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March 21, 2024

To whom it may concern

Company	AZ-COM MARUWA Holdings Inc.
Representative	Masaru Wasami, President
	(Stock Code: 9090, TSE Prime)
Inquiries	Director and Executive Operating Officer, General Manager of Corporate Management Group
	Masanao Kuzuno (tel.: +81-3-3261-1000)

Notice Regarding Plans to Commence Tender Offer for the Shares of Chilled & Frozen Logistics Holdings Co., Ltd. (Code: 9099)

AZ-COM MARUWA HOLDINGS INC. (the "Tender Offeror") hereby gives notice that (i) at its Board of Directors meeting held today, decided, as part of the series of transactions for the purpose of making Chilled & Frozen Logistics Holdings Co., Ltd.("Target"), which is listed on the Tokyo Stock Exchange ("TSE") Prime Market, a wholly-owned subsidiary of the Tender Offeror (the "Transaction"), to acquire Target ordinary shares ("Target Shares") through a Tender Offer under the Financial Instruments and Exchange Act (Law No. 25 of 1948, as amended; "FIEA") and, (ii) on this date, submitted to Target a Statement of Intent setting forth the Tender Offeror's detailed proposal regarding the Transaction (as attached, "Statement of Intent").

As discussed below in "2. Purpose of Purchase etc.", "(2) The Background, Objective and Decision-Making Process Leading to the Decision to Implement the Tender Offer; Post-Tender Offer Managerial Policy", "① The Objective and Decision-Making Process Leading to the Decision to Implement the Tender Offer", on October 17, 2022, the Tender Offeror sent to Target a proposal for collaboration in business strategy and the business integration of Target and the Tender Offeror for the purpose of enhancing the corporate value of both firms ("Business Integration", such proposal, "Business Integration Proposal"), and subsequently carried out discussions with Target regarding the Business Integration Proposal, but Target did not seem to give the Business Integration Proposal serious consideration, and on October 5, 2023, the Tender Offeror received a notice from Target's board of directors that Target suspended consideration relating to the Business Integration Proposal.

The Tender Offeror confirmed the content of this notice, and found that the main reasons given for suspending consideration were such concerns as limited synergy effects and differences in corporate culture. From early to mid-January 2024, the Tender Offeror gave repeated consideration to these concerns, and as a result, in mid-January 2024, the Tender Offeror found that it did not anticipate the above concerns, but rather that the Business Integration Proposal was expected to create a large synergy effect for Target and that it would contribute to resolutions of problems that were facing the logistics industry overall and had become a societal concern. In mid-January 2024, the Tender Offeror came to the conclusion that the Transaction, under which the Tender Offeror would make Target a wholly owned subsidiary, would enable the early realization of the anticipated synergy effects, and thus would lead to greater benefits for Target, and the shareholders, customers, employees, and all other stakeholders of both firms.

Thus, the Tender Offeror decided to submit the Statement of Intent to Target to help Target and its shareholders understand the content of the Statement of Intent correctly, as well as the background that had led to it. In order to secure the understanding and support of Target and its shareholders regarding the Transaction and to ensure a sufficient period of time for consideration, the Tender Offeror decided to release this press release.

With respect to the Tender Offer, subject to the condition that the Tender Offer Conditions Precedent (defined below in "1. Tender Offer Overview", "Tender Offer Conditions Precedent"; hereinafter the same) are all satisfied or waived by the Tender Offeror (however, the only condition that may be waived by the Tender Offeror is Tender Offer Conditions Precedent ② (defined below in "1. Tender Offer Overview", "Tender Offer Conditions Precedent"); hereinafter the same), it plans to commence the Tender Offer in early May 2024 (however, if the date by which all the Tender Offer Conditions Precedent are satisfied or waived by the Tender Offeror becomes delayed, then as soon as practicable after such date). An overview is set out in the table below, and details are presented in the next and following pages.

