

January 6, 2026

To whom it may concern:

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Representative: Takaaki Tuma
President and Representative Director
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**Notice of Holding of Extraordinary Shareholders' Meeting for Share Consolidation, Abolition of Provisions
on Number of Shares Per Unit, and Partial Amendments to Articles of Incorporation**

SCSK Corporation (the "Company") announced in "Notice Concerning Establishment of Record Date for Convocation of Extraordinary Shareholders' Meeting" dated November 28, 2025 that an extraordinary shareholders' meeting (the "Extraordinary Shareholders' Meeting") was scheduled to be held around February 2026 with a record date of December 19, 2025.

With regard to the Extraordinary Shareholders' Meeting, the Company hereby announces that by resolution of the Board of Directors dated today, the Company has decided to convene the Extraordinary Shareholders' Meeting and submit thereto proposals for the share consolidation, abolition of provisions on the number of shares per unit, and partial amendments to the Articles of Incorporation, as follows.

During the aforementioned procedures, shares of the Company's common stock (the "Company's Shares") will meet the delisting criteria set forth in the Securities Listing Regulations of Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange"). As a result, the Company's Shares will be designated as a delisted issue from February 10, 2026 to March 11, 2026, and subsequently delisted on March 12, 2026. Please note that the Company's Shares will no longer be traded on the Prime Market of the Tokyo Stock Exchange after the delisting.

I. Date and Venue of the Extraordinary Shareholders' Meeting

1. Date and Time: Monday, February 9, 2026 at 10:00 a.m.
2. Venue: Company's meeting room, 14F Toyosu Front, 3-2-20, Toyosu, Koto-ku, Tokyo

II. Propositions to be Submitted at the Extraordinary Shareholders' Meeting

Matters to be Resolved:

Proposition No. 1 Share Consolidation

Proposition No. 2 Partial Amendments to the Articles of Incorporation

III. Share Consolidation

1. Purpose of and Reasons for the Share Consolidation

As announced in “Notice Concerning the Expression of an Opinion in Favor of and Recommendation to Tender for the Tender Offer for the Company’s Shares, etc. by SC Investments Management Inc., a Subsidiary of Sumitomo Corporation, the Company’s Parent Company” released by the Company on October 29, 2025 (the “Press Release Expressing Opinion”), SC Investments Management Inc. (the “Tender Offeror”), in which Sumitomo Corporation (“Sumitomo”) holds 100% of the shares, conducted a tender offer (the “Tender Offer”) for the Company’s Shares and the Stock Acquisition Rights (Note 1) for the period for purchase, etc. in the Tender Offer (the “Tender Offer Period”), which was 30 business days from October 30, 2025 to December 12, 2025, as part of a series of transactions (the “Transactions”) with the aim of making Sumitomo and the Tender Offeror (collectively, the “Tender Offeror, Etc.”) the Company’s sole shareholders and privatizing the Company’s Shares.

As a result of the Tender Offer, the Tender Offeror came to own 119,130,014 Company’s Shares (ownership ratio (Note 2): 38.09%) on December 19, 2025, the commencement date of settlement of the Tender Offer.

(Note 1) “Stock Acquisition Rights” collectively refers to the stock acquisition rights described in [1] and [2] below:

- [1] Stock acquisition rights issued pursuant to the resolution of the Company’s Board of Directors on June 27, 2007 (the exercise period of which is from July 28, 2007 to July 26, 2027); and
- [2] Stock acquisition rights issued pursuant to the resolution of the Company’s Board of Directors on June 25, 2010 (the exercise period of which is from July 31, 2010 to July 29, 2030).

(Note 2) The “ownership ratio” refers to the percentage of ownership (rounded to two decimal places) in relation to the total number of shares (312,793,110 shares) calculated by deducting (ii) from (i), wherein (i) is 313,144,463 shares, calculated by adding the number of Company’s Shares underlying the total of 64 Stock Acquisition Rights outstanding as of September 30, 2025 (19,200 shares) to the total number of issued shares of the Company as of September 30, 2025 (313,125,263 shares) as stated in the “Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2026 (April 1, 2025 - September 30, 2025) [IFRS]” announced by the Company on October 29, 2025, and (ii) is the number of treasury shares held by the Company as of the same date (351,353 shares).

As announced in the Press Release Expressing Opinion, the Company received an initial approach from Sumitomo in late January 2025, and after several discussions from early March 2025 regarding the possibility of collaboration between the two companies, including capital policy, the Company, in early May 2025, requested that Sumitomo make a formal proposal. Subsequently, the Company received a letter of intent from Sumitomo on May 27, 2025 and received an explanation regarding the strategic significance and background of the proposal of the Transactions, and Sumitomo expressed its intention to conduct due diligence. In response, when considering the Transactions and engaging in discussions and negotiations with Sumitomo regarding the Transactions, the Company, in consideration of the fact that Sumitomo is the Company’s controlling shareholder (parent company), that the Transactions including the Tender Offer constitute significant transactions, etc. with a controlling shareholder, and that the Transactions are of a type where issues of structural conflicts of interest and information asymmetry typically exist, appointed Nomura Securities Co., Ltd. (“Nomura Securities”) as its financial advisor and third-party valuation institution and Nishimura & Asahi (Gaikokuho Kyodo Jigyo) (“Nishimura & Asahi”) as its legal advisor, independent of the Sumitomo Group (referring collectively to Sumitomo and its subsidiaries and equity-method affiliates; the same shall apply hereinafter), the Company Group (Note 3), and the success or failure of the Transactions, in early June 2025 in order to address these issues and ensure the fairness of the Transactions.

(Note 3) The “Company Group” refers to the Company and its consolidated subsidiaries and equity-method affiliates; the same shall apply hereinafter. As of September 30, 2025, the Company Group consists of the Company, 35 consolidated subsidiaries, and 2 equity-method affiliates.

Furthermore, to ensure the fairness of the Transactions, the Company, with advice from Nishimura & Asahi, began

establishing a structure for consideration, negotiation, and judgment regarding the Transactions from a standpoint independent of the Sumitomo Group, from the perspectives of enhancing the Company's corporate value and securing the interests of the Company's general shareholders. Specifically, as described in "[1] Establishment of an Independent Special Committee at the Company and Acquisition of a Report from the Special Committee" of "(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest" of "3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation" below, the Company proceeded with preparations for the establishment of a special committee. Then, by a resolution at the Company's Board of Directors meeting held on June 12, 2025, the Company established a special committee consisting of three members: Ms. Yumiko Waseda (Independent Outside Director and Audit and Supervisory Committee Member of the Company, Attorney-at-Law, Outside Audit and Supervisory Board Member of IHI Corporation, and Outside Audit and Supervisory Board Member of Chugai Pharmaceutical Co., Ltd.), Mr. Shouei Yamana (Independent Outside Director of the Company, Outside Director of TDK Corporation, Outside Director of Zensho Holdings Co., Ltd., and Outside Director of Japan Post Insurance Co, Ltd.), and Mr. Hidetaka Matsuishi (Independent Outside Director and Audit and Supervisory Committee Member of the Company, and Outside Director of JDC Corporation) (the "Special Committee"; for the details of the Special Committee's review process and judgment, please refer to "[1] Establishment of an Independent Special Committee at the Company and Acquisition of a Report from the Special Committee" of "(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest" of "3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation" below). The Company consulted the Special Committee regarding (a) the reasonableness of the purpose of the Transactions (including whether the Transactions contribute to the enhancement of the Company's corporate value), (b) the fairness of the terms and conditions of the Transactions, (c) the fairness of the procedures related to the Transactions, (d) whether conducting the Transactions is fair to the Company's general shareholders, (e) whether the Company's Board of Directors should express an opinion in favor of the Tender Offer and recommend that the Company's shareholders tender their shares in the Tender Offer, and (f) other matters that the Company's Board of Directors may consult the Special Committee on from time to time in its consideration of the Transactions (collectively, the "Consulted Matters").

Furthermore, upon establishing the Special Committee, the Company resolved that (a) it shall make decisions regarding the Transactions with the utmost respect for the judgment of the Special Committee, and if the Special Committee judges that the terms of the Transactions are not fair, the Company shall not approve the Transactions, (b) the Special Committee shall have the authority to appoint its own financial advisors, third-party valuation institutions, and legal advisors ("Advisors, Etc."), (c) if the Special Committee determines that it can rely on the Company's Advisors, Etc. for professional advice, it may seek such advice, and the Company shall bear the reasonable expenses for the professional advice of the Special Committee's Advisors, Etc., (d) the Special Committee shall be granted the authority to require the attendance of the Company's directors, employees, and other persons deemed necessary by the Special Committee and to request explanations on necessary information, and (e) the Special Committee shall, as necessary, negotiate the terms and conditions of the Transactions, etc., and even if the Special Committee does not directly conduct such negotiations, it shall, as necessary, strive to ensure that it is substantially involved in the negotiation process of the terms and conditions of the Transactions, etc., for example, by confirming the negotiation policy in advance, receiving timely reports on the status of negotiations, and expressing opinions and giving instructions or requests at important junctures, and the Company shall cooperate to ensure such a situation is maintained (for the background on the establishment of the Special Committee, etc., please refer to "[1] Establishment of an Independent Special Committee at the Company and Acquisition of a Report from the Special Committee" of "(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest" of "3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation" below).

As described in "[1] Establishment of an Independent Special Committee at the Company and Acquisition of a Report from the Special Committee" of "(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid

Conflicts of Interest” of “3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation” below, on July 1, 2025, the Special Committee, based on the aforementioned authority, decided to appoint PLUTUS CONSULTING Co., Ltd. (“Plutus Consulting”) as its own financial advisor and third-party valuation institution, independent of the Sumitomo Group, the Company Group, and the success or failure of the Transactions, and Gaiken Partners as its own legal advisor, independent of the Sumitomo Group, the Company Group, and the success or failure of the Transactions.

Also, as described in “[1] Establishment of an Independent Special Committee at the Company and Acquisition of a Report from the Special Committee” of “(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest” of “3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation” below, the Special Committee confirmed that Nomura Securities, the Company’s financial advisor and third-party valuation institution, and Nishimura & Asahi, the Company’s legal advisor, had no issues in relation to their independence from the Sumitomo Group, the Company Group, and the success or failure of the Transactions, their expertise, or their track record, and the Company received the Special Committee’s approval for their appointments.

Furthermore, as described in “[6] Establishment of an Independent Review Structure at the Company” of “(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest” of “3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation” below, the Company established within the Company a structure for considering, negotiating, and making judgments on the Transactions from a standpoint independent of the Sumitomo Group (including the scope and duties of the Company’s officers and employees involved in the consideration, negotiation, and judgment of the Transactions) and received the approval of the Special Committee that there were no issues with this review structure from the perspective of independence and fairness.

Having established the review structure as described above, the Company received a report on the results of the valuation of the Company’s Shares, advice on the negotiation policy with the Tender Offeror, Etc., and other financial advice from Nomura Securities, as well as legal advice on measures to ensure the fairness of the procedures in the Transactions and other matters from Nishimura & Asahi. Based on these, the Company carefully considered the advisability and the appropriateness of the terms and conditions of the Transactions, while respecting the opinions of the Special Committee to the fullest extent.

Furthermore, after receiving the letter of intent from Sumitomo on May 27, 2025, the Company continuously consulted and negotiated with Sumitomo regarding the terms and conditions of the Transactions, including the purchase price, etc. per share of the Company’s Shares in the Tender Offer (the “Tender Offer Price”), while listening to the opinions of the Special Committee and receiving its approval, instructions, and requests.

Specifically, upon receiving the letter of intent on May 27, 2025, the Company proceeded with reviews and discussions with the Special Committee. On July 10, 2025, the Company submitted written questions to Sumitomo regarding the strategic significance of the Transactions, including synergies, the structure of the Transactions, and the Company’s management policy after the Transactions. On July 17, 2025, the Company received written answers to those questions, and the Company also verbally confirmed those answers with Sumitomo. Furthermore, based on the content of those answers, the Special Committee submitted additional written questions to Sumitomo dated August 5, 2025, received written answers to those additional questions on August 14, 2025, and thereafter, at the Special Committee meetings held on August 22 and August 28, 2025, received explanations from Sumitomo regarding the answers to the additional questions, and a Q&A session was held between the Special Committee and Sumitomo. Thereafter, on September 18, 2025, the Company held a meeting with Sumitomo to discuss the Company’s management policy following the Transactions, and on September 26, 2025, the Company reported the details of the meeting to the Special Committee, and exchanged opinions with the Special Committee.

Regarding the Tender Offer Price, the Company engaged in multiple rounds of negotiations with Sumitomo on and after September 29, 2025. Specifically, on September 29, 2025, the Company received a proposal from Sumitomo regarding the terms and conditions of the Transactions, including a Tender Offer Price of 5,050 yen (representing a

premium of 10.62% (rounded off to the second decimal place; the same shall apply hereinafter to the calculation of premium ratios) over the closing price of 4,565 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange on September 26, 2025), on the assumption that no year-end dividend would be distributed by the Company, as a formal proposal resulting from comprehensive consideration and deliberation of various factors such as the results of its due diligence on the Company, the external environment surrounding the Company, the Business Plan (as defined below) received from the Company, and the results of the valuation of the Company's Shares. In response, on September 30, 2025, the Company and the Special Committee requested that Sumitomo raise the price, stating that the price significantly undervalued the Company's intrinsic value and could not be considered fair for the Company's minority shareholders. In response, on October 2, 2025, the Company received a proposal from Sumitomo with a Tender Offer Price of 5,100 yen (representing a premium of 16.54% over the closing price of 4,376 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 1, 2025). However, on October 3, 2025, the Company and the Special Committee requested that Sumitomo raise the price significantly, stating that the proposed price significantly undervalued the Company's intrinsic value and was significantly lower than those observed in past transactions, and therefore could not be considered a fair price for its minority shareholders. In response, on October 6, 2025, the Company received a proposal from Sumitomo with a Tender Offer Price of 5,100 yen (representing a premium of 20.48% over the closing price of 4,233 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 3, 2025). However, on October 7, 2025, the Company and the Special Committee requested that Sumitomo raise the price significantly, stating that the proposed Tender Offer Price was significantly below the intrinsic value of the Company and was significantly lower than those observed in past transactions, and could not be considered fair for the Company's minority shareholders. In response, on October 14, 2025, the Company received a proposal from Sumitomo with a Tender Offer Price of 5,150 yen (representing a premium of 19.13% over the closing price of 4,323 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 10, 2025). However, on October 16, 2025, the Company and the Special Committee requested that Sumitomo raise the price, stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Company's Shares and therefore remained significantly below the level at which the Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Company's shareholders tender their shares. In response, on October 17, 2025, Sumitomo proposed to set the Tender Offer Price at 5,300 yen (representing a 26.61% premium over the closing price of 4,186 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 16, 2025). However, on October 20, 2025, the Company and the Special Committee requested that Sumitomo raise the price significantly, stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Company's Shares and therefore remained significantly below the level at which the Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Company's shareholders tender their shares. In response, on October 22, 2025, Sumitomo proposed to set the Tender Offer Price at 5,410 yen (representing a 28.17% premium over the closing price of 4,221 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 21, 2025). However, on October 24, 2025, the Company and the Special Committee requested that Sumitomo raise the price significantly, stating that that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Company's Shares and therefore remained significantly below the level at which the Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Company's shareholders tender their shares. In response, on October 27, 2025, Sumitomo proposed to set the Tender Offer Price at 5,600 yen (representing a 30.63% premium over the closing price of 4,287 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 24, 2025). However, on the same day, the Company and the Special Committee requested that Sumitomo raise the price significantly, stating that the proposed price still could not be regarded as sufficiently reflecting the intrinsic value of the Company's Shares and therefore remained significantly below the level at which the Company and the Special Committee could express an opinion in favor of the Transactions and recommend that the Company's shareholders tender their shares. In response, on October 28, 2025, Sumitomo proposed to set the Tender Offer Price at 5,700 yen (representing a

30.76% premium over the closing price of 4,359 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 27, 2025). On the same day, the Company and the Special Committee responded that while the final decision would be made through a resolution by the Board of Directors of the Company based on the recommendation of the Special Committee, they would agree to the proposal.

Throughout the above review and negotiation process, the Company conducted its discussions and negotiations with Sumitomo regarding the Tender Offer Price based on the opinions received from the Special Committee and advice from Nomura Securities and Nishimura & Asahi. During that time, the Special Committee received advice from its advisors, Plutus Consulting and Gaien Partners, as needed, exchanged opinions with the Company and its advisors, and provided confirmation and approval as appropriate. Specifically, the reasonableness of the content, significant assumptions, and preparation process of the Company's business plan (the "Business Plan") (Note 4), which Nomura Securities and Plutus Consulting used as the basis for their valuation of the Company's Shares, was confirmed and approved by the Special Committee in advance before the Company presented it to Sumitomo. Furthermore, the Company conducted negotiations with Sumitomo in accordance with the negotiation policy deliberated and decided upon in advance by the Special Committee. Each time a proposal regarding the Tender Offer Price was received from Sumitomo, it was immediately reported to the Special Committee, and responses were made in accordance with the opinions, instructions, and requests, etc., received from the Special Committee regarding the negotiation policy with Sumitomo.

(Note 4) The Business Plan was prepared after the Company began its review of the Transactions. Although 1 employee who holds concurrent positions at the Company and Sumitomo was involved in the preparation of the Business Plan, there were significant concerns about the adequacy and feasibility of the Business Plan prepared without their involvement, given their knowledge and experience. Based on the high necessity of involving the 1 employee in the Business Plan preparation process, the employee was involved in the preparation process on the condition that the validity of the content would be confirmed by a superior without a conflict of interest (Representative Director and President, Takaaki Touma, Executive Vice President, Tsutomu Ozaki, Managing Executive Officer, Takayuki Okuhara, and General Manager of the Planning Division of the Company). This handling was approved by the Special Committee.

Then, on October 29, 2025, the Company received a report from the Special Committee (the "Report") stating that (a) the Transactions are considered as contributing to the enhancement of the Company's corporate value, and the purpose of the Transactions is considered to be reasonable, (b) the Tender Offer Price is a fair price that can be reasonably assessed as an amount that appropriately reflects the intrinsic value of the Company in light of the respective share valuation results, etc. of Plutus Consulting and Nomura Securities, and the terms and conditions of the Transactions are considered to be fair, (c) appropriate measures to ensure fairness have been taken in the Transactions, and the negotiation process and the procedures leading to the decision-making for the Transactions are considered to be fair, (d) the Transactions are considered to be fair to the Company's general shareholders, and (e) it is considered appropriate for the Company's Board of Directors (i) to express an opinion in favor of the Tender Offer, (ii) to recommend that the Company's shareholders tender their shares in the Tender Offer and (iii) to leave it to the discretion of the holders of the Stock Acquisition Rights ("Stock Acquisition Rights Holders") whether or not to tender their Stock Acquisition Rights in the Tender Offer (for details of the Report, please refer to the Appendix). Furthermore, on October 28, 2025, the Special Committee received from Plutus Consulting a share valuation report regarding the Company's Shares (the "Share Valuation Report (Plutus Consulting)") and a fairness opinion (the "Fairness Opinion") stating its view that the Tender Offer Price of 5,700 yen per share is fair from a financial perspective to the Company's shareholders (excluding Sumitomo and the Company) (for an overview of the Share Valuation Report (Plutus Consulting) and the Fairness Opinion, please refer to "[3] Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee" of "(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest" of "3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share

Consolidation” below).

Under the circumstances described above, at the meeting of the Company’s Board of Directors held on October 29, 2025, the Company carefully discussed and considered whether the Transactions, including the Tender Offer, would contribute to the enhancement of the Company’s corporate value and whether the terms and conditions of the Transactions, including the Tender Offer Price, were appropriate. This was done while giving maximum respect to the judgment of the Special Committee as indicated in the Report, and based on the legal advice received from Nishimura & Asahi, the financial advice received from Nomura Securities, and the content of the share valuation report regarding the Company’s Shares submitted by Nomura Securities on October 28, 2025 (the “Share Valuation Report (Nomura Securities)”).

As a result, as described below, the Company also concluded that making the Tender Offeror, Etc. the Company’s sole shareholders through the Transactions, including the Tender Offer by the Tender Offeror, would contribute to the enhancement of the Company’s corporate value.

To date, for many years, the Company has fostered a corporate culture of sincerely engaging with customers and standing by them as an IT partner, and has accumulated a wealth of experience and achievements by providing services ranging from the design and development of applications and IT infrastructure in a wide range of industries and sectors to maintenance, operation, BPO services, and verification services.

With the rapid progress of digitalization in society, the demand for IT services is no longer limited to conventional business efficiency improvements and system implementations, but is shifting toward business transformation aimed at realizing a sustainable society, including digital business transformation and business modernization, and the modernization of networks has become increasingly urgent. The Company recognizes that the need for digital technology to support business transformation has become even more sophisticated, and a shift from the conventional contract-based IT services to proposal-based IT services aimed at directly contributing to customers’ businesses has become inevitable. Furthermore, while the domestic IT services market is expected to expand to a certain extent in the medium to long term, the acceleration in the decline of the working-age population is expected, and the supply and demand environment for IT personnel may become unstable in the future. Also, major Japanese companies are accelerating their overseas expansion, and social issues such as energy and the creation of an affluent society are increasingly being required on a global market rather than just domestically.

Looking at the competitive environment surrounding the Company Group, consulting firms with deep knowledge of their clients’ businesses are evolving into players that handle everything from consulting to IT system implementation by flexibly expanding their service capabilities through M&A and other means. In addition, hyperscalers are rapidly increasing their presence as their cloud-based architecture becomes mainstream, and they are actively providing advanced services and expanding their platforms. Also, among competitors in the same industry, there is an accelerating trend of strengthening corporate capabilities through organizational restructuring to accelerate DX, improve global competitiveness, and optimize management resource allocation across the entire group. In this way, the market and business environment that traditional system integrators and network integrators have operated in are undergoing major structural changes, and it is expected that these changes will continue in the future.

In response to these qualitative changes in the demand for IT services, there is a need for new software engineering services that integrate advanced and state-of-the-art IT infrastructure technology and application service technology, as well as the development of digital services that utilize cutting-edge technologies such as generative AI. It has become essential to expand the Company’s capabilities and deploy its business with a sense of speed, including problem-solving abilities to propose solutions for industrial and management issues rather than just providing the means, advanced technologies such as AI that continue to evolve and highly skilled engineers, and the ability to socially implement cutting-edge technologies including digital technology to solve social issues on a global scale. The Company recognizes that in order to proactively respond to these environmental changes and achieve the required transformation, growth through acquisitions and partnerships is necessary in addition to autonomous growth.

However, in order to achieve transformation amidst significant changes in the business environment, it is necessary to flexibly make bold, forward-looking investments from a medium- to long-term perspective. Since such investments involve uncertainty, there is a possibility that the Company's business performance may deteriorate in the short term. As long as the Company is listed, it must pursue the interests of its shareholders, making it difficult to simultaneously and swiftly execute medium- to long-term investments and business reforms that are not constrained by short-term profits.

