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July 17, 2026

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Listing:	Tokyo Stock Exchange
Securities code:	2180
Representative:	Etsuko Tsugihara, President
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Notice Concerning Holding of Extraordinary General Meeting of Shareholders for Share Consolidation, Abolition of Provision on Share Unit Number, and Partial Amendments to Articles of Incorporation

SUNNY SIDE UP GROUP Inc. (the “Company”) hereby announces that it has resolved, at a meeting of the Board of Directors held on July 17, 2026, to convene the Extraordinary General Meeting of Shareholders (the "EGM") scheduled to be held on August 28, 2026, and to submit proposals to the EGM regarding a share consolidation, the abolition of the provision on the number of shares constituting one unit of shares, and partial amendments to the Articles of Incorporation, as described below.

In the course of the procedures, the common shares of the Company (the "Shares") will meet the delisting criteria stipulated in the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. (the "TSE"). Consequently, the Shares are scheduled to be designated as securities to be delisted from August 28, 2026, to September 15, 2026, and then to be delisted on September 16, 2026. Please note that after the delisting, the Shares will no longer be tradable on the TSE Standard Market.

I. Date, Time, and Place of the EGM

1. Date and Time: August 28, 2026 (Friday), at 3:00 p.m.
2. Place: The Company’s head office, 4-23-5 Sendagaya, Shibuya-ku, Tokyo

II. Purpose of the EGM

Matters to be resolved:

Proposal No.1 Share Consolidation
Proposal No.2 Partial Amendments to Articles of Incorporation

III. Share Consolidation

1. Purpose of and Rationale for the Share Consolidation

As announced in the "Notice Concerning Expression of Opinion in Support of and Recommendation to Tender in the Tender Offer for the Company's Shares, etc. by Akatsuki Inc. for Business Integration" dated May 13, 2026 (the "Opinion Statement Press Release"), Akatsuki Inc. (the "Tender Offeror") conducted a tender offer (the "Tender Offer") from May 14, 2026, to June 24, 2026 (the "Tender Offer Period"). This Tender Offer aimed to acquire all the Shares (excluding treasury shares and the Non-Tendering Shares (Note 1)) and all share acquisition rights (the "Share Acquisition Rights" (Note 2)), as part of a transaction to achieve a business integration with the Company (the "Transaction").

(Note 1) "The Non-Tendering Shares" refer to the 4,322,880 Shares (representing a 29.19% shareholding ratio) held by Next Field Inc. (the "NF," and collectively with Ms. Etsuko Tsugihara, the "Shareholders"), which is an asset management company whose voting rights are wholly owned by Ms. Etsuko Tsugihara (hereinafter "Ms. Tsugihara", Representative Director of the Company). Under the Tender Offer Tender and Non-Tender Agreement dated May 13, 2026, entered between the Tender Offeror and the Shareholders (the "Tender and Non-Tender Agreement"), the Shareholders agreed not to tender 4,322,880 Shares out of the 5,472,000 Shares (representing a 36.94% shareholding ratio (Note 3)) owned by them.

(Note 2) "The Share Acquisition Rights" refer to the 8th series of share acquisition rights (exercise period: October 1, 2026, to September 30, 2029) issued pursuant to the Board of Directors resolution on June 16, 2023.

(Note 3) "Shareholding Ratio" refers to the percentage of the 148,113 voting rights associated with the 14,811,344 shares (the "Base Shares"), which is calculated by deducting the treasury shares held by the Company as of March 31, 2026 (386,256 shares) from the total number of issued shares of the Company as of the same date (15,197,600 shares), as stated in the "Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending June 30, 2026 [Japanese GAAP]" disclosed by the Company on May 13, 2026. All figures are rounded to two decimal places. The same applies hereinafter to the calculation of shareholding ratios. The Company's shares (106,100 shares) subject to the Share Acquisition Rights remaining as of May 13, 2026 (1,061 units) are not added to the Base Shares because the commencement date of the exercise period of the Share Acquisition Rights is October 1, 2026.

As announced in the "Notice Concerning Results of the Tender Offer for the Company's Shares, etc. by Akatsuki Inc. for Business Integration and Changes in Parent Company and the Largest Shareholder among Major Shareholders" dated June 25, 2026 (the "TOB Results Press Release"), the Tender Offer was successfully completed. Consequently, the Tender Offeror acquired 9,355,136

Shares (representing a 63.16% shareholding ratio) and 1,061 units of the Share Acquisition Rights, effective July 1, 2026 (the commencement date of the settlement of the Tender Offer).

The background, purpose, and decision-making process of the Transaction, which includes the Tender Offer and a consolidation of the Shares (the "Share Consolidation") to make the Tender Offeror and NF the sole shareholders of the Company, are outlined below. Information regarding the Tender Offeror is based on explanations provided by the Tender Offeror.

On January 22, 2026, the Company received an initial proposal from the Tender Offeror regarding a transaction structure to make the Company a wholly owned subsidiary through a tender offer followed by a share exchange, along with multiple tentative timelines aimed at executing the Transaction within 2026. Subsequently, at a meeting held between the Company and the Tender Offeror on February 6, 2026, the Company expressed its intention to consider the proposal and discussed the timing and anticipated terms of a non-binding letter of intent. On February 27, 2026, the Company received a non-binding letter of intent (the "Letter of Intent") from the Tender Offeror.

In response, to initiate discussions on feasibility, the Company appointed EY Strategy and Consulting Co., Ltd. ("EYSC") as its independent financial advisor and third-party valuation institution, and Nagashima Ohno & Tsunematsu ("NO&T") as its independent legal advisor on March 2, 2026. Both advisors maintain full independence from the Tender Offeror Group (referring to the Tender Offeror, its 13 consolidated subsidiaries, and its 17 unconsolidated subsidiaries and affiliates), the Company Group (referring to the Company, its 9 consolidated subsidiaries, and its 2 affiliates), the Shareholders, and the Scheduled Tendering Shareholders.

The "Scheduled Tendering Shareholders " refers collectively to:

(i) Mr. Norihito Watanabe (hereinafter "Mr. Watanabe"), Representative Director of the Company (currently Director), who entered into a tender agreement on May 13, 2026 (holding 761,100 shares, representing a 5.14% shareholding ratio; Rank: 3rd);

(ii) Mr. Hidetoshi Nakata, Executive Officer of the Company (holding 700,000 shares, representing a 4.73% shareholding ratio; Rank: 4th);

(iii) Ms. Rie Matsumoto, Director of SUNNY SIDE UP Inc., a wholly owned subsidiary of the Company (holding 215,000 shares, representing a 1.45% shareholding ratio; Rank: 8th);

(iv) NGK LLC, an asset management company of the Representative Director of BILCOM Inc. (the “BILCOM”), a consolidated subsidiary of the Company (holding 165,000 shares, representing a 1.11% shareholding ratio); and

(v) Ms. Kurara Hayakawa, Director of BILCOM (holding 6,800 shares, representing a 0.05% shareholding ratio).

The Company subsequently notified the Tender Offeror that it had established a robust structure to evaluate the proposal.

As of May 13, 2026, the Tender Offeror did not own any Shares or Share Acquisition Rights. Therefore, the Tender Offer did not qualify as a tender offer by a controlling shareholder under the

Securities Listing Regulations. Furthermore, although NF—whose voting rights are wholly owned by Ms. Tsugihara —is expected to acquire shares of the Tender Offeror via the Share Exchange (Note 4), the Tender Offeror has not received and is not scheduled to receive any equity contributions from Ms. Tsugihara or other members of the Company's management team to finance the Transaction. Thus, the Transaction does not fall under the category of an MBO (Note 5).

However, taking into consideration that:

(A) The Transaction aims to privatize the Company, which will have a significant impact on minority shareholders.

(B) (a) NF will indirectly hold the Shares post-transaction by owning shares of the Tender Offeror via the Share Exchange, and Ms. Tsugihara, Representative Director of the Company and NF, is scheduled to remain involved in the management of the Tender Offeror and the Company, meaning the Tender Offer may be construed as an action similar to an MBO.

(b) The Tender Offeror had anticipated entering into a tender agreement with Mr. Watanabe, Representative Director of the Company (currently Director), indicating potential conflicts of interest with minority shareholders.

To address these factors, ensure fairness, eliminate arbitrariness, and prevent conflicts of interest, the Company resolved at its Board of Directors meeting on March 2, 2026, to establish an independent Special Committee (the "Special Committee"), as described in Section 3-(3) ① Establishment of an Independent Special Committee and Receipt of a Report from the Special Committee. The Special Committee consists of three independent outside directors of the Company: Mr. Toru Nagai (Independent Director), Ms. Mari Fujii (Audit and Supervisory Committee Member, Independent Director), and Ms. Keiko Hattori (Audit and Supervisory Committee Member, Independent Director).

The Board of Directors consulted the Special Committee on the following matters:

(i) The legitimacy and reasonableness of the Transaction's purpose (including whether it contributes to enhancing the Company's corporate value).

(ii) The fairness of the Transaction's terms (including the acquisition price, method, and class of consideration).

(iii) The fairness of the Transaction's procedures (including whether adequate measures have been implemented to ensure fairness).

(iv) Whether the Board should support the Tender Offer and recommend its shareholders and holders of the Share Acquisition Rights to tender.

(v) Whether the Transaction is fair to the Company's minority shareholders (collectively, the "Matters for Consultation").

