meeting of its Board of Directors held July 31, 2025, to express an opinion in support of the Tender Offer and to recommend that Company shareholders tender their shares in the Tender Offer.

This resolution of the Board of Directors was made in the manner described in “[viii] Approval of All Directors of the Company (including Directors Who Are Audit and Supervisory Committee Members)” in “(6) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer” below.

(2) Basis and Reasons for the Opinion Regarding the Tender Offer

The portion of “(2) Basis and Reasons for the Opinion Regarding the Tender Offer” that pertain to the Tender Offeror is based on explanations provided by the Tender Offeror.

[i] Overview of the Tender Offer

Tender Offeror is a *kabushiki kaisha* established on June 11, 2025, for the primary purpose of owning all of Company Shares through the Tender Offer. As of July 31, 2025, all issued shares of Tender Offeror (excluding treasury shares owned by Tender Offeror) are owned by AP86 Holdings Co., Ltd. (“Tender Offeror Parent Company”), all issued shares of which (excluding treasury shares owned by Tender Offeror Parent Company) are owned by Advantage Partners VII, LLP, a fund (this fund was established in November 2022 pursuant to Japan’s Limited Partnership Act for Investment; “AP LP”) that receives investment opportunities and post-investment portfolio companies monitoring advisory services (“Investment-related Services”) from Advantage Partners, Inc. (“AP”). If the Tender Offer is successfully completed, Tender Offeror Parent Company is scheduled to receive a certain capital contribution from funds (including AP LP) (collectively, “AP Fund”), which receive Investment-related Services from AP or are managed or operated by AP’s affiliate companies; Tender Offeror Parent Company is also scheduled to receive funds from LYFE Capital Fund IV (Dragon) L.P. (“LC Fund”), a fund related to LYFE Capital Investment Management Ltd. (“LYFE Capital”), which has a strong investment track record in the healthcare space (the healthcare space at LYFE Capital Investment Management Ltd. means companies operating in the fields of drug discovery/manufacturing, medical equipment, and pharmaceutical development and manufacturing services (CRO, CDMO etc.) in the Pacific Rim including Japan; hereinafter the same) through LYFE Eagle Mountain LLC (“LC LLC”), an investment vehicle which holds all of the equity in LC Fund. As a result, the direct or indirect ownership ratios of AP Fund and LC Fund in Tender Offeror Parent Company will come to 51% and 49%, respectively. As of July 31, 2025, none of AP, AP Fund, LYFE Capital, LC Fund, LC LLC, Tender Offeror Parent Company or Tender Offeror hold any Company Shares.

AP is a domestic independent service provider that, since providing Investment-related Services to Japan’s first buyout funds in 1997, has led the efforts to develop Japan’s private equity investment market since its early days. AP, directly and through its group companies, operates a buyout fund targeting companies in Japan, a buyout fund targeting companies in Asia, a private solutions fund supporting the growth of listed companies through minority stake investments, and a hydrogen fund that invests in hydrogen value chain-related assets and companies in Japan and other countries. Over its 28 years of operation, AP has built a track record of approximately 70 or more investments by buyout funds primarily targeting Japanese companies to which it provides services and boasts assorted types of expertise accumulated internally and a group of individuals with abundant experience and knowledge relating to corporate value enhancement cultivated through numerous investment projects. AP has

engaged in its operations under the philosophy of “Nurturing our portfolio companies to remain resolutely competitive and contribute to the solution of global environmental and social issues even after they have left our funds” and “supporting a management process that provides value not only to our funds and the investors that backed them, but also allows other shareholders, employees, business partners and financial institutions to enjoy economic value even after we have completed our investment”. Specifically, AP supports the growth of portfolio companies in which its funds make investment by proposing and supporting detailed proposals for revamping all aspects of management philosophy, business definitions, strategies, and operation systems to maximize the potential competitiveness and revenue of portfolio companies. AP Fund’s investment track record since 2022 through domestic buyout funds includes the following: Pipedo HD, Inc. (a horizontal digital transformation, vertical digital transformation and customer engagement business operator); NFC Holdings, Inc. (an insurance brokerage business operator), Net Japan Co., Ltd. (a company engaged in trading and operating auctions for precious metal ingots, diamonds, fine jewelry and luxury brand watches); Daiho Industrial Co., Ltd. (a plastic molding and secondary processing business company); Ecolocity Co., Ltd. (a parking lot operator); Nihon Kasei Co., Ltd. (a manufacturer and seller of wet-applied construction materials such as plaster and tiles); Quality First Co., Ltd. (a cosmetics planning, manufacturing and sales company); Space Value Holdings Co., Ltd. (a system builder); and Toho Zinc Co., Ltd. (a smelting and mineral resources business operator).

Formed in 2015 by seasoned investment professionals with over 20 years of healthcare investment experience in North America and Asia, LYFE Capital is a trans-Pacific cross-border healthcare-focused investment firm buying out or making influential minority stake investments in healthcare companies with high growth potential which have excellent technologies or products with which business expansion is possible in particular by establishing a global business base or expanding into overseas markets. Under its strategic philosophy of “Healthcare has no boundaries,” it has, in the business environment surrounding portfolio companies in which it has invested, systematically and comprehensively formulated, and consulted with management regarding, strategies which can contribute to the expansion of portfolio companies’ business value, as investment professionals scattered across Asia and North America and having different skill sets to work together executing these strategies, and in doing so has enhanced its recognition among investors and industry insiders and established a growing presence in the market. With over US\$2 billion in assets under management, LYFE Capital has a track record of over 80 healthcare-related transactions worldwide. Based on this expertise, it focuses on enhancing operations as well as systematic organization and growth acceleration through strategic international expansion, with the aim of providing support so that portfolio companies will be competitive in technology, quality and price in the global market and consequently grow into “industry leaders”. LYFE Capital’s investments since 2022 include Brightech International, a U.S.-based clinical research company; Jeisys Medical Inc., a South Korea-based global manufacturer of medical aesthetic devices; Fong’s Engineering, a Singapore-based manufacturer of precision machinery for the medical equipment industry; ST Pharm Co., Ltd., a South Korean pharmaceutical company; Chemlex Co., Ltd., a company focused on development, manufacture and global supply of fine chemicals, pharmaceutical intermediates and specialty chemicals; and Bora Pharmaceuticals Co., Ltd., a Taiwan-headquartered global pharmaceutical company.

Tender Offeror intends to carry out the Tender Offer as part of the series of transactions (“Transaction”) aimed at acquiring all Company Shares listed on the Prime Market of Tokyo Stock Exchange, Inc. (“TSE”) (provided, however, excluding the Company’s treasury shares and the Company Shares owned by K.K. Max Planning (“MP”) (as described below); hereinafter, “Shares Subject to Tender Offer”) in order to make Tender Offeror and MP the Company’s sole shareholders and delist the Company Shares. It should be noted that as stated below, Tender Offeror contemplates ultimately owning the Company as a direct, wholly-owned subsidiary following the Transaction through an absorption-type merger in which Tender Offeror will be the surviving company in the absorption-type merger and MP will be the extinguished company in the absorption-type merger.

In connection with the Tender Offer, Tender Offeror executed a tender agreement with each of the following shareholders (collectively, “Tender Agreements”) on July 31, 2025: Mr. Yosuke Mitsuahara, top Company shareholder (as of March 31, 2025) (shareholdings: 6,648,600 shares (ownership ratio (Note 1): 22.17%)); Mr. Hiroshi Mitsuahara, the founder, representative director and chairman (third-largest shareholder, shareholdings: 4,800,000 shares (ownership ratio: 16.01%)), Ms. Yoko Mitsuahara (sixth-largest shareholder, shareholdings: 800,000 shares (ownership ratio: 2.67%)) and Ms. Keiko Yo (eighth-largest shareholder, shareholdings: 538,600 shares (ownership ratio: 1.80%)) (the shareholders who signed the Tender Agreements collectively, “Tendering Shareholders”). The Tendering Shareholders have agreed to tender all of their respective holdings of Company Shares (12,787,200 shares, ownership ratio: 42.64%, “Tendered Shares”) in the Tender Offer and not to withdraw such tenders. For details of the Tender Agreements, please refer to “[i] Tender Agreements” in “4. Matters Concerning Important Agreements Relating to the Tender Offer” below.

Additionally, with respect to MP, an asset management company whose shares are respectively owned by Mr. Hiroshi Mitsuahara, the founder of the Company, with 4,096 shares (percentage of the total number of issued shares of MP: 57.72%), Ms. Yoko Mitsuahara, with 1,500 shares (percentage of the total number of issued shares of MP: 21.14%), Ms. Keiko Yo, with 1,500 shares (percentage of the total number of issued shares of MP: 21.14%) (the three owners of MP shares, collectively, “MP Shareholders”) and which is also the Company’s second-largest shareholder, with 5,840,000 Company Shares (ownership ratio: 19.48%; “Non-Tendered Shares”), on July 31, 2025, Tender Offeror as part of the Transaction executed a share transfer agreement concerning the transfer of all shares of MP (“MP Shares”) (“Share Transfer Agreement”) with MP Shareholders and a tender offer non-tendering agreement (“Non-Tendering Agreement”) with MP. Under these agreements, it was agreed that: (i) upon completion of the Squeeze-out Procedures (as defined below), Tender Offeror will acquire the MP Shares from MP Shareholders, (ii) Non-Tendered Shares held by MP will not be tendered in the Tender Offer, (iii) if the Tender Offer is completed successfully, as set forth in “(5) Post-Tender Offer Reorganization Policy (Matters Concerning so-called Two-Step Acquisition)” below, they will vote in favor of the proposals relating to the series of procedures for making Tender Offeror and MP the Company’s sole shareholders and delisting the Company shares (“Squeeze-out Procedures”) and provide necessary cooperation for the implementation of the Squeeze-out Procedures.

As set forth in “ii The Background, Purpose and Decision-Making Process Leading to Tender Offeror’s Decision to Implement the Tender Offer; Post-Tender Offer Managerial Policy” below, on May 2, 2025, AP received a proposal from the Tendering Shareholders and MP (the Tendering Shareholders and MP collectively, the “Mitsuaharas etc.”), through Deloitte Tohmatsu Financial Advisory LLC (“DTFA”), a financial advisor for the Mitsuaharas etc., for a transaction structure where MP Shareholders transfer the MP Shares to Tender Offeror upon successful completion of the Tender Offer, rather than MP tendering all Non-Tendered Shares in the Tender Offer. MP plans, prior to Tender Offeror’s acquisition of the MP Shares from MP Shareholders, to have a newly established corporation (“New MP”) succeed, through a company split, to assets and liabilities other than the Company Shares and certain cash and deposits, and as a result, MP is scheduled to become an asset management company with no assets other than the Non-Tendered Shares and cash and deposits; in light of this, as the transfer price for MP Shares (“MP Shares Transfer Price”) to be paid to MP Shareholders is set as the amount (22,933,680,000 yen) obtained by multiplying MP’s shareholdings (5,840,000 shares) by the Tender Offer Price (3,927 yen per share), and the amount of cash and deposits that MP holds as of the transfer date of the MP Shares (“MP Shares Transfer Date”) (such amount of cash and deposits is an amount greater than the amount of taxes and public charges that MP will owe for the fiscal year including such transfer date, as forecasted as of the MP Shares Transfer Date) has not been added; accordingly, Tender Offeror determined that no terms substantially more favorable than the Tender Offer Price will be set, and MP will receive economic value equivalent to or less than what MP Shareholders would receive if they tendered their Company Shares in the Tender Offer, which would not violate the principle of uniformity of tender offer prices or equality among shareholders stipulated in Article 27-2, Paragraph 3 of the Financial Instruments and Exchange Act (Act No. 25 of 1948; as amended;

“FIEA”) and Article 8, Paragraph 3 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965; as amended; “FIEA Enforcement Order”), and therefore, Tender Offeror executed the Share Transfer Agreement with MP Shareholders as described above. For details of the Share Transfer Agreement and the Non-Tendering Agreement, please refer to “[ii] Share Transfer Agreement” and “[iii] Non-Tendering Agreement” in “4. Matters Concerning Important Agreements Relating to the Tender Offer” below. It should be noted that after the acquisition of the MP Shares pursuant to the Share Transfer Agreement, Tender Offeror plans to carry out an absorption-type merger with Tender Offeror as the surviving company of the absorption-type merger and MP as the extinguished company in the absorption-type merger.

(Note 1) “Ownership ratio” means the ratio with respect to 29,986,179 shares, which is the Company’s total issued shares (31,048,000 shares) as of June 30, 2025 as stated in the “Summary of Consolidated Financial Results for the First Quater of the Fiscal Year Ending March 31, 2026 [Japanese GAAP]” (“Company Summary of Consolidated Financial Results for the First Quater of the Fiscal Year Ending March 31, 2026”) released on July 31, 2025, *less* the Company’s treasury shares (1,061,821 shares) as of June 30, 2025 as stated in the Company Summary of Consolidated Financial Results for the First Quater of the Fiscal Year Ending March 31, 2026 (this excludes the 108,893 Company Shares held in the trust account for the stock grant trust (“Stock Grant Trust Shares”) established for the performance-linked stock compensation plan covering directors (excluding directors who are also Audit and Supervisory Committee members, outside directors and non-residents of Japan) and executive officers (excluding non-residents of Japan); hereinafter the same in relation to the number of the Company’s treasury shares) (“Total Number of Issued Shares After Deducting Treasury Shares”). In calculation of this percentage, numbers are rounded down to the second decimal place; hereinafter the same is used for the calculation of ownership ratios.

As stated above, it is planned that the direct or indirect equity ratios of AP Fund and LC Fund in Tender Offeror Parent Company will be 51% and 49%, respectively, and on July 31, 2025, AP Fund, LC Fund and LC LLC executed a basic agreement (“Basic Agreement”) concerning matters relating to Tender Offeror Parent Company. For details of the Basic Agreement, please refer to “[iv] Basic Agreement” in “4. Matters Concerning Important Agreements Relating to the Tender Offer” below.

Tender Offeror has set the minimum number of shares to be purchased in the Tender Offer at 14,078,200 shares (ownership ratio: 46.95%), and if the total number of share certificates etc. tendered in the Tender Offer (“Tendered Share Certificates etc.”) does not reach this minimum number, then none of the Tendered Share Certificates etc. will be purchased. On the other hand, as described above, Tender Offeror seeks to delist the Company Shares by acquiring all of the Shares Subject to Tender Offer and therefore has set no maximum number of shares to be purchased, and if the number of share certificates etc. tendered reaches, or is greater than, the minimum number, all of Tendered Share Certificates etc. will be purchased. The minimum number of shares to be purchased was calculated by multiplying 298,772, which is the number of voting rights pertaining to the number of shares (29,877,286 shares) obtained by subtracting the number of Stock Grant Trust Shares (108,893 shares) from the Total Number of Issued Shares After Deducting Treasury Shares (29,986,179 shares), by 2/3 and rounding the product up to the nearest whole number (199,182 voting rights), then multiplying by the Company’s share trading unit number (100 shares) (19,918,200 shares) then deducting the Non-Tendered Shares (5,840,000 shares) (which comes to 14,078,200 shares). The Transaction is aimed at delisting the Company Shares, and implementation of the share consolidation procedures indicated in “(5) Post-Tender Offer Reorganization Policy (Matters Concerning so-called Two-Step Acquisition)” requires a special resolution at a shareholders meeting as stipulated in Article 309 Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended; “Companies Act”); accordingly, the minimum number was set so that Tender Offeror and MP will hold at least two-thirds of the

voting rights of all Company shareholders (excluding the voting rights attached to Stock Grant Trust Shares) after the Tender Offer and the requirement is satisfied, in order to ensure that the Transaction will be carried out (Note 2).

(Note 2) As stated in the “Notice Regarding Discontinuation of Officer Retirement Bonus Plan and Introduction of Stock Compensation Plan” (Japanese Only) published by the Company on May 19, 2021, and the “Notice Regarding Continuation of Performance-linked Stock Compensation Plan for Directors and Executive Officers” published by the Company on May 15, 2024, the Company introduced the board incentive plan (BIP) trust as a performance-linked stock compensation plan covering directors (excluding directors who are also Audit and Supervisory Committee members, outside directors and non-residents of Japan) and executive officers (excluding non-residents of Japan), but because there are no plans for Company Shares held by the BIP trust to be delivered to the beneficiaries, tendered in the Tender Offer, or otherwise disposed of prior to the record date of the Extraordinary General Meeting of Shareholders (defined in “(5) Post-Tender Offer Reorganization Policy (Matters Concerning so-called Two-Step Acquisition)”; hereinafter the same) to be convened around early November 2025, and the voting rights attached to the Company Shares held by the BIP trust are not to be exercised during the trust period (this period will last until August 31, 2027); because there is no possibility that such voting rights will be exercised at the Extraordinary General Meeting of Shareholders, when setting the minimum number of shares to be purchased, Tender Offeror did not add the number of Stock Grant Trust Shares to the number of Company Shares which is the basis of setting the minimum number of shares to be purchased.

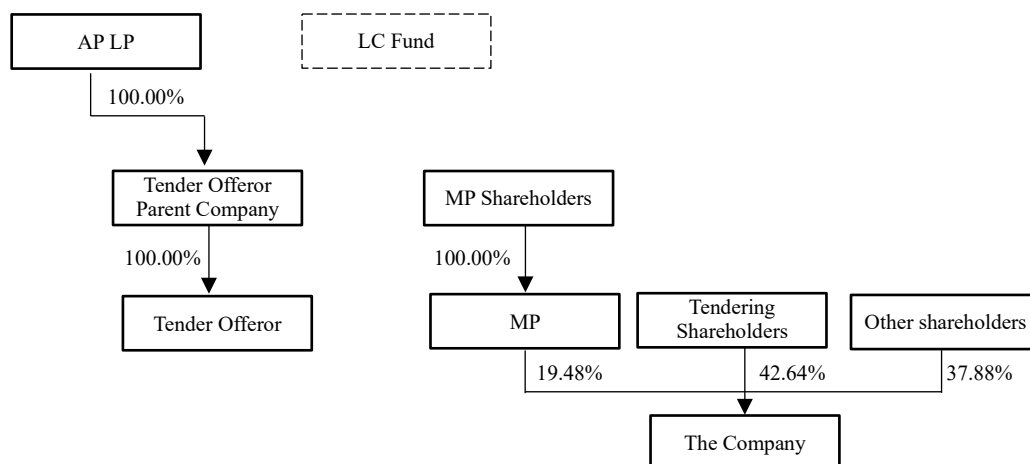
If Tender Offeror is unable to acquire all of Shares Subject to Tender Offer in the Tender Offer, Tender Offeror plans to carry out the Squeeze-out Procedures after successful completion of the Tender Offer.

Tender Offeror plans to receive equity contributions from Tender Offeror Parent Company on the condition of successful completion of the Tender Offer etc. no later than two business days before the date of commencement of settlement for the Tender Offer (“Settlement Commencement Date”) and receive borrowings from domestic financial institutions no later than the business day before the Settlement Commencement Date, and plans to use these funds to cover Tender Offer settlement funds and other ancillary expenses.

An overview of the Transaction, the transfer of MP Shares, and the merger of Tender Offeror and MP is as set forth below.