Furthermore, the Company has been informed that under the current capital relationship between Sumitomo and the Company, there is an issue where a portion of the profits of the Company Group, generated from management resources invested in the Company Group by Sumitomo, flows out to the Company's minority shareholders. This means that Sumitomo cannot fully capture the profits from the resources it has invested, creating a structural conflict of interest between Sumitomo and the Company's minority shareholders. This makes it difficult to provide a reasonable explanation to stakeholders, including Sumitomo's shareholders, and imposes constraints on the speed of decision-making and policy execution in the collaboration between the two companies, as well as on the investment of management resources by Sumitomo into the Company Group.

Based on the business environment surrounding the Company Group as described above, the Company has concluded that going private through the Transactions, thereby resolving the structural conflict of interest between Sumitomo and the Company's minority shareholders and enabling Sumitomo to intensively and flexibly invest further management resources into the Company Group, will contribute to the further enhancement of the Company's corporate value.

By combining the Sumitomo Group's wide-ranging industry and customer network spanning Japan and overseas, its position in various industries cultivated through approximately 900 group operating companies in diverse industrial fields, and its business conceptualization capabilities as a general trading company, with the Company's advanced IT solution provision capabilities and operational knowledge acquired through business with over 10,000 customers, the Company believes that it will be able to contribute to global social issues and national-level industrial changes utilizing advanced technologies such as AI and data analysis. Furthermore, the Company believes that the Company Group can transform into a next-generation problem-solving company by accumulating experience in implementing IT services that originate from the business needs of the Sumitomo Group's sales and business sites.

By going private through the Transactions, the structural conflict of interest between Sumitomo and the Company's minority shareholders will be resolved, enabling more active personnel exchange. This will allow both companies to operate with a sense of unity, develop businesses that merge their respective strengths, enable disciplined allocation of management resources by Sumitomo, and facilitate agile decision-making, which is expected to generate unprecedented synergies through collaboration. This collaboration between the two companies will create a greater social impact. For the Company, which advocates for human capital management, this will provide employees with the opportunity to tackle global and national-level challenges on a different scale than before. This will lead to a sense of contribution to society, further job satisfaction, and experiences that enhance each individual's market value, resulting in unprecedented growth opportunities for its employees. The Company believes that the Company Group can leap forward to become a company that continues to create new value.

The Company, under its "Grand Design 2030," aims for a dramatic improvement in comprehensive corporate value, the creation of value for society, and a direct contribution to customers' businesses. The Company seeks to grow together with its customers and society by expanding the value provided to client companies and society through its core business of IT services, while also proactively taking the initiative to create value for society. The Company believes that collaboration with the Sumitomo Group through the Transactions will accelerate the realization of these goals. Specifically, the Company expects the following synergies to be generated after the Transactions.

I. Provide Comprehensive Digital Solutions from Business Conceptualization to Digital Implementation

By combining Sumitomo's strengths in conceiving new businesses based on global and national-level

social issues, global-level partnering, and fundraising capabilities including capital resources, with the Company Group's digital services and solution-related business expertise, the Company believes it will be possible to realize comprehensive digital solutions on a one-stop basis, from business conceptualization to digital implementation.

Through the relationships with top management in the industries and business customers of Sumitomo's nine business groups, the Company will gain real-world knowledge of industry and management challenges. This will enable the Company to shift from providing IT services as a means to delivering digital utilization and value that directly contributes to solving management issues and driving business growth, which other companies cannot offer. By fully leveraging the foundation of Sumitomo's approximately 900 group operating companies as "Customer Zero," the Company will not only gain a unique competitive advantage in planning and proposing services and products that are deeply integrated into business sites and directly solve problems, but also be able to deploy competitive digital services to markets and business frontlines that the Company has not been able to reach before, by leveraging Sumitomo's vast customer network and industrial base.

II. Strengthen Upstream Consulting Functions and Digital Capabilities

By leveraging Sumitomo's brand power and capital resources to strengthen upstream consulting functions through enhanced recruitment, acquisitions, and partnering, and combining these with advanced digital technology, the Company can expand its ability to propose new value creation and solutions for social issues to its customers.

Furthermore, in addition to bringing together the digital marketing functions of SC Digital Co., Ltd. (Note 5), a wholly-owned subsidiary of Sumitomo, and the AI engineers of Insight Edge, Inc. (Note 6), which Sumitomo is promoting, the Company expects to acquire world-class advanced digital engineers, knowledge, and infrastructure with cutting-edge technologies by strengthening alliances using Sumitomo's network with domestic and international digital companies.

(Note 5) This company provides services to clients, primarily in the marketing domain, utilizing data and digital technologies, including consulting, system implementation and operation, and the provision of creative services.

(Note 6) This company utilizes technologies such as AI and digital solutions to transform business models and operational processes, supporting clients in enhancing their competitiveness.

III. Accelerate Global Expansion

By utilizing Sumitomo's extensive overseas network, bases, and global human resources, the Company believes it will become easier to access local partners and customers globally. The Company believes the execution of its global strategy will be accelerated through dynamic collaborations, including developing partners necessary for the overseas expansion of Japanese companies and capital and business alliances with technology companies that have a certain scale of business foundation in specific regions. Furthermore, in areas and technology fields where the Company has strengths, such as IT infrastructure including security, mobility, and ERP (Note 7), the Company believes it will be possible to expand its overseas revenue through the launch of services by establishing local overseas subsidiaries or joint ventures, and through the joint promotion of projects in specific regions.

The Company Group will be able to utilize the business know-how, risk management, and compliance functions that Sumitomo has cultivated in operating its overseas businesses, enabling the Company to respond flexibly and steadily to various risks during overseas expansion. In addition, the Company believes this will lead to the expansion of capabilities necessary for overseas business development, such as M&A utilizing Sumitomo's capital resources and the management of local companies by global management talent. Also, by dispatching personnel from the Company Group to Sumitomo's overseas bases or on

overseas projects, including secondments, the Company believes it will be possible to cultivate global human resources with international cultural awareness, adaptability to different cultures, and international connections.

(Note 7) “ERP” refers to systems that integrates core business operations, such as corporate accounting and human resources, to improve efficiency and centralize information.

IV. Development of Next-Generation Digital Businesses that Contribute to Solving Social Issues

By combining Sumitomo’s experience in business development across various industries and capital resources with the Company Group’s operational expertise, advanced technological capabilities, and digital workforce, the Company believes that it can further accelerate the creation of next-generation digital businesses that address identified potential social issues and industry transformation needs that are different from conventional ones. Whereas the launch and pilot testing of next-generation digital businesses previously required consultations across the groups, the strategic decision-making and resource allocation between the two companies can now be integrated, enabling a structure that allows for faster and more flexible execution.

Moreover, early-stage investments in such new businesses inherently involve uncertainty. While the Company was publicly listed, it was difficult to make large-scale investments due to the need to pursue the interests of its shareholders. By going private, the Company believes it will become possible to undertake significant medium- to long-term investments.

Furthermore, the Company has considered the potential for a decline in employee motivation and the impact on business partners and other stakeholders due to the loss of brand power as a listed company as a result of going private through the Transactions. However, Sumitomo has indicated that it plans to hold discussions between Sumitomo and the Company after the Transactions with the aim of creating a system for the Company’s management structure and board composition that achieves appropriate governance respecting the Company’s uniqueness and maximizes the synergistic effects for the Sumitomo Group, including the Company, even after the Transactions, and has also indicated that it generally does not intend to make changes that would materially deteriorate the employment and working conditions of the Company’s employees under the current system after the Transactions. Furthermore, in order to maintain the motivation of the Company’s employees and expand business partners, Sumitomo intends to establish a system to discuss with the Company and reflect its intentions to the maximum extent possible regarding measures that will lead to the improvement of the Company’s branding. Based on these points, the Company believes that going private through the Transactions will be acceptable to the Company Group’s business partners, employees, and other stakeholders.

Although the Company’s delisting will limit its means of fundraising in the stock and capital markets, the Company believes this will not be a dis-synergy of the Transactions, as the Company will be able to flexibly utilize the fundraising capabilities of its parent company, Sumitomo.

Overall, the Company believes that while there is a potential for even more synergies to be generated through further collaboration between Sumitomo and the Company as a result of the Transactions, no significant dis-synergies that would have a material impact on its business are expected to arise.

Furthermore, as described in “(v) Matters Related to the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions and the Appropriateness of Such Amount” of “[2] Matters Related to the Method of Treatment of Fractions of Less than One Share, and Matters Related to the Amount of Monies Expected to Be Delivered to Shareholders by Such Treatment and the Appropriateness of Such Amount” of “(1) Grounds and Reasons for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions” of “3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation” below, the Company comprehensively judged that the Tender Offer Price of 5,700 yen is an appropriate price that reflects the intrinsic value of the Company and secures the profits that its general shareholders

should enjoy, and that the Tender Offer provides a reasonable opportunity for its general shareholders to sell their shares of the Company and secure profits at a price with an appropriate premium, also in light of the recent stock price trends that reflect the current business environment surrounding the Company Group.

Based on the above, the Company determined that the Transactions would contribute to enhancement of the Company's corporate value and the terms and conditions of the Transactions, including the Tender Offer Price, were appropriate. At the meeting of the Company's Board of Directors held on October 29, 2025, the Company resolved, as the Company's opinion at that time, to express an opinion in favor of the Tender Offer, recommend that the Company's shareholders tender their shares in the Tender Offer, and leave the decision of whether or not to tender in the Tender Offer to the discretion of the Stock Acquisition Rights Holders.

For the resolution method at the meeting of the Board of Directors, please refer to "[8] Approval by All of the Company's Directors Who Do not Have a Conflict of Interest (Including Those Who Are Audit and Supervisory Committee Members)" of "(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest" of "3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation" below.

Thereafter, as described above, the Tender Offer was completed; however, the Tender Offeror failed to acquire all of the Company's Shares (including the Company's Shares to be delivered upon exercise of the Stock Acquisition Rights and excluding the Company's Shares held by Sumitomo and treasury shares held by the Company) and all of the Stock Acquisition Rights through the Tender Offer. Therefore, as described in the Press Release Expressing Opinion, to ensure that the Tender Offeror, Etc. become the sole shareholders of the Company, the Company decided to conduct a consolidation of shares to consolidate 31,618,295 Company's Shares into one share (the "Share Consolidation") as described in "[2] Consolidation Ratio" of "(2) Details of the Share Consolidation" of "2. Summary of the Share Consolidation" below and to submit the proposal for this to the Extraordinary Shareholders' Meeting. Accordingly, the Company hereby requests that its shareholders approve the Share Consolidation.

Due to the Share Consolidation, the number of shares to be owned by shareholders other than the Tender Offeror, Etc. will be a fraction of less than one share.

2. Summary of the Share Consolidation

(1) Schedule for the Share Consolidation

Date of public notice of the record date for the Extraordinary Shareholders' Meeting	Friday, November 28, 2025
Record date for the Extraordinary Shareholders' Meeting	Friday, December 19, 2025
Date of resolution by the Board of Directors	Tuesday, January 6, 2026
Date of holding the Extraordinary Shareholders' Meeting	Monday, February 9, 2026 (scheduled)
Date of designation as a delisted issue	Tuesday, February 10, 2026 (scheduled)
Last trading date	Wednesday, March 11, 2026 (scheduled)
Delisting date	Thursday, March 12, 2026 (scheduled)
Effective date of the Share Consolidation	Monday, March 16, 2026 (scheduled)

(2) Details of the Share Consolidation

[1] Class of Shares to Be Consolidated

Shares of common stock

[2] Consolidation Ratio

31,618,295 Company's Shares will be consolidated into one share.

[3] Total Number of Issued Shares to Be Decreased

313,125,254 shares

[4] Total Number of Issued Shares Before the Effective Date

313,125,263 shares (including treasury shares)

[5] Total Number of Issued Shares After the Effective Date

9 shares

[6] Total Number of Authorized Shares on the Effective Date

36 shares

[7] Method of Treatment of Fractions of Less than One Share, If Any, and Amount of Monies Expected to Be Delivered to Shareholders by Such Treatment

As described in "1. Purpose of and Reasons for the Share Consolidation" above, as a result of the Share Consolidation, the number of the Company's Shares to be held by shareholders other than the Tender Offeror, Etc. will be a fraction of less than one share.

Regarding fractions of less than one share resulting from the Share Consolidation, the Company will sell the Company's Shares in a number equal to the total number of those fractions (if there is a fraction of less than one share in that total number, that fraction is to be rounded down) and will deliver the proceeds obtained from that sale to the shareholders in proportion to the number of fractions attributed to them.

Regarding this sale, given that the Share Consolidation will be conducted as part of the Transactions, whose purpose is to make the Tender Offeror, Etc. the Company's sole shareholders, and given that since the Company's Shares will be delisted on March 12, 2026 and will have no market price, it is unlikely that a purchaser will appear in the case of an auction, the Company plans to sell those shares to the Tender Offeror with permission of a court, in accordance with Article 234, paragraph (2) of the Companies Act (Act No. 86 of 2005, as amended; the same shall apply hereinafter) as applied mutatis mutandis pursuant to Article 235, paragraph (2) of the same Act.

Regarding the purchase price in this case, if the aforementioned court permission is obtained as scheduled, the Company plans to set the price in such a manner that monies in the amount obtained by multiplying (i) the number of the Company's Shares held by the shareholders, by (ii) 5,700 yen, being the same as the Tender Offer Price, will be delivered to the shareholders.

3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation

(1) Grounds and Reasons for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions

[1] Matters Taken into Account for the Purpose of Not Harming the Interests of Shareholders Other than the Parent Company, Etc., If Any

In consideration of the fact that Sumitomo is the Company's controlling shareholder (parent company) whose ownership ratio of the Company's Shares reaches 50.54%, that the Transactions including the Tender Offer constitute significant transactions, etc. with a controlling shareholder, and that the Transactions are of a type where issues of structural conflicts of interest and information asymmetry typically exist, the measures described in "(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest"

below were taken in order to respond to those issues and ensure the fairness of the Transactions. Among the descriptions below, those regarding the measures taken by the Tender Offeror, Etc. are based on the explanations received from the Tender Offeror, Etc.

[2] Matters Related to the Method of Treatment of Fractions of Less than One Share, and Matters Related to the Amount of Monies Expected to Be Delivered to Shareholders by Such Treatment and the Appropriateness of Such Amount

(i) Treatment Under Which Provision of Paragraph (2) of Article 234 of the Companies Act as Applied Mutatis Mutandis Pursuant to Paragraph (1) or (2) of Article 235 of the Same Act Is Planned, and Reasons Therefor

Please refer to “[7] Method of Treatment of Fractions of Less than One Share, If Any, and Amount of Monies Expected to Be Delivered to Shareholders by Such Treatment” of “(2) Details of the Share Consolidation” of “2. Summary of the Share Consolidation” above.

(ii) Name of the Person Expected to Be a Purchaser of Shares in the Sale

SC Investments Management Inc.

(iii) Method for the Person Expected to Be a Purchaser of Shares in the Sale to Secure Funds for Payment of the Sale Price and the Appropriateness of Such Method

The Company confirmed that the Tender Offeror will be able to secure funds to be used to acquire the Company’s Shares equivalent to the total amount of fractions arising from the Share Consolidation through the loan certificate dated October 28, 2025 issued by Sumitomo to the effect that it was ready to provide a loan to the Tender Offeror with an upper limit of 885 billion yen.

Based on the above, the Company determined that the method for the Tender Offeror to secure funds for payment of the sale price for the Company’s Shares equivalent to the total number of fractions of less than one share is appropriate.

(iv) Expected Timing of the Sale and Delivery of the Proceeds of the Sale to Shareholders

The Company plans to file a petition with the court for permission to sell the Company’s Shares equivalent to the total number of fractions of less than one share resulting from the Share Consolidation and for the Tender Offeror to purchase those Company’s Shares in accordance with Article 234, paragraph (2) of the Companies Act as applied mutatis mutandis pursuant to Article 235, paragraph (2) of the same Act, by late March 2026. The timing for obtaining such permission may vary depending on the circumstances, etc. of the court; however, the Company expects to sell such Company’s Shares to the Tender Offeror by late April 2026 or later upon court permission and thereafter make necessary preparations to deliver the proceeds of the sale to shareholders, and to do the same by late June 2026 or later.

Taking into account the time period required for the series of procedures from the effective date of the Share Consolidation to the sale, the Company has determined that the Company’s Shares equivalent to the total number of fractions of less than one share resulting from the Share Consolidation will be sold, and that the proceeds of the sale will be delivered to shareholders at the relevant time, as described above.

(v) Matters Related to the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions and the Appropriateness of Such Amount

In the Share Consolidation, it is planned that monies equivalent to the amount obtained by multiplying (i) the number of the Company’s Shares held by shareholders, by (ii) 5,700 yen, being the same as the Tender Offer Price, will be delivered to shareholders.

The Company comprehensively judged that the Tender Offer Price of 5,700 yen is an appropriate price that reflects the intrinsic value of the Company and secures the profits that its general shareholders should

enjoy, and that the Tender Offer would provide a reasonable opportunity for its general shareholders to sell their Shares of the Company and secure profit at a price with an appropriate premium, also in light of the recent stock price trends that reflect the current business environment surrounding the Company Group, for the reasons provided below.

(a) The price was agreed upon as a result of sincere and repeated negotiations with Sumitomo, with the substantial involvement of the Special Committee, after sufficient measures were taken by the Company to ensure the fairness of the terms and conditions of the Transactions, including the Tender Offer Price, as described in “(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest” below.

(b) The price was above the upper limit of the calculation results of the market share price method, comparable company analysis and comparable transactions analysis, and was above the median of the range of the calculation results of the discounted cash flow method (the “DCF method”), among the results of the valuation of the Company’s Shares by Nomura Securities in the Share Valuation Report (Nomura Securities) described in “[5] Acquisition of the Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Institution at the Company” of “(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest” below.

(c) The price was above the upper limit of the calculation results of the market share price method and comparable company analysis, and was above the median of the range of the calculation results of the DCF method, among the results of the valuation of the Company’s Shares by Plutus Consulting in the Share Valuation Report (Plutus Consulting) described in “[3] Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee” of “(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest” below. Furthermore, as described in “[3] Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee” of “(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest” below, a Fairness Opinion was issued by Plutus Consulting stating its view that the Tender Offer Price of 5,700 yen per share is fair from a financial perspective to the Company’s shareholders (excluding Sumitomo and the Company).

(d) The price included a premium of 33.87% over the closing price of the Company’s Shares of 4,258 yen on the Tokyo Stock Exchange on October 28, 2025, the business day prior to the announcement of the implementation of the Tender Offer; 32.59% over the simple average of the closing prices for the last month up to the same day of 4,299 yen; 25.47% over the simple average of the closing prices for the last three months of 4,543 yen; and 29.11% over the simple average of the closing prices for the last six months of 4,415 yen. Generally, stocks with high PBRs tend to command lower premiums relative to market prices in tender offers and M&A deals, as their corporate value is already highly valued in the stock market. As of October 28, 2025, the Company’s PBR stood at approximately 4.6 times. Among the tender offers announced after June 28, 2019, when the Ministry of Economy, Trade and Industry released the “Fair M&A Guidelines,” and completed by October 28, 2025 (limited to: (i) tender offers or MBOs where the target company was a consolidated subsidiary of either the acquirer, the acquirer’s ultimate parent company, or a company jointly planning the target company’s delisting with the acquirer; and (ii) cases specifically aimed at delisting the target company, and excluding: (iii) hostile tender offers, two-step tender offers, cases involving leaks or speculative reports, cases where the premium on the day before the announcement was a discount, failed cases, and cases where the target company was insolvent or there was concern that insolvency might cause it to violate the listing maintenance standards set by the Tokyo Stock Exchange), in 20 cases where the target company’s PBR was twice or higher (the “Similar Cases”), the most frequently observed premium range was 15 to 20% for the

closing price on the business day prior to the announcement date, with four cases. For the simple average closing price for the most recent month up to the business day prior to the announcement date, the most frequently observed premium range was 20 to 25%, with four cases. For the simple average closing price for the most recent three months up to the business day prior to the announcement date, the most frequently observed premium range was 20 to 25%, with five cases. For the simple average closing price for the most recent six months up to the business day prior to the announcement date, the most frequently observed premium range was 25 to 30%, with four cases. Considering the above, the Tender Offer Price was considered to carry a reasonable premium when compared to the Similar Cases.

(e) The price was also judged to be appropriate in the Report obtained from the Special Committee, as described in “[1] Establishment of an Independent Special Committee at the Company and Acquisition of a Report from the Special Committee” of “(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest” below.

Furthermore, after the Company expressed its opinion in favor of the Tender Offer and to recommend that shareholders tender their shares in the Tender Offer, the Company confirmed that no material change occurred with respect to various conditions constituting the basis for the Company’s determination on the Tender Offer Price until the Company’s Board of Directors’ resolution to convene the Extraordinary Shareholders’ Meeting which was adopted on January 6, 2026.

[3] Disposal of Important Assets, Burden of Significant Debts, or Other Events That May Have a Significant Impact on the Status of the Company’s Assets That Occurred After the End of the Last Fiscal Year

(i) Tender Offer

As described in “1. Purpose of and Reasons for the Share Consolidation” above, as a result of the Tender Offer, the Tender Offeror came to own 1,191,300 units of voting rights pertaining to the shares, etc. owned by the Company (ownership ratio: 38.09%) on December 19, 2025, the commencement date of settlement of the Tender Offer.

(ii) Non-payment of dividend of surplus

As announced in the “Notice Regarding Revision of Year-end Dividend Forecast (No Dividends)” dated October 29, 2025, at the meeting of the Company’s Board of Directors held on the same date, the Company resolved not to distribute the year-end dividend for the fiscal year ending March 31, 2026. For details, please refer to the announcement.

(iii) Cancellation of treasury shares

By resolution of the Board of Directors dated January 6, 2026, the Company decided to cancel all treasury shares held by the Company as of March 13, 2026, on the same date, which is the scheduled cancellation date. Such cancellation of treasury shares is subject to the condition that the proposition for the Share Consolidation is approved and passed at the Extraordinary Shareholders’ Meeting as originally drafted.

(2) Possibility of Delisting

[1] Delisting

As described in “1. Purpose of and Reasons for the Share Consolidation” above, the Company plans to conduct the Share Consolidation to make the Tender Offeror, Etc. the sole shareholders of the Company, subject to the approval of its shareholders at the Extraordinary Shareholders’ Meeting. As a result, the

Company's Shares will be delisted through the prescribed procedures in accordance with the delisting criteria of the Tokyo Stock Exchange.

Regarding the schedule, the Company's Shares will be designated as a delisted issue from February 10, 2026 to March 11, 2026, and subsequently delisted on March 12, 2026. The Company's Shares will no longer be traded on the Prime Market of the Tokyo Stock Exchange after the delisting.

[2] Reasons for Delisting

As described in "1. Purpose of and Reasons for the Share Consolidation" above, the Company concluded that privatizing the Company's Shares would contribute to further enhancement of the Company's corporate value.