(Note 4) "The Share Exchange" refers to a share exchange to be implemented post-Share Consolidation, with the Tender Offeror as the wholly owning parent and the Company as the wholly owned subsidiary, utilizing the Tender Offeror's shares as consideration. This is aimed at making the Tender Offeror the sole shareholder of the Company, and ensuring that Ms.Tsugihara, who is expected to serve as co-representative of the Tender Offeror, remains highly motivated to commit to the growth of the integrated group by aligning management and shareholder interests.

(Note 5) MBO refers to a transaction where the tender offeror is an officer of the target company or conducts the offer at the request of an officer (pursuant to Article 441 of the Securities Listing Regulations).

Furthermore, based on advice from NO&T, the Company established an internal structure to evaluate, negotiate, and make decisions regarding the Transaction independently of the Tender Offeror Group, the Shareholders, and the Scheduled Tendering Shareholders, which was approved by the Special Committee. The Company received financial valuations, negotiation strategy advice, and other financial opinions from EYSC, and legal process advice from NO&T. Giving the highest regard to the opinions of the Special Committee, the Company engaged in multiple rounds of discussions and negotiations with the Tender Offeror to rigorously evaluate the feasibility and terms of the Transaction.

Following the Letter of Intent on February 27, 2026, and the establishment of the Special Committee on March 2, 2026, continuous negotiations were conducted. Specifically, on March 19, 2026, the Special Committee conducted an online interview with the Tender Offeror to clarify: (i) the background and rationale for the Transaction; (ii) the structure and scope of the business integration; (iii) concrete integration methodologies; (iv) methods for synergy creation; (v) post-transaction governance and institutional design; (vi) post-transaction management structures; and (vii) personnel exchanges.

On March 25, 2026, the Company and the Special Committee sent written follow-up questions regarding items (i) to (vii), and received written responses on April 5, 2026. Based on these responses, they evaluated whether the Transaction would enhance corporate value, and whether the proposed structure—under which the Tender Offeror would change its trade name to "Sunny’s Holdings" (tentative name), NF would participate as a shareholder of the Tender Offeror, and Ms. Tsugihara and Mr. Koda would serve as co-representatives to lead group growth—was appropriate for achieving the business integration.

Regarding the purchase price per Share in the Tender Offer (the "Tender Offer Price"): April 1, 2026 (1st Proposal): The Tender Offeror proposed a price of 1,200 yen per share. This represented a premium of 38.73% over the closing price of 865 yen on March 31, 2026; 26.32% over the past 1-month average of 950 yen; 28.62% over the past 3-month average of 933 yen; and 38.89% over the past 6-month average of 864 yen. No proposal was received for the Share Acquisition Rights as the Tender Offeror was still evaluating the price based on the 1,200 yen Share price and exercise prices.

April 6, 2026 (Rejection): The Company and the Special Committee rejected the proposal, stating it did not fully reflect the Company's intrinsic value or fairly distribute expected transaction synergies to shareholders.

On April 7, 2026, they sent written questions regarding:(i) pricing incorporating expected synergies; (ii) post-transaction corporate design; and (iii) post-transaction business and management policies.

April 9, 2026 (2nd Proposal): The Tender Offeror replied that:(a) the Company's current Audit and Supervisory Committee structure would basically be maintained;(b) a co-representative system with Mr. Koda and Ms. Tsugihara was planned; and (c) employee employment and working conditions would, in principle, be maintained for a certain period.

Concurrently, the Tender Offeror proposed a revised price of 1,260 yen per share. This represented a premium of 32.77% over the closing price of 949 yen on April 8, 2026; 35.34% over the past 1-month average of 931 yen; 34.90% over the past 3-month average of 934 yen; and 44.50% over the past 6-month average of 872 yen. No proposal was received for the Share Acquisition Rights.

April 10, 2026 (Rejection): The Company and the Special Committee rejected the 1,260 yen price as insufficient, requesting further revision and asking the Tender Offeror's view on performing synergy-based valuations.

April 14, 2026 (3rd Proposal): The Tender Offeror proposed 1,290 yen per share. It stated that while synergies were expected, concrete and reasonable quantitative estimation was difficult due to execution timing and feasibility variables. The premiums represented 40.98% over the closing price of 915 yen on April 13, 2026; 39.76% over the past 1-month average of 923 yen; 37.82% over the past 3-month average of 936 yen; and 47.43% over the past 6-month average of 875 yen. No proposal was received for the Share Acquisition Rights.

April 17, 2026 (Rejection): The Company and the Special Committee rejected the 1,290 yen price on the same grounds, requesting a further revision that prioritized minority shareholder interests.

April 21, 2026 (4th Proposal): The Tender Offeror proposed 1,295 yen per share. Concurrently, it proposed a purchase price of 63,400 yen per unit for the Share Acquisition Rights, calculated based on the difference between the 1,295 yen Share price and the 661 yen exercise price, multiplied by 100 shares. The premiums represented 38.21% over the closing price of 937 yen on April 20, 2026; 41.38% over the past 1-month average of 916 yen; 37.91% over the past 3-month average of 939 yen; and 46.66% over the past 6-month average of 883 yen.

April 22, 2026 (Rejection): Rejected on the same grounds, with a request for a further price increase.

April 24, 2026 (5th Proposal): The Tender Offeror proposed the same terms: 1,295 yen per share and 63,400 yen per unit for the Share Acquisition Rights, representing premiums of 40.76% over the closing price of 920 yen on April 23, 2026; 40.91% over the past 1-month average of 919 yen; 37.47% over the past 3-month average of 942 yen; and 45.83% over the past 6-month average of 888 yen.

April 28, 2026 (Rejection): Rejected on the same grounds, requesting further revision.

May 1, 2026 (Negotiation): The Special Committee held discussions with the Tender Offeror and received an explanation from the Tender Offeror that the proposed price in the fifth proposal was a price that exceeded the Company’s historical all-time high stock price of 1,276 yen (recorded intraday on January 23, 2020) and was determined with the maximum possible consideration given to the interests of the Company's minority shareholders. In addition, the Special Committee received an explanation from the Tender Offeror regarding the post-transaction management policies that, with the aim of creating synergies as described in "3. Content of, and Grounds and Reasons for, Opinions on the Tender Offer" - "(2) Grounds and Reasons for Opinions on the Tender Offer" - "② Background, Purpose, and Decision-Making Process of the Tender Offeror's Decision to Implement the Tender Offer" of the Opinion Statement Press Release, the Tender Offeror assumes that both companies will work in coordination as partners to jointly aim for the medium-to-long term enhancement of corporate value while respecting each other's business strategies and corporate cultures to the maximum extent through business integration.

May 6, 2026 (Rejection): The Special Committee held discussions with the Tender Offeror again, and informed the Tender Offeror that the proposed price in the fifth proposal still could not be evaluated as a price level that appropriately allocated a proper portion of the value expected to be realized through the execution of the Transaction to the Company's minority shareholders, and requested once again that the Tender Offeror submit a revised proposal for the Tender Offer Price.

May 7, 2026 (6th Proposal): The Tender Offeror proposed 1,320 yen per share and 65,900 yen per unit for the Share Acquisition Rights, representing premiums of 33.33% over the closing price of 990 yen on May 1, 2026; 41.48% over the past 1-month average of 933 yen; 39.39% over the past 3-month average of 947 yen; and 46.99% over the past 6-month average of 898 yen.

May 7, 2026 (Final Proposal): Later that day, following further requests for price increases, the Tender Offeror presented its final proposal of 1,320 yen per share (and 65,900 yen for the Share Acquisition Rights), stating that further increases were financially unfeasible.

Although the Company and the Special Committee made continuous efforts to negotiate, the Tender Offeror's position remained firm. In light of these discussions, the Company and the Special Committee carefully evaluated the Transaction under a highly competitive business environment where rapid growth investments, network sharing, and advanced talent recruitment are essential.

They concluded that the Transaction would enable integrated utilization of resources and significantly enhance the Company's corporate value. Furthermore, since the 1,320 yen price exceeded the Company's historical all-time high of 1,276 yen and offered premiums comparable to historical precedents, they determined it provided a highly reasonable exit opportunity. On May 12, 2026, the Company notified the Tender Offeror of its acceptance, and on May 13, 2026, the Board resolved to support the Tender Offer and recommend its shareholders and holders of the Share Acquisition Rights to tender.

Following careful deliberation giving utmost respect to the Special Committee's report dated May 13, 2026 (the "Report"), and based on legal advice from NO&T, financial valuations from EYSC, and the share valuation report dated May 12, 2026 (the "Valuation Report"), the Company concluded that the Transaction would enhance its corporate value through the following strategic initiatives:

(i) Further Acceleration of Strategic Investments for Growth

The Company Group has established a strategic investment framework targeting human resources, technology, and digital transformation (DX) operations for the three-year period starting from the fiscal year ending June 30, 2024. Under this framework, the Company Group has actively promoted investments in human capital to support business growth, particularly through strengthening recruitment and expanding training programs. The Company Group believes that these investments are indispensable to secure the certainty of medium-to-long-term growth.

However, under the current structure as a listed company, which requires close consideration for minority shareholder interests such as maintaining financial soundness and sustaining or expanding dividends, investments in human capital and technology require a certain period to generate returns and are recognized to involve risks in the short term, including impacts on operating profit and fluctuations in cash flows. Furthermore, debt financing is constrained by interest burdens and financial covenants, which limit agile investment, making it difficult for the Company to implement large-scale, discontinuous investments in response to changes in the market environment solely on its own.