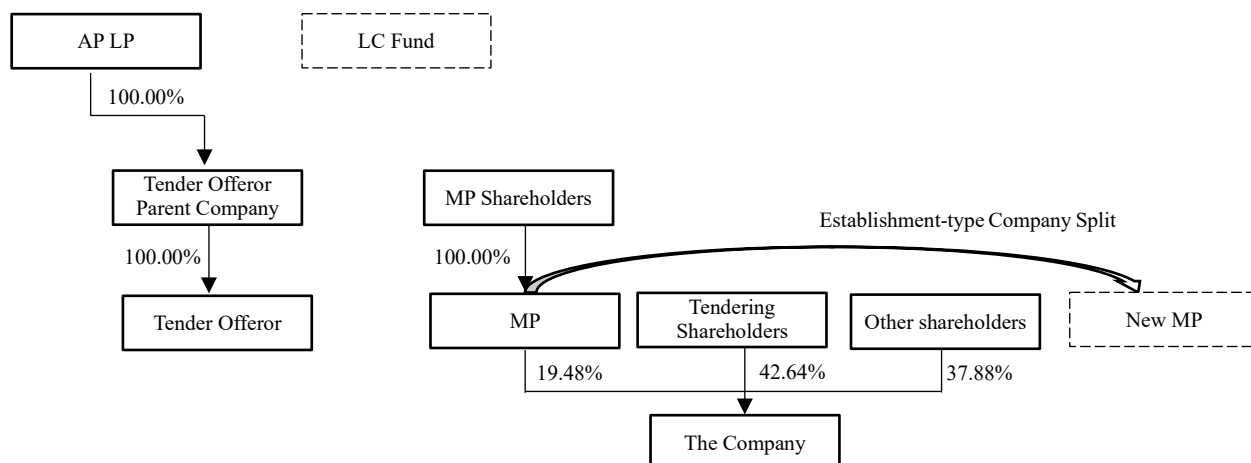
I. Prior to the Tender Offer (current situation)

As of July 31, 2025, Mr. Yosuke Mitsuhashi, who is the top shareholder (as of March 31, 2025), owns 6,648,600 Company Shares (ownership ratio: 22.17%); Mr. Hiroshi Mitsuhashi, representative director, chairman and the third-largest shareholder, owns 4,800,000 Company Shares (ownership ratio: 16.01%); MP, the second-largest shareholder, owns 5,840,000 Company Shares (ownership ratio: 19.48%); Ms. Yoko Mitsuhashi owns 800,000 Company Shares (sixth-largest shareholder (ownership ratio: 2.67%)); Ms. Keiko Yo owns 538,600 Company Shares (eighth-largest shareholder (ownership ratio: 1.80%)); and other general shareholders own the remaining 11,358,979 Company Shares (ownership ratio: 37.88%).



II. Establishment-type Company Split by MP

MP will move assets and liabilities other than the Company Shares and certain cash and deposits to New MP through a company split (“Establishment-type Company Split”).

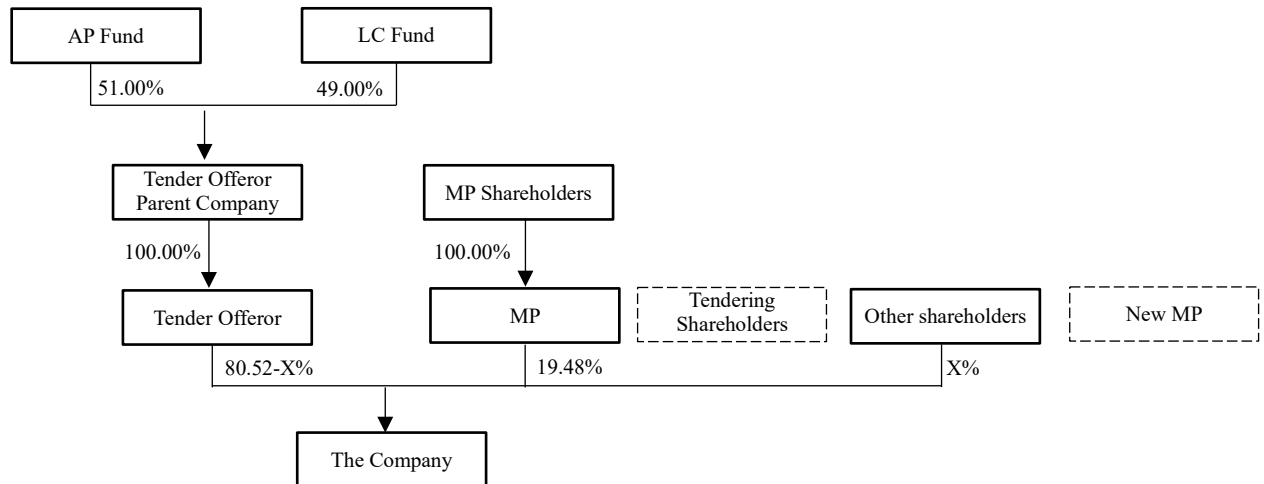


III. Implementation of the Tender Offer

Tender Offeror will carry out the Tender Offer for all the Shares Subject to Tender Offer. If the number of shares tendered reaches the minimum number to be purchased in the Tender Offer and the Tender Offer is completed successfully, Tender Offeror will settle the Tender Offer.

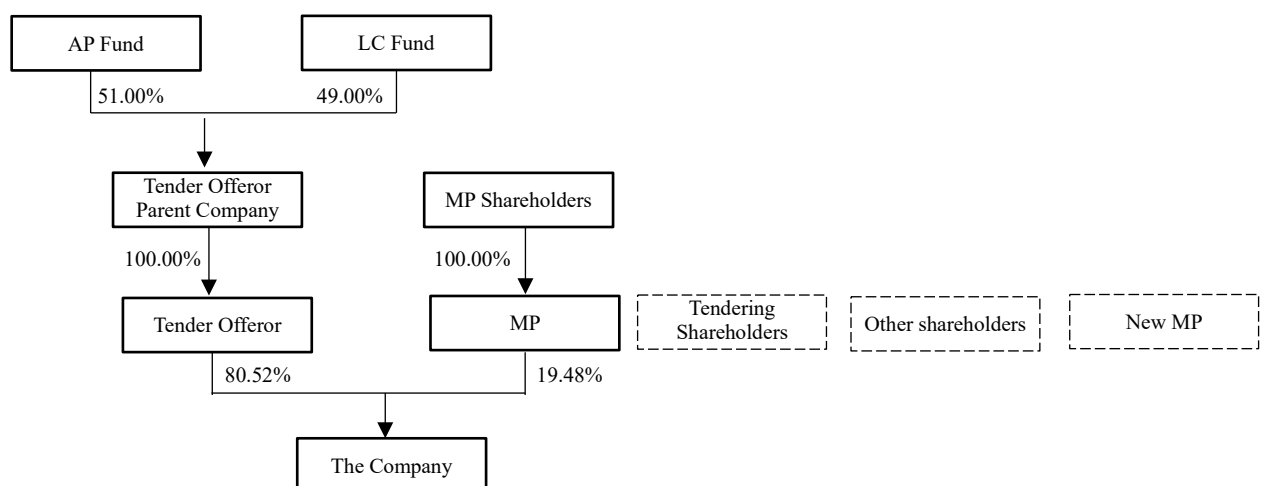
Please note that it is planned that (i) no later than two business days before the Settlement Commencement Date, Tender Offeror Parent Company will receive equity contributions in the amount of 54,411,800 thousand yen directly or indirectly from AP Fund and LC Fund, and borrow a subordinated loan in the amount of 30,000,000 thousand yen from Lucent Global Holdings VCC (“FGC VCC”) (Note 3), a fund that is managed, operated or provided with Investment-related Services by Felicity Global Capital Pte. Ltd (formerly ACA Investments Pte Ltd) (“FGC”) and Tender Offeror will receive equity contributions from Tender Offeror Parent Company for funds required for the settlement etc. of the Tender Offer, and (ii) Tender Offeror will receive up to 96,000,000 thousand yen in borrowings from domestic financial institutions as funds necessary for the settlement of the Tender Offer, etc. no later than the business day before Settlement Commencement Date. (Note 3) FGC VCC is a fund that receives Investment-related Services from FGC and is involved in the

Transaction as an investment opportunity. Prior to implementation of the Transaction there was no direct relationship with any of AP, AP Fund, LYFE Capital, LC Fund, LC LLC, Tender Offeror Parent Company, or Tender Offeror, and the same is expected after the Transaction. FGC provides services to FGC VCC, and the expectations are the same as those of FGC VCC,



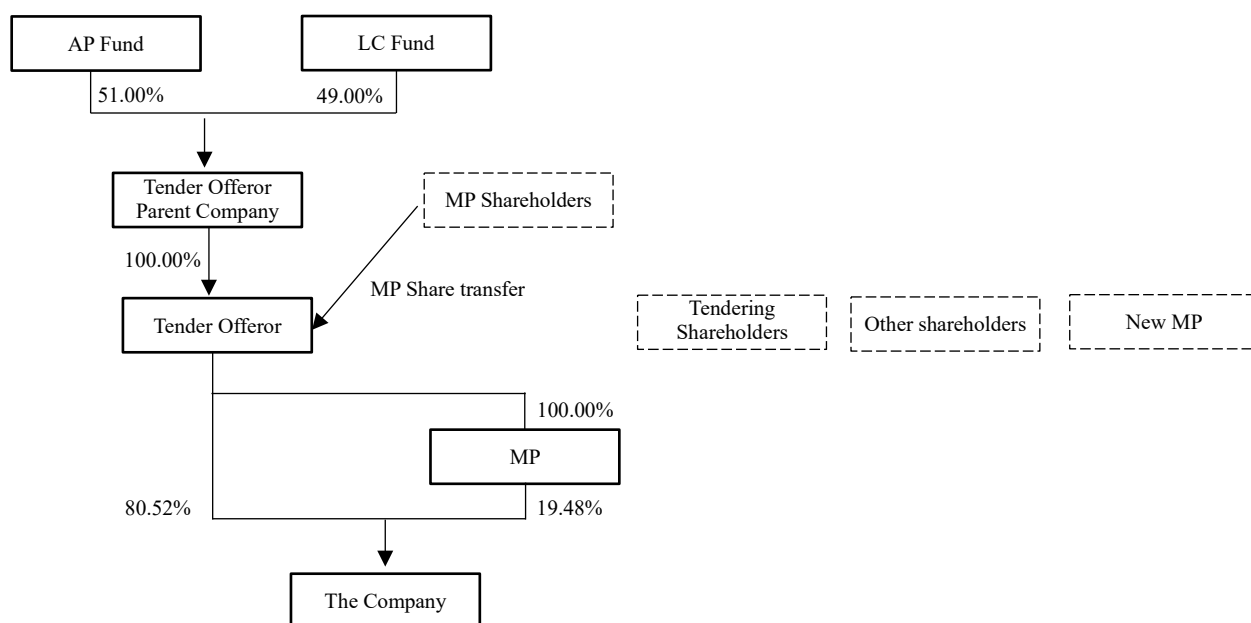
IV. Implementation of the Squeeze-out Procedures

In the event that, Tender Offeror is unable to acquire all Shares Subject to Tender Offer even though the number of shares tendered reached or exceeded the minimum number to be purchased in the Tender Offer, after completion of the Tender Offer, Tender Offeror intends to ask the Company to implement the Squeeze-out Procedures through the share consolidation and carry out the procedures for making Tender Offeror and MP the Company's sole shareholders. In such case, if the share consolidation results in fractional shares of less than one share, in accordance with procedures provided in Article 235 of the Companies Act and other relevant laws and regulations, Company Shares equivalent to the total fractional share (a fraction less than one full share is rounded off.) will be sold to Tender Offeror.



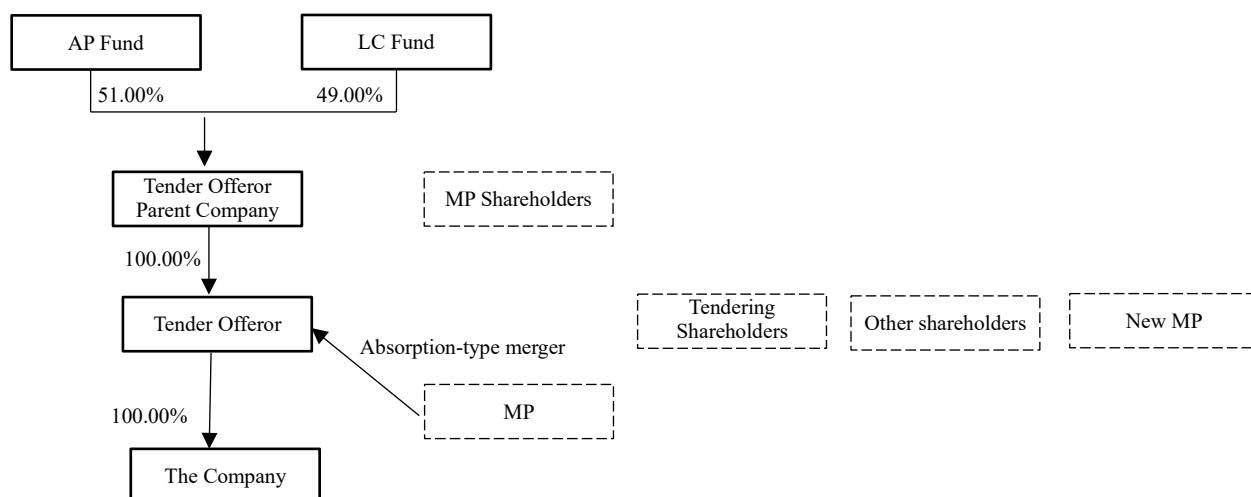
V. Transfer of MP Shares

MP Shareholders will transfer MP Shares to Tender Offeror, and as a result, Tender Offeror will directly or indirectly own the entirety of Company Shares (100%).



VI. MP's absorption-type merger

Tender Offeror will carry out an absorption-type merger having Tender Offeror as the surviving company in the absorption-type merger and MP as the extinguished company in the absorption-type merger.



[ii] The Background, Purpose and Decision-Making Process Leading to Tender Offeror's Decision to Implement the Tender Offer; Post-Tender Offer Managerial Policy

The background, purpose and decision-making process leading to Tender Offeror's decision to implement the Tender Offer, and post-Tender Offer managerial policy are as follows.

(i) The Company's business environment, etc.

The Company was established in March 1980 under the tradename NIHON CHOUZAI Co., Ltd. in Sapporo, Hokkaido for the purpose of engaging in the dispensing pharmacy business. In April 1995, the Company's headquarters were moved to Tokyo, and after relocating the headquarters to Chiyoda-ku, Tokyo in November 2007, the headquarters were moved to their current location in Minato-ku, Tokyo in September 2024. The

Company established Miyagi NIHON CHOUZAI Co., Ltd. (currently Medical Resources Co., Ltd.) as a subsidiary in January 1994, expanding its business beyond the dispensing pharmacy field to enter the medical professional staffing and placement business. In January 2005, the Company established subsidiary NIHON GENERIC Co., Ltd. (currently a consolidated subsidiary) and entered the pharmaceutical manufacturing and sales business. The Company's shares were listed on the Second Section of the TSE in September 2004, and the listing was later switched to the TSE First Section in September 2006. In conjunction with the TSE market reclassification, the Company's shares were transferred from the TSE First Section to the TSE Prime Market in April 2022.

The Company Group (the corporate group comprising the Company and its 13 consolidated subsidiaries (as of June 30, 2025); hereinafter the same) engages primarily in the dispensing pharmacy business, pharmaceutical manufacturing and sales business, and medical professional staffing and placement business. The Company Group has established "To give people the closest possible support" as its mission in its Group Philosophy and has set becoming "the most trusted partner in healthcare" as its vision. As a healthcare provider that is the closest to day-to-day life, we seek to engage sincerely with each individual in their life and deliver high-quality healthcare services to people across the country. The Company Group operates 760 dispensing pharmacies throughout Japan (as of June 30, 2025), providing high-quality healthcare services with deep community ties.

Overviews of each of the Company Group's businesses are set forth below.

(a) Dispensing pharmacy business

The Company and nine of its consolidated subsidiaries conduct the dispensing pharmacy business. The Company operates "hospital-front pharmacies" located near major general hospitals, and "hybrid pharmacies" (Note 1) that combine elements of neighborhood pharmacies (Note 2) and medical center (medical mall)-type pharmacies. In addition, Japan Medical Research Institute Co., Ltd., a consolidated subsidiary, conducts research and analysis on the healthcare industry as a whole and provides information on prescription trends and consulting services on such matters as generic drug (Note 3) replacement rates for pharmaceutical companies, medical institutions, and others in this business segment.

(Note 1) A "hybrid pharmacy" refers to the Company's unique pharmacy format that has elements of a neighborhood pharmacy, as well as elements of a medical center (medical mall)-type pharmacy, which is located in an area where multiple healthcare institutions are clustered.

(Note 2) A "neighborhood pharmacy" refers to a pharmacy which can accept prescriptions issued by an unspecified large number of healthcare providers and is typically located in an area convenient for patients such as a city center or near a train station.

(Note 3) Generic drugs are pharmaceutical products that use the same effective ingredients as novel drugs and have the same quality, effectiveness, and safety.

(b) Pharmaceutical manufacturing and sales business

NIHON GENERIC Co., Ltd. and Choseido Pharmaceutical Co., Ltd., which are consolidated subsidiaries, perform development, manufacture, and sale of generic drugs. NIHON GENERIC Co., Ltd.'s Tsukuba Plant No. 2, equipped with the latest manufacturing facilities, was completed in March 2018, and Choseido Pharmaceutical became a wholly-owned subsidiary of NIHON GENERIC Co., Ltd. in November 2021, advancing rigorous quality control and expanding production capacity.

(c) Medical professional staffing and placement business

Medical Resources Co., Ltd., a consolidated subsidiary, operates the staffing and placement business nationwide for medical professionals, including doctors and nurses, with a focus on pharmacists. Medical Resources has provided full-scale referral services for physicians since FY2017, launched the occupational

doctor service business in November 2020, and acquired Leadwell Co., Ltd. which operates the industrial doctor-related business primarily in the Kansai area in September 2024 to expand business in the healthcare field to meet the growing demand for health management, which is becoming increasingly important in corporate management.

The business environment of the dispensing pharmacy industry, in which the Company Group conducts business, has undergone major changes in recent years, and the Company is aware that the business environment for companies in the industry is becoming increasingly uncertain due to factors such as the effects on profit structures of government measures for optimizing medical expenses and revision of drug prices and drug dispensing fees, the promotion of family pharmacists and pharmacies, the advancement of community-based integrated care systems, and demographic changes including population decline and aging as well as shifts in patient behavior due to the spread of COVID-19. In addition, healthcare DX (Note 4), such as online prescriptions and online drug administration guidance, has begun in earnest, while operational challenges increase, such as the intensification of the competitive environment, difficulty recruiting human resources, ensuring stable supply chains, and reinforcement of regional healthcare collaboration.

To adapt to these changes in the business environment, in September 2024, the Company formulated the “Long-Term Vision 2035” as a new Company Group medium-to-long-term management strategy, clarifying the vision that the Company Group is pursuing and setting out a roadmap to achieve it. In this vision, the Company set goals for “advance business management,” “bolster existing businesses,” and “build a foundation for exploring new areas” and is now working to reinforce the foundations of the dispensing pharmacy business and to diversify the business portfolio.

However, the Company believes that in order to achieve sustainable growth and enhance corporate value in the future, it will be more important than ever to make rapid and flexible management decisions and to execute them effectively, including securing stable financial foundations, actively investing in digitalization and DX, acquiring and developing outstanding human resources, and expanding into new business areas.

(Note 4) “DX” is an abbreviation for digital transformation and refers to the provision of new value and experiences and the transformation of society through the use of digital technology.