1. Tender Offer Overview

①	Tender Offeror	AZ-COM MARUWA HOLDINGS INC.
②	Tender Offer Target	Chilled & Frozen Logistics Holdings Co., Ltd.
③	Type of share certificates etc. to be purchased	Ordinary shares
④	Price of purchase etc.	3,000 yen per share ("Tender Offer Price") (See "Tender Offer Price" section below) The Tender Offer Price represents the following respective premiums (rounded off to the nearest whole number; hereinafter the same regarding premiums) over the closing price of Target Shares on the TSE Prime Market on March 19, 2024, which is the business day prior to the date of announcement of the intention to commence the Tender Offer, and over the closing price simple average (rounded off to the nearest whole number; hereinafter the same regarding closing price simple averages) over one month before, three months before, and six months before the reference date. - A 47.06% premium over the reference date closing price of 2,040 yen - A 57.89% premium over the one-month closing price simple average of 1,900 yen - A 75.03% premium over the three-month closing price simple average of 1,714 yen - A 92.55% premium over the six-month closing price simple average of 1,558 yen
⑤	Number of shares planned for purchase	- Upper limit: none - Lower limit: 10,848,304 shares (Note 1) : Note 1: The lower limit on the number of shares planned for purchase is calculated as below. First, take the total number of outstanding Target Shares as of February 29, 2024, as set forth in the Own Share Buyback Status Report that the Target submitted on March 5, 2024 ("Target Own Share Buyback Status Report") (25,690,766 shares), and subtract the number of Target treasury shares as of the same date as set forth in the same report (3,945,672 shares), resulting in 21,745,094 shares. The number of voting right units associated with these shares is 217,450 under which the majority is 108,726 votes. Then, multiply the majority votes by the number of shares in one voting right unit (100 shares), resulting in 10,872,600 shares (shareholding ratio (see Note 2) : 50.00%); Last, subtract from this number, the Target Shares that the Tender Offeror possesses (24,296 shares) (shareholding ratio: 0.11%) , resulting in 10,848,304 shares (shareholding ratio: 49.89%). Note 2: "Shareholding ratio" means the ratio with respect to the total number of Target issued shares as of February 29, 2024, as set forth in the Target Own Share Buyback Status Report (25,690,766 shares) less the number of Target treasury shares as of the same date as set forth in the Target Own Share Buyback Status Report (3,945,672 shares) (meaning a total of 21,745,094 shares) (rounded off to the second decimal place; the same applies

		hereinafter with respect to shareholding ratios).
⑥	Timing of commencement of the Tender Offer	The Tender Offeror (i) anticipates that from this date forward until the commencement of the Tender Offer, it will give explanations in good faith to Target's Board of Directors and the special committee that Target may establish ("Special Committee"), so that they will support the Tender Offer; further, if in addition to the information set forth in the Statement of Intent, Target's Board of Directors and the Special Committee request the provision of additional information reasonably determined to be necessary in order to form an opinion regarding the Tender Offer, the Tender Offeror plans to respond with sincerity and secure a period of time necessary and sufficient for such purpose; and (ii) that, because the Tender Offeror intends to secure a sufficient period of time for consideration in order to gain the understanding and support of Target and its shareholders regarding the Transaction and has determined that it is necessary to secure a period of roughly one month-plus for such period, the Tender Offeror anticipates commencing the Tender Offer in early May 2024. The Tender Offeror will provide details regarding the Tender Offer schedule as soon as they are decided.
⑦	Tender Offer Period	20 business days. However, in the event that during the purchase period of the Tender Offer ("Tender Offer Period"), the number of share certificates etc. tendered in the Tender Offer ("Tendered Share Certificates etc.") reaches the lower limit of the number of shares planned for purchase, the Tender Offeror will promptly give a public announcement to such effect, and extend the Tender Offer Period so that there are 10 business days left in the Tender Offer Period when counting from the business day following the date of such announcement (however, if the number of Tendered Share Certificates reaches the lower limit of the number of shares planned for purchase within 10 business days of the start of the Tender Offer Period, there will be no extension of the Tender Offer Period, because there will be at least 10 business days left in the Tender Offer Period, counting from the business day following the day of such announcement) (for details, see the section "Tender Offer Period" below).
⑧	Tender Offer Agent	Mizuho Securities Co., Ltd.