[3] Impact on Minority Shareholders and View on It

As described in "[1] Establishment of an Independent Special Committee at the Company and Acquisition of a Report from the Special Committee" of "(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest" below, on October 29, 2025, the Company received from the Special Committee the Report stating that the decisions by the Company's Board of Directors regarding the Transactions (namely, a decision to express an opinion in favor of the Tender Offer and to recommend that the Company's shareholders tender their shares in the Tender Offer; and a decision to implement a series of procedures to make the Tender Offeror, Etc. the sole shareholders of the Company through the Demand for Share Cash-Out or the consolidation of shares to be conducted after the Tender Offer as part of the Transactions (the "Squeeze-Out Procedures")) are considered not disadvantageous to the Company's minority shareholders.

(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest

[1] Establishment of an Independent Special Committee at the Company and Acquisition of a Report from the Special Committee

(i) Background of Establishment, Etc.

As described in "1. Purpose of and Reasons for the Share Consolidation" above, the Company resolved at the Board of Directors meeting held on June 12, 2025 to establish this Special Committee; prior to the establishment of the Special Committee, in order to establish a structure for consideration, negotiation, and judgment on the Transactions from a standpoint independent of Sumitomo, with the aim of enhancing the Company's corporate value and securing the interests of the Company's general shareholders, and with advice from Nishimura & Asahi, the Company individually explained to outside directors of the Company who did not have material conflicts of interest with Sumitomo at that time that the Company had received notice from Sumitomo that it had commenced consideration toward implementing the Transactions, and that, because the Transactions are of a type where issues of structural conflicts of interest and information asymmetry typically exist, it was necessary, in considering and negotiating the Transactions, to take sufficient measures to ensure the fairness of the terms and conditions, including the establishment of the Special Committee. In parallel, with advice from Nishimura & Asahi, the Company confirmed the independence, qualifications, etc. of outside directors of the Company as candidates for members of the Special Committee, and also confirmed that they did not have material conflicts of interest with Sumitomo and did not have material interests differing from those of the general shareholders with respect to the success or failure of the Transactions. On that basis, following discussions among the Company's outside directors with advice from Nishimura & Asahi and confirmation that there were no objections, on May 29, 2025, the Company selected three individuals, Yumiko Waseda (Independent Outside Director and Audit and Supervisory Committee Member of the Company, Attorney-at-Law, Outside Audit and Supervisory Board Member of IHI Corporation, and Outside Audit and Supervisory Board Member of Chugai Pharmaceutical Co., Ltd.), Shouei Yamana (Independent Outside Director of the Company, Outside Director of TDK Corporation, Outside Director of Zensho Holdings Co.,

Ltd., and Outside Director of Japan Post Insurance Co, Ltd.), and Hidetaka Matsuishi (Independent Outside Director and Audit and Supervisory Committee Member of the Company, and Outside Director of JDC Corporation)—as candidates for members of the Special Committee (note that Yumiko Waseda, an Independent Outside Director of the Company, serves as the chair of the Special Committee, and the membership of the Special Committee has not changed since its establishment). The Company has six Independent Outside Directors; however, the Company appointed Yumiko Waseda, Shouei Yamana and Hidetaka Matsuishi as the members of the Special Committee, rather than appointing all Independent Outside Directors, as the Company believed that a committee consisting of three members would enable the review and negotiations related to the Transaction to be conducted in a prompt and efficient manner. In addition, the Company believed that the three members would possess the necessary and sufficient experience and expertise from the perspectives of corporate management, finance and accounting, legal and risk management, and global matters to appropriately review and negotiate the Transaction.

Thereafter, as described in “1. Purpose of and Reasons for the Share Consolidation” above, the Company, by resolution of the Board of Directors at its meeting held on June 12, 2025, established the Special Committee and submitted the Consulted Matters to the Special Committee. Furthermore, upon establishing the Special Committee, the Company’s Board of Directors resolved that (a) it shall make decisions regarding the Transactions with the utmost respect for the judgment of the Special Committee, and if the Special Committee judges that the terms of the Transactions are not fair, the Company shall not approve the Transactions, (b) the Special Committee shall have the authority to appoint its own Advisors, Etc., (c) if the Special Committee determines that it can rely on the Company’s Advisors, Etc. for professional advice, it may seek such advice, and the Company shall bear the reasonable expenses for the professional advice of the Special Committee’s Advisors, Etc., (d) the Special Committee shall be granted the authority to require the attendance of the Company’s directors, employees, and other persons deemed necessary by the Special Committee and to request explanations on necessary information, and (e) the Special Committee shall, as necessary, negotiate the terms and conditions of the Transactions, etc., and even if the Special Committee does not directly conduct such negotiations, it shall, as necessary, strive to ensure that it is substantially involved in the negotiation process of the terms and conditions of the Transactions, etc., for example, by confirming the negotiation policy in advance, receiving timely reports on the status of negotiations, and expressing opinions and giving instructions or requests at important junctures, and the Company shall cooperate to ensure such a situation is maintained.

At the Board of Directors meeting of the Company held on June 12, 2025, in view of the facts that, among the Company’s 11 directors, Mr. Shinichi Kato concurrently serves as an executive officer of Sumitomo, Mr. Hideki Yamao previously served as a representative director of Sumitomo, Mr. Tsutomu Ozaki previously served as an executive officer of Sumitomo, and Mr. Hiromichi Jitsuno previously served as a corporate officer of Sumitomo, and from the perspective of eliminating to the maximum extent possible any effects on the Company’s Board of Directors’ deliberations and resolutions arising from structural conflicts of interest and informational asymmetries in the Transactions, the above resolutions were made unanimously by the seven directors (including Audit and Supervisory Committee Members) other than Shinichi Kato, Hideki Yamao, Tsutomu Ozaki, and Hiromichi Jitsuno, after deliberation. Note that Mr. Hideki Yamao and Mr. Tsutomu Ozaki served as directors of the Company until the Ordinary Shareholders’ Meeting held on June 24, 2025, after which they resigned as directors of the Company.

Fixed remuneration is to be paid to each member of the Special Committee as consideration for their duties, regardless of the content of the report.

(ii) Background of the Review

The Special Committee was convened a total of 20 times over approximately 17 hours in total between June 12, 2025 and October 28, 2025, and, as necessary between meeting dates, conducted reporting,

information sharing, deliberations and decision-making via email and web conferences, thereby performing its duties relating to the Consulted Matters.

Specifically, after considering its independence, expertise and track record, on July 1, 2025, the Special Committee decided to appoint Gaiken Partners as its own legal advisor, independent of the Sumitomo Group, the Company Group, and the success or failure of the Transactions, and to appoint Plutus Consulting as its own financial advisor and third-party valuation institution, independent of the Sumitomo Group, the Company Group, and the success or failure of the Transactions.

The Special Committee also confirmed that there were no issues regarding the independence, expertise or track record of Nomura Securities as the Company's financial advisor and third-party valuation institution, and approved its appointment, and likewise confirmed and approved the appointment of Nishimura & Asahi as the Company's legal advisor.

Furthermore, the Special Committee confirmed, from the perspectives of independence and fairness, that there were no issues with the internal structure the Company had established for reviewing the Transactions (including the scope and duties of the Company's officers and employees involved in consideration, negotiations and judgment on the Transactions) and approved that structure.

On that basis, taking into account legal advice received from Gaiken Partners and opinions received from Nishimura & Asahi, the Special Committee considered measures that should be taken to ensure the fairness of the procedures in the Transactions.

On July 10, 2025, the Special Committee submitted written questions to the Tender Offeror regarding the strategic significance of the Transactions including synergies of the Transactions, the structure of the Transactions, and the Company's management policies after the Transactions; written responses to those questions were received on July 17, 2025, and the Company confirmed those responses orally with Sumitomo. Furthermore, based on those responses, the Special Committee submitted additional written questions to the Tender Offeror on August 5, 2025, received written responses to those additional questions on August 14, 2025, and at meetings of the Special Committee held on August 22 and August 28, 2025 received explanations from the Tender Offeror regarding the answers to the additional questions from Sumitomo and conducted Q&A thereon. In addition, on September 26, 2025, the Special Committee received a report on the details of the meeting between the Company and Sumitomo regarding the Company's management policy following the Transaction, and exchanged opinions with the Company.

Moreover, the Special Committee received explanations from the Company regarding the contents of all information provided by the Company and public information, including the Business Plan (the "Business Plan, Etc.") that formed the basis for negotiations with Sumitomo and the basis for Nomura Securities' and Plutus Consulting's valuations of the Company's Shares, including key assumptions and the process of preparation, conducted Q&A, and confirmed and approved the reasonableness of these matters. Thereafter, as described in "[3] Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee" and "[5] Acquisition of the Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Institution at the Company" below, Nomura Securities and Plutus Consulting conducted valuations of the Company's Shares based on the contents of the Business Plan, Etc.; the Special Committee received explanations from Nomura Securities and Plutus Consulting regarding their respective valuation methods employed for the Company's Shares, the reasons for adopting those methods, the details of calculation based on each method, and the key assumptions, conducted Q&A, deliberated and reviewed, and confirmed the reasonableness of these matters.

In addition, as described in "[3] Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee" below, the Special Committee received the Fairness Opinion from Plutus Consulting, and received explanations from Plutus Consulting regarding the issuance procedures for the Fairness Opinion and conducted Q&A.

From the time the Company received the Tender Offeror's initial proposal for the Tender Offer Price on

September 29, 2025, each time the Company received a proposal regarding the Tender Offer Price from the Tender Offeror, the Special Committee received timely reports from Nomura Securities, the Company's financial advisor, regarding the contents and negotiation history, deliberated and reviewed the contents taking into account opinions received from Nomura Securities, received prior explanations from Nomura Securities regarding proposed negotiation policies with the Tender Offeror and draft response letters to the Tender Offeror, expressed opinions as necessary, conducted Q&A and provided approvals, and gave instructions and requests regarding the negotiation with the Tender Offeror, Etc.

The Special Committee received multiple explanations from Nishimura & Asahi, the Company's legal advisor, and from Nomura Securities, the Company's financial advisor, regarding drafts of press releases, etc., conducted Q&A, and confirmed that robust information disclosure was planned.

(iii) Content of Judgment

Under the circumstances described below, taking into account the legal advice received from Gaien Partners, the advice from Plutus Consulting from a financial perspective, and the contents of the Share Valuation Report (Plutus Consulting) and the Fairness Opinion submitted on October 28, 2025, the Special Committee carefully discussed and reviewed the Consulted Matters and, on October 29, 2025, submitted to the Company's Board of Directors the Report by unanimous consent of all committee members. For details of the Report, please refer to the Appendix.

[2] Advice from an Independent Law Firm to the Special Committee

As described in "1. Purpose of and Reasons for the Share Consolidation" above, the Special Committee appointed Gaien Partners as its own legal advisor, independent of the Sumitomo Group, the Company Group, and the success or failure of the Transactions, and received legal advice including measures that should be taken to ensure the fairness of the procedures in the Transactions, and advice on the methods and process of the Special Committee's deliberations relating to the Transactions.

Gaien Partners is not a related party of the Tender Offeror, Etc. or the Company and has no material interest in the Transactions, including the Tender Offer. Compensation to Gaien Partners consists only of hourly fees payable regardless of the success or failure of the Transactions, and does not include any success fee contingent upon consummation of the Transactions.

[3] Acquisition of the Share Valuation Report and Fairness Opinion from an Independent Third-Party Valuation Institution at the Special Committee

(i) Name of the Valuation Institution and its Relationship with the Company and the Tender Offeror

In considering the Consulted Matters, the Special Committee, in order to ensure the appropriateness of the terms and conditions of the Transactions, including the Tender Offer Price, requested that Plutus Consulting, a financial advisor and third-party valuation institution independent of the Sumitomo Group, the Company Group, and the success or failure of the Transactions, value the Company's Shares and express an opinion on the fairness from a financial perspective to the Company's minority shareholders of the terms and conditions of the Transactions, including the Tender Offer Price, and obtained the Share Valuation Report (Plutus Consulting) and the Fairness Opinion dated October 28, 2025.

Plutus Consulting is not a related party of the Tender Offeror, Etc. or the Company and has no material interest in the Transactions, including the Tender Offer. In addition, the compensation for Plutus Consulting related to the Transactions consists only of a fixed fee payable regardless of the completion or failure of the Transactions and does not include a success fee payable upon conditions such as the completion of the Transactions, including the Tender Offer.

(ii) Overview of the Valuation

After examining multiple valuation methods to be adopted for valuing the Company's Shares, assuming that the Company is a going concern, and based on the belief that a multifaceted evaluation was appropriate for the valuation of the Company's Shares, Plutus Consulting calculated the value of the Company's Shares using the market price method because the Company's Shares are listed on the Prime Market of the Tokyo Stock Exchange and a market price exists, the comparable company analysis method because there are multiple listed companies comparable to the Company, making it possible to infer the value of the Company's Shares by comparison with similar companies, and the DCF method to reflect the details, forecasts, etc. of the Company's business performance in the valuation, and the Special Committee received from Plutus Consulting the Share Valuation Report (Plutus Consulting) dated October 28, 2025.

The ranges of the per-share value of the Company's Shares that were calculated using the aforementioned valuation methods are as follows:

Market price method:	4,258 yen to 4,543 yen
Comparable company analysis method:	3,252 yen to 3,613 yen
DCF method:	4,651 yen to 5,920 yen

Under the market price method, with October 28, 2025 as the reference date, the per-share value of the Company's Shares was calculated to be in the range of 4,258 yen to 4,543 yen, based on the closing price on the reference date of 4,258 yen, the simple average of the closing prices for the last month of 4,299 yen, the simple average of the closing prices for the last three months of 4,543 yen, and the simple average of the closing prices for the last six months of 4,415 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange.

Under the comparable company analysis method, Nomura Research Institute, Ltd., TIS Inc., BIPROGY Inc., NS Solutions Corporation, Internet Initiative Japan Inc., DTS CORPORATION, and NSD Co., Ltd. were selected as listed companies engaged in businesses similar to the Company. The calculation was made using EV/EBIT multiple and EV/EBITDA multiple for the enterprise value, and the per-share value of the Company's Shares was calculated to be in the range of 3,252 yen to 3,613 yen.

Under the DCF method, the financial forecast for the Company that was included in the Business Plan and that Plutus Consulting used as a premise for its valuation using the DCF method was prepared by the Company in consideration of its performance up to the most recent period and various measures for future growth in its businesses, including IT consulting, system development, verification services, IT infrastructure construction, IT management, IT hardware/software sales, and BPO. The forecast period was from the fiscal year ending March 2026 to the fiscal year ending March 2031, which was considered a period for which reasonable future forecasts were possible. Based on the Business Plan, Etc. prepared by the Company, Plutus Consulting analyzed the Company's enterprise value and equity value by discounting the free cash flows that the Company was expected to generate from the second quarter of the fiscal year ending March 2026 onwards to their present value at a certain discount rate, based on factors such as the revenue forecasts and investment plans in the business plan for the six fiscal years from the fiscal year ending March 2026 to the fiscal year ending March 2031, and publicly available information. The per-share value of the Company's Shares was calculated to be in the range of 4,651 yen to 5,920 yen. The weighted average cost of capital (WACC) was used as a discount rate, and the rate of 5.7% to 7.6% was used. In calculating the terminal value, it was calculated to be 2,059,760 million yen to 2,379,139 million yen based on the multiple method. For the multiple method, the EV/EBIT multiple and the EV/EBITDA multiple were adopted, and a range of 13.8 times to 15.3 times was used for the EV/EBIT multiple and a range of 10.8 times to 11.4 times was used for the EV/EBITDA multiple based on the levels of companies in the industry.

Non-operating assets included surplus cash and deposits after deducting necessary working capital

(determined by comprehensively considering the Company's past cash flow performance and other factors), investment securities, and other financial instruments.

The Business Plan, Etc. used by Plutus Consulting for its analysis using the DCF method included fiscal years in which significant increases or decreases in profit and loss were projected. Specifically, due to the consolidation of Net One Systems Co., Ltd. ("Net One Systems") as a subsidiary on December 25, 2024, a significant increase in net sales, operating profit, EBITDA, and free cash flow was projected for the fiscal year ending March 2026.

The synergies expected to be realized through the Transactions were difficult to estimate specifically at that time and therefore were not factored into the following financial projections, except for the effects of the reduction of listing maintenance costs.

The financial projections underlying the analysis using the DCF method are as follows.

(Unit: million yen)

	FYE March 2026 (9 months)	FYE March 2027	FYE March 2028	FYE March 2029	FYE March 2030	FYE March 2031
Net sales	623,394	864,915	914,961	971,091	1,035,356	1,109,777
Operating profit	67,778	97,445	108,382	120,532	135,363	149,608
EBITDA	93,526	134,380	146,670	160,215	174,612	190,602
Free cash flow	9,676	56,411	68,684	79,085	86,826	96,425

(iii) Overview of the Fairness Opinion

The Special Committee received from Plutus Consulting on October 28, 2025 the Fairness Opinion stating that the Tender Offer Price of 5,700 yen per share is fair from a financial perspective to the Company's minority shareholders (Note 8). The Fairness Opinion expresses the opinion that the Tender Offer Price of 5,700 yen per share is fair from a financial perspective to the Company's minority shareholders in light of the share valuation results, etc. based on the business plan prepared by the Company. In addition, the Fairness Opinion was issued after Plutus Consulting considered the share valuation results for the Company conducted by it after receiving disclosure of the Company's current business status, future business plans, etc., and an explanation regarding them from the Company, the Q&A with the Company regarding the outline, background, and purpose of the Tender Offer, and the Company's business environment, economic, market, and financial conditions, etc. within the scope recognized as necessary by Plutus Consulting, and after a review process by a review committee independent of the engagement team at Plutus Consulting.

(Note 8) In preparing the Fairness Opinion, Plutus Consulting assumed that the basic materials provided by the Company and materials available to the public, as well as information obtained from the Company, were accurate and complete. Plutus Consulting did not conduct its own investigation or verification of the accuracy or completeness of such information and was not obligated to do so. Therefore, Plutus Consulting shall not be liable for any deficiencies in these materials or for the non-disclosure of important facts.

Plutus Consulting assumed that the business plans and other materials used as the basis for the Fairness Opinion were prepared reasonably based on the best estimates and judgments at the time of preparation of such materials. Plutus Consulting did not guarantee the feasibility of these plans and did not express any opinions on the analyses or forecasts that served as the basis for the preparation of the business plans and other materials or the assumptions on which those analyses or forecasts were based.

Plutus Consulting is not a legal, accounting, or tax professional. Therefore, Plutus Consulting did not express any opinions on legal, accounting, or tax issues related to the Tender Offer, nor was it obligated to do so.

Plutus Consulting did not conduct an independent evaluation or appraisal of the assets and liabilities (including off-balance-sheet assets and liabilities and other contingent liabilities) of the Company and its affiliates, including analysis and evaluation of individual assets and liabilities, and did not receive any evaluation or appraisal reports in this regard. Accordingly, Plutus Consulting did not evaluate the solvency of the Company and its affiliates.

The Fairness Opinion expresses an opinion on the fairness of the Tender Offer Price from a financial point of view for the purpose of assisting the Company in expressing its opinion on the Tender Offer. Therefore, the Fairness Opinion does not express any opinions on the relative merits of transactions that may be alternative options to the Tender Offer, the benefits to be obtained by the implementation of the Tender Offer, or the advantages and disadvantages of implementing the Tender Offer.

The Fairness Opinion does not express any opinions to the holders of securities issued by the Company, creditors, or other related parties. Therefore, Plutus Consulting shall not be liable to any shareholders or third parties who rely on the Fairness Opinion.

Plutus Consulting does not solicit investment in the Company and has no authority to do so. Therefore, the Fairness Opinion does not recommend that shareholders take any action, including tendering their shares in the Tender Offer.

The Fairness Opinion expresses an opinion, as of the date of submission of the Fairness Opinion, on whether the Tender Offer Price is fair to the minority shareholders of the Company from a financial point of view. The Fairness Opinion is based on the financial and capital markets, economic conditions, and other circumstances as of the date of submission of the Fairness Opinion, and on information provided to Plutus Consulting or obtained by Plutus Consulting as of that date. Plutus Consulting is not obligated to revise, change, or supplement its opinion even if these assumptions change due to future circumstances.

The Fairness Opinion does not infer or imply any opinions other than those expressly stated in the Fairness Opinion or regarding matters after the date of submission of the Fairness Opinion.

[4] Advice from an External Law Firm to the Company

As described in “1. Purpose of and Reasons for the Share Consolidation” above, the Company appointed Nishimura & Asahi as its external legal advisor and received legal advice including measures that should be taken to ensure the fairness of the procedures in the Transactions, the various procedures for the Transactions, and the methods, process, etc. of the Company’s decision-making relating to the Transactions.

Nishimura & Asahi is not a related party of the Tender Offeror, Etc. or the Company and has no material interest in the Transactions, including the Tender Offer. Compensation to Nishimura & Asahi consists only of hourly fees payable regardless of the success or failure of the Transactions, and does not include any success fee contingent upon consummation of the Transactions.

[5] Acquisition of the Share Valuation Report from an Independent Financial Advisor and Third-Party Valuation Institution at the Company

(i) Name of the Valuation Institution and its Relationship with the Company and the Tender Offeror

In expressing its opinion on the Tender Offer, the Company, in order to ensure the fairness of its decision-making regarding the Tender Offer Price presented by the Tender Offeror, Etc., requested a valuation of the Company’s Shares from Nomura Securities, a financial advisor and third-party valuation institution independent of the Sumitomo Group, the Company Group, and the success or failure of the Transactions, and

obtained the Share Valuation Report (Nomura Securities) (Note 9) dated October 28, 2025. The Company did not obtain a fairness opinion from Nomura Securities regarding the fairness of the Tender Offer Price because it implemented measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest. Nomura Securities is not a related party of the Company or the Tender Offeror, Etc. and has no material interest in the Transactions, including the Tender Offer. In addition, the Special Committee, at its second meeting held on July 1, 2025, confirmed that there were no issues with the independence and expertise of Nomura Securities and approved it as the Company's financial advisor.

The compensation for Nomura Securities includes a success fee payable upon conditions such as the completion of the Transactions. The Company appointed Nomura Securities as its financial advisor and third-party valuation institution with the above compensation structure, judging that the inclusion of a success fee payable upon conditions such as the completion of the Tender Offer did not negate its independence, considering the general practice in similar transactions and whether adopting a compensation structure that could impose a corresponding financial burden on the Company even if the Transactions were not completed would be appropriate.

(Note 9) In calculating the value of the Company's Shares, Nomura Securities assumed that the Business Plan, Etc. is accurate and complete, and did not independently verify their accuracy and completeness. It did not independently perform any valuation, appraisal, or assessment of the assets or liabilities (including financial derivatives, off-balance-sheet assets and liabilities, and other contingent liabilities) of the Company and its affiliates, including an analysis and valuation of individual assets and liabilities, nor did it request an appraisal or assessment from a third-party institution. The Business Plan, Etc. is premised on the assumption that it was reasonably reviewed or prepared based on the best and most sincere forecasts and judgments available to the Special Committee or the Company's management at that time. The valuation by Nomura Securities reflects the information and economic conditions available to Nomura Securities as of October 28, 2025. The valuation by Nomura Securities is intended solely to serve as a reference for the Company's Board of Directors in considering the value of the Company's Shares.