Meanwhile, AP highly values the fact that in our core dispensing pharmacy business, the Company operates stores in prime locations, such as in front of major hospitals including key medical centers throughout Japan, and in addition to our ability to respond to pharmacy DX, such as online drug administration guidance and at-home medical care support centers, our industry-leading pharmacist recruiting and training capabilities are seen as sources of competitive advantage. The Company was among the first to begin building efficient operations through the automation of dispensing processes, and in our pharmaceutical manufacturing and sales business as well as in the medical professional staffing and placement business, the Company is enhancing overall corporate value by generating synergistic effects with the dispensing pharmacy business. AP believes that to enable the Company to achieve further growth and enhance corporate value over the medium-to-long term, AP can support the further improvement of the Company Group’s existing businesses and generation of cross-business synergies around the dispensing pharmacy business, such as cooperation among the dispensing pharmacy business, the pharmaceutical manufacturing and sales business and the medical professional staffing and placement business, by providing the knowledge and know-how on corporate value enhancement, including universal management improvement know-how, gained through its extensive investment experience, leading to further enhancement of the above Company Group’s strengths of developing hospital-front pharmacies in good locations, mainly near large hospitals, and hiring and educating pharmacists considered as industry leaders. In addition, LYFE Capital has highly evaluated the Company’s facilities, capacity, and manufacturing quality in the pharmaceutical manufacturing and sales business and believes that going forward, with its knowledge and know-how based on

its experience in mutual collaboration, across its overseas pharmaceutical value chain consisting of multiple portfolio companies, sales growth, and operational optimization, it can contribute to the further expansion of sales and profit of such businesses of the Company Group by supporting the growth of the pharmaceutical manufacturing and sales business in aspects ranging from optimization of procurement supply chains to provision of products to overseas markets by providing its knowledge and know-how in the global healthcare industry. For details of this investment, please refer to “(iii) Post-Tender Offer Managerial Policy” below.

(ii) Discussions by Tender Offeror with the Company and the Mitsuharas etc. and Tender Offeror’s decision-making process

Under the business environment described above in “(i) The Company’s business environment, etc.,” as the Company considered various management strategies for enhancing corporate value, by early July 2024, given that the Company had received notice from Mr. Hiroshi Mitsuhashi and Mr. Yosuke Mitsuhashi regarding consideration of the sale for the Company Shares held by the Mitsuharas etc. to third parties, and as a result of comprehensively considering capital policies to maximize the Company’s corporate value from a medium-to-long term perspective, from the perspective of maximizing the interests of Company shareholders, realizing a more agile and flexible management strategy through the delisting of Company Shares, and accelerating the Company’s future growth through the efficient use of management resources, the Company came to the conclusion that rather than the Company proceeding with its business on its own, it would be desirable to implement a Company-led bid process premised on the delisting of the Company Shares, targeting multiple candidates believed to have a strong interest in the Company’s business (the “Bid Process”). To consider the Transaction, in early August 2024, the Company appointed Mizuho Securities Co., Ltd. (“Mizuho Securities”) as its financial advisor independent from the Company, Tender Offeror, and the Mitsuharas etc. (Tender Offeror and the Mitsuharas etc. are collectively referred to as “Tender Offeror Related Persons”); in late November 2024, the Company appointed Nishimura & Asahi (Gaikokuho Kyodo Jigyo) (“Nishimura & Asahi”) as its legal advisor independent from the Company and Tender Offeror Related Persons; and in late March 2025, the Company appointed Yamada Consulting Group Co., Ltd. (“Yamada Consulting”) as a third-party calculation agency independent from the Company and Tender Offeror Related Persons. In addition, on January 31, 2025, the Company adopted a resolution to establish a Special Committee comprising independent outside directors (as defined in “[ii] Establishment of an Independent Special Committee at the Company and Obtaining a Report from the Special Committee” in “(6) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer” below; hereinafter the same), and the Company considered the Transaction taking into account advice from Mizuho Securities, the Company’s financial advisor; Nishimura & Asahi, the Company’s legal advisor; Yamada Consulting, the Company’s third-party calculation agency; and opinions from the Special Committee.

Starting in early December 2024, the Company reached out through Mizuho Securities, the Company’s financial advisor, to multiple business companies and investment funds regarding participation in the Bid Process. Then on February 14, 2025, the Company commenced the first bid process (the “First Bid Process”) whereby it requested proposals concerning the Transaction from a total of 19 companies (the “First Round Candidates”) including multiple business companies and multiple investment funds that were interested in participating in the Bid Process. Ten of the First Round Candidates submitted letters of intent on April 1, 2025, and after carefully considering the particulars of those letters of intent, the Company selected multiple candidates (the “Second Round Candidates”) including AP to approach regarding participation in the second bid process (the “Second Bid Process”) for the purpose of determining the final candidates for the Transaction. After the Company selected the Second Round Candidates, the Company provided explanation to the Mitsuharas etc. and confirmed that the Mitsuharas etc. had no objection. When selecting the Second Round Candidates, the Company conducted a careful comparative analysis of the details of the letters of intent submitted by the First Round Candidates from various

perspectives, including the assessed value of the shares, the tender offer price, funding capacity and financing assumptions, post-Transaction management strategies including growth strategies and support structures for those strategies, various conditions of management policies including treatment of employees and governance systems, as well as necessary procedures including obtaining clearance under competition laws and other applicable regulations, and maximization of the interests of general shareholders of the Company.

Subsequently, the Company commenced the Second Bid Process on April 10, 2025, and following the implementation by the Second Round Candidates of due diligence concerning the Company, final proposals (the “Final Proposals”) were received from three of the Second Round Candidates on June 13, 2025.

Meanwhile, on April 25, 2025, the Company received notice from the Mitsuharas etc. via DTFA, their financial advisor, to the effect that MP intends to request, during the Bid Process, that a transactional structure be proposed in which MP does not tender all of the Non-Tendered Shares in the Tender Offer, but instead transfers its MP Shares from the MP Shareholders to the Tender Offeror after completion of the Tender Offer. The Company, with input from the Special Committee, confirmed that the adoption of this structure would not result in any unjust enrichment for the MP Shareholders in the Transaction, that there are no unreasonable aspects of the structure, and that the structure would not be adverse to the interests of general shareholders, and based on this, the Company permitted the Mitsuharas etc. to propose this structure to the Second Round Candidates on the condition that selection of the final candidate would comprehensively take into account not only the adoption or rejection of the structure, but also the content of the letters of intent and other factors.

The Company examined the Final Proposals received from the three Second Round Candidates, and as a result, on June 18, 2025, reached the conclusion that the proposal by AP Fund is the best and that proceeding with the Transaction with AP Fund would contribute to enhancement of the Company’s corporate value in the future. After selection of AP Fund, the Company provided explanation to the Mitsuharas etc. and confirmed that the Mitsuharas etc. had no objection. In the proposal from AP Fund, (a) the stock valuation and tender offer price were higher than those presented by the other Second Round Candidates, (b) the Transaction structure provides the Company’s general shareholders with a reasonable opportunity to sell their shares at a price that includes an appropriate premium; (c) the funding capacity and financing assumptions are beneficial compared to the financing assumptions presented by the other Second Round Candidates, (d) the Company determined that the proposed management strategies for after completion of the Transaction including growth strategies and the support structures for those strategies are based on a deep understanding of the Company and its business and are supported by AP Fund’s knowledge and resources as well as AP Fund’s strong commitment to the Japanese market and extensive track record, (e) regarding the treatment of employees, governance structure, and other aspects of management policies, it expects to continue the same treatment Company Group employees and to introduce stock option plans for officers and employees, and it was determined that its proposal was more favorable than the proposals of other Second Round Candidates, and (f) specific measures are presented for procedures such as obtaining clearance pursuant to competition law and other applicable laws and regulations and a legally-binding proposal not contingent on the implementation of additional due diligence was submitted, making it superior in terms of certainty of implementation of the Transaction, and therefore, the Company believes that the proposal presented by AP Fund is the most favorable, and that implementing the Transaction with AP Fund would contribute to enhancing the Company’s corporate value in the future.

Meanwhile, in mid-February 2025, AP was approached by the Company through Mizuho Securities, the Company’s financial advisor, concerning participation in the First Bid process on the assumption that the Company would be delisted, and consequently, as requested when participating in the First Bid Process, in mid-February 2025, AP started its initial consideration of whether to acquire the Company Shares on the assumption of delisting the Company Shares, and on April 1, 2025, AP submitted its legally non-binding initial letter of intent to execute the Transaction setting the Tender Offer Price at 3,393 yen per Company Share (this price was

calculated on the assumption that the Company would not pay interim dividends or year-end dividends for the March 2026 term) in light of the preliminary valuation analysis conducted by AP on the basis of the information memorandum disclosed by the Company, the Company's securities reports, settlement of account information, other timely disclosures, and other public information.

Later, in early April 2025, AP received notification from the Company through Mizuho Securities that it had passed through the First Bid Process and would be permitted to participate in the Second Bid Process, and AP decided to participate in the Second Bid Process. In addition, upon receipt of that notice, in mid-April 2025, AP Fund appointed Mori Hamada & Matsumoto as its legal advisor independent from the Company and appointed Daiwa Securities Co. Ltd. as its financial advisor independent from the Company. In late April 2025, AP Fund also commenced discussions with LYFE Capital as a candidate for a co-investment. The reason that it decided to look for a co-investor was that it was envisioned that if economic support from LYFE Capital with its global knowledge was available in the pharmaceutical manufacturing and sales businesses of the Company, the corporate value would be enhanced more than in the case of investment only by AP.

During the Second Bid Process, from mid-April 2025 to early June 2025, AP conducted due diligence of the Company concerning its business, finances, tax affairs, legal affairs, and other matters, and held interviews of the Company's management, as it conducted further analysis and consideration of specific measures for generating business synergies by AP and LYFE Capital with the Company, the purchase structure, management policies after the Company is delisted by AP Fund and LC Fund, and other matters.

Meanwhile, on May 2, 2025, AP received a proposal from the Mitsuharas etc. through DTFA, their financial advisor, for a transaction structure in which MP does not tender any of the Non-Tendered Shares in the Tender Offer, but instead transfers its MP Shares from the MP Shareholders to the Tender Offeror after completion of the Tender Offer, and consequently, AP began consideration of such transaction structure. AP determined that such structure contained no unreasonable aspects, and that as stated in "[i] Overview of the Tender Offer", if the MP Shares Transfer Price is set as (i) the amount (22,933,680,000 yen) obtained by multiplying MP's shareholdings (5,840,000 shares) by the Tender Offer Price (3,927 yen per share), and the amount of cash and deposits that MP holds as of the MP Shares Transfer Date (such amount of cash and deposits is an amount greater than the amount of taxes and public charges that MP will owe for the fiscal year including such transfer date, as forecasted as of the MP Shares Transfer Date) has not been added; accordingly, no terms substantially more favorable than the Tender Offer Price will be set, and MP will receive economic value equivalent to or less than what MP Shareholders would receive had they tendered their Company Shares in the Tender Offer, and this would not violate the principle of uniformity of tender offer prices or equality among shareholders stipulated in Article 27-2, Paragraph 3 of FIEA and Article 8, Paragraph 3 of the FIEA Enforcement Order, and therefore, AP decided to adopt a transaction structure where the MP Shareholders assign MP Shares to the Tender Offeror.

Based on the results of the above consideration, on June 13, 2025, AP Fund submitted to the Company a second letter of intent in the form of a legally-binding proposal regarding the Tender Offer Price and other conditions, stating that the Transaction would be carried out on the assumption that the Company would be delisted, and as a result of the due diligence of the Company conducted between mid-April 2025 and early June 2025, and in light of the state of competition in the Bid Process, proposing (i) implementation of the Tender Offer by Tender Offeror for all of the Company's Shares Subject to the Tender Offer with the objective of delisting the Company Shares and (ii) setting the Tender Offer Price at 3,927 yen per Company share. This price represents a premium of 22.15% (rounded to the second decimal place; hereinafter the same applies for premium percentages (%)) over the share price) over the closing price of 3,215 yen on June 12, 2025 the business day prior to the date of the proposal; 25.06% over the simple average closing price of 3,140 yen (rounded to the nearest whole number; hereinafter the same applies for simple average closing share prices (yen)) for the most recent month; 57.58% over the simple average closing price of 2,492 yen for the most recent three months; and 100.36% over the simple average closing price of 1,960 yen for the most recent six months. It also represents a premium

of 163.56% over the closing price of 1,490 yen on March 31, 2025, one business day before April 1, 2025 (the date on which speculative reports concerning the Transaction involving Company Shares (the “Speculative Reports”) appeared in certain news media); 172.52% over the simple average closing price of 1,441 yen for the most recent month; 181.51% over the simple average closing price of 1,395 yen for the most recent three months; and 180.50% over the simple average closing price of 1,400 yen for the most recent six months (this price was calculated on the assumption that the Company will not pay interim dividends or year-end dividends for the March 2026 term).

In addition, on June 20, 2025, the Tender Offeror received notice through Mizuho Securities to the effect that it had been selected as the final candidate.

Later, Tender Offeror, the Company, and the Mitsuharas etc. engaged in continuous discussions and negotiations for execution of the Transaction, and as a result, on July 31, 2025, Tender Offeror decided to execute the Tender Agreements, Share Transfer Agreement, and Non-Tendering Agreement with the Mitsuharas etc. and executed the Tender Agreements, Share Transfer Agreement, and Non-Tendering Agreement. Further, Tender Offeror decided on the same day to execute the Tender Offer with a Tender Offer price of 3,927 yen.

(iii) Post-Tender Offer managerial policy

AP believes that it can provide the support described below by providing the knowledge and know-how gained through its extensive investment experience. Tender Offeror plans to investigate and implement specific managerial policies and measures following discussions with the Company after the Transaction.

(a) Dispensing pharmacy business

Under circumstances that demand increased efficiency of social welfare spending, Tender Offeror believes that the Company, considered a leading player in the dispensing pharmacy business, which is a fragmented market, can be expected to consolidate small and medium-sized pharmacies and conduct efficient operations such as the rollout of stores in response to societal needs and efficient operational structures with efficient product handling work through automation. To support this, AP believes that it can identify and provide implementation support for M&A deals which will contribute to enhancement of the Company Group’s corporate value including large-scale deals, support the reinforcement of at-home medical care functions, support DX and automation of operations, and provide other support.

(b) Pharmaceutical manufacturing and sales business

The first issue will be to address manufacturing management deficiencies and other issues that occurred at plants in the past. Among AP Fund’s past investments are reorganization projects resulting from governance issues caused by, for example, a lack of knowledge on personnel affairs, labor management or compliance or a lack of collaboration with branches, and Tender Offeror believes that it can provide support for rapid and thorough resolution of issues using its experience and expertise. In addition, Tender Offeror plans to review product lines and believes it can acquire highly profitable contract manufacturing projects as a part of efforts to improve the profitability and utilization rates of plants that the Group currently owns.

(c) Medical professionals staffing and placement business

Tender Offeror believes that it can leverage AP’s business improvement expertise gained through past investment in human resource businesses to provide support not only through expansion of human resource pools by reinforcing recruiting and preventing separation, primarily through enhanced marketing measures, but also the development of efficient operational structures and other measures such as the standardization of communication with job seekers and the automation of matching job offerors with job seekers.

(d) Other and recruiting/human resource development

By promoting the growth strategies in each business discussed above and bolstering management structures through recruiting of executive talent by taking advantage of AP's wide networks with professionals, consultants and industry advisors in the dispensing pharmacy segment and internal promotion of personnel having abundant management improvement know-how cultivated through numerous investment projects of AP as necessary, Tender Offeror believes it can further solidify the Company's position as a leading player in the domestic dispensing pharmacy business and strengthen foundations for enduring development.

Furthermore, AP believes that a co-investment with LYFE Capital will generate benefits not limited to financial, enabling AP and LYFE Capital to leverage their respective knowledge, networks, and other resources for business growth across various sectors. In particular, in the pharmaceutical manufacturing and sales sector, it is believed that LYFE Capital's access to multinational pharmaceutical manufacturers, active pharmaceutical ingredient and pharmaceutical intermediate suppliers, and pharmaceutical distributors operating in the pharmaceutical markets around the world can be used to secure high-quality contract projects, enabling it to draw on its experience in supporting business transformation and acquisition for achieving high value-added operations cultivated through its numerous investments in healthcare companies, and that because it would be possible to support the growth of the pharmaceutical manufacturing and sales business in everything from the upgrade of facilities to meet US GMP standards, the improvement of R&D capacity in view of the introduction of original drugs, other dosage forms and the strengthening of the specified disease segment, the optimization of the procurement supply chain to the introduction of pharmaceutical products from overseas companies and the provision of products to overseas markets, co-investment by AP, which boasts the oldest history and largest number of investment projects in Japan and has abundant know-how and knowledge on corporate value enhancement, and LYFE Capital, which has abundant investment experience in the healthcare industry, will lead to greater synergy effects compared to separate investments.

Following completion of the Transaction, AP and LYFE Capital intend to maintain the Company's management policies, management structures, organizational structures, and employee treatment, but in order to generate synergies from the co-investment by AP and LYFE Capital and promote further business growth of the Company Group, it is expected that an optimal structure will be established through discussions with the Company. Also, AP and LYFE Capital anticipate dispatching several officers to the Company, but this is not a matter that has been decided at this time, and they plan to determine their policy on this matter following completion of the Transaction through discussion and investigations with the Company. AP Fund and LYFE Capital are investment funds, and therefore, it is expected that they will sell their holdings at some time after investment, but it is expected that the specific method will be considered after discussions with the Company's management regarding methods of contributing to the Company's development after divestment.

[iii] The Decision-Making Process Leading to the Company's Support of the Tender Offer; Reasons

As set forth in "[ii] The Background, Purpose and Decision-Making Process Leading to Tender Offeror's Decision to Implement the Tender Offer; Post-Tender Offer Managerial Policy" above, the Company commenced the Bid Process comprising the First Bid Process and Second Bid Process on February 14, 2025, and conducted bidding procedures including due diligence by multiple candidates and discussions with each candidate, and as a result of comprehensive consideration of the details of the proposal submitted by each candidate, on June 18, 2025, the Company commenced discussions and investigations (including negotiations concerning the final Tender Offer Price) regarding implementation of the Transaction with the Tender Offeror, which presented a Final Proposal with the most favorable content among all the candidates. After the Company selected the Tender Offeror, the Company provided explanation to the Mitsuharas etc. and confirmed that the Mitsuharas etc. had no objection.

The Company expects that in the Transaction, the candidate that is finally selected and the Mitsuharas etc. including Mr. Hiroshi Mitsuhara and Mr. Yosuke Mitsuhara, who are the Company's controlling shareholders, will carry out a sale of Company Shares, and that the interests of the Mitsuharas etc. and the Company's general shareholders may not be necessarily aligned. In light of this, in order to eliminate any arbitrariness in the Company's decision-making regarding the Transaction and the process of selecting a candidate in the Bid Process and to enhance corporate value and protect the interests of general shareholders, the Company established a Special Committee on January 31, 2025, prior to commencement of the First Bid Process, for the purpose of examining and assessing whether to carry out the Transaction and the appropriateness of the transaction conditions including its structure, and the fairness of procedures such as the selection process of the purchaser (partner), and has consulted on the fairness and validity of procedures relating to the Transaction. The above has been set forth in "(6) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer" below. In addition, after implementing the measures set forth in "(6) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer" below, in light of the content of the stock valuation report submitted by Yamada Consulting on July 30, 2025 (the "Stock Valuation Report (Yamada Consulting)"), which is the third-party calculation agency selected by the Company, as well as the legal advice received from Nishimura & Asahi, the Company's legal advisor, and the advice received from a financial perspective from Mizuho Securities and Yamada Consulting, and while giving maximum deference to the content of the report submitted by the Special Committee on July 31, 2025 (the "Report"), the Company conducted careful discussions and investigation concerning the Transaction from the perspectives of whether it can increase the Company's corporate value and whether the Transaction would be carried out through fair procedures to protect interests that should be enjoyed by shareholders.