Please see the following regarding the details of the Transaction. As set forth below in "2. Purpose of Purchase etc." "(2) The Background, Objective and Decision-Making Process Leading to the Decision to Implement the Tender Offer; Post-Tender Offer Managerial Policy", "① The Objective and Decision-Making Process Leading to the Decision to Implement the Tender Offer", (i) the Tender Offeror believes, as indicated in the Statement of Intent, that making Target a wholly-owned subsidiary will result in the two companies sharing or mutually utilizing managerial resources, with synergistic effects in the chilled food logistics business and increasing profitability going forward, thus leading to strengthened competitiveness for both. The specific synergy effects include (A) the following forms of complementarity in the business fields of the Tender Offeror Group (defined below in "2. Purpose of Purchase etc.", "(2) The Background, Objective and Decision-Making Process Leading to the Decision to Implement the Tender Offer; Post-Tender Offer Managerial Policy";"① The Objective and Decision-Making Process Leading to the Decision to Implement the Tender Offer", "I. Tender Offer Group"; hereinafter the same) and of Target Group (defined in "2. Purpose of Purchase etc.", "(2) The Background, Objective and Decision-Making Process Leading to the Decision to Implement the Tender Offer; Post-Tender Offer Managerial Policy"; "① The Objective and Decision-Making Process Leading to the Decision to Implement the Tender Offer", "I. Target Group"; hereinafter the same) : ① strengthening of logistics network (joint transport), ② economies of scale, ③ expansion of EC-Related Business, ④ cooperation in the direct-from-farm value chain, ⑤ Building a logistics network in the supply chain from upstream to downstream, ⑥ joint development of BCP logistics support business, ⑦ Building an effective sales structure, ⑧ developing the overseas business, and ⑨ Promoting a modal shift. Further, (B) the improvement of the functions of the Tender Offeror Group and Target Group include ① the hiring and training and personnel and ② acceleration of investments in labor-saving and workforce-reductions. The Tender Offeror believes that there is a strong, concrete probability that achieving these synergistic effects will enhance the corporate value of both firms over the medium-to-long term. In addition (ii) ① the Tender Offer Price (3,000 yen per share) represents a 47.06% premium over the closing price for Target Shares on the TSE Prime Market on March 19, 2024, the Business Day prior to the date of announcement of the plan to commence the Tender Offer (2,040 yen), a 57.89% premium over the simple average closing price for the one month immediately prior to such date (1,900 yen), a 75.03% premium over the simple average closing price for the three months immediately prior to such date (1,714 yen), and a 92.55% premium over the simple average closing price for the six months immediately prior to such date (1,558 yen); as discussed below in "Tender Offer Price", the premium contained in the Tender Offer Price significantly exceeds the median value for granted premiums (by 42%, 41%, 42%, and 47% (rounded off), respectively, over the closing price on the business day prior to the date of announcement, and the closing price simple average over one month, three months, and six months prior to such date) exceeds in the 77 cases of tender offers taking place (excluding the Tokyo PRO Market) between June 28, 2019, which is the date of release of METI's "Guidelines for Fair M&A Transactions (Enhancing Corporate Value and Securing Shareholders' Interests)" ("Fair M&A Guidelines"), and February 29, 2024, where a person other than the issuer or a parent company will make the target company a wholly-owned subsidiary and the target company is at that time a listed domestic company (other than companies in which, prior to commencement of the tender offer, the tender offeror (including its specially-related persons) had a shareholding ratio of the target company's shares of less than 33.34%) (it should be noted that the above analysis excludes tender offers targeting REITs, unsuccessful tender offers, two-step acquisition or so-called discount tender offers, and tender offers where prior to commencement there were changes in share price through anti-takeover measures or the like) ; ② the highest price Target Shares have reached since the company's listing is 2,204 yen as of January 12, 2021 and the price has never surpassed the Tender Offer Price; and ③ Target's PBR (price-book value ratio) as of March 19, 2024, was less than 1.00 and the Tender Offer Price is at a level 1.4 times the PBR; given this, the Tender Offer Price represents a large premium that all current shareholders of Target can enjoy. Further, (iii) the amount of funds required for purchase is 65,162,394,000 yen (this is the number of shares planned for purchase (21,720,798 shares) times the Tender Offer Price (3,000 yen per share); if because of changes in the number of shares from this day henceforth, the actual number of shares planned for purchase in the Tender Offer actually changes, this figure may change); the Tender Offeror plans to settle the Tender Offer using its own funds (as of March 19, 2024, the Tender Offeror had deposits of 23,988 million yen) and borrowings from Mizuho Bank, Ltd. ("Mizuho Bank") (if the Tender Offer is successful, the Tender Offeror plans to borrow up to 67 billion yen from Mizuho Bank as funds for purchase under the Tender Offer and fees associated with the purchase by the business day prior to the settlement commencement date ("Settlement Commencement Date"), and has received a commitment letter from Mizuho Bank on March 19, 2024, indicating that Mizuho Bank is prepared to lend up to 67 billion yen, and thus the Tender Offeror has completed preparations for the funds for settlement, (iv) as of this day, the Tender Offeror is not aware of any facts that will pose a material obstacle to satisfaction of the Conditions Precedent for Tender Offer and thus believes that provided the Conditions Precedent for the Tender Offer are satisfied, the Tender Offer can commence in early May 2024. Given the foregoing facts, and in light of the proposal's specificity, legitimate objective, and feasibility, the Tender Offeror believes that not only does the Tender Offeror's proposal for this Transaction fall under a "bona fide offer" as specified in the "Guidelines for Corporate Takeovers (Enhancing Corporate Value and Securing Shareholders' Interests)" released by METI on August 31, 2023 ("Takeover Guidelines") (Guidelines, 3.1.2) but it is also an attractive proposal for both Target and its shareholders.