(ii) Overview of the Valuation

After considering the Company's financial condition, the market price trends of the Company's Shares, etc., Nomura Securities concluded that a multifaceted evaluation was appropriate. After examining multiple share valuation methods to be adopted for valuing the Company's Shares, it calculated the value of the Company's Shares using the market price average method because a market price exists, the comparable company analysis method because there are multiple listed companies comparable to the Company, making it possible to infer the value of the Company's Shares by comparison with similar companies, the comparable transactions analysis method because it is possible to infer the value of the Company's Shares by comparison with the transaction prices of similar transactions, and the DCF method to reflect the future business activities in the valuation, and the Company received from Nomura Securities the Share Valuation Report (Nomura Securities) dated October 28, 2025.

Market price average method:	4,258 yen to 4,543 yen
Comparable company analysis method:	3,295 yen to 4,843 yen
Comparable transactions analysis method:	3,526 yen to 5,249 yen
DCF method:	4,356 yen to 6,749 yen

Under the market price average method, with October 28, 2025 as the reference date, the per-share value of the Company's Shares was calculated to be in the range of 4,258 yen to 4,543 yen, based on the closing

price on the reference date of 4,258 yen, the simple average of the closing prices for the last five business days of 4,302 yen, the simple average of the closing prices for the last month of 4,299 yen, the simple average of the closing prices for the last three months of 4,543 yen, and the simple average of the closing prices for the last six months of 4,415 yen for the Company's Shares on the Prime Market of the Tokyo Stock Exchange.

Under the comparable company analysis method, Nomura Research Institute, Ltd., TIS Inc., NS Solutions Corporation, BIPROGY Inc., and DENTSU SOKEN INC. were selected as listed companies engaged in businesses similar to the Company. The calculation was made using the EV/EBITDA multiple, EV/EBIT multiple, and PER, and the per-share value of the Company's Shares was calculated to be in the range of 3,295 yen to 4,843 yen.

Under the comparable transactions analysis method, the per-share value of the Company's Shares was calculated by selecting the transaction announced by ITOCHU Corporation in the "Announcement in Relation to Commencement of Tender Offer for Shares in ITOCHU Techno-Solutions Corporation (Code No. 4739)" dated August 2, 2023, and the transaction announced by NEC Corporation in the "NEC Announces the Commencement of Tender Offer for Shares of NEC Networks & System Integration Corporation (Securities Code: 1973)" dated October 29, 2024 (including subsequent corrections) as going-private transactions made public over the past few years that involved domestic companies engaged in businesses similar to that of the Company and were relatively comparable, and based on a comparison of transaction prices and financial indicators representing profitability, etc., the per-share value of the Company's Shares was calculated to be in the range of 3,526 yen to 5,249 yen.

Under the DCF method, the financial forecast for the Company that was included in the Business Plan that Nomura Securities used as a premise for its valuation using the DCF method was prepared by the Company in consideration of its performance up to the most recent period and various measures for future growth in its businesses, including IT consulting, system development, verification services, IT infrastructure construction, IT management, IT hardware/software sales, and BPO. The forecast period was from the fiscal year ending March 2026 to the fiscal year ending March 2031, which was considered a period for which reasonable future forecasts were possible. Based on the Business Plan, Etc. prepared by the Company, Nomura Securities analyzed the Company's enterprise value and equity value by discounting the free cash flows that the Company was expected to generate from the second quarter of the fiscal year ending March 2026 onwards to their present value at a certain discount rate, based on factors such as the revenue forecasts and investment plans in the business plan for the six fiscal years from the fiscal year ending March 2026 to the fiscal year ending March 2031, and publicly available information. The per-share value of the Company's Shares was calculated to be in the range of 4,356 yen to 6,749 yen. The discount rate (the Weighted Average Cost of Capital) used 5.25% to 6.25%. In calculating the terminal value, it was calculated to be 1,778,732 million yen to 2,662,951 million yen based on the perpetual growth method and the multiple method. For the perpetual growth method, a perpetual growth rate of 0.25% to 1.25% was used based on the long-term economic outlook surrounding the Company, and for the multiple method, the EV/EBITDA multiple, which is common in M&A valuation practice, was adopted, and a range of 11.5 times to 13.5 times was used based on the levels of companies in the industry.

The Business Plan, Etc. used by Nomura Securities for its analysis using the DCF method included fiscal years in which significant increases or decreases in profit and loss and significant increases or decreases in free cash flow were projected. Specifically, due to the consolidation of Net One Systems as a subsidiary on December 25, 2024, a significant increase in net sales, operating profit, EBITDA, and free cash flow was projected for the fiscal year ending March 2026.

The synergies expected to be realized through the Transactions were difficult to estimate specifically at that time and therefore were not factored into the following financial projections.

The financial projections underlying the analysis using the DCF method are as follows.

(Unit: million yen)

	FYE March 2026 (9 months)	FYE March 2027	FYE March 2028	FYE March 2029	FYE March 2030	FYE March 2031
Net sales	623,394	864,915	914,961	971,091	1,035,356	1,109,777
Operating profit	67,778	97,445	108,382	120,532	135,363	149,608
EBITDA	93,526	134,380	146,670	160,215	174,612	190,602
Free cash flow	26,803	57,028	70,705	81,483	89,579	99,409

The Stock Acquisition Rights were issued as stock options to the directors and executive officers of the Company and, in principle, may be exercised only for two years in the case of the 2nd Series Stock Acquisition Rights and only for ten years in the case of the 8th Series Stock Acquisition Rights from the day following the date on which the holder loses both positions as a director and as an executive officer of the Company. Accordingly, since such stock acquisition rights would be non-exercisable even if acquired by the Tender Offeror, the Tender Offeror set the Stock Acquisition Right Purchase Price at 1 yen. Taking into account this explanation provided by the Tender Offeror, the Company did not obtain a valuation report or fairness opinion from a third-party valuation institution regarding the Stock Acquisition Right Purchase Price.

[6] Establishment of an Independent Review Structure at the Company

As described in “1. Purpose of and Reasons for the Share Consolidation” above, the Company established an internal structure for consideration, negotiation, and judgment regarding the Transactions from a standpoint independent of the Sumitomo Group other than the Company Group. Specifically, (i) with respect to the Company’s directors, including those who currently concurrently serve as officers or employees of Sumitomo and those equivalent to directors who formerly held positions as officers or employees of Sumitomo, they were treated as “directors with a special interest” (Article 369, paragraph (2) of the Companies Act) or as equivalent thereto with respect to the Transactions, and, not only at the stage of the Board of Directors resolution on the Company’s final expression of opinion regarding the Tender Offer, but also as members of the Board of Directors of the Company, they were, in principle, not to participate in deliberations, consideration or negotiations regarding the Transactions; and (ii) with respect to secondees from Sumitomo other than the Company’s directors, if their knowledge, skills or expertise were useful for discussions, consideration or negotiations relating to the Transactions, then, even if they currently concurrently serve as officers or employees of Sumitomo or formerly held positions as officers or employees of Sumitomo, their involvement in the Company’s consideration of the Transactions would be permitted to an appropriate extent on the premise that they would bear strict confidentiality obligations so as not to cause information leakage or transmission to external parties including Sumitomo and would pledge to act only as members of the Company’s review structure for the Transactions.

Including the handling described above, the internal structure that the Company established for reviewing the Transactions (including the scope and duties of the officers and employees of the Company and Net One Systems involved in consideration, negotiation and judgment regarding the Transactions; specifically, 17 officers (including directors, executive officers, and managing officers) (Takaaki Tsuma, Takafumi Takeshita, Shouei Yamana, Sadayo Hirata, Tetsuya Kubo, Yasuo Miki, Yumiko Waseda, Hidetaka Matsuishi, Tsutomu Ozaki, Takuya Tanaka, Takayuki Okuhara, Yasushi Shimizu, Yasuhiko Oka, Kazuaki Ishibashi, Kenji Inoue, Yoshinari Kobayashi, and Masahiro Otani) and 12 employees of the Company and Net One Systems) was based on advice from Nishimura & Asahi, and the Special Committee approved that there were no issues from the perspectives of independence and fairness.

[7] Acquisition of Share Valuation Report from an Independent Third-party Valuation Institution at Sumitomo

(i) Common Stock

According to the Tender Offeror, Sumitomo requested SMBC Nikko Securities Inc. (“SMBC Nikko Securities”), a financial advisor of Sumitomo, as a third-party valuation institution independent of the Sumitomo Group, including the Company, to calculate the share value of the Company’s Shares for determining the Tender Offer Price.

According to the Tender Offeror, after considering which valuation methods should be applied to calculate the share value of the Company’s Shares among various share valuation methods, SMBC Nikko Securities calculated the share value of the Company’s Shares using each method of (i) the market price method since the Company is listed on the Prime Market of the Tokyo Stock Exchange and a market price exists, (ii) the comparable listed company method since it is possible to infer the share value of the Company’s Shares by comparison with similar listed companies and (iii) the DCF method in order to reflect the future business activities in the valuation. Sumitomo obtained a share valuation report regarding the share value of the Company’s Shares (the “Share Valuation Report (Tender Offeror)”) from SMBC Nikko Securities on October 28, 2025. According to the Tender Offeror, the Tender Offeror, Etc. did not obtain an opinion concerning the fairness of the Tender Offer Price (a fairness opinion) from SMBC Nikko Securities since they believed that sufficient consideration was given to the interests of the minority shareholders of the Company, having comprehensively considered the various factors stated in this “(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest.”

According to the Tender Offeror, the results of calculation of the share value per share of the Company’s Shares by SMBC Nikko Securities are as follows:

Market price method:	4,299 yen to 4,543 yen
Comparable listed company method:	3,334 yen to 4,249 yen
DCF method:	3,662 yen to 6,133 yen

According to the Tender Offeror, under the market price method, the range of share value per share was calculated to be from 4,299 yen to 4,543 yen as of October 28, 2025, as the record date for calculation. This range was based on the simple average closing price of the Company’s Shares on the Prime Market of the Tokyo Stock Exchange for the past one (1) month up to the record date for calculation, which was 4,299 yen, the past three (3) months up to such date, which was 4,543 yen, and the past six (6) months up to such date, which was 4,415 yen.

According to the Tender Offeror, under the comparable listed company method, the range of share value per share of the Company’s Shares was calculated to be from 3,334 yen to 4,249 yen as a result of the calculation of the share value of the Company’s Shares by comparing the market prices of shares and financial indicators showing profitability of listed companies engaged in businesses similar to those conducted by the Company.

According to the Tender Offeror, under the DCF method, the range of share value per share was calculated to be from 3,662 yen to 6,133 yen as a result of the evaluation of the corporate value and share value of the Company by discounting the free cash flow expected to be generated by the Company in and after the 2nd quarter of the fiscal year ending March 2026, based on the future financial projections of the Company as adjusted by Sumitomo, to the present value at a specific discount rate, based on the Business Plan for the period from the fiscal year ending March 2026 through the fiscal year ending March 2031 provided by the Company, and taking into account various factors such as management interviews with the Company, recent business performance trends, and publicly disclosed information. According to the Tender Offeror, the future financial projections of the Company, on which the valuation using the DCF method was based, included a

fiscal year in which a significant increase or decrease in earnings and free cash flow was expected. Specifically, as a result of making Net One Systems a consolidated subsidiary as of December 25, 2024, a significant increase in net sales, operating profit, EBITDA, and free cash flow was expected for the fiscal year ending March 2026. The synergy that could be expected to be realized through the implementation of the Transactions was not added because it was difficult to estimate the value of such synergy specifically at that time.

In addition to the valuation results indicated in the Share Valuation Report (Tender Offeror) provided by SMBC Nikko Securities, the Tender Offeror, Etc. comprehensively reviewed several factors, such as the result of the due diligence on the Company conducted from mid July to late August 2025, the likelihood that the Company's Board of Directors would support the Tender Offer, the trend of the market price of the Company's Shares, and the prospect of shares being tendered in the Tender Offer; and took into consideration the results of the discussions and negotiations with the Company. As a result, according to the Tender Offeror, the Tender Offeror, Etc. ultimately set the Tender Offer Price at 5,700 yen on October 29, 2025.

According to the Tender Offeror, it should be noted that SMBC Nikko Securities does not fall under a related party of the Tender Offeror, Etc. or the Company and has no material interest in the Tender Offer. SMBC Nikko Securities is a member of Sumitomo Mitsui Financial Group, Inc., same as Sumitomo Mitsui Banking Corporation ("SMBC"), and SMBC conducts loan transactions, etc., with Sumitomo, the parent company of the Tender Offeror, and the Company as a part of its ordinary banking transactions and plans to provide financing to Sumitomo for the settlement funds related to the Tender Offer. According to the Tender Offeror, however, according to SMBC Nikko Securities, it established and implemented an appropriate system to control conflict of interests, such as information barrier measures between SMBC Nikko Securities and SMBC in accordance with the applicable provisions of Article 36, paragraph (2) of the Act and Article 70-4 of the Cabinet Office Order on Financial Instruments Business (Cabinet Office Order No. 52 of 2007, as amended), and calculated the share value of the Company from a position independent of SMBC's status as a shareholder and lender.

According to the Tender Offeror, the Tender Offer Price of 5,700 yen is the price including (a) a premium of 33.87% added to 4,258 yen, which was the closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 28, 2025, the business day immediately preceding the date of announcement of the implementation of the Tender Offer; (b) a premium of 32.59% added to 4,299 yen, which was the simple average closing price of the Company's Shares for the past one (1) month up to such date; (c) a premium of 25.47% added to 4,543 yen, which was the simple average closing price for the past three (3) months up to such date; and (d) a premium of 29.11% added to 4,415 yen, which was the simple average closing price for the past six (6) months up to such date.

(ii) Stock Acquisition Rights

The Stock Acquisition Rights were issued as stock options to the directors and executive officers of the Company and, in principle, may be exercised only for two years in the case of the 2nd Series Stock Acquisition Rights and only for ten years in the case of the 8th Series Stock Acquisition Rights from the day following the date on which the holder loses both positions as a director and as an executive officer of the Company. Accordingly, according to the Tender Offeror, since such stock acquisition rights would be non-exercisable even if acquired by the Tender Offeror, the Tender Offeror set the Stock Acquisition Right Purchase Price at 1 yen. According to the Tender Offeror, in determining the Stock Acquisition Right Purchase Price, the Tender Offeror, Etc. did not obtain a valuation report or opinion (fairness opinion) from an independent third-party valuation institution, since the Tender Offeror, Etc. determined the Stock Acquisition Right Purchase Price as described above.

[8] Approval by All of the Company's Directors Who Do not Have a Conflict of Interest (Including Those Who

Are Audit and Supervisory Committee Members)

As described in “1. Purpose of and Reasons for the Share Consolidation” above, the Company’s Board of Directors, while giving maximum respect to the legal advice received from Nishimura & Asahi, the financial advice received from Nomura Securities, the Share Valuation Report (Nomura Securities), and the judgment of the Special Committee set forth in the Report, carefully discussed and considered whether the Transactions including the Tender Offer would contribute to enhancing the Company’s corporate value and whether the terms and conditions of the Transactions including the Tender Offer Price were appropriate.

As a result, as described in “1. Purpose of and Reasons for the Share Consolidation” above, the Company determined that the Transactions would contribute to the enhancement of its corporate value and that the terms and conditions of the Transactions, including the Tender Offer Price, were appropriate, and, at the meeting of the Company’s Board of Directors held on October 29, 2025, it was unanimously resolved by all directors who participated in the deliberations and resolution to, as the Company’s opinion at that time, express an opinion in favor of the Tender Offer, recommend that the Company’s shareholders tender their shares in the Tender Offer, and leave the decision of whether or not to tender in the Tender Offer to the discretion of the Stock Acquisition Rights Holders.

At the said Board of Directors meeting, 8 of the Company’s 11 directors (including Audit and Supervisory Committee Members), excluding Mr. Masaki Nakajima, Mr. Shinichi Kato, and Mr. Hiromichi Jitsuno, attended, and each attending director expressed that they had no objection to adopting the above resolution. In view of the facts that Mr. Shinichi Kato, the Company’s director, concurrently serves as an executive officer of Sumitomo, Mr. Masaki Nakajima, the Company’s director, formerly served as an executive officer of Sumitomo, and Mr. Hiromichi Jitsuno, the Company’s director, formerly served as a corporate officer of Sumitomo, and from the perspective of eliminating the risk of influence arising from structural conflicts of interest in the Transactions, none of these directors participated in the deliberations of the above Board of Directors meeting and they refrained from expressing opinions at the time of the resolution.

[9] Ensuring Objective Circumstances to Secure the Fairness of the Tender Offer

The Tender Offeror set the Tender Offer Period at 30 business days, whereas the statutory minimum period is 20 business days. By setting the Tender Offer Period relatively longer than the statutory minimum, the Tender Offeror intended to secure an appropriate opportunity for the Company’s shareholders and the Stock Acquisition Rights Holders to decide whether to tender their shares in the Tender Offer, and to secure an opportunity for any competing bidder to make a competing tender or the like for the Company’s Shares, thereby ensuring the fairness of the Tender Offer Price.

In addition, neither the Tender Offeror, Etc. nor the Company entered into any agreement that would restrict contact between the Company and any competing bidder, including any agreement containing deal protection provisions that would prohibit the Company from contacting such bidder. In this manner, together with the setting of the Tender Offer Period described above, by securing opportunities for competing tenders and the like, consideration was given to ensuring the fairness of the Tender Offer.

[10] Measures to Secure an Opportunity for the Company’s Shareholders to Make an Appropriate Decision on Whether to Tender Their Shares in the Tender Offer

As described in “(5) Policies on Organizational Restructuring after the Tender Offer (Matters Concerning a So-called Two-step Acquisition)” of “3. Content, Basis, and Reasons for the Opinion Regarding the Tender Offer” of the Press Release Expressing Opinion, the Tender Offeror planned (i) to make the Demand for Share Cash-Out in proportion to the number of shares it would acquire as a result of the completion of the Tender Offer or, to request that the Company convene the Extraordinary Shareholders’ Meeting that includes a proposal to conduct a share consolidation and amend the Articles of Incorporation to abolish the provisions regarding the number of shares per unit effective upon the completion of the share consolidation, and would

not adopt methods that fail to secure for the Company's shareholders appraisal rights or rights to petition for a determination of the share price; and (ii) when making the Demand for Share Cash-Out or conducting the Share Consolidation, the cash to be delivered as consideration to the Company's general shareholders would be calculated so as to be equal to the Tender Offer Price multiplied by the number of the Company's Shares held by each shareholder (excluding the Tender Offeror, Etc. and the Company), thereby securing an appropriate opportunity for the Company's shareholders to decide whether to tender their shares in the Tender Offer and avoiding coerciveness.

While the Company did not conduct an investigation or examination as to the presence of other potential acquirers (so-called active market check) in implementing the Transactions, the Company considers that solely the absence of an active market check does not render the measures to ensure fairness of the Tender Offer insufficient because (a) from the perspective of information management, conducting a practical and active market check is not necessarily easy; and (b) as of October 29, 2025, Sumitomo, the proposer of the Transactions, was the Company's largest shareholder holding 158,091,477 shares (ownership ratio: 50.54%) and, under the de facto control standard, consolidated the Company as a subsidiary, and therefore a counter-proposal to the Tender Offeror, Etc.'s acquisition proposal was unlikely.

4. Future Outlook

As a result of the implementation of the Share Consolidation, the Company's Shares will be delisted as described in "[1] Delisting" of "(2) Possibility of Delisting" of "3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation" above.

The Tender Offeror will advance the management as described in "[2] Background, Purpose, and Decision-Making Process Leading to the Tender Offeror, Etc.'s Decision to Conduct the Tender Offer" of "(2) Basis and Reasons for the Opinion" of "3. Content, Basis, and Reasons for the Opinion Regarding the Tender Offer" of the Press Release Expressing Opinion.

5. Matters Concerning MBO, Etc.

(1) Status of Conformity with the Guidelines on Measures to Protect Minority Shareholders in Transactions, etc. with a Controlling Shareholder

The Tender Offeror is the wholly-owned subsidiary of Sumitomo, the Company's controlling shareholder (parent company), and the expression of opinion regarding the Tender Offer is subject to the "Compliance matters concerning MBO, etc." set forth in Article 441 of the Tokyo Stock Exchange Securities Listing Regulations.

In the Corporate Governance Report disclosed on June 25, 2025, the Company stated, as "Guidelines on Measures to Protect Minority Shareholders in Transactions with a Controlling Shareholder," that "With respect to transactions with its parent company, Sumitomo, the Company conducts such transactions on terms equivalent to those of ordinary transactions with counterparties with whom it has no capital relationship, so as not to disadvantage minority shareholders. In addition, for important transactions among such transactions, the Company consults with the Advisory Committee on Conflict-of-Interest Transaction Management, which consists of independent outside directors and independent external experts, obtain its report, and then the Board of Directors decides whether to proceed with the transaction."

With respect to the Transactions including the Tender Offer, as described in "(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest" of "3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation" above, the Company addressed issues of structural conflicts of interest and informational asymmetries and took measures to ensure the fairness of the terms and conditions of the Transactions including the Tender Offer Price; in particular, similar to the Advisory Committee on Conflict-of-Interest Transaction Management consisting of independent outside directors and independent external experts, the Company established the Special Committee composed of certain independent outside directors and conducted rigorous deliberations and review.

Accordingly, the Company believes the responses above conform to the said guidelines.

(2) Matters Concerning Measures to Ensure Fairness and to Avoid Conflicts of Interest

As described in “(1) Status of Conformity with the Guidelines on Measures to Protect Minority Shareholders in Transactions with a Controlling Shareholder” above, since the Transactions including the Tender Offer constitute transactions with a controlling shareholder for the Company, the Company determined that measures to ensure fairness and to avoid conflicts of interest were necessary, and, by taking the measures described in “(3) Measures to Ensure Fairness of the Transactions and Measures to Avoid Conflicts of Interest” of “3. Grounds for the Amount of Monies Expected to Be Delivered to Shareholders by Treatment of Fractions Related to the Share Consolidation” above, the Company ensured fairness and avoided conflicts of interest before making its judgment.

(3) Opinion of the Special Committee that the Transactions are Fair to the General Shareholders

On October 29, 2025, the Company received from the Special Committee the Report stating that the decisions by the Company’s Board of Directors regarding the Transactions (the decision to approve the Tender Offer; to recommend that the Company’s shareholders tender their shares in the Tender Offer; and to leave the decision of whether or not to tender in the Tender Offer to the discretion of the Stock Acquisition Rights Holders, and the decision to implement the Squeeze-Out Procedures) are considered fair to the Company’s general shareholders. For details of the Report, please refer to the Appendix.

The Report also served as the opinion that, after the Tender Offer is consummated, the Tender Offeror, Etc.’s making the Company a wholly-owned subsidiary as described in “(5) Policies on Organizational Restructuring after the Tender Offer (Matters Concerning a So-called Two-step Acquisition)” of “3. Content, Basis, and Reasons for the Opinion Regarding the Tender Offer” of the Press Release Expressing Opinion is fair to the Company’s general shareholders.

IV. Abolition of Provisions on Number of Shares Per Unit

1. Reason for the Abolition

The total number of issued shares of the Company will be 9 shares if the Share Consolidation takes effect, and it will no longer be necessary to provide the number of shares per unit.