That is, the Company comprehensively evaluated the Final Proposals from multiple perspectives including valuation of the Company Shares, the tender offer price, the transaction structure, funding capacity and financing assumptions, post-transaction management strategies including growth strategies and support frameworks, management policies including employee treatment and governance systems, necessary procedures such as obtaining clearances under competition laws and other applicable laws and regulations, the certainty of executing the Transaction, and the maximization of the interests of general shareholders. As a result, the Company reached the conclusion that AP Fund's proposal is the most favorable and that implementing the Transaction with AP Fund would contribute to enhancement of the Company's corporate value in the future. More specifically, in the proposal from AP Fund, (a) the stock valuation and tender offer price were the highest compared to those offered by the other Second Round Candidates, (b) the Transaction structure provides the Company's general shareholders with a reasonable opportunity to sell their shares at a price that includes an appropriate premium; (c) the funding capacity and financing assumptions are beneficial compared to the financing assumptions presented by the other Second Round Candidates, (d) the Company determined that the proposed management strategies for after completion of the Transaction including growth strategies and the support structures for those strategies are based on a deep understanding of the Company and its business and are supported by AP Fund's knowledge and resources as well as AP Fund's strong commitment to the Japanese market and extensive track record, (e) regarding the treatment of employees, governance structure, and other aspects of management policies, it expects to continue the same treatment Company Group employees and to introduce stock option plans for officers and employees, and it was determined that its proposal was more favorable than the proposals of other Second Round Candidates, and (f) specific measures are presented for procedures such as obtaining clearance pursuant to competition law and other applicable laws and regulations and a legally-binding proposal not contingent on the implementation of additional due diligence was submitted, making it superior in terms of certainty of implementation of the Transaction, and therefore, the Company determined that the proposal presented by AP Fund is the most favorable, and on June 18, 2025, the Company commenced discussions and investigations

regarding execution of the Transaction with Tender Offeror and has subsequently engaged in repeated discussions and negotiations. After the Company selected the Tender Offeror, the Company provided explanation to the Mitsuharas etc. and confirmed that the Mitsuharas etc. had no objection.

In addition, the Company determined, based on the following points, that the Tender Offer Price of 3,927 yen per share is an appropriate price that protects the interests of the Company's general shareholders and the other conditions of the Tender Offer are fair, and therefore, the Tender Offer provides the Company's general shareholders with a reasonable opportunity to sell Company Shares at a price that includes an appropriate premium.

- (a) The price was proposed through implementation of the Bid Process and was exposed to competitive principles among multiple candidates (and, of the proposed prices, the proposed price presented by AF fund was the highest);
- (b) The price was agreed upon as a result of adequate and repeated negotiations with Tender Offeror with substantive participation by the Special Committee after the Company took adequate measures to ensure the fairness of the transaction conditions relating to the Transaction including the Tender Offer Price, as set forth in “(6) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer” below;
- (c) Of the results of the calculation of the price of Company Shares by Yamada Consulting in the Stock Valuation Report (Yamada Consulting), as set forth in “[i] Obtaining Stock Valuation Report from Third-Party Calculation Agency Independent from the Company” in “(3) Matters Concerning Calculation” below, the price exceeds the upper range of the valuations calculated using the market price method and the comparable companies method and falls within the range of valuations calculated using the discounted cash flow method (“DCF Method”) and exceeds the median of such range. Further, of the results of the calculation of the price of Company Shares by Plutus Consulting Co., Ltd. (“Plutus”), as set forth in “[ii] Obtaining by the Special Committee of a Stock Valuation Report from an Independent Third-Party Calculation Agency” in “(3) Matters Concerning Calculation” below, the price exceeds the upper range of the valuations calculated using the market price method, the comparable companies method and the DCF Method;
- (d) The price represents a premium of 163.56% over the closing price of 1,490 yen for the Company Shares on the TSE on March 31, 2025, the business day immediately prior to the Speculative Reports (on April 1, 2025) by certain news media concerning trading of Company Shares, which triggered fluctuations in the price of the Company Shares; a premium of 172.52% over the simple average closing price of 1,441 yen over the one month prior to such date; a premium of 181.51% over the simple average closing price of 1,395 yen over the three months prior to such date; and a premium of 180.50% over the simple average closing price of 1,400 yen over the six months prior to such date. It also represents a premium of 9.08% over the closing price of 3,600 yen of the Company Shares on the TSE on July 30, 2025, the business day prior to announcement of implementation of the Tender Offer by the Company; a premium of 21.05% over the simple average closing price of 3,244 yen over the one month prior to such date; a premium of 23.34% over the simple average closing price of 3,184 yen over the three months prior to such date; and a premium of 60.42% over the simple average closing price of 2,448 yen over the six months prior to such date. Under circumstances where it is reasonable to view that the share price following the Speculative Reports was affected to a certain degree by expectations etc. regarding the Transaction arising from the Speculative Reports, if the share price prior to the speculative reports is used as a reference, the share price following the Speculative Reports represents a premium that significantly exceeds premium levels in the 123 tender offers announced between June 28, 2019, the date of announcement of the “Fair M&A Guidelines” by the Ministry of Economy, Trade and Industry, and March 31, 2025 (excluding tender offers by parent companies for subsidiaries or affiliates, management buy-outs (MBOs), tender offers where the tender offer price was lower than the closing price on the day prior to announcement, and tender offers that did not conclude successfully) (average premiums

(48.73%, 49.96%, 52.49%, 54.28%) and median premiums (38.99%, 38.46%, 42.34%, 44.71%) over the closing price on the day preceding the date of announcement, the simple average closing price for the most recent month, the simple average closing price for the most recent three months, and the simple average closing price for the most recent six months);

- (e) In the Transaction, the amount of the money to be delivered to shareholders as consideration in the Squeeze-out Procedures is planned to be calculated such that it equals the price obtained by multiplying the Tender Offer Price by the number of Company Shares held by each shareholder (excluding the Company, Tender Offeror, and MP), and therefore, due consideration has been given to ensure the general shareholders are afforded an opportunity to make informed decisions regarding whether to tender their shares in the Tender Offer, thereby avoiding any coerciveness;
- (f) The Transaction adopts a structure whereby the Tender Offer will conduct the Tender Offer for the Company Shares excluding the Non-Tendered Shares while indirectly acquiring the Non-Tendered Shares by receiving the transfer of the MP Shares from the MP Shareholders. The MP Shares Transfer Price is set as the amount (22,933,680,000 yen) obtained by multiplying MP's shareholdings (5,840,000 shares) by the Tender Offer Price (3,927 yen per share), and the amount of cash and deposits that MP holds as of the MP Shares Transfer Date (such amount of cash and deposits is an amount greater than the amount of taxes and public charges that MP will owe for the fiscal year including such transfer date, as forecasted as of the MP Shares Transfer Date) has not been added; accordingly, this transfer price provides MP Shareholders with economic value equivalent to or less than what they would receive if MP tendered the Non-Tendered Shares in the Tender Offer, and therefore, the adoption of this structure does not result in any unjust enrichment by MP Shareholders in the Transaction, and no unreasonable aspects are observed in this structure, and thus, it is recognized that this structure is not adverse to general shareholders;
- (g) The Tender Offer Price and other conditions of the Tender Offer were deemed to be appropriate in the Report received from the Special Committee, as set forth in "[ii] Establishment of an Independent Special Committee at the Company and Obtaining a Report from the Special Committee" in "(6) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer" below.

Furthermore, under the business environment described in (i) The Company's business environment, etc. in "ii The Background, Purpose and Decision-Making Process Leading to Tender Offeror's Decision to Implement the Tender Offer; Post-Tender Offer Managerial Policy" above, in order to realize the vision of the Company Group at an early stage, the Company believes that rapid and flexible management decision-making and execution capabilities are needed more than ever, such as securing stable financial foundations, actively investing in digitalization and DX, securing and developing outstanding human resources, and expanding into new business fields. To achieve this, not only must decision-making speed up, but it is also essential to secure investment capital that enables dynamic business investment, introduce outside expertise, and otherwise form collaboration and co-creation with partners that can complement the Company's organizational capabilities to enhance its corporate value. The Company has thus determined that share privatization and implementation of strategies and initiatives with through collaboration and co-creation with AP, which possesses a deep understanding of the Company and its business as well as the knowledge and resources to support medium-to-long-term enhancement of corporate value and extensive insight and expertise in the global healthcare industry, will lead to enhancement of the Company's corporate value. Specifically, the Company believes that through collaboration and co-creation with AP, the synergies described below can be achieved.

(a) Dispensing pharmacy business

The Company believes that by receiving support from AP in areas such as identification and execution of M&A

projects which will contribute to enhancement of the Company Group's corporate value, including large-scale deals, enhancement of at-home medical care capabilities, and implementation of DX and operational automation, it will be possible to roll out stores in response to societal needs while integrating small and medium-sized pharmacies and conduct efficient operations such as efficient operational structures with efficient product handling work through automation.

(b) Pharmaceutical manufacturing and sales business

Among AP's past investments are reorganization projects resulting from governance issues caused by, for example, a lack of knowledge on personnel affairs, labor management or compliance or a lack of cooperation with branches, and since AP possesses extensive experience and know-how concerning such matters, the Company believes that by working with AP to address manufacturing management deficiencies and other issues that occurred at plants in the past, it will be possible to achieve a prompt and comprehensive resolution of these issues. In addition, the Company believes that with advice from AP, it will be possible to improve the profitability and increase the utilization rates of plants currently owned by the Company Group by reviewing product lines and securing highly profitable manufacturing contracts.

The Company also believes that it can acquire high-quality manufacturing contracts by leveraging access to LYFE Capital's global partners.

(c) Medical professional staffing and placement business

The Company believes that by leveraging AP Fund's business improvement expertise gained through past investment in human resource businesses, it will be possible to expand human resource pools by reinforcing recruiting and preventing separation, primarily through enhanced marketing measures, and to create efficient operational structures and implement other measures such as the standardization of communication with job seekers and the automation of matching job offerors with job seekers.

(d) Other and recruiting/human resource development

In addition to promoting the growth strategies in each business discussed above, the Company believes that strengthening management structures through recruiting of executive talent by taking advantage of AP's wide networks with professionals, consultants and industry advisors in the dispensing pharmacy segment and internal promotion of personnel having abundant management improvement know-how cultivated through numerous investment projects of AP will further solidify its already strong position in the domestic dispensing pharmacy business and reinforce foundations for enduring development.

General disadvantages of the delisting of shares include loss of the ability to raise capital through equity financing on financial markets and the inability to enjoy the benefits of being a listed company, such as maintaining and enhancing name recognition and social credibility. However, with respect to fundraising, it will be possible to secure capital using the Company's own funds and with support from Tender Offeror, and at least for the time being, there will not be a strong need for fundraising through equity financing. Also, considering that it will be possible to achieve maintenance and enhancement of name recognition and social credibility by engaging in sincere business execution, the Company believes that the disadvantages of delisting its shares are limited. Other than these, there are no particular disadvantages inherent to becoming a subsidiary wholly owned by the Tender Offeror as a result of investment by AP Fund and LC Fund.

Based on the above, the Company determined that the Transaction will contribute to enhancing the Company's corporate value, and at a meeting held on July 31, 2025, the Company's Board of Directors adopted a resolution with the unanimous support of all directors who participated in discussions and voting on the resolution (including

directors who are also Audit and Supervisory Committee members) expressing support for the Tender Offer and encouraging Company shareholders to tender their shares in the Tender Offer.

For details of the above Board of Directors resolution, please refer to “viii Approval of All Directors of the Company (including Directors Who Are Audit and Supervisory Committee Members)” in “(6) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer” below.

(3) Matters Concerning Calculations

[i] Obtaining Stock Valuation Report from a Third-Party Calculation Agency Independent from the Company

(i) Name of the Calculation Agency and its Relationship with the Company and the Tender Offeror Related Persons

In order to ensure, when expressing an opinion concerning the Transaction including the Tender Offer, the fairness of the Tender Offer Price and other terms relating to the Transaction, the Company requested Yamada Consulting, as a third-party calculation agency independent from the Company and Tender Offeror Related Persons, to calculate the share value of Company Shares, and obtained a Stock Valuation Report (Yamada Consulting) dated July 30, 2025. Because measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest have been taken as set forth in “(6) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer” below, the Company did not obtain a fairness opinion concerning the Tender Offer price from Yamada Consulting. Yamada Consulting does not fall under a related party of the Company or any Tender Offeror Related Person, and does not have any material interest in the Transaction including the Tender Offer. Further, the Special Committee approved Yamada Consulting as the third-party calculation agency of the Company after confirming that there are no issues in terms of independence or expertise.

Yamada Consulting’s fees do not include any success fees paid subject to the successful completion etc. of the Transaction.

(ii) Overview of Calculation

As a result of considering calculation methods for the Tender Offer, based on the assumption that the Company is a going concern and the thinking that a multifaceted valuation of Company Shares is appropriate, Yamada Consulting used the market price method because Company Shares are listed on the TSE Prime Market, the comparable companies method because multiple comparable listed companies that are relatively comparable to the Company exist and it is possible to estimate share value by comparison with the market value of comparable listed companies, and the DCF Method to reflect the state of future business activities to analyze the share value per one Company Share, and the Company obtained a Stock Valuation Report (Yamada Consulting) dated July 30, 2025 from Yamada Consulting.

The range of shares value per one Company Share calculated by Yamada Consulting using the above methods are as follows.

Market price method: 1,395 yen - 1,490 yen

Comparable companies method: 1,838 yen – 2,438 yen

DCF Method: 2,248 yen – 4,774 yen

Under the market price method, to eliminate any impact on share value from Speculative reports concerning trading of Company Shares by some news outlets (during trading hours on April 1, 2025), using March 31, 2025, the trading day before such reporting, as the reference date, based on the closing price on the reference date of 1,490 yen, the simple average daily closing price over the one-month period immediately preceding the reference date of 1,441 yen, the simple average daily closing price over the three-month period immediately preceding the

reference date of 1,395 yen, and the simple average daily closing price over the six-month period immediately preceding the reference date of 1,400 yen of Company Shares on the TSE Prime Market, the range of share values per one Company Share was calculated to be 1,395 yen to 1,490 yen.

Under the comparable companies method, the share value of Company Shares was calculated through a comparison with financial indicators such as market share prices and profitability of listed companies engaged in businesses that are relatively similar to the Company's business, and the range of share values per one Company Share was calculated to be between 1,838 yen to 2,438 yen.

Under the DCF Method, based on the business plan for the March 2026 term to the March 2030 term prepared by the Company, the Company's financial information for the first quarter of the March 2026 term, publicly available information, and other factors, valuation of the Company's corporate value and share value was performed by discounting the free cash flow expected to be generated by the Company from the second quarter of the March 2026 term onward to present value by a certain discount rate, and the range of share values per one Company Share was calculated to be between 2,248 yen to 4,774 yen.

The business plan of the Company that Yamada Consulting used for the DCF Method does not include any business year in which significant increases or decreases in profits compared to previous business years are forecasted, but it does include business years in which significant increases or decreases in free cash flow are forecasted. Specifically, a significant increase in free cash flow is forecasted for the March 2026 term (an increase of 2,362 million yen year-on-year) due to improvement of the operating margin and a shrinkage of the increase in working capital compared to the preceding business year, while for the March 2027 term, a significant increase in free cash flow (an increase of 4,288 million yen year-on-year) is forecasted due to a decrease in the amount of capital investments in dispensing systems and existing stores compared to the preceding business year. Moreover, the synergy effects expected from the realization of the Transaction are not factored into the financial forecasts because it is difficult to make a specific estimate at the current point in time.

In the calculation of the share value of Company Shares, as a general rule, Yamada Consulting used information provided by the Company and generally available information etc. without modification, assumed that such materials and information etc. were all correct and complete, and did not independently carry out any examination regarding the accuracy or completeness of such materials or information. Further, Yamada Consulting did not independently perform any valuations or calculations of the Company's assets or debts (including off-balance sheet assets and debts, and other contingent obligations), or ask a third-party organization to perform any appraisals or calculations. In addition, Yamada Consulting assumed that information concerning the Company's financial projections was reasonably prepared based on the best forecasts and judgments of the Company's management that can be obtained at the current point in time.

[ii] Obtaining by the Special Committee of a Stock Valuation Report from an Independent Third-Party Calculation Agency

(i) Name of the Calculation Agency and its Relationship with the Company and the Tender Offeror Related Persons

For the examination of the Consultation Matters (as defined in "[ii] Establishment of an Independent Special Committee at the Company and Obtaining a Report from the Special Committee" in "(6) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer" below), to ensure the fairness of the Tender Offer Price and other terms relating to the Transaction, the Special Committee requested financial advisor Plutus to calculate the value of Company Shares as a third-party calculation agency independent from the Company and Tender Offeror Related Persons, and obtained a stock valuation report ("Stock Valuation Report (Plutus)") dated July 30, 2025 regarding the results of the valuation of Company Shares. Because measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest have been taken, as set forth in "(6) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the

Fairness of the Tender Offer” below, the Company did not obtain a fairness opinion concerning the Tender Offer price from Plutus. Plutus does not fall under a related party of the Company or any Tender Offeror Related Person, and does not have any material interest in the Transaction including the Tender Offer. Further, the Special Committee appointed Plutus as the third-party calculation of the Company after confirming that there are no issues in terms of independence or expertise.

Compensation paid to Plutus pertaining to the Transaction is a fixed fee, and does not include any success fees paid subject to the successful completion etc. of the Transaction.

(ii) Overview of Calculation

Plutus used the market price method because Company Shares are listed on the TSE Prime Market, the comparable companies method because multiple listed companies that are relatively comparable to the Company exist and it is possible to estimate share value by comparison with the market value of comparable listed companies, and the DCF Method to reflect the state of future business activities in the calculation to analyze the share value per one Company Shares.

The range of share values per one Company Share calculated by Plutus using the above methods is as follows

Market price method: 1,395 yen - 1,490 yen

Comparable companies method: 1,772 yen – 2,357 yen

DCF Method: 2,696 yen – 3,120 yen

Under the market price method, in light of the fact that following the publication by an industry magazine of an article concerning the sale of Company Shares, the price of Company Shares shifted toward a sustained upward trend, using March 31, 2025, the trading day before such reporting, as the reference date, based on the closing price on the reference date of 1,490 yen, the simple average daily closing price over the one-month period immediately preceding the reference date (from March 1, 2025 to March 31, 2025) of 1,441 yen, the simple average daily closing price over the three-month period immediately preceding the reference date (from January 1, 2025 to March 31, 2025) of 1,395 yen, and the simple average daily closing price over the six-month period immediately preceding the reference date (from October 1, 2024 to March 31, 2025) of 1,400 yen of Company Shares on the TSE Prime Market, the range of share values per one Company Share was calculated to be 1,395 yen to 1,490 yen.

Under the comparable companies method, the share value of the Company Shares was calculated through a comparison with financial indicators such as market share prices and profitability of listed companies engaged in businesses that are relatively similar to the Company’s business, and the range of share values per one Company Share was calculated to be between 1,772 yen to 2,357 yen.

Under the DCF Method, based on the business plan prepared by the Company for five terms, from the March 2026 term to the March 2030 term, publicly available information, and other factors, an analysis of the Company’s corporate value and share value was performed by discounting the free cash flow expected to be generated by the Company from the March 2026 term onward to the present value by a certain discount rate, and the range of share values per one Company Share was calculated to be between 2,696 yen to 3,120 yen.