Further, the Tender Offeror believes that implementing this transaction will not only enhance the corporate value of Target and distribute fair consideration to the shareholders of Target, but would also benefit Japan's economy and society overall. In addition, as discussed below in "2. Purpose of Purchase etc.", "(6) Fairness of Procedures in the Transaction in Light of the Takeover Guidelines", the Tender Offeror believes that, throughout the Transaction, it has complied with all processes required of the Tender Offeror under the Takeover Guidelines, and expects that Target will also take measures in line with the Guidelines (Note 1).

(Note 1) Under the Takeover Guidelines, "In principle, upon receipt of an acquisition proposal to acquire corporate control, management or directors should promptly submit or report such matter to the board of directors. " "The board of directors to which the matter is submitted shall in general give "sincere consideration" to a "bona fide offer." "The board of directors, in proceeding with its "sincere consideration" of an acquisition proposal that is a "bona fide offer," is expected to obtain additional information from the acquiring party about the acquisition proposal, and should consider the appropriateness of the acquisition from the perspective of whether the acquisition will contribute to enhancing corporate value.... In doing so, ..., If an increase in corporate value can be reasonably expected from the acquisition proposal, as suggested by a purchase price that is considerably higher than the historical stock price level, each director and the board of directors should give the proposal due consideration. In addition, it is advisable for the board of directors to thoroughly compare, from a quantitative perspective, the differences between the purchase price and measures to enhance corporate value through acquisitions proposed by the acquirer, and the measures to enhance corporate value if the incumbent management team were to continue to manage the company."

As of this day, the Tender Offeror anticipates that in order to ensure a period for consideration sufficient to obtain the understanding and support of Target and its shareholders for the Transaction, the Tender Offer will commence in early May 2024. Even if Target requests an extension before commencement of the Tender Offer, which will depend on the specific circumstances at that time, the Tender Offeror currently has no plan to delay the commencement. As of today, the Tender Offeror is not aware of anything that would be a material obstacle to the satisfaction of the Tender Offer Conditions Precedent. However, if circumstances regarding the Target Group's business that could not be ascertained from public information are discovered or if for any reason a change in the timing of commencement of the Tender Offer is anticipated, the Tender Offeror will promptly give notification. The Tender Offeror will announce the Tender Offer schedule details as soon as they are decided.

Tender Offer Price

This Tender Offer Price is 3,000 yen per share; however, this is subject to the conditions that (a) no event set forth in FIEA, Article 27-11, Paragraph 1, proviso allowing for withdrawal of a tender offer has occurred, and that (b) the organ responsible for making decisions on the execution of operations of the Target has not made a decision to distribute surplus, having a day prior to the Settlement Commencement Date as the reference date, or to acquire its own shares, having a day prior to the Settlement Commencement Date as the acquisition date (the acquisition of its own shares shall exclude the market purchases on the TSE and acquisition of its own shares using by off-auction own share repurchase trading (ToSTNeT-3) having an upper limit of 3,400,000 Target Shares, during the period from November 17, 2023, to September 30, 2024, as resolved by Target at its Board of Directors meeting on November 16, 2023). In the event that conditions other than those set forth in (a) or (b) above arise, there is a possibility that the Tender Offeror will review the Tender Offer Price, based on the per share impact that such conditions would have on the Target Shares. If the Tender Offeror reviews the Tender Offer Price, this review will take place prior to the commencement of the Tender Offer.