Through the Transaction, the Company will become a wholly owned subsidiary of the Tender Offeror and will be privatized. This will enable the Company to receive direct funding based on a long-term perspective backed by the Tender Offeror's robust financial base, free from constraints such as quarterly performance fluctuations, short-term stock market evaluations, and the need to secure funds for dividends. By securing an investment scale and agility that are difficult to achieve through debt financing or other funding methods, and with the injection of funds from the Tender Offeror, which possesses deep knowledge and expertise in the business, the feasibility of the investment plans will increase. The Company has determined that this will allow the Company Group to further accelerate the strategic investments it has independently conducted to date, thereby achieving discontinuous growth that surpasses the limits of organic growth.

(ii) Next Phase of IP Business Expansion through Integration of Expertise

The Company Group intends to grow its IP (Intellectual Property) business over the medium-to-long term, building upon the growth of its product planning utilizing IP content, "Happy Kuji," as well as its achievements as a licensee and branding partner of "bills" (a globally expanded restaurant since its founder, the world-renowned restaurateur Mr. Bill Granger, opened the first location in Sydney, Australia) cultivated over many years in the food branding business.

However, under the current framework of an ordinary business relationship, the Company Group and the Tender Offeror Group remain independent corporate entities. From the perspective of protecting trade secrets, sharing their respective networks regarding IP content and sales channels is inevitably limited. Furthermore, the IP business experiences extremely rapid trend cycles and requires immediate decision-making; however, when operating as separate legal entities, coordinating transaction terms for each individual project is required, which is considered to hinder agile business development.

By becoming a wholly owned subsidiary of the Tender Offeror and privatizing, the organizational barriers between the two companies will be eliminated. This will allow the integration of the Company Group's strengths in identifying and planning promising IP content, as well as its relationships and transaction track record with branding stakeholders, with the Tender Offeror Group's extensive track record of transactions with anime and character IP holders and its expertise in global e-commerce. By exploring new IP content and sales channels, the Company believes it can achieve IP sourcing and sales channel expansion that would be impossible to discover through the Company Group's network alone, thereby elevating the IP business to discontinuous growth.

(iii) Rebuilding Competitive Advantage in the Digital and Tech Domains

With the aim of complementing its capabilities in the technology domain, the Company Group acquired BILCOM as a subsidiary in March 2026 and is focusing on the integrated provision of BILCOM’s cloud-based PR measurement tool, "PR Analyzer," and advertising media database in tandem with the PR support of the Company Group's Brand Communication business.

Under the current structure as an independent listed company, while the Company is proceeding with building a sales structure to provide "PR Analyzer" to PR clients, securing the development talent indispensable for rapid functional enhancements in response to customer needs is constrained by the Company’s own limited management resources. Furthermore, if the relationship remains a business alliance or a limited capital alliance with the Tender Offeror Group, there are limits to utilizing the Tender Offeror Group's talent and expertise in IT services, data analytics, security, and AI development due to information confidentiality and conflict-of-interest concerns. Consequently, the Company believes that relying solely on its own management resources is insufficient to rebuild its competitive advantage in expanding the functions of "PR Analyzer" and implementing advanced data analysis using AI.

By choosing to become a wholly owned subsidiary through the Transaction and transitioning to a structure that optimally allocates management resources as a single organization, it becomes possible to directly deploy the Tender Offeror Group's highly specialized talent in IT services, data analytics, and AI development into the Company Group’s business. As a result, the Company has determined that it can further enhance the added value provided to customers, such as advanced analytical functions and improved usability, thereby rebuilding its competitive advantage in the market. While delisting will eliminate the Company's access to equity financing and public listing status, the Company has determined these impacts are minimal. The Company maintains a solid capital structure with a 43.7% equity ratio (as of June 30, 2025), indicating low immediate financing needs. Post-transaction, as a consolidated subsidiary of a Prime-listed group, the Company can secure debt financing via the group and leverage the Tender Offeror’s high public profile, avoiding negative impacts on employees and clients.

Although the delisting of the Shares will prevent the Company from raising funds through equity financing from capital markets and will result in the loss of benefits previously enjoyed as a listed company, such as enhanced social credibility, the Company believes that the necessity for equity financing is not high for the time being, given that the Company's equity ratio as of June 30, 2025, was 43.7%, indicating a solid capital base. Furthermore, following the Transaction, the Company will become a wholly owned subsidiary of the Tender Offeror. Therefore, the Company believes it will be possible to secure necessary funding from financial institutions and other entities that have business relationships with the Tender Offeror Group, as needed. In addition, because the Company will become a group company of the Tender Offeror, which is listed on the Prime Market of the TSE, and will be able to leverage the high public profile and social credibility of the Tender Offeror Group, the Company believes that there will be no adverse impact on its clients, business partners, or employees as a result of losing its listed status. Furthermore, there are no existing shareholders on whom the Company relies in terms of business relationships; therefore, the Company expects no impact from the loss of capital relationships with existing shareholders resulting from the implementation of the Transaction.

As described above, the Company believes that the Transaction, including the Tender Offer, will contribute to enhancing the corporate value of the Company Group. On the other hand, as described in "3. Basis for the Appropriateness of the Amount of Cash Expected to be Delivered to Shareholders as a Result of the Treatment of Fractional Shares" - "(1) Basis and Rationale for the Amount of Cash Expected to be Delivered to Shareholders as a Result of the Treatment of Fractions" - "② Method of Treatment of Fractions of Less Than One Share and Rationale for the Appropriateness of the Cash Amount to be Delivered to Shareholders" below, the Company has determined that the Tender Offer Price is a fair price that secures the interests to be enjoyed by the Company's minority shareholders, and that the Tender Offer provides the Company's minority shareholders with a reasonable opportunity to sell the Shares at a price with an appropriate premium.

Furthermore, the Company has also determined that the Tender Offer provides the holders of the Share Acquisition Rights with a reasonable opportunity to sell the Share Acquisition Rights.

Based on the above, the Company resolved on May 13, 2026, to express its support for the Tender Offer and recommend its shareholders and holders of the Share Acquisition Rights to tender. Following the successful completion of the Tender Offer, the Tender Offeror did not acquire 100% of the Shares. Consequently, in accordance with the transition plan, the Tender Offeror requested the Company to convince the EGM to submit proposals for the Share Consolidation and a partial amendment to the Articles of Incorporation to abolish the provision regarding the share unit number. In response, the Board of Directors resolved today to implement the Share Consolidation (consolidating 1,440,960 common shares into 1 share), subject to shareholder approval at the EGM.

As a result of the Share Consolidation, the shares held by shareholders other than the Tender Offeror and NF will be reduced to fractions of less than one share.

For further details of the Transaction, please refer to the Opinion Statement Press Release and the TOB Results Press Release.

2. Details of Share Consolidation

(1) Schedule of Share Consolidation

①Public notice date of the record date for the EGM	June 25, 2026 (Thursday）
②Record date for the EGM	July 10, 2026 (Friday)
③Date of the Board of Directors resolution	July 17, 2026 (Friday)
④Date of holding the EGM	August 28, 2026 (Friday) <Scheduled>
⑤Date of designation as securities to be delisted	August 28, 2026 (Friday) <Scheduled>
⑥Last trading day of the Company’s shares	September 15, 2026（Tuesday） <Scheduled>
⑦Delisting date of the Company’s shares	September 16, 2026 (Wednesday) <Scheduled>
⑧Effective date of the Share Consolidation	September 18, 2026 (Friday) <Scheduled>

(2) Ratio of Share Consolidation

① Class of shares to be consolidated: Common Sharese

② Consolidation ratio：1 share for every 1,440,960 shares

③ Decrease in the total number of shares issued: 14,811,334 shares

(Note) Since the Company resolved, at its Board of Directors meeting held today, to cancel 386,256 treasury shares (representing all of the treasury shares held by the Company as of July 10, 2026) effective September 17, 2026, the "Decrease in the total number of issued shares" is described on the assumption of the total number of issued shares after the said cancellation. The said cancellation of treasury shares is conditional upon the proposal for the Share Consolidation being approved as originally proposed at the EGM.

④ Total number of issued shares before the effective date: 14,811,344 shares

(Note) Since the Company resolved, at its Board of Directors meeting held today, to cancel 386,256 treasury shares (representing all of the treasury shares held by the Company as of July 10, 2026) effective September 17, 2026, the "Total number of issued shares before the effective date" represents the total number of issued shares after the said cancellation. The said cancellation of treasury shares is conditional upon the proposal for the Share Consolidation being approved as originally proposed at the EGM.

⑤ Total number of issued shares after the effective date: 10 shares

⑥ Total number of authorized shares on the effective date: 100 shares

⑦ Method of Treatment of Fractions of Less Than One Share and Estimated Amount of Cash Expected to be Delivered to Shareholders as a Result of Such Treatment

(i) Whether the Treatment is Scheduled to be Performed Pursuant to Article 235, Paragraph 1 or Article 234, Paragraph 2 Applied Mutatis Mutandis under Article 235, Paragraph 2 of the Companies Act, and the Reasons Therefor

As described in "1. Purpose of and Rationale for the Share Consolidation" above, as a result of the Share Consolidation, the number of common shares of the Company held by shareholders other than the Tender Offeror and NF is expected to be reduced to fractions of less than one share.

