



December 8, 2023

To Whom It May Concern

Company Name: OUTSOURCING Inc.
Representative: Haruhiko Doi
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Chairman and CEO
(Prime Market of TSE, Securities
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Notice Regarding Opinion in Favor of Planned Management Buyout and Recommendation to Tender Shares

OUTSOURCING Inc. (hereinafter, “the Company”) hereby announces that at the Board of Directors meeting held today, the Board of Directors passed a resolution to state an opinion in favor of a tender offer (hereinafter, the “Tender Offer”) under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; hereinafter, the “Act”) and related laws and ordinances for the common shares (hereinafter, the “Shares”) of the Company by K.K. BCJ-78 (hereinafter, the “Tender Offeror”) to be carried out as follows as part of a management buyout (MBO) (Note 1), and to recommend that Company’s shareholders tender their shares in the Tender Offer when the Tender Offer commences, as the current opinion of the Company based on present circumstances.

According to the Tender Offeror, with respect to the Tender Offer, a certain length of time is necessary to complete the procedures and actions required under Japanese and foreign competition laws and regulations (the Tender Offeror currently recognizes that such procedures and actions are required in Japan and Europe, but its decision as to the necessity of such procedures and actions may hereafter change depending on further confirmation of facts regarding the Company’s business or assets, or opinions of the relevant authorities; the same shall apply hereinafter) as well as investment control laws and regulations (the Tender Offeror currently recognizes that such procedures and actions are required in Japan and Europe, but its decision as to the necessity of such procedures and actions may hereafter change depending on further confirmation of facts regarding the Company’s business or assets, or opinions of the relevant authorities; the same shall apply hereinafter). Accordingly, pursuant to a tender offer implementation agreement entered into with the Company as of today (the “Tender Offer Implementation Agreement”), the Tender Offeror plans to commence the Tender Offer promptly upon the satisfaction or waiver by the Tender Offeror of certain preconditions (Note 2) (the “Preconditions”), including the completion of such procedures and actions (Note 5). According to the Tender Offeror, as of today, the Tender Offeror aims to commence the Tender Offer by late January 2024, based on discussions with Japanese and foreign law

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firms regarding such procedures, but it is difficult to accurately predict the length of time required for procedures and actions with the relevant Japanese and foreign authorities. Therefore, the Tender Offeror will announce the details of the schedule for the Tender Offer as soon as they are determined. In addition, the Tender Offeror will promptly make an announcement if the expected time of commencement of the Tender Offer is changed.

Therefore, as stated in “(v) Approval of All Company Directors Not Having a Conflict of Interest” in “(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer” under “3. Substance of and Grounds and Reasons for Opinion Relating to the Tender Offer” below, the Board of Directors also resolved that (i) upon the commencement of the Tender Offer, the Company will request the Special Committee (as defined in “(iii) Decision-Making Process Leading to the Company’s Decision to Support the Tender Offer, and the Reasons Therefor” in “(2) Grounds and Reasons for Opinion on the Tender Offer” under “3. Substance of and Grounds and Reasons for Opinion Relating to the Tender Offer” below; the same shall apply hereinafter) to consider whether there has been any change in the opinion expressed by the Special Committee to the Board of Directors on December 8, 2023, and to inform the Board of Directors either that there has been no change in opinion or of the new opinion if there has been a change, and that (ii) based on such opinion, the Company will restate an opinion on the Tender Offer at the time of the commencement of the Tender Offer.

In addition, according to the Tender Offeror, the Tender Offer will be carried out on the assumption that (i) it will be carried out as part of a series of transactions for taking the Shares private and (ii) the Shares are planned to be delisted, pursuant to a series of procedures as set out in “(i) Overview of the Tender Offer” in “(2) Grounds and Reasons for Opinion on the Tender Offer” as well as “(5) Post-Tender Offer Reorganization and Other Policies (Matters Relating to the ‘Two-Step Acquisition’)” under “3. Substance of and Grounds and Reasons for Opinion Relating to the Tender Offer.”

The resolution by the Board of Directors above was made on the assumption that (i) the Tender Offeror plans to take the Company’s shares private through the Tender Offer and the subsequent series of procedures and (ii) the Shares are planned to be delisted.

(Note 1) A management buyout (MBO) generally refers to a transaction in which the management team of the target company (the company that will be acquired) raises all or part of the funds necessary for the acquisition and then purchases the shares of the target company on the assumption that the business of the target company will be continued.

(Note 2) The “Preconditions” are as follows: (i) the Board of Directors of the Company has resolved to express an opinion in favor of the Tender Offer and recommend that the shareholders of the Company tender their shares in the Tender Offer, and that resolution has been announced in accordance with laws and regulations, and that expression of opinion has not been withdrawn or changed, nor has any resolution with content inconsistent therewith been passed; (ii) the Special Committee has made a positive report with respect to the Board of Directors of the Company approving the Tender Offer and that report has not been withdrawn or changed; (iii) the representations and warranties by the Company in the Tender Offer Implementation Agreement (Note 3) are true and accurate in all material respects; (iv) all of the obligations to be performed or observed by the Company under the Tender Offer Implementation Agreement (Note 4) have been performed or observed in all material respects; (v) the Tender Agreement (defined in “1. Overview of the Tender Offer” in “(2) Grounds and Reasons for Opinion on the Tender Offer” under “3. Substance of and Grounds and Reasons for Opinion Relating to the Tender Offer,”) between the Tender Offeror and Mr. Haruhiko Doi, the founder and Representative Executive Officer, Chairman and CEO of the Company, (hereinafter "Haruhiko Doi") has been lawfully and validly executed as of today and remains valid without

amendment (unless the Tender Offeror and Mr. Haruhiko Doi cancels the Tender Agreement upon agreement); (vi) the Company has not paid dividends of surplus after the execution of the Tender Offer Implementation Agreement, and no proposal for dividends of surplus or another disposition to be made on or after the execution date of the Tender Offer Implementation Agreement (including a proposal to convene a general meeting of shareholders with such a proposal as its agenda) has been approved at a general meeting of shareholders or a meeting of the Board of Directors of the Company, and there has not been a shareholder's proposal or a request by any shareholder of the Company to convene an extraordinary meeting of shareholders with the payment of dividends of surplus as its agenda (unless such shareholder's proposal or a request to convene an extraordinary meeting of shareholders is withdrawn before the satisfaction of the Preconditions other than that set forth in (vi)); (vii) confirmation has been obtained from the Company that there are no undisclosed material facts pertaining to the Company (meaning material facts regarding business prescribed in Article 166, Paragraph 2 of the Act (excluding those that have been announced in accordance with Paragraph 4 of that Article) and the Company is not aware of any facts regarding the execution of the Tender Offer prescribed in Article 167, Paragraph 2 of the Act and facts regarding the suspension of the Tender Offer (excluding the Tender Offer and the facts that have been announced in accordance with Article 167, Paragraph 4 of the Act)); (viii) (viii) no decision by a judicial or administrative body, etc. that will restrict or prohibit any of the Transactions (defined in "1. Overview of the Tender Offer" in "(2) Grounds and Reasons for Opinion on the Tender Offer" under "3. Substance of and Grounds and Reasons for Opinion Relating to the Tender Offer," the same shall apply hereinafter) has been or is likely to be made; (ix) the obtaining of clearances under domestic and foreign competition laws and investment control laws and regulations is complete; (x) any event that constitutes grounds for the withdrawal of the Tender Offer agreed in the Tender Offer Implementation Agreement has not occurred; and (xi) the Company does not owe, and there is no objective and specific likelihood that the Company will owe, an obligation to bear damage, losses, expenses, or any other obligation to pay money (excluding where the total amount of that excess amount does not exceed 2 billion yen) set out in the "Notice Regarding Amendment of the Securities Reports and Summary of Financial Results, etc. for the Previous Years" announced by the Company on November 14, 2023 (hereinafter, the "Amendment") arising out of or in connection with an issue such as the fact that part of the application procedures for receiving employment adjustment subsidies had not been properly carried out at a subsidiary of the Company as announced by the Company on November 2, 2023 (hereinafter, the "Employment Adjustment Subsidies Issue"), (xii) there has not been any discovery or announcement of the occurrence of an act by the Company Group (as defined in "(a) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer" in "(ii) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer; Post-Tender Offer Managerial Policy" in "3. Substance of and Grounds and Reasons for Opinions Relating to the Tender Offer" below, hereinafter the same) that is similar to the Employment Adjustment Subsidies Issue or the Inappropriate Accounting or any serious violation of a law or regulation or a decision by a judicial or administrative body, etc. (limited to where it is objectively and reasonably believed that that act will have an impact of 10% or more on the accumulated amount of the operating income in the business plan of the Company in any fiscal year of the Company during the period from the fiscal year ending December 2023 to the fiscal year ending December 2026) except for the Inappropriate Accounting (as defined in "(a) Background, Objectives, and

Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer" in "(ii) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer; Post-Tender Offer Managerial Policy" in "3. Substance of and Grounds and Reasons for Opinions Relating to the Tender Offer" below, hereinafter the same) and the Employment Adjustment Subsidies Issue, (xiii) since the execution date of the Tender Offer Implementation Agreement, there has not been any discovery or announcement of the occurrence of an act by the Company Group that is a serious violation of a law or regulation or a decision by a judicial or administrative body, etc. (limited to where it is objectively and reasonably believed that that act will have an impact of 10% or more on the accumulated amount of the operating income in the business plan of the Company in any fiscal year of the Company during the period from the fiscal year ending December 2023 to the fiscal year ending December 2026), (xiv) the Company Group has obtained approvals from the counterparties of the existing loan agreements of the Company Group that its loan obligations will not be accelerated as a result of the Employment Adjustment Subsidies Issue or the Amendment (including if there is any delay or default in the auditing of financial statements in connection with either of those incidents) or it has taken measures that are reasonably satisfactory to the Tender Offeror in lieu of obtaining any such approval.

(Note 3) See "(1) Tender Offer Implementation Agreement" in "4. Matters Relating to Material Agreements Concerning the Tender Offer" below for details of the representations and warranties by the Company under the Tender Offer Implementation Agreement.

(Note 4) See "(1) Tender Offer Implementation Agreement" in "4. Matters Relating to Material Agreements Concerning the Tender Offer" below for details of the obligations of the Company under the Tender Offer Implementation Agreement.

(Note 5) The Tender Offeror must file advance notification with the Japan Fair Trade Commission of a plan regarding the acquisition of the Shares through the Tender Offer (hereinafter, the "Share Acquisition") pursuant to Article 10, Paragraph 2 of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947, as revised, hereinafter, the "Antimonopoly Act," and that notification, hereinafter the "Prior Notification") and may not conduct the Share Acquisition until 30 days have passed from the date on which the Prior Notification has been received under Paragraph 8 of that Article (that period might be shortened) (the period during which the Tender Offeror may not conduct the Share Acquisition, the "Acquisition Prohibition Period").

Further, Article 10, Paragraph 1 of the Antimonopoly Act prohibits the acquisition of the shares of another company that would substantially restrain competition in a particular field of trade, and the Japan Fair Trade Commission may order the Tender Offeror to take measures necessary to eliminate an act that is in violation of those provisions (Article 17-2, Paragraph 1 of that Act, hereinafter "Cease and Desist Order"). If the Japan Fair Trade Commission issues a Cease and Desist Order, it must conduct a hearing of opinions with the would-be addressee of the Cease and Desist Order (Article 49 of that Act), and it must give a notice to the addressee of the expected contents of the Cease and Desist Order in the course of hearing those opinions (Article 50, Paragraph 1 of that Act, hereinafter "Prior Notice of Cease and Desist Order"), and the Prior Notice of Cease and Desist Order on the plan regarding the share acquisition pertaining to the Prior Notification must be given within a certain period (in principle, 30 days from the date on which the above Prior Notification is received, but that might be extended or shortened, hereinafter "Measures Period") (Article 10, Paragraph 9 of that Act). Further, if the Japan Fair Trade Commission decides not to give Prior Notice of Cease and Desist Order, it must give notice of that decision (hereinafter, "Notice of Decision to Not Issue Cease and

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Desist Order”) (Article 9 of the Rules on Applications for Approval, Reporting, Notification, etc. Pursuant to the Provisions of Articles 9 to 16 of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Fair Trade Commission Rule No. 1 of 1953)). From the viewpoint of facilitating the obtaining of permission for the acquisition of the Shares through the Tender Offer, the Tender Offeror gave Prior Notification to the Japan Fair Trade Commission on November 10, 2023, and that notification was received on that date. Following that, the Tender Offeror received a Notice of Decision to Not Issue Cease and Desist Order from the Japan Fair Trade Commission dated November 28, 2023, the Measures Period ended on that date, and the Tender Offeror received a Notice of Shortening of the Prohibition Period on that date stating that the Acquisition Prohibition Period would be shortened from 30 days to 18 days, so the Acquisition Prohibition Period ended on that date.

1. Overview of the Tender Offeror

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| (1) | Name | K.K. BCJ-78 |
| (2) | Location | 1-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo |
| (3) | Name and title of representative | Yuji Sugimoto, Representative Director |
| (4) | Description of business | To acquire and own shares or other equities of the Company and to control and manage the Company’s business activities. |
| (5) | Capital | JPY 5,000 |
| (6) | Date of incorporation | October 2, 2023 |
| (7) | Large shareholders and their ownership percentages | K.K. BCJ-77 (Shareholding ratio: 100%) (Note) |
| (8) | Relationships between the Company and the Tender Offeror | |
| | Capital relationships | N/A |
| | Personnel relationships | N/A |
| | Transactional relationships | N/A |
| | Status as related person | N/A |

(Note) As stated in “1. Overview of the Tender Offer” in “(2) Grounds and Reasons for Opinion on the Tender Offer” under “3. Substance of and Grounds and Reasons for Opinion Relating to the Tender Offer” below, all of the equities of K.K. BCJ-77 are indirectly owned by an investment fund that receives investment advice from Bain Capital (as defined in “1. Overview of the Tender Offer” in “(2) Grounds and Reasons for Opinion on the Tender Offer” under “3. Substance of and Grounds and Reasons for Opinion Relating to the Tender Offer” below) as of today.

2. Price of Purchase, Etc.

JPY 1,755 per common share (the “Tender Offer Price”)

3. Substance of and Grounds and Reasons for Opinions Relating to the Tender Offer

(1) Substance of Opinion on the Tender Offer

At the Board of Directors meeting held today, the Company passed a resolution, as the current opinion of the Company on the basis of the grounds and reasons set forth in “(iii) Decision-Making Process Leading to the Company’s Decision to Support the Tender Offer, and the Reasons Therefor”

under “(2) Grounds and Reasons for Opinions Regarding the Tender Offer” below, to state an opinion in favor of the Tender Offer and to recommend that the Company’s shareholders tender their Shares in the Tender Offer when the Tender Offer is commenced.

As stated above, the Tender Offer is scheduled to be commenced promptly when the Preconditions are satisfied or waived by the Tender Offeror. Although it is difficult to accurately predict the length of time required to comply with international competition laws and regulations, as well as laws and regulations which restrict investment and the like, as of today, the Tender Offeror is aiming to commence the Tender Offer around late January 2024. Consequently, at the abovementioned Board of Directors meeting of the Company, the Company resolved that: (i) upon the commencement of the Tender Offer, as stated below in “(v) Approval of All Company Directors Not Having a Conflict of Interest” under “(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer,” the Company will request the Special Committee to consider whether there has been any change in the opinion the Special Committee expressed to the Board of Directors at today’s meeting and to inform the Board of Directors either that there has been no change in opinion or, if there has been a change, of the new opinion, and (ii) based on that opinion, the Company will once again express its opinion in regard to the Tender Offer at the time of the commencement of the Tender Offer.

The resolution at the abovementioned Board of Directors meeting was made in accordance with the method stated below in “(v) Approval of All Company Directors Not Having a Conflict of Interest” under “(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer.”

(2) Grounds and Reasons for Opinions Regarding the Tender Offer

The statements here in “(2) Grounds and Reasons for Opinions Regarding the Tender Offer” that relate to the Tender Offeror are based on explanations received from the Tender Offeror.

(i) Overview of the Tender Offer

The Tender Offeror is a wholly-owned subsidiary of K.K. BCJ-77 (the “Tender Offeror’s Parent”), all of whose equities are indirectly owned by an investment fund that receives investment advice from Bain Capital Private Equity, LP and its group (individually or collectively, “Bain Capital”). The Tender Offeror is a stock company (*kabushiki kaisha*) established on October 2, 2023, for the principal purpose of owning the Shares and controlling and managing the Company’s business activities. As of today, Bain Capital, the Tender Offeror’s Parent, and the Tender Offeror do not own any of the Shares.

Bain Capital is an international investment firm with approximately USD 175 billion in assets under management worldwide. Since the establishment of its Tokyo office in 2006, Bain Capital’s more than 50 employees in Japan have been engaged in initiatives to enhance the corporate value of its portfolio companies. Most of Bain Capital’s professionals have business or consulting backgrounds and have successfully led corporate value enhancement initiatives in supporting companies not only by providing general investment and financial support to portfolio companies but also by steadily executing growth strategies through on-site management support. In Japan, Bain Capital has invested in 31 companies, including System Information, Co., Ltd., IDAJ Co., LTD., EVIDENT CORPORATION (formerly the scientific solutions business of Olympus Corporation), ImpactHD Inc., Hitachi Metals, Ltd. (currently known as Proterial, Ltd.), Net Marketing Co. Ltd., Tri-Stage Inc., Linc’well Inc., Nihon Safety Co., Ltd., IGNIS LTD., Kirindo Holdings Co., Ltd., Hey, Kabushiki Kaisha (currently known as STORES, Inc.), NICHIIGAKKAN CO., LTD., SHOWA AIRCRAFT INDUSTRY CO.,LTD., CheetahDigital Kabushiki Kaisha (currently known as EmberPoint Co., Ltd.), Works Human Intelligence Co., Ltd., and Toshiba Memory Corporation (currently known as Kioxia

Corporation). Globally, Bain Capital has invested in approximately 300 companies (approximately 1,150 companies including additional investments) since its founding in 1984.

The Tender Offeror has decided to implement the Tender Offer as part of a series of transactions for taking the Shares private (the “Transaction”) subject to the satisfaction or waiver by the Tender Offeror of the Preconditions. The Transaction constitutes what is generally known as a management buyout (MBO).

In conducting the Tender Offer, the Tender Offeror has entered into a tender agreement (the “Tender Agreement”) as of today with Haruhiko Doi, under which the Tender Offeror and Haruhiko Doi have agreed to make a decision on the following matters after consulting with each other; (i) Haruhiko Doi will tender all of the Shares that he owns (15,761,400 shares, shareholding ratio (Note 2) of 12.51%) (excluding 27,800 shares acquired by Haruhiko Doi under the Share Allotment Agreement With Transfer Restrictions dated April 30, 2023 between the Company and Haruhiko Doi, 6,900 shares acquired by Haruhiko Doi under the Share Allotment Agreement With Transfer Restrictions dated April 15, 2022 between the Company and Haruhiko Doi, 5,800 shares acquired by Haruhiko Doi under the Share Allotment Agreement With Transfer Restrictions dated April 15, 2021 between the Company and Haruhiko Doi (40,500 shares in total, hereinafter the “Shares With Transfer Restrictions”) (those Shares to be tendered by Haruhiko Doi, hereinafter, the “Tendered Shares”) and (ii) Haruhiko Doi will invest in the Tender Offeror’s Parent by subscribing to the common shares of the Tender Offeror’s Parent (the “Reinvestment”) up to 5% after the completion of the Squeeze-Out Process. It is anticipated those discussions will be held during 2024, at the latest, following the completion of the Squeeze-Out Process.

(Note 1) Because those shares cannot be tendered in the Tender Offer due to the provisions on restrictions on transfer in the Share Allotment Agreement With Transfer Restrictions, those shares are excluded from the tendered shares.

(Note) “Shareholding ratio” refers to the ratio (rounded to the second decimal place) of the number of shares held to the number of shares (126,002,664 shares) calculated by deducting the number of treasury shares owned by the Company (23,536 shares) as of September 30, 2023 from the total number of issued shares (126,026,200 shares) as of November 14, 2023, both as stated in the “Quarterly Securities Report for the Nine Months Ended December 31, 2023” filed by the Company on November 14, 2023 (the “Quarterly Securities Report”); the same shall apply hereinafter.

It is expected the specific amount and timing of the Reinvestment will be determined upon consultation between Bain Capital and Haruhiko Doi after the execution of the Transaction, those have not been determined at this time, it is contemplated that the Tender Offeror and Haruhiko Doi will consult and decide on Haruhiko Doi’s Reinvestment in the Tender Offeror’s Parent of a portion of the consideration received through the tendering of shares in the Tender Offer after the completion of the Squeeze-Out Process. In order not to conflict with the purpose of uniformity of the tender offer price (Article 27-2, Paragraph 3 of the Act), the appraisal value per share of the Shares, which will be the basis for determining the amount to be paid in per common share of the Tender Offeror’s Parent in the Reinvestment, is to be set at 1,755 yen, which is the same price as the Tender Offer Price (provided, however, that if a share consolidation is conducted as the Squeeze-Out Process, a formal adjustment will be made based on the ratio of consolidation of the Shares in the Share Consolidation), and the Tender Offeror’s Parent will not issue shares to Haruhiko Doi at an appraisal value lower than the said amount, meaning a price that is lower than the Tender Offer Price. The Tender Offeror’s Parent is to receive the Reinvestment from Haruhiko Doi if it is determined through consultation between the

Tender Offeror and Haruhiko Doi with the intention is to share a common incentive with him to improve the corporate value of the Company after the Transaction, as it is expected, as described in (b) (Post-Tender Offer Managerial Policy) in (ii) (Background, Objectives, and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer; Post-Tender Offer Managerial Policy) below, following the Transaction, Haruhiko Doi will continue to be involved in the Company's management for a certain period by devoting himself to his position as Chairman, who formulates the Company's growth strategy and vision, and handing over his role to newly appointed management with the aim of establishing a next-generation management system while maintaining the business foundation of the Company, which has achieved growth since its foundation through the leadership of Haruhiko Doi. The Tender Offeror believes that Haruhiko Doi's Reinvestment is not contrary to the purpose of the regulation on uniformity of the tender offer price (Article 27-2, Paragraph 3 of the Act) because the Reinvestment was considered independently of whether or not Haruhiko Doi should be allowed to tender the Shares that he owns in the Tender Offer.

In addition, as of today, BCPE Origin Cayman, L.P. (hereinafter, "BCPE Origin") has entered into a shareholders agreement (the "Shareholders Agreement") with Haruhiko Doi, pursuant to which the parties have agreed that Haruhiko Doi will be involved in the management of the Company for a certain period based on the above policy. For details of the Tender Agreement and the Shareholders Agreement, please see "4. Matters Relating to Material Agreements Concerning the Tender Offer" below.

As of today, the Tender Offeror is not aware of any event that would materially impede the satisfaction of the Preconditions. The Tender Offeror will conduct the procedures and actions required under Japanese and foreign competition and investment control laws and regulations to satisfy the Preconditions, based on the legal advice from local law firms in Japan and abroad. The Tender Offeror is already making the necessary preparations for such procedures and actions, and from the viewpoint of facilitating the obtaining of permission for the acquisition of the Shares through the Tender Offer, the Tender Offeror gave Prior Notification to the Japan Fair Trade Commission on November 10, 2023, and that notification was received on that date. Following that, the Tender Offeror received a Notice of Decision to Not Issue Cease and Desist Order from the Japan Fair Trade Commission dated November 28, 2023, the Measures Period ended on that date, and the Tender Offeror received a Notice of Shortening of the Prohibition Period on that date stating that the Acquisition Prohibition Period would be shortened from 30 days to 18 days, so the Acquisition Prohibition Period ended on that date. The Tender Offeror aims to complete such procedures and actions in or around late January 2024, based on the opinions of local law firms in Japan and abroad. However, as it is difficult to accurately predict the length of time required for the procedures with the relevant Japanese and foreign authorities, the Tender Offeror will announce the details of the schedule for the Tender Offer as soon as they are determined.