It should be noted that "any matter equivalent to a matter that is set forth in *i* through *tsu*" as specified in the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended; "Order"), Article 14, Paragraph 1, Item (1) *ne*, envisions (x) (a) a case where the organ making decisions on the execution of operations of Target makes a decision to distribute surplus having a reference date prior to the Settlement Date (except for a case where the amount of money or other property to be delivered to shareholders is less than the amount equivalent to 10% of the book value of net assets on Target's non-consolidated balance sheet as of the final day of the most recent fiscal year of the Target (34.95 billion yen (Note 2)) and (b) a case where the organ making decisions on the execution of operations of Target makes a decision to distribute surplus having a day before the Settlement Commencement Date as the reference date, without indicating the specific amount of profit dividends and there is a possibility that the amount of the dividends will exceed the amount equivalent to 10% of the book value of net assets on Target's non-consolidated balance sheet as of the final day of the most recent fiscal year of the Target and (y) a case where the organ making decisions on the execution of operations of Target makes a decision to acquire its own shares (except for a case where it is expected that the amount of money or other property to be delivered in exchange is less than the amount equivalent to 10% of the book value of net assets on Target's non-consolidated balance sheet as of the final day of the most recent fiscal year of the Target (34.95 billion yen). Further, those events specified in FIEA, Article 27-11, Paragraph 1, proviso, that are "any fact equivalent to a fact set forth in *i* through *ri*" of the Order, Article 14, Paragraph 1, Item (3) *nu*, envisions (A) a case where it is discovered that any statutory disclosure documents that Target submitted in the past contained a false statement regarding a material matter or that a material matter that should have been included was omitted and (B) a case where any of the facts set forth in the Order, Article 14, Paragraph 1, Item (3) *i* through *to* arise with respect to an important subsidiary of Target.

(Note 2): According to "Part 5. State of Accounting, 2. Financial Statements etc., (1) Financial Statements, ① Balance Sheet" in the 8th term securities report that Target submitted on June 29, 2023 ("Target Securities Report"), the net assets on Target's non-consolidated balance sheet for the March 2023 term was 34.49 billion yen (with a net assets per share of 1,427.02 yen). According to the "Notice Concerning Revision of Dividend Projects (Increase)", which Target submitted on March 15, 2024, Target plans to pay dividends of 17 yen per share at the end of the term that ended in March 2024; this is far below the amount equivalent of 10% of net assets on the non-consolidated balance sheet for the March 2023 term (142.702 yen).

The Tender Offer Price (3,000 yen per share) (i) represents a 47.06% premium over the closing price for Target Shares on the TSE Prime Market on March 19, 2024, the Business Day prior to the date of announcement of the plan to commence the Tender Offer (2,040 yen), a 57.89% premium over the simple average closing price for the one month immediately prior to such date (from February 20, 2024, to March 19, 2024) (1,900 yen), a 75.03% premium over the simple average closing price for the three months immediately prior to such date (from December 20, 2023, to March 19, 2024) (1,714 yen), and a 92.55% premium over the simple average closing price for the six months immediately prior to such date (from September 20, 2024, to March 19, 2024) (1,558 yen); as discussed below in "Tender Offer Price", the premium contained in the Tender Offer Price significantly exceeds the median value (Note 3) for granted premiums in the 77 cases of tender offers taking place (excluding the Tokyo PRO Market) between June 28, 2019, which is the date of release of the "Fair M&A Guidelines", and February 29, 2024, where a person other than the issuer or a parent company will make the target company a wholly-owned subsidiary and the target company is at that time a listed domestic company (other than companies in which, prior to the commencement of the tender offer, the tender offeror (including its specially-related persons) had a shareholding ratio of the target company's shares of less than 33.34%) (it should be noted that the above analysis excludes tender offers targeting REITs, unsuccessful tender offers, two-step acquisition or so-called discount tender offers, and tender offers where prior to commencement there were changes in share price through anti-takeover measures or the like) ; (ii) the highest price that Target Shares have reached since the company's listing is 2,204 yen, , without once surpassing the Tender Offer Price (Note 4); and (iii) Target's PBR (price-book value ratio) as of March 19, 2024, was less than 1.00 and the Tender Offer Price is at a level 1.4 times the PBR; hence, the Tender Offer Price provides a large premium that all current Target Shareholders can enjoy. Therefore, this Tender Offer is appealing to both Target and its shareholders.