With respect to fractions of less than one share resulting from the Share Consolidation, the Company plans to sell common shares of the Company equivalent to the sum of such fractional shares (if the sum of such fractional shares includes any fraction of less than one share, such fraction shall be discarded in accordance with Article 235, Paragraph 1 of the Companies Act (Act No. 86 of 2005, as amended; the "Companies Act")) pursuant to Article 235 of the Companies Act and other applicable laws and regulations, and to deliver the cash proceeds from the sale to the shareholders of the Company who hold such fractional shares in proportion to their respective fractions.

The Company intends to sell these aggregated fractional shares the Tender Offeror, with the permission of the court, pursuant to Article 234, Paragraph 2 of the Companies Act applied mutatis mutandis under Article 235, Paragraph 2 of the Companies Act, taking into consideration that: (a) the Share Consolidation is to be implemented as part of the Transaction which aims to make the Tender Offeror and NF the sole shareholders of the Company; and (b) since the common shares of the Company are scheduled to be delisted on September 16, 2026 and will become illiquid shares with no market price, it is considered highly unlikely that a buyer would appear through a public auction.

In this case, if the aforementioned permission of the court is obtained as scheduled, the sale price will be set at a price that ensures the cash amount delivered to each shareholder will be equal to the number of common shares of the Company owned by the shareholders registered or recorded in the final shareholder registry of the Company as of September 17, 2026 (which is the business day immediately preceding the effective date of the Share Consolidation), multiplied by 1,320 yen, which is the same amount as the Tender Offer Price. However, if the permission of the court cannot be obtained, or if calculations require fraction adjustments, the amount delivered may differ from the calculated amount.

(ii) Name of the Person Expected to Purchase the Shares to be Sold

Akatsuki Inc. (the Tender Offeror)

(iii) Method of Securing Funds for Payment by the Purchaser of the Shares to be Sold, and its Appropriateness

According to the Tender Offeror, it plans to secure the funds necessary to acquire the common shares of the Company equivalent to the sum of fractional shares of less than one share resulting from the Share Consolidation through its own funds and loans from Mizuho Bank, Ltd. ("Mizuho Bank").

The Company has confirmed the Tender Offeror's funding method by reviewing the Certificate of Loan Commitment dated May 13, 2026, regarding loans from Mizuho Bank, which was submitted as an attachment to the Tender Offer Registration Statement filed for the Tender Offer. Additionally, according to the Tender Offeror, no events have occurred that could hinder the payment of the purchase price for the sum of fractional shares of less than one share resulting from the Share Consolidation, and it is not aware of any possibility of such events occurring in the future.

Therefore, the Company has determined that the method used by the Tender Offeror to secure funds for the payment of the purchase price for the common shares of the Company equivalent to the sum of fractional shares of less than one share is appropriate.

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

Promptly after the Share Consolidation takes effect, around late September 2026, the Company plans to file a petition with the court for permission to sell the common shares of the Company equivalent to the sum of fractional shares of less than one share resulting from the Share Consolidation to the Tender Offeror, pursuant to Article 234, Paragraph 2 of the Companies Act applied mutatis mutandis under Article 235, Paragraph 2 of the Companies Act.

Although the timing of obtaining the said permission may vary depending on the circumstances of the court, the Company expects to sell the said common shares around late October to early November 2026 after obtaining the court's permission. Subsequently, after making the necessary preparations to deliver the proceeds of the sale, the Company plans to deliver the sale proceeds to the shareholders around late December 2026.

Taking into account the period required for the series of procedures regarding the sale from the effective date of the Share Consolidation, the Company has determined that the sale of the common shares of the Company equivalent to the sum of fractional shares of less than one share, and the delivery of the sale proceeds to the shareholders, will be performed at the respective times described above.

3. Basis for the Appropriateness of the Amount of Cash Expected to be Delivered to Shareholders as a Result of the Treatment of Fractional Shares

(1) Basis and Rationale for the Amount of Cash Expected to be Delivered to Shareholders as a Result of the Treatment of Fractions Shares

① Matters Considered to Avoid Harming the Interests of Shareholders Other Than the Parent Company, Etc. in the Event That a Parent Company, Etc. Exist

The Share Consolidation will be implemented as the second step of the so-called "two-step acquisition" process after the successful completion of the Tender Offer. As of May 13, 2026, the date on which the Tender Offeror decided to implement the Tender Offer, the Tender Offeror did not own any Shares or Share Acquisition Rights, meaning the transaction did not technically constitute a transaction with a controlling shareholder under the TSE Enforcement Regulations.

In addition, although NF, an asset management company whose voting rights are wholly owned by Ms. Tsugihara, will acquire shares of the Tender Offeror through the Share Exchange, the Tender Offeror will not receive any equity contributions, whether in whole or in part, from Ms. Tsugihara. Furthermore, no members of the Company’s management team other than Ms. Tsugihara plan to invest directly or indirectly in the Tender Offeror. Thus, the Transaction (including the Tender Offer) does not fall under the category of a so-called MBO. However, taking into consideration that: (A) the Transaction aims to make the Company a wholly-owned subsidiary, which will have a significant impact on the Company's minority shareholders; (B) (a) NF will indirectly hold the Shares after the Transaction by holding shares of the Tender Offeror through the Share Exchange, and Ms. Tsugihara (Representative Director of both the Company and NF) plans to continuously participate in the management of both the Tender Offeror and the Company, meaning that the Tender Offer may be construed as a transaction similar to an MBO, and (b) the Tender Offeror anticipated entering into the Tender Agreement (Watanabe) with Mr. Watanabe, Representative Director of the Company (currently Director), which indicates that the interests of the Shareholders, Mr. Watanabe, and the Company’s minority shareholders may not necessarily align; the Company has implemented rigorous measures as described in "(3) Measures to Ensure Fairness of the Transaction and to Avoid Conflicts of Interest" below, from the perspective of ensuring the fairness of the transaction terms, eliminating arbitrariness in decision-making, and avoiding conflicts of interest.

② Method of Treatment of Fractions of Less Than One Share and Rationale for the Appropriateness of the Cash Amount to be Delivered to Shareholders

As described in "2. Details of Share Consolidation" - "(2) Ratio of Share Consolidation" - "⑦ Method of Treatment of Fractions of Less Than One Share and Estimated Amount of Cash Expected to be Delivered to Shareholders as a Result of Such Treatment" - "(i) Whether the Treatment is Scheduled to be Performed Pursuant to Article 235, Paragraph 1 or Article 234, Paragraph 2 Applied Mutatis Mutandis under Article 235, Paragraph 2 of the Companies Act, and the Reasons Therefor" above, the amount of cash expected to be delivered to shareholders as a result of the fractional share treatment is scheduled to be equal to the number of common shares owned by the shareholders registered or recorded in the final shareholder registry of the Company as of September 17, 2026 (the business day immediately preceding the effective date of the Share Consolidation), multiplied by 1,320 yen, which is the same amount as the Tender Offer Price.

Furthermore, the Company has determined that the Tender Offer Price of 1,320 yen per share is a fair price that secures the interests to be enjoyed by minority shareholders, and that the Tender Offer provides minority shareholders with a highly reasonable exit opportunity at a price with an appropriate premium, based on the following reasons:

(i) The Tender Offer Price exceeds the upper limits of the valuation ranges calculated under the market share price method and the comparable company method, and falls within the range calculated under the discounted cash flow (DCF) method in the Valuation Report obtained from EYSC, the Company's independent third-party valuation institution, as described in "(3) Measures to Ensure Fairness of the Transaction and to Avoid Conflicts of Interest" - "③ Acquisition of a Share Valuation Report from an Independent Third-Party Valuation Institution by the Company" below. Therefore, the price is evaluated as reasonable and appropriate in light of such financial valuations.

(ii) The Tender Offer Price represents a premium of: 24.88% over the closing price of 1,057 yen on the TSE Standard Market on May 12, 2026 (the business day immediately preceding the announcement date of the Tender Offer); 37.93% over the simple average of closing prices for the past one month (957 yen); 38.36% over the simple average of closing prices for the past three months (954 yen); and 44.58% over the simple average of closing prices for the past six months (913 yen).

To evaluate the appropriateness of these premiums, the Company analyzed 277 successful tender offer cases announced between June 28, 2019 (the date on which the Ministry of Economy, Trade and Industry published the "Fair M&A Guidelines") and March 31, 2026, which resulted in the Tender Offeror and its specially related parties holding two-thirds or more of the target's voting rights post-acquisition (excluding MBOs, self-tender offers, discount tender offers, unlisted targets, TOKYO PRO Market listings, and investment corporations; hereinafter, the "Reference Cases").

The median premium levels for the Reference Cases were: 39.16% over the closing price on the business day preceding the announcement; 41.60% over the past 1-month average; 42.63% over the past 3-month average; and 43.37% over the past 6-month average.

While the premiums for the Tender Offer are not necessarily high compared to the medians of the Reference Cases for the business day preceding the announcement and the past 1-month and 3-month averages, they are considered reasonable because: (a) there are numerous comparable cases with similar premium levels (42 cases relative to the closing price on the preceding business day, 50 cases relative to the past 1-month average, and 64 cases relative to the past 3-month average), and all of these values comfortably exceed the lowest premium range of 20% or less; (b) the premium over the past 6-month average (44.58%) exceeds the median of the Reference Cases (43.37%); and (c) the Tender Offer Price of 1,320 yen per share exceeds the Company's historical all-time high stock price of 1,276 yen (recorded intraday on January 23, 2020). Consequently, the Tender Offer Price cannot be deemed unreasonable from the perspective of market price premiums.