The business plan prepared by the Company that Plutus used for the DCF Method does not include any business year in which significant increases or decreases in profits compared to previous business years are forecasted, but includes business years in which significant increases or decreases in free cash flow are forecasted. Specifically, a significant increase in free cash flow is forecasted for the March 2027 term due to a decrease in the amount of capital investments in dispensing systems and existing stores compared to the preceding business year, and a significant increase in free cash flow is forecasted for the March 2028 term and the March 2030 term due to an increase in sales and an improvement of the operating margin. Moreover, except for the effect of listing maintenance cost reductions, the synergy effects expected from the realization of the Transaction are not factored into the above calculations

because it is difficult to make a specific estimate at the current point in time.

[iii] Calculation Method by the Tender Offeror

During the Second Bid Process, from mid-April 2025 to early June 2025, Tender Offeror conducted due diligence of the Company in regards to its business, finances, tax affairs, legal affairs, and other matters, and held interviews of the Company's management, and moved ahead with analysis and consideration of specific measures for generating business synergies by AP and LYFE Capital with the Company, the purchase structure, management policies after the Company becomes a wholly-owned subsidiary of AP Fund and LC Fund, and other matters.

Further, given that the Company Shares are traded on a financial instruments exchange, Tender Offeror referred to the closing price of the Company Shares on the TSE on July 30, 2025, the business day prior to announcement of implementation of the Tender Offer, of 3,600 yen; the simple average closing price over the one month prior to such date, of 3,244 yen; the simple average closing price over the three months prior to such date, of 3,184 yen; and the simple average closing price over the six months prior to such date, of 2,448 yen. In addition, Tender Offeror analyzed the share value of the Company Shares through a comparison with financial indicators such as market share prices and profitability of listed companies that are relatively similar to the Company in terms of nature of the business, business size, profit situation, etc.

It should be noted that Tender Offeror comprehensively took the above factors into account and determined the Tender Offer Price through discussions and negotiations with the Company, and did not obtain a stock valuation report from a third-party calculation agency.

The Tender Offer Price of 3,927 yen represents a premium of 9.08% over the closing price of the Company Shares on the TSE on July 30, 2025, the business day prior to announcement of implementation of the Tender Offer, of 3,600 yen; a premium of 21.05% over the simple average closing price over the one month prior to such date, of 3,244 yen; a premium of 23.34% over the simple average closing price over the three months prior to such date, of 3,184 yen; and a premium of 60.24% over the simple average closing price over the six months prior to such date, of 2,448 yen.

(4) Prospects for Delisting; Reasons

As of July 31, 2025, Company Shares are listed on the TSE Prime Market; because Tender Offeror has not set a maximum number of shares to be purchased in the Tender Offer, depending on the results of the Tender Offer, there is a possibility that Company Shares will be delisted in accordance with the TSE's delisting standards following the completion of prescribed procedures.

Further, even if such standards do not apply at the time the Tender Offer is successfully completed, as set forth in “(5) Post-Tender Offer Reorganization Policy (Matters Concerning so-called Two-Step Acquisition)” below, it is planned that the Squeeze-out Procedures will be implemented after the successful completion of the Tender Offer, and if such procedures are implemented, Company Shares will be delisted in accordance with the TSE's delisting standards following prescribed procedures. It should be noted that once Company Shares are delisted, Company Shares cannot be traded on the TSE Prime Market.

The reason that delisting is an objective, the impact on general shareholders, and the thinking regarding the same are as set forth in “[iii] The Decision-Making Process Leading to the Company's Support of the Tender Offer; Reasons” in “(2) Basis and Reasons for the Opinion Regarding the Tender Offer” above.

(5) Post-Tender Offer Reorganization Policy (Matters Concerning so-called Two-Step Acquisition)

As set forth in “[i] Overview of the Tender Offer” in “(2) Basis and Reasons for the Opinion Regarding the Tender Offer” above, if despite the successful completion of the Tender Offer Tender Offeror is unable to acquire all Shares Subject to Tender Offer, after the successful completion of Tender Offer Tender Offeror plans to implement the Squeeze-out Procedures using the following method.

Promptly after completion of settlement of the Tender Offer, Tender Offeror plans to request that the Company convene an extraordinary general meeting of shareholders (“Extraordinary General Meeting of Shareholders”) that includes as agenda items a proposal to consolidate Company Shares pursuant to Article 180 of the Companies Act (“Share Consolidation”) and a proposal, subject to the coming-into-effect of the Share Consolidation, to partially amend the articles of incorporation to remove provisions that specify the number of shares constituting one unit. Further, from the perspective of enhancement of the corporate value of the Company, Tender Offeror believes that convening an Extraordinary General Meeting of Shareholders as soon as possible is desirable, and Tender Offeror plans to request the public announcement of the record date in such a manner that a date shortly after the commencement date of the settlement of the Tender Offer is chosen (as of July 31, 2025, planned for late September 2025). In this case, the date of convocation of the Extraordinary General Meeting of Shareholders is planned for early November 2025. It should be noted that Tender Offeror and MP plan to vote in favor of the above proposals at the Extraordinary General Meeting of Shareholders.

If the proposal for Share Consolidation is approved at the Extraordinary General Meeting of Shareholders, on the date the Share Consolidation comes into effect, Company shareholders will own shares in the number obtained from consolidation of their shares in accordance with the ratio of Share Consolidation approved at the Extraordinary General Meeting of Shareholders. If the Share Consolidation produces fractional shares in a shareholder’s number of shares, in accordance with Article 235 of the Companies Act and other related laws and regulations, Company shares in a number equivalent to the sum total of all such fractional shares (if the sum total includes a fractional share, such fractional share will be rounded off; hereinafter the same) will be sold to the Company or Tender Offeror, and the money thus obtained will be delivered to shareholders with fractional shares. Regarding the sale price of Company Shares equivalent to the sum total of such fractional shares, after first making calculations so that the amount of the funds delivered to shareholders (excluding Tender Offeror, MP and the Company) who did not tender their shares in the Tender Offer will be equal to the price obtained by multiplying the Tender Offer Price by the number of Company Shares that became fractional shares held by such shareholders, the Tender Offeror plans to request that the Company file a petition with the court for permission to conduct a voluntary sale. Further, the ratio of consolidation of Company Shares has not been determined as of July 31, 2025, but Tender Offeror plans to request the Company to determine the ratio so that all Company Shares will be owned by the Company, Tender Offeror and MP (excluding treasury shares held by the Company) by causing the number of Company Shares held by shareholders (excluding Tender Offeror, MP and the Company) who did not tender their shares in the Tender Offer to become fractional shares. If the Tender Offer is successfully completed, the Company plans to comply with such request of Tender Offeror. It should be noted that, to avoid to the extent possible the situation where there are any shareholders of the Company other than Tender Offeror and MP on the date the Share Consolidation comes into effect, and to improve the stability of the Squeeze-out Procedures, Tender Offeror and MP may, if Tender Offeror so requests, execute a stock lending agreement regarding the Company Shares, and MP will implement (i) a stock lending transaction (“Stock Lending Transaction”) under which MP will lend to Tender Offeror without charge some of the Company Shares it holds, or (ii) a stock lending transaction under which MP will borrow from Tender Offeror without charge some of the Company Shares held by Tender Offeror, such lending to take place before the date the Share Consolidation comes into effect. Further, if the Stock Lending Transaction is implemented, to ensure that Tender Offeror, the stock borrower, can return to MP Company Shares equivalent in value to the loaned Company Shares after the Share Consolidation comes into effect, Tender Offeror and MP plan to request that the Company split the Company Shares as of a reference date and at a ratio to be designated by Tender Offeror and MP.

In accordance with Article 182-4 and Article 182-5 of the Companies Act, which are provisions for the protection of rights of general shareholders that are relevant to Share Consolidation, and other related laws and regulations, if fractional shares are produced from the consolidation of shares, shareholders (excluding Tender Offeror, MP and the Company) can demand that the Company purchase, at a fair price, all fractional shares among the shares that they hold, and file a petition for the court to determine the price of Company Shares.

As discussed above, it is planned that Company Shares held by shareholders (excluding Tender Offeror, MP and the Company) who did not tender their shares in the Tender Offer will become fractional shares, and thus it is planned that shareholders (excluding Tender Offeror, MP and the Company) who oppose the Share Consolidation will be able to file the above petition. If the above petition is filed, the purchase price of Company Shares will ultimately be decided by the court.

It should be noted that the Tender Offer is not a solicitation of support from shareholders at the Extraordinary General Meeting of Shareholders.

There is a possibility that the method and timing of implementation of the procedures for the above consolidation of shares may change due to an amendment or enactment of, interpretation of authorities regarding, and other factors with respect to, related laws and regulations. However, even in such a case, it is planned that the method of delivering money to Company shareholders (excluding Tender Offeror, MP and the Company) who did not tender their shares in the Tender Offer will be ultimately adopted, and it is planned that the amount of money that delivered to such shareholders will be equal to the price obtained by multiplying the number of Company Shares held by each such shareholder by the Tender Offer Price.

It is planned that the specific procedures and timing in the above case will be announced promptly after decisions are made through consultations with Tender Offeror. Further, with respect to the tax treatment of participation in the Tender Offer and the above procedures, Company shareholders are asked to confirm with tax attorneys and other professionals at their own responsibility.

(6) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer

As of July 31, 2025, Tender Offeror does not own any Company Shares, and the Tender Offer does not constitute a tender offer by a controlling shareholder of the Company. Further, there are no plans for all or some of the Company's management to invest directly or indirectly in Tender Offeror, and the Transaction including the Tender Offer does not fall under a so-called management buyout (MBO) transaction. However, given that it is expected that Company Shares will be sold by the Mitsuharas etc., including Mr. Hiroshi Mitsuhara and Mr. Yosuke Mitsuhara, who are controlling shareholders of the Company, to the candidate that is ultimately selected, and given that there is a possibility that the interests of the Mitsuharas etc. and the general shareholders of the Company may not necessarily be aligned, the Company and Tender Offeror will ensure fairness of the Transaction including the Tender Offer from the Tender Offer stage, and from the perspective of eliminating arbitrariness in the Company's decision-making related to the Transaction, ensuring fairness, transparency and objectivity in the course of decision-making, and avoiding conflicts of interests, the Company and Tender Offeror Related Persons have taken the measures of (i) to (x) below. The statement regarding the measures set forth below taken by Tender Offeror are based on explanations provided by Tender Offeror.

Moreover, because the Mitsuharas etc. own 18,627,200 Company Shares (ownership ratio 62.12%) as of July 31, 2025, Tender Offeror believes that if approval by a so-called "Majority of Minority" ("MoM") is set as a condition for the Tender Offer, this could make success of the Tender Offer uncertain and in fact would not be in the interests of general shareholders who wish to tender their shares in the Tender Offer, and thus Tender Offeror has not set a minimum number for purchase that would represent MoM approval. However, because Tender Offeror and the Company have taken the measures set forth below to ensure the fairness of the Tender Offer Price and to avoid conflicts of interests, Tender Offeror believes that the interest of the general shareholders of the Company has been sufficiently considered.

[i] Implementation of the Bid Process

As set forth in "[ii] The Background, Purpose and Decision-Making Process Leading to Tender Offeror's

Decision to Implement the Tender Offer; Post-Tender Offer Managerial Policy” in “(2) Basis and Reasons for the Opinion Regarding the Tender Offer” above, from February 14, 2025, the Company implemented a two-stage Bid Process composed of the First Bid Process and the Second Bid Process, provided multiple candidates including AP Fund the opportunity to conduct due diligence from mid-April 2025 to early June 2025, and on June 13, 2025, received a Final Proposal from three of the Second Round Candidates.

The Company decided that the proposal from AP Fund was the best for Company shareholders because (a) the stock valuation and tender offer price were higher than those presented by the other Second Round Candidates, (b) the Transaction structure provides the Company’s general shareholders with a reasonable opportunity to sell their shares at a price that includes an appropriate premium; (c) the funding capacity and financing assumptions are beneficial compared to the financing assumptions presented by the other Second Round Candidates, (d) the Company determined that the proposed management strategies for after completion of the Transaction including growth strategies and the support structures for those strategies are based on a deep understanding of the Company and its business and are supported by AP Fund’s knowledge and resources as well as AP Fund’s strong commitment to the Japanese market and extensive track record, (e) regarding the treatment of employees, governance structure, and other aspects of management policies, it expects to continue the same treatment Company Group employees and to introduce stock option plans for officers and employees, and it was determined that its proposal was more favorable than the proposals of other Second Round Candidates, and (f) specific measures are presented for procedures such as obtaining clearance pursuant to competition law and other applicable laws and regulations and a legally-binding proposal not contingent on the implementation of additional due diligence was submitted, making it superior in terms of the certainty of executing the Transaction, and is superior in terms of certainty of implementation of the Transaction.

[ii] Establishment of an Independent Special Committee at the Company and Obtaining a Report from the Special Committee

Given that it is expected that Company Shares will be sold by the Mitsuharas etc., including Mr. Hiroshi Mitsuhara and Mr. Yosuke Mitsuhara, who are controlling shareholders of the Company, to the candidate that is ultimately selected, and it is possible that the interests of the Mitsuharas etc. and the general shareholders of the Company may not necessarily be aligned, from the standpoint of eliminating arbitrary decision-making by the Company in the Transaction and in the Bid Process candidate selection process, enhancing corporate value and the interests of general shareholders, and with the purpose of examining and determining the advisability of the Transaction, the appropriateness of the structure and other transaction terms, the fairness of procedures including the purchaser (partner) selection process, and other matters, on January 31 2025, pursuant to a resolution of the Board of Directors of the Company, a special committee (“Special Committee”) was established composed of four members, namely Mr. Yoshimitsu Onji (independent outside director), Mr. Mikiharu Noma (independent outside director), Ms. Shio Harada (an independent outside director and attorney who is an Audit and Supervisory Committee member), and Ms. Tomomi Nakano (an independent outside director, certified public accountant, and tax attorney who is an Audit and Supervisory Committee member). Further, by election among the committee members, Mr. Yoshimitsu Onji was chosen to be the chair of the Special Committee. The members of the Special Committee have not changed since its establishment. Further, members of the Special Committee are paid remuneration as consideration for their services, and such remuneration is calculated based on the number of meetings held, regardless of the content of the report, and they are not paid any success fees.

Pursuant to the above resolution of the Board of Directors, as the basis for considering the content of the opinion to be expressed by the Company, on January 31, 2025, the Company consulted with the Special Committee on the following matters (“Consultation Matters”): (i) the legitimacy and reasonableness of the purpose of the Transaction (whether the Transaction will contribute to the enhancement of the Company’s corporate value), (ii)

the fairness and appropriateness of the transactional terms of the Transaction, (iii) the fairness of the procedures of the Transaction, (iv) whether the Transaction can be considered to be adverse to the interests of the general shareholders of the Company, and (v) the advisability of expressing support for the tender offer and recommending shareholders to tender their shares in such tender offer.

Moreover, in the above resolution of the Board of Directors, the Board of Directors of the Company resolved that when making important decisions concerning the Transaction and other matters derived from or related to the Transaction (collectively, the “Subject Matters”), to fully respect the recommendations of the Special Committee, and if the Special Committee determines that implementing the Transaction through the Tender Offer will be adverse to the interests of the general shareholders of the Company, not to support the Tender Offer. In addition, pursuant to the above resolution of the Board of Directors, the Company granted the Special Committee (a) the authority to provide necessary advice to directors, executive officers and employees who consider and implement the Subject Matters and who are not Special Committee members, (b) with respect to discussions and negotiations concerning the Subject Matters with purchaser candidates chosen by the Company, the authority to confirm policies in advance, receive timely reports on the status of the same, and state opinions and make recommendations and requests from time to time, (c) the authority to report and provide information to the Company and the Company’s outside professionals etc. (including financial advisors, certified public accountants, attorneys, consultants, and other professionals; hereinafter the same) on the state of progress and examination of the Subject Matters, and other matters related to the Subject Matters, and (d) to the extent necessary to perform their duties, the authority to select for their own benefit outside professionals etc. at the Company’s expense, and (e) if the Special Committee judges that the Company’s outside professionals etc. have sufficient expertise and no issues in terms of independence, and that the Special Committee can rely on and seek professional advice from the Company’s outside professionals etc., the authority to seek advice from the Company’s outside professionals etc.

From February 7, 2025 to July 30, 2025, the Special Committee held a total of 12 meetings, which lasted roughly 12 hours in total, deliberated and made decisions etc. through emails and other means on the days between Special Committee meetings, and discussed and considered the Consultation Matters.

The Special Committee confirmed that Mizuho Securities, the Company’s financial advisor, Yamada Consulting, a third-party calculation agency, and Nishimura & Asahi, the Company’s legal advisor, have no issues in terms of their independence and expertise, and approved their appointment. Furthermore, the Special Committee appointed Plutus as its financial advisor and third-party calculation agency, and Nakamura, Tsunoda & Matsumoto as its legal advisor after confirming that they have no issues in terms of independence or expertise. In addition, as set forth in “[vii] Establishment of an Independent Consideration Framework at the Company” below, the Special Committee confirmed that the consideration framework for the Transaction that the Company established internally (including the scope and duties of the Company’s officers and employees involved in the consideration of, negotiations relating to, and determinations regarding, the Transaction) has no issues from the perspective of independence or fairness.

Further, the Special Committee collected and considered materials for consideration submitted by the Company and Tender Offeror Related Persons, as well as other necessary information and materials etc., and received explanations from, and held questions and answer sessions with, Mizuho Securities, the Company’s financial advisor, Yamada Consulting, a third-party calculation agency, and Nishimura & Asahi, the Company’s legal advisor, Plutus, the Special Committee’s financial advisor, and Nakamura, Tsunoda & Matsumoto, the Special Committee’s legal advisor, regarding an overview of the process for selecting, the method of selecting, and confirmation of the selection procedures relating to, the Tender Offeror, the course of events, background, details, intent and purpose of the Transaction including the Tender Offer, the impact on the Company’s corporate value, the relationships of the Tender Offeror Related Persons, the independence of advisors, the reasonableness of the Tender Offer Price calculation method, the appropriateness of the assumptions used for analysis, the existence or

nonexistence of any undue interference by interested parties, the state of the Company, the process and the appropriateness of the process and examinations leading to decision-making by the Company, the appropriateness of disclosures, and other matters relating to the Transaction. Furthermore, the Special Committee received explanations from and conducted questions and answers sessions with the Company's officers and employees regarding the Company's business plan and confirmed the reasonableness of the business plan, received explanations from Plutus, the Special Committee's financial advisor, regarding the Stock Valuation Report (Plutus) submitted to the Special Committee, and conducted interviews and investigations concerning assumptions and other factors used in such valuation. It should be noted that in the Bid Process, whenever the Company received price proposals from First Round Candidates and Second Round Candidates including AP Fund, the Special Committee received timely reports on the details of the same from the Company, heard, deliberated and considered the Company's opinions in light of the financial advice that the Company received from Mizuho Securities and Yamada Consulting, expressed opinions on transactional terms and conditions including the Tender Offer Price during important phases such as the selection of candidates, and was thereby substantially involved in the process of selecting candidates and the course of negotiations relating to transactional terms.

Through such course of events, after deliberating on the Consultation Matters, the Special Committee submitted a report with the following content to the Board of Directors of the Company on July 31, 2025.

(a) Content of the Report

- (1) The Transaction will contribute to the enhancement of the Company's corporate value, and the purpose of the Transaction is fair and reasonable.
- (2) The terms and conditions of the Transaction are fair and appropriate.
- (3) The procedures of the Transaction are fair.
- (4) The decision to implement the Transaction (in addition to the decision to support the Tender Offer, the decision to recommend that our shareholders tender their shares in the Tender Offer, and the decision to implement Squeeze-out Procedures) is not adverse to the interests of our general shareholders.
- (5) It is appropriate for the Company's Board of Directors to express an opinion in favor of the Tender Offer, and recommend that our shareholders tender their shares in the Tender Offer.