2. Scheduled Abolition Date

Thursday, March 12, 2026 (scheduled)

3. Conditions for the Abolition

The abolition will take effect subject to the condition that the proposition for the Share Consolidation and the proposition for partial amendments to the Articles of Incorporation concerning the abolition of provisions on the number of shares per unit (please refer to “V. Partial Amendments to the Articles of Incorporation” below) are approved and passed at the Extraordinary Shareholders’ Meeting as originally drafted and the Share Consolidation takes effect.

V. Partial Amendments to the Articles of Incorporation

1. Purposes of Amending the Articles of Incorporation

(1) If the proposition for the Share Consolidation is approved and passed at the Extraordinary Shareholders’ Meeting as originally drafted and the Share Consolidation takes effect, the Articles of Incorporation will be deemed to have been amended to reduce the total number of authorized shares of the Company to 36 shares in accordance with Article 182, paragraph (2) of the Companies Act. In order to clarify this point, Article 6 (Total Number of Shares Authorized to Be Issued) of the current Articles of Incorporation will be amended, on the condition that the Share Consolidation takes effect.

(2) If the proposition for the Share Consolidation is approved and passed at the Extraordinary Shareholders' Meeting as originally drafted, the Company's Shares will be delisted, and the Company's Shares will no longer be traded on the Prime Market of the Tokyo Stock Exchange after the delisting. Thus, subject to the condition that the Share Consolidation takes effect, the full text of Article 7 (Acquisition by the Company of its Own Shares) of the current Articles of Incorporation will be deleted, and the numbers of articles will be moved up in accordance with that amendment.

(3) If the proposition for the Share Consolidation is approved and passed at the Extraordinary Shareholders' Meeting as originally drafted and the Share Consolidation takes effect, the total number of issued shares of the Company will be 9 shares, and it will no longer be necessary to provide the number of shares per unit. Therefore, on the condition that the Share Consolidation takes effect, in order to abolish the provisions on the number of shares per unit of the Company's Shares, currently 100 shares per share unit, the full text of Article 8 (Number of Shares Constituting One Unit of Stock), Article 9 (Limitation of Rights of Shareholders Holding Less Than One Unit of Stock), and Article 10 (Adding to Holding Less than One Unit of Stock) of the current Articles of Incorporation will be deleted, and the number of provisions will be moved up in accordance with the change.

(4) If the proposition for the Share Consolidation is approved and passed at the Extraordinary Shareholders' Meeting as originally drafted and the Share Consolidation takes effect, the Tender Offeror, Etc. will become the sole shareholders of the Company, and accordingly, the provisions regarding the record date, and those regarding the record date for the Ordinary Shareholders' Meeting, will no longer be necessary. Thus, subject to the condition that the Share Consolidation takes effect, the full text of Article 12 (Record Date) and Article 15 (Record Date for Annual General Meetings of Shareholders) of the current Articles of Incorporation will be deleted, and the numbers of articles will be moved up in accordance with that amendment.

(5) If the proposition for the Share Consolidation is approved and passed at the Extraordinary Shareholders' Meeting as originally drafted and the Share Consolidation takes effect, the Company's Shares will be delisted; accordingly, the provisions regarding shareholders' meetings without designated locations (the "virtual-only shareholders' meetings") pursuant to the Act for Partial Amendment of the Act on Strengthening Industrial Competitiveness (Act No. 70 of 2021) will no longer be necessary. Thus, subject to the condition that the Share Consolidation takes effect, Article 14 (Convocation), paragraph 3 of the current Articles of Incorporation will be deleted.

(6) If the proposition for the Share Consolidation is approved and passed at the Extraordinary Shareholders' Meeting as originally drafted and the Share Consolidation takes effect, the Company's Shares will be delisted in accordance with the implementation of the Share Consolidation, and the Tender Offeror, Etc. will become the sole shareholders of the Company. Accordingly, the provisions regarding electronic provision measures for reference documents for shareholders' meetings will no longer be necessary. Thus, subject to the condition that the Share Consolidation takes effect, the full text of Article 17 (Electronic Provision Measures, etc.) of the current Articles of Incorporation will be deleted, and the numbers of articles will be moved up in accordance with that amendment.

2. Details of the Amendments to the Articles of Incorporation

The details of the amendments are as follows. The amendments to the Articles of Incorporation related to this proposition will take effect on March 16, 2026, the effective date of the Share Consolidation, on the condition that the proposition for the Share Consolidation is approved and passed at the Extraordinary Shareholders' Meeting as originally drafted and the Share Consolidation takes effect.

(Amended text is underlined.)

Current Text	Proposed Text
Article 6: Total Number of Shares Authorized to Be Issued The total number of shares authorized to be issued by	Article 6 : Total Number of Shares Authorized to Be Issued The total number of shares authorized to be issued by

Current Text	Proposed Text
Company shall be <u>six hundred million (600,000,000)</u> shares.	the Company shall be <u>thirty six (36)</u> shares.
<u>Article 7: Acquisition by the Company of its Own Shares</u>	(Deleted)
<u>The Company may, by a resolution of the Board of Directors, acquire its own shares through market transactions, etc. pursuant to the provisions of Article 165, Paragraph 2 of the Companies Act.</u>	
<u>Article 8: Number of Shares Constituting One Unit of Stock</u>	(Deleted)
<u>The number of shares constituting one unit of stock of the Company's common stock shall be one hundred (100).</u>	
<u>Article 9: Limitation of Rights of Shareholders Holding Less Than One Unit of Stock</u>	(Deleted)
<u>A shareholder of the Company holding shares constituting less than one unit of stock cannot exercise any rights other than:</u>	
<u>(1) Rights listed in the items of Article 189, Paragraph 2 of the Companies Act;</u>	
<u>(2) Rights to make the demand set forth in Article 166, Paragraph 1 of the Companies Act;</u>	
<u>(3) Rights to receive an allocation of shares for subscription or share options for subscription based on the number of shares owned; and</u>	
<u>(4) Rights to make the demand provided in the next Article.</u>	
<u>Articles 10: Adding to Holding Less than One Unit of Stock</u>	(Deleted)
<u>Pursuant to the Share Handling Regulations, shareholders of the Company holding less than one unit of the Company's stock may demand that the Company sell to them the number of shares that, when added to such shareholders' shares representing less than one unit, will equal one unit of stock; provided, however, that this shall not apply to cases where the Company does not own the number of treasury shares to be sold to such shareholders.</u>	
Article <u>11</u> (Omitted)	Article <u>7</u> (Unchanged)
<u>Article 12: Record Date</u>	(Deleted)

Current Text	Proposed Text
<p><u>Unless otherwise provided for in these Articles of Incorporation, a record date may be set, if necessary, at a meeting of the Board of Directors and by giving advance public notice.</u></p> <p>Article <u>13</u> (Omitted)</p> <p>Article <u>14</u>: Convocation</p> <ol style="list-style-type: none"> 1. The annual general meeting of the Company's shareholders shall be convened in June of each year. 2. In addition to the provision of the preceding paragraph, an extraordinary general meeting of shareholders shall be convened whenever necessary. 3. <u>The Company's general meeting of shareholders may be held as a general meeting of shareholders without a designated location.</u> <p><u>Article 15: Record Date for Annual General Meetings of Shareholders</u> <u>The record date for voting rights for the annual general meetings of shareholders of the Company shall be March 31 of each year..</u></p> <p>Article <u>16</u> (Omitted)</p> <p><u>Article 17: Electronic Provision Measures, etc.</u></p> <ol style="list-style-type: none"> 1. <u>Upon convening a general meeting of shareholders, the Company shall take electronic provision measures with respect to information constituting the contents of the reference materials, etc. for the general meeting of shareholders.</u> 2. <u>Among the items for which the electronic provision measures will be taken, the Company may omit all or part of the items set forth in the Ordinance of the Ministry of Justice from documents to be delivered to shareholders who have requested the delivery of documents by the record date for voting rights.</u> <p>Article <u>18</u> to Article <u>37</u> (Omitted)</p>	<p>Article <u>8</u> (Unchanged)</p> <p>Article <u>9</u></p> <ol style="list-style-type: none"> 1. (Unchanged) 2. (Unchanged) <p>(Deleted)</p> <p>(Deleted)</p> <p>Article <u>10</u> (Unchanged)</p> <p>(Deleted)</p> <p>Article <u>11</u> to Article <u>30</u> (Unchanged)</p>

3. Schedule for Amending the Articles of Incorporation
Monday, March 16, 2026 (scheduled)

4. Conditions for Amending the Articles of Incorporation

The amendments will take effect subject to the condition that the proposition for the Share Consolidation is approved and passed at the Extraordinary Shareholders' Meeting as originally drafted and the Share Consolidation takes effect.

End

(Reference)

The Report (Appendix)

October 29, 2025

To the Board of Directors of SCSK Corporation

Report

The Special Committee of SCSK Corporation

Chairman Yumiko Waseda

Committee Member Hidetaka Matsuishi

Committee Member Shouei Yamana

This Report describes the content of the report (hereinafter referred to as "this Report") resolved by the Special Committee (hereinafter referred to as the "Special Committee"), which was established by the Board of Directors of SCSK Corporation (hereinafter referred to as the "Company"), after careful deliberation on the matters on which it was consulted by the Company's Board of Directors, from a standpoint independent of SC Investments Management Inc. (a company established on September 16, 2025, for the primary purpose of acquiring and holding the Company's shares, etc. through the Tender Offer (defined below), and all of whose issued shares are held by Sumitomo Corporation (hereinafter referred to as "Sumitomo"); hereinafter referred to as the "Tender Offeror"), Sumitomo, other parties related to the Transactions, and the success or failure of the Transactions (defined below), with respect to the series of transactions (the Tender Offer and the Squeeze-Out Procedures (defined below) are hereinafter collectively referred to as the "Transactions"), comprising the tender offer (hereinafter referred to as the "Tender Offer") conducted by the Tender Offeror to acquire all of the common stock (hereinafter referred to as the "Company's Shares") and the stock

acquisition rights¹ (hereinafter referred to as the "Stock Acquisition Rights", and the holders thereof shall be referred to as "Stock Acquisition Rights Holders") of the Company in order to make Sumitomo and the Tender Offeror the sole shareholders of the Company, and the subsequent procedures such as a demand for share, etc. cash-out or a share consolidation as stipulated in the Companies Act (Act No. 86 of 2005; including subsequent amendments, hereinafter referred to as the "Companies Act") (hereinafter referred to as the "Squeeze-Out Procedures").

I. Matters on which the Special Committee was Consulted

The matters on which the Company consulted the Special Committee (hereinafter referred to as the "Consulted Matters") are as follows.

- (1) The reasonableness of the purpose of the Transactions (including whether the Transactions will contribute to the enhancement of the Company's corporate value).
- (2) The fairness of the terms and conditions of the Transactions.
- (3) The fairness of the procedures for the Transactions.
- (4) Whether conducting the Transactions is fair to the Company's general shareholders.
- (5) Whether it is appropriate for the Company's Board of Directors to express an opinion in favor of the Tender Offer and recommend that the Company's shareholders tender their shares in the Tender Offer.
- (6) Other matters on which the Special Committee is consulted by the Company's Board of Directors from time to time in its consideration of the Transactions.

¹ Refers to (1) the stock acquisition rights issued pursuant to the resolutions of the Company's general shareholders' meeting and the Company's Board of Directors held on June 27, 2007 (exercise period is from July 28, 2007 to July 26, 2027; as of September 30, 2025, there are 6 outstanding units (representing 1,800 Company's Shares); hereinafter referred to as the "Second Series Stock Acquisition Rights."), and (2) the stock acquisition rights issued pursuant to the resolutions of the Company's general shareholders' meeting and the Company's Board of Directors held on June 25, 2010 (exercise period is from July 31, 2010 to July 29, 2030; as of September 30, 2025, the number of outstanding units is 58 (representing 17,400 Company's Shares; hereinafter referred to as the "Eighth Series Stock Acquisition Rights.")).

II. Deliberations, etc. Conducted by the Special Committee

In preparing this report on the Consulted Matters, the Special Committee took the following actions.

1. Approval of Advisors with Independence and Expertise and Receipt of Advice from Said Advisors

The Special Committee, after confirming their independence from the Company, the Tender Offeror, and Sumitomo, as well as their expertise, etc., approved the appointments of Nomura Securities Co., Ltd. (hereinafter referred to as "Nomura Securities") as the Company's financial advisor and third-party valuation institution and Nishimura & Asahi (Gaikokuho Kyodo Jigyo) (hereinafter referred to as "Nishimura & Asahi") as the Company's legal advisor, respectively. In addition, the Special Committee decided to appoint PLUTUS CONSULTING Co., Ltd. (hereinafter referred to as "Plutus") as its own financial advisor and third-party valuation institution, and Gaien Partners (hereinafter referred to as "Gaien") as its own legal advisor, each of whom is independent of the Company, the Tender Offeror, and Sumitomo and possesses expertise regarding the Transactions, and received professional advice from them as necessary in its consideration of the Consulted Matters.

2. Meetings, etc. of the Special Committee

The Special Committee was held a total of 20 times between June 12, 2025 and October 28, 2025, and deliberated on the Consulted Matters. In addition, between meetings, reports, information sharing, deliberations, and decision-making, etc. were conducted via email, etc. as necessary. As a result, as of the date of preparation of this Report, the Special Committee approved this Report by a unanimous vote of all three committee members.

3. Review of Publicly Available Related Materials and Materials and Documents Submitted by the Company and Sumitomo

The Special Committee reviewed documents, etc. that it deemed reasonably necessary or appropriate for its review, including drafts of the Company's press release regarding the Transactions (hereinafter referred to as the "Company's Opinion Press"), materials concerning the share valuation prepared by

Nomura Securities, materials concerning the share valuation prepared by Plutus, materials received by the Company from Sumitomo, materials sent from the Company to Sumitomo, other publicly available related documents, and materials received from the Company.

4. Conducting of Hearings, etc.

The Special Committee conducted hearings, interviews, Q&A sessions, etc., including on the following matters.

- (1) Q&A session with the Company concerning matters related to the significance and purpose of the Transactions, the impact of the Transactions on the Company's business, the content of the business plan (hereinafter referred to as the "Business Plan") which served as the premise for the share valuations by Plutus and Nomura Securities, the content of the proposal from Sumitomo, and the meetings, etc. conducted between the Company and Sumitomo, etc.
- (2) Q&A session with Sumitomo concerning matters related to the business environment, business content, the purpose, background, and significance, etc. of the Transactions, the scheme of the Transactions, the fairness of the procedures for the Transactions, the terms and conditions of the Transactions, and the management policy for the Company after the Transactions, etc.
- (3) Q&A session with Plutus and Nomura Securities concerning matters related to the valuation of the Company's Shares etc.
- (4) Q&A session with Gaien concerning matters related to the content of measures to ensure the fairness of the procedures for the Transactions and measures to avoid conflicts of interest, etc.

III. Opinion of the Special Committee

As a result of its review, the Special Committee, by unanimous resolution of all committee members, reports the following opinions regarding the Consulted Matters.

- (1) The Transactions are recognized as contributing to the enhancement of the Company's corporate value, and the purpose of the Transactions is considered to be reasonable.

- (2) The purchase price of the Company's Shares in the Tender Offer is a fair price that can be reasonably assessed as an amount that appropriately reflects the intrinsic value of the Company in light of the respective share valuation results, etc. of Plutus and Nomura Securities, and the terms and conditions of the Transactions are considered to be fair.
- (3) Appropriate measures to ensure fairness have been taken in the Transactions, and the negotiation process and the procedures leading to the decision-making for the Transactions are considered to be fair.
- (4) Based on (1) through (3) above, the Transactions are considered to be fair to the Company's general shareholders.
- (5) It is considered appropriate for the Company's Board of Directors (i) to express an opinion in favor of the Tender Offer and (ii) to recommend that the Company's shareholders tender their shares in the Tender Offer and (iii) to leave it to the discretion of the Stock Acquisition Rights Holders whether or not to tender their Stock Acquisition Rights in this Tender Offer.

IV. Overview of the Reasons for the Opinion and Content of the Review

1. Reasonableness of the Purpose of the Transactions (Including Whether the Transactions Will Contribute to the Enhancement of the Company's Corporate Value)

(1) Purpose, etc. of the Transactions

The Special Committee questioned the Company and Sumitomo regarding the purpose of the Transactions and the specific content of the Company's corporate value that is expected to be enhanced by the Transactions, etc., and received responses from the Company and Sumitomo. According to said responses and the Company's Opinion Press, etc., the outline is as follows.

- A. Overview of the Tender Offeror and Sumitomo, and the Purpose and Synergies of the Transactions as Considered by Sumitomo
 - (a) Overview of the Tender Offeror and Sumitomo

The Tender Offeror, under the trade name SC Investments Management Inc., was established on September 16, 2025, with the primary purpose of acquiring and owning the Company's shares, etc. through the Tender Offer, and is a corporation whose issued shares are wholly owned by Sumitomo as of the filing date of this Report.

Sumitomo, the Tender Offeror's parent company, is a general trading company that was established on December 24, 1919, and is listed on the Prime Market of the Tokyo Stock Exchange. The Sumitomo Group² integrates its business foundations, which consists of the cultivated over the years, its global network in Japan and overseas, global relationships with business partners in various fields, and its intellectual capital, with capabilities such as business development, logistics solutions, financial services, IT solutions, risk management, and intelligence gathering and analysis, thereby meeting the diverse needs of its customers and developing multifaceted business activities on a global consolidated basis. Sumitomo is divided into nine business groups³, each bringing together the Strategic Business Units (SBUs) having high strategic affinity—these SBU being the basic unit of Sumitomo centered on strategy. Sumitomo aims, in its "Medium-Term Management Plan 2026" announced on May 2, 2024, to reach new heights by each of its business line striving to become No. 1 in their respective fields. Through concentration of management resources in areas where the Sumitomo Group has strengths and in areas of high growth potential, the Sumitomo Group as a whole aims to achieve significant growth under the theme "No. 1 in Each Field." As a common theme across all SBUs, Sumitomo advocates "Refine with digital, Profit with digital," and its Sumitomo's Digital and AI strategy aims to bolster the strengths and competitive advantages of the Sumitomo Group's businesses through digital technology and accelerate their growth, build new value creation models utilizing digital technology and AI in all business frontlines, and lead the society and industry. The Sumitomo Group encompasses business frontlines of approximately 900 operational companies and a global customers base of 100,000

² Refers to Sumitomo and its consolidated subsidiaries and equity-method affiliates.

³ Refers to Steel, Automotive, Transportation & Construction Systems, Diverse Urban Development, Media & Digital, Lifestyle Business, Mineral Resources, Chemical Solutions, Electronics, Agriculture and Energy Transformation Business.

companies, and it believes that combining its strengths, such as issue identification, customer interface, and business planning capabilities, with the digital solution functions that the Sumitomo Group possesses and will continue to expand, will lead to the realization of its aims, and the Transactions are part of measures implemented based on this strategy.

(b) Purpose and Synergies of the Transactions as Considered by Sumitomo

Sumitomo understands that the current SI and NI⁴ market surrounding the Company is supported by the strong demand from customers for the renewal of conventional systems and environments, and by the advanced utilization of cloud systems, leading to its stable progression. On the other hand, due to the dramatic advances in AI-related technologies such as generative AI and AI agents, the SI and NI industry recognizes the necessity for transformation of capabilities and business models that differ fundamentally from the past. This necessity for transformation arises from trends such as the internalization of system development by customers themselves and the shift of the department leading system developments on the customer side from IT departments to business units. Based on such business environment, Sumitomo understands that the Company aims to transform its business model and evolve into a corporate group that leads the resolution of social issues and operates multiple businesses with overwhelming presence and influence.

Since the merger of Sumisho Computer Systems Corporation and CSK Corporation in 2011 to further expand business amid the maturation of the domestic IT service market, the Company has been promoting the integration of human resources and intellectual property of both companies, aiming to be a global IT company offering a full lineup of services from system development to sales of IT hardware and software, and BPO, and has established a stable foundation with 13 consecutive fiscal years of increased profit and revenue, and further, in 2025, it made Net One Systems Co., Ltd. (hereinafter "Net One Systems") a wholly-owned subsidiary, thereby establishing a framework to

⁴"SI (System Integration)" refers to service that comprehensively handle everything from planning, designing, and implementing systems, to the operation and maintenance, thereof. "NI (Network Integration)" refers to services that comprehensively undertake the design, construction, operation, and maintenance of communication network for enterprises.

provide new value to customers through the integration of SI and NI. Sumitomo strongly empathizes with this direction and intends to offer maximum support by investing the assets, functions, relationships, and resources possessed and to be expanded by the Sumitomo Group for realization of such direction, and to move forward jointly toward significant future growth.

Grounded in the above mindset, Sumitomo aims to establish an environment where the Company can fully utilize the business assets held by the Sumitomo Group. If there is any deficiency, Sumitomo plans to invest its human and financial resources to the maximum extent towards comprehensively supporting the growth and transformation of the Company. Furthermore, Sumitomo believes it is important to share strategies aimed at achieving the next major growth for both companies, and to advance agile collaboration while respecting each other's growth.

Since the establishment of Sumisho Computer Systems Corporation by Sumitomo, the predecessor of the Company, in 1969, both companies have built a relationship of trust through active dialogue, collaborated with each other, and jointly pursued the creation of value that could not have been achieved by either company alone by mutually leveraging diverse management resources within the Sumitomo Group. However, under the current capital structure, about half of the fruits resulting from Sumitomo's support would attribute to minority shareholders, rather than to Sumitomo. This makes it difficult to provide a rational explanation to stakeholders, including Sumitomo's shareholders, regarding Sumitomo investing more resources into the Company and further supporting its future growth strategy. Moreover, for the realization of the Company's growth, it is important that Sumitomo and the Company thoroughly share strategies, act with a med- to long-term perspective in mind, and quickly implement measures. However, as long as the Company is listed, it is necessary to implement such measures while considering the interests of minority shareholders and confirming that there are no conflicts of interest between Sumitomo and the Company, which may hinder the swift implementation of such measures. From these perspectives, Sumitomo believes that making the Company a wholly-owned subsidiary is the best way for Sumitomo to comprehensively commit to the Company's growth.

Sumitomo believes that making the following synergies can be expected through making the

Company a wholly-owned subsidiary.

- Amid the changing environment surrounding the Company, digital and IT companies that compete with Sumitomo are accelerating their efforts to acquire new capabilities and transform their business models. For the Sumitomo Group, including the Company, to continue growing further in this market, it is necessary to not only to make our traditionally strong domains, such as industrial IT and IT infrastructure, overwhelmingly strong, but also to actively propose and implement digital solutions that take into account society, industries, and the management challenges of customers, and support their transformation. Furthermore, strengths can be further sharpened by pursuing both growth and efficiency through productivity improvements, particularly in the development process, achieved by the utilization of AI.
- Regarding the Company's focus areas of industrial IT and security, Sumitomo will provide comprehensive support. This will enable the Company to pursue high-value-added transformation, including industry-specific offerings, service enhancements, and synergies with Net One Systems, thereby promoting further growth through business model transformation.
- When exploring and developing the next generation of revenue pillars, the Company can leverage Sumitomo and approximately 900 Sumitomo Group companies as Customer Zero⁵. By utilizing its understanding and empathy for the industrial challenges of its customers, along with its access to management teams and business divisions of customers, the Company can support the development of products and services that stand apart from other companies, and effective proposals to customers. To achieve this, measures such as strengthening its consulting capacities, enhancing its global infrastructure, redefining BPO and data centers, and establishing a structure for proposing and delivering services to management teams of customers are viable approaches. The above objective can be realized not only through its own proprietary development but also by acquiring and strengthening capabilities through

⁵ "Customer Zero" is an initiative in which a company acts as its own first customer by proactively introducing and testing new products, services, and solutions internally.

partnerships with and investments in potential domestic and international partners. (In addition, Sumitomo intends to discuss and consider providing support to the Company, which would include large-scale investments aimed at fostering its growth through the acquisition of external resources, by leveraging Sumitomo's financial strength, global network, and expertise in business investments.)