(iii) As described in "(3) Measures to Ensure Fairness of the Transaction and to Avoid Conflicts of Interest" below, the Tender Offer Price was agreed upon after thorough negotiations and discussions between the Company and the Tender Offeror, with the active participation of the Special Committee, after implementing sufficient measures to ensure the fairness of the Transaction's terms.

(iv) As described in "(3) Measures to Ensure Fairness of the Transaction and to Avoid Conflicts of Interest" - "① Establishment of an Independent Special Committee and Receipt of a Report from the Special Committee" below, the Special Committee concluded in the Report that the transaction terms, including the Tender Offer Price, are fair and reasonable. (For details of the Report, including the grounds for its findings, please refer to Exhibit 1 of the Opinion Statement Press Release.)

(v) Comprehensive measures were implemented to safeguard minority shareholder interests and avoid conflicts of interest, as described in "(3) Measures to Ensure Fairness of the Transaction and to Avoid Conflicts of Interest" below.

Furthermore, the purchase price for the Share Acquisition Rights was set at 65,900 yen per unit, which is calculated based on the difference between the Tender Offer Price (1,320 yen) and the exercise price of the Share Acquisition Rights (661 yen), multiplied by 100 shares. Since this price is directly derived from the Tender Offer Price, the Company has concluded that the Tender Offer provides holders of the Share Acquisition Rights with a highly reasonable and fair opportunity to sell their rights, in light of the factors (i) through (v) above.

Based on the above, the Board of Directors resolved at its meeting held on May 13, 2026, to express its supportive opinion of the Tender Offer and to recommend that the Company's shareholders and holders of the Share Acquisition Rights tender their shares/rights in the Tender Offer. For details on the voting method of the Board of Directors, please refer to "(3) Measures to Ensure Fairness of the Transaction and to Avoid Conflicts of Interest" - "⑤ Unanimous Approval by All Non-Interested Directors (Including Audit and Supervisory Committee Members) at the Company" below.
Additionally, from the date of the aforementioned Board resolution on May 13, 2026, to the date of the Board resolution to convene the EGM today, the Company has confirmed that no material changes have occurred in the conditions and assumptions upon which the Company based its evaluation of the Tender Offer Price. Consequently, the Company has determined that the amount of cash expected to be delivered to shareholders as a result of the fractional share treatment is appropriate.

③ Events Occurring After the End of the Last Fiscal Year That Have a Material Impact on the Status of Company Property, Such as the Disposition of Material Assets or the Assumption of Material Liabilities

(i) The Tender Offer

As described in "1. Purpose of and Rationale for the Share Consolidation" above, the Tender Offeror conducted the Tender Offer from May 14, 2026, to June 24, 2026. As a result, upon completion of the settlement on July 1, 2026, the Tender Offeror acquired 9,355,136 Shares (representing a 63.16% shareholding ratio) and 1,061 units of the Share Acquisition Rights.

(ii) Cancellation of Treasury Shares

The Company resolved at its Board of Directors meeting held today to cancel 386,256 treasury shares (representing all the treasury shares held by the Company as of July 10, 2026) effective September 17, 2026. The said cancellation of treasury shares is conditional upon the proposal for the Share Consolidation being approved as originally proposed at the EGM.

(2) Outlook for Delisting

① Delisting of the Shares

As described in "1. Purpose of and Rationale for the Share Consolidation" above, subject to approval by the shareholders at the EGM, the Company will implement the Share Consolidation, making the Tender Offeror and NF the sole shareholders of the Company. Consequently, the Shares are scheduled to be delisted through the prescribed procedures in accordance with the delisting criteria of the TSE. As for the schedule, the Shares are scheduled to be designated as securities to be delisted from August 28, 2026, to September 15, 2026, and to be delisted on September 16, 2026. After the delisting, the Shares will no longer be tradable on the TSE Standard Market.

② Reasons for Delisting

As described in "1. Purpose of and Rationale for the Share Consolidation" above, the Transaction is designed to make the Company a wholly owned subsidiary of the Tender Offeror. By integrating and leveraging the management resources of both the Tender Offeror Group and the Company Group, the Company believes it can drive the medium-to-long-term enhancement of its corporate value.

③ Impact on Minority Shareholders and Company's Position

As described in "(3) Measures to Ensure Fairness of the Transaction and to Avoid Conflicts of Interest" - "① Establishment of an Independent Special Committee and Receipt of a Report from the Special Committee" below, the Company obtained the Report from the Special Committee on May 13, 2026, stating that the implementation of the Transaction is fair to the Company's minority shareholders.

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

The Share Consolidation will be implemented as part of the Transaction to complete the second step of the two-step acquisition process after the successful completion of the Tender Offer. As of May 13, 2026, the date of the decision to implement the Tender Offer, the Tender Offeror did not own any Shares or Share Acquisition Rights. Therefore, the Tender Offer did not qualify as a tender offer by a controlling shareholder under the Securities Listing Regulations. Furthermore, although NF—whose voting rights are wholly owned by Ms. Tsugihara—will acquire shares of the Tender Offeror through the Share Exchange, the Tender Offeror has not received and is not scheduled to receive any equity contributions from Ms. Tsugihara or other members of the Company’s management team. Thus, the Transaction does not fall under the category of an MBO.

However, taking into consideration that: (A) the Transaction aims to make the Company a wholly-owned subsidiary, which will have a significant impact on minority shareholders; and (B) (a) NF will indirectly hold the Shares after the Transaction by holding shares of the Tender Offeror through the Share Exchange, and Ms. Tsugihara (Representative Director of both the

Company and NF) plans to remain involved in the management of both the Tender Offeror and the Company, meaning that the Tender Offer may be construed as a transaction similar to an MBO, and (b) the Tender Offeror had anticipated entering into the Tender Agreement (Watanabe) with Mr. Watanabe, Representative Director of the Company (currently Director), indicating potential conflicts of interest with minority shareholders; the Company implemented the following measures to safeguard minority shareholder interests and avoid conflicts of interest.

According to the Tender Offeror, it did not set a "Majority of Minority" minimum threshold for the Tender Offer. This is because setting such a threshold could make the completion of the Tender Offer unstable, which might not serve the best interests of minority shareholders who wish to tender. However, since the Company and the Tender Offeror have implemented the following measures, both parties believe that minority shareholder interests have been fully and appropriately protected.

The descriptions of the measures implemented by the Tender Offeror below are based on explanations received from the Tender Offeror.

① Establishment of an Independent Special Committee and Receipt of a Report from the Special Committee

To protect minority shareholder interests and eliminate conflicts of interest, the Company established the Special Committee by a resolution of the Board of Directors on March 2, 2026. The committee consisted of three independent outside directors: Mr. Toru Nagai (Independent Director), Ms. Mari Fujii (Audit and Supervisory Committee Member, Independent Director), and Ms. Keiko Hattori (Audit and Supervisory Committee Member, Independent Director), all of whom are independent of the Tender Offeror Group, the Company Group, the Shareholders, and the Scheduled Tendering Shareholders.

Mr. Toru Nagai was elected chairman of the Special Committee, and the members have remained unchanged since establishment. The compensation for the members is a fixed fee independent of the transaction's success; no contingency/success fees are used.

The Board of Directors resolved that it would give the utmost respect to the findings of the Special Committee when making decisions regarding the Transaction. Furthermore, the Board granted the Special Committee the authority to: (a) confirm negotiation policies in advance, receive timely progress reports, express opinions on terms, issue instructions/requests to management, and negotiate directly with the Tender Offeror where necessary; (b) select independent legal, financial, and other advisors at the Company's expense, or approve the Company’s advisors; and (c) request officers, employees, or advisors of the Company to attend meetings and provide necessary explanations.

The Special Committee met 12 times between March 4, 2026, and May 12, 2026, and actively conducted deliberations, information sharing, and decision-making via email between meeting dates. Specifically, the committee approved the selection of EYSC as the independent financial advisor and third-party valuation institution, and NO&T as the independent legal advisor, confirming their independence and expertise. The committee also verified the independence of the Company's internal negotiation and evaluation team (as described in "⑥ Internal Negotiation Structure" below).

As described in ③ Acquisition of a Share Valuation Report by the Company, EYSC performed a share valuation using the 5-year business plan (from June 2026 to June 2030) prepared by the Company. The Special Committee received detailed explanations of the valuation methodologies, assumptions, comparable company selection, and WACC discount rates, confirming their reasonableness. The business plan was drafted solely by the independent project team, and the Special Committee confirmed its feasibility and assumptions.

The Special Committee conducted written and interview-based inquiries with the Tender Offeror regarding the strategic rationale, post-integration management structures, and synergy generation plans.

Following the receipt of the Tender Offeror's initial 1,200 yen proposal on April 1, 2026, the Special Committee continuously evaluated pricing proposals with advice from EYSC and directly negotiated price increases with the Tender Offeror, successfully driving the final offer to 1,320 yen per share on May 7, 2026.

Based on legal advice from NO&T and financial advice from EYSC, the Special Committee unanimously submitted the Report to the Board of Directors on May 13, 2026, concluding that the Transaction is fair to the minority shareholders.