(b) Grounds for the Report

- i. For the following reasons, the Transaction will contribute to the enhancement of the Company's corporate value, and the purpose of the Transaction is fair and reasonable.
 - Under the business environment described in "(i) The Company's business environment, etc." in "ii The Background, Purpose and Decision-Making Process Leading to Tender Offeror's Decision to Implement the Tender Offer; Post-Tender Offer Managerial Policy" of "(2) Basis and Reasons for the Opinion Regarding the Tender Offer" above, in order for the Company to realize the Company Group vision at an early stage, not only must decision-making speed up, but it is also essential to secure investment capital that enables dynamic business investment and introduce outside expertise, which can be achieved through collaboration and co-creation with a partner that can complement the Company's organizational capabilities to enhance its corporate competitiveness, and through collaboration and co-creation with AP, which possesses a deep understanding of the Company and its business as well as the knowledge and resources to support medium-to-long-term enhancement of corporate value and extensive insight and expertise in the global healthcare industry, following delisting, together with AP the Company will move forward with strategies and measures to attain enhancement of the Company's corporate value. Specifically, through collaboration and co-creation with AP, the synergies described below can be achieved.

(a) Dispensing pharmacy business

By receiving support from AP in areas such as identification and execution of M&A projects that will contribute to increasing the Company Group's corporate value including large-scale deals, enhancement of at-home medical care capabilities, and implementation of DX and operational automation, it will be possible to integrate small and medium-sized pharmacies and conduct efficient operations such as the rollout of stores in response to societal needs and efficient operational structures with efficient product handling work through automation.

(b) Pharmaceutical manufacturing and sales business

Among AP's past investments are reorganization projects resulting from governance issues caused by, for example, a lack of knowledge on personnel affairs, labor management or compliance or a lack of collaboration with branches, and since AP possesses extensive experience and know-how concerning such matters, with AP, it will be possible to improve the profitability and increase the utilization rates of plants currently owned by the Company Group by reviewing product lines and securing profitable manufacturing contracts, and by working with AP to address manufacturing management deficiencies and other issues that occurred at plants in the past, it will be possible to achieve a prompt and comprehensive resolution of these issues. Further, the Company can acquire high-quality manufacturing contracts by leveraging access to LYFE Capital's global partners.

(c) Medical professional staffing and placement business

By leveraging AP Fund's business improvement expertise gained through past investment in human resource businesses, it will be possible to expand human resource pools by reinforcing recruiting and preventing employees from leaving, primarily through enhanced marketing measures, and to create efficient operational structures and implement other measures such as the standardization of communication with job seekers and the automation of matching job offerors with job seekers.

(d) Other and recruiting/human resource development

In addition to promoting the growth strategies in each business of (a) through (c) discussed above, by taking advantage of AP's wide networks with professionals, consultants and industry advisors in the dispensing pharmacy segment and internal promotion of personnel having abundant management improvement know-how cultivated through numerous investment projects of AP and strengthening management structures through recruiting and internal promotion of executive talent will further solidify the Company's position in the domestic dispensing pharmacy business and reinforce foundations for enduring development.

- In terms of general disadvantages of the delisting of shares, with respect to fundraising, it will be possible to secure capital using the Company's own funds and with support from Tender Offeror, and at least for the time being, there will not be a strong need for fundraising through equity financing. Also, considering that it will be possible to achieve maintenance and enhancement of name recognition and social credibility by engaging in sincere business execution, the disadvantages of delisting the Company shares will be limited. In addition, other than the foregoing, there is no particular disadvantage with becoming the wholly owned subsidiary of the Tender Offeror in which AP Fund and LC Fund hold equity.
- ii. For the following reasons, the terms and conditions of the Transaction are fair and appropriate.
 - In considering the method of purchase for the Transaction, implementing the Tender Offer as the first stage, and then implementing the Squeeze-out Procedures by share consolidation as the second stage is one method typically used in transactions that involve delisting and acquisition such as the Transaction. Further, with respect to the type of consideration for the purchase, Tender Offeror is a *kabushiki kaisha* established for the primary purpose of owning all of the Company Shares, and given

that such shares are not listed and have no market liquidity, the method of delivering money as consideration for the purchase is fair and appropriate. Further, as set forth in “[i] Overview of the Tender Offer” in “(2) Basis and Reasons for the Opinion Regarding the Tender Offer” above, with the MP Shares Transfer Price under the Share Transfer Agreement, no terms substantially more favorable than the Tender Offer Price will be set, and MP would receive economic value equivalent to or less than what MP Shareholders would receive if they tendered the Non-Tendered Shares in the Tender Offer; accordingly, the adoption of the structure set forth in “[i] Overview of the Tender Offer” in “(2) Basis and Reasons for the Opinion Regarding the Tender Offer” above will not result in any unjust enrichment of MP Shareholders through the Transaction, and no unreasonable aspects are observed in this structure.

- With respect to the Company’s business plan on which calculations under the DCF method used for the Stock Valuation Report (Yamada Consulting) and the Stock Valuation Report (Plutus) are based, the Special Committee ascertained the background of its formulation, the Company’s current condition, and the Long-Term Vision 2035, which is the Company’s medium-to-long-term management vision, and because Mr. Hiroshi Mitsuhashi, the Company’s representative director and chairman, who has interests as the Company’s controlling shareholder, and a Company employee who had executed an advisory agreement with one of the purchaser candidates, had no involvement whatsoever in the formulation of the Business Plan, and the Business Plan aligns with the Long-Term Vision 2035, no unreasonableness was found in the procedures in the formulation or the contents of the Long-Term Vision 2035.
- No unreasonableness is found in the calculation methods or details of the Stock Valuation Report (Plutus) (including the selection of comparable companies for the comparable companies method, as well as the calculation of the discount rate and the going-concern value), and such methods and details are judged to be reliable, and the Tender Offer Price is determined to be a price that exceeds the upper limit of the calculation results of the market price method, the comparable companies method, and the DCF Method by Plutus.
- No unreasonableness is found in the calculation methods or details of the Stock Valuation Report (Yamada Consulting) (including the selection of comparable companies for the comparable companies method, as well as the calculation of the discount rate and the going-concern value), and such methods and details are judged to be reliable, and the Tender Offer Price is determined to be a price that exceeds the upper limit of the calculation results of the market price method, the comparable companies method, and the DCF Method by Yamada Consulting.
- When the Tender Offer Price is compared to prices in comparable cases (123 cases excluding tender offers that were announced between June 28, 2019, when the “Fair M&A Guidelines” formulated by the Ministry of Economy, Trade and Industry were announced, and March 31, 2025; tender offers by parent companies for subsidiaries and affiliates; management buyouts (MBO); tenders offer where the tender offer price was below the closing price on the day preceding the day of announcement; and tender offers that were not successfully completed), if March 31, 2025, which is prior to the Speculative Reports, is used as the reference date, it is found that the Tender Offer Price includes a premium that is much larger than in comparable cases.
- In the Company’s implementation of the Bid Process, the Special Committee received from Mizuho Securities, the Company’s financial advisor, information from time to time concerning the selection of purchaser candidates to be sounded out about participating in the First Bid Process and the results of the sounding out of the selected purchaser candidates regarding participation in the First Bid Process, and the Special Committee recognizes the reasonableness of this process. Further, in the selection of purchaser candidates approved for participation in the Second Bid Process based on the

results of the First Bid Process, and in the selection of the final candidates based on the results of the Second Bid Process, the Special Committee received from both the Company and Mizuho Securities materials and explanations in advance and carried out question-and-answering before giving approval; the Special Committee finds that the bidding process was carried out fairly and was substantially involved in the process of selecting final candidate AP Fund;

- Amidst a situation where as discussed above the Special Committee is substantially involved in the bidding process, and where competitive principles apply among multiple purchaser candidates through the bidding process, the Tender Offer Price (i) is the price offered by AP Fund as its best and final proposal and (ii) is the highest offered price and significantly exceeds prices offered by other purchaser candidates.
 - Following the Bid Process, there have been no price negotiations between the Company and AP Fund; however, in addition to (i) and (ii) above, (iii) in light of the Company Share value trial calculation results from Plutus and Yamada Consulting and the premium level over the market price for Company Shares as of March 31, 2025 as the reference date, it was expected that ultimately the determination would be made that the offered price was fair and reasonable. In light of the foregoing, the Special Committee determined that price negotiations with AP were not essential.
 - From the foregoing, it is believed that the Tender Offer Price is fair and appropriate. Further, as set forth in iii. below, for the Transactions, fair procedures from the perspective of the interests of general shareholders have been taken, and given that procedures that are generally found to be fair have been taken, it is believed that the consideration that will be delivered to shareholders in the Squeeze-out Procedures which is the same amount as the Tender Offer Price is fair and appropriate. In addition, given that the Tender Offer Price is believed to be fair and appropriate, it is believed that the MP Share Transfer Price will be found to be fair and appropriate.
- iii. For the following reasons, procedures that are fair from the perspective of the interests of the general shareholders have been implemented for the Transaction.
- The Company has established an Independent Committee that is independent from the Company and Tender Offeror Related Persons, as well as the success or failure of the Transaction, and such committee is functioning effectively.
 - The Special Committee receives professional advice from Nakamura, Tsunoda & Matsumoto as its legal advisor and from Plutus as its financial advisor and third-party calculation agency having confirmed that they have no issues in terms of independence or expertise.
 - The Company receives professional advice from Nishimura & Asahi, which the Special Committee approved as the Company's legal advisor, and from Mizuho Securities, which the Special Committee approved as the Company's financial advisor, which were appointed after the Special Committee confirmed that they have no issues in terms of independence and expertise.
 - The Special Committee obtained the Stock Valuation Report (Plutus) from Plutus, a third-party calculation agency of the Special Committee.
 - The Company obtained the Stock Valuation Report (Yamada Consulting) from Yamada Consulting, which the Special Committee approved as a third-party calculation agency of the Company after confirming that it has no issue in terms of independence and expertise.
 - Prior to the First Bid Process, the Company received advice from Nishimura & Asahi, and as set forth below, in a position independent from the Mitsuharas etc. including Mr. Hiroshi Mitsuhara and Mr. Yosuke Mitsuhara, the controlling shareholders of the Company, and the purchaser candidates, established an internal framework to engage in consideration, negotiations, etc. relating to the Transaction, and obtained the approval of the Special Committee. Specifically, it was decided that Mr. Hiroshi Mitsuhara, the Company's representative director and chairman, will not participate in

deliberations and resolutions of the Board of Directors relating to the Transaction, or be involved in the Company's project teams. Further, it was decided that the Company's employee who had executed an advisory agreement with one of the purchaser candidates will not be involved in the Company's project teams.

- The Special Committee confirmed that the bidding process was conducted fairly, and was substantially involved in the process of selecting AP Fund, the final candidate, and the Company is found to have implemented so-called active market checks for investigating and consideration potential purchasers in the market. Further, it is planned that the purchase etc. period for the Tender Offer ("Tender Offer Period") will be 31 business days, which is longer than the minimum period specified in laws and regulations, and because the Company has no plans to enter into any agreements etc. that prohibit any contact between the Company and competing purchasers and no agreement has been made in the Tender Agreement or Non-Tendering Agreement that excessively restricts any counterproposals, it is found that so-called indirect market checks have been implemented.
 - There is no plan to set an MoM condition for the Tender Offer, in addition to the fact that because the Mitsuharas etc. including Mr. Hiroshi Mitsuhashi and Mr. Yosuke Mitsuhashi, the controlling shareholders of the Company, own a majority of the Company Shares, if an MoM condition is set for the Tender Offer, successful completion of the Tender Offer can be hindered by a relatively few number of shares, which could make the success of the Tender Offer uncertain and may not be in the interests of general shareholders who wish to tender their shares in the Tender Offer, and sufficient measures to ensure fairness have been taken for the Transaction, not setting an MoM condition will not impair the fairness of the procedures of the Transaction.
 - According to the draft disclosure documents confirmed by the Special Committee, it is found that there are plans to secure opportunities for general shareholders to make proper determinations based on sufficient information.
 - In this transaction, it is planned that when the Squeeze-out Procedures are implemented, no scheme will be used that does not secure for shareholders who do not tender their shares in the Tender Offer the right to demand purchase of shares or the right to demand a court to determine the price of shares; in addition, it is expected that the money that will be delivered to shareholders who do not tender their shares in the Tender Offer as consideration in the Squeeze-out Procedures will be calculated based on a price equivalent to the Tender Offer Price, and because disclosure of the foregoing is planned, practical measures deemed desirable to eliminate coercion have been taken, and it has been determined that coercion has been eliminated.
- iv. As set forth in i. above, the Transaction will contribute to the enhancement of the corporate value of the Company, and the purpose of the Transaction is fair and reasonable; as set forth in ii. above, the Tender Offer Price and other terms and conditions related to the Transaction are fair and appropriate; and as set forth in iii. above, the procedures of the Transaction are fair; accordingly, the Board of Directors of the Company supporting the Tender Offer and deciding to recommend that shareholders tender their shares in the Tender Offer would not be adverse to the interests of the general shareholders of the Company. Further, the decision of the Board of Directors to implement the Squeeze-out Procedures after completion of the Tender Offer in order to make Tender Offeror and MP the only shareholders of the Company is not adverse to the interests of the general shareholders of the Company.
- v. As set forth in i. above, the Transaction will contribute to the enhancement of the corporate value of the Company, and the purpose of the Transaction is fair and reasonable; as set forth in ii. above, the Tender Offer Price and other terms and conditions related to the Transaction are fair and appropriate; as set forth in iii. above, the procedures of the Transaction are fair; and as set forth in iv. above, supporting the Tender Offer and deciding to recommend that shareholders tender their shares in the Tender Offer would not be

adverse to the interests of the general shareholders of the Company; accordingly, it is appropriate for the Board of Directors of the Company to support the Tender Offer and express an opinion recommending that shareholders tender their shares in the Tender Offer.

[iii] Advice for the Company from an Independent Legal Advisor

As set forth in “[ii] Establishment of an Independent Special Committee at the Company and Obtaining a Report from the Special Committee” above, the Company appointed Nishimura & Asahi as its legal advisor independent from the Company and Tender Offeror Related Persons, and has been receiving from Nishimura & Asahi legal advice including advice concerning measures to be taken to ensure the fairness of procedures in the Transaction, assorted procedures related to the Transaction, and the methods and process of the Company’s decision-making relating to the Transaction.

It should be noted that Nishimura & Asahi does not fall under a related party of the Company or any Tender Offeror Related Person, and has no material interest in the Transaction including the Tender Offer. The fees of Nishimura & Asahi are calculated by multiplying the number of hours worked by an hourly rate, regardless of the success or failure of the Transaction, and do not include any success fees subject to the successful completion of the Transaction, and thus the Company has determined that there are no issues in terms of independence from the Tender Offeror Related Persons or the outcome of the Tender Offer. Moreover, the Special Committee also confirmed that there are no issues with respect to the independence and expertise of Nishimura & Asahi, and approved the firm as the Company’s legal advisor.

[iv] Obtaining Stock Valuation Report from a Third-Party Calculation Agency Independent from the Company

As set forth in “[ii] Establishment of an Independent Special Committee at the Company and Obtaining a Report from the Special Committee” above, the Company appointed Yamada Consulting as a third-party calculation agency independent from the Company and Tender Offeror Related Persons, requested Yamada Consulting to calculate the share value of Company Shares, and on July 30, 2025, received a Stock Valuation Report (Yamada Consulting). For details of the Stock Valuation Report (Yamada Consulting) which the Company obtained from Yamada Consulting, please refer to “(ii) Overview of Calculation” in “[i] Obtaining Stock Valuation Report from a Third-Party Calculation Agency Independent from the Company” of “(3) Matters Concerning Calculation” above.

It should be noted that Yamada Consulting does not fall under a related party of the Company or any Tender Offeror Related Person, and has no material interest in the Transaction including the Tender Offer. The fees of Yamada Consulting do not include any success fees subject to any conditions such as the successful completion of the Transaction, and thus it has been determined that there are no issues in terms of independence from the Tender Offeror Related Persons or the outcome of the Tender Offer. Moreover, the Special Committee also confirmed that there are no issues with respect to the independence and expertise of Yamada Consulting, and approved the firm as the Company’s third-party calculation agency.

[v] Advice for the Special Committee from an Independent Legal Advisor

As set forth in “[ii] Establishment of an Independent Special Committee at the Company and Obtaining a Report from the Special Committee” above, the Special Committee appointed Nakamura, Tsunoda & Matsumoto as its legal advisor independent from the Company and Tender Offeror Related Persons, and has been receiving from Nakamura, Tsunoda & Matsumoto legal advice including advice concerning measures to be taken to ensure the fairness of procedures in the Transaction, assorted procedures related to the Transaction, and the methods and process of the Special Committee’s decision-making relating to the Transaction.

It should be noted that Nakamura, Tsunoda & Matsumoto does not fall under a related party of the Company or any Tender Offeror Related Person, and has no material interest in the Transaction including the Tender Offer.

The fees of Nakamura, Tsunoda & Matsumoto are calculated by multiplying the number of hours worked by an hourly rate, and do not include any success fees subject to the successful completion of the Transaction.

[vi] Obtaining by the Special Committee of a Stock Valuation Report from an Independent Third-Party Calculation Agency

As set forth in “[ii] Establishment of an Independent Special Committee at the Company and Obtaining a Report from the Special Committee” above, the Special Committee appointed Plutus as a third-party calculation agency independent from the Company and Tender Offeror Related Persons, requested Plutus to calculate the share value of Company Shares, received advice and assistance from a financial perspective including advice on policies for negotiations with Tender Offeror and on July 30, 2025, received a Stock Valuation Report (Plutus).

It should be noted that Plutus does not fall under a related party of the Company or any Tender Offeror Related Person, and has no material interest in the Transaction including the Tender Offer. Compensation paid to Plutus is a fixed fee that is paid regardless of the success or failure of the Transaction, and does not include any success fees subject to the successful completion of the Transaction.

[vii] Establishment of an Independent Consideration Framework at the Company

As set forth in “[iii] The Decision-Making Process Leading to the Company’s Support of the Tender Offer; Reasons” in “(2) Basis and Reasons for the Opinion Regarding the Tender Offer” above, given that it is expected that Company Shares will be sold by the Mitsuharas etc. including Mr. Hiroshi Mitsuhara and Mr. Yosuke Mitsuhara, who are controlling shareholders of the Company, to a candidate that is ultimately selected, and it is possible that the interests of the Mitsuharas etc. and the general shareholders of the Company may not necessarily be aligned, the Company established an internal framework to engage in consideration, negotiations, and determinations relating to the Transaction from a standpoint that is independent from Tender Offeror Related Persons. Specifically, before commencement of the First Bid Process, it was decided that Mr. Hiroshi Mitsuhara, the Company’s representative director and chairman, and officers and employees with a relationship with any First Round Candidates and Second Round Candidates, would not be involved in any way with the Company’s examination of the Transaction, and such handling is being continued.

Further, the Special Committee found that there are no issues from the perspective of independence and fairness with respect to the Company’s consideration framework (including the scope and duties of the Company’s employees involved in the consideration of, and negotiations and determinations relating to, the Transaction).

[viii] Approval of All Directors of the Company (including Directors Who Are Audit and Supervisory Committee Members)

As set forth in “[iii] The Decision-Making Process Leading to the Company’s Support of the Tender Offer; Reasons” in “(2) Basis and Reasons for the Opinion Regarding the Tender Offer” above, based on the content of legal advice received from Nishimura & Asahi, financial advice received from Mizuho Securities and Yamada Consulting, and the Stock Valuation Report (Yamada Consulting), while fully respecting the determinations of the Special Committee, the Company carefully discussed and considered whether the Transaction including the Tender Offer will contribute to the enhancement of the Company’s corporate value, and whether the transactional terms of the Transaction including the Tender Offer are appropriate.