The Tender Offeror has set the minimum number of tendered shares to be purchased in the Tender Offer at 83,961,300 shares (shareholding ratio of 66.63%), and if the total number of shares tendered in the Tender Offer (the "Tendered Shares") is less than the minimum number of tendered shares to be purchased, the Tender Offeror will not purchase, etc. any of the Tendered Shares. In other words, if the total number of the Tendered Shares is less than such minimum number (83,961,300 shares, shareholding ratio of 66.63%), the Tender Offer will not be successful and the Transaction will not be completed.

Meanwhile, as the purpose of the Tender Offer is to take the Company private by way of the Tender Offeror's acquisition of all of the Shares (excluding the treasury shares owned by the Company), as stated above, the Tender Offeror has not set the maximum number of shares to be purchased. If the number of the Tendered Shares is not less than the minimum number of tendered shares to be

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purchased (83,961,300 shares, shareholding ratio of 66.63%), the Tender Offeror will purchase all of the Tendered Shares.

The minimum number of tendered shares to be purchased (83,961,300 shares) is equal to (A) the number of shares (83,961,300 shares) obtained by deducting (B) the number of voting rights (405) attached to the Shares With Transfer Restrictions (40,500 shares) from the number obtained by multiplying (C) the number of voting rights (1,260,026) pertaining to the number of shares (126,002,664 shares) that result after subtracting the number of treasury shares owned by the Company as of September 30, 2023 (23,536 shares) from the total number of issued shares as of September 30, 2023 (126,026,200 shares), both as stated in the Quarterly Securities Report, by two-thirds (2/3) (840,018; any fraction less than one rounded up), and then multiplying the result (839,613) by the number of shares per unit of the Company (100 shares).

$$A = (C \times 2/3 - B) \times 100$$

If the Tender Offeror fails to acquire all of the Shares (excluding the treasury shares owned by the Company) in the Tender Offer, the Tender Offeror will request the Company, after the successful completion of the Tender Offer, to implement a series of procedures to make the Tender Offeror the sole shareholder of the Company and take the Shares private (the “Squeeze-Out Process”), as described in “(5) Post-Tender Offer Reorganization and Other Policies Matters Relating to the ‘Two-Step Acquisition)’” below. A special resolution of the shareholders meeting as provided in Article 309, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended; the “Companies Act”) is also required to implement the Share Consolidation as part of the Squeeze-Out Process. Therefore, the Tender Offeror has set the minimum number of tendered shares to be purchased so that the Tender Offeror and Haruhiko Doi will hold two-thirds (2/3) or more of the total number of voting rights of all shares. The Tender Offeror intends to fund the Transaction, including the Tender Offer, with contributions from the Tender Offeror’s Parent (the “Contribution”) and plans to receive the Contribution from the Tender Offeror’s Parent, subject to the successful completion of the Tender Offer. The amount to be raised through the Contribution is expected to exceed the amount (JPY 1,755) obtained by multiplying the tender offer price in the Tender Offer (the “Tender Offer Price”) (JPY 221,134,675,320) by the difference calculated by subtracting the number of treasury shares owned by the Company as of November 14, 2023 (23,536 shares) (126,002,664 shares) from the total number of issued shares as of September 30, 2023 (126,026,200 shares) as stated in the Quarterly Securities Report.

The Company believes that the execution of the Transaction, including the Tender Offer, by the Tender Offeror will contribute to the improvement of the Company’s corporate value and that the Tender Offer Price is reasonable. Having determined that it is therefore appropriate to recommend that its shareholders tender their shares in the Tender Offer, the Company resolved at its board of directors’ meeting held today, as its opinion as of the same date, to express an opinion in favor of the Tender Offer and recommend that the shareholders of the Company tender their shares in the Tender Offer, if the Tender Offer is commenced. As stated above, the Tender Offeror is to commence the Tender Offer promptly upon the satisfaction, or waiver by the Tender Offeror, of the Preconditions. As of today, the Tender Offeror is aiming to commence the Tender Offer around late January 2024. However, since it is difficult to accurately predict the length of time necessary for procedures and the like required by the relevant domestic and international authorities, at the abovementioned Board of Directors meeting, the Company resolved on the following steps pertaining to the Company’s expression of its opinion: (i) upon the commencement of the Tender Offer, as stated below in “(iii) Establishment of an Independent Special Committee at the Company; Procuring a Written Report” under “(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer,” the Company will request the

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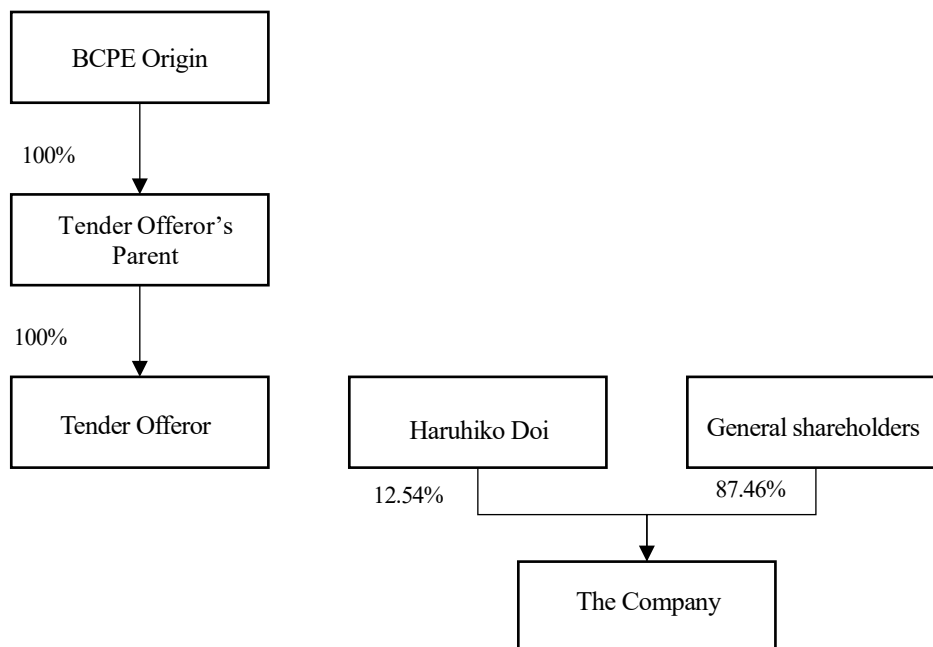
Special Committee to consider whether there has been any change in the opinion the Special Committee has expressed to the Board of Directors at today's meeting and to inform the Board of Directors either that there has been no change in the opinion or of the new opinion if there has been a change, and (ii) based on that opinion, the Company will once again express its opinion in regard to the Tender Offer at the time of the commencement of the Tender Offer.

For details on the Company's decision-making process, refer to "(v) Approval of All Company Directors Not Having a Conflict of Interest" under "(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer."

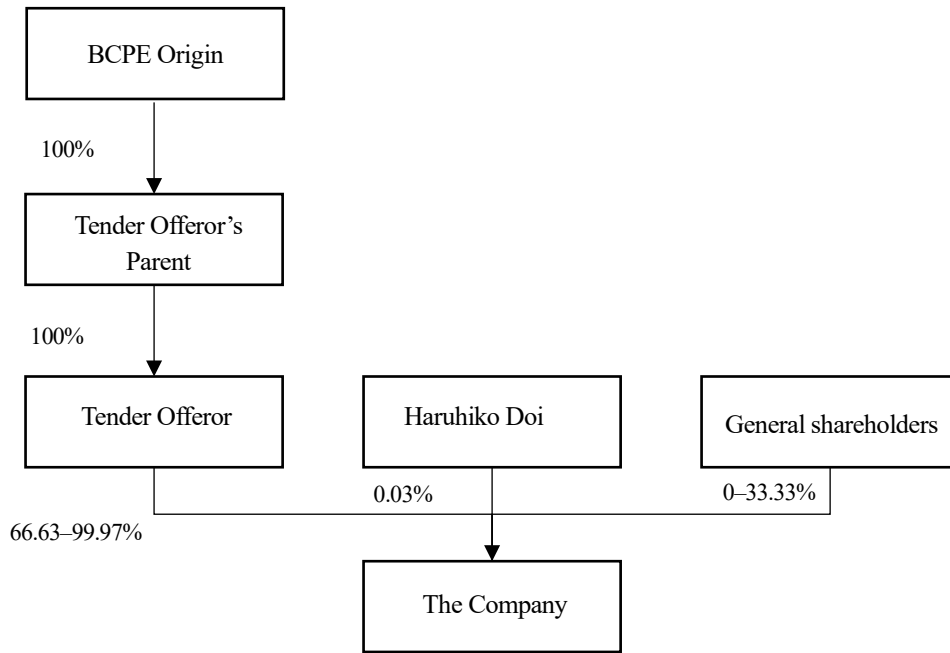
Overall structure of the Tender Offer and the contemplated subsequent procedures

The following diagrams illustrate the structure of the Tender Offer and the contemplated subsequent procedures:

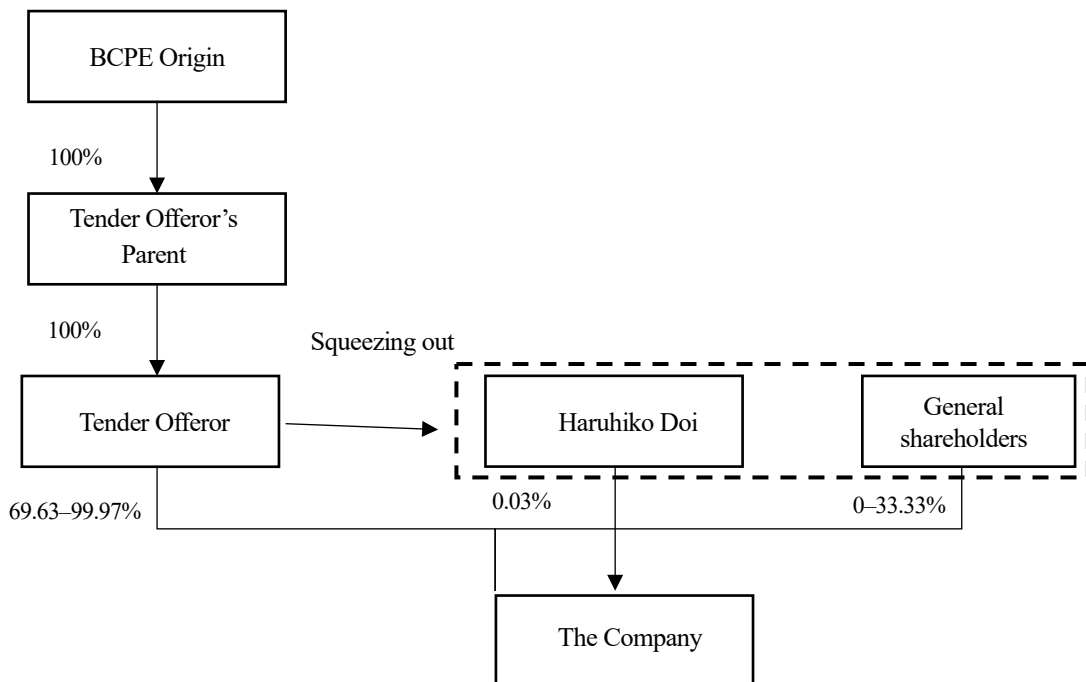
I. Current status



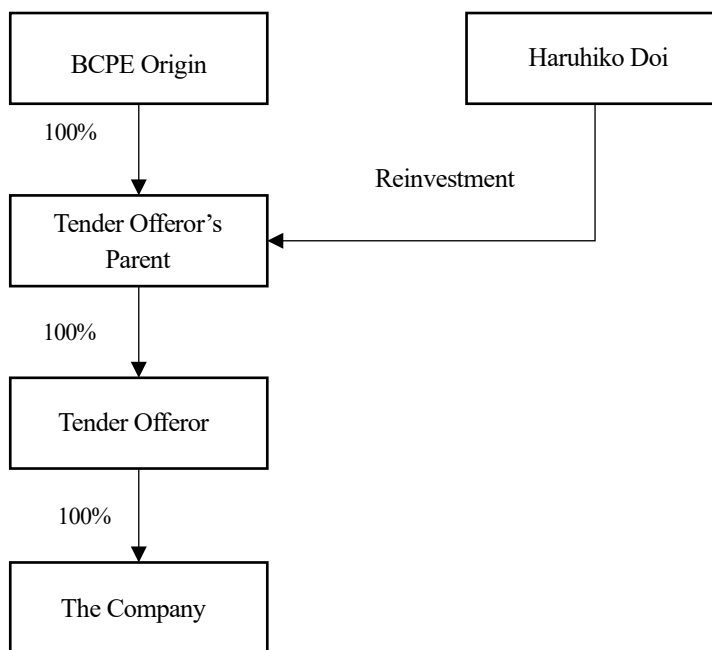
II. After the successful completion of the Tender Offer



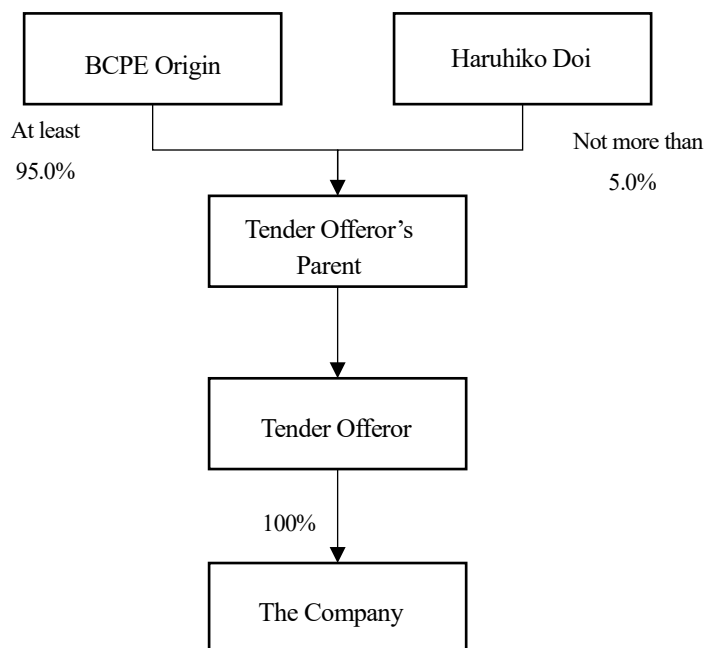
III. Squeeze-Out Process



IV. Reinvestment



V. After the Reinvestment



(ii) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer; Post-Tender Offer Managerial Policy

(a) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer

As of September 30, 2023, the Company's group (hereinafter, the "Company Group") is comprised of the Company, 236 consolidated subsidiary companies, and 1 equity-method affiliate.

Under the corporate principle of “enhancing the quality of life of everyone around the world by eliminating inequalities in working conditions and creating truly motivating workplaces,” the Company Group meets the outsourcing needs of manufacturers for services related to design, development, testing, evaluation, and production. By providing its technology and know-how, the Company Group offers outsourcing services to manufacturers that contribute to their productivity improvement and technological innovations. In addition, the Company Group provides services for U.S. military facilities, recruitment process outsourcing, and other services within Japan. Its overseas subsidiaries also provide outsourcing services for manufacturers as well as dispatching services for IT engineers and financial professionals, temporary staffing and referral services for white-collar professionals, payroll processing services, BPO (business process outsourcing) services for public institutions, and other services.

The history of the Company began with the founding of Chubu Sougou (located in Suruga Ward, Shizuoka City; stated capital of 1,000,000 yen; name changed to Work System in April 1988) by Haruhiko Doi in May 1987 as a provider of contract services for production lines in factories. After its founding, parts of Chubu Sougou Co., Ltd. were split off as its business scope expanded, establishing Real Time (Kyoto City, Kyoto Prefecture), Work System Engineer (Suruga Ward, Shizuoka City), Real Time Kanto (Funabashi City, Chiba Prefecture), Real Time Shizuoka (Suruga Ward, Shizuoka City), and Real Time Hokuriku (Takaoka City, Toyama Prefecture) as providers of contract services. Then, in January 1997, in order to thoroughly implement its corporate policies, concentrate its management resources including its people, products, and capital, and improve the efficiency of management work, OUTSOURCING Inc. was founded in Suruga Ward, Shizuoka as a provider of contract services for production processes. OUTSOURCING Inc. succeeded the operations of Work System and its five other companies (liquidation registration of Work System and each of the five other companies have been completed after legal processes as of December 1997). With the expansion of its business operations, OUTSOURCING Inc. made a public listing of its shares on the JASDAQ Securities Exchange, Inc. (hereinafter, “JASDAQ”) in December 2004. Due to the integration of JASDAQ and the Osaka Securities Exchange Co., Ltd (hereinafter, “OSE”) in April 2010, its shares then became listed on the OSE JASDAQ (delisted in June 2012). In March 2012, OUTSOURCING Inc. listed its shares on the Second Section of the Tokyo Stock Exchange, Inc. (hereinafter, “TSE”), and in March 2013 the shares were assigned to the First Section of the TSE. Due to the restructuring of the TSE market in April 2022, the shares of OUTSOURCING Inc. were moved from the First Section to the Prime Market of the TSE, where they are listed today.

Under the leadership of Haruhiko Doi, the Company Group has been combining the strength of all employees and striving to develop its businesses to accurately meet the changing needs of customers. In the beginning, in response to the needs of many Japanese manufacturers to reduce production costs and improve productivity after the collapse of the bubble economy, the Company Group provided HR services for manufacturers. However, aiming to enhance its business foundation, the Company Group has also expanded into non-manufacturing industries, including administrative services. Furthermore, since the global financial crisis of 2008, the Company Group has been working on building a portfolio that is more resistant to economic fluctuations, with the key idea of “smoothing out earnings performance.” It entered the field of engineering, and also expanded its outsourcing services to highly public sectors such as U.S. military facilities and government-related operations, further expanding its business into industries outside of manufacturing.

Furthermore, within Japan, in addition to intensifying competition with other companies of the same industry, manufacturers are also starting to strengthen their own recruitment activities, further intensifying the competitive recruitment environment. Since 2010, the Company has been accelerating its overseas expansion through M&A in order to create business opportunities not only

in Japan, but also from the growing global population. It has been working to build a global human resources platform that facilitates the flow of personnel from countries with a growing and surplus population to those with population shortages.

The Company specifically provides outsourcing services in segments including the following.

(A) Domestic Engineering Outsourcing Business

In this business segment, the Company offers a variety of service solutions, ranging from providing advanced technologies and know-how to manufacturers for their design, development, testing, and evaluation processes to building telecommunication-related applications and e-commerce sites, as well as services related to mission-critical IT systems, infrastructure, and networks. The Company also provides outsourcing services and other services that are focused on highly specialized fields, such as R&D work specializing in the medical and chemical fields, as well as design and construction management for various types of plants.

The Company Group provides highly specialized technical services primarily for design and development processes, mainly through its subsidiary, OUTSOURCING TECHNOLOGY Inc. (hereinafter, "OST"). It particularly specializes in semiconductors in the electronics field, offering services which provide specialized, advanced technologies and know-how to meet the manufacturers' technical needs from their design, development, and prototype development processes all the way to manufacturing, as well as for maintenance, which has conventionally not been outsourced to a large extent in this industry. In addition, the Company Group builds and provides various service solutions for communication applications and e-commerce sites for the internet and smart phones, as well as solutions for mission-critical IT systems, infrastructure, and networks. It also provides services such as the development and sale of independent software products, temporary staffing for system engineers, and business operation outsourcing.

Furthermore, enable Co, Ltd. provides engineering outsourcing services that are specialized in transportation equipment, specifically for the design, development, testing, and evaluation processes. RPM Co., Ltd. and Advantec Co., Ltd. provide outsourcing services that are specialized in R&D in medical fields, including pharmaceuticals and medical equipment, and in chemical fields.

Further, companies including ThinkethBank Co., Ltd. have developed the KEN School, which is an IT school with strengths in software and the internet, and primarily provide training for corporations, educational services for engineers, and the like.

In addition to the above, companies including Kyodo Engineering Corporation provide outsourcing services for specialized technologies and know-how on construction management and building design, as well as the design, construction, and management of various kinds of plants.

(B) Domestic Manufacturing Outsourcing Business

In this business segment, the Company Group provides HR services, such as temporary staffing, for the optimization of HR measures at manufacturers' production sites. Together with Cloud Staffing, an information management platform for temporary staffing, the Company Group supports manufacturers in their improvement of productivity. In addition, in response to the declining working population in Japan and the increasing need to utilize foreign labor, the Company Group provides a wide range of support services to reduce the burden for business operators who hire foreign workers.

The Company, as well as companies including AVANCE CORPORATION Ltd. and

Kabushiki Kaisha PCT, provides production technologies and management know-how to meet the need throughout the manufacturing industry to outsource manufacturing processes, ranging from manufacturers of electronics, transportation equipment, chemicals and pharmaceuticals, and food products to manufacturers of metals and construction materials. It also provides services which contribute to improvements in manufacturers' productivity.

Companies such as Sankyo Logi Associate Co., Ltd. are developing contracting and dispatching services for the manufacturing and logistics industries, including product sorting, packaging work, and product management.

Companies such as ORJ Inc. provide batch contracting services which include outsourced management services related to labor management and company housing management for temporary employees and foreign technical intern trainees hired directly by the Company's clients after their employment as well as reemployment support for those whose term of employment has expired.

The Company provides hiring agency services for employees who were directly hired by the Company's clients.

(C) Domestic Service Operations Outsourcing Business

In this business segment, the Company Group provides services including HR services, call center services, and logistics services for public agencies such as U.S. military facilities. The Company Group primarily concentrates on business expansion in fields that are more resistant to economic fluctuations, such as those which require essential workers. In addition to the main business of building and facility maintenance at defense-related facilities, the Company Group also provides security and maintenance services for airports, hotels, and other facilities, as well as contract services for waterworks and other public works projects.

Companies including American Engineering Corporation provide services primarily to U.S. military facilities.

Companies including OTS Inc. provide HR services primarily for sales promotion support for events and sales campaigns, as well as HR services for call centers.

(D) Overseas Engineering Outsourcing Business

In this business segment, the overseas group companies provide contract services and HR services with skilled technical personnel, mainly in Europe and Australia. In Ireland, the overseas group companies provide HR services for the healthcare and IT sectors, while in Australia, they mainly provide contract, HR, and training services in the ICT field for the government and the financial sector, as well as HR services for the building and construction sectors. In the U.K., the overseas group companies provide collection services for uncollected public debt using AI.

In Australia, mainly the companies OUTSOURCING OCEANIA HOLDINGS PTY LIMITED, OUTSOURCING TALENT IRELAND LIMITED, and CPL RESOURCES LIMITED are engaged in HR services which primarily provide IT engineers and various other professionals in fields such as accounting and finance to clients in the central government and the financial sector; HR services for the building and construction sector; contract services and advisory businesses in the ICT field for state governments, the infrastructure sector, and the financial sector; and training school management businesses. In Europe, in addition to engineering outsourcing services which provide clients with independent and freelance consultants who specialize in Oracle products, the overseas group companies provide IT engineer staffing, as well as specialist staffing, referral services, and

managed services for a wide range of industries including finance, pharmaceuticals, life sciences, medical care, and healthcare. Further, the overseas group companies also provide outsourcing services focused on technical personnel staffing in Asia and South America.

In addition, companies including CDER GROUP INTERNATIONAL LIMITED in the U.K. use a debt-collection process optimization system, which has been developed in-house, to provide debt collection and enforcement services for uncollected public debt for the central and local governments.

(E) Overseas Manufacturing and Service Operations Outsourcing Business

In this business segment, the overseas group companies provide HR outsourcing for manufacturers and distributors in Europe, South America, and Asia; staffing and referral services for manufacturing, logistics, office, and service personnel; and payroll processing services. In addition, the overseas group companies provide BPO services and staffing for public entities in Europe and Oceania and are expanding their borderless hiring services in Europe and Asia.

OTTO Holding B.V. and OSI Netherlands Holdings B.V. supply labor from hiring networks in central and eastern EU countries mainly to large distributors and retailers in the Netherlands and Germany. These companies are also contributing to the borderless mobilization of personnel by creating labor flows such as from countries like Ukraine and Moldova, which have signed labor agreements, to Poland.