② Acquisition of a Share Valuation Report by the Tender Offeror

According to the Tender Offeror, in order to ensure the fairness of the Tender Offer Price, the Tender Offeror, in deciding the Tender Offer Price, requested Houlihan Lokey Inc. ("Houlihan Lokey"), its financial advisor and third-party valuation institution independent of the Tender Offeror, the Company, the Shareholders, and the Scheduled Tendering Shareholders, to calculate the value of the Company’s shares. Houlihan Lokey evaluated the per-share value of the Company's common shares using the market share price average method, the comparable company method, and the discounted cash flow ("DCF") method, and the Tender Offeror obtained a share valuation report (the "Valuation Report (HL)") from Houlihan Lokey dated May 12, 2026. Houlihan Lokey is not a related party of the Tender Offeror, the Company, the Shareholders, or the Scheduled Tendering Shareholders, and does not have any material interest in the Tender Offer. In addition, since the Tender Offeror has taken the measures described in this "(3) Measures to Ensure Fairness of the Transaction and to Avoid Conflicts of Interest" and believes that sufficient consideration has been given to the interests of the Company’s minority shareholders, the Tender Offeror has not obtained an opinion on the fairness of the Tender Offer Price (a "fairness opinion") from Houlihan Lokey.

The ranges of the per-share value of the Company’s common shares calculated under each of the above methodologies are as follows:

- **Market share price average method:** 913 yen to 1,057 yen
- **Comparable company method:** 640 yen to 967 yen
- **DCF method:** 1,111 yen to 1,395 yen

Under the market share price average method, with May 12, 2026 as the base date, the per-share value of the Company’s common shares was calculated to be in the range of 913 yen to 1,057 yen, based on the closing price of the Company’s shares on the TSE Standard Market of 1,057 yen on the base date, and the simple average of the closing prices for the past one month up to the base date of 957 yen, the past three months of 954 yen, and the past six months of 913 yen.

Under the comparable company method, VECTOR Inc., PRAP Japan, Inc., Kyodo Public Relations Co., Ltd., MATERIAL GROUP INC., and SOCIAL WIRE Co., Ltd. were selected as listed companies with profitability and growth profiles relatively similar to those of the Company. The Company's share value was then calculated to be in the range of 640 yen to 967 yen per share through a comparison with the market share prices and financial indicators representing the profitability and other metrics of these five companies.

Under the DCF method, the Company’s share value was analyzed and calculated to be in the range of 1,111 yen to 1,395 yen per share. This calculation was performed by discounting the free cash flows that the Company is expected to generate from the third quarter of the fiscal year ending June 30, 2026, onward to their present value at a certain discount rate. This analysis was based on the Company's earnings forecasts for the fiscal years ending June 30, 2026, through June 30, 2030, which were adjusted by the Tender Offeror taking into account various factors such as the financial forecasts and investment plans under the Business Plan, the results of due diligence conducted on the Company by the Tender Offeror from early March to early April 2026, and the Company’s financial information disclosed in its annual securities reports, financial results, and website.

According to the Tender Offeror, it comprehensively took into account that the Tender Offer Price of 1,320 yen per share (i) exceeds the upper limits of the valuation ranges calculated under the market share price average method and the comparable company method, and falls within the range calculated under the DCF method in the Valuation Report (HL) obtained from Houlihan Lokey, and (ii) other factors such as the results of the due diligence conducted on the Company by the Tender Offeror from early March to early April 2026, whether the Company's Board of Directors would support the Tender Offer, and the outlook for the number of shares to be tendered in the Tender Offer. Based on these considerations and the results of discussions and negotiations with the Company, the

Tender Offeror ultimately resolved at its Board of Directors meeting held on May 13, 2026, to set the Tender Offer Price at 1,320 yen per share.

The Tender Offer Price of 1,320 yen represents a premium of:

- **24.88%** over the closing price of 1,057 yen for the Company's common shares on the TSE Standard Market on May 12, 2026 (the business day immediately preceding the announcement date of the Tender Offer);
- **37.93%** over the simple average of closing prices for the past one month up to the same date (957 yen);
- **38.36%** over the simple average of closing prices for the past three months up to the same date (954 yen); and
- **44.58%** over the simple average of closing prices for the past six months up to the same date (913 yen).

(Note) Houlihan Lokey assumed the accuracy and completeness of all public and provided information, without independent verification. It did not perform any independent appraisal of the Company's assets or liabilities, nor did it assume any undisclosed material facts or contingent liabilities existed. The valuation reflects economic conditions as of May 12, 2026.

For the Share Acquisition Rights, the exercise price (661 yen) was lower than the Tender Offer Price (1,320 yen). Thus, the Tender Offeror set the acquisition price at 65,900 yen per unit (the 659 yen difference multiplied by 100 shares), without obtaining separate valuation reports or fairness opinions.

③ Acquisition of a Share Valuation Report by the Company

(i) Name of Valuation Institution and Relationship with Parties

To ensure the transparency and rationality of the decision-making process of the Company’s Board of Directors in expressing its opinion on the Transaction, the Company appointed EYSC as a financial advisor and independent third-party valuation institution independent from the Tender Offeror Group, the Company Group, the Shareholder, and the Scheduled Tendering Shareholders. The Company has received financial advice and assistance from EYSC, including valuations of the Company’s shares and advice on negotiation strategies with the Tender Offeror, and obtained the Share Value Assessment Report (EYSC) dated May 12, 2026.

Based on other measures implemented to ensure the fairness of the Tender Offer Price (for details, please refer to "① Establishment of an Independent Special Committee and Receipt of a Report from the Special Committee " above, and "④ Acquisition of Advice from an Independent Law Advisor," "⑤ Unanimous Approval by All Non-Interested Directors," "⑥ Internal Negotiation Structure," "⑦ Elimination of Coercion," and "⑧ Measures to

Secure Purchase Opportunities from Other Buyers" below), the Company believes that sufficient consideration has been given to the interests of its general shareholders. Therefore, the Company has not obtained an opinion on the fairness of the Tender Offer Price (a fairness opinion).

EYSC does not fall under the category of a related party of the Tender Offeror Group, the Company Group, the Shareholders, or the Scheduled Tendering Shareholders, and does not have any material interest in the Transaction, including the Tender Offer. The compensation payable to EYSC for the Transaction includes a contingency fee to be paid on the condition that the Tender Offer is successfully completed, among other factors. However, considering general market practices in similar transactions, the Company determined that the independence of EYSC would not be impaired by the inclusion of a contingency fee payable upon the completion of the Tender Offer. Accordingly, the Company appointed EYSC as its financial advisor and third-party valuation institution under the aforementioned compensation structure.

Furthermore, the Special Committee, at its first meeting held on March 4, 2026, confirmed that there were no issues regarding EYSC’s independence and expertise, and approved EYSC’s appointment as the financial advisor and third-party valuation institution of the Company.

(ii) Overview of the Valuation

After reviewing multiple share value assessment methodologies to determine the appropriate approach for valuing the Company’s shares, EYSC conducted the valuation using the following methods: Market Share Price Method: Adopted because the Company’s shares are listed on the Standard Market of the TSE and a market share price exists. Comparable Company Analysis Method: Adopted because there are multiple listed companies engaged in businesses relatively comparable to those of the Company, allowing for a valuation based on comparison. Discounted Cash Flow (DCF) Method: Adopted to reflect the status of the Company’s future business activities in the valuation.

The ranges of per-share value of the Company’s shares calculated through each of the above methodologies are as follows:

Valuation Methodology	Range of Value per Share
Market Share Price Method	913 yen to 1,057 yen
Comparable Company Method	1,074 yen to 1,142 yen
Discounted Cash Flow (DCF) Method	1,313 yen to 1,933 yen

Market Share Price Method: Evaluated using May 12, 2026, as the base date, based on the closing price of 1,057 yen, and averages over the past 1 month (957 yen), 3 months (954 yen), and 6 months (913 yen).

Comparable Company Method: Peer companies selected were Vector Inc., PRAP Japan, Inc., Kyodo Public Relations Co., Ltd., Material Group Inc., Enjin Co., Ltd., Socialwire Co., Ltd., and PR TIMES, Inc. The enterprise value was calculated using EBITDA and EBIT multiples, adjusted for non-operating assets and interest-bearing debt.

DCF Method: Discounted expected free cash flows from Q4 of the fiscal year ending June 30, 2026, to the end of June 30, 2030, using a WACC discount rate of 9.7% to 12.5% (including a size risk premium). The terminal value was calculated using the Perpetual Growth Method with a growth rate of 1.5% to 2.0% (terminal value of 15,718 million to 24,664 million yen). Non-operating assets and surplus cash were added.

The financial forecasts used in the DCF and comparable company valuations are shown below. The business plan reflects organic growth through customer expansion and unit-price improvement, alongside necessary cost increases. It covers a 5-year period where future operations can be reasonably forecasted.

Notably, the plan includes fiscal years with significant fluctuations:

FY2026/6: Expects a major increase in operating profit due to sales growth, but free cash flow will decline significantly due to a substantial increase in working capital.

FY2027/6: Free cash flow is expected to recover strongly as the working capital increase slows down.

BILCOM Acquisition: The business of BILCOM (acquired on March 2, 2026) is consolidated starting from Q4 of the fiscal year ending June 30, 2026.