As a result, as set forth in “[iii] The Decision-Making Process Leading to the Company’s Support of the Tender Offer; Reasons” in “(2) Basis and Reasons for the Opinion Regarding the Tender Offer” above, the Company determined that the Transaction will contribute to the enhancement of the corporate value of the Company, and that the Tender Offer provides the general shareholders of the Company with a reasonable opportunity to sell Company Shares at a price that includes an appropriate premium, and at a meeting of the Board of Directors of the Company convened on July 31, 2025, the directors of the Company who participated in deliberations and

resolutions (of the 11 Board of Directors, 10 directors excluding Mr. Hiroshi Mitsuahara) unanimously expressed their opinion in support of the Tender Offer, and resolved to recommend that Company shareholders tender their shares in the Tender Offer.

It should be noted that because Mr. Hiroshi Mitsuahara, the Company's representative director and chairman, is expected to sell Company Shares in the Transaction and has a structural conflict of interest with the Company in connection with the Transaction, as a specially interested director, he did not participate in the deliberations or resolutions of the Company's Board of Directors related to the Transaction including the above deliberations and resolutions of the Board of Directors, and did not participate in discussions and negotiations between Tender Offeror and the Company.

[ix] Measures by Tender Offeror for Ensuring that Other Purchasers Have an Opportunity to Purchase

While the statutory minimum period for tender offers is 20 business days, Tender Offeror set the Tender Offer Period to be 31 days. By setting the Tender Offer Period to be longer than the statutory minimum period, Tender Offeror has ensured that Company shareholders have an opportunity to make an appropriate decision regarding whether to tender their shares in the Tender Offer, and by ensuring that persons other than Tender Offeror have an opportunity to purchase etc. Company Shares, Tender Offeror has given consideration to ensure the fairness of the Tender Offer.

Moreover, Tender Offeror has not made any agreements with the Company that include transaction protection provisions that prohibit the Company from having any contact with competing purchasers, or any agreements that restrict competing purchasers from contacting the Company, and by setting the above Tender Offer Period and also ensuring that there are opportunities to conduct competing tender offers, Tender Offeror intends to ensure the fairness of the Tender Offer.

[x] Measures for Securing an Opportunity for Shareholders to Appropriately Judge Whether to Tender their Shares in the Tender Offer

As set forth in "(5) Post-Tender Offer Reorganization Policy (Matters Concerning so-called Two-Step Acquisition)" above, (i) it is planned that if Tender Offeror is unable to acquire all Shares Subject to Tender Offer through the Tender Offer, promptly after completion of settlement of the Tender Offer, Tender Offeror will request the Company to implement the Squeeze-out Procedures, and will not use methods that do not secure for Company shareholders the right to demand purchase of shares or the right to demand a court to determine price of shares, and (ii) it has been made clear that the money that will be delivered to Company shareholders as consideration in the Squeeze-out Procedures will be calculated to be equivalent to the price obtained by multiplying the Tender Offer Price by the number of Company Shares held by each relevant shareholder, and thus Tender Offeror intends to secure opportunities for Company shareholders to properly determine whether to tender their shares in the Tender Offer, and that no coerciveness arises.

4. Matters Concerning Important Agreements Relating to the Tender Offer

[i] Tender Agreements

Tender Offeror has executed a Tender Agreement with each of the following individuals on July 31, 2025: Mr. Yosuke Mitsuahara (shareholdings: 6,648,600 shares (ownership ratio: 22.17%)); Mr. Hiroshi Mitsuahara, (third-largest shareholder, shareholdings: 4,800,000 shares (ownership ratio: 16.01%)), Ms. Yoko Mitsuahara (sixth-largest shareholder, shareholdings: 800,000 shares (ownership ratio: 2.67%)) and Ms. Keiko Yo (eighth-largest shareholder, shareholdings: 538,600 shares (ownership ratio: 1.80%)), under which it has been agreed that if the Tender Offer commences, Tendering Shareholders will tender all of their respective Tendered Shares (12,787,200 shares, ownership ratio: 42.64%) in the Tender Offer and will not withdraw such tender.

Additionally, the following matters have been agreed in the Tender Agreements.

- (a) The following (i) through (iii) shall be conditions precedent for the Company Shares owned by Tendering Shareholders to be tendered in the Tender Offer:
- (i) That there are no material facts relating to business affairs etc. of the Company Group and no facts relating to cancellation of tender offer etc. for the Company's share certificates etc. which are known by Tendering Shareholders and have not been published;
 - (ii) That no later than the day preceding the commencement date of the Tender Offer, a Board of Directors resolution to the effect that the Company's expression of opinion on the Tender Offer is, an opinion in support the Tender Offer and recommending the Company's shareholders to tender their Company Shares in the Tender Offer ("Resolution in Support") has been duly and validly adopted, the content of such opinion has been published by the Company, and as of the commencement date of the Tender Offer, the Company has not adopted any resolution withdrawing or contradicting the Resolution in Support; and
 - (iii) That the purchase of the Tendered Shares by Tender Offeror contemplated in the Tender Offer will not violate any laws and regulations, and there has been no guidance, response, warning, or any other measure or disposition issued by a judicial or administrative agency or any other agency to the effect that the purchase of the Tendered Shares by Tender Offeror contemplated in the Tender Offer violates laws and regulations or that such purchase should be stopped or postponed.
- (b) In the period from the date of execution of the Tender Agreements until the Settlement Commencement Date of the Tender Offer, Tendering Shareholders shall not transfer, provide as security, or otherwise dispose of the Tendered Shares, execute any transactions and agreements concerning such transactions which substantially conflict with the Tender Offer or would make it difficult to implement the Tender Offer, or make or engage in any proposals, solicitations, consultations, negotiations or information provision on such transactions (provided, however, that this will not apply (i) with respect to Mr. Hiroshi Mitsuhashi, if it is reasonably determined on the basis of the written advice of an external attorney highly specialized in transactions similar to the Transaction that there is a specific likelihood that failure to make or engage in such proposals, solicitations, consultations, negotiations or information may breach the duty of care that he owes to the issuer, and he provides such proposals, solicitations, consultations, negotiations or information to the extent necessary not to cause such a breach, and (ii) with respect to Tendering Shareholders other than Mr. Hiroshi Mitsuhashi, if any Tendering Shareholders make or engage in any such proposals, solicitations, consultations, negotiations or information provision to the same extent permitted for Mr. Hiroshi Mitsuhashi), and if any Tendering Shareholder receives information provision, proposals, solicitations, consultations or any other offer relating to such transactions from a third party, such Tendering Shareholder shall promptly notify Tender Offeror of such fact and the particulars thereof.
- (c) In the period from the date of execution of the Tender Agreements until the Settlement Commencement Date of the Tender Offer, without the prior written consent of Tender Offeror, Tendering Shareholders shall not exercise the right to demand convocation of a general meeting of shareholders of the Company, the right to make a shareholder proposal, the right to propose a resolution, or any other shareholders' rights relating to the Company's shares.
- (d) If following the commencement date of the Tender Offer, a general meeting of shareholders of the Company is to be held with a day no later than the Settlement Commencement Date of the Tender Offer as the record date for the exercise of rights, each Tendering Shareholder shall, at Tender Offeror's option, (i) exercise all voting rights attached to the Tendered Shares and all other rights at the general meeting of shareholders in accordance with Tender Offeror's instructions, or (ii) grant comprehensive proxy to Tender Offeror or its designee by delivering a power of attorney duly with name and seal impression of an authorized person, and shall not withdraw the grant of such proxy.
- (e) No later than 3:00 pm on the business day preceding the commencement date of the Tender Offer,

Tendering Shareholders can terminate the Tender Agreements by giving prior written notice to Tender Offeror (i) if it is found that any of the representations and warranties made by Tender Offeror in the Tender Agreements (Note 1) is not true or accurate in material respect; (ii) if any of the duties to be performed or observed by Tender Offeror pursuant to the Tender Agreements has not been performed or observed in material respect; (iii) if bankruptcy proceedings, rehabilitation proceedings, reorganization proceedings, special liquidation or any other applicable legal or out-of-court insolvency proceedings of like nature (including proceedings under foreign laws) are commenced with respect to Tender Offeror, or (iv) it becomes certain that all or any of the conditions precedent (Note 2) will not be satisfied.

It should be noted that if no later than the day preceding the last day of the Tender Offer following the execution of the Tender Agreements, a person other than Tender Offeror makes a sincere proposal to acquire all of the Company's common shares in exchange for consideration (whether cash, shares or any other kind) equivalent to an amount exceeding the Tender Offer Price by more than 1% (provided, however, that this is limited to a proposal which is reasonably found to be specifically feasible, in light of factors such as the availability of proof of acquisition financing, the likelihood of the conditions precedent to implementing the acquisition being satisfied, the opinion (if any) of the Special Committee, and the process of deliberations ("Counterproposal")), or such a Counterproposal is publicly announced, Tendering Shareholders can request consultation with Tender Offeror about a change to the Tender Offer Price. It also is stipulated that if Tender Offeror does not change the Tender Offer Price to an amount exceeding the consideration relating to the Counterproposal no later than (i) the day on which 10 business days pass from the date of request for consultation or (ii) the day preceding the expiry date of the Tender Offer Period, whichever earlier, Tendering Shareholders can choose not to tender their shares in the Tender Offer, or to withdraw the tender of their shares from the Tender Offer, or can terminate any agreement for purchase formed by the tendering of shares in the Tender Offer.

In addition to the above, the Tender Agreements include general clauses such as indemnity duty in the case of breach of agreement or breach of any of the representations and warranties (Note 1), termination of the agreement, confidentiality duty, and the like.

(Note 1) (i) Tender Offeror has made representations and warranties about (1) validity of incorporation and existence, (2) execution and performance of the Tender Agreements, (3) enforceability of the Tender Agreement, (4) procurement and completion of necessary permits and approvals, (5) non-existence of conflict with laws and regulations, (6) non-existence of transactions with anti-social forces, (7) non-existence of insolvency proceedings, and (8) reasonable prospects for funding etc., and (ii) each Tender Shareholder has made representations and warranties about (1) its authority, (2) execution and performance of the Tender Agreement, (3) enforceability of the Tender Agreement, (4) procurement and completion of necessary permits and approvals, (5) non-existence of conflict with laws and regulations, (6) the lawful and valid ownership of Company Shares it owns, (7) non-existence of transactions with anti-social forces, and (8) non-existence of insolvency proceedings etc..

(Note 2) As conditions precedent, it has been set forth that (i) there are no material facts relating to business affairs etc. of the Company Group and no facts relating to cancellation of tender offer etc. for the Company's share certificates etc. which are known by Tendering Shareholders and have not been published, (ii) no later than the day preceding the commencement date of the Tender Offer, the Company's Resolution in Support has been duly and validly adopted, and the Company has published the content thereof, and as of the commencement date of the Tender Offer, has not adopted any resolutions withdrawing or contradicting the Resolution in Support, and (iii) the purchase of the Tendered Shares by Tender Offeror contemplated in the Tender Offer will not violate any laws and regulations, and there has been no guidance, response, warning, or any other measure or disposition issued by a judicial or administrative agency or any other agency to the effect that the purchase of the Tendered Shares by Tender Offeror contemplated in the Tender Offer violates laws and regulations or

that such purchase should be stopped or postponed.

[ii] Share Transfer Agreement

Tender Offeror executed the Share Transfer Agreement concerning the transfer of the MP Shares with MP Shareholders on July 31, 2025 under which it has been agreed that following the completion of the Squeeze-out Procedures, Tender Offeror will receive the MP Shares from MP Shareholders (“Share Transfer”).

Additionally, the following matters have been agreed in the Share Transfer Agreement.

- (a) The following (i) through (v) are conditions precedent to the transfer of the MP Shares owned by MP Shareholders to Tender Offeror.
 - (i) The representations and warranties (Note 3) made by Tender Offeror are true and accurate in material respects as of the date of execution of the Share Transfer Agreement and the MP Shares Transfer Date;
 - (ii) Tender Offer has performed and observed the duties to be performed or observed no later than the MP Shares Transfer Date pursuant to the Share Transfer Agreement in material respects in a timely manner;
 - (iii) The Tender Offer has been successfully completed;
 - (iv) The Establishment-type Company Split by MP has been lawfully and validly carried out; and
 - (v) No decision etc. of the judicial or administrative agency or any other agency which prohibits, precludes or prevents the implementation of transfer of the MP Shares has come into effect, no petition relating thereto has been filed or initiated, and there is no likelihood thereof.
- (b) (i) If a fact in breach of any of the representations and warranties by any of the parties or a possibility thereof arises or is found, (ii) if a fact in breach of any of the duties of any of the parties set forth in the Share Transfer Agreement or a possibility thereof arises or is found, (iii) if a fact that any of the conditions precedent for the duties of any of the parties will not be satisfied arises or is found, or (iv) if a fact that will have material adverse effect on the Company arises or a possibility thereof arises or is found, each party shall immediately notify the other party to that effect and of details of the relevant fact.
- (c) MP Shareholders shall perform all procedures necessary for MP to lawfully and validly carry out the Establishment-type Company Split on July 30, 2025 as the date of incorporation.
- (d) MP Shareholders shall make maximum effort to satisfy all of the conditions precedent between the date of execution of the Share Transfer Agreement and the date of transfer.
- (e) MP Shareholders shall not cause New MP to claim reimbursement or any other payment from MP in conjunction with the performance of obligations succeeded from the Company.
- (f) Each party can terminate the Share Transfer Agreement only prior to the implementation of the Share Transfer (i) if the other party materially breaches any of its duties under the Share Transfer Agreement, (ii) if the other party materially breaches any of its representations and warranties (Note 3) under the Share Transfer Agreement, or (iii) if the Tender Offer is withdrawn, or fails to conclude.

It should be noted that the MP Shares Transfer Price to be paid to MP Shareholders pursuant to the Share Transfer Agreement was calculated on the basis of the Tender Offer Price. The MP Shares Transfer Price has been set as the amount (22,933,680,000 yen) obtained by multiplying MP’s shareholdings (5,840,000 shares) by the Tender Offer Price (3,927 yen per share), and the amount of cash and deposits that MP holds as of the MP Shares Transfer Date (such amount of cash and deposits is an amount greater than the amount of taxes and public charges that MP will owe for the fiscal year including such transfer date, as forecasted as of the MP Shares Transfer Date) has not been added; accordingly, Tender Offeror has determined that no terms substantially more favorable than the Tender Offer Price have been set, and such price does not violate the principle of uniformity of tender offer prices or equality among shareholders stipulated in Article 27-2, Paragraph 3 of FIEA and Article 8, Paragraph 3 of FIEA Enforcement Order.

- (Note 3) (i) Tender Offeror has made representations and warranties about (1) validity of incorporation and existence, (2) execution and performance of the Share Transfer Agreement, (3) enforceability of the Share Transfer Agreement, (4) procurement and completion of necessary permits and approvals, (5) non-existence of conflict with laws and regulations, (6) non-existence of transactions with anti-social forces, (7) non-existence of insolvency proceedings, and (8) reasonable prospects for funding etc., and (ii) MP Shareholders have made representations and warranties about (1) the authority etc. of MP Shareholders, (2) enforceability of the Share Transfer Agreement, (3) procurement and completion of necessary permits and approvals, (4) non-existence of conflict with laws and regulations, (5) non-existence of transactions with anti-social forces, (6) non-existence of insolvency proceedings for MP Shareholders or lawful and valid ownership of MP Shares held, (7) valid incorporation of MP, (8) validity of the Establishment-type Company Split, (9) lawful and valid ownership of Company Shares by MP, (10) validity of the organizational change of MP to a stock company, (11) appropriateness of MP's statements of accounts etc., (12) non-existence of agreements to which MP is a party, (13) non-existence of permits and approvals to be procured or completed by MP, (14) compliance with laws and regulations by MP, (15) non-existence of employees at MP, (16) proper payment of taxes and duties by MP, (17) non-existence of litigation etc. to which MP is a party, and (18) accuracy of information disclosure by MP Shareholders.

[iii] Non-Tendering Agreement

Tender Offeror executed the Non-Tendering Agreement with MP on July 31, 2025 under which MP has agreed not to tender any of Company Shares held (5,840,000 shares; ownership ratio: 19.48%) in the Tender Offer.

Additionally, the following matters have been agreed in the Non-Tendering Agreement. It should be noted that there are no conditions precedent for non-tendering under the Non-Tendering Agreement.

- (a) In the period from the date of execution of the Non-Tendering Agreement until the Settlement Commencement Date of the Tender Offer, MP shall not execute any transactions or agreements concerning such transactions which substantially conflict with the Tender Offer or would make it difficult to implement the Tender Offer, or make or engage in proposals, solicitations, consultations, negotiations or information provision regarding such transactions (provided, however, that this does not apply to the making of or engaging in such proposals, solicitations, consultations, negotiations or information provision to the same extent permitted for Mr. Hiroshi Mitsuhashi under similar provisions of the Tender Agreement between Mr. Hiroshi Mitsuhashi and Tender Offeror), and if MP receives information provision, proposals, solicitations, consultations or any other offers relating to such transactions from a third party, MP shall promptly notify Tender Offeror of the fact and the nature thereof.
- (b) From the date of execution of the Non-Tendering Agreement until the acquisition of all of MP's outstanding shares by Tender Offeror ("Share Acquisition"), without the prior written approval of Tender Offeror, MP shall not exercise the right to demand for convocation of a general meeting of shareholders of the Company, the right to make a shareholder proposal, the right to propose a resolution, or any other shareholders' rights relating to the Company's shares.
- (c) If following the commencement date of the Tender Offer, a general meeting of shareholders of the Company is to be held with a day no later than the date of the Share Acquisition as the date of record for exercise of rights, MP shall, at Tender Offeror's option, (i) exercise all voting rights attached to the Non-Tendered Shares and all other rights at the general meeting of shareholders in accordance with Tender Offeror's instructions, or (ii) grant comprehensive proxy to Tender Offeror or a person designated by Tender Offeror by delivering a power of attorney having name and seal of an authorized person, and shall not withdraw the grant of such proxy.
- (d) MP consents, without objection, by means of the Non-Tendering Agreement, that if the Tender Offer is

successfully completed, the Company and its subsidiaries will provide cooperation necessary in connection with loans for the purpose of funding for the Tender Offer.