- In Sumitomo's Digital and AI Strategy, the Company is expected to serve as the core of the Sumitomo Group's digital solutions function, Sumitomo driving business creation and transformation within the Sumitomo Group, and to leading the transformation of society and industry with Sumitomo.

B. Overview of the Company and Purpose, etc. of the Transactions as Considered by the Company

(a) Overview of the Company

The Company was established in October 2011 through a merger with Sumisho Computer Systems Corporation (an information services provider established in October 1969 as a subsidiary of Sumitomo under the trade name Sumisho Computer Service Corporation, listed on the Second Section of the Tokyo Stock Exchange in February 1989, moved to the First Section of the Tokyo Stock Exchange in September 1991, and changed its trade name to Sumisho Computer Systems Corporation in October 1992) as the surviving company and CSK CORPORATION (an independent information services provider established in October 1968 under the trade name Computer Service Corporation, listed on the Second Section of the Tokyo Stock Exchange in June 1982, and moved to the First Section of the Tokyo Stock Exchange in March 1985) as the absorbed company. The Company is currently listed on the Prime Market of the Tokyo Stock Exchange.

As of the September 30, 2025, the Company Group⁶ is composed of the Company, 35 consolidated subsidiaries, and 2 equity-method affiliates. It conducts businesses in the reporting segments of "Industrial IT," "Financial IT," "IT Solutions," "IT Platforms," "IT Management," and "Others;" and

⁶ Refers to the Company and its consolidated subsidiaries and equity-method affiliates.

mainly provides various IT services such as IT consulting, system development, verification services, IT infrastructure construction, IT management, IT hardware/software sales, and BPO⁷.

The Company Group has placed the concept of "sustainability management," which aims for sustainable growth by contributing to the resolution of social issues, at the core of its management under the management philosophy "Create Our Future of Dreams." In addition to identifying the "Seven Material Issues"⁸ as important and priority issues for its realization, the Company Group has formulated the "Grand Design 2030" as the medium- to long-term vision for the Company Group, promoting the corporate image of a "Co-creative IT Company." This represents a corporate group that continues to provide new value to solve various issues by promoting co-creation⁹ with customers, partners, and society through the enhancement of the Company Group's human capital. Also, it outlines two directions for corporate management to realize the Co-creative IT Company: "a dramatic improvement in comprehensive corporate value"¹⁰ and "the challenge of achieving 1 trillion yen in net sales." Furthermore, in April 2023, the Company formulated the "Medium-Term Management Plan (FY2023–2025)," and promotes three basic strategies as concrete measures (Basic Strategy 1: Decisive Business Shifts, Basic Strategy 2: Development of Market-Leading Businesses in Growth Markets, and Basic Strategy 3: Advancement of Next-Generation Digital Businesses through Co-Creation with Society) to dramatically improve comprehensive corporate value .

In aiming for sustainable growth with an eye on medium- to long-term social, market, and cutting-edge technology trends etc., the Company believes that in addition to pursuing autonomous growth

⁷ "BPO (Business Process Outsourcing)" refers to the service of undertaking various business operations of a company as an external vendor.

⁸ Refers to the issues identified as particularly important and to be prioritized, which were formulated to achieve the management philosophy ("Create Our Future of Dreams") by evaluating various societal challenges from a business perspective in order to grow together with society.

⁹ "Co-creation" refers to the process of creating new value not by the Company alone, but together with customers, partners, and society.

¹⁰ In the Company's Medium-Term Management Plan (FY2023–FY2025), this is stated to mean the value that the Company Group aims for as its essential corporate strength in order to practice "sustainability management as a growth strategy" and realize the Co-creative IT Company in 2030, and refers to corporate value that encompasses "economic value" as well as non-financial elements such as "social value," and "human capital value."

by making maximum use of internal capital, innovating its business portfolio and strengthening its business foundation through external collaboration, partnerships, etc., are extremely important elements. It conducted a tender offer for Net One Systems, and as a result of this tender offer, the company became a consolidated subsidiary on December 25, 2024.

(b) Purpose and Synergies of the Transactions as Considered by the Company

The Company recognizes the current business environment and challenges, etc. primarily as follows.

- With the rapid progress of digitalization in society, the demand for IT services is no longer limited to conventional business efficiency improvements and system implementations, but is shifting toward business transformation aimed at realizing a sustainable society, including digital business transformation and business modernization, and the modernization of networks has become urgent .
- The need for digital technology to support business transformation has become even more sophisticated, and a shift from the conventional contract-based IT services to proposal-based IT services aimed at directly contributing to customers' businesses has become inevitable.
- While the domestic IT services market is expected to expand to a certain extent in the medium- to long- term, acceleration in the decline of the working-age population is expected, and the supply and demand environment for IT personnel may become unstable in the future .
- Major Japanese companies are accelerating their overseas expansion, and social issues such as energy and the creation of an affluent society are increasingly being required on a global market rather than just domestically.
- The market and business environment that traditional system integrators and network integrators have operated in are undergoing major structural changes, and it is expected that these changes will continue in the future.
- In response to these qualitative changes in the demand for IT services , there is a need for new software engineering services that integrate advanced and state-of-the-art IT

infrastructure technology and application service technology, as well as the development of digital services that utilize cutting-edge technologies such as generative AI.

- It has become essential to expand the Company's capabilities and deploy its business with a sense of speed, including problem-solving abilities to propose solutions for industrial and management issues rather than just providing the means, advanced technologies such as AI that continue to evolve and highly skilled engineers, and the ability to socially implement cutting-edge technologies including digital technology to solve social issues on a global scale. In order to actively respond to these environmental changes and achieve the required transformation, growth through acquisitions and partnerships, is necessary in addition to autonomous growth.
- In order to achieve transformation amidst significant changes in the business environment, it is necessary to flexibly make bold, forward-looking investments from a medium- to long-term perspective. Since such investments involve uncertainty, there is a possibility that the Company's business performance may deteriorate in the short term.
- As long as the Company is listed, it must pursue the interests of its shareholders, making it difficult to simultaneously and swiftly execute medium- to long-term investments and business reforms that are not constrained by short-term profits.

Based on the business environment surrounding the Company Group as described above, the Company has concluded that going private through the Transactions, thereby resolving the structural conflict of interest between Sumitomo and the Company's minority shareholders, and enabling Sumitomo to intensively and flexibly invest further management resources into the Company Group will contribute to the further enhancement of the Company's corporate value. By combining the Sumitomo Group's wide-ranging industry and customer network spanning Japan and overseas, its position in various industries cultivated through approximately 900 group operating companies in diverse industrial fields, and its business conceptualization capabilities as a general trading company, with the Company's advanced IT solution provision capabilities and operational knowledge acquired

through business with over 10,000 customers, the Company believes that it will be able to contribute to global social issues and national-level industrial changes utilizing advanced technologies such as AI and data analysis. Also, the Company believes that it can transform into a next-generation problem-solving company by accumulating experience in implementing IT services that originate from the business needs of the Sumitomo Group's sales and business sites. In addition, by going private through the Transactions, the structural conflict of interest between Sumitomo and the Company's minority shareholders will be resolved, enabling more active personnel exchange. This will allow both companies to operate with a sense of unity, develop businesses that merge their respective strengths, enable disciplined allocation of management resources by Sumitomo, and facilitate agile decision-making, which is expected to generate unprecedented synergies through collaboration. Furthermore, the Company believes that this collaboration between the two companies will create a greater social impact. For the Company, which advocates for human capital management, this will provide employees with the opportunity to tackle global and national-level challenges on a different scale than before. This will lead to a sense of contribution to society, further job satisfaction, and experiences that enhance each individual's market value, resulting in unprecedented growth opportunities for its employees. The Company believes that the Company Group can leap forward to become a company that continues to create new value.

The specific synergies that the Company expects after the Transactions are as follows.

- (1) Provide Comprehensive Digital Solutions from Business Conceptualization to Digital Implementation
 - By combining Sumitomo's strengths in conceiving new businesses based on global and national-level social issues, global-level partnering, and fundraising capabilities including capital resources, with the Company Group's digital services and solution-related business expertise, it will be possible to realize comprehensive digital solutions on a one-stop basis, from business conceptualization to digital implementation.

- Through the relationships with the top management in the industries and business customers of Sumitomo's nine business groups, the Company will gain real-world knowledge of industry and management challenges. This will enable the Company to shift from providing IT services as a means to delivering digital utilization and value that directly contributes to solving management issues and driving business growth, which other companies cannot offer.
- By fully leveraging the foundation of Sumitomo Group's approximately 900 group operating companies as "Customer Zero," the Company will not only gain a unique competitive advantage in planning and proposing services and products that are deeply integrated into business sites and directly solve problems, but also be able to deploy competitive digital services to markets and business frontlines that the Company has not been able to reach before, by leveraging Sumitomo's vast customer network and industrial base.

(2) Strengthen Upstream Consulting Functions and Digital Capabilities

- By leveraging Sumitomo's brand power and capital resources to strengthen upstream consulting functions through enhanced recruitment, acquisitions, and partnering, and combining these with advanced digital technology, the Company can expand its ability to propose new value creation and solutions for social issues to its customers.
- In addition to bringing together the digital marketing functions of SC Digital Co., Ltd.¹¹, [a wholly-owned subsidiary of Sumitomo, and the AI engineers of Insight Edge, Inc.¹², which Sumitomo is promoting, the Company expects to acquire world-class advanced digital engineers, knowledge, and infrastructure with cutting-edge technologies by strengthening alliances using Sumitomo's network with domestic and international digital companies.

¹¹ The Company provides services to client companies, primarily in the marketing domain, utilizing data and digital technology, including consulting, system implementation and operation, and the provision of creative services.

¹² This Company utilizes technologies such as AI and digital solutions to transform their business models and business processes, supporting clients in enhancing their competitiveness.

(3) Accelerate Global Expansion

- By utilizing Sumitomo's extensive overseas network, bases, and global human resources, it will become easier to access local partners and customers globally.
- The execution of the Company's its global strategy will be accelerated through dynamic collaborations, including developing partners necessary for the overseas expansion of Japanese companies and capital and business alliances with technology companies that have a certain scale of business foundation in specific regions.
- In areas and technology fields where the Company has strengths, such as IT infrastructure including security, mobility, and ERP¹³, it will be possible to expand its overseas revenue through the launch of services by establishing local overseas subsidiaries or joint ventures, and through the joint promotion of projects in specific regions.
- The Company Group will be able to utilize the business know-how, risk management, and compliance functions that Sumitomo has cultivated in operating its overseas businesses, enabling the Company to respond flexibly and steadily to various risks during overseas expansion.
- This will lead to the expansion of capabilities necessary for overseas business development, such as M&A utilizing Sumitomo's capital resources and the management of local companies by global management talent.
- By dispatching personnel from the Company Group to overseas bases or on overseas projects, including secondments, it will be possible to cultivate global human resources with international cultural awareness, adaptability to different cultures, and international connections.

(4) Development of next-generation digital businesses that contribute to solving social issues

¹³ "ERP" refers to a system for integrating core business operations such as a company's accounting and human resources operations in order to improve efficiency and centralize information.

- By combining Sumitomo's experience in business development and across various industries and capital resources with the Company Group's operational expertise, advanced technological capabilities, and digital workforce, further accelerate the creation of next-generation digital businesses, that address identified potential social issues and industry transformation needs that are different from conventional ones.
- The launch and pilot testing of next-generation digital businesses previously required consultations across the groups, the strategic decision-making and resource allocation between Sumitomo and the Company can now be integrated, enabling a structure that allows for faster and more flexible execution.
- Early stage investments in such new businesses inherently involve uncertainty. While the Company was publicly listed, it was difficult to make large-scale investments due to the need to pursue the interests of its shareholders. By going private, it will become possible to undertake significant medium- to long-term investments.

(c) The Company's View on the Disadvantages of Going Private

The Company has considered the following (a) and (b) as disadvantages of going private due to the Transactions, but came to think about each as follows.

- (a) Potential decline in employee motivation and the impact on business partners and other stakeholders due to the loss of brand power as a listed company

Sumitomo has indicated its policy that it plans to hold discussions between Sumitomo and the Company after the Transactions with the aim of creating a system for the Company's management structure and board composition that achieves appropriate governance respecting the Company's uniqueness and maximizes the synergistic effects for the Sumitomo Group, including the Company, even after the Transactions, and has also indicated that it generally does not intend to make changes that would materially deteriorate the employment and working conditions of the Company's employees under the current system after the Transaction.

Furthermore, in order to maintain the motivation of the Company's employees and expand business partners, Sumitomo intends to establish a system to discuss with the Company and reflect its intentions to the maximum extent possible regarding measures that will lead to the improvement of the Company's branding. Based on these points, the Company believes that going private through the Transactions will be acceptable to the Company Group's business partners, employees, and other stakeholders.

(b) Limitation of Fundraising Means in the Stock and Other Capital Markets

Although the Company's delisting will limit its means of fundraising in the stock and capital markets, the Company believes this will not be a dis-synergy of the Transactions, as the Company will be able to flexibly utilize the fundraising capabilities of Sumitomo.

(2) Review by the Special Committee

The Special Committee conducted a detailed review of the appropriateness and reasonableness of the specific details of the purpose of the Transactions surrounding the Company as described above, the impact of the Transactions on the Company's employees, business partners, etc., and, based on these, the potential for enhancing the Company's corporate value. Specifically, the Special Committee conducted a comprehensive verification, including what kind of corporate value enhancement measures Sumitomo envisions in the Company's current business environment, to what extent they are concrete and practical, whether it is necessary to implement the Transactions to put them into practice, what kind of business merits the implementation of the Transactions would bring, and on the other hand, the existence and extent of any disadvantages that are anticipated.

As a result, the Special Committee came to the conclusion that there are no particularly unreasonable points in the significance and purpose of the Transactions, including the Tender Offer, as envisioned by the Company and Sumitomo as described in (1) "Purpose, etc. of the Transactions" above, and that they are recognized as being the result of reasonable consideration.

In addition, the Special Committee came to the conclusion that by the Tender Offeror making the

Company a wholly-owned subsidiary through the Transactions, synergies and merits that would be difficult to realize if the Company remained listed can be expected, and that the Transactions will contribute to the enhancement of the Company's corporate value. In comparison to this, it concluded that the necessity of remaining listed and the disadvantages of going private are limited.

The background leading to this conclusion and the specific synergies and merits expected from the Transactions are as follows.

- (i) In its "Grand Design 2030," the Company aims to be a "Co-creative IT Company," that is, a corporate group that promotes co-creation with customers, partners, and society, and continues to provide new value to solve various issues. In its "Medium-Term Management Plan (FY2023–2025)," it aims to dramatically improve comprehensive corporate value through "the restructuring of business fields and business models to continue providing new value to customers and society" and "the constant maximization of the market value of each employee, based on the recognition that employee growth is the driver of the company's growth."
- (ii) The Sumitomo Group has stated that it recognizes the following (1) through (3) as management issues that the Company will face in the intensifying competitive environment. The Special Committee also believes that addressing these management issues is important for enhancing the Company's corporate value, and that addressing these management issues is necessary to realize the Company's medium- to long-term vision as described above.
 - (1) The need to shift the business from the conventional contract-based approach to a proposal-based approach that directly contributes to customers' business growth.
 - (2) The need to continuously secure consulting functions that can accurately grasp and propose solutions for customer's management issues, advanced technologies including AI, and highly skilled engineers.
 - (3) The need to strengthen the global system and expand the Company's primarily domestic business overseas.
- (iii) The synergies of the Transactions intended by Sumitomo and the Company are, in summary, (1)

the provision of comprehensive digital solutions from business conceptualization to digital implementation, (2) the strengthening of consulting functions and digital capabilities, and (3) the acceleration of global expansion, etc. All of these have the effect of addressing the important management issues described above and are recognized as contributing to the enhancement of the Company's corporate value.

(iv) It is considered that the synergistic effects aimed for by Sumitomo and the Tender Offeror for the Company are feasible, in light of the following points:

- The Transactions are positioned within the strategy based on the Sumitomo's overall slogan "Refine with Digital, Earn with Digital" set forth in Sumitomo's own medium-term management plan, and the enhancement of the Company's corporate value is a premise of that strategy.
- Amid the changing environment surrounding the Company, for the Sumitomo Group, including the Company, to continue to grow further in this market, it is considered necessary to not only make its traditionally strong domains overwhelmingly strong, but also to actively propose and implement digital solutions that decipher the management issues of society, industry, and customers and support transformation. To achieve this, possible measures include strengthening the Company's consulting capabilities, enhancing its global infrastructure, redefining BPO and data centers, and establishing a structure for proposing and delivering services to management teams of customers. This requires acquiring and strengthening functions through alliances and investments with potential domestic and international partners, in addition to construction on its own. In this regard, Sumitomo will make a considerable investment in the Transactions and is expected to implement further M&A, acquisitions, enhanced recruitment, partnering, etc. after the Transactions through large-scale additional investments utilizing its financial strength and network (In addition, this fact is clearly stated in the disclosure documents).
- Sumitomo already has an extensive overseas network, bases, and global human resources, and

Sumitomo has also expressed its intention to provide human resources to the Company from its side to strengthen overseas business development and consulting functions.

- Sumitomo has approximately 900 group operating companies, and the Company will be able to utilize these group companies as Customer Zero to create new offering models and horizontally deploy use cases utilizing the data obtained to other customers.
 - The above is important and beneficial from the perspective of enabling the Company to enter customers' business sites and plan and propose services and products that are directly linked to solving problems as it explores and develops the next generation of revenue pillars. In addition, it is recognized that being able to obtain such data belonging to various industries provides an advantage over competitors.
 - At hearings, specific conceptual examples regarding collaboration with the Company for each business group were presented from Sumitomo as well.
- (v) On the other hand, general disadvantages of going private include difficulties in recruiting human resources, a decline in employee motivation, and the departure of business partners. However, Sumitomo has stated that it does not fundamentally anticipate any changes to the employment and working conditions under the Company's current system that would worsen them for the Company's employees following the Transactions. In addition, with regards to the Company Group, Sumitomo recognizes our preferences regarding the maintenance of its officers' and employees' employment and working conditions, the consideration of incentive design for officers and employees, respect for management independence and autonomy, the establishment of a governance structure that takes the Company's proposals into account, and the establishment of a framework for discussions between both companies aimed at creating synergies and formulating mid-to-long-term business plans, and Sumitomo has stated that Sumitomo intends to engage in good-faith discussions and consultations with the Company going forward based on these points. In addition, it is thought that after the Transactions, the collaboration between the two companies will create a greater social impact, enabling employees to tackle global and national-level

challenges on a different scale than before; this is expected to lead to an enhanced sense of contribution to society and further job satisfaction for employees, as well as growth opportunities and an increase in the market value of each individual; and it has been confirmed that Sumitomo's policy is to establish a system to reflect its intentions to the maximum extent possible after consultation with the Company regarding measures that will lead to the improvement of the Company's branding, in order to maintain the motivation of the Company's employees and expand business partners, etc. Based on the above, it is considered that the possibility of an adverse impact on the status and motivation of employees and on human resource recruitment is low, and that even if it were to occur, it would be limited. In addition, based on the Company's branding, which is premised on these measures, and the relationship of trust based on past business performance, it is considered that there are no concerns about the departure of business partners. Based on the above, it can be considered that the synergies expected from the Transactions outweigh the disadvantages of conducting the Transactions.

(3) Summary

Based on the points above, as a result of careful discussion and consideration, the Special Committee has concluded that the Transactions will contribute to the enhancement of the Company's corporate value and that the purpose of the Transactions is reasonable.

2. Fairness of the Terms and Conditions of the Transactions

(1) Process of Discussions and Negotiations with the Sumitomo

The Company established the Special Committee after deciding that it would not approve the Tender Offer if the Special Committee judged that the terms and conditions of the Tender Offer or the Transactions were not fair. In accordance with the negotiation policy approved in advance by the Special Committee, the Company and the Special Committee conducted multiple rounds of discussions and negotiations with Sumitomo regarding the Tender Offer Price from the perspective of protecting the

interests of general shareholders. Specifically, the process was as follows.

(i) First Proposal

On September 29, 2025, the Company and the Special Committee received a proposal from Sumitomo with the purchase price, etc. per share of the Company's Shares in the Tender Offer (hereinafter referred to as the "Tender Offer Price") of 5,050 yen (representing a premium of 10.62% over the closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on September 26, the business day prior to the proposal date, of 4,565 yen; a premium of 6.99% over the simple average of the closing prices for the past one month up to the same day of 4,720 yen; a premium of 11.16% over the simple average of the closing prices for the past three months of 4,543 yen; and a premium of 17.63% over the simple average of the closing prices for the past six months of 4,293 yen) (hereinafter referred to as the "First Proposal").

In response, on September 30, 2025, the Company and the Special Committee requested that Sumitomo consider raising the price, stating that the price proposed in the First Proposal was significantly below a price level that reflected the intrinsic value of the Company, and could not be considered fair to general shareholders.

(ii) Second Proposal

On October 2, 2025, the Company and the Special Committee received a proposal from Sumitomo with a Tender Offer Price of 5,100 yen (representing a premium of 16.54% over the closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 1, the business day prior to the proposal date, of 4,376 yen; a premium of 8.79% over the simple average of the closing prices for the past one month up to the same day of 4,688 yen; a premium of 12.21% over the simple average of the closing prices for the past three months of 4,545 yen; and a premium of 18.25% over the simple average of the closing prices for the past six months of 4,313 yen) (hereinafter referred to as the "Second Proposal").

In response, on October 3, 2025, the Company and the Special Committee requested that Sumitomo consider raising the price, stating that the price in the Second Proposal was still

significantly below a price level that reflected the intrinsic value of the Company, and that the price is not considered to be a fair price for general shareholders because the premium level was also below the levels in past cases. In addition, in making this request, they also requested that Sumitomo explain, with respect to the DCF valuation that formed the premise of its proposal, the forecast of the Company's free cash flow that served as the premise (and details of any changes made to the business plan presented by the Company based on findings from due diligence (hereinafter referred to as "DD Findings") or synergistic effects expected through the Transactions, etc.), the items and amounts of DD Findings reflected in the calculation of net interest-bearing debt, and the numerical values of parameters such as the discount rate, perpetual growth rate, and exit multiple.