Synergies: Potential synergies expected from the Transaction are excluded from these forecasts as they are difficult to quantify reliably at the calculation date.

The business plan is based on growth discussions initiated around May 2025 between management and Ms. Tsugihara, and was finalized by the independent project team without the involvement of Ms. Tsugihara, Mr. Watanabe, or the Tender Offeror Group. The Special Committee confirmed the reasonableness of this plan.

Consolidated Financial Forecasts (FY2026/6 – FY2030/6)

(Unit: Millions of yen)

Metric	FY2026/6 (3 Months)	FY2027/6	FY2028/6	FY2029/6	FY2030/6
Net Sales	3,800	26,762	29,454	32,429	35,676
Operating Profit	(160)	2,389	2,798	3,345	4,074
EBITDA	(97)	2,748	3,201	3,810	4,601
Free Cash Flow	661	1,166	1,431	1,747	2,180

(Note) EYSC relied on public and provided information on an as-is basis, assuming its absolute accuracy and completeness. No independent audit or asset appraisal was performed. Financial forecasts are assumed to have been reasonably prepared by the Company's management based on the best currently available estimates and judgments as of the calculation date of May 12, 2026.

(iii) Share Acquisition Rights Valuation

The purchase price for the Share Acquisition Rights was determined directly based on the Tender Offer Price. Accordingly, the Company did not obtain separate valuation reports or fairness opinions for the rights.

To enable the transfer of the rights (which are subject to transfer restrictions under their terms), the Board of Directors resolved on May 13, 2026, to provide comprehensive approval for the transfer of the rights to the Tender Offeror, conditional upon the successful completion of the Tender Offer, solely for those rights actually tendered.

④ Acquisition of Advice from an Independent Legal Advisor

To ensure the transparency and rationality of the decision-making process of the Company's Board of Directors regarding the Transaction, the Company appointed NO&T as its legal advisor independent from the Tender Offeror Group, the Company Group, the Shareholders, and the Scheduled Tendering Shareholders, as described in "1. Purpose and Reason for the Share Consolidation" above. The Company has received necessary legal advice from NO&T regarding the decision-making process and methods, as well as matters to note when making decisions concerning the Transaction, including the Tender Offer.

NO&T does not fall under the category of a related party of the Tender Offeror Group, the Company Group, the Shareholders, or the Scheduled Tendering Shareholders, and does not have any material interest in the Tender Offer. In addition, the Special Committee, after confirming that there were no issues regarding NO&T's independence and expertise, approved NO&T's appointment as the Company's legal advisor. The compensation payable to NO&T does not include any contingency fee to be paid on the condition of the announcement or completion of the Transaction.

⑤ Unanimous Approval by All Non-Interested Directors (Including Directors Who Are Audit and Supervisory Committee Members)

As described in "1. Purpose and Rationale for the Share Consolidation" above, the Company's Board of Directors carefully deliberated and considered whether the Transaction, including the Tender Offer, would contribute to the enhancement of the corporate value of the Company Group, and whether the transaction terms for the Transaction, including the Tender Offer Price, were appropriate. In doing so, the Board took into account the legal advice received from NO&T, the financial advice and contents of the Share Value Assessment Report (EYSC) received from EYSC, while placing the utmost respect on the judgment of the Special Committee presented in the Report.

As a result, the Company determined that the Transaction would contribute to the enhancement of the Company's corporate value and that the transaction terms for the Transaction, including the Tender Offer Price, were appropriate. At the Board of Directors meeting held on May 13, 2026, with the unanimous approval of all Directors of the Company who do not have any material interest and who participated in the deliberations and resolutions (specifically, all four Directors of the Company excluding Ms. Tsugihara and Mr. Watanabe), the Board resolved to express its opinion in favor of the Tender Offer and to recommend that the Company's shareholders and Stock Acquisition Rights holders tender their shares and stock acquisition rights in the Tender Offer.

The potential conflicts of interest and measures taken are as follows:
Ms. Tsugihara (Representative Director of the Company) has entered into the Tender and Non-Tender Agreement and the Basic Agreement (Note 1) with the Tender Offeror. Furthermore, after the Transaction, it is planned that NF (a company in which Ms. Tsugihara holds all voting rights) will hold shares of the Tender Offeror through the Share Exchange, thereby indirectly holding the Company's shares, and that she will continue to participate in the management of the Tender Offeror and the Company.
Mr. Watanabe (Representative Director of the Company, currently Director) has entered into the Tender Agreement (Mr. Watanabe) with the Tender Offeror.

Given that their interests may not necessarily align with those of the general shareholders of the Company, and from the perspective of eliminating any potential conflict of interest, neither Ms. Tsugihara nor Mr. Watanabe participated in any of the deliberations or resolutions concerning the proposals to express opinions on the Tender Offer at the Board of Directors meetings. Furthermore, they have not participated in any discussions or negotiations with the Tender Offeror on behalf of the Company regarding the Transaction.

(Note 1) On May 13, 2026, the Tender Offeror and the Shareholders entered into a Basic Agreement, establishing the methodology for calculating the share exchange ratio (Note 2).

(Note 2) The share exchange ratio will be calculated based on the Tender Offer Price, ensuring compliance with the principle of equal treatment of shareholders (Article 27-2, Paragraph 3 of the Financial Instruments and Exchange Act). NF's acquisition of Tender Offeror shares is intended to ensure Ms. Tsugihara's long-term commitment to the integrated group as co-representative, which is structurally separate from the consideration paid in the Tender Offer.

⑥ Internal Negotiation Structure

From the perspective of eliminating potential conflicts of interest, the Company has established an internal project team to review, negotiate, and make decisions regarding the Transaction from a standpoint independent of the Tender Offeror Group, the Shareholders, and the Scheduled Tendering Shareholders. The project team consists of five members in total: Akira Shirai, Director (and Audit and Supervisory Committee Member) of the Company, and four other employees of the Company.

Specifically, Ms. Tsugihara (Representative Director of the Company) has entered into the Tender and Non-Tender Agreement and the Basic Agreement with the Tender Offeror. Furthermore, after the Transaction, it is planned that NF (a company in which Ms. Tsugihara holds all voting rights) will hold shares of the Tender Offeror through the Share Exchange, thereby indirectly holding the Company's shares, and that he will continue to participate in the management of the Tender Offeror and the Company. Additionally, Mr. Watanabe (Representative Director of the Company, currently Director) was expected to enter into the Tendering Agreement (Mr. Watanabe) with the Tender Offeror.

Given that their interests may differ from those of the general shareholders of the Company regarding the Transaction, and based on the advice received from NO&T, it was determined that Ms. Tsugihara and Mr. Watanabe would not participate in any review, negotiation, or decision-making regarding the Transaction, nor would they be involved in any discussions or negotiations with the Tender Offeror on behalf of the Company. This arrangement has been maintained consistently up to May 13, 2026. The Special Committee has reviewed and confirmed that this consideration structure presents no issues from the perspectives of independence and fairness.

⑦ Elimination of Coercion

As described in "(4) Policies on Reorganization, Etc. After the Tender Offer (Matters Concerning the So-Called Two-Step Acquisition)" under "3. Content, Basis, and Reasons for Opinions on the Tender Offer" in the Opinion Statement Press Release: (i) Promptly after the completion of the settlement of the Tender Offer, request the Company to convene an EGM with proposals including a share consolidation and a partial amendment to the Articles of Incorporation to abolish the provision on the share unit number subject to the share consolidation becoming effective, thereby ensuring that methods that fail to secure the right to demand share purchase or price determination for the Company's shareholders will not be adopted. (ii) Clarify that the amount of cash to be delivered to the Company's shareholders (excluding the Tender Offeror and the Company) upon the share consolidation will be calculated to be identical to the price obtained by multiplying the Tender Offer Price by the number of the Company's shares held by each shareholder.

Through these measures, the Tender Offeror states that it has given due consideration to preventing coercion by securing an opportunity for the Company’s shareholders and Stock Acquisition Rights holders to make an appropriate judgment on whether or not to tender their shares in the Tender Offer.

⑧ Measures to Secure Purchase Opportunities from Other Buyers

While the statutory minimum period for a tender offer under applicable laws and regulations is 20 business days, the Tender Offeror has set the tender offer period to 30 business days. Setting a relatively longer period than the statutory minimum ensures that the Company’s shareholders and Stock Acquisition Rights holders have a sufficient opportunity to carefully consider the merits of the Transaction and the appropriateness of the Tender Offer Price to make an informed decision. At the same time, it provides counter-bidders with an opportunity to make alternative proposals, thereby functioning as an indirect market check.

As described in "① The Tender Offer Agreement" under "(6) Material Agreements Concerning the Tender Offer" in "3. Content, Basis, and Reasons for Opinions on the Tender Offer" of the Opinion Statement Press Release, the Company entered into a tender offer agreement with the Tender Offeror dated May 13, 2026 (the "Tender Offer Agreement"). Under this agreement, the Company is obligated to express an opinion supporting the Tender Offer and recommending that shareholders and Stock Acquisition Rights holders tender their shares (the "Supporting Opinion"), and to maintain the Supporting Opinion without adopting any Board of Directors resolution to withdraw or modify it from the date of the Tender Offer Agreement until the final day of the tender offer period.

However, the Company may withdraw or modify the Supporting Opinion under the following specific conditions ("Fiduciary Out"):

If, by the last day of the tender offer period, a third party other than the Tender Offeror commences or publicly announces a Competing Transaction, or if the Company receives a bona fide, legally binding, and feasible proposal regarding a Competing Transaction (a "Counter-Proposal"; collectively with Competing Transactions, "Competing Transactions, Etc.")—provided that such Counter-Proposal objectively and reasonably demonstrates that financing for execution and regulatory clearances under competition laws of relevant countries are expected to be obtained.

If the Company reasonably determines that maintaining the Supporting Opinion would constitute a specific breach of the Directors' duty of due care of a prudent manager, after comparing such Competing Transaction or Counter-Proposal with the Transaction under the Tender Offer Agreement, taking into account the transaction price, timing, specific details of the proposal, attributes of the third party, past transaction track record, certainty of financing, certainty of execution, and other relevant circumstances (the "Matters for Consideration").

Subject to the condition that the Company has not breached certain obligations of its own, the Company may request the Tender Offeror to discuss changes to the terms of the Transaction (including the Tender Offer Price). Upon such request, the Company shall promptly and in good faith consult with the Tender Offeror to provide an opportunity for the Tender Offeror to submit a counter-proposal. The Company may resolve to withdraw or modify its Supporting Opinion if, within five business days from the date of the request:

The Tender Offeror does not submit a counter-proposal (noting that notifying the revised terms to the Company is sufficient, and public notice or timely disclosure is not required within this period); or

Despite the Tender Offeror submitting a counter-proposal, the Company reasonably determines that maintaining the Supporting Opinion would still constitute a specific breach of the Directors' duty of due care of a prudent manager after comparing the Competing Transactions, Etc. with the revised terms, and the Company obtains an opinion from the Special Committee stating that it is appropriate to modify or withdraw the Supporting Opinion.

Under the Tender Offer Agreement, during the period from the execution date until the completion of the Transaction, the Company shall not, directly or indirectly:

(i) Enter into any agreement related to a Competing Transaction with a third party other than the Tender Offeror (including expressing an opinion supporting or recommending such transaction); (ii) Provide information regarding the Company Group or other information related to a Competing Transaction to any third party other than the Tender Offeror; or (iii) Engage in any proposal, solicitation, offer, or request for discussion, or any discussion or negotiation regarding such Competing Transaction.

The Company is not prohibited from providing information regarding the Company Group or engaging in discussions and negotiations with:(x) (a) A third party that has commenced or publicly announced a Competing Transaction or made a Counter-Proposal, or (b) a third party from whom a proposal, solicitation, offer, or request for discussion is received and who can reasonably be expected to commence a Competing Transaction or make a Counter-Proposal during the tender offer period.(y) Furthermore, the Company is not prohibited from entering into an agreement related to a Competing Transaction with a third party that has commenced or publicly announced a Competing Transaction or made a Counter-Proposal, provided that the Company is entitled to withdraw or modify its Supporting Opinion in accordance with the procedures outlined above.

4. Future Outlook

Following the implementation of the Share Consolidation, the Shares are scheduled to be delisted as described in Section 3.-"（2 Outlook for Delisting" above. Through the Share Consolidation and the subsequent Share Exchange, the integrated group will maximize the utilization of its combined resources, expand its business foundations, and drive long-term corporate value.

5. Matters Relating to MBOs, etc.

(1) Compliance Rules for MBOs, etc.

The Transaction does not fall under the category of an MBO under Article 441 of the Securities Listing Regulations. However, considering that NF will indirectly retain its interest in the Company by holding shares of the Tender Offeror post-transaction via the Share Exchange, and that Ms. Tsugihara is scheduled to remain active in the management of both entities, the Transaction may be construed as similar to an MBO, etc. Accordingly, the Company has executed the protective procedures prescribed in the "Compliance Rules for MBOs, etc."

(2) Compliance with Guidelines for Protecting Minority Shareholders

Upon completion of the settlement of the Tender Offer, the Tender Offeror became the Company's parent company as of July 1, 2026. Therefore, the Share Consolidation qualifies as a transaction with a controlling shareholder under the Securities Listing Regulations.

Although the Company’s Corporate Governance Report disclosed on September 29, 2025, does not establish a specific "Guideline for Protecting Minority Shareholders in Transactions with Controlling Shareholders," the Company's policy is to implement robust fairness-ensuring measures (including independent valuations and Special Committee oversight) to prevent any harm to minority shareholder interests. The Company has determined that its actions in the Transaction are fully compliant with this policy.

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

Please refer to Section 3.-"(3) Measures to Ensure Fairness of the Transactions and Avoid Conflicts of Interest" above.

(4) Opinion of the Special Committee on Fairness to Minority Shareholders

As described in Section 3.-"(3) Measures to Ensure Fairness of the Transaction and Avoid Conflicts of Interest"- "①Establishment of an Independent Special Committee and Receipt of a Report from the Special Committee" above, the Company obtained the Report from the Special Committee confirming that the Transaction is fair to minority shareholders. Because the Report comprehensively covers the entire Transaction, the Company has not obtained a separate fairness opinion specifically for the execution of the Share Consolidation.

IV. Abolition of the Provision on the Share Unit Number

1. Rationale for the Abolition

Following the Share Consolidation, the total number of issued shares of the Company will be 10 shares. Consequently, there will be no need to maintain a share unit system.

2. Scheduled Date of Abolition

   September 18, 2026 (Scheduled)

3. Conditions for the Abolition

   The abolition is conditional upon the proposals for the Share Consolidation and the Partial Amendments to the Articles of Incorporation being approved as originally proposed at the EGM, and the Share Consolidation taking effect.

V. Partial Amendments to the Articles of Incorporation

1. Purpose of the Amendments

(1) Reduction in Authorized Shares: If the Share Consolidation takes effect, the total number of authorized shares of the Company will decrease to 100 shares pursuant to Article 182, Paragraph 2 of the Companies Act. To clarify this, Article 6 (Total Number of Authorized Shares) will be amended.

(2) Abolition of the Share Unit Number: Following the Share Consolidation, the total number of issued shares will be 10 shares, making the share unit system obsolete. To abolish the current 100-share unit, Article 7 (Share Unit Number) and Article 8 (Rights Concerning Fractional Units) will be deleted in their entirety, with subsequent article numbers adjusted accordingly.

(3) De-registration of Listed Company Provisions: Following delisting, provisions regarding treasury share market buybacks (Article 9), record dates for annual general meetings (Article 10), and electronic provision of general meeting materials (Article 15) will no longer be necessary. These articles will be deleted in their entirety, with subsequent article numbers adjusted. For the Annual General Meeting of Shareholders scheduled to be held in late September 2026, the shareholders registered as of the meeting date will be entitled to exercise their voting rights.

2. Details of the Amendments

   The specific changes are detailed below, scheduled to take effect on September 18, 2026, subject to approval of the proposals at the EGM.

(Underlined portions indicate amended text.)

Current Articles of Incorporation	Proposed Amendments
Articles 1 – 5 *(Omitted)*	Articles 1 – 5 *(Unchanged)*
(Total Number of Authorized Shares) Article 6 The total number of authorized shares of the Company shall be <u>41,984,000</u> shares.	(Total Number of Authorized Shares) Article 6 The total number of authorized shares of the Company shall be <u>100</u> shares.
<u>(Share Unit Number)</u> <u>Article 7</u> <u>The share unit number of the Company shall be 100 shares</u>.	*(Deleted)*

(Rights Concerning Fractional Units) Article 8 Shareholders of the Company may not exercise any rights concerning fractional unit shares held by them, except for: (1) Rights stipulated in the items of Article 189, Paragraph 2 of the Companies Act; (2) Rights to make requests pursuant to Article 166, Paragraph 1 of the Companies Act; (3) Rights to receive allotments of offered shares and share acquisition rights in proportion to the number of shares held.	*(Deleted)*
(Acquisition of Treasury Shares) Article 9 The Company may, pursuant to Article 165, Paragraph 2 of the Companies Act, acquire its own shares through market transactions, etc., by a resolution of the Board of Directors.	*(Deleted)*
(Record Date) Article 10 The Company shall deem shareholders who have voting rights and are registered or recorded in the final shareholder registry as of June 30 of each year as the shareholders entitled to exercise their rights at the Annual General Meeting of Shareholders for that fiscal year. 2. In addition to the preceding paragraph, the Company may, when necessary, set a temporary record date by a resolution of the Board of Directors and giving prior public notice.	*(Deleted)*
Articles 11 – 14 *(Omitted)*	Articles 7 – 10 *(Text unchanged, article numbers adjusted)*
(Electronic Provision Measures, Etc.) Article 15 Upon convening a General Meeting of Shareholders, the Company shall implement electronic provision measures for information contained in the reference materials, etc., for the General Meeting of Shareholders. 2. Among the items subject to electronic provision measures, the Company may choose not to include all or	*(Deleted)*

part of those items stipulated by the Ordinance of the Ministry of Justice in the paper documents delivered to shareholders who have requested document delivery by the record date for voting rights.	
Articles 16 – 40 *(Omitted)*	Articles 11 – 35 *(Text unchanged, article numbers adjusted)*
(Supplementary Provisions) Articles 1 – 2 *(Omitted)*	(Supplementary Provisions) Articles 1 – 2 *(Unchanged)*

3. Scheduled Date of the Amendments

September 18, 2026 (Scheduled)