- (e) If the Tender Offer is successfully completed, MP shall provide cooperation necessary for the implementation of the Squeeze-out Procedures to be implemented following the successful completion of the Tender Offer (including exercising, at the Company's Extraordinary General Meeting of Shareholders where a proposal concerning the Squeeze-out Procedures is on the agenda, voting rights attached to all Company Shares it owns at that time in support of such proposal).
- (f) Tender Offeror (i) shall make maximum effort to carry out the Squeeze-out Procedures at a consolidation ratio at which the Company Shares held by all of the Company's shareholders except for Tender Offeror and MP become fractional shares of less than one share, and the number of Company Shares held by MP is an integer with no fractional shares of less than one share, (ii) if it is reasonably expected that the above requirement will not be satisfied, shall give notice to MP as soon as practicable, and (iii) if MP receives such notice, at Tender Offeror's option, shall lend to Tender Offeror some or all of the Non-Tendered Shares free of charge, or borrow from Tender Offer some of the Company Shares held by Tender Offeror so as to satisfy the requirement of (i).
- (g) No later than 3:00 pm of the business day preceding the commencement date of the Tender Offer, MP can terminate the Non-Tendering Agreement by giving prior written notice to Tender Offeror (i) if it is found that any of the representations and warranties made by Tender Offeror in the Non-Tendering Agreement (Note 4) is not true or accurate in material respects; (ii) if any of the duties to be performed or observed by Tender Offeror pursuant to the Non-Tendering Agreement has not been performed or observed in material respects; or (iii) if bankruptcy proceedings, rehabilitation proceedings, reorganization proceedings, special liquidation or any other applicable legal or out-of-court insolvency proceedings of like nature (including proceedings under foreign laws) are commenced with respect to Tender Offeror.
(Note 4) (i) Tender Offeror has made representations and warranties about (1) validity of incorporation and existence, (2) execution and performance of the Non-Tendering Agreement, (3) enforceability of the Non-Tendering Agreement, (4) procurement and completion of necessary permits and approvals, (5) non-existence of conflict with laws and regulations, (6) non-existence of transactions with anti-social forces, (7) non-existence of insolvency proceedings, and (8) reasonable prospect for funding etc., and (ii) MP has made representations and warranties about (1) validity of incorporation and existence, (2) execution and performance of the Non-Tendering Agreement, (3) enforceability of the Non-Tendering Agreement, (4) procurement and completion of necessary permits and approvals, (5) non-existence of conflict with laws and regulations, (6) non-existence of transactions with anti-social forces, and (7) non-existence of insolvency proceedings etc..

[iv] Basic Agreement

On July 31, 2025 AP Fund, LC Fund and LC LLC executed the Basic Agreement, which includes the terms set forth below, with agreement reached on matters relating to the organization and operation of the Company and Tender Offeror Parent Company and the handling of Tender Offeror Parent Company shares etc.

- (a) Right to nominate officers etc. of Tender Offeror Parent Company
 - The number of directors shall be five, and AP Fund shall have the right to nominate three, and LC Fund the right to nominate two.
 - The number of company auditors and accounting auditors shall be one, and AP Fund shall have the nomination right.
 - There shall be one representative director, and AP Fund shall have the nomination right.
- (b) Right to nominate officers etc. of the Company

- Regarding both directors and company auditors, AP Fund shall have the right to nominate the minimum number constituting a majority of the total number, and LC Fund shall have the right to nominate the rest.
- There shall be one accounting auditor, and AP Fund shall have the nomination right.
- There shall be one representative director, and AP Fund shall have the nomination right.
- The number of directors and company auditors of the Company will be agreed to separately between AP Fund and LC Fund.

(c) Restrictions on the transfer, provision as collateral or other disposal of Tender Offeror Parent Company shares by AP Fund and LC LLC

5. Details of Benefits Provided by the Tender Offeror or its Specially Related Parties

Not applicable.

6. Response Policies Regarding Basic Policies for the Control of the Company

Not applicable.

7. Questions to the Tender Offeror

Not applicable.

8. Request for Extension of the Tender Offer Period

Not applicable.

9. Future Outlook

Please refer to “ii The Background, Purpose and Decision-Making Process Leading to Tender Offeror’s Decision to Implement the Tender Offer; Post-Tender Offer Managerial Policy” in “(2) Basis and Reasons for the Opinion Regarding the Tender Offer”, “(4) Prospects for Delisting; Reasons” and “(5) Post-Tender Offer Reorganization Policy (Matters Concerning so-called Two-Step Acquisition)” of “3. Details of the Opinion Regarding the Tender Offer, and the Basis and Reasons Therefor” above.

10. Matters Concerning Transactions, etc. with Controlling Shareholder

(1) Transactions, etc. with Controlling Shareholder and Status of Compliance with the Policy for Measures to Protect General Shareholders

Tender Offeror will execute Tender Agreements with each of Mr. Hiroshi Mitsuhashi and Mr. Yosuke Mitsuhashi, controlling shareholders of the Company, and the Tender Offer will be implemented on the acquisition of their Company Shares; thus the Company has determined that an expression of an opinion regarding the Tender Offer falls under a transaction etc. with controlling shareholders specified in TSE’s securities listing regulations.

In the “Guidelines Concerning Measures to Protect Minority Shareholders when Engaging in Transactions etc. with Controlling Shareholders” in the report concerning corporate governance presented on June 26, 2025, the Company states, “The protection of minority shareholders when engaging in transaction with controlling shareholders is implemented within the framework for monitoring transactions between related parties, the details of which are as set forth in ‘I. 1. Basic Viewpoint [Disclosure Pursuant to the Principles of the Corporate Governance Code] [Principles 1-7]’ (Note 1) of such report”. As set forth in “(6) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer” in “3. Details of the Opinion Regarding the Tender Offer, and the Basis and Reasons Therefor” above, the Company believes that measures to ensure the fairness of the Tender Offer and measures to avoid conflicts of interests have been taken, and such measures conform to the above guidelines.

(Note 1) “I. 1. Basic Viewpoint [Disclosure Pursuant to the Principles of the Corporate Governance Code] [Principles 1-7]” of the corporate governance report disclosed by the Company on June 26, 2025 states, “If the Company engages in a transaction with its officer or major shareholder etc. (related party transaction), the ‘Board of Directors Regulations’ set forth, so that such transaction will not cause harm to the company and common interests of shareholders, that a related party transaction is a matter to be referred to the Board of Directors, and the Board of Directors is to approve, or receive reports on, actual individual transactions, through which the Company will monitor such transactions. When the Board of Directors deliberates a resolution regarding a related party transaction, the department in charge of legal affairs provides a legal check”.

(2) Matters Concerning Measures for Ensuring Fairness and Measures for Avoiding Conflicts of Interest

Please refer to “(6) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer” in “3. Details of the Opinion Regarding the Tender Offer, and the Basis and Reasons Therefor” above.

(3) Overview of the Opinion Obtained from a Person Having Independence from the Controlling Shareholders and That the Transaction Is Not Adverse to the Interests of General Shareholders

The Company obtained an opinion dated July 30, 2025 from the Special Committee, which is composed of persons having independence the controlling shareholders, to the effect that the Company’s making decisions concerning the Transaction is not adverse to the interests of general shareholders. For details, please refer to “ii Establishment of an Independent Special Committee at the Company and Obtaining a Report from the Special Committee” in “(6) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer” of “3. Details of the Opinion Regarding the Tender Offer, and the Basis and Reasons Therefor” above.

11. Other

(1) Release of the “Summary of Consolidated Financial Results for the First Quater of the Fiscal Year Ending March 31, 2026 [Japanese GAAP]”

The Company announced the Company Summary of Consolidated Financial Results for the First Quater of the Fiscal Year Ending March 31, 2026 on July 31, 2025. For details, please refer to such announcement by the Company.

(2) Release of the “March 2026 Term Notice Concerning Changes to Dividend Forecasts (No Dividend) and Discontinuation of Shareholder Benefits System”

At the Board of Directors meeting convened on July 31, 2025, the Company resolved, subject to the successful completion of the Tender Offer, not to distribute interim dividends or end-of-term dividends for the March 2026 term, and to discontinue the shareholders benefits system from the March 2026 term. For details, please refer to such announcement by the Company.

End

(Reference) “Notice Regarding Commencement of Tender Offer for Shares of NIHON CHOUZAI Co., Ltd. (Securities Code: 3341)” dated July 31, 2025 (Attachment)

July 31, 2025

To whom it may concern

Company: AP86 Co., Ltd

Representative: Toshiya Tsukahara, Representative Director

**Notice Regarding Commencement of Tender Offer for
Shares of NIHON CHOUZAI Co., Ltd. (Securities Code: 3341)**

AP86 Co., Ltd. (the “Tender Offeror”) determined today to acquire the common shares (the “Target Company Shares”) of NIHON CHOUZAI Co., Ltd. (Security Code: 3341; listed on the Prime Market of the Tokyo Stock Exchange Inc. (“Tokyo Stock Exchange”); the “Target Company”) through a tender offer (the “Tender Offer”) pursuant to the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the “Act”).

The Tender Offeror is a wholly owned subsidiary of AP86 Holdings Co., Ltd. (the “Tender Offeror Parent Company”), whose all of the issued shares except for treasury shares held by the Tender Offeror Parent Company are held by Advantage Partners VII ILP, a fund (formed in November 2022 under the Japanese Limited Partnership Act for Investment; the “AP Limited Partnership”) to which Advantage Partners Inc. (“AP”) provides services including introducing investment opportunities and advising on the monitoring of targets post-investment (“Investment-Related Services”). The Tender Offeror is a stock company established for the principal purpose of holding the Target Company Shares and controlling and managing its business affairs. If the Tender Offer is successfully completed, the funds, including AP Limited Partnership, to which AP provides Investment-Related Services or which are managed or operated by AP’s related company (collectively, “AP Fund”) will provide a certain degree of equity investment, and LYFE Capital Fund IV (Dragon) L.P. (“LC Fund”), a related fund of LYFE Capital Investment Management Ltd. (“LYFE Capital”), which boasts a strong investment track record in the healthcare sector (LYFE Capital’s healthcare sector investments are in companies engaged in drug discovery, pharmaceuticals, medical devices, and drug development and manufacturing services (including CRO and CDMO) in the Asia-Pacific region, including Japan; the same applies hereinafter) will also provide equity investment through LYFE Eagle Mountain LLC (“LC LCC”), an investment vehicle in which LC Fund holds all of the equity interests. As a result of these investments, AP Fund and LC Fund will come to hold, directly or indirectly, 51% and 49% of the shares in the Tender Offeror Parent Company, respectively. AP, AP Fund, LYFE Capital, LC Fund, LC LCC, the Tender Offeror Parent Company, and the Tender Offeror hold no Target Company Shares as of today.

AP is a domestic independent service provider that has played a key role in launching the Japanese private equity investment market since its early days, having provided Investment-Related Services to Japan’s first buyout-dedicated fund in 1997. AP operates, through AP and its group companies, buyout funds targeting Japanese companies, buyout funds targeting Asian companies, private solutions funds that supports the growth of listed companies through minority investments, and a hydrogen fund investing in domestic and overseas assets and companies involved in the hydrogen value chain. Over its 28 years in business, AP has facilitated more than 70 investments through its clients, which are buyout funds that invest mainly in Japanese companies, and has accumulated a broad range of expertise and a team with extensive experience and knowledge in corporate value enhancement gained through numerous investment projects. It has leveraged these strengths based on its commitment to “nurture our portfolio companies to remain competitive and contribute to the solution of global environmental and social issues even after they have left our funds,” and “support management processes that provide value not only to our funds and the investors that backed them, but also allow other shareholders, employees and their families, business partners, financial institutions, and all other stakeholders to enjoy economic value through the funds’ investments.” Specifically, in order to maximize the potential competitiveness and profitability of portfolio companies, AP encourages growth by providing detailed proposals and support for reforms in all aspects of management philosophy, business definition, strategy, and operational systems. AP Fund’s domestic buyout fund investments since 2022 have included PiPEDO HD, Inc., which operates horizontal DX, vertical DX, and customer engagement businesses; NFC Holding, Inc., which operates an insurance agency-related business; Net Japan Co., Ltd., which purchases and sells precious metals, diamonds, jewelry, and brand-name watches, and operates auctions; DAIHO INDUSTRIAL CO., LTD., which operates plastic molding and secondary processing businesses; Ecolocity Co., Ltd., which operates a coin parking business; Nihon Kasei CO., LTD, which manufactures and sells wet-type building materials such as plastering materials and tile materials; Quality First Co., Ltd., which plans, manufactures, and sells cosmetics; Toho Zinc Co., Ltd., which operates smelting and resource businesses; and SPACE VALUE HOLDINGS Co., Ltd., which operates a system construction business.

LYFE Capital was founded in 2015 by experienced investment professionals with over 20 years of investment experience in the healthcare sector in North America and Asia. As a Transpacific cross-border healthcare investment firm, it specializes in buyouts of healthcare companies with high growth potential, particularly those with superior technologies or product lines that have the potential to expand their business by building a global business base or expanding into overseas markets, as well as minority investments in which it aims to work with the management team as an outside director to improve management and grow the business after the investment. Based on the strategic philosophy of “healthcare without borders,” it systematically and comprehensively formulates strategies that can contribute to the enhancement of business value in the business environment surrounding its portfolio companies, and in consultation with management, jointly executes those strategies through investment professionals with different skills scattered throughout Asia and North America. In this manner, it has increased its visibility among investors and industry participants and established a presence in the market. It currently manages over 2 billion USD in assets and has a track record of more than 80 healthcare-related transactions worldwide. Based on this know-how, it focuses on systematically organizing and accelerating growth through operational sophistication and strategic international expansion, and aims to help portfolio companies grow into industry leaders with competitive advantages in technology, quality, and price in the global marketplace, resulting in a highly influential market presence. LYFE Capital’s investments since 2022 include Brightech International, a clinical research company based in the United States; Jeisys Medical Inc., a global manufacturer of cosmetic medical products based in South Korea; Fong’s Engineering, a precision equipment manufacturer for the medical device industry based in Singapore; ST Pharm Co., Ltd., a pharmaceutical company based in South Korea; Chemlex Co., Ltd., a company specializing in the development, manufacturing, and global supply of fine chemicals, pharmaceutical intermediates, and specialty chemicals; and Bora Pharmaceuticals Co., Ltd., an international pharmaceutical company headquartered in Taiwan.

The Tender Offeror will conduct the Tender Offer as part of a series of transactions (the “Transactions”) for the purpose of acquiring all of the Target Company Shares listed on the Tokyo Stock Exchange’s Prime Market (excluding treasury shares held by the Target Company and the Target Company Shares held by Max Planning, Inc. (“MP”) specified below) in order to make the Tender Offeror and MP the sole shareholders of the Target Company and delist the Target Company Shares. As described below, after the Transactions are completed, the Tender Offeror will conduct an absorption-type merger with the Tender Offeror as the surviving company and MP as the absorbed company, with the ultimate intention of making the Target Company a directly and wholly owned subsidiary of the Tender Offeror.

The Tender Offeror has entered into tendering agreements as of July 31, 2025 with the largest shareholder of the Target Company (as of March 31, 2025), Yosuke Mitsuahara (number of shares held: 6,648,600 shares; ownership ratio (Note): 22.17%); the founder, chairman and representative director of the Target Company, Hiroshi Mitsuahara (3rd-largest shareholder; number of shares held: 4,800,000 shares; ownership ratio: 16.01%); Yoko Mitsuahara (6th-largest shareholder; number of shares held: 800,000 shares; ownership ratio: 2.67%); and Keiko Yeow (8th-largest shareholder; number of shares held: 538,600 shares; ownership ratio: 1.80%) (the shareholders that have entered into the tendering agreements, collectively the “Tendering Shareholders”), in which it is agreed that the Tendering Shareholders shall tender all of the Target Company Shares that they hold (12,787,200 shares; ownership ratio: 42.64%) in the Tender Offer, and shall not withdraw their tender.

As part of the Transactions, the Tender Offeror has entered into a share transfer agreement (the “Share Transfer Agreement”) dated July 31, 2025 with the founder of the Target Company, Hiroshi Mitsuahara (shares of MP held: 4,096 shares; percentage total number of issued shares of MP: 57.72%); Hiroshi Mitsuahara’s relative, Yoko Mitsuahara (shares of MP held: 1,500 shares; percentage of total number of issued shares of MP: 21.14%); and Keiko Yeow (shares of MP held: 1,500 shares; percentage of total number of issued shares of MP: 21.14%) (the three MP shareholders collectively, the “MP Shareholders”) regarding the transfer of all of the shares (the “MP Shares”) of MP, an asset management company in which the MP Shareholders hold its shares respectively which is the 2nd-largest shareholder of the Target Company, holding 5,840,000 Target Company Shares (ownership ratio: 19.48%; the “Non-Tendered Shares”), and a non-tendering agreement with MP, under which (i) the MP Shareholders shall transfer the MP Shares to the Tender Offeror after the completion of the Squeeze-Out Procedures (defined below), (ii) MP shall not tender the Non-Tendered Shares that it holds in the Tender Offer, and (iii) upon the successful completion of the Tender Offer, MP shall vote in favor of all proposals related to the series of procedures for the purpose of making the Tender Offeror and MP the sole shareholders of the Target Company and delisting the Target Company Shares (the “Squeeze-Out Procedures”), and cooperate as necessary in the Squeeze-Out Procedures.

On May 2, 2025, AP received from the Tendering Shareholders and MP, through their financial advisor, Deloitte Tohmatsu Financial Advisory LLC, a proposal for a transaction structure under which MP refrains from tendering all of the Non-Tendered Shares in the Tender Offer, and the MP Shareholders transfer the MP Shares to the Tender Offeror after the successful completion of the Tender Offer. Prior to the transfer of the MP Shares from the MP Shareholders to the Tender Offeror, MP plans to assign its assets and liabilities, other than the Target Company Shares and certain

cash and deposits equivalent to tax liabilities owed by MP, to a new company established through a demerger, as a result of which MP will become an asset management company that holds no assets except for the Non-Tendered Shares and cash and deposits. Based on that fact, given that the transfer price paid to the MP Shareholders for the transfer of the MP Shares is set at the sum of the product (22,933,680,000 yen) of the number of Target Company Shares held by MP (5,840,000 shares) multiplied by the price of purchase, etc. of the Target Company Shares in the Tender Offer (the “Tender Offer Price”; 3,927 yen per share), and the amount of cash and deposits held by MP as of the date of assignment of the MP Shares (the amount of those cash and deposits will be greater than the amount of taxes and public charges borne by MP with respect to the fiscal year in which the assignment date of the MP Shares falls that is anticipated as of that assignment date) is not included therein, that amount will be equivalent to or less than the economic value that the MP Shares would have received if MP had tendered its Target Company Shares in the Tender Offer, which has been determined not to conflict with the requirement for tender offer price equivalence under Article 27-2, Paragraph 3 of the Act and Article 8, Paragraph 3 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended) and the spirit of fairness between shareholders. For that reason, the Tender Offeror entered into the Share Transfer Agreement to the effect described above with the MP Shareholders. After the transfer of the MP Shares under the Share Transfer Agreement, the Tender Offeror plans to conduct an absorption-type merger with the Tender Offeror as the surviving company and MP as the disappearing company.

Note: “Ownership Ratio” means the percentage (rounded to two decimal places) of 29,986,179 shares, which is the difference of the total number of issued shares of the Target Company as of June 30, 2025 (31,048,000 shares) as stated in the Summary of Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2026 announced by the Target Company on July 31, 2025 (the “Target Company Financial Results”), less the number of treasury shares held by the Target Company as of June 30, 2025 (1,061,821 shares;) as stated in the Target Company Financial Results. Note that the 108,893 Target Company Shares held by the trust account established for the performance-linked stock compensation plan for directors (excluding audit and supervisory committee member directors, outside directors, and directors who are non-residents of Japan) and executive officers (excluding non-residents of Japan) are not included in the number of treasury shares held by the Target Company.

The following is an outline of the Tender Offer.

(1) Name of the Target Company

NIHON CHOUZAI Co., Ltd.

(2) Class of share certificates, etc., subject to purchase, etc.

Common shares

(3) Price of purchase, etc.

3,927 yen per ordinary share

(4) Period of purchase, etc.

From Friday, August 1, 2025 to Tuesday, September 16, 2025 (31 business days)

(5) Date of commencement of settlement

Wednesday, September 24, 2025

(6) Number of share certificates, etc. to be purchased

| Number of shares to be purchased | Minimum number of shares to be purchased | Maximum number of shares to be purchased |
|----------------------------------|--|--|
| | | |

| | | |
|------------|------------|---|
| 24,146,179 | 14,078,200 | — |
|------------|------------|---|

(7) Tender offer agent

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

For the specific details of the Tender Offer, please see the tender offer registration statement submitted by the Tender Offeror on August 1, 2025.

End