Note 3: An analysis of these 77 cases shows that the median values of the premium of the tender offer prices over the closing price on the business day prior to the date of announcement of the relevant tender offer and over the closing price simple averages over one month, three months, and six months prior to such date, were 42%, 41%, 42%, and 47% (figures are rounded off) of, respectively, the closing price on the business day prior to the date of announcement of the relevant tender offer and of the closing price simple averages over one month, three months, and six months prior to such date.

Note 4: The trading volume and share price trends since the listing of the Target Shares are shown in the graph below (prepared by the Tender Offeror using Nikkei Value Search).

Tender Offer Period

It is planned that the Tender Offer Period will be set at 20 business days.

The Tender Offeror expects that (i) in the period from this day until commencement of the Tender Offer it will provide explanations in good faith to the Target's Board of Directors and the Special Committee that Target is expected to establish, so that they will support the Tender Offer and if, in addition to the information contained in the Statement of Intent, the Target's Board of Directors and the Special Committee ask for the provision of information that is reasonably determined to be additionally necessary in order to form an opinion regarding the Tender Offer, the Tender Offeror intends to respond in good faith, and will ensure that there is a period of time necessary and sufficient for this purpose; and (ii) because the Tender Offeror intends to ensure that for Target and its shareholders there is sufficient time to make a proper judgment regarding the Transaction and whether to tender shares and has determined that it is necessary to secure a period of roughly one month or more for such period, the Tender Offer will commence in early May 2024. With this arrangement, even if the Tender Offer Period is set at 20 business days, the Tender Offeror believes that sufficient opportunity has been secured for Target's general shareholders to decide whether to tender their shares in the Tender Offer and that a sufficient opportunity has been secured for purchases etc. of Target Shares by a person other than the Tender Offeror.

In addition, as set forth below in "2. Purpose of Purchase etc.", "(6) Fairness of Procedures in the Transaction in Light of the Takeover Guidelines," "② The Setting of Conditions Intended to Eliminate Coercion", if the total number of Tendered Share Certificates etc. tendered during the Tender Offer period reaches the lower limit of the number of shares planned for purchase (10,848,304 shares) (for details regarding the lower limit of the number of shares planned for purchase, see below "2. Purpose of Purchase etc.", "(1) Tender Offer Overview"; hereinafter the same), the Tender Offeror will promptly give a public announcement to such effect (Note 5), and extend the Tender Offer Period so that there are 10 business days left in the Tender Offer Period, counting from the business day following the date of such announcement (however, if the number of Tendered Share Certificates reaches the lower limit of the number of shares planned for purchase within 10 business days of the start of the Tender Offer Period, there will be no extension of the Tender Offer Period, because there will be at least 10 business days left in the Tender Offer Period, counting from the business day following the date of such announcement). It should be noted regarding the possibility that after it has been confirmed that tender has been made of at least 10,848,304 shares, which is the lower limit of the number of shares planned for purchase (including a case where there is a reasonably certain forecast that by the final day of the Tender Offer Period the 10,848,304 shares will be reached), persons who initially planned to tender their shares may withdraw their agreement to tender, so that the total number of Tendered Share Certificates etc. falls below the lower limit of the number of shares planned for purchase. This possibility is considered to be rather low in light of the premium level of the Tender Offer Price. However, if there is a public announcement of a competing tender offer, causing the share price of Target Shares to rise suddenly or for any other reasons that there are solicitations to retract agreements to tender shares, and it is confirmed through a reasonable method that the number of Tendered Share Certificates etc. tendered in the Tender Offer will be lower than the lower limit of the number of shares planned for purchase, the Tender Offeror will promptly make a public announcement to such effect and will consider whether to extend the period by the final day of the Tender Offer Period.

Note 5: Regarding the specific method of confirmation, the Tender Offeror plans, with 3:30 p.m. as the reference time (Japan standard time; hereinafter the same in this note) on every business day during the Tender Offer Period (if, using the method set forth in the note, it is confirmed that the total number of Tendered Share Certificates etc. has reached the lower limit of the number of shares planned for purchase (10,848,304 shares) and if the Tender Offer Period has been extended, then during the extended Tender Offer Period too), to cause the Tender Offer Agent (i) to tally the number of shares that have actually been tendered to the Tender Offer Agent's securities account by such reference time and (ii) to report to Tender Offeror by 5:00 p.m. on the same day. If the total number of Tendered Share Certificates etc. as of such time has reached the lower limit of the number of shares planned for purchase (10,868,304 shares), the Tender Offeror plans to make a public announcement to such effect, based on such report, either on the same day or on the next business day. However, in a case where it cannot be confirmed that the total number of Tendered Share Certificates etc. has reached the lower limit of the number of shares planned for purchase by the reference time on the business day prior to the final day of the Tender Offer Period, then on the final day of the Tender Offer Period. If at 3:00 p.m. on the final day of the Tender Offer Period, which is the deadline for tendering shares in the Tender Offer, the total number of Tendered Share Certificates etc. has reached the lower limit of the number of shares planned for purchase (10,848,304 shares), the Tender Offeror plans to make a public announcement to such effect on such day.

This arrangement is intended to separate the manifestation of intent regarding whether to support or oppose the Transaction from the manifestation of intent of whether to tender shares in the Tender Offer. This will eliminate coercion, and the Tender Offeror believes that it will provide an opportunity for even more shareholders of Target to tender their shares.

Tender Offer Conditions Precedent

The Tender Offer will commence if all the following conditions (the condition of ① is referred to as "Condition Precedent ①" and the condition ② is referred to as "Condition Precedent ②", and Condition Precedent ① and Condition Precedent ② are referred to collectively as the "Conditions Precedent") are satisfied or waived by the Tender Offeror.

① That all procedures under domestic and foreign competition law and foreign investment regulations necessary to execute the Transaction ("Permission Procedures") are all completed or the Tender Offeror determines that it is reasonably expected that they will be completed by the final day of the Tender Offer Period.

② (a) That no event has arisen that would allow withdrawal of the tender offer under FIEA, Article 27-11, Paragraph 1, proviso, and (b) that the organ responsible for making decisions on the execution of operations of the Target has not made the decision to distribute surplus, having a day prior to the Settlement Commencement Date as the reference date, or acquire its own shares, having a day prior to the Settlement Commencement Date as the acquisition date (excluding market purchases on the TSE and acquisition of own shares by using off-auction own share repurchase trading (ToSTNet-3) having an upper limit of 3,400,000 Target Shares, during the period from November 17, 2023, to September 30, 2024, as resolved by Target at its Board of Directors meeting on November 16, 2023).

(1) Awareness of the Tender Offeror regarding Tender Offer Condition Precedent ①

The Tender Offeror made a diligent investigation based on public information currently available regarding the specific nature of the Permission Procedures of Condition Precedent ①, and on this basis has concluded that in executing the Transaction, it will be necessary to obtain permissions under the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Law No. 54 of 1947, as amended) ("Antimonopoly Act"), and procedures under the competition law and foreign investment regulations of other countries will not be necessary. Because the Tender Offeror and Target have not held discussions regarding Permission Procedures and, if going forward, an aspect of the Target Group's business that had not been made public is learned, and in light of such business aspect, Permission Procedures other than those noted above become necessary, the Tender Offeror will make an announcement to such effect and immediately take the actions necessary to complete such procedures. Because the Tender Offeror is unaware of any Permission Procedures that are required other than those under the Antimonopoly Act, as of this day, the Tender Offeror plans to move forward with the measures necessary to complete the procedures under the Antimonopoly Act and commence the Tender Offer in early May 2024.

Currently, acting on the advice of counsel, the Tender Offeror is moving forward with the measures required so that the procedures the Tender Offeror understands to be necessary under the Antimonopoly Act are completed before the commencement of the Tender Offer Period. The current conditions and prospects for completion are as follows.