(iii) Third Proposal

On October 6, 2025, the Company and the Special Committee received a proposal from Sumitomo, which, stating that the 5,100 yen from the Second Proposal appropriately reflected the intrinsic value of the Company and provided a reasonable sales opportunity for the Company's minority shareholders, again proposed a Tender Offer Price of 5,100 yen (representing a premium of 20.48% over the closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 3, the business day prior to the proposal date, of 4,233 yen; a premium of 9.91% over the simple average of the closing prices for the past one month up to the same day of 4,640 yen; a premium of 12.24% over the simple average of the closing prices for the past three months of 4,544 yen; and a premium of 18.00% over the simple average of the closing prices for the past six months of 4,322 yen) (hereinafter referred to as the "Third Proposal"). In addition, in connection with said proposal, Sumitomo responded that its valuation was based on the business plan provided by the Company and took into account the results of due diligence, etc. on the Company; that Sumitomo believed there were no significant discrepancies from the Company's business plan regarding the matters Sumitomo was premising; that in the calculation of net interest-bearing debt, in addition to general items such as cash and deposits and borrowings from financial

institutions, dividends planned by closing were considered, but no other special adjustments were taken into account; and that the various parameters in the DCF valuation were set based on the Company's business growth prospects, industry environment, market and financial conditions, etc., as well as the valuation of listed companies engaged in businesses similar to the Company.

In response, on October 7, 2025, the Company and the Special Committee requested that Sumitomo consider raising the price, stating that the price in the Third Proposal was still significantly below a price level that reflected the intrinsic value of the Company, and that the price is not considered to be a fair price for general shareholders because the premium level was also below the levels in past cases.

(iv) Fourth Proposal

On October 14, 2025, the Company and the Special Committee received a proposal from Sumitomo with a Tender Offer Price of 5,150 yen (representing a premium of 19.13% over the closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 10, the business day prior to the proposal date, of 4,323 yen; a premium of 13.24% over the simple average of the closing prices for the past one month up to the same day of 4,548 yen; a premium of 13.09% over the simple average of the closing prices for the past three months of 4,554 yen; and a premium of 18.17% over the simple average of the closing prices for the past six months of 4,358 yen) (hereinafter referred to as the "Fourth Proposal").

In response, on October 16, 2025, the Company and the Special Committee requested that Sumitomo consider raising the price, stating that the price in the Fourth Proposal was still difficult to call a price that reflected the intrinsic value of the Company, and that it was significantly divergent from a level at which the Company and the Special Committee could approve the Transactions and recommend tendering.

(v) Fifth Proposal

On October 17, 2025, the Company and the Special Committee received a proposal from Sumitomo with a Tender Offer Price of 5,300 yen (representing a premium of 26.61% over the

closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 16, the business day prior to the proposal date, of 4,186 yen; a premium of 18.94% over the simple average of the closing prices for the past one month up to the same day of 4,456 yen; a premium of 16.20% over the simple average of the closing prices for the past three months of 4,561 yen; and a premium of 21.06% over the simple average of the closing prices for the past six months of 4,378 yen) (hereinafter referred to as the "5th Proposal").

In response, on October 20, 2025, the Company and the Special Committee requested that Sumitomo consider raising the price, stating that the price in the Fifth Proposal was still difficult to call a price that reflected the intrinsic value of the Company, and that it was divergent from a level at which the Company and the Special Committee could approve the Transactions and recommend tendering.

(vi) Sixth Proposal

On October 22, 2025, the Company and the Special Committee received a proposal from Sumitomo with a Tender Offer Price of 5,410 yen (representing a premium of 28.17% over the closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 21, the business day prior to the proposal date, of 4,221 yen; a premium of 24.31% over the simple average of the closing prices for the past one month up to the same day of 4,352 yen; a premium of 18.98% over the simple average of the closing prices for the past three months of 4,547 yen; and a premium of 23.23% over the simple average of the closing prices for the past six months of 4,390 yen) (hereinafter referred to as the "Sixth Proposal").

In response, on October 24, 2025, the Company and the Special Committee requested that Sumitomo consider raising the price, stating that the price in the Sixth Proposal was still difficult to call a price that reflected the intrinsic value of the Company, and that it was divergent from a level at which the Company and the Special Committee could approve the Transactions and recommend tendering.

(vii) Seventh Proposal

On October 27, 2025, the Company and the Special Committee received a proposal from Sumitomo with a Tender Offer Price of 5,600yen (representing a premium of 30.63% over the closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 24, the business day prior to the proposal date, of 4,287yen; a premium of 29.48% over the simple average of the closing prices for the past one month up to the same day of 4,325yen; a premium of 23.27% over the simple average of the closing prices for the past three months of 4,543yen; and a premium of 27.13% over the simple average of the closing prices for the past six months of 4,405yen) (hereinafter referred to as the "Seventh Proposal"). At the request of Sumitomo, the Company and the Special Committee had a meeting with Sumitomo, who explained the premises and other matters concerning the price in the Seventh proposal, and the Special Committee addressed the opinions and points of concern regarding such explanation. At the meeting, while Sumitomo explained that it considers the proposed price to be reasonable and sufficient based on its calculations including the DCF method, the Special Committee communicated to Sumitomo its position that the following must be taken into consideration: that the Company announced the postponement of the merger with Net One Systems on September 19, 2025 (hereinafter referred to as the "Merger Postponement Announcement"), that the Company's stock price has fallen to a certain extent thereafter, and that, in relation to our stock price before the Merger Postponement Announcement, the premium level is low compared to past precedents.

Furthermore, on the same day, the Company and the Special Committee requested that Sumitomo consider raising the price, stating that the price in the seventh proposal is still difficult to regard as a price reflecting the intrinsic value of the Company, and that it was divergent from a level at which the Company and the Special Committee could approve the Transactions and recommend tendering.

(viii) Eighth Proposal

On October 28, 2025, the Company and the Special Committee received a proposal from

Sumitomo with a Tender Offer Price of 5,700yen, referring to it as "the price offered in utmost good faith" (representing a premium of 33.87% over the closing price of the Company's Shares on the Prime Market of the Tokyo Stock Exchange on October 28, the proposal date, of 4,258yen; a premium of 32.59% over the simple average of the closing prices for the past one month up to the same day of 4,299yen; a premium of 25.47% over the simple average of the closing prices for the past three months of 4,543yen; and a premium of 29.11% over the simple average of the closing prices for the past six months of 4,415yen) (hereinafter referred to as the "Seventh Proposal").

The Company and the Special Committee, regarding the Eighth Proposal, as described below (3) "the Tender Offer Price," Sub-item (b) "Examination of the Level of the Premium Included in the Tender Offer Price, Etc.," the Company and the Special Committee concluded, that even when considering that the Company's stock price has declined to a certain extent since the Merger Postponement Announcement, and evaluated based on the stock price prior to the Merger Postponement Announcement, a reasonable premium is included. Therefore, the Company and the Special Committee responded that they would accept the Eighth Proposal price of 5,700yen as the Tender Offer Price.

Throughout the above negotiation process, the Special Committee deliberated and reviewed Sumitomo's proposals regarding the terms and conditions of the Transactions, based on reports and advice from a financial perspective from Plutus and Nomura Securities, as well as legal advice, etc. from Gaien and Nishimura & Asahi, as needed, and continuously reviewed and stated its opinions to the Company regarding the negotiation policy on the terms and conditions of the Transactions, including the Tender Offer Price, with Sumitomo. In addition, when holding discussions and negotiations with Sumitomo regarding the Transactions, the Company promptly reported to the Special Committee each proposal on the terms and conditions of the Transactions received from Sumitomo, received opinions, instructions, requests, etc. from the Special Committee, and acted in accordance therewith. In this way, the Special Committee was substantially involved in the discussions and negotiations between the Company and Sumitomo. Furthermore, measures were

taken to prevent directors who might have a conflict of interest in the Transactions, due to their relationship with Sumitomo, from being involved in the deliberation of agenda items concerning the review of the Transactions, the review of the Transactions from the Company's standpoint, and the discussions and negotiations with Sumitomo regarding the Transactions.

As a result of such negotiation, the final price was increased by 650 yen (12.87% (rounded to two decimal places)) in aggregate from Sumitomo's initial proposal (5,050 yen per share of the Company's Shares).

In light of the above, it can be concluded that a situation that can be regarded as an arm's-length transaction was secured in the negotiation process between the Company and Sumitomo on the terms and conditions of the Transactions.

(2) Reasonableness of the Content of the Share Valuation and of the Financial Projections and Assumptions used as its basis

a Reasonableness of the Business Plan

The Business Plan is used as a premise for the valuations of the Company's Shares conducted by Plutus and Nomura Securities. The Special Committee received explanations from the Company regarding the contents of the Business Plan, including key assumptions and the process of preparation, and conducted Q&A.

The Business Plan was prepared as of August 2025 for the purpose of reviewing the fairness of the terms and conditions of the Transactions, taking into account subsequent events to a reasonably anticipated extent. Specifically, the Business Plan was prepared in light of external environmental factors based on objective evidence (such as industry growth rate and data on the market environment) and internal factors (factors unique to the Company). In addition, the Business Plan was prepared on a stand-alone basis that is not premised on the execution of the Transactions because the synergies expected to be realized through the Transactions are difficult to estimate specifically at this time. Moreover, the Company's future financial projections include fiscal years in which

significant increases or decreases in profit and loss and significant increases or decreases in free cash flow are projected, and specifically, due to the consolidation of Net One Systems as a consolidated subsidiary effective December 25, 2024, the Company anticipates significant increases in sales, operating profit, EBITDA, and free cash flow for the fiscal year ending March 2026. However, there is nothing unreasonable in the Company's explanation regarding this anticipated increase, and no particular circumstances have been identified that would cast doubt on the fairness of the procedures used to consider it.

In light of the explanations and answers to the questions given by the Company and Nomura Securities regarding the Business Plan, no unreasonableness is found in the content or key assumptions of the Business Plan. Although 1 employee who holds concurrent positions at the Company and Sumitomo was involved in the preparation of the Business Plan, there were significant concerns about the adequacy and feasibility of a business plan prepared without their involvement, given their knowledge and experience. It was recognized that there was a high necessity of involving this 1 employee in the business plan preparation process. Based on this point, the Special Committee approved their involvement in the preparation process of the Business Plan on the condition that the validity of the content would be confirmed by a superior without a conflict of interest (Takaaki Toma, President and Representative Director, Chief Executive Officer; Tsutomu Ozaki, Executive Vice President; Takayuki Okuhara, Managing Executive Officer and General Manager of the Corporate Planning Division). As a result, no fact is found that suggests any influence of Sumitomo or its related parties. Furthermore, no fact is found, neither, that suggests that the Company prepared or revised the plan at the instruction of or upon presuming the intention of the Tender Offeror or Sumitomo. Therefore, no unfairness is found in the preparation procedures of the Business Plan.

Based on the above review, at its tenth meeting, the Committee confirmed the reasonableness of the contents of the Business Plan, including key assumptions and the process of preparation, and approved the submission to Sumitomo. At its 14th meeting, the Special Committee asked the Company and Nomura Securities questions about the difference between the figures included in the

Business Plan and those orally explained during the Q&A session of the briefing on the business integration with Net One Systems held by the Company on September 19, 2025. As a result, the Special Committee confirmed that the figures explained at the above-mentioned briefing were targets that were subject to change and judged that such difference would not raise any doubt about the contents of the Business Plan, key assumptions, the process of preparation and related procedures.

b Results of the Share Valuation Conducted by Plutus and the Reasonableness Thereof

The Special Committee received explanations from Plutus regarding the valuation methods used in the share valuation and other relevant information, including the reason why such valuation methods were adopted, the results of the valuation obtained by various valuation methods and key assumptions, and conducted Q&A. According to the Share Valuation Report obtained by the Special Committee from Plutus (hereinafter referred to as the "Share Valuation Report (Plutus Consulting)"), the per-share value of the Company's Shares is calculated to be in the range of 4,258 yen to 4,543 yen under the market price method, with October 28, 2025 as the reference date; 3,252 yen to 3,613 yen under the comparable company analysis method, with October 17, 2025 as the reference date; and 4,651 yen to 5,920 yen under the DCF method with October 17, 2025 as the reference date. The Tender Offer Price of 5,700 yen is above the upper limit of the calculation results of the market price method and comparable company analysis method, and above the median of the range of the calculation results of the DCF method.

Firstly, under the market price method, the value of the Company's shares is calculated by analyzing their most recent closing price and the averages of their closing prices for certain periods. Such calculation method is the most objective valuation method for listed shares and is commonly used in transactions similar to the Transactions. In addition, the adopted calculation periods are the ones that are commonly used. Moreover, no material event involving the Company occurred during those periods that would require the market share price to be adjusted. Accordingly, no unreasonableness is found in the calculation made under the market share price method.

Secondly, in the calculation under the comparable company analysis method, Nomura Research Institute, Ltd., TIS Inc., BIPROGY Inc., NS Solutions Corporation, Internet Initiative Japan Inc., DTS CORPORATION and NSD Co., Ltd. were selected as listed companies similar to the Company. No unreasonableness is found in the selection method as they were selected after selecting candidates based on the industry classification from an external information database, and then based on quantitative criteria after the opinion of the Company regarding the scale and description of the business was also considered. In addition, Plutus used EBIT and EBITDA multiple of enterprise value as comparable indicators, which are commonly used in the comparable company analysis. Accordingly, no unreasonableness is found in the calculation made under the comparable company analysis method.

Thirdly, the multiple method was used as the calculation method in the DCF method. Plutus reviewed and calculated such calculation method, multiple, handling of surplus cash and deposits and other similar matters from an expert's perspective as a third-party valuation institution. No unreasonableness is found in the basis for and method of calculating these figures and other relevant matters. In addition, the contents and key assumptions of the Business Plan, which is used as a premise for the share valuation by Plutus, are considered to be reasonable as discussed above.

c Review of the Fairness Opinion

The Special Committee obtained a fairness opinion from Plutus (hereinafter referred to as the "Fairness Opinion"). According to the Fairness Opinion, the Tender Offer Price of 5,700 yen per share is fair from a financial perspective to the Company's general shareholders in light of the results of the valuation of the Company's Shares based on the Business Plan prepared by the Company and other relevant information.

The Fairness Opinion was issued by Plutus, which has a high level of financial expertise, from a standpoint independent of the Company and Sumitomo, based on: the calculation results of the valuation of the Company's Shares, which was conducted after receiving from the Company the

disclosure of and explanations on the current conditions of the business, the Business Plan and other relevant information; the Q&A with the Company about the overview, background and purpose of the Tender Offer; the review of the Company's business environment, economic, market and monetary conditions and other relevant factors conducted to the extent deemed necessary by Plutus; and Plutus's review procedures conducted by its review committee that is independent of its engagement team. Therefore, no unreasonableness is found in the opinion. In addition, as described above, no unreasonableness is found in particular in the method and content of the share valuation by Plutus, which was referred to upon the submission of the Fairness Opinion.

Accordingly, the Special Committee believes that no unreasonableness is found in the issuance procedures and content of the Fairness Opinion.

d Results of the Share Valuation Conducted by Nomura Securities and the Reasonableness Thereof

The Special Committee received explanations from Nomura Securities regarding the valuation methods used in the share valuation and other relevant information, including the reason why such valuation methods were adopted, the results of the valuation obtained by various valuation methods and key assumptions, and conducted Q&A. According to the Share Valuation Report obtained by the Special Committee from Nomura Securities (hereinafter referred to as the "Share Valuation Report (Nomura Securities)"), the per-share value of the Company's Shares is calculated to be in the range of 4,258 yen to 4,543 yen under the market price average method, with October 28, 2025, the business day prior to the announcement of the Tender Offer, as the reference date; 3,295 yen to 4,843 yen under the comparable company analysis method; 3,526 yen to 5,249 yen under the comparable transactions analysis method; and 4,356 yen to 6,749 yen under the DCF method. The Tender Offer Price of 5,700 yen is above the upper limit of the calculation results of the market price average method, comparable company analysis method and comparable transactions analysis method, and is above the median of the calculation results of the DCF method.

Firstly, under the market price average method, the value of the Company's shares is calculated by

analyzing their most recent closing price and the averages of their closing prices for certain periods. Such calculation method is the most objective valuation method for listed shares and is commonly used in transactions similar to the Transactions. In addition, the adopted calculation periods are the ones that are commonly used. Moreover, no material event involving the Company occurred during those periods that would require the market share price to be adjusted. Accordingly, no unreasonableness is found in the calculation made under the market share price average method.

Secondly, in the calculation under the comparable company analysis method, Nomura Research Institute, Ltd., TIS Inc., NS Solutions Corporation, BIPROGY Inc., and DENTSU SOKEN INC. were selected as listed companies similar to the Company. No unreasonableness is found in the selection method as they were selected after the opinion of the Company regarding the scale and description of the business was considered. In addition, Nomura Securities used EV/EBITDA multiple and EV/EBIT multiple against the enterprise value and PER against the market capitalization as comparable indicators, which are commonly used in the comparable company analysis. Accordingly, no unreasonableness is found in the calculation made under the comparable company analysis method.

Thirdly, in the calculation using the comparable transactions analysis method, the Company's equity value is determined by comparing financial indicators reflecting profitability based on transaction prices from multiple publicly disclosed transactions deemed relatively similar, primarily focusing on privatization cases targeting domestic companies engaged in similar businesses over the past several years. The selected publicly disclosed transactions are within the Company's industry, and the profitability indicators used are the ones commonly employed. Based on the above, no unreasonable aspects were identified in the calculation performed using the comparable transaction method.

Furthermore, the perpetual growth rate and multiple methods were used as the calculation methods in the DCF method. Nomura Securities reviewed and calculated such calculation methods, perpetual growth rate, handling of surplus cash and deposits and other similar matters from an expert's

perspective as a third-party valuation institution. No unreasonableness is found in the basis for and method of calculating these figures and other relevant matters. In addition, the contents and key assumptions of the Business Plan, which is used as a premise for the share valuation by Nomura Securities, are considered to be reasonable as discussed above.

(3) The Tender Offer Price

a How the Tender Offer Price Is Positioned in the Calculation Results by the Third-Party Valuation Institution

As described in (1) above, the Tender Offer Price is above the upper limit of the calculation results of the market price average method and comparable company analysis method according to the valuation by Plutus, the third-party valuation institution engaged by the Special Committee, and is above the upper limit of the calculation results of the market price average method and comparable company analysis method made by Nomura Securities, the third-party valuation institution engaged by the Company. In addition, it is above the median of the calculation results of the DCF method made by Plutus and Nomura Securities that are based on the Company's Business Plan and take into account the Company's growth potential.

b Examination of the Level of the Premium Included in the Tender Offer Price, Etc.

The Tender Offer Price includes a premium of 33.87% (rounded to two decimal places; the same shall apply hereinafter to the figures (%) of the premiums over the stock price) over the closing price of the Company's Shares of 4,258 yen on the Prime Market of the Tokyo Stock Exchange on October 28, 2025, the business day prior to the announcement of the Tender Offer; 32.59% over the simple average of the closing prices for the past one month up to the same day of 4,299 yen (rounded to two decimal places; the same shall apply hereinafter to the calculation of the simple average of the closing prices); 25.47% over the simple average of the closing prices for the past three months up to the same day of 4,543 yen; and 29.11% over the simple average of the closing prices for the past six months

up to the same day of 4,415 yen. Generally, stocks with high PBRs tend to have lower premium ratios to market prices in tender offers and M&A deals, as their corporate value is already highly valued in the stock market. As of October 24, 2025, the Company's PBR stands at approximately 4.6 times. Furthermore, among the 17 cases of tender offers targeting listed subsidiaries and MBOs announced after June 28, 2019, when the Ministry of Economy, Trade and Industry published the “Guidelines on Fair M&A Practices” (hereinafter referred to as the “Fair M&A Guidelines”)¹⁴, and completed by August 29, 2025, having a target company PBR exceeding 2x(hereinafter the “Similar Cases”), it was confirmed that the most frequent premium level was 20% to 25% against the average stock price over the past month in 4 cases, similarly the most frequent premium level was 20% to 25% against the average stock price over the past three months in 6 cases, and the most frequent premium level was 15% to 20% against the average stock price over the past six months in 3 cases. Considering the above, the Tender Offer Price is deemed to include a premium comparable to Similar Cases.

In addition, as described above, the Company’s stock price has declined to a certain extent since the Merger Postponement Announcement on September 19, 2025 (the opening price on September 19, 2025 was 4,970 yen, while the closing price on the following business day, September 22, fell down to 4,555 yen; it has continued to decline gradually since then and is currently trading around the 4,300yen range). Compared to the Company’s stock price prior to this decline, the Tender Offer Price represents a 21.6% premium over the simple average closing price of 4,689 yen for the one-month period ending the day before the Merger Postponement Announcement, a 26.3% premium over the simple average closing price of 4,512 yen for the three months ending on the same day, and a 33.8% premium over the simple average closing price of 4,260 yen for the six months ending on

¹⁴ The "Guidelines for Corporate Takeovers" published by the Ministry of Economy, Trade and Industry on August 31, 2023 (hereinafter referred to as the "Takeover Guidelines") stipulate that, if a company receives a "bona fide offer" to acquire the rights of its management, it shall in general give "sincere consideration" to a such offer. The Takeover Guidelines require the company to take practical measures that constitute fair procedures to ensure the protection of the interests of general shareholders (hereinafter referred to as the "Fairness Ensuring Measures") when giving such "sincere consideration" depending on the degree of conflicts of interest or information asymmetry, as well as circumstances relating to the target company or its transaction structure, among others, in individual cases. In practice, the Fair M&A Guidelines are referred to when taking such Fairness Ensuring Measures.

the same day. Furthermore, the amount calculated from the average share price of 4,702 yen over the past month prior to the Merger Postponement Announcement, minus the share price decline (47 yen) due to the expected interim dividend for the fiscal year ending March 2026, resulting in 4,655 yen, multiplied by a reasonable premium level of 22.5% (this represents the midpoint of the most frequent premium levels observed in the Similar Cases, which range from 20-25% of the past one-month average stock price and the past three-month average stock price. Note that while the most frequent premium level relative to the past six-month average stock price is 15-20%, the higher range was adopted.) is about 5,702 yen (rounded to the nearest whole yen), which is nearly identical to the Tender Offer Price of 5,700 yen. Therefore, even considering the impact of the Merger Postponement Announcement, the Tender Offer Price is considered to carry a reasonable premium.

(4) Purchase Price of the Stock Acquisition Rights

The Stock Acquisition Rights were issued as stock options to the Company's directors and executive officers. In principle, the Stock Acquisition Rights may be exercised for a period of two years from the day following the date on which the director or executive officer ceases to hold such position, for the Second Series Stock Acquisition Rights, and for the Eighth Series Stock Acquisition Rights, for a period of ten years. The Tender Offeror interprets that even if it acquires these Stock Acquisition Rights, it cannot exercise them. Therefore, the Tender Offeror has set the purchase price for each of these Stock Acquisition Rights at 1 yen. Although it is debatable whether the above exercise conditions immediately preclude the Tender Offeror from exercising these rights even if acquired, the conditions can be interpreted reasonably as requiring the holder to have previously served as a director or executive officer of the Company as a prerequisite for exercise. Therefore, from the Tender Offeror's perspective, the above interpretation is not unreasonable. Furthermore, these Stock Acquisition Rights are exercisable during the tender offer period, and the payment amount per share of the Company's stock upon exercise of these rights is below the tender offer price. Therefore, the Stock Acquisition Rights Holders could exercise them to convert into shares of the Company and then tender those shares in the Tender Offer. Considering the above, it cannot be

concluded that setting the purchase price for the Stock Acquisition Rights at 1 yen is unreasonable. However, the Special Committee believes it is appropriate to refrain from stating an opinion on its adequacy and to resolve that whether the Stock Acquisition Rights Holders tender them in the Tender Offer should be left to the discretion of the Stock Acquisition Rights Holders.