Companies including OS (THAILAND) CO., LTD., PT. OS SELNAJAYA INDONESIA, OS VIETNAM CO., LTD., OSI SOUTH AMERICA HOLDINGS SpA, and OS CROSS BRAZIL HOLDINGS PARTICIPACOES LTDA. provide staffing and contract services for the Overseas Manufacturing and Service Operations Outsourcing Business in Asia, Oceania, South America, and Guam. These companies also provide HR services in Asia that are mainly focused on white-collar professional staffing and referral and payroll processing services.

In India, companies including ALP CONSULTING LIMITED and OS HRS SDN. BHD. provide HR services and payroll services, mainly focused on temporary staffing and also including referrals and consulting for HR and labor management. From the head office in Malaysia, they also provide BPO services for HR, such as payroll processing services, in Asia and Europe.

In Germany, companies including OSI Holding Germany GmbH provide temporary staffing, contract services, and HR consulting, mainly for manufacturers, as well as temporary staffing services for medical institutions.

In the U.K., companies including OUTSOURCING UK LIMITED provide consulting services related to accounting for various U.K. government agencies, temporary staffing and referral services for the government and nonprofit sectors, and BPO services for the central and local governments. In Australia, the overseas group companies also provide comprehensive HR service solutions for the central and state governments, including temporary staffing and referral services as well as contract services.

In the U.S., companies including INTEGRITY NETWORKS, INC. provide IT infrastructure services, security services such as systems for light electrical equipment, and telecommunication construction.

(F) Other Businesses

OSBS Inc., which is a special subsidiary company, conducts payroll accounting and

[Translation]

administrative work for the Company Group, etc. and also sells hearing aids and provides sign language lessons.

On February 14, 2023, the Company formulated a new medium-term management plan (the “Medium-Term Management Plan”) for the three-year period from the fiscal year ending December 31, 2023, to the fiscal year ending December 31, 2025, entitled “VISION2025: Building a New Stage.” The plan aims to take advantage of the rapid changes in the business environment by responding flexibly and agilely to events like the COVID-19 pandemic, the unstable global situation, and global monetary tightening. It will seek to raise corporate value by building a strong financial structure that is balanced in both offense and defense, as well as an internal control and governance system that will enable employees to work with confidence and vigor.

The main points to be implemented through this plan are as follows:

(A) Strengthening Business Foundation by Improving Financial Standing

Shift the Company’s financial strategy from what it had during the zero-interest-rate period and control its bonds and loans to within 3.0x of profit by FY2025.

(B) Improving Profitability by Strengthening Global Internal Control and Improving Efficiency Through the Restructuring of the Group

Execute the restructuring of the Company Group, including the closure and consolidation of the consolidated subsidiaries, to improve profitability through stronger governance and greater business efficiency.

(C) Achieving Greater Organic Growth in Response to Changing Demands

Achieve sustainable growth of the existing businesses by flexibly responding to the changing human resources demand in the post-pandemic era.

(D) Creating New Sales System and Management System that Incorporate Leading-Edge Technologies and Lead to Improved Sales Efficiency

Improve sales efficiency by executing initiatives across the Company Group that leverage digital technologies and are not bound by industry conventions.

However, as the Company announced in its release dated November 5, 2021, titled “Notice Regarding Suspicions of Inappropriate Accounting at Our Consolidated Subsidiaries and Postponement of Announcement of Financial Results for the Third Quarter of the Fiscal Year Ending December 2021,” the Company had discovered that there were suspicions of inappropriate accounting during the preparing process for the public listing of the Company’s consolidated subsidiary, OST. It therefore established an investigation committee and launched an investigation.

In addition, as the Company announced its release dated November 15, 2021, titled “Notice Regarding Submission of Application for Approval to Extend the Deadline for Filing the Quarterly Securities Report for the Three Months Ended September 30, 2021,” the Company expanded the scope of the investigation to include itself for a deeper investigation. Because the Company was still in the process of investigating the issue, the Company determined that it would be difficult to file the Quarterly Securities Report for the Three Months Ended September 30, 2021, by the filing deadline stipulated by law. Consequently, the Company submitted an application for approval to extend the filing deadline to December 28, 2021. As the Company announced in its release dated November 15, 2021, titled “Notice Regarding Approval of Extension of the Deadline for Filing the Quarterly Securities Report for the Three Months Ended September 30, 2021,” the Company received such approval from the Director of the Kanto Local Finance Bureau on November 15, 2021. Then, as the Company then announced in its release dated December 28, 2021, titled “Notice

Regarding Receipt of the Investigation Report from the Investigation Commission,” the Company received an investigation report from the Outside Investigation Committee on December 28, 2021, and determined that false representation had occurred at 17 companies in the Company Group due to misconduct and errors in previous fiscal years. Therefore, the Company corrected its securities report and other reports for the period from the fiscal year ended December 2019 to the second quarter of the fiscal year ended December 2021, as well as the summary of its financial results and other documents from the fiscal year ended December 2020 to the second quarter of the fiscal year ended December 2021. In addition, as the Company announced in its release dated December 28, 2021, titled “Notice Regarding Submission of Approval Application for Re-extension of the Deadline for Filing the Quarterly Securities Report for the Three Months Ended September 30, 2021,” because the independent auditing firm needed more time for additional review processes, the Company determined that it would be difficult to meet the approved deadline extension for filing the Quarterly Securities Report for the Three Months Ended September 30, 2021. Therefore, the Company submitted an application for approval of a re-extension of the filing deadline to January 14, 2022. As the Company announced in its release dated December 28, 2021, titled “Notice Regarding Approval of Re-extension of the Deadline for Filing the Quarterly Securities Report for the Three Months Ended December 30, 2021,” the Company received such approval from the Director of the Kanto Local Finance Bureau on December 28, 2021. Subsequently, as the Company announced in its release dated January 14, 2022, titled “Notice on Completion of the Filing of the Quarterly Securities Report for the Three Months Ended September 30, 2021,” on January 14, 2022, the Company submitted its Quarterly Securities Report for the Three Months Ended September 30, 2021, to the Director of the Kanto Local Finance Bureau. As the Company announced in its release dated January 14, 2022, titled “Notice Regarding Formulation of Measures to Prevent Recurrence,” the Company took seriously the analysis of the causes listed in the investigation report and the recommendations for the measures to prevent recurrence (hereinafter, the “Measures”) regarding the inappropriate accounting (hereinafter, the “Inappropriate Accounting”) as announced in the “Notice Regarding Receipt of the Investigation Report from the Investigation Commission” on December 28, 2021, and resolved on the Measures. Then, in response to its corrections of its securities reports and other reports from the fiscal year ended in December 2019 until the second quarter of the fiscal year ended in December 2021, as well as the summary of its financial results and other documents from the fiscal year ended in December 2020 until the second quarter of the fiscal year ended in December 2021, on February 22, 2022, the Company received a notice of “Request for Improvement Report and Public Announcement Measure” from the TSE. The Company then submitted an improvement report on March 8, 2022, and an improvement status report on September 22, 2022. Internally, in addition to establishing and managing internal control through the implementation of the Measures, the Company also strived to strengthen the internal control system of the Company Group, among many improvements. As a result, the Company believed that it and its domestic subsidiaries had achieved a certain degree of success in reforming the corporate culture, fostering employee awareness of compliance, and improving accounting literacy, which had been the causes of the inappropriate accounting. However, as the Company announced in its release dated March 31, 2023, titled “Notice Regarding Material Deficiencies in Internal Controls of Financial Report to be Disclosed,” there were management system vulnerabilities and a lack of compliance awareness at some of the overseas subsidiary companies. The Company recognizes and discloses that regarding its company-wide internal control, there has been material deficiencies in internal control due to inadequate monitoring of the overseas subsidiary companies.

In order to strengthen the governance system, particularly at overseas subsidiaries, and to enhance the monitoring functions for overseas subsidiaries, the Company has been working on establishing

and managing internal control through the following the Measures, as well as re-enforcing internal control at the Company and its domestic subsidiaries.

- Reforming compliance awareness and thoroughly implementing the Measures at the overseas subsidiaries
- Enhancing check systems by reviewing the management systems of the overseas subsidiaries
- Enhancing the Company's systems for monitoring the overseas subsidiaries
- Establishing and operating the internal reporting systems of the overseas subsidiaries

To further strengthen the Company's corporate governance, with the approval from the Ordinary General Meeting of Shareholders held on March 28, 2023, the Company became a company with a nominating committee, etc., which has three committees (nominating, compensation, and audit), the majority of whose members are external directors, and which enables significant delegation of authority from the Board of Directors to the executive officers. This transition was made to further clarify the separation of management oversight and execution functions and to ensure prompt and decisive decision-making while also strengthening management oversight functions.

However, as the Company announced in its release dated August 1, 2023, titled "Notice of Establishment of an External Investigation Committee" and also in its release dated August 10, 2023, titled "Notice on the Background and Progress of the Investigation by the External Investigation Committee," it was confirmed that part of the application procedure for receiving employment adjustment subsidies (the "Subsidies") had not been properly carried out at OST, a consolidated subsidiary of the Company, and that part of the transaction process with recruitment media companies, etc., was also found to be questionable. In response, the Company established an external investigation committee composed of independent outside experts in order to conduct a transparent investigation (hereinafter, the "External Investigation Committee"). Investigation of the facts was thereby conducted.

Regarding this investigation, as the Company announced in its release dated August 14, 2023, titled "Notice Regarding Submission of Application for Approval to Extend the Deadline for Filing the Quarterly Securities Report for the Second Quarter of the Fiscal Year Ending December 31, 2023," the Company expected to receive an investigation report (the "Investigation Report") from the External Investigation Committee around the end of September 2023. Therefore, concerning the quarterly securities report for the second quarter of the fiscal year ending December 31, 2023, the Company expected that it would not be able to complete the quarterly review procedures by an accounting auditor before the statutory filing deadline. For this reason, on August 14, 2023, the Company applied for approval to extend the filing deadline to October 13, 2023. As the Company announced in its release dated August 14, 2023, titled "Notice Regarding Approval of Extension of the Deadline for Filing the Quarterly Securities Report for the Second Quarter of the Fiscal Year Ending December 31, 2023," the Company received such approval from the Director of the Kanto Local Finance Bureau on August 14, 2023.

In addition, as the Company announced in its release dated September 29, 2023, titled "Notice Regarding the Date of Receipt of the Investigation Report by the External Investigation Committee," due to the nature of the Company's business centered on dispatching services, there are a large number of worksite employees. Therefore, the number of people eligible for the Subsidies for their education, training, etc., turned out to be very large, which has caused the verification of the actual working status per pay day to take longer than originally expected. Consequently, the date on which the Investigation Report was to be received was changed to sometime in mid-October.

Then, as announced in the “Notice Regarding Submission of Application for Approval to Extend the Deadline for Filing the Quarterly Securities Report for the Second Quarter of the Fiscal Year Ending December 31, 2023” dated October 13, 2023, it was found out that the contracts necessary for the approval process for transactions with service providers regarding the outsourcing costs for certain recruitment-related services of OST (the “Recruiting Costs”) had not been prepared. In relation to this, the subject of the investigation was also expanded to include whether or not there had been inappropriate transactions with companies related to the former director of OST (hereinafter, the “Former Director”) who resigned due to the involvement in the Inappropriate Accounting, as announced in the “Notice Regarding Receipt of the Investigation Report from the Investigation Commission” on December 28, 2021. In addition, following an internal report after the establishment of the External Investigation Committee, it was discovered that regarding part of the application procedure for receiving the Subsidies at the Company and one of its subsidiaries, there were suspicions of a discrepancy between the content of the application and the actual status of leave. This matter therefore also became the subject of the investigation. The External Investigation Committee had generally completed the initial scope of investigations by October 13. However, in light of the facts and suspicions discovered through investigations to that date, additional investigation was needed. In addition, the Company was informed by its accounting auditor that an additional investigation by the External Investigation Committee was required in order to form an audit opinion. If the External Investigation Committee were to conduct such additional investigation, it was expected that the Investigation Report would be received on October 31, 2023, in consideration of the time required for such additional investigation. As a result, it was determined to be difficult to submit the quarterly securities report for the second quarter of the fiscal year ended December 2023 by October 13, 2023, the extended submission deadline which has been approved by the Director-General of the Kanto Local Finance Bureau, since the quarterly review report would not be received from the audit firm by that deadline. Therefore, the Company submitted on October 13, 2023 an application for approval of a re-extension of the filing deadline to November 14, 2023, and received approval from the Director-General of the Kanto Local Finance Bureau on October 13, 2023, as announced in the “Notice Regarding Approval of Re-extension of the Deadline for Filing the Quarterly Securities Report for the Three Months Ended December 30, 2021” dated October 13, 2023.

Subsequently, as the Company announced in the “Notice Regarding Receipt of the Investigation Report by the External Investigation Committee” dated November 1, 2023 and the “Notice Regarding Public Disclosure of the Investigation Report by the External Investigation Committee” dated November 2, 2023, the Company received the Investigation Report from the External Investigation Committee on October 31, 2023 and confirmed that the committee found that acts by the Company and five Group companies were highly likely to fall under the category of fraudulent receipt of the Subsidies, and that in OST, the Former Director was involved in the selection of outsourced contractors to which the Recruiting Costs would be paid (hereinafter, the “Inappropriate Application”).

The new Measures adhere to the Measures previously announced in the aforementioned release in January 2022. Revisions were made in response to recommendations from the External Investigation Committee, mainly concerning how to thoroughly implement the Measures. Further, in addition to the formulation of the Measures, in order to cultivate and instill a new corporate culture capable of thoroughly implementing such measures, the Company has decided to establish a Governance Committee which will verify and implement the Measures. The Governance Committee will be comprised of external experts and internal personnel, with external directors as the leader.

The External Investigation Committee pointed to the causes of the fraudulent receipt of the

Subsidies: the lack of compliance awareness; absence of checks by OST's corporate management division and a corporate culture that led to this absence of checks; pressure to earn profit; and targets that disregarded the actual status of work. With regard to the Recruiting Costs, absence of provision of services, bill-padding, absence of necessity of placing work orders to transaction counterparties, etc. were not confirmed. However, it was confirmed in the investigation process that the situation where the Measures formulated in response to the Inappropriate Accounting had lost substance, such as the Former Director's involvement in the OST's business operation, disregard for the board of directors, the management department was weak, and the Measures, which were created in response to the Inappropriate Accounting in which the *ringi* procedures and the transaction party review had become just a formality, thorough understanding and dissemination of the Measures, establishment of effective checks in the *ringi* procedures etc., and reemphasis on compliance awareness were suggested as the Measures. Subsequently, as announced in the "Notice Regarding Formulation of Measures to Prevent Recurrence" dated November 14, 2023, taking seriously the analysis of the causes listed in the investigation report from the External Investigation Committee and the recommendations for the Measures, the Company examined the necessity to verify and correct the details of the Measures presented in the "Notice Regarding the Formulation of Measures to Prevent Recurrence" published on January 14, 2022 and resolved new Measures. The primary focus of the modification of the new Measures lies in how rigorously enforce them, while adhering to the Measures published in January 2022 and in response to the recommendations from the External Investigation Committee. In addition to the formulation of the Measures, in order to cultivate and instill a new corporate culture that is able to thoroughly implement the Measures, the Company decided to establish a Governance Committee, which is composed of external directors as the leaders, external experts, and internal talents. The Governance Committee verifies and implements the Measures. The Measures include the following:

- Reform of the corporate culture
- Further foster awareness of compliance and thoroughly implement the Measures
- Management system enhancement
- Restructuring of corporate governance and organizational systems
- Strengthening the internal control division
- Review of internal reporting systems
- Review of internal rules related to accounting processes and accounting systems
- Development of feasible business plans and budgets
- Restriction on transaction counterparties

As announced in the "Notice Regarding Completion of Submission of the Quarterly Securities Report for the Second Quarter of the Fiscal Year Ending December 31, 2023" dated November 14, 2023, the Company submitted to the Kanto Local Finance Bureau on November 14, 2023 the quarterly securities report for the second quarter of the fiscal year ending December 31, 2023. As announced in the "Notice Regarding Amendment of the Securities Reports and Summary of Financial Results, etc. for the Previous Years" dated November 14, 2023, the Company submitted the Amendment Reports for the Securities Report for the period from the fiscal year ended December 31, 2020 to the fiscal year ended December 31, 2022 and for the Quarterly Reports for the period from the second quarter of the fiscal year ended December 31, 2020 to the first quarter of the fiscal year ending December 31, 2023, and made amendments to the Summary of Financial Results for the period from the fiscal year ended December 31, 2020 to the fiscal year ended December 31, 2022 and the Quarterly Summary of Financial Results for the period from the second quarter of the fiscal year ended December 31, 2020 to the first quarter of the fiscal year ending December 31, 2023. Along with these, as announced in the "Notice Regarding Submission of 'Amendment Report of the

Internal Control Report” dated November 14, 2023, the Company submitted to the Kanto Local Finance Bureau an “Amendment Report of the Internal Controls Report,” which amends the Internal Control Reports for the period from the fiscal year ended December 31, 2020 to the fiscal year ended December 31, 2022.

Haruhiko Doi recognizes that the Company Group has established its position as a leading company in manufacturing and engineering outsourcing services in Japan, expanding its business portfolio to overseas in recent years through many M&As and achieving continuous business expansion. At the same time, considering the above changes in the business environment surrounding the Company Group, he has considered that it is necessary to implement new measures, not just the Company Group’s conventional measures and strategies of each year. Based on the current situation of the Company Group, which has many consolidated subsidiaries which have been mainly acquired, and the Inappropriate Accounting announced in November 2021, he has also believed that the Company Group needs to establish a more efficient and appropriate internal control and governance system as its management issue.

The management team of the Company, including Haruhiko Doi, has considered that in order to realize further growth of the Company and enhancement of its corporate value while solving the management issue mentioned above, access to external management resources would be valuable in addition to the Company’s own management efforts. At this timing, approached by Bain Capital on January 26, 2023, Haruhiko Doi had an opportunity to have an interview with Bain Capital on January 26, 2023 with a view to exchange a wide range of opinions on the Company’s management measures and its best capital structure, including possible ways of utilizing external management resources, on the premise that he would continue to be involved in the management of the Company. Since then, through continuous discussions with Bain Capital, Haruhiko Doi has come to have an idea that, on the premise that he would continue to be involved in the Company’s management, it may be an effective option to execute an MBO of the Company jointly with Bain Capital, since taking the Shares private would make it possible to deal with the above-mentioned management issues without being affected by the stock market pressure for a short-term improvement in profitability. For this reason, in early February 2023, Haruhiko Doi held specific discussions with Bain Capital again on various capital measures, including the going-private of the Company, and since late April 2023, they have been earnestly exchanging opinions and discussing management measures and the best capital structure for the Company.

Through these opinion exchanges and discussions, Haruhiko Doi recognized that in order to realize the Company Group’s further growth and increase in corporate value over the medium- to long-term, it would be important to make efforts to improve management efficiency by strengthening global internal control and to make efforts to accelerate PMI and maximize synergies after M&A, in addition to the acceleration of organic growth and the establishment of a global network of human resources mobility as set out in the Medium-Term Management Plan. However, the current Company Group’s management resources alone may not be sufficient to implement growth strategies and strengthen the organizational system. In considering a wide range of potential partners including Bain Capital, Haruhiko Doi came to recognize that, in order to establish a system that can steadily put these in practice within a short period of time to maximize the Company’s corporate value, it would be the most appropriate to gain access to Bain Capital’s abundant experiences, track records, human resources, and management know-how. Around the middle of July 2023, Haruhiko Doi came to have an idea to execute an MBO of the Company jointly with Bain Capital on the premise that he would continue to be involved in the Company’s management, while maintaining his capital relationship with the Company to a certain extent, and he told Bain Capital

about that during an interview after the suspension of discussions with the other potential partners at that time.

As for Bain Capital, through the interviews with Haruhiko Doi from late January to mid-July of 2023 and initial analysis based on the disclosed information, Bain Capital became highly impressed with the track record achieved by the Company in the staffing service market, focused on outsourcing in the area of manufacturing and technology in and outside of Japan, and in the middle of July 2023, came to believe that the Company is consistent with Bain Capital's investment policy in terms of its competitive edge and growth potential. Specifically, Bain Capital intends to fully support the Company by designing and implementing a growth strategy and business structure transformation using a consulting approach and by providing personnel support. Based on its past investment experiences, Bain Capital believes that it is capable of providing the following support to the Company.

a) Hands-on management support based on extensive investment experience

While many that work at general private equity funds are from the financial industry, Bain Capital is mainly comprised of professionals with management consulting experience or professionals with business experience at business companies. Therefore, Bain Capital's approach is characterized by its active involvement in the management support of its portfolio companies, and sending "available" members with extensive experience, when necessary, to thoroughly provide on-site support for high-priority management issues. The systematic experience of providing hands-on support for businesses has been contributing to its uncovering of new sources of value through business enhancement, even in the pre-investment, due diligence phase.

In addition, for the Company's further growth, Bain Capital's dedicated management support team (portfolio group) can provide the management expertise that Bain Capital has accumulated through its global investment support experience in the staffing industry. Bain Capital has a Japanese portfolio group as well as a global one, which supports various management projects of its portfolio companies, from sales growth of existing businesses and the launch of new businesses to cost efficiency improvement. Bain Capital also believes that it will be able to increase the Company's corporate value if the portfolio group provides full support to realize the mutual vision shared with the Company's management team. Specifically, Bain Capital expects to provide support such as: (i) creation of customer insights based on its support experience in the areas of manufacturing and technology and expansion of business synergies with the Company; (ii) utilization of know-how on sales activities and organizational operations in B2B (business services); and (iii) support for overseas expansion through Bain Capital's extensive knowledge and expertise in the areas of global manufacturing, technology, and business services.

b) Strengthening human resources and organizational infrastructure to support the current management for medium- to long-term growth

Bain Capital expects to make the investment based on the assumption that the Company's current management team will continue their positions. On the other hand, Bain Capital also believes that it will be important to strengthen human resources as necessary to ensure the rapid implementation of business strategies as a foundation for maximizing the Company's corporate value in the future. In this context, Bain Capital can introduce a wealth of talent from its global network in areas where the need for personnel supplementation has been agreed upon with the current management team.

Bain Capital has a management talent pool of over 100 people in Japan alone and has helped its portfolio companies hire many management personnel. In addition to management personnel, Bain Capital is also focused on strengthening human resources at the front-line level.

c) M&A and PMI support

While the Company's policy is to prioritize organic growth starting from its existing business foundations and PMI with the companies that it has already acquired, from medium- to long-term perspectives, Bain Capital also believes that direct support from Bain Capital, from deal development to M&A execution and subsequent PMI utilizing its capital, may ensure the execution of M&A and accelerate the growth of the Company's business, when investment opportunities exist. Bain Capital has made 31 investments in Japan to date, through which it has gained a wide range of practical know-how concerning various industries and acquisitions, as well as expertise on post-investment businesses and organizational integrations, and plans to take full advantage of these in addition to its access to new investment opportunities made possible by its network.

Specifically, Bain Capital expects to provide one-stop support for a series of processes, including selection of and approach to investment targets, execution of due diligence, materialization of future growth plans, PMI for integration with the Company's operations, and establishment of an efficient management system. In addition, by leveraging its global expertise and structure, Bain Capital will be able to provide the above-mentioned full support for overseas M&As which are more challenging. Bain Capital is a fund with a global consulting approach and hands-on support for corporate value enhancement as its DNA, and is confident that it can provide extensive support for overseas M&As.

Around the middle of July 2023, based on the details and the situation of the Company Group's business, Bain Capital decided that the Company has the qualities to realize fundamental corporate reform, improve competitiveness, and make a leap in the global market, such that the execution of the Transaction would be consistent with Bain Capital's investment policy to support the enhancement of corporate value through a long-term partnership. In addition, for the promptness of financing and the stability of transactions, Bain Capital decided on a scheme where the purchaser of the Tender Offer is the Tender Offeror, rather than Bain Capital or the Tender Offeror's Parent. Also, judging that Haruhiko Doi's knowledge of and experience in the Company's business would contribute to expanding the Company's business if he was to continue to be involved in the Company's management to a certain level after going private, Bain Capital decided to discuss a scheme in which Haruhiko Doi would make the Reinvestment with a view to giving him common incentives for enhancing the Company's corporate value after the Transaction. Having shared such vision with Haruhiko Doi upon considering the results of the initial analysis and review based on the interview with Haruhiko Doi, published information, etc., Bain Capital decided that, by making the Shares go private, it would be possible to increase the corporate value from a medium- to long-term perspective, without being influenced by the stock market pressure for a short-term improvement in profitability, through (i) acceleration of organic growth, (ii) establishment of a global network for human resources mobility, (iii) improvement of management efficiency by strengthening global internal control, and (iv) acceleration of PMI and maximization of synergies after M&A. Therefore, on August 9, 2023, Bain Capital submitted to the Company the outline of the Tender Offer and a written proposal expressing the initial intention regarding management policies after the Transaction (the "LOI"). On the same day, the Company responded that it would consider the proposal after establishing the necessary system for consideration, as described in "(iii) Establishment of an Independent Special Committee at the Company; Procuring a Written Report" under "(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer" below. Subsequently, through direct interviews with the Special Committee and by other means, Bain Capital and Haruhiko Doi explained the background and reasons for proposing the Transaction, the purposes of the Transaction,

the evaluation of the Company's business, various terms of the Transaction, the management policy after the Transaction, and other matters, and answered questions on these matters. Specifically, on September 5, they received from the Special Committee a list of questions including those about the Transaction and the management policy after the Transaction, sent written responses to the Special Committee on September 11, and held a direct interview with the Special Committee on September 14. Furthermore, on November 11, Bain Capital and Haruhiko Doi received from the Special Committee a list of questions including specific measures for establishing and strengthening the internal governance system and specific details of the measures to enhance corporate values and the synergies through the Transaction, and responded to the Special Committee in writing on November 20, and the Special Committee had a meeting with Bain Capital on November 28, 2023.

Based on the progress made with due diligence from mid-August 2023 to mid-November 2023 and discussions with Haruhiko Doi, Bain Capital proposed to the Company on September 22, 2023, to (i) set the Tender Offer Price at 1,675 yen per share (1,164.5 yen, the closing price of September 21, 2023, the business day preceding the proposal date, plus a 43.84% premium (rounded to two decimal places, the same shall apply hereinafter in the calculation of premiums)); (ii) to enter into a non-tender agreement with Haruhiko Doi regarding the fact that Haruhiko Doi will not tender the Shares owned by Haruhiko Doi in the Tender Offer; (iii) to publicly announce the Transaction on October 13, 2023, and set the purchase period in the Tender Offer (hereinafter, the "Tender Offer Period") to 20 business days; and (iv) in light of the purposes of the Transaction, not set the maximum number of shares to be purchased in the Tender Offer but set the minimum number of tendered shares to be purchased so that the Tender Offeror and Haruhiko Doi would hold two-thirds (2/3) or more of the total number of voting rights of all shareholders of the Company after the Tender Offer (the "Initial Proposal"). Subsequently, on September 25, 2023, the Special Committee requested to raise the Tender Offer Price, stating that the 1,675 yen proposed by Bain Capital as the Tender Offer Price does not give sufficient consideration to the interests of the minority shareholders. On September 27, 2023, after sincerely considering the reasons for the Special Committee's request to raise the Tender Offer Price, Bain Capital proposed the Tender Offer Price of 1,675 yen per share (the same amount as the Initial Proposal; 1,165.5 yen, the closing price of September 26, 2023, the business day preceding the proposal date, plus a 43.72% premium) (the "Second Proposal") upon considering that, as of the same date, the results of the investigation by the External Investigation Committee had not been confirmed yet and the impact on the Company was unclear. Subsequently, as described in the "Notice Regarding the Date of Receipt of the Investigation Report by the External Investigation Committee" published on September 29, 2023, as the scheduled date for receiving the investigation report from the External Investigation Committee was extended from the end of September 2023 to the mid-October 2023, so the Tender Offeror decided not to publicly announce the Transaction on October 13, 2023 and decided to aim to announce the Transaction as soon as it received the investigation report from the External Investigation Committee based on the content of the report. On October 1, 2023, the Special Committee requested a reconsideration of the propositions, including the raise of the Tender Offer Price, stating that the 1,675 yen proposed by Bain Capital as the Tender Offer Price does not give sufficient consideration to the interests of the minority shareholders.

In response to this, despite its plan to make a proposal again in late October 2023 based on the content of the investigation report from the External Investigation Committee to be received by the Company in mid-October, as the scheduled date of receipt of the investigation report from the External Investigation Committee was extended from mid-October 2023 to October 31, 2023, as described in the "Notice Regarding Submission of Application for Approval to Extend (Re-Extend) the Deadline for Filing the Quarterly Securities Report for the Second Quarter of the Fiscal Year

Ending December 31, 2023” published by the Company on October 13, 2023, and the impact of the Inappropriate Application on the Company remained unclear, Bain Capital postponed the timing of its price proposal, deciding that it was necessary to carefully examine additional disclosures made by the Company. Subsequently, taking into account the content of the investigation report from the External Investigation Committee that was disclosed by the Company on November 2, 2023 titled “Notice Regarding Public Disclosure of the Investigation Report by the External Investigation Committee”, Bain Capital has reaffirmed the need to promptly take the Company private through this Transaction and conduct a fundamental review of its governance structure. 3 Bain Capital has also consulted with Haruhiko Doi on the Company’s management system in the future, including examining Haruhiko Doi’s involvement in the Company, and in its thorough examination of the governance system, Bain Capital will appoint a new president from among candidates in and outside of the Company and establish a management system including inviting external directors, and it has decided that Haruhiko Doi will devote himself to his position as Chairman, who formulates the Company’s growth strategy and vision, and hand over his role to newly appointed management with the aim of establishing a next-generation management system while maintaining the business foundation of the Company, which has achieved growth since its foundation through the leadership of Haruhiko Doi. Subsequently, based on the content of the investigation report from the External Investigation Committee described in the “Notice Regarding Public Disclosure of the Investigation Report by the External Investigation Committee” published by the Company on November 2, 2023, Bain Capital reconfirmed the necessity of promptly conducting going-private through the Transaction and a complete reform of the governance system. Subsequently, after carefully examining the impact of the public disclosure of the investigation report from the External Investigation Committee and the additional information disclosure by the Company and also considering the Special Committee’s request to raise the Tender Offer Price on October 1, 2023 sincerely, on November 16, 2023, Bain Capital proposed the Tender Offer Price of 1,680 yen per share (1,193.5 yen, the closing price of November 15, 2023, the preceding business day of the proposal date, plus a 40.76% premium) and proposed to change the date of public disclosure of the Transaction to December 8, 2023 (the “Third Proposal”). On November 22, 2023, the Special Committee requested to reconsider the propositions, stating that such proposed price did not sufficiently reflect the corporate value of the Company when its current and future business and financial condition are taken into consideration and that it could not be said that such proposed price gave sufficient consideration to the benefits of the minority shareholders of the Company. Following that, on November 25, 2023, after carefully reconsidering the request by the Special Committee to increase the Tender Offer Price, Bain Capital made a price proposal to set the Tender Offer Price at 1,690 yen per share (1,193.5 yen, the closing price of November 24, 2023, the preceding business day of the proposal date, plus a premium of 41.60%) (hereinafter, the “Fourth Proposal”). Subsequently, on November 28, 2023, the Special Committee requested that the contents of the proposal be reconsidered, stating that it still could not be said that that price proposal gave sufficient consideration to the interests of the minority shareholders of the Company. Following that, on November 29, 2023, after carefully reconsidering the request by the Special Committee to increase the Tender Offer Price, Bain Capital made a proposal to set the Tender Offer Price at 1,700 yen per share (1,193 yen, the closing price of November 28, 2023, the preceding business day of the proposal date, plus a premium of 42.50%) and to change the structure of the Transaction from a structure that is based on the assumption that Haruhiko Doi will not tender all of the Shares he holds in the Tender Offer to a structure where Haruhiko Doi will tender all of the Shares he holds (excluding the Shares With Transfer Restrictions) in the Tender Offer (hereinafter, the “Fifth Proposal”). Following that, on November 30, 2023, the Special Committee requested that Bain Capital reconsider that proposal

because that proposed price still does not give sufficient consideration to the interests of the minority shareholders of the Company. Then, on December 4, 2023, after carefully reconsidering the request by the Special Committee to increase the Tender Offer Price, Bain Capital made a proposal to set the Tender Offer Price at 1,710 yen per share (1,171.5 yen, the closing price of December 1, 2023, the preceding business day of the proposal date, plus a premium of 45.97%) (hereinafter, the “Sixth Proposal”). Following that, on December 5, 2023, the Special Committee requested that Bain Capital reconsider that proposal because that proposed price still does not give sufficient consideration to the interests of the minority shareholders of the Company. On December 6, 2023, after sincerely considering the reasons for the Special Committee’s request to raise the Tender Offer Price, Bain Capital proposed the Tender Offer Price of 1,720 yen per share (1,172 yen, the closing price of December 6, 2023, the preceding business day of the proposal date, plus a 46.76% premium) (the “Seventh Proposal”). On December 7, 2023, after sincerely considering the reasons for the Special Committee’s request to raise the Tender Offer Price, Bain Capital proposed the Tender Offer Price of 1,755 yen per share (1,190.5 yen, the closing price of December 6, 2023, the preceding business day of the proposal date, plus a 47.42% premium) (the “Eighth Proposal”).

Following that, on December 8, 2023, Bain Capital had direct discussions and negotiations with the Special Committee and received a response from the Special Committee stating that it would accept Bain Capital’s proposal on the assumption that the final decision would be made through a resolution of the Company’s Board of Directors in light of the Special Committee’s response and given that it is believed the Eighth Proposal will not be detrimental to the minority shareholders of the Company.

As explained above, Bain Capital decided to conduct the Tender Offer as part of the Transaction with a Tender Offer Price of 1,755 yen on December 8, 2023, after discussions with the Special Committee on matters such as the terms of the Transaction including the Tender Offer Price.

At the same time, Bain Capital informed Haruhiko Doi that the Tender Offer Price would be set at 1,755 yen on December 8, 2023, and it executed the Tender Agreement as of today.

Bain Capital also executed the Tender Offer Implementation Agreement with the Company as of today.

(b) Post-Tender Offer Managerial Policy

With regard to the management policy after the Tender Offer, as described in “(a) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror’s Decision to Conduct the Tender Offer” above, after privatizing the Company through the Transaction, Bain Capital will use its past investments and experience to provide the Company with hands-on management support based on its extensive investment experience, strengthen its human resources and organizational infrastructure to support the existing management for long-term growth, and support measures for maximizing the Company’s corporate value through M&A and PMI support with the aim of re-listing the shares at this moment. In particular, Bain Capital believes that the urgent challenge is to make efforts to reconstruct a fundamental internal management system and global governance system, and it plans specifically to provide the following support.

(A) Strengthening the internal compliance/governance system including inviting people responsible for compliance

Inviting appropriate candidates who are responsible for compliance in the global business and ensuring a thorough conformance of the internal *ringi*/settlement process. Inviting appropriate candidates as external directors from the initial investment fiscal year and ensuring the perspective of third parties that are not shareholders.

Establishing a framework for transparent accounting management and KPI management

that reduces the likelihood of sales/cost accounting distortions, and strengthening the finance and accounting checking function

- (B) Increasing the level of the management systems of overseas businesses to the level of domestic businesses

Global operationalization of the internal reporting system, which is currently used by the Company domestically

- (C) Multi-regional involvement of Bain Capital members

It is expected Bain Capital members will be involved through teams in both Japan and Europe. By leveraging its experience in making investments in many enterprises in Japan that operate global businesses until now, Bain Capital will establish systems to monitor decision-making/committees not only at the head office level, but also in business subsidiaries.

The Transaction constitutes what is known as a management buyout (MBO), and Haruhiko Doi is expected to be engaged in the management of the Company for a certain period after the successful completion of the Tender Offer. While the details of the Company's management structure, including the composition of the Company's directors and officers after the Transaction, will be determined in consultation with the Company after the successful completion of the Tender Offer, Bain Capital plans to provide directors and officers, although the number has not been determined yet, and to appoint a new president from among candidates in and outside of the Company and establish a management system including inviting external directors, and Bain Capital has decided that Haruhiko Doi will devote himself to his position as Chairman, who formulates the Company's growth strategy and vision, and hand over his role to newly appointed management with the aim of establishing a next-generation management system while maintaining the business foundation of the Company, which has achieved growth since its foundation through the leadership of Haruhiko Doi. With regard to the invitation and necessity of outside personnel, Bain Capital expects to introduce the appropriate personnel by using its global network if it determines, after consultation with the Company's current management team, that such personnel will contribute to the Company's future growth. No other management structure, management policies, etc., have been determined or assumed at this point, and will be consulted and considered among the Tender Offeror, Haruhiko Doi, and the Company after the successful completion of the Tender Offer.

- (iii) Decision-Making Process Leading to the Company's Decision to Support the Tender Offer, and the Reasons Therefor

The Company received preliminary explanations from Haruhiko Doi on July 5, 2023 regarding the possibility of implementing the Tender Offer, and as set forth in "(a) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer" in "(ii) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer; Post-Tender Offer Managerial Policy" above, the Company received the LOI from Bain Capital on August 9, 2023, and responded to Bain Capital that the Company would consider such proposal on August 9, 2023. Consequently, in considering the particulars of such proposal, as set forth in "(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer" below, the Company passed a resolution at the Board of Directors meeting held on August 9, 2023, to establish a special committee (hereinafter, the "Special Committee"; with respect to its member composition and other specific consultation matters, see "(iii) Establishment of an Independent Special Committee at the Company; Procuring a Written Report" in "(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other

Measures to Ensure Fairness of the Tender Offer” below) to consider the proposal for the Transaction to ensure the fairness of the Tender Offer Price and other aspects of the Transaction, including the Tender Offer. The Board of Directors resolved that the decision should be made by respecting, to the highest degree, the judgement of the Special Committee regarding the Transaction, and that if the Special Committee were to determine that the terms and conditions of the Transaction are not appropriate, the Board of Directors would not approve the Transaction based on such terms and conditions. Moreover, the Board of Directors approved a resolution to grant to the Special Committee the authority to (a) conduct negotiations on the transaction terms and conditions, etc., with the counterparty to the Transaction (including negotiations to be indirectly conducted through officers or employees of the Company or advisors), (b) as necessary, appoint or name its own financial advisor, third-party valuation agency, or legal advisor (fees for those are to be borne by the Company) to examine the matters to be consulted or name or approve (including retroactively) the Company’s advisors, etc., (if the Special Committee determines that the Company’s advisors, etc., are reliable in providing professional advice, then it may request them to provide professional advice), (c) request persons that the Special Committee determines to be necessary to attend a meeting of the Special Committee and request such persons to provide explanations on necessary information, (d) receive, from officers and employees of the Company Group, information reasonably necessary for the examination of and judgement on the Transaction, and (e) conduct other matters that the Special Committee determines to be necessary for the examination of and judgement on for the Transaction. In addition, since the Company received preliminary explanations from Haruhiko Doi regarding the possibility of implementing the Tender Offer on July 5, 2023, on August 2, 2023, in order to obtain advice on the fairness of the procedures of the Transaction, the Company appointed Mori Hamada & Matsumoto as its legal advisor that is independent of the Company, the Tender Offeror, the Tender Offeror’s Parent, Bain Capital, and Haruhiko Doi (collectively, the “TOB Parties”). On August 28, 2023, the Company appointed Nomura Securities Co., Ltd. (hereinafter, “Nomura Securities”) as its financial advisor. After establishing a system for examining the proposal from Bain Capital, the Company proceeded with its examinations. Further, on August 28, 2023, the Special Committee appointed PLUTUS CONSULTING Co., Ltd (hereinafter, “Plutus Consulting”) as the Special Committee’s own financial advisor and third-party valuation agency.

Under this framework, the Company conducted an examination of whether the Transaction should be executed and whether the transaction terms and conditions are appropriate, while receiving advice from Mori Hamada & Matsumoto and Nomura Securities in light of the purpose of the Transaction and other aspects of the overview of the Tender Offer set forth in the LOI, the impact of the Transaction on the Company, and the details of the post-Transaction managerial policies.

The Special Committee received explanations from the Company and conducted question and answer sessions regarding the background of the proposal for the Transaction, the purpose of the Transaction, the business environment, the business plan, and the business challenges. Among these, with respect to the business plan for the fiscal year ending December 2023 to the fiscal year ending December 2026 presented to Bain Capital, as well as the business plan that Nomura Securities and Plutus Consulting used for their calculations of the share value of the Shares, the Special Committee confirmed that the business plan was prepared by persons independent of the TOB Parties. In the process of preparing the business plan, the Special Committee also received explanations regarding the details, material assumptions, etc., of the business plan proposal that was being prepared, and for the final business plan, it confirmed the rationality of the details, material assumptions, and the preparation process before approving the plan. In addition, through direct meetings with Bain Capital and Haruhiko Doi, the Special Committee received explanations from Bain Capital and

Haruhiko Doi and conducted question and answer sessions regarding the background and reasons of the proposal for the Transaction, the purpose of the Transaction, the assessment of the Company's business, and the terms and conditions of the Transaction, as well as management policies after the Transaction. Specifically, the Special Committee sent inquiries, including those on the Transaction and management policies after the Transaction, to Bain Capital and Haruhiko Doi on September 5, 2023, and received written responses on September 11, 2023. The Special Committee then had meetings with Bain Capital and Haruhiko Doi on September 14, 2023. In addition, the Special Committee sent inquiries, including those on specific measures for establishing and strengthening the internal governance system and specific details of the measures for corporate value enhancement and synergies through the Transaction, to Bain Capital and Haruhiko Doi on November 11, 2023, received written responses on November 20, 2023, and had a meeting with Bain Capital on November 28, 2023. During question and answer sessions with Bain Capital, the Special Committee received explanations that Bain Capital agrees to the details of the Measures announced by the Company on November 14, 2023 and expects that Bain Capital will newly appoint the management team including the president from outside of the Company Group and Haruhiko Doi will dedicate himself to the chairman position in which he does not execute business. The Special Committee determines that by allowing Bain Capital to supervise and check the Company's business execution, it will be possible to strengthen the Company's internal controls, and with Mr. Haruhiko Doi's involvement in the Company's management to the extent necessary after changing his role, and aiming to list the shares by restructuring and strengthening of appropriate governance and internal control system and by recovering trust from the society leads to the corporate value enhancement of the Company. Further, with respect to the facts that Bain Capital intends to support measures to maximize the Company's corporate value through (i) hands-on management support based on extensive investment experience, (ii) strengthening human resources and organizational infrastructure to support current management for long-term growth, and (iii) M&A and PMI support as described in "(b) Post-Tender Offer Managerial Policy," and Bain Capital intends to provide support such as (i) strengthening the internal compliance/governance system including inviting people responsible for compliance, (ii) increasing the level of the management systems of overseas businesses to the level of domestic businesses, and (iii) multi-regional involvement of Bain Capital members because the urgent challenge is to make efforts to reconstruct a fundamental internal management system and global governance system, based on the past investment experiences of Bain Capital in and outside Japan, the Special Committee determines that it is reasonable to consider that Bain Capital may actually provide those supports and the Company will be able to establish a system that promptly executes various measures for enhancing the Company's corporate value. In addition, the Special Committee determines that it is also possible to provide merits occurring to the Company such as creation of synergies by using Bain Capital's portfolio companies and merits occurring to employees, customers, clients and other stakeholders. For the details of the content of the written report (the "Written Report") submitted by the Special Committee to the Company's Board of Directors on December 8, 2023 and the details of specific activities of the Special Committee, please refer to "(iii) Establishment of an Independent Special Committee at the Company; Procuring a Written Report" under "(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer" below.

With respect to the Tender Offer Price, after receiving a proposal from Bain Capital on September 22, 2023, stating that the Tender Offer Price would be 1,675 yen, on September 25, 2023, the Special Committee, based on the financial opinion from Nomura Securities and Plutus Consulting (which included the opinion on the policy for negotiation with Bain Capital), and while receiving advice

from Mori Hamada & Matsumoto, requested Bain Capital to reconsider the content of the proposal on the grounds that the proposed price was not necessarily a price which gives adequate consideration to the interests of the Company's minority shareholders. Then, the Special Committee received a proposal from Bain Capital on September 27, 2023, which stated that the Tender Offer Price would be 1,675 yen based on the fact that it was not able to confirm the results of the investigation by the External Investigation Committee as of September 27, 2023, and that the impact on the Company was not clear. On October 1, 2023, the Special Committee requested Bain Capital to reconsider the content of the proposal including raising the Tender Offer Price on the grounds that the proposed price was not necessarily a price which gave adequate consideration to the interests of the Company's minority shareholders.

Then, the Special Committee received a proposal from Bain Capital on November 16, 2023, which stated that the Tender Offer Price would be 1,680 yen upon a thorough examination of the impact, etc. of disclosing the investigation report by the External Investigation Committee and disclosing additional information from the Company such as recent performance and carefully considering the request by the Special Committee on October 1, 2023 to increase the Tender Offer Price, as well as the details of the due diligence carried out on the Company. On November 22, 2023, the Special Committee requested Bain Capital to reconsider the content of the proposal on the grounds that the proposed price did not sufficiently reflect the Company's corporate value considering the Company's overall current and future business conditions as well as financial conditions and was not necessarily a price which gave adequate consideration to the interests of the Company's minority shareholders. Subsequently, on November 25, 2023, after reconsidering the Special Committee's request to raise the Tender Offer Price sincerely, Bain Capital proposed a Tender Offer Price of 1,690 yen, but the Special Committee made a request to Bain Capital on November 28, 2023, to reconsider that proposed price, stating that it still could not be said that that price gave sufficient consideration to the interests of the minority shareholders of the Company. Following that, on November 29, 2023, after carefully reconsidering the request by the Special Committee to increase the Tender Offer Price, Bain Capital made a proposal to set the Tender Offer Price at 1,700 yen per share and to change the structure of the Transaction from a structure that is based on the assumption that Haruhiko Doi will not tender all of the Shares he holds in the Tender Offer to a structure where Haruhiko Doi will tender all of the Shares he holds (excluding the Shares With Transfer Restrictions) in the Tender Offer, the Special Committee requested Bain Capital to reconsider the propositions on November 30, 2023, stating that it could not be said that such proposed price gave sufficient consideration to the interests of the minority shareholders. Following that, on December 4, 2023, after carefully reconsidering the request by the Special Committee to increase the Tender Offer Price, Bain Capital made a price proposal to set the Tender Offer Price at 1,710 yen per share, and on December 5, 2023, the Special Committee requested that Bain Capital reconsider that proposal because that proposed price still does not give sufficient consideration to the interests of the minority shareholders of the Company. Following that, on December 6, 2023, after carefully reconsidering the request by the Special Committee to increase the Tender Offer Price, Bain Capital made a price proposal to set the Tender Offer Price at 1,720 yen per share, and on December 6, 2023, the Special Committee requested that Bain Capital reconsider that proposal because that proposed price still does not give sufficient consideration to the interests of the minority shareholders of the Company. Following that, on December 7, 2023, after carefully reconsidering the request by the Special Committee to increase the Tender Offer Price, Bain Capital made a price proposal to set the Tender Offer Price at 1,755 yen per share, and the Special Committee had a meeting with Bain Capital to conduct discussions and negotiations on December 7, 2023. Then, on December 8, 2023, based on the results of such negotiations, on the condition that the final decision is to be resolved at the

Company's Board of Directors based on the report of the Special Committee, the Special Committee responded that it is reasonable to accept the proposal setting the Tender Offer Price at 1,755 yen. In the process of the negotiations stated above, when the Special Committee engaged in discussions and negotiations with Bain Capital through Nomura Securities, the Company's financial advisor, Nomura Securities handled those discussions and negotiations in accordance with the negotiation policies for each topic, such as the presentation method of the repropoed price which was determined in advance by the Special Committee upon consultation and the specific repropoed price, and in communicating with Bain Capital or its advisors. Whenever new proposals for the Tender Offer Price were received from Bain Capital, Nomura Securities promptly reported to the Special Committee, and took measures in accordance with the instructions of the Special Committee. Also, the Special Committee received reports from the Company's management, other than Mr. Haruhiko Doi, on the status of the negotiations regarding the Tender Offer Agreement between the Company and Bain Capital on a timely basis, and gave instructions of the negotiation policy. In the process of such negotiations, the Special Committee confirmed the terms and conditions of the Transaction other than the Tender Offer Price, and determined that the agreed conditions are reasonable.

In addition to receiving the necessary legal advice from Mori Hamada & Matsumoto regarding the method and process of the decision-making by the Board of Directors, including the procedures relating to the Transaction, and other matters of note, the Company received the Written Report dated December 8, 2023, from the Special Committee. Along with the Written Report, the Company received from the Special Committee a valuation report on the valuation of the Shares that the Special Committee received from Plutus Consulting on December 8, 2023 (the "Share Valuation Report (Plutus Consulting)") and a fairness opinion stating to the effect that 1,755 yen per share as the Tender Offer Price is fair to the general shareholders of the Company from a financial point of view (hereinafter, the "Fairness Opinion") (for an overview of the Share Valuation Report (Plutus Consulting) and the Fairness Opinion, refer to "(ii) Procurement by the Special Committee of a Share Valuation Report and a Fairness Opinion from an Independent Third-Party Valuation Agency" under "(3) Matters Relating to Calculation" below). In consideration of the legal advice received from Mori Hamada & Matsumoto, as well as the content of the share valuation report obtained from Nomura Securities (the "Share Valuation Report Nomura Securities") dated December 8, 2023, the Share Valuation Report (Plutus Consulting), and the Fairness Opinion, and while respecting the contents of the Written Report submitted by the Special Committee as much as possible, the Company conducted discussions from standpoints including whether the Company's corporate value would improve through the Transaction and whether the Transaction would be executed through fair procedures to ensure that general shareholders would receive their entitled benefits.

While the Company is rapidly growing due to the expansion of its non-manufacturing businesses in Japan and its global development through M&A, the Company recognizes that it has business challenges in terms of its internal management system and governance system. As a result of its focus on M&A strategies in the past, the Company has become a complex entity with 236 consolidated subsidiaries. The Company recognizes that business challenges such as the internal management system of each company in the group have become apparent and that there are also business challenges in terms of its global governance system. In addition, the Inappropriate Accounting discovered in November 2021 and the Inappropriate Application discovered in August 2023 have arisen. The Investigation Report, pointed to the causes of the fraudulent receipt of the Subsidies: a lack of compliance awareness; absence of checks by the corporate management division and a corporate culture that led to this absence of check; pressure to earn profit; and targets that disregarded the actual state of work. The report also pointed out that, with regard to the Recruiting

Costs, services were not provided, invoice amounts were inflated, there was no necessity to place work orders with the transaction counterparties, etc. were not confirmed. However, it was confirmed in the investigation process that the situation where the Measures had lost substance, such as the Former Director's involvement in the OST's business operation, disregard for the board of directors, the management departments were weak, and Measures formulated in response to the Inappropriate Accounting, in which the *ringi* procedures and the transaction party review had become just a formality, had themselves just become a formality. Based on these, the Company has recognized that the enhancement of the internal management system is an urgent challenge. Under these conditions, not only are proactive investments in growth sectors necessary, but the Company also recognizes the need for initiatives to radically restructure the internal management system and global governance system and believes that it must urgently establish the foundation for governance. On November 14, 2023, the Company resolved to take the Measures and also established a Governance Committee to promote the development and penetration of a new corporate culture capable of thoroughly implementing the Measures, and to improve the internal control environment to prevent corporate misconduct. In the course of the consultations and negotiations with Bain Capital, the Company was notified that, as discussed above in "(b) Post-Tender Offer Managerial Policy" under "(ii) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer; Post-Tender Offer Managerial Policy," once the Company's shares are taken private, the Tender Offeror intends to provide supportive measures including (a) providing hands-on management support based on the Tender Offeror's extensive investment experience, (b) enhancing human resources and organizational foundations to support the current management team for medium- to long-term growth, and (c) providing support for M&A and PMI, and to provide support such as (i) strengthening the internal compliance/governance system including inviting people responsible for compliance, (ii) increasing the level of the management systems of overseas businesses to the level of domestic businesses, and (iii) multi-regional involvement of Bain Capital members because the urgent challenge is to make efforts to reconstruct a fundamental internal management system and global governance system.

In addition to receiving the indication of these intentions from Bain Capital, the Company consequently decided that cooperating with Bain Capital will contribute to the improvement of the corporate value of the Company over the medium to long term. This is because Bain Capital has determined that, if the Company goes private and becomes released from the stock market pressure to improve short-term profits, the Company's corporate value may be improved from a medium- to long-term perspective through (i) acceleration of organic growth, (ii) establishment of a global network for human resources mobility, (iii) improvement of management efficiency by strengthening global internal control, and (iv) acceleration of PMI and maximization of synergies after M&A, and also because, in addition to the Company's own management efforts, by utilizing the management resources of Bain Capital, which has the know-how for group restructuring and improving internal management systems and governance systems based on its past investment cases, it is believed it will be possible to accelerate the radical restructuring of the internal management system and global governance system, which are the Company's urgent challenges. Further, while it is expected the corporate value will increase as a result of improved management efficiency over the long term due to the strengthening of the governance and internal management systems, the Company has determined that the Transaction will contribute to the improvement of the corporate value of the Company given that it will be possible to divert to investments in businesses management resources related to shareholder relations such as expenses to maintain the listed status of the Company that arise as long as the Company is a listed company, resources and expenses to deal with disclosures and audits under the Financial Instruments and Exchange Act, and IR expenses.

Further, given that it is believed it will be beneficial to continue to return Haruhiko Doi's experience and knowledge to the Company's business in order hand his role over to newly appointed management with the aim of newly appointed management with the aim of establishing a next-generation management system, as stated in Bain Capital's proposals, it is believed that the decision that Haruhiko Doi will assume the position of chairman after the execution of the Transaction and no longer execute the management of the Company Group and that he will be involved in the management of the Company from an overall perspective such as the formulation of the Company's growth strategy and vision will contribute to the sustainable growth of the Company. In addition, the Company considers that aiming to list the shares by restructuring and strengthening of appropriate governance and internal control system and by recovering trust from the society will lead to the corporate value enhancement of the Company.

Also, since the Shares are planned to be taken private upon the execution of the Transaction, the Company expects the Transaction, if executed, will lead to steady progress with the abovementioned measures, swift decision-making, reduction of costs for listing, and other effects. These effects are expected to contribute to improving the corporate value of the Company. Further, as stated in the "Notice on Change to the Certified Public Accountant" released today, the Company received a notice from its financial auditor, Deloitte Touche Tohmatsu LLC, stating that with respect to the renewal of the audit agreement, because it is difficult to establish a system to maintain the audit quality for the following business year, it will not renew the agreement due to the expiration of the term of office upon the conclusion of the 27th annual general shareholders' meeting to be held on March 27, 2024. Therefore, there will be a change in the certified public accountant, which provides audit certifications under Article 193-2, Paragraphs 1 and 2 of the Act. The successor financial auditor has not been determined as of today, but if the Company is unable to appoint a successor financial auditor and it is unable to obtain a quarterly review report from a financial auditor regarding the financial statements for the first quarter of the Company's fiscal year ending March 2024, it will fall under the delisting criteria prescribed in the Securities Listing Regulations of the Tokyo Stock Exchange and it might become unable to continue to be listed. Given that, it has been determined that giving the shareholders of the Company an opportunity to sell the Shares as a result of the Transaction will contribute to the interests of the shareholders of the Company. On the other hand, the generally known disadvantages of delisting include the loss of opportunity to raise funds from the capital market, changes in transaction terms such as those for borrowing from financial institutions, and disadvantages related to securing human resources. However, the Company believes that these will most likely not materially damage the corporate value of the Company, considering that (i) the funds necessary for business in the future are planned to be raised by borrowings from financial institutions, (ii) the social trust and name recognition for maintaining business relationships with financial institutions and securing talents can also be improved through the Company's business activities, and (iii) the impact of taking the Shares private is not believed to be significant in terms of financing from financial institutions and recruitment due to the brand strength and name recognition that the Company has cultivated until now. Accordingly, the Company judged that the advantages of taking the Shares private are greater than the disadvantages. In light of the foregoing, the Board of Directors determined that the execution of the Transaction will contribute to improving the corporate value of the Company Group.

Given that, among other things, the Tender Offer Price of 1,755 yen (i), of the calculation results of the share value of the Shares by Nomura Securities set out in "(3) Matters Relating to Calculation" below, (a) exceeds the maximum price calculated by the average market price analysis, (b) exceeds the middle price calculated by the comparable company analysis, and (c) is within the range of the price calculated by the discounted cash flow method (the "DCF Method"); (ii), of the calculation results of

the share value of the Shares by PLUTUS CONSULTING set out in “(3) Matters Relating to Calculation” below, (a) exceeds the maximum price calculated by the average market price analysis, and (b) is within the range of the price calculated by the DCF Method, with the Fairness Opinion received by the Special Committee from Plutus Consulting; (iii) is at a premium of 49.68 % over JPY 1,172.5, the closing price of the Shares on the Prime Market of the TSE on December 7, 2023, which is the business day immediately preceding the date of the announcement of the Tender Offer, at a premium of 47.85% over JPY 1,187, which is the simple average of the closing prices during the one-month period immediately preceding December 7, 2023, at a premium of 51.95% over JPY 1,155, which is the simple average of the closing prices during the three-month period immediately preceding December 7, 2023, and at a premium of 44.33% over JPY 1,216, which is the simple average of the closing prices during the six-month period immediately preceding December 7, 2023, and can be evaluated as being priced at a reasonable premium compared to other recent management buyouts (MBO) (based on the 50 cases of MBOs in Japan which have been announced and successfully completed since January 1, 2019) and their premiums’ median value (39.34% over the closing price on the business day immediately preceding the date of the announcement, 39.67% over the simple average of the closing prices during the one-month period up to the business day immediately preceding the date of the announcement, 42.37% over the simple average of the closing prices during the three-month period up to the business day immediately preceding the date of the announcement, and 45.63% over the simple average of the closing prices during the six-month period up to the business day immediately preceding the date of the announcement, and also it is not unreasonable to conduct the Transaction at this time even in light of the fact that the market price of the Shares has fallen since the announcement of the Inappropriate Application; (iv) gives consideration to the minority shareholders in that, among other things, the measures set forth in “(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer” below have been taken to ensure the fairness of the Transaction, which includes the Tender Offer, and to eliminate conflicts of interest; (v) is a value which has been decided after the abovementioned measures to ensure the fairness of the Transaction, which includes the Tender Offer, and to eliminate conflicts of interest have been taken, and after the Company and Bain Capital have engaged in discussions and negotiations on several occasions, specifically in which the Company and Bain Capital sincerely and repeatedly engaged in discussions and negotiations while referring to the details of the share value of the Shares calculated by Nomura Securities and Plutus Consulting, the discussions with the Special Committee, and the legal advice received from Mori Hamada & Matsumoto; (vi) reflects a significant increase in the proposed price for the Tender Offer as requested by the Special Committee; and (vii) comes with terms for the minimum number of shares to be purchased that are stricter than the ‘majority of minority’ conditions. In light of these facts and other matters, the Board of Directors determined that the Transaction, including the Tender Offer, can be expected to improve the Company’s corporate value, that the Tender Offer Price and other conditions of the Tender Offer are reasonable for the Company’s shareholders, and that the Tender Offer provides the Company’s shareholders with a reasonable opportunity to sell their shares.

In light of the foregoing, at the meeting of the Board of Directors held today, the Company, in its judgement based on present circumstances, passed a resolution to state an opinion in favor of the Tender Offer and to recommend that the Company’s shareholders tender their shares in the Tender Offer when the Tender Offer commences.

The Tender Offer is scheduled to be commenced promptly when the Preconditions are satisfied or waived by the Tender Offeror. Although it is difficult to accurately predict the length of time required to comply with international competition laws and regulations and domestic and

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international laws and regulations which restrict investment and the like, as of today, the Tender Offeror is aiming to commence the Tender Offer around late January 2024. However, the Company also passed a resolution to the effect that when the Tender Offer is commenced, the Company will request the Special Committee to consider whether there has been any change in the opinion that the Special Committee has expressed to the Board of Directors at today's meeting and to inform the Board of Directors either that there has been no change or of the new opinion if there has been a change, and that based on that opinion, the Company will once again express its opinion in regard to the Tender Offer at the time of the commencement of the Tender Offer.

For the details of the resolution by the Board of Directors above, refer to "(v) Approval of All Company Directors Not Having a Conflict of Interest" under "(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer" below.

(3) Matters Relating to Calculation

- (i) Procurement by the Company of a Share Valuation Report from a Financial Advisor and an Independent Third-Party Valuation Agency
 - (a) Name of Valuation Agency; Relationship of Valuation Agency to the Company and the Tender Offeror

For the formal expression of its opinion in regard to the Tender Offer, the Company asked Nomura Securities, which is a financial advisor and third-party valuation agency independent of the Company and the TOB Parties, to calculate the share value of the Shares, and thereby obtained the Share Valuation Report (Nomura Securities) from Nomura Securities on December 8, 2023. As stated below in "(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer," in light of the fact that the TOB Parties and the Company have carried out measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest, and since the Company has given adequate consideration to the interests of the Company's general shareholders and obtained the Fairness Opinion from Plutus Consulting which is the Special Committee's financial advisor and third-party valuation agency, the Company has not obtained an opinion report concerning the fairness of the Tender Offer Price (a fairness opinion) from Nomura Securities. Nomura Securities does not constitute a related party of the Company or the TOB Parties and does not have any material interests to be noted in regard to the Transaction, which includes the Tender Offer. The remuneration payable to Nomura Securities for the Transaction includes contingency remuneration to be paid subject to the completion of the Transaction. Considering the practices generally used in similar transactions and whether it would be appropriate to have a compensation system in which the Company will bear a certain amount of financial burden if the Transaction were not to be completed, among other factors, the Company determined that including a contingency remuneration that is subject to the completion of the Transaction would not negate the independence of Nomura Securities, and has appointed Nomura Securities as a financial advisor and third-party valuation agency with the abovementioned compensation system.

(b) Overview of Calculations

For the Tender Offer, Nomura Securities considered multiple potential valuation methods to be adopted for the share valuation of the Company, and then, on the assumption that the Company is a going concern and that a multifaceted evaluation of the Share value would be appropriate, calculated said share value using the following: (i) the average market price analysis that takes into account the trends of the market price of the Shares, because the Shares are listed on the Prime Market of the

TSE, (ii) the comparable company analysis, because there are multiple listed companies engaged in businesses relatively similar to that of the Company and analogical inference of the share value of the Company in comparison to comparable companies is viable, and (iii) the DCF Method, to ensure that the circumstances of the Company's future business activities would be reflected in the calculation.

The ranges of values per Share that were obtained from the above-described valuation methods and described in the Share Valuation Report (Nomura Securities) are as follows.

| | |
|--------------------------------|--------------------|
| Average Market Price Analysis: | JPY 1,155 to 1,216 |
| Comparable Company Analysis: | JPY 1,208 to 1,792 |
| DCF Method: | JPY 1,517 to 2,606 |

In the average market price analysis, December 7, 2023 was used as the calculation reference date, and calculations were performed on the basis of the closing price of JPY 1,172.5 on the said calculation reference date, the simple average closing price of JPY 1,175 for the five business days immediately preceding the calculation reference date, the simple average closing price of JPY 1,187 for the one-month period immediately preceding the calculation reference date, the simple average closing price of JPY 1,155 for the three-month period immediately preceding the calculation reference date, and the simple average closing price of JPY 1,216 for the six-month period immediately preceding the calculation reference date (all such prices as listed on the Prime Market of the TSE). As a result, the value per Share was calculated to be in the range of JPY 1,155 to 1,216.

In the comparable company analysis, after selecting Adecco Group AG, Groupe Crit SA, Hays plc, ManpowerGroup, Inc., Randstad NV, SThree Plc, Synergie SA, Persopnal Holdings Co., Ltd. and UT Group Co., Ltd. as comparable companies that are listed and engaged in businesses that are not completely but relatively similar to that of the Company, Nomura Securities calculated the share value of the Company by using the multiples of earnings before interest, taxes, depreciation and amortization ("EBITDA," and those multiples, the "EBITDA Multiples"), the net income multiple of the total market value, and the shareholders' equity multiples of the total market value of the corporate value of those companies. These calculations resulted in a value per Share in the range of JPY 1,208 to 1,792.

In the DCF Method, the corporate value and share value of the Company were calculated using the free cash flow that the Company can be expected to generate after the fourth quarter of the fiscal year ending December 2023, which was estimated based on various factors including publicly available information as well as earnings projections and investment plans in the Company's business plans for the four fiscal years from the fiscal year ending December 2023 to the fiscal year ending December 2026, and then discounted to the present value at a given discount rate. The calculations resulted in a share value per Share in the range of JPY 1,517 to 2,606. The discount rate was based on the Weighted Average Cost of Capital (WACC), and ranged from 6.00% to 6.50%. The perpetuity growth rate method and the multiple method were used to calculate the going-concern value, and perpetuity growth rates of 0.25% to 0.25% and EBITDA multiples of 5.5 to 7.5 were used to calculate the share value per share of the Shares.

The financial projections based on the Company's business plans that Nomura Securities used as a basis for the DCF Method calculations are as indicated below. Such financial projections include fiscal years in which large changes or decrease in earnings is expected. Specifically, in the fiscal year ending December 2024, it is expected that operating profits will significantly increase by approximately 34% compared to the previous fiscal year, but that is due to a recovery from a temporary slowdown in operating profits resulting from an impairment loss of fixed assets of 162 million yen in its Domestic Engineering Outsourcing Business, an impairment loss of goodwill of

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1.366 million yen in its Domestic Manufacturing Outsourcing Business, and an impairment loss of goodwill of 648 million yen in its Overseas Manufacturing and Service Operations Business in the fiscal year ending December 2023. Moreover, fiscal years in which it is expected there will be a significant change in the free cash flow are not included. The synergistic effect expected to be achieved by the implementation of the Transaction is not reflected in the Company's business plan, as it is difficult to specifically estimate any effect at this point.

(Unit: million JPY)

| | Fiscal year ending December 2023 (3 months) | Fiscal year ending December 2024 | Fiscal year ending December 2025 | Fiscal year ending December 2026 |
|------------------|---|----------------------------------|----------------------------------|----------------------------------|
| Net Sales | 197,970 | 782,643 | 843,022 | 894,575 |
| Operating Profit | 8,019 | 32,050 | 36,177 | 40,095 |
| EBITDA | 13,909 | 51,861 | 55,382 | 59,078 |
| Free Cash Flow | 5,229 | 23,540 | 22,795 | 25,666 |

(Note) When calculating the share value, Nomura Securities did so on the assumption that publicly-available information and all information disclosed by the Company were accurate and complete, and did not independently evaluate the accuracy or completeness of such information. No independent evaluations, appraisals, or assessments, including analysis or evaluations on individual assets and liabilities, were made, and no expert opinions or assessments from third-party organizations were sought, in regard to the assets and liabilities of the Company and its affiliates (including financial derivatives, unlisted assets and liabilities, and other contingent liabilities). It was assumed that the Company's business plan had been reasonably examined and prepared with good faith based on the best predictions and judgments that could be made by the Company's top management (excluding Haruhiko Doi) at the time of the calculation. Nomura Securities' calculation reflects the information and economic conditions obtained by Nomura Securities before December 2023. Nomura Securities' calculation is only for the Company's Board of Directors to reference in order to examine the share price of the Company.

- (ii) Procurement by the Special Committee of a Share Valuation Report and a Fairness Opinion from an Independent Third-Party Valuation Agency
- (a) Name of Valuation Agency; Relationship of Valuation Agency to the Company and the Tender Offeror

For examining the Consultation Matters (as defined below in "(iii) Establishment of an Independent Special Committee at the Company; Procuring a Written Report" under "(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer"), the Special Committee asked Plutus Consulting, which is the Special Committee's financial advisor and third-party valuation agency independent of the Company and the TOB Parties, to calculate the share value of the Shares and express an opinion on the fairness of the Tender Offer Price from a financial point of view in order to ensure the appropriateness of the transaction terms and conditions, including the Tender Offer Price, and obtained the Share Valuation Report (Plutus Consulting) and the Fairness Opinion from Plutus

Consulting on December 8, 2023.

The Board of Directors received the Share Valuation Report (Plutus Consulting) and the Fairness Opinion on December 8, 2023, together the Written Report, from the Special Committee. After considering the content of the Share Valuation Report (Plutus Consulting) and the Fairness Opinion, the Board of Directors passed a resolution as stated below in “(v) Approval of All Company Directors Not Having a Conflict of Interest” under “(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer.”

Plutus Consulting does not constitute a related party of the Company or the TOB Parties and does not have any material interests to be noted in regard to the Transaction, which includes the Tender Offer. As stated below in “(iii) Establishment of an Independent Special Committee at the Company; Procuring a Written Report” under “(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer,” the Special Committee appointed Plutus Consulting as the Special Committee’s financial advisor and third-party valuation agency after considering several candidate financial advisors and third-party valuation agencies in terms of their independence, expertise, track record, and other matters. Also, only a fixed amount of remuneration will be paid to Plutus Consulting for the Transaction, which is payable regardless of whether the Transaction succeeds, and no contingency remuneration subject to the completion or other conditions of the Transaction, which includes the Tender Offer, will be paid.

(b) Overview of Calculations

Plutus Consulting considered multiple potential share valuation methods to be adopted for the share valuation of the Company, and calculated said share value using: (i) the market price analysis, because the Shares are listed on the Prime Market of the TSE and thus have a market price, and (ii) the DCF Method, to ensure that the circumstances of the future business activities would be reflected in the calculation.

The ranges of the values per Share that were obtained by Plutus Consulting based on the methods described above are as follows.

| | |
|------------------------|--------------------|
| Market Price Analysis: | JPY 1,155 to 1,216 |
| DCF Method: | JPY 1,588 to 1,975 |

In the market price analysis, December 7, 2023, the business day immediately preceding the date of the announcement of the Tender Offer, was used as the calculation reference date, and the calculations were performed on the basis of the closing price of JPY 1,172.5 on the said calculation reference date, the simple average closing price of JPY 1,187 for the one-month period immediately preceding the calculation reference date, the simple average closing price of JPY 1,155 for the three-month period immediately preceding the calculation reference date, and the simple average closing price of JPY 1,216 for the six-month period immediately preceding the calculation reference date (all such prices as listed on the Prime Market of the TSE). These calculations resulted in a value per Share in the range of JPY 1,155 to 1,216.

In the DCF Method, the corporate value and share value of the Company were calculated using the free cash flow that the Company is expected to generate, which was estimated based on projections prepared by the Company for the period from the fiscal year ending December 2023 to the fiscal year ending December 2026 and the trends of the most recent business results, and then discounted to the present value at a given discount rate. The calculations resulted in a share value

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per Share in the range of JPY 1,588 to 1,975. Discount rates of between 7.85% and 9.10% were used based on the WACC (Weighted Average Cost of Capital). In addition, when calculating the going-concern value, the perpetuity growth rate method was adopted, and the Shares are calculated with the perpetuity growth rate being 0%.

The financial projections based on the Company's business plans that Plutus Consulting used as a basis for the DCF Method calculations are as indicated below. Such financial projections include fiscal years in which large changes in earnings is expected in comparison to the previous fiscal year. Specifically, in the fiscal year ending December 2024, it is expected that operating profits will significantly increase by approximately 34% compared to the previous fiscal year, but that is due to a recovery from a temporary slowdown in operating profits resulting from an impairment loss of fixed assets of 162 million yen in its Domestic Engineering Outsourcing Business, an impairment loss of goodwill of 1.366 million yen in its Domestic Manufacturing Outsourcing Business, and an impairment loss of goodwill of 648 million yen in its Overseas Manufacturing and Service Operations Outsourcing Business in the fiscal year ending December 2023. The synergistic effect expected to be achieved by the implementation of the Transaction is not reflected in the Company's business plan, as it is difficult to specifically estimate any effect at this point.

(Unit: million JPY)

| | Fiscal year ending December 2023 (3 months) | Fiscal year ending December 2024 | Fiscal year ending December 2025 | Fiscal year ending December 2026 |
|------------------|--|--|--|--|
| Net Sales | 197,970 | 782,643 | 843,022 | 894,575 |
| Operating Profit | 8,019 | 32,050 | 36,177 | 40,095 |
| EBITDA | 10,348 | 40,877 | 44,532 | 48,057 |
| Free Cash Flow | 6,898 | 24,724 | 26,020 | 29,021 |

(Note) When calculating the share value, Plutus Consulting, as a rule, utilized the information provided by the Company, publicly-available information, and other such information on an as-is basis, assuming that such materials, information, etc., were accurate and complete in all respects. Therefore, Plutus Consulting did not independently evaluate the accuracy or completeness of these materials. Further, no independent evaluations or assessments were made, and no expert opinions or assessments from third-party organizations were sought, in regard to the assets and liabilities of the Company (including unlisted assets and liabilities, and other contingent liabilities). Moreover, it was assumed that the information regarding financial projections had been reasonably prepared based on the best predictions and judgments that could be currently made by the Company's top management (excluding Haruhiko Doi). However, regarding the Company's business plan that constitutes the basis of the calculations, Plutus Consulting has carried out interviews multiple times and analyzed and examined its details As stated below in "(iii) Establishment of an Independent Special Committee at the Company; Procuring a Written Report" under "(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer," the Special Committee has confirmed the rationality of the details, material assumptions, and preparation process of the business plan.

(c) Overview of the Fairness Opinion

On December 8, 2023, the Special Committee obtained the Fairness Opinion from Plutus

Consulting which stated to the effect that 1,755 yen per share as the Tender Offer Price is fair to the shareholders of the Company (excluding the Tender Offeror and its affiliates) from a financial point of view (Note). The Fairness Opinion expressed the opinion that the Tender Offer Price of 1,755 yen per share is fair to the shareholders of the Company in light of factors such as the calculated share value of the Shares based on the business plan prepared by the Company. The Fairness Opinion was issued by Plutus Consulting based on the valuation of the Shares calculated after receiving disclosure of information such as the current state of the Company Group's business and business forecasts from the Company and receiving explanations thereof, as well as question-and-answer sessions with the Company concerning the outline, background, and purpose of the Tender Offer, examination of factors such as the Company Group's business environment, the economy, markets, and financial landscape to the extent deemed necessary by Plutus Consulting, and the review procedures carried out by an examination committee independent of Plutus Consulting's engagement team.

(Note) When preparing and submitting the Fairness Opinion and calculating the share value that is the basis of the Fairness Opinion, PLUTUS CONSULTING did so on the assumption that information and base materials provided by the Company or that it has come to know during discussions with the Company and publicly available materials are accurate and complete and that there are no facts that might have a significant impact on the analysis and calculation of the share value of the Shares that have not been disclosed to PLUTUS CONSULTING, it has not conducted any independent investigation or examination of that information or materials, and it does not owe an obligation to conduct any such investigation or examination. PLUTUS CONSULTING assumes that the business forecasts and other materials used as base materials for the Fairness Opinion have been reasonably prepared based on the best forecasts and judgements obtained from the management of the Company at that time, PLUTUS CONSULTING does not guarantee the feasibility thereof and does not express any view regarding any analysis or forecast that is the basis of the preparation of those materials or any premises that serve as grounds for those materials. PLUTUS CONSULTING is not an expert on legal, accounting, or financial matters. Accordingly, PLUTUS CONSULTING does not state an opinion on any legal, accounting, or financial issues related to the Tender Offer and is not obligated to state such an opinion. PLUTUS CONSULTING has not conducted an independent evaluation or appraisal of the assets or liabilities (including off-balance-sheet assets and liabilities and other contingent liabilities) of the Company or any of its affiliates, including assessments and evaluations of individual assets and liabilities, and it has not received a written evaluation or appraisal of any such assets or liabilities. Accordingly, PLUTUS CONSULTING has not evaluated the ability of the Company and its affiliates to make payments. The Fairness Opinion states an opinion on the fairness of the Tender Offer Price from a financial perspective, which is to be used when the Special Committee reports on matters on behalf of the Company. Accordingly, the Fairness Opinion does not state any opinion on the advantages or disadvantages compared with transactions that could serve as alternatives to the Tender Offer, the benefits that could be brought by executing the Tender Offer, or whether the Tender Offer should be accepted. The Fairness Opinion states an opinion on whether the Tender Offer Price is fair for the minority shareholders of the Company from a financial perspective based on financial and capital markets, economic conditions, and other circumstances as of the submission date of the Fairness Opinion and based on information obtained by PLUTUS CONSULTING up to that submission date. PLUTUS CONSULTING does not owe an obligation to revise, amend, or supplement the contents of the Fairness Opinion even if those contents are affected by a

subsequent change in conditions. Further, the Fairness Opinion does not make a deduction or suggestion of any opinion regarding any matters that is not explicitly stated in the Fairness Opinion or any matters on or after the submission date of the Fairness Opinion. PLUTUS CONSULTING is not soliciting investments in the Company and is not authorized to make any such solicitation. The Fairness Opinion only expresses an opinion that the Tender Offer Price is fair and is not disadvantageous for the minority shareholders of the Company from a financial perspective and does not express an opinion or make a recommendation on whether the Tender Offer should be accepted, tendering shares in the Tender Offer, or other activities and does not state any opinion to holders of securities issued by the Company, creditors, or other persons related to the Company. Accordingly, PLUTUS CONSULTING does not owe an obligation to any shareholders or third parties that have relied on the Fairness Opinion. Further, the Fairness Opinion has been provided by PLUTUS CONSULTING to be used as a base material for the judgment of the Board of Directors of the Company and the Special Committee in connection with the Tender Offer Price and may not be relied on by any other person.

(iii) Method of Calculation by the Tender Offeror

In calculating the Tender Offer Price, the Tender Offeror used the financial information and other materials that the Company has disclosed and the results of the due diligence carried out from mid-August 2023 to mid-November 2023, and also used the following as reference since the Shares are traded on a financial instruments exchange: the closing price of the Shares (JPY 1,172.5) on December 8, 2023, and the simple average closing price for the one-month period immediately preceding December 8, 2023, the three-month period immediately preceding December 8, 2023, and the six-month period immediately preceding December 7, 2023 (JPY 1,187, JPY 1,155 and JPY 1,216, respectively), (all such prices as listed on the Prime Market of the TSE).

Comprehensively examining the possibility of obtaining the Company's approval for the Tender Offer and the prospects for the completion of the Tender Offer and after discussions and negotiations with the Special Committee, on December 8, 2023, the Tender Offeror decided on the Tender Offer Price of JPY 1,755, for which it had not obtained any share valuation report from a third-party valuation agency. Since the Tender Offeror believes that since it has carried out measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest, and has given adequate consideration to the interests of the Company's minority shareholders, it has not obtained an opinion concerning the fairness of the Tender Offer Price (a fairness opinion) from a third-party valuation agency.

The Tender Offer Price (JPY 1,755) is at a premium of 49.68% over JPY 1,172.5, which is the closing price of the Shares on the Prime Market of the TSE on December 7, 2023, the business day immediately preceding the announcement date (December 8, 2023,) of the scheduled commencement of the Tender Offer; at a premium of 47.85% over JPY 1,187, which is the simple average closing price for the one-month period immediately preceding December 7, 2023; at a premium of 51.95% over JPY 1,155, which is the simple average closing price for the three-month period immediately preceding December 7, 2023; and at a premium of 44.33% over JPY 44.33, which is the simple average closing price for the six-month period immediately preceding December 7, 2023.

(4) Expectations for Delisting and Reasons Therefor

The Shares are currently listed on the Prime Market of the TSE, but the Tender Offeror has not set a maximum number of shares to be purchased in the Tender Offer. Therefore, depending on the results of the Tender Offer, the Shares may be subject to delisting after the prescribed procedures are performed,

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in accordance with the TSE's delisting criteria. Even in the case where such criteria are not met as of the time of the completion of the Tender Offer, following completion of the Tender Offer, if the Tender Offeror proceeds with the Squeeze-Out Process as described below in "(5) Post-Tender Offer Reorganization and Other Policies (Matters Relating to the 'Two-Step Acquisition')," the Shares will be delisted after the prescribed procedures are performed in accordance with the TSE's delisting criteria. Following delisting, the Shares will no longer be traded on the Prime Market of the TSE.

(5) Post-Tender Offer Reorganization and Other Policies (Matters Relating to the 'Two-Step Acquisition')

If the Tender Offeror cannot acquire all the Shares (excluding the treasury shares held by the Company) through the Tender Offer, the Tender Offeror plans to carry out the Squeeze-Out Process by the following means after the successful completion of the Tender Offer, as described in "(i) Overview of the Tender Offer" in "(2) Grounds and Reasons for Opinion on the Tender Offer" above.

(i) Demand to Cash Out

If, after the successful completion of the Tender Offer and the completion of the settlement, the Tender Offeror comes to hold 90% or more of the voting rights of all of the shareholders of the Company, it is expected that promptly after the completion of the settlement of the Tender Offer, the Tender Offeror will make a demand to all of the shareholders of the Company (excluding the Tender Offeror and the Company) to sell all of the Shares they hold under Article 179 of the Companies Act (hereinafter, "Demand to Cash Out"). It is expected that it will be provided that money in an amount equivalent to the Tender Offer Price is to be delivered to the shareholders of the Company (excluding the Tender Offeror and the Company) as consideration per share of the Shares in the Demand for Cash Out. In that case, the Tender Offeror will notify the Company of that Demand to Cash Out and make a request to the Company for approval of the Demand to Cash Out. If the Company approves the Demand to Cash Out by a resolution of its Board of Directors, the Tender Offeror will acquire from all of the shareholders of the Company (excluding the Tender Offeror and the Company) all of the Shares held by them on the acquisition date set out in the Demand to Cash Out in accordance with procedures stipulated by relevant laws and regulations and without requiring separate approval from each shareholder of the Company. In that case, it is expected the Tender Offeror will deliver to each of those shareholders money in an amount equivalent to the Tender Offer Price as consideration for the Shares held by each of those shareholders. If a Demand to Cash Out is made by the Tender Offeror, it is expected the Company will approve that Demand to Cash Out at a meeting of its Board of Directors.

It is provided under the Companies Act as a provision under the Companies Act to protect the rights of minority shareholders in relation to a Demand to Cash Out that a shareholder of the Company (excluding the Tender Offeror and the Company) may file a petition with a court to determine the sale price of the Shares he or she holds in accordance with the provisions of Article 179-8 of the Companies Act and other related laws and regulations. Further, if such a petition is filed, the purchase price of the Shares will be ultimately determined by the court.

(ii) Share Consolidation

If, after the successful completion of the Tender Offer and the completion of the settlement, the total number of voting rights of the Company held by the Tender Offeror is less than 90% of the number of voting rights of all of the shareholders of the Company, the Tender Offeror intends to request the Company to hold the extraordinary shareholders' meeting (the "Extraordinary Shareholders' Meeting") to approve the consolidation of the Shares (the "Share Consolidation") and to amend its Articles of Incorporation to abolish the provision concerning the number of shares per unit on the terms that the Share Consolidation becomes effective, pursuant to Article 180 of the Companies Act if the Tender Offer is commenced in late January 2024, the Extraordinary

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Shareholders' Meeting is expected to be held around April 2024.). The Tender Offeror and Haruhiko Doi intend to approve the above proposals at the Extraordinary Shareholders' Meeting.

If the proposal regarding the Share Consolidation is approved at the Extraordinary Shareholders' Meeting, the Company's shareholders will own the number of the Shares in proportion to the Share Consolidation ratio, as approved at the Extraordinary Shareholders' Meeting as of the date when the Share Consolidation becomes effective. If there are any fractional shares upon the Share Consolidation, the amount of cash corresponding to the amount obtained by selling the Shares equivalent to the total number of fractional shares (if the aggregated number of entitlements to fractional shares includes a fractional number, such fractional number will be rounded down; the same shall apply hereinafter) to the Company or the Tender Offeror will be delivered to the Company's shareholders in accordance with the procedures under Article 235 of the Companies Act and other relevant laws and regulations. Concerning the sales price of the Shares corresponding to the aggregated number of fractional shares, the Tender Offeror will request the Company to file a petition for voluntary disposal permission with the court after calculating the amount of cash to be delivered to the Company's shareholders (excluding the Company) who did not tender their shares to the Tender Offer, which is to be equal to the amount calculated by multiplying the Tender Offer Price by the number of the Shares held by such shareholders. Although the Share Consolidation ratio is undetermined as of today, the Tender Offeror will request the Company to determine the Share Consolidation ratio so that the number of the Shares held by the Company's shareholders who did not tender their shares to the Tender Offer (excluding the Company) will be a fractional number of less than one share, which will enable the Tender Offeror to hold all the Shares (excluding treasury shares held by the Company). The Company intends to accept these requests of the Tender Offeror if the Tender Offer is successfully completed. The details of the procedures regarding the Share Consolidation will be promptly announced by the Company once they are decided upon mutual consultation between the Tender Offeror and the Company.

Pursuant to the provisions under the Companies Act aimed at protecting the general shareholders' interests in relation to the Share Consolidation, if any fractional shares result from the Share Consolidation, the Company's shareholders (excluding the Tender Offeror and the Company) may, in accordance with the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations, demand the Company to purchase all fractional shares of the Shares that the relevant shareholders hold at a fair price, and may file a petition to determine the price under appraisal rights of such Shares.

As mentioned above, in the Share Consolidation, the number of the Shares held by the Company's shareholders (excluding the Company) who did not tender their shares to the Tender Offer will be a fractional number of less than one share. The Company's shareholders who disapprove of the Share Consolidation (excluding the Tender Offeror and the Company) will be able to file the above petition. If these petitions are filed under appraisal rights, the purchasing price of Shares will be ultimately determined by the court.

Regarding the procedures in (i) and (ii) above, depending on any revisions to and enforcement of the relevant laws and regulations, interpretation thereof by authorities, etc., there is a possibility that changes may be made to the method of implementation or timing. In such case, however, the Tender Offeror plans to adopt a method that enables each of the Company's shareholders (excluding the Company) who has not tendered his or her shares to the Tender Offer to ultimately receive cash. If such method is adopted, it is intended that the amount of such cash to be delivered to each of the relevant shareholders will be calculated to be equal to the price calculated by multiplying the Tender Offer Price by the number of the Shares held by such shareholder. The details of the above procedures and the timing of implementation thereof will be promptly announced by the Company once they are decided upon negotiation with the Tender Offeror.

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The Company will publicly announce the specific procedures in the above cases and the timing of implementation, among other matters, promptly after they are determined through discussions with the Tender Offeror. The Tender Offer is not intended to be an inducement for the Company's shareholders to consent thereto at the Extraordinary Shareholders' Meeting. Furthermore, the Company's shareholders are requested to confirm at their own responsibility with a tax accountant or other professional concerning the tax handling of tendering their shares in the Tender Offer and the procedures described above.

(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer

Since the Tender Offer will be carried out as part of what is generally called a management buyout (MBO), which concerns matters including a structural conflict of interest, the Tender Offeror and the Company have carried out the following measures to ensure the fairness of the Transaction, including the Tender Offer, in terms of ensuring the fairness of the Tender Offer Price, eliminating arbitrariness in the decision-making process leading to the decision to conduct the Tender Offer, and avoiding conflicts of interest.

Of the matters set forth below, the matters that concern the measures carried out by the Tender Offeror are based on explanations given by the Tender Offeror.

The Tender Offeror has set the minimum number of tendered shares to be purchased in the Tender Offer at 83,961,300 shares, and if the total number of the Tendered Shares is less than the minimum number of tendered shares to be purchased (83,961,300 shares), the Tender Offeror will not purchase any of the Tendered Shares. The minimum number of tendered shares to be purchased in the Tender Offer will exceed a majority (55,100,383 shares; so-called the 'majority of minority') of the number of shares (110,200,764 shares) calculated by the total number of issued shares of the Company as of November 14, 2023, as stated in the Quarterly Securities Report (126,026,200 shares) *minus* (i) the number of treasury shares held by the Company on September 30, 2023, as stated in the Quarterly Securities Report (23,536 shares), and (ii) the number of the Shares held by Haruhiko Doi (15,801,900 shares). In this way, if the Tender Offeror cannot obtain the approval of the majority of shareholders of the Company who have no conflict of interest with the Tender Offeror, the Tender Offeror will not conduct the Transaction, including the Tender Offer, to respect the wishes of the minority shareholders of the Company.

(i) Procurement by the Company of a Share Valuation Report from an Independent Third-Party Valuation Agency

To ensure the fairness of the decision-making process regarding the Tender Offer Price presented by the Tender Offeror, the Company requested Nomura Securities, as a financial advisor and third-party valuation agency independent of the Company and the TOB Parties, to calculate the share value of the Shares, and obtained the Share Valuation Report (Nomura Securities) from Nomura Securities on December 8, 2023.

Nomura Securities does not constitute a related party of the Company or the TOB Parties, and does not have any material interests to be noted with regard to the Transaction, which includes the Tender Offer. Also, the remuneration payable to Nomura Securities for the Transaction includes contingency remuneration to be paid subject to the completion of the Transaction. Considering the practices generally used in similar transactions and whether it would be appropriate to have a compensation system in which the Company will bear a certain amount of financial burden if the Transaction were not to be completed, among other factors, the Company judged that including a contingency remuneration that is subject to the completion of the Transaction would not negate the

independence of Nomura Securities, and has appointed Nomura Securities as a financial advisor and third-party valuation agency with the abovementioned compensation system. Further, the Special Committee has confirmed that there are no issues with the independence and appropriateness of Nomura Securities, and has approved Nomura Securities as the Company's third-party valuation agency.

For an overview of the Share Valuation Report (Nomura Securities), refer to "(i) Procurement by the Company of a Share Valuation Report from an Independent Third-Party Valuation Agency" under "(3) Matters Relating to Calculation."

(ii) Procurement of Advice from an Independent Law Office

To ensure the fairness and appropriateness of the Board of Directors' decision-making process regarding the Tender Offer, the Company has appointed Mori Hamada & Matsumoto as a legal advisor independent of the Company and the TOB Parties. From Mori Hamada & Matsumoto, the Company received the necessary legal advice regarding the method and process of decision-making for the Board of Directors, including advice on procedures relating to the Transaction and other matters for consideration. Mori Hamada & Matsumoto does not constitute a related party of the Company or the TOB Parties and does not have any material interests to be noted with regard to the Transaction, which includes the Tender Offer. Further, the Special Committee has confirmed that there are no issues with respect to the independence and appropriateness of Mori Hamada & Matsumoto, and has approved Mori Hamada & Matsumoto as the Company's legal advisor. Also, the remuneration of Mori Hamada & Matsumoto will be calculated by multiplying the number of hours worked by an hourly rate, regardless of whether the Transaction succeeds, and no contingency remuneration subject to the completion of the Transaction will be paid.

(iii) Establishment of an Independent Special Committee at the Company; Procuring a Written Report

(a) Process of Establishing the Special Committee and Other Related Matters

The Transaction is expected to be carried out as part of what is generally known as a management buyout (MBO), and since August 9, 2023, when the Company received the LOI from Bain Capital, the Company has expected that the Tender Offeror will execute the Squeeze-Out Process with the general shareholders of the Company and that Haruhiko Doi will reinvest in the Tender Offeror's Parent. Since Haruhiko Doi and the Tender Offeror have common interests, there is a structural conflict of interest between Haruhiko Doi and the general shareholders of the Company. From the perspective of ensuring fairness in the entire process of evaluating and determining whether the Transaction should be executed and whether the transaction terms and conditions are appropriate, at the Board of Directors meeting held on August 9, 2023, a resolution was passed to establish the Special Committee composed of five persons who are independent of the Company and the TOB Parties and who are considered to have a high level of knowledge. Namely, the five members are Hiroto Abe (an independent external director of the Company), Junko Sakiyama (an independent external director of the Company), Kenichi Fujita (an independent external director of the Company), Hiroko Ozawa (an independent external director of the Company), and Toshio Mukai (an independent external director of the Company). (The members of the Special Committee have not changed since the committee was first established. Hiroto Abe has been elected by the members as the chairperson of the Special Committee.)

Based on the resolution of the Board of Directors, the Company consulted with the Special Committee on the following matters (hereinafter, the "Consultation Matters"): (a) evaluating and making a recommendation to the Board of Directors regarding whether the Board of Directors should approve the Tender Offer and whether the Company should recommend that shareholders

tender their shares in the Tender Offer (upon examining (a), the Special Committee will (i) evaluate and judge whether the Transaction should be executed from the perspective of whether the Transaction will contribute to the improvement of the corporate value of the Company and (ii) evaluate and judge the appropriateness of the transaction terms and conditions and the fairness of the procedures from the perspective of securing the interests of the Company's general shareholders) and (b) evaluating whether the decision on the Transaction by the Board of Directors will be disadvantageous to the Company's minority shareholders and providing its opinion to the Board of Directors. The Company requested that the Special Committee submit the Written Report regarding the foregoing to the Company.

Further, the Board of Directors has resolved that its decision should be made with the utmost respect for the judgement of the Special Committee regarding the Transaction and that if the Special Committee determines that the terms and conditions of the Transaction are not appropriate, the Board of Directors will not approve the Transaction based on such terms and conditions. Moreover, the Board of Directors has approved a resolution to grant to the Special Committee the authority to (a) conduct negotiations on the transaction terms and conditions, etc., with the counterparty to the Transaction (including negotiations indirectly conducted through officers or employees of the Company or advisors), (b) as is necessary, appoint or name its own financial advisor, third-party valuation agency, or legal advisor to examine any relevant matters to be consulted (the fees for these are to be borne by the Company), or name or approve (including retroactively) the Company's advisors, etc., (if the Special Committee determines that the Company's advisors, etc., are reliable in providing professional advice, it may request the Company's advisors for professional advice), (c) request persons that the Special Committee determines to be necessary to attend a meeting of the Special Committee and request such persons to provide explanations on necessary information, (d) from the officers and employees of the Company Group, receive information that is reasonably necessary for the examination of and judgement on the Transaction, and (e) conduct other matters that the Special Committee determines to be necessary for the examination of and judgement on the Transaction.

Each member of the Special Committee will be paid an hourly amount of remuneration for his or her duties, irrespective of the contents of their reports, and no contingency remuneration subject to the completion of the Transaction will be paid.

(b) Process of Examination

The Special Committee held a total of 25 meetings (totaling approximately 50 hours) during the period from August 17, 2023, to December 8, 2023, to discuss and examine the Consultation Matters. Specifically, the Special Committee received explanations from the Company and conducted question and answer sessions regarding the background of the proposal for the Transaction, the purpose of the Transaction, the business environment, the business plan, and the business challenges. Among these, with respect to the business plan presented to Bain Capital and the business plan that Nomura Securities and Plutus Consulting used for their calculations of the share value of the Shares, the Special Committee confirmed that those business plans were prepared by entities independent of the TOB Parties. During the process of preparing these business plans, the Special Committee also received explanations regarding the details, material assumptions, etc., of the business plan proposal being prepared, and for the final business plans, confirmed the rationality of their details, material assumptions, and preparation process before approving them. In addition, through direct meetings with the Bain Capital and Haruhiko Doi, the Special Committee also received explanations from the them and conducted question and answer sessions regarding the background and reasons for the proposal for the Transaction, the purpose of the Transaction, their assessment of the Company's

business, the terms and conditions of the Transaction, and the management direction after the Transaction. Specifically, the Special Committee sent inquiries, including those on the Transaction and management policies after the Transaction, to Bain Capital and Haruhiko Doi on September 5, 2023, and received written responses on September 11, 2023. The Special Committee then had meetings with the Bain Capital and Haruhiko Doi on September 14, 2023. In addition, the Special Committee sent inquiries, including those on specific measures for establishing and strengthening the internal governance system and on specific details of the measures for corporate value enhancement and synergies through the Transaction, to the Bain Capital and Haruhiko Doi on November 11, 2023, received written responses on November 20, 2023, and held a meeting with Bain Capital on November 28, 2023. During the question and answer sessions with Bain Capital, the Special Committee received explanations with respect to the governance structure after the execution of the Transaction that Bain Capital agrees to the details of the Measures announced by the Company on November 14, 2023 and expects that Bain Capital will newly appoint the management team including the president from in and outside of the Company Group and Haruhiko Doi will dedicate himself to the chairman position in which he does not execute the business of the Company Group. The Special Committee has determined that under the circumstances in which the Company is taken private, aiming to list the shares after restructuring and strengthening of appropriate governance and internal control system and recovering trust from the society with necessary involvement by Haruhiko Doi in the Company's management will lead to enhancement of the corporate value of the Company. Further, with respect to the facts that Bain Capital intends to support measures to maximize the Company's corporate value through (i) hands-on management support based on extensive investment experience, (ii) strengthening human resources and organizational infrastructure to support current management for long-term growth, and (iii) M&A and PMI support as described in "(b) Post-Tender Offer Managerial Policy," and Bain Capital intends to provide support such as (i) strengthening the internal compliance/governance system including inviting people responsible for compliance, (ii) increasing the level of the management systems of overseas businesses to the level of domestic businesses, and (iii) multi-regional involvement of Bain Capital members because the urgent challenge is to make efforts to reconstruct a fundamental internal management system and global governance system, based on the past investment experiences of Bain Capital in and outside Japan, the Special Committee determines that it is reasonable to consider that Bain Capital may actually provide that support to the Company and the Company will be able to establish a system that promptly executes various measures for enhancing the Company's corporate value through the Transaction. In addition, the Special Committee determines that it is also possible to provide merits occurring to the Company such as creation of synergies by using Bain Capital's portfolio companies and merits for employees, customers, clients and other stakeholders.

In addition, as stated above in "(iii) Decision-Making Process leading to the Company's Decision to Support the Tender Offer, and the Reasons Therefor" under "(2) Grounds and Reasons for Opinion on the Tender Offer," after the Company received a proposal from Bain Capital on September 22, 2023 that the Tender Offer Price would be 1,675 yen per share, the Special Committee examined the Tender Offer Price multiple times through fair procedures that excluded the influence of the TOB Parties, while referring to the financial advice by Nomura Securities and Plutus Consulting, which are third party calculation agencies including the results of their calculations of the share value of the Shares and the negotiation policies with Bain Capital, as well as the guidance and other legal advice from Mori Hamada & Matsumoto regarding the measures to ensure the fairness of procedures of the Transaction. The Special Committee also engaged multiple times in negotiations with the Tender Offeror through Nomura Securities.

The Special Committee appointed Plutus Consulting as the Special Committee's financial advisor

and third-party valuation agency after considering several candidate financial advisors and third-party valuation agencies in terms of their independence, expertise, track record, and other matters. Moreover, the Special Committee has approved the appointment of Nomura Securities, which is the Company's financial advisor and third-party valuation agency, and Mori Hamada & Matsumoto, which is the Company's legal advisor, after confirming their independence, expertise, track record, and other matters.

In light of these matters, the Special Committee continued discussions with Plutus Consulting, Nomura Securities, and Mori Hamada & Matsumoto, and held discussions and examinations on the Consultation Matters. As a result of such prudent discussions and examinations regarding the Consultation Matters, on December 8, 2023, the Special Committee unanimously submitted to the Board of Directors the Written Report with the following content.

1. Opinions stated in the Written Report

(1) The Special Committee believes that with respect to the Tender Offer, the Company's Board of Directors should resolve to express an opinion in favor of the Tender Offer and recommend that the shareholders of the Company tender their shares in the Tender Offer if the Tender Offer is commenced, as the Company's current opinion.

(2) The Special Committee believes that the Company's Board of Directors' resolution to express an opinion in favor of the Tender Offer and recommend that the shareholders of the Company tender their shares in the Tender Offer if the Tender Offer is commenced, as the Company's current opinion with respect to the Tender Offer, would not be disadvantageous to the Company's minority shareholders. The Special Committee also believes that the Tender Offeror making the Company go private after the completion of the Tender Offer would not be disadvantageous to the Company's minority shareholders.

2. Reasons for giving the above opinions in the Written Report

(1) Whether the Transaction should be conducted

Based on the points listed below, the Special Committee finds that the Transaction will contribute to the enhancement of the corporate value of the Company Group as a whole and that the purposes of the Transaction are reasonable.

- The Company's understanding of the business environment surrounding the Company Group is as follows:
 - (i) in the Domestic Engineering Outsourcing Business, while the market is expected to remain firm, the severe business environment is expected to continue, such as intensifying competition in recruitment;
 - (ii) in the Domestic Manufacturing Outsourcing Business, while demand for temporary staffing is expected to increase, asking charge increases to clients and other ongoing corporate efforts will be necessary due to intensifying competition in recruitment and other related circumstances;
 - (iii) in the Domestic Service Operations Outsourcing Business, while the severe business environment continues due to the prolonged delay in procurement as a result of the recent unstable supply of materials, further deterioration in the business environment is not expected and medium- to long-term business growth, albeit slow, can be anticipated;
 - (iv) in the Overseas Engineering Outsourcing Business, while in the mainstay markets of Ireland and Oceania the restrictions imposed in connection with the COVID-19 pandemic have almost been removed and the referral service business has been strong in the latest fiscal year, there are signs of a slowdown in business due to a reaction to

the increase in demand in the post-COVID-19 period as well as concerns for recessions in Oceania in the current fiscal year; and

- (v) in the Overseas Manufacturing and Service Operations Outsourcing Business, it is expected that demand for human resources will remain high going forward in Western European countries such as the Netherlands and Germany, where the Company mainly conducts business activities, and that especially in Germany demand for temporary staffing will increase due to factors such as the recovery of automobile production.

The Special Committee has no particular objection to the Company's understanding of the business environment as stated above.

- As stated in “(a) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer” in “(ii) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer; Post-Tender Offer Managerial Policy” in “3. Substance of and Grounds and Reasons for Opinions Relating to the Tender Offer” above, the Company is aware that it is necessary to strengthen its governance and internal control systems as quickly as possible because, despite the fact that the Measures were taken following the occurrence of an inappropriate accounting incident, an inappropriate application incident was discovered, resulting in a decrease in the public trust in the Company's governance and internal control systems, and this could be a growth constraint for the Company Group's business over the medium- to long-term. The Company took seriously the analysis of the causes listed in the investigation report and the recommendations for the Measures, and as described in the press release announced by the Company on November 14, 2023, titled “Notice Regarding Formulation of Measures to Prevent Recurrence,” the Company determined and announced that the Company would formulate and thoroughly implement the Measures and verify and implement the Measures by establishing a governance committee that is led by outside directors and composed of outside experts and internal personnel. The Company Group has become a complex corporate entity with 236 consolidated subsidiaries, and management issues such as the governance and internal control systems of each group company are becoming more and more apparent. The Special Committee determined that the Company's awareness regarding its management issues as stated above is reasonable in light of the fact that it is deemed that the governance system and internal control function of the Company Group such as reform of the corporate culture and restructuring of organizational systems still requires enhancement and that rectifying the current state of the Company Group as a complex corporate entity with numerous consolidated subsidiaries would contribute to improving the governance and internal control systems of the Company.
- Haruhiko Doi was approached by Birth while the management of the Company, including Haruhiko Doi, believed that in order to realize further growth of the Company and the enhancement of its corporate value while dealing with the management issues of the Company, it is beneficial to utilize external management resources in addition to the Company's own management efforts. Through continuous discussions with Birth, Haruhiko Doi realized that the most optimal way to maximize the corporate value of the Company is to utilize Birth's global networks as well as its abundant experience, track record, human resources, and management know-how in providing support for group reorganizations and strengthening governance and internal control systems, and to establish a system that can steadily put these in practice in a short period of time, and on the premise that he would maintain a certain degree of a capital relationship with the Company and continue to be involved in its management, and given that the establishment of the most optimal governance system is an

urgent issue of the Company in response to the occurrence of the inappropriate application incident and other issues, and thus it is necessary to establish, as quickly as possible, a system that enables speedy decision-making that integrates both ownership and management perspectives, Haruhiko Doi came to the determination that he will conduct an MBO of the Company jointly with Birth at this time. Birth intends to support the reform of the corporate culture aiming to medium-to-long-term corporate value enhancement instead of achieving short-term revenue goals, and promote the measures to avoid the same kind of incidents. With respect to the position of Haruhiko Doi after the Transaction, Birth will discuss the appointment of Haruhiko Doi as director after the next business year. Also, Birth expects that Birth will newly recruit the management team, including the president, from within and outside the Company Group, and Haruhiko Doi will focus on the non-executive duties as chairman and be involved in the designation of the growth strategy and vision with Birth. The Company also believes that Birth is a strong partner in rebuilding its governance and internal control systems, which is a management issue of the Company, based on Birth's past performance and other background. In addition, the Company believes that it is beneficial to the Company's sustainable growth that after the execution of the Transaction, Haruhiko Doi will be appointed as chairman and cease to execute the Company Group's management, and will be involved in the Company's management from a broader perspective, such as designation of the growth strategy and vision. The Special Committee determined that the purposes of the Transaction are reasonable for the following reasons: (i) the Special Committee also believes that, in establishing new systems, it would be beneficial to utilize outside management resources that have a deep understanding of the Company's business and a track record of making improvements at companies that have had similar management issues as those that the Company has and therefore it is considered appropriate and reasonable to make Birth a partner in the Transaction; and (ii) in light of factors such as that (a) there is an undeniable possibility that, if measures for the above management issues are taken while maintaining the listing of the Company, a decrease in the earnings level or deterioration in the cash flow of the Company would occur in the short term, which could cause disadvantages to the Company's shareholders, and (b) by taking the Company private together with Birth and allowing Birth to supervise and check the Company's business execution, it will be possible to strengthen the Company's internal controls, and with Haruhiko Doi's involvement in the Company's management to the extent necessary after changing his role, it will be possible to reestablish and strengthen proper governance and internal control systems and to aim to re-list the shares of the Company after restoring the trust of society, which will lead to an increase in the Company's corporate value, the Transaction is an effective option as a means to push forward with the development of governance and internal control systems, which is an urgent management issue of the Company Group as a whole, and therefore will contribute to the enhancement of the corporate value of the Company Group as a whole.

- Birth proposed the following as the measures to enhance the corporate value of the Company that are contemplated to be taken by the Tender Offeror after the execution of the Transaction: (i) hands-on management support based on extensive investment experience, (ii) strengthening human resources and organizational infrastructure to support current management for mid- to long-term growth, and (iii) M&A and PMI support. In addition, the Company believes that, from the perspective of the growth of the Company's core business, actions such as reorganization through consolidation and abolition of subsidiaries, strengthening the governance of the Company Group, and strengthening management personnel as needed in cooperation with Birth will not only enable the Company to establish

a system that promptly implements various measures that will contribute to the enhancement of the corporate value of the Company but also are expected to create synergies through the utilization of the Birth portfolio companies. The Special Committee also believes that, based on Birth's past investment and other track records in Japan and abroad, the expectation that Birth is actually capable of providing the above support to the Company is reasonable, and also it is reasonable to believe that the Company will be able to create all of the advantages that it thinks can be offered to stakeholders through the Transaction by working in collaboration with Birth through the Transaction, and thus the Special Committee determined that the Transaction will be able to offer advantages to the Company's stakeholders.

- Although certain disadvantages of the Transaction can be pointed out, such as the possibility that the delisting may have a negative impact on the Company's current status, including social confidence that it has enjoyed as a listed company and its ability to secure excellent human resources and to expand the scope of its trading partners through increased name recognition, as well as the fact that the Company will not be able to raise funds through equity financing from capital markets, the Special Committee believes that the impact of such disadvantages of the Transaction on the Company's business will not be significant since the Company, as a leading company in the outsourcing industry, has sufficient name recognition and creditworthiness and thus the negative impact on its current status, including the relationships with customers and the ability to secure excellent human resources, would not be material, and, in addition, although the Company will not be able to raise funds through equity financing from capital markets due to delisting, Birth plans to support the Company's fund-raising by securing lines of credit from financial institutions that can be appropriated to temporary capital needs, such as working capital requirements, and by utilizing the investment funds of Birth.

(2) Appropriateness of the Transaction terms and conditions

Based on the following points, the Special Committee has concluded that the appropriateness of the terms and conditions of the Transaction (including the Tender Offer Price) has been ensured from the perspective of securing the interests of the Company's general shareholders.

- Plutus, which is the Special Committee's third-party valuation agency independent of the Company and the TOB Parties, used the average market price analysis and the DCF method to calculate the value of the Shares, and after the Special Committee received an explanation of the reasons for selecting those calculation methods, the Special Committee confirmed the reasonableness of the calculation methods after a question-and-answer session on the content of that explanation and the important assumptions concerning the calculation. Furthermore, Nomura Securities, which is the Company's third-party valuation agency independent of the Company and the TOB Parties, used the average market price analysis, the comparable company analysis, and the DCF method to calculate the value of the Shares, and after the Special Committee received an explanation of the reasons for selecting those calculation methods, the Special Committee confirmed the reasonableness of the calculation methods after a question-and-answer session on the content of that explanation and the important assumptions used in the calculations. The content of the calculations is considered to be appropriate in light of current practice, given the reasonableness of the business plan on which they are based, as described below.
- With respect to the proposed business plans of the Company, on which Plutus and Nomura Securities based their DCF method calculations, the Special Committee confirmed that the plans were prepared by members excluding officers and employees who may have a conflict of interests, and also confirmed the reasonableness of the contents of the proposed business plans, material

assumptions and the preparation process, major differences from the medium-term management plan, and reasons for such differences. Furthermore, with regard to those business plans, the Special Committee confirmed that, whereas the medium-term management plan already announced was prepared on the basis of figures that included effort targets (aggressive figures the Company aims for), based on the medium-term management plan, adjustments were made to the target figures for sales, operating profit and other items from the perspective of re-formulating the plan as a more probable business plan, and the period covered by the plan was extended to FY2026, and the Special Committee confirmed the reasonableness of the business plans, including the reasons for the revisions.

- In light of the share valuation of the Shares in the Share Valuation Report (Plutus Consulting), the Tender Offer Price exceeds the maximum price calculated by the market price analysis, and is within the range of the price calculated by the DCF Method. In light of the share valuation of the Share Valuation Report (Nomura Securities), the Tender Offer Price exceeds the maximum price calculated by the average market price analysis, and is within the range of the price calculated by the comparable company analysis and the DCF Method.
- The Special Committee obtained the Fairness Opinion from Plutus, the Special Committee's third-party valuation agency, and in the Fairness Opinion, Plutus expressed the opinion that the Tender Offer Price is fair to the Company's minority shareholders from a financial point of view, and the Special Committee found no particular unreasonable points in the issuance procedures and contents of the Fairness Opinion.
- The premium of the Tender Offer Price can be evaluated as a price with a reasonable premium compared to the median premium in other recent management buyout (MBO) cases. In this regard, although the premium of the Tender Offer Price to the market share price prior to the announcement of the inappropriate application incident is low when compared to past MBO cases, the market share price prior to the announcement of the inappropriate application incident is not considered to reflect the recent situation of the Company, etc. In light of this, it is reasonable to consider that the closing price (1,172.5 yen) of the Shares on the Prime Market of the TSE on December 7, 2023, the business day immediately preceding the announcement date of the Transaction, is rather a reflection of the current intrinsic corporate value of the Shares.
- It can be evaluated that earnest and continuous discussions and negotiations between the Special Committee and the TOB Parties have been conducted.
- Although the Transaction will be announced after the announcement of the Special Investigation Committee's investigation results on the inappropriate application incident (the "Investigation Results") on November 2, 2023, when the market price of the Shares fell in the wake of the announcement of the inappropriate application incident on August 1, 2023 and has been weak since, the announcement of the second quarter financial results and the third quarter financial results that were reextended to November 14, 2023, the announcement of the press release based on the Investigation Results and dated November 14, 2023, titled "Notice Regarding Formulation of Measures to Prevent Recurrence," and the announcement of the release dated November 14, 2023, titled "Notice Regarding Difference of the Second Quarter Expected Consolidated Financial Results for the Cumulative Period and the Actual Results," it is not deniable that those announced facts may affect the share price of the Shares, but the Special Committee is aware that the establishment of an optimal governance system is an urgent issue for the Company, and given that it is considered reasonable to urgently establish a system that enables rapid decision-making where ownership and management are integrated, in order to achieve both business growth and a fundamental reform of the governance and internal management systems, the Special Committee confirmed that (i) there are no unreasonable points in executing the Transaction at this

time, (ii) as the announcement of the inappropriate application incident and the Investigation Results are subject to practical timely disclosure on the financial instruments exchange, there was no arbitrariness in the decision of the Company's management on the timing of the announcement of these matters and there was no involvement of the TOB Parties in the relevant review process and the timing of the disclosure, (iii) in light of the state of negotiations with the Tender Offeror on the Tender Offer Price at the time of the announcement of the Investigation Results, it cannot be said that it was certain that the Transaction would be conducted at that time, and the decision of the Company's management not to disclose the fact that the Transaction was under consideration at the time of the announcement of the Investigation Results was not unreasonable, (iv) the announcements dated November 14, 2023 described above were issued at the time according to the approval of Kanto Finance Bureau and the Securities Listing Regulations and were not arbitrarily issued for the purpose of decreasing the share price of the Shares prior to the announcement of the Transaction, (v) although the premium of the Tender Offer Price to the market share price prior to the announcement of the inappropriate application incident is low compared to past MBO cases, the inappropriate application incident was not arbitrarily announced by the Company's management, (vi) the market price of the Shares has turned upward after a temporary large decline due to the announcement of the inappropriate application incident, (vii) given that more than four months have passed since the announcement of the inappropriate application incident, and in the meantime, in addition to the results of the investigation and the Measures relating to the inappropriate application incident, the Company's financial results for the second and third quarter of the fiscal year ending March 2024 have been announced, and the market share price prior to the announcement of the inappropriate application incident is not considered to reflect the recent situation of the Company, it is reasonable to consider that the closing price (1,172.5 yen) of the Shares on the Prime Market of the TSE on December 7, 2023, the business day immediately preceding the announcement date of the Transaction, is rather a reflection of the current intrinsic corporate value of the Shares, and (viii) the Tender Offer Price was negotiated based on the market price of the Shares before the announcement of the inappropriate application incident, and therefore it is not considered that the Transaction was intended to be executed at a lower tender offer price than the intrinsic corporate value due to the Share price falling due to the announcement of the inappropriate application incident; and therefore in view of the fact that the share price fell as a result of the announcement of the inappropriate application incident, the Special Committee determined that it was not considered that there were any unreasonable points in conducting the Transaction at this time.

- The Transaction, which is proposed to be conducted with a tender offer as the first step and demand for the sale of shares or share consolidation as the second step, is a common method adopted in this type of transaction for taking a company private and ensures that general shareholders receive consideration equal to the Tender Offer Price, regardless of whether they receive consideration through the Tender Offer or the demand for the sale of shares or share consolidation. In addition, as the Tender Offer is a so-called advance notice-type tender offer, in which the schedule of the tender offer is announced prior to the public notice of the commencement of the tender offer, there is a possibility that a tender offer will not be conducted despite the advance notice of the tender offer, and although it is undeniable that there is an aspect of instability in the stock market and the Company's position in such a case, the probability of the Tender Offer being executed is high and it is not unreasonable to choose the method of an advanced notice-type tender offer, in light of factors such as that the conditions precedent for the commencement of a tender offer can all be objectively and clearly determined whether or not they are satisfied, and the number of such conditions is limited. It should be noted that although Haruhiko Doi will indirectly re-invest in the

Company after the Transaction in the form of holding shares in the Tender Offeror's Parent, the valuation of the Shares, which is the premise for determining the price to be paid per ordinary share of the Tender Offeror's Parent in the re-investment, is the same price as the Tender Offer Price, in order not to conflict with the purpose of the regulation of uniformity of the tender offer price, which is not unreasonable in view of the interests of the Company's general shareholders.

(3) Fairness of the procedures

Based on the following points, the Special Committee has concluded that sufficient measures to ensure fairness have been implemented to ensure the fairness of the terms and conditions of the Transaction, and that the procedures for the Transaction are fair from the perspective of securing the interests of the Company's general shareholders.

- The Special Committee is a committee composed of five outside directors of the Company. In view of the establishment and operation of the Special Committee, it is considered that a mechanism is secured for the Company's Board of Directors to make decisions with respect for the decisions of the Special Committee to the maximum extent, and that the Special Committee has the necessary authority to function effectively as a measure to ensure fairness.
- It is considered that the Special Committee was substantially involved in the negotiation process between the Company and the Tender Offeror with respect to the transaction terms and conditions, including the purchase consideration.
- The Special Committee has obtained the Share Valuation Report (Plutus Consulting) and the Fairness Opinion from Plutus, which is the Special Committee's financial advisor and third-party valuation agency independent of the Company and the TOB Parties.
- The Company has obtained the Share Valuation Report (Nomura Securities from Nomura Securities, which is a financial advisor and third-party valuation agency independent of the Company and the TOB Parties.
- The Company's Board of Directors has received independent professional advice from Mori Hamada & Matsumoto, which is a legal advisor independent of the Company and the TOB Parties regarding the method and process of decision-making by the Board of Directors and other matters of note.
- The system established within the Company to examine the Transaction was based on the advice of Mori Hamada & Matsumoto and was approved by the Special Committee after confirming that there were no issues from the perspective of the independence and fairness.
- The Company has not allowed Haruhiko Doi, a director who has conflicts of interest, to participate in the deliberations and vote in the meeting of the Company's Board of Directors regarding the Transaction and has not allowed him to participate in the consultations and negotiations with Birth regarding the Transaction from the Company's position since the establishment of the Special Committee.
- While the Company has agreed with the Tender Offeror that the Company will not solicit a counter offer, if the Company receives a sincere takeover bid from a third party, the Company will not be prohibited from negotiating with a counter offeror of such counter offer and has not executed any agreement which limits the opportunity for a counter offeror to have contact with the Company. The Tender Offeror and the Company give consideration to ensure fairness of the Tender Offer by not precluding any opportunity to make a counter offer.
- Although the period of the Tender Offer is 20 business days, if the period from December 8, 2023 when the Tender Offeror announces the Tender Offer schedule to the commencement of the Tender Offer is included, the period during which a counter offer by a person other than the Tender Offeror can be made after the announcement of the Tender Offer schedule is substantially longer than the

minimum period as prescribed by laws and ordinances. Therefore, it is considered that a so-called indirect market check is being conducted. Although the Company does not actively conduct market checks to investigate whether there are potential offerors in the market, careful examination is necessary for implementation of such checks from the perspective of information management, etc. In addition, as mentioned above, in this case, it can be evaluated that substantial measures were taken to ensure fairness and that sufficient consideration is given to the interests of the Company's shareholders through fair procedures.

- The minimum number of shares to be purchased in the Tender Offer exceeds the number equivalent to a so-called "majority of minority," and the conditions that are stricter than the "majority of minority" are established.
- In the Press Release and the report concerning the expression of opinion to be submitted by the Company, information will be fully disclosed with respect to (a) the independence and appropriateness of the members of the Special Committee, (b) the content of the authority granted to the Special Committee, (c) the background of examination by the Special Committee and its involvement in the process of negotiating the transaction terms and conditions with the Tender Offeror, (d) a summary of the substance of the Written Report, including a summary of the grounds and reasons for the Special Committee's decision on whether the Transaction should be implemented, and the appropriateness of the transaction terms and conditions and fairness of procedures, (e) the compensation system for the members of the Special Committee, (f) the background leading to the execution of the Transaction, (g) the specific details of the conflicts of interest held by the Company's directors, etc. in the Tender Offer and whether such directors, etc. were involved in the process of forming the transaction terms and conditions, and (h) the specific background of the discussions and negotiations between the Company and the Tender Offeror regarding the transaction terms and conditions, to the extent that the general shareholders may have appropriate opportunities to make decisions, and in accordance with the financial instruments and exchange laws and ordinances and the timely disclosure standards of the Tokyo Stock Exchange, and appropriately taking into consideration the "Fair M&A Guidelines" published by the Ministry of Economy, Trade and Industry on June 28, 2019.
- In the Transaction, if the Tender Offeror fails to acquire all of the Shares (excluding the treasury shares held by the Company), the Squeeze-out Process will be performed promptly after the completion of the settlement of the Tender Offer. Therefore, it can be determined that the legality of the Squeeze-out Process is ensured considering that no issue of coerciveness arises in the Tender Offer because methods which cannot ensure the right to claim for pricing or the right to claim for purchase of shares for the Company's shareholders will be not employed, and that even if the general shareholders receive consideration from the Tender Offer or the demand for the sale of shares or Share Consolidation of the Company to be performed after the completion of the Tender Offer, it will be announced that the receipt of the amount of consideration equal to the Tender Offer Price will be ensured.
- In addition to the above, there are no facts that presume that the Company was unduly influenced by the Tender Offeror in the course of discussions, deliberations and negotiations concerning the Transaction.

3. Summary

- Based on the above, given that it is considered that the Transaction will contribute to the improvement of the Company's corporate value and that the transaction terms and conditions are appropriate and procedures are fair from the perspective of securing the interests of the Company's general shareholders, the Special Committee believes that with respect to the

Tender Offer, the Company's Board of Directors is to resolve to issue an opinion in support of the Tender Offer and recommend that its shareholders tender their shares in the Tender Offer if the Tender Offer is commenced, as the Company's current opinion.

- It is considered that the Transaction will contribute to the improvement of the Company's corporate value and that the transaction terms and conditions are appropriate and procedures are fair from the perspective of securing the interests of the Company's general shareholders. Therefore, the Special Committee believes that it is not disadvantageous to the Company's minority shareholders that with respect to the Tender Offer, the Company's Board of Directors resolves to issue an opinion in support of the Tender Offer and recommend that its shareholders tender their shares in the Tender Offer if the Tender Offer is commenced, as the Company's current opinion. In addition, the Special Committee believes that it is not disadvantageous to the Company's minority shareholders that the Tender Offeror takes the Shares of the Company private after the completion of the Tender Offeror.

(iv) Procurement by the Special Committee of a Share Valuation Report and a Fairness Opinion from an Independent Third-Party Valuation Agency

In examining the Consultation Matters, to ensure the appropriateness of the transaction terms and conditions, including the Tender Offer Price, the Special Committee requested Plutus Consulting, which is the Special Committee's financial advisor and third-party valuation agency that is independent of the Company and the TOB Parties, to calculate the share value of the Shares and to express an opinion on the fairness of the Tender Offer Price from a financial point of view, and obtained the Share Valuation Report (Plutus Consulting) and the Fairness Opinion on December 8, 2023.

The Board of Directors received the Share Valuation Report (Plutus Consulting) and the Fairness Opinion today, together with the Written Report from the Special Committee. After considering the content of the Share Valuation Report (Plutus Consulting) and the Fairness Opinion, the Board of Directors passed a resolution as stated below in "(v) Approval of All Company Directors Not Having a Conflict of Interest" under "(6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer."

Plutus Consulting does not constitute a related party of the Company or the TOB Parties and does not have any material interests to be noted with regard to the Transaction, which includes the Tender Offer. Also, only a fixed amount of remuneration for the Transaction will be paid to Plutus Consulting, which is payable regardless of whether the Transaction succeeds, and no contingency remuneration subject to the completion of the Transaction or other conditions, which includes the Tender Offer, will be paid. As stated above in "(iii) Establishment of an Independent Special Committee at the Company; Procuring a Written Report" under (6) Measures to Ensure Fairness of the Tender Offer Price, Measures to Avoid Conflict of Interest, and Other Measures to Ensure Fairness of the Tender Offer," the Special Committee appointed Plutus Consulting as the Special Committee's financial advisor and third-party valuation agency after considering several candidate financial advisors and third-party valuation agencies in terms of their independence, expertise, track record, and other matters. For an overview of the Share Valuation Report (Plutus Consulting) and the Fairness Opinion, refer to "(ii) Procurement by the Special Committee of a Share Valuation Report and a Fairness Opinion from an Independent Third-Party Valuation Agency" under "(3) Matters Relating to Calculation" above.

(v) Approval of All Company Directors Not Having a Conflict of Interest

On the basis of the legal advice the Company obtained from Mori Hamada & Matsumoto, the Share Valuation Report (Nomura Securities) the Company obtained from Nomura Securities, and

the Share Valuation Report (Plutus Consulting) and the Fairness Opinion the Special Committee obtained from Plutus Consulting, and while respecting the contents of the Written Report submitted by the Special Committee as much as possible, the Company conducted careful discussions from the standpoint of whether the Company's corporate value would improve through the Transaction and whether the Transaction would be executed through fair procedures to ensure that general shareholders would receive their entitled benefits.

Consequently, as explained above in "(iii) Decision-Making Process Leading to the Company's Decision to Support the Tender Offer, and the Reasons Therefor" under "(2) Grounds and Reasons for Opinion on the Tender Offer," the Company decided that the Transaction would contribute to enhancing the Company's corporate value since there is a high likelihood of success in radically restructuring the internal management system and global governance system, which are the Company's urgent challenges, and decided that the terms and conditions of the Transaction, including the Tender Offer Price, are appropriate in light of factors such as the calculation results of the Share Valuation Report (Nomura Securities) and the Share Valuation Report (Plutus Consulting), the opinion on the fairness from a financial point of view in the Fairness Opinion, the premium of the Tender Offer Price, and the process of negotiations with Bain Capital. At the Board of Directors meeting held today, the Company's directors (eleven directors of the Company excluding Haruhiko Doi) who participated in the deliberations and vote unanimously passed a resolution to state an opinion in favor of the Tender Offer and to recommend all of the Company's shareholders to tender their shares in the Tender Offer.

In addition, as stated above in "(iii) Decision-Making Process leading to the Company's Decision to Support the Tender Offer, and the Reasons Therefor" under "(2) Grounds and Reasons for Opinion on the Tender Offer," the Tender Offer is scheduled to be commenced promptly when the Preconditions are satisfied or waived by the Tender Offeror. Although it is difficult to accurately predict the length of time required to comply with foreign competition laws and regulations on competition and domestic and foreign laws and regulations on investment restrictions, as of today, the Tender Offeror is aiming to commence the Tender Offer around late January 2024. The Company also passed a resolution to the effect that upon the commencement of the Tender Offer, the Company will request the Special Committee to consider whether there has been any change in the opinion the Special Committee has expressed to the Board of Directors at today's meeting and to inform the Board of Directors either that there has been no change or of the new opinion if there has been a change, and based on that opinion, the Company will once again express its opinion in regard to the Tender Offer at the time of the commencement of the Tender Offer.

Since Haruhiko Doi is expected to execute the Tender Agreement with the Tender Offeror and the Shareholders Agreement with BCPE Origin and decide on the reinvestment in the Tender Offeror's Parent after consultation with the Tender Offeror, and will be involved in the management of the Company after the Transaction for a certain period, Haruhiko Doi may have conflicts of interest with the Company in relation to the Transaction. Therefore, he has not in any way participated in the deliberations or vote in the abovementioned meeting of the Board of Directors, or in the consultations and negotiations with Bain Capital from the Company's position.

(vi) Measures to Ensure Tender Opportunities from Other Tender Offerors

The Tender Offeror has set the tender offer period to 20 business days, which is the minimum tender offer period stipulated by law. When including the period from December 8, 2023, on which the plan of Tender Offer is announced, to the commencement of the Tender Offer, such period would essentially be longer (at least 30 business days) than the minimum period stipulated by law. Therefore, the Tender Offeror believes that the tender offer period will ensure both the opportunity

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for the general shareholders of the Company to decide whether to tender their Shares in the Tender Offer and the opportunity for persons other than the Tender Offeror to purchase the Shares.

While the Company has agreed with the Tender Offeror that the Company will not itself solicit a counter offer, if the Company receives a bona fide takeover offer from a third party, the Company will not be prohibited from negotiating with an offeror of such take offer and has not executed any agreement which limits the opportunity for any counter offeror to have contact with the Company. The Tender Offeror and the Company give consideration to ensure fairness of the Tender Offer by not precluding any opportunity to make a counter offer.

(vii) Exclusion of Coerciveness

The Transaction is based on the assumption that the Tender Offeror will acquire all of the Shares (excluding the treasury shares held by the Company). If the Tender Offeror does not acquire all of the Shares (excluding the treasury shares held by the Company) through the Tender Offer, the Tender Offeror plans to carry out the Squeeze-Out Process promptly after the settlement of the Tender Offer. The Tender Offeror will not use a method whereby the Company's shareholders will not have put option or pricing rights, and plans to announce and ensure that the general shareholders will receive the same amount of consideration as the Tender Offer Price whether they receive consideration through the Tender Offer or the Company's Squeeze-Out Process that would be conducted after the consummation of the Tender Offer. Therefore, the Tender Offeror believes that coercion is eliminated in the Transaction.

4. Matters Relating to Material Agreements Concerning the Tender Offer

(1) Tender Offer Implementation Agreement

In the Tender Offer Implementation Agreement, it is provided that the Company will support the Tender Offer and express an opinion recommending that the shareholders of the Company tender the Shares in the Tender Offer on the condition that the Board of Directors of the Company approves the Tender Offer and makes a positive report with respect to the expression of an opinion recommending that the shareholders of the Company tender their shares in the Tender Offer and that that report has not been withdrawn or amended. The Company will maintain its expression approving the Tender Offer and will not pass a resolution of its Board of Directors to withdraw or amend that expression until the expiration date of the Tender Offer Period. However, that does not apply if, after the execution of the Tender Offer Implementation Agreement, (i) a tender offer is commenced in which a third party other than the Tender Offeror will acquire all of the Shares or (ii) the Company receives from a third party other than the Tender Offeror a bona fide takeover offer that will or is reasonably likely to substantially conflict with the Transaction or make it difficult to execute the Transaction (regardless of whether that takeover bid is to be conducted as a tender offer, organizational restructuring, or by another method, and including any transaction to acquire the Shares or transaction to dispose of all or a significant part of the shares or the business of the Company Group, hereinafter, "Competing Transaction"), and the Company has had sincere discussions with the Tender Offeror. Further, it is provided in the Tender Offer Implementation Agreement that during the period from the execution date of the Tender Offer Implementation Agreement until the effective date of the Squeeze-Out, the Company will not itself solicit any Competing Transactions (if the Company receives a bona fide takeover offer from a third party other than the Tender Offeror, it will not be restricted from having discussions with the party that made that bona fide takeover offer) and will promptly notify the Tender Offeror if it receives a proposal for a Competing Transaction and the details of that proposal, and that the Company will have sincere discussions with the Tender Offeror on the response to any such offer.

The Tender Offer Implementation Agreement provides that (i) the Tender Offeror must use its best

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efforts to complete the acquisition of clearances under domestic and foreign competition laws and investment control laws and regulations as soon as practically reasonable after the execution of the Tender Offer Implementation Agreement, provided that the Company performs its obligations set forth in (i) below and (ii) the Company must promptly provide information reasonably requested by the Tender Offeror, cooperate with the Tender Offeror in a timely manner and in good faith to the extent reasonably requested by the Tender Offeror, and cause the Company Group (excluding the Company) to provide information and cooperate in a timely manner and in good faith as soon as practically reasonable. In addition, the Tender Offer Implementation Agreement provides for matters relating to the execution of the Transaction (specifically, the Tender Offer and then the Squeeze-Out Process), representations and warranties by the Tender Offer and the Company (Note 1), and certain obligations of the Company (Note 2) in addition to the above by completion of the Transaction. It is also stipulated that the Tender Offeror will execute the Tender Offer if the preconditions to the Tender Offer are satisfied or waived by the Tender Offeror. The Tender Offer Implementation Agreement also provides that if (i) the counterparty (meaning the Tender Offeror in the case of the Company, and the Company in the case of the Tender Offeror, hereinafter the “Counterparty”) materially breaches any of its representations and warranties in the Tender Offer Implementation Agreement, (ii) the Counterparty is in material default of any of its obligations under the Tender Offer Implementation Agreement or a petition for the commencement of insolvency proceedings is filed with respect to the Counterparty, or (iii) the Tender Offer does not commence the Tender Offer by April 30, 2024 (excluding if that is due to an event that is attributable to the Tender Offeror), that will constitute grounds for cancellation.

(Note 1) In the Tender Offer Implementation Agreement, the Tender Offeror represents and warrants (i) the validity of its incorporation and existence, (ii) its authority and power necessary for the execution and performance of the Tender Offer Implementation Agreement, (iii) the validity and enforceability of the Tender Offer Implementation Agreement, (iv) the absence of any conflict with laws and regulations regarding the execution and performance of the Tender Offer Implementation Agreement, (v) the absence of any transaction or involvement with an antisocial force, and (vi) the sufficiency of funds necessary to conduct the Transaction. Further, the Company represents and warrants (i) the validity of its incorporation and existence, (ii) its authority and power necessary for the execution and performance of the Tender Offer Implementation Agreement, (iii) the legality, validity, and enforceability of the Tender Offer Implementation Agreement, (iv) the absence of any conflict with laws and regulations regarding the execution and performance of the Tender Offer Implementation Agreement, (v) the absence of insolvency proceedings or similar proceedings, (vi) the absence of any transaction or involvement with an antisocial force, (vii) the absence of any acceptance of bribes, violation of laws or regulations, or litigation, (viii) the absence of any unpublicized material facts, (ix) the accuracy of statutory disclosure documents, and (x) the accuracy of disclosed information.

(Note 2) In the Tender Offer Implementation Agreement, the Company in general owes (i) an obligation to cooperate with the Tender Offeror in good faith and make reasonable efforts to satisfy the Preconditions, (ii) an obligation to implement the Squeeze-out Process if the Tender Offer is successfully completed, (iii) an obligation to conduct its business in the ordinary course of business, (iv), with respect to any agreement or other instrument that requires the approval or consent of the counterparty with respect to the Transaction and the Tender Offeror becoming a wholly-owned subsidiary of the Company as a result of the Transaction, an obligation to make reasonable efforts to obtain those approvals and consents from the counterparties of those agreements, etc., (v) an obligation to cooperate in financing by the Tender Offeror, (vi) an obligation to give notice if it is aware of a breach of its

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representations and warranties or a breach of its obligations, (vii) an obligation to grant the Tender Offeror access to information on the Company and its subsidiaries and affiliates, and (viii) an obligation of confidentiality.

(2) Tender Agreement

The Tender Offeror has entered into the Tender Agreement with Haruhiko Doi as of today, and has agreed to determine after consultation between the Tender Offeror and Haruhiko Doi that Haruhiko Doi will tender all of the Tendered Shares held by Haruhiko Doi (15,761,400 shares, shareholding ratio of 12.51%) to the Tender Offer if the Tender Offeror commences the Tender Offer and that Haruhiko Doi will make the Reinvestment in the Tender Offeror's Parent after the Squeeze-Out Process is completed. Neither the Tender Offeror nor BCPE Origin has entered into any agreement with Haruhiko Doi regarding the Tender Offer other than the Tender Agreement and the Shareholders Agreement. The following matters have also been agreed upon regarding the Tender Agreement.

- a) The tendering of the Shares held by Haruhiko Doi in the Tender Offer is subject to the conditions in (i) through (iii) below (even if the following conditions are not satisfied, the tendering shareholders may tender all or part of the Tendered Shares at their discretion.).
 - (i) The Tender Offer by the Tender Offeror has been legally and validly commenced in accordance with applicable laws and regulations and has not been withdrawn in accordance with the terms and conditions set forth in the Tender Agreement.
 - (ii) The representations and warranties by the Tender Offeror in the Tender Agreement (Note 1) are true and correct in all material respects.
 - (iii) The Tender Offeror has not materially breached any of its obligations (Note 2) stipulated in the Tender Agreement.
 - b) Haruhiko Doi will not exercise his right to request the convocation of a general meeting of shareholders of the Company or to make a shareholder proposal during the period from the execution date of the Tender Agreement to the effective date of the Squeeze-Out Process.
 - c) Haruhiko Doi will exercise voting rights at any general meeting of shareholders of the Company to be held during the period from the execution date of the Tender Agreement to the effective date of the Squeeze-Out Process in opposition to (i) any proposal relating to dividends of surplus or other dispositions, (ii) any shareholder proposal, and (iii) any proposal that, if approved, will or might reasonably be expected to materially affect the financial position, business performance, cash flow, business, assets, liabilities or future earnings plan of the Company, or the prospects thereof.
 - d) If, after the settlement of the Tender Offer, the Company holds the Extraordinary Shareholders' Meeting to approve the Share Consolidation as part of the Squeeze-Out Process, Haruhiko Doi, as a shareholder of the Company, will vote in favor of the proposal for the Share Consolidation when exercising his voting rights pertaining to Shares With Transfer Restrictions that were not tendered in the Tender Offer.
 - e) Promptly after the settlement of the Tender Offer, Haruhiko Doi will provide a subordinated loan of 5 billion yen to the Tender Offeror's Parent on a date to be determined by agreement between Haruhiko Doi and the Tender Offeror (no later than 5 business days from the commencement date of the settlement of the Tender Offer).
 - f) If requested by the Tender Offeror, Haruhiko Doi will, subject to the completion of the Squeeze-Out Process, make the Reinvestment on a date to be determined by agreement between Haruhiko Doi and the Tender Offeror.
- (Note 1) In the Tender Agreement, the Tender Offeror represents and warrants (i) the validity of its incorporation and existence, (ii) its necessary authority and power, (iii) that it has

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obtained all necessary permits and licenses, (iv) the absence of any conflict with laws and regulations regarding the execution and performance of the Tender Offer Implementation Agreement, (v) the absence of any insolvency proceedings or similar proceedings or any cause thereof, (vi) the absence of any relationship with an antisocial force, (vii) compliance with applicable anti-corruption laws and regulations in various countries, and (vi) the sufficiency of funds necessary to conduct the Transaction.

(Note 2) Under the Tender Agreement, the Tender Offeror is obligated to (i) provide indemnification in the event of any breach of its obligations or its representations and warranties, (ii) maintain confidentiality, and (iii) prohibit the transfer of its contractual status or its rights and obligations.

(3) Shareholders Agreement

BCPE Origin has entered into the Shareholders Agreement with Haruhiko Doi, as of today, regarding Haruhiko Doi's engagement in the management of the Company for a certain period after the Transaction, and the handling of the Tender Offeror's Parent's stock after the Reinvestment, which included agreements on the following:

- a) BCPE Origin may nominate Haruhiko Doi as a director, chairman, officer, or other member of the management of the Tender Offeror's Parent, the Tender Offeror, and the Company, and if any such nomination is made, Haruhiko Doi may accept that appointment, provided that he has no problem in regard of the nature of that position and his ability, experience and health.
- b) Haruhiko Doi may not, without the prior consent of BCPE Origin, assign or transfer to a third party or allow a third party to succeed to all or part of the shares of the Tender Offeror's Parent he holds or create a security interest over or otherwise dispose of all or part of those shares (including disposition by merger, company split, business transfer, or otherwise).
- c) If BCPE Origin transfers all or part of its shares of the Tender Offeror's Parent to a third party, BCPE Origin may demand that Mr. Haruhiko Doi sell his shares of the Tender Offeror's Parent to that third party on the same terms in proportion to his ownership ratio, and Mr. Haruhiko Doi will be obligated to comply with that demand.

5. Granting of Benefits by the Tender Offeror or Other Specially Related Persons

N/A

6. Policy of Response to Basic Policies Relating to Company Control

N/A

7. Questions for the Tender Offeror

N/A

8. Request for Extension of the Tender Offer Period

N/A

9. Future Prospects

See "3. Substance of and Grounds and Reasons for Opinion Relating to the Tender Offer" for "(b) Post-Tender Offer Managerial Policy" under "(ii) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer; Post-Tender Offer Managerial Policy" under "(2) Grounds and Reasons for Opinion on the Tender Offer," "(4) Expectations for Delisting and Reasons Therefor," and "(5) Post-Tender Offer Reorganization and Other Policies (Matters

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Relating to the ‘Two-Step Acquisition’).”

10. Other

(1) Announcement of “Notice Regarding Dividends from Surplus (Cancellation of Dividend) and Abolishment of Shareholder Benefit Program”

As stated in the “Notice Regarding Dividends from Surplus (Cancellation of Dividend) and Abolishment of Shareholder Benefit Program” released on December 8, 2023, at the Board of Directors meeting held today, the Company passed a resolution to revise its dividend forecast for the fiscal year ending December 2023, to not distribute any dividend from surplus for the record date of December 31, 2023, and to abolish the shareholder benefit program for the record date of December 31, 2023. See the notice for details.

(2) Announcement of “Notice on Change to the Certified Public Accountant”

As stated in the “Notice on Change to the Certified Public Accountant” released on December 8, 2023, the Company received a notice from its accounting auditor, which is Deloitte Touche Tohmatsu LLC, stating that with respect to the renewal of the audit agreement, because it is difficult to establish a system to maintain the audit quality for the following business year, it will not renew the agreement due to the expiration of the term of office upon the conclusion of the 27th annual general shareholders’ meeting to be held on March 27, 2024. Therefore, there will be a change in the certified public accountant, which provides audit certifications under Article 193-2, Paragraphs 1 and 2 of the Act. See the contents of that notice for details.

End

Restrictions on Solicitation

This press release is to announce the Tender Offer to the public and has not been prepared for the purpose of soliciting an offer to sell shares. If shareholders wish to make an offer to sell their shares, they should first be sure to carefully read the Tender Offer Explanatory Statement for the Tender Offer and make their own independent decision. This press release does not constitute nor form part of any offer to sell, any solicitation to sell, or any solicitation of any offer to buy any securities. In addition, neither this press release (nor any part of it) nor the fact of its distribution shall form the basis of any agreement pertaining to the Tender Offer, and may not be relied on for any such agreement in the event of the execution thereof.

U.S. Regulations

The Tender Offer will be conducted in compliance with the procedures and information disclosure standards provided under the Financial Instruments and Exchange Act of Japan, which may not necessarily be the same as the procedures and information disclosure standards of the United States. In particular, neither Section 13(e) nor Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended) or the rules under these sections apply to the Tender Offer; therefore, the Tender Offer is not conducted in accordance with those procedures or standards. The financial information included or referred to in this press release and its reference materials do not all conform to the U.S. accounting standards and may not be equivalent or comparable to financial statements prepared pursuant to the accounting standards of the United States. In addition, because the Tender Offeror is a corporation incorporated outside the United States and some or all of its officers are non-U.S. residents, it may be difficult to exercise against them the rights or demands that arise under U.S. securities laws. It also may be impossible to bring an action against a corporation that is based outside of the United States or its officers in a court outside of the United States on the grounds of a violation of the federal securities laws of the United States. Furthermore, there is no guarantee that a corporation that is based outside of the United States or its subsidiaries or affiliates may be compelled to submit themselves to the jurisdiction of a U.S. court.

All procedures regarding the Tender Offer will be conducted in Japanese. All or part of the documents regarding the Tender Offer will be prepared in English; however, if there is any discrepancy between the documents in English and those in Japanese, the documents in Japanese shall prevail.

Before the commencement of the Tender Offer or during the purchase period of the Tender Offer, the Tender Offeror and the Company (including its affiliates), as well as the affiliates of the financial advisors of each of the foregoing and the Tender Offer Agent, may purchase or conduct an act aimed at such a purchase, etc., of the common shares of the Company by means other than the Tender Offer, on their own account or the account of their client, within the scope of their ordinary business, to the extent permitted by Japanese legislation related to financial instruments and exchanges and in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934. In the case that information regarding such a purchase, etc., is disclosed in Japan, the person that conducted such a purchase, etc., will disclose the matter on the website of the said person in English.

Forward-looking Statements

This press release includes “forward-looking statements” as defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the U.S. Securities Exchange Act of 1934. Actual results may be significantly different from the predictions expressly or implicitly indicated in the forward-looking statements, due to known or unknown risks, uncertainties, or other factors. The Tender Offeror or its affiliates cannot promise that the predictions expressly or implicitly indicated as forward-looking statements will turn out to be correct. The forward-looking statements included in this press release were prepared based on the information held by the Tender Offeror as of the date of this press release, and unless obligated by laws or regulations or the rules of a financial instruments exchange, the Tender Offeror or the Company (including its affiliates) shall not be obligated to update or revise the statements to reflect future incidents or situations.

Other Countries

Some countries or regions may impose legal restrictions on the announcement, issue, or distribution of this press release. In such cases, please take note of such restrictions and comply therewith. The announcement, issue, or distribution of this press release shall not constitute a solicitation of an offer to sell or an offer to buy shares relating to the Tender Offer and shall be deemed as a distribution of materials for informative purposes only.