Territory	Legal basis	Current condition	Expected time of completion end of waiting period under the Antimonopoly Act
Japan	Antimonopoly Act	Advance consultations with Japan Fair Trade Commission	Late April, 2024

(2) Tender Offer Condition Precedent ②

The Tender Offeror is not aware, as of this day, of any events that would fall under Tender Offer Condition Precedent ②.

Even if an event falling under Tender Offer Condition Precedent ② arises, when the Tender Offer Price is revised, the Tender Offeror will waive Tender Offer Condition Precedent ②.

As of this day, because the Tender Offeror is unaware of any Permission Procedures that are required other than those under the Antimonopoly Act, the Tender Offeror plans to move forward with the measures necessary to complete the procedures under the Antimonopoly Act and commence the Tender Offer in early May 2024. However, because there is a possibility that because of circumstances that could not be ascertained based on public information relating to the Target Group, the Tender Offeror will require additional time in order to comply with foreign regulations, the Tender Offeror will promptly give notice regarding the details of the Tender Offer schedule.

It should be noted that as of this day, Target's Board of Directors has not given its support to the Tender Offer; however, on this day, the Tender Offeror has submitted to Target its Statement of Intent, which gives a detailed explanation of the proposal, including the significance and objectives of the Transaction, which include the synergy effects from the Transaction, the appropriateness of the consideration, and the transparency and fairness of procedures. Further, the Tender Offeror plans (i) in the period from this day until commencement of the Tender Offer, to provide explanations in good faith to the Target's Board of Directors and to the Special Committee that Target is expected to establish, so that they will support the Tender Offer, and (ii) if, in addition to the information contained in the Statement of Intent, the Target's Board of Directors and the Special Committee ask for the provision of additional information that is reasonably determined to be necessary in order to form an opinion regarding the Tender Offer, the Tender Offeror intends to respond in good faith (because the Tender Offeror intends to ensure that Target and its shareholders have sufficient time to make a proper judgment regarding the Transaction and whether to tender shares and because the Tender Offeror has determined that it is necessary to secure a period of roughly one month or more for this, the Tender Offeror anticipates that it will commence the Tender Offer in early May 2024).

Even if Target's Board of Directors and the Special Committee do not give their support to the Tender Offer, provided that all Conditions Precedent are satisfied or have been waived by the Tender Offeror, the Tender Offeror intends to commence the Tender Offer as planned. It should be noted that even if Target requests that the commencement of the Tender Offer be postponed, while the actual decision will depend on the circumstances of such time, as of the current point in time, the Tender Offeror does not intend to postpone the commencement. For the background leading to the Tender Offeror's announcement of plans to commence the Tender Offer, see below, "2. Purpose of Purchase etc.", (2) The Background, Objective and Decision-Making Process Leading to the Decision to Implement the Tender Offer; Post-Tender Offer Managerial Policy", "① The Objective and Decision-Making Process Leading to the Decision to Implement the Tender Offer".

Schedule for the Tender Offer and the Rest of the Transaction

The schedule for the Tender Offer and the rest of the Transaction, as currently envisioned by the Tender Offeror, is, broadly, as follows.

Submission of Statement of Intent	March 21, 2024 (Th.)
Passage of waiting period under the Antimonopoly Act	Late April 2024 (tentative)
Public notice of commencement of Tender Offer	Early May 2024 (tentative)
Submission of Tender Offer notification	Early May 2024 (tentative)

2. Purpose of Purchase etc.

(1) Tender Offer Overview

At its Board of Directors meeting held today, and for the purpose of making Target a wholly-owned subsidiary of the Tender Offeror, the Tender Offeror decided to carry out a Tender Offer for all Target shares listed on the TSE Prime market (other than those owned by the Tender Offeror and Target's treasury shares) with the commencement of the Tender Offer subject to the condition that all Conditions Precedent have been satisfied or waived by the Tender Offeror.

As of this day, the Tender Offeror owns 24,296 Target Shares (Shareholding ratio: 0.11%), and the Tender Offeror's representative director, Masaru Wasami, as of this day, owns 728,400 Target Shares (Shareholding ratio: 3.35%).

The Tender Offeror plans, in the Tender, to set the lower limit of the number of shares planned for purchase at 10,848,304 shares (Shareholding ratio: 49