(5) Fairness of Other Terms and Conditions

An appropriate opportunity has been secured for the general shareholders to decide whether to tender their shares in the Tender Offer as the period of the Tender Offer is relatively longer. Moreover, an opportunity has also been secured for persons other than the Tender Offeror to make a tender offer or the like for the Company's Shares. Therefore, the terms and conditions are not disadvantageous to the general shareholders.

In addition, in the Transactions, as a way to privatize the Company's shares, the Tender Offeror plans to implement the Tender Offer as the first step, and then to execute the Squeeze-Out Procedures through the Demand for Share, Etc. Cash-Out or the Share Consolidation as the second step. This is one of the methods that are commonly adopted in transactions to make a certain company an unlisted subsidiary of another company that are similar to the Transactions. Furthermore, in the Squeeze-Out Procedures, cash will be delivered in the end to the Company's shareholders who did not tender their shares in the Tender Offer (excluding Sumitomo and the Company). The amount of the cash to be delivered in such procedures will be calculated so as to be equal to the Tender Offer Price multiplied by the number of Company's Shares held by each of those shareholders (it is found that such plan will be clearly stated in a press release, etc.). By securing an appropriate opportunity for the general shareholders to decide whether to tender their shares in the Tender Offer, consideration has been given to avoid coerciveness. Furthermore, in this Squeeze-Out Procedures, the amount of cash to be delivered to the Stock Acquisition Rights Holders is expected to be calculated such that it is equivalent to the purchase price of these Stock Acquisition Rights multiplied by the number of such rights held by each respective Stock Acquisition Rights Holder. Therefore, as discussed in (4) above, the Special Committee reserves

its opinion regarding the appropriateness of this calculation.

(6) Summary

In light of (1) through (5) above, and as a result of its careful discussions and review, the Special Committee concluded that the Tender Offer Price is a fair price that can be reasonably considered as the one that adequately reflects the intrinsic value of the Company and that the Tender Offer Price and other terms and conditions are fair to the general shareholders.

3. Fairness of Procedures Related to the Transactions

This section reviews the fairness of the negotiation process of the Transactions and the procedures leading to the decision making thereon in accordance with the Fair M&A Guidelines.

(1) Establishment of an Independent Special Committee

a Timing of the Establishment

Regarding the Transactions, the Company received an initial proposal from Sumitomo in late January 2025, stating Sumitomo's intension to commence the review of possible take-private transaction of the Company, and subsequently received a letter of intent on May 27 of the same year. Pursuant to the resolution passed at the Board of Directors meeting held on June 12, 2025, the Company established the Special Committee, which held its first meeting on the same day.

As described above, in the process of Transactions, the Special Committee commenced to be involved in the Transactions at the early stage following the receipt of the letter of intent from Sumitomo. This indicates that the involvement of the Special Committee in the Transactions has been ensured from the initial stage of the formation process of the terms and conditions of the Transactions.

b Composition of the Committee (Independence, Attributes and Expertise)

As for the Transactions, for the purpose of ensuring careful decision-making by the Company regarding the Transactions, eliminating arbitrariness and potential conflicts of interest in the

decision-making process by the Company's Board of Directors, and ensuring fairness thereof, the Company's Board of Directors selected as members of the Special Committee three individuals who are Outside Directors of the Company and who also fall under independent officers as required by Tokyo Stock Exchange, namely, Ms. Yumiko Waseda (Independent Outside Director of the Company (Audit and Supervisory Committee member)), Mr. Hidetaka Matsuishi (Independent Outside Director of the Company (Audit and Supervisory Committee member)) and Mr. Shouei Yamana (Independent Outside Director of the Company), on June 12, 2025, with advice from Nishimura & Asahi, the Company's independent legal advisor, after confirming that they are independent of the Sumitomo and the Company and have no material interest that differs from the general shareholders with respect to the completion or non-completion of the Transactions.

As explained above, it has been confirmed that each of the members of the Special Committee is independent of the Tender Offeror, Sumitomo and the Company and has no material interest that differs from the general shareholders with respect to the completion or non-completion of the Transactions. It is also found that they were selected as a result of due consideration of their expertise and attributes.

c Involvement in the Negotiation Process with the Tender Offeror on the Terms and Conditions, Etc.

When negotiating with Sumitomo on the terms and conditions of the Transactions, etc., the Company shall make timely reports to the Special Committee on the status of negotiations, and receive its opinions, instructions or requests in critical situations, thereby ensuring the Special Committee's substantial involvement in the negotiation process of the Tender Offer Price and other terms and conditions as described above. In fact, the Special Committee gave instructions to the Company on the negotiation policy in the negotiations of the terms and conditions, including price negotiations.

As described above, it is found that the Special Committee has substantially been involved in the negotiation process of the Tender Offer Price and other terms and conditions between the Company

and Sumitomo.

d Advisors, Etc.

The Special Committee selected Plutus as its financial advisor and third-party valuation institution, and Gaien as its legal advisor, after confirming their respective independence, expertise, track record and other relevant information. In addition, it approved Nishimura & Asahi as the Company's independent legal advisor, and Nomura Securities as the Company's independent financial advisor after confirming their expertise, track record and other relevant information. The Special Committee also received advice from Nishimura & Asahi and Nomura Securities as necessary.

As described above, it is found that the Special Committee carefully reviewed and discussed the reasonableness of the purpose of the Transactions, the fairness of the terms and conditions of the Transactions and other relevant matters from a standpoint of the enhancement of the Company's corporate value and the protection of the interests of the general shareholders while receiving experts' advice, opinions and other information timely from each of the external advisors mentioned above in the process of reviewing the Transactions.

e Obtaining information

In establishing the Special Committee, the Board of Directors of the Company resolved to grant the Special Committee the authority to request directors, employees, and other personnel of the Company that the Special Committee considered as necessary to attend its meetings and explain about necessary information in order to make decisions on the Transactions.

In addition, in reviewing the Transactions, the Special Committee received legal advice on the decision-making process for the Transactions and the operation method for the Special Committee from Gaien and Nishimura & Asahi, and as described above, in addition to examining materials for the Transactions, the Special Committee held Q&A sessions to hear from the management personnel etc. of the Company about the rationale and purpose of the Transactions and the Company's Business

Plan, etc. and organized Q&A sessions with Sumitomo, and furthermore, by submitting additional questions to Sumitomo in writing and receiving answers several times, it obtained a sufficient amount of information to review the Transactions.

As described above, it is found that the Special Committee put in place a system that enabled it to obtain important information, including undisclosed information, and consider and determine whether the Transactions were appropriate or not and whether the terms and conditions of the Transactions were fair or not based on the information obtained.

f Compensation

In reviewing the Transactions, the Board of Directors of the Company determined to pay fixed compensation to the members of the Special Committee for their services irrespective of whether the Transactions would complete or not, which means that success fees are not adopted.

As mentioned above, in light of the fact that compensation for the Special Committee, which was required to fulfill its functions appropriately when reviewing the Transactions, would be paid irrespective of whether the Transactions would complete or not, it is found that each member of the Special Committee could easily commit his or her time and labor to his or her duties and that an environment was established that allowed him or her to make decisions from an independent standpoint irrespective of the completion or non-completion of the Transactions.

g Handling of the Special Committee's decisions at the Board of Directors

The Board of Directors of the Company resolved to position the Special Committee as a council independent from the Board of Directors when establishing it and resolved to respect the opinions of the Special Committee to the maximum extent when making decisions on the Transactions and not to support the Transactions if the Special Committee determined that the terms and conditions of the Transactions were not fair. The Board of Directors also resolved to grant the Special Committee the authority to substantially involve itself in the process of negotiation on the terms and conditions of

the Transactions by confirming the Company's policy to negotiate with Sumitomo in advance, receiving reports on the status of negotiation in a timely manner, and expressing its opinions, giving instructions, and making requests in important phases of negotiation as well as the authority to select its own advisor and other experts at the Company's reasonable expenses if it deemed as necessary to do so.

As described above, it is found that a system has been established that enabled the Board of Directors to respect the opinions of the Special Committee before making decisions on the Transactions.

h Internal review system of the Company

Since the Company received from Sumitomo the letter of intent as of May 27, 2025, in which the Sumitomo expressed its intention of beginning to consider the Company's take-private transaction, Mr. Shinichi Kato, Mr. Hideki Yamano, Mr. Tsutomu Ozaki, and Mr. Hiromichi Jitsuno, who all served on the Board of Directors of the Company at the time, have not participated in the deliberations and resolutions on the Transactions at the Board of Directors, including the meeting of the Board of Directors held on June 12, 2025, which resolved to establish the Special Committee, from the viewpoint of avoiding conflicts of interest, nor have they participated from the Company's standpoint in the review of the Transactions and in the consultations and negotiations on the terms and conditions of the Transactions including the Tender Offer Price between the Company and Sumitomo. Mr. Kato did not participate because he also served as executive officer at Sumitomo, Mr. Yamano did not participate because he had previously served as representative director at Sumitomo, Mr. Ozaki did not participate because he had previously served as executive officer at Sumitomo, and Mr. Jitsuno did not participate because he had previously served as corporate officer at Sumitomo (Regarding Mr. Tsutomu Ozaki, while he was not involved as a member of the Board of Directors, because his knowledge of the Company's business and expertise in legal affairs and risk management were particularly important for the consideration of the Transactions, not being currently a

Sumitomo-concurrently employed officer or employee, but rather a former Sumitomo employee, and since he resigned as a director before the deliberation on the Transactions became fully underway, his involvement as a member of the Company's project team has been permitted under the same conditions as the seconded personnel from Sumitomo described below). For clarity, Mr. Hideki Yamao and Mr. Tsutomu Ozaki served as directors of the Company until the ordinary shareholders' meeting held on June 24, 2025, and subsequently resigned from their positions as directors of the Company.

Furthermore, Mr. Masaki Nakajima, who became a new director following the ordinary shareholders' meeting held on June 24, 2025, previously served as an executive officer at Sumitomo and did not participate in the deliberations and resolutions of the Board of Directors concerning the Transactions, nor has he participated from the Company's standpoint in the review of the Transactions and in the consultations and negotiations on the terms and conditions of the Transactions including the Tender Offer Price between the Company and Sumitomo.

As for the personnel seconded from Sumitomo other than directors of the Company, if their knowledge, ability, expertise, etc. were useful for consultations, consideration, negotiations, etc. on the Transactions, and even if they were currently or had previously been an executive or employee of Sumitomo, they were allowed to involve themselves in the review of the Transactions at the Company within a reasonable range, on the assumption that they had the strict duty of confidentiality not to leak or communicate information to external parties including Sumitomo, and that they pledged to act only as a member of the Company's team to review the Transactions.

As mentioned above, it is found that as for the Transactions, the Company has established an internal system that enabled it to consider, negotiate, and otherwise act from a standpoint independent from the Tender Offeror and Sumitomo.

i Summary

As described above, it is found that measures to enhance the effectiveness of the Special

Committee were actively implemented, and thus the Special Committee functioned effectively regarding the contemplation of the Transactions.

(2) Obtaining independent professional advice, etc. from external specialists

As described below, it is found that the Company and the Special Committee respectively obtained independent professional advice, etc. from external specialists.

a Appointment of an independent legal advisor and the obtaining of advice

It is found that immediately after Sumitomo proposed the Transactions, the Company appointed Nishimura & Asahi, which was independent from Sumitomo and the Company, as its legal advisor for the Transactions and that the Company has since received necessary legal advice on measures to be taken to ensure the fairness of procedures in the Transactions, various procedures of the Transactions, the method the Company should use to make decisions on the Transactions and the decision-making process it should follow, etc. As mentioned above, the appointment by the Company of Nishimura & Asahi as its legal advisor was approved by the Special Committee.

Please refer to (1)d above for the appointment by the Special Committee of Gaiken as its own legal advisor to receive necessary legal advice on measures to be taken to ensure the fairness of procedures in the Transactions, the method the Special Committee should use to deliberate the Transactions and the process it should follow to do so, etc.

b Appointment of an independent financial advisor and a third-party calculation agency and the obtaining of the Share Valuation Report

The Company appointed Nomura Securities, which was independent from Sumitomo and the Company, as its financial advisor and third-party calculation agency for the Transactions and received advice on the structure of the Transactions and means of alternatives thereto, alternative transactions to be considered, price negotiations, etc., and in addition, the Company requested the

securities firm to calculate the value of its shares, and on October 28, 2025, it obtained the Share Valuation Report (Nomura Securities). The appointment by the Company of Nomura Securities as its financial advisor was approved by the Special Committee.

For the appointment by the Special Committee of Plutus Consulting as its own financial advisor and third-party calculation agency, please refer to (1)d above, and for the content of the Share Valuation Report (Plutus Consulting) obtained from Plutus on October 28, 2025, please refer to 2.(2)b above.

(3) Securing opportunities for other potential acquirers to make acquisition proposals (market check)

Since the Tender Offer period is set for 30 business days and since there were no agreements, including deal protection clauses, which would restrict alternative takeover bidders in their contacts with the Company, the so-called indirect market check was conducted for the Transaction, which is conducted by establishing an environment that enables other potential takeover bidders to make alternative acquisition proposals after the tender offer is published in order to execute M&A.

The Fair M&A Guidelines suggest that if the acquirer is a controlling shareholder, cases in which a market check functions as a measure to ensure fairness are limited in the first place and that in many cases, the significance of conducting a market check is scarce, but they also suggest that since there may be exceptional cases in which it functions, it is desirable for the Special Committee to confirm, among others, whether there are such exceptional circumstances or not. Based on the above, as such exceptional circumstances, the Fair M&A Guidelines specifically cite three cases: the case in which the percentage of voting rights held by the controlling shareholder is low, the case in which the controlling shareholder may accept the sale if a very attractive counter proposal is made, and the case in which the controlling shareholder acquires a subsidiary company first but then plans to sell all or part of it. The Special Committee considered whether there were exceptional circumstances, but Sumitomo, the Company's controlling shareholder, held a majority of shares in the Company, which meant that the case in which the percentage of voting rights held by the controlling shareholder was low did not apply. In addition,

the personnel interviewed clearly replied that the Transactions were essential to the business strategy of Sumitomo and that it was a disadvantage to Sumitomo that the parent-subsidiary relationship between Sumitomo and the Company was resolved, and even if a very attractive counter proposal was made, the likelihood of Sumitomo accepting the sale would be extremely low. Moreover, in the scheme of the Transactions, it is not assumed that the Tender Offeror will acquire the Company once but that it will subsequently plan to sell all or part of it.

Therefore, the Special Committee determined that in the Transactions, there were no exceptional circumstances that would require a proactive market check to be conducted.

(4) Matters related to the setting of a condition for Majority of Minority

Setting a condition for majority of minority refers to considering it as a prerequisite for completion of M&A to garner support from a majority of general shareholders when they express their opinion about whether the M&A should be completed by exercising their voting rights at the General Meeting of Shareholders or subscribing to the tender offer and to publicly announcing such a prerequisite, and its function is to place more emphasis on securing the opportunity of general shareholders to make a decision when M&A is carried out. The tender offer notification does not set the lower limit to the number of shares to be acquired, which is equivalent to the majority of minority, in the Tender Offer, assuming that in the Tender Offer, setting such a limit may make the completion of the Tender Offer unstable and may actually not contribute to the benefit of general shareholders who wish to subscribe to the Tender Offer.

The majority of minority is not used for the lower limit to the number of shares to be acquired in the Tender Offer, but if the fact that other measures to ensure fairness are taken as described in this Item 3 is taken into consideration, it is found that considerable consideration has been given to the general shareholders of the Company.

(5) Improving the Provision of Information to General Shareholders and Increasing the Transparency of

Processes

a Information on the Special Committee

The press release by the Company in the Transactions are expected to provide (1) information on the independence and expertise of Special Committee members, (2) information on details of authority granted to the Special Committee, (3) the resolution of the Board of Directors of the Company stating that if the Special Committee determines that the Tender Offer or the terms and conditions of the Transactions are not fair, the Board of Director should not support the Tender Offer or the Transactions, (4) the process of review at the Special Committee, (5) information on the Special Committee's practical involvement in the negotiations between the Company and Sumitomo, and (6) details of the Special Committee's report and its reasons (including the reasons for determining the appropriateness and reasonableness of the purpose of the Transactions, the fairness of procedures involved in the Transactions, the fairness of the terms and conditions of the Transactions, whether it is appropriate for the Board of Directors to express its opinions in favor of the Tender Offer and recommend the Company's shareholders to subscribe to the Tender Offer, and whether it is disadvantageous to general shareholders to conduct the Transactions), and it is found that the Company is expected to disclose information as required by the Fair M&A Guidelines.

b Information on the Share Valuation Report

The materials disclosed by the Company in the Transactions are expected to provide (1) information on the content of the Share Valuation Report (Plutus Consulting) and the Share Valuation Report (Nomura Securities), including the calculation summary (including financial projection, discount rate, continuing value, non-operating assets, and other assumptions) and (2) information on the fact that Plutus and Nomura Securities are independent from the Tender Offeror, Sumitomo, and the Company and do not have different important interests in the completion or non-completion of the Transactions from those of general shareholders, and it is found that the Company plans to disclose information as required by the Fair M&A Guidelines.

c Other Information

The materials disclosed by the Company in the Transaction are expected to provide (1) information on the process and other circumstances that led it to conduct the Transactions, (2) information on the reason and purpose for which the Company chose to conduct the Transaction at this time, (3) information on the internal review system that excluded directors of the Company who came from Sumitomo and those who also served as executive at Sumitomo in order to avoid structural conflicts of interest, (4) information on the circumstances under which the Company consulted and negotiated with Sumitomo about the terms and conditions of the Transactions, (5) information on whether there was an agreement that excessively prohibited the Company from contacting unsolicited takeover bidders, and (6) information on approval or disapproval for the Board of Directors' resolution to exclude persons who had conflicts of interest when deciding whether the Transactions were supported or not, and therefore, it is found that the Company plans to disclose information as required by the Fair M&A Guidelines.

(6) Exclusion of Coerciveness

In the Transactions, (1) after the Tender Offer, the Squeeze-Out Procedures through requests for the demand for Share, etc. cash-out or share consolidation to limit the Company's shareholders only to Sumitomo and the Tender Offeror are planned with no scheme planned that does not allow shareholders objecting to the Transactions to secure the right to claim share purchase, and (2) it will be notified (i) that the Squeeze-Out Procedures will be followed if the Tender Offer is completed and that (ii) the amount of money to be delivered to each of the Company's shareholders who do not subscribe to the Tender Offer in the Squeeze-Out Procedures is the same as the price obtained by multiplying the Tender Offer Price by the number of shares held by him or her. In other words, consideration is given to general shareholders so that they do not fall into a situation in which they are expected to be treated disadvantageously if they do not subscribe to the Tender Offer.

As described above, it can be said that consideration is given so that general shareholders do not feel that the Transactions are coercive, and it is found that measures are taken that contribute to ensuring the fairness of procedures.

(7) Summary

Based on the points discussed above, the Special Committee carefully consulted and reviewed the Transactions, and as a result, it determined that the negotiation process and the decision-making procedures in the Transactions were fair because appropriate measures to ensure fairness were taken in accordance with the various fairness guarantee measures stipulated in the Fair M&A Guidelines from the viewpoint of considering the benefit of the Company's shareholders.

4 Whether it is fair to the Company's general shareholders to conduct the Transactions

As reviewed in Item 1 to 3 above, the Special Committee determined that general shareholders would not be treated disadvantageously due to the terms and conditions of transactions for the Tender Offer. Furthermore, as the purchase price for these Stock Acquisition Rights is set at 1 yen, as stated in Section 2(4) above, it was deemed appropriate to leave the decision of whether or not to tender these rights in the Tender Offer to the discretion of the holders of these new share subscription rights.

With respect to matters other than those reviewed in Item 1 to 3, the Special Committee did not find that there were particular circumstances under which it considered the Transactions, including the Tender Offer, as disadvantageous to the Company's general shareholders.

Based on the foregoing, the Special Committee determines that conducting the Transactions, including the Tender Offer, is not disadvantageous to the Company's general shareholders.

5 Whether it is appropriate for the Board of Directors of the Company to resolve to express its support for the Tender Offer and recommend the Company's shareholders to subscribe to the

Tender Offer

As shown in Item 1 to 4 above, the Special Committee determined (1) that the Transactions were considered to contribute to enhancing the Company's corporate value and the purpose of the Transactions was appropriate and reasonable, (2) that appropriate measures to ensure fairness were taken in the Transactions and the negotiation process of the Transactions and the procedures leading up to decision-making were fair, and (3) that the Tender Offer Price was a fair one that could be reasonably evaluated as reflecting the Company's fundamental value properly and the Tender Offer would provide general shareholders with an opportunity of selling shares at such a fair price. Furthermore, as stated in 2.(4) above, the purchase price for these Stock Acquisition Rights is set at 1 yen. Therefore, we considered it appropriate to leave the decision of whether or not to tender these Stock Acquisition Rights in the Tender Offer to the judgment of the respective Stock Acquisition Rights Holders.

Based on the foregoing, the Special Committee determined that it could agree that the Board of Directors of the Company resolve to express its support for the Tender Offer and recommend the Company's shareholders to subscribe to the Tender Offer.

The possibility of important changes taking place to the terms and conditions of the Transactions, the situation surrounding the Company, etc. and counter proposals being made before the start of the Tender Offer cannot be denied, and in such cases, separate consideration may be required, and therefore, it should be added that what is written in this report indicates the decisions made by the Special Committee when the report was compiled.

V. Reservations and limitations

This report is subject to the reservations and limitations specified below.

- (1) The Special Committee did not investigate the facts related to the report independently, and the report depends only on the descriptions of the documents reviewed by the Committee and the results of interviews held by it for explanations and assumes that there are not other facts, materials, information, etc. that affect it.

- (2) The Special Committee assumes that the information and materials disclosed to compile the report were accurate, true, and complete when the report was compiled irrespective of whether they were provided in writing or orally.
- (3) Except for the matters explicitly described in the report, the Special Committee does not express any of its opinions about managerial, legal, tax, or accounting issues that are directly or indirectly related to the Transactions. The portion of the report which is related to share valuation and analysis as well as predictions and forecasts of the future is based on the Special Committee's valuation and analysis as well as predictions and forecasts based on the technical opinions of the Company's financial advisor and the Committee's financial advisor, and their accuracy is not guaranteed.
- (4) The purpose of the report is only to report to the Board of Directors of the Company, and the report was compiled on the assumption that the Company makes its content confidential. Therefore, the report must not be used in the Company for purposes other than those specified above, press releases related to the Transactions, or reasonable disclosures in position statements and other reports without the written prior consent of the Special Committee or must not be disclosed or used by third parties unless it is disclosed in accordance with laws and ordinances or court orders.

End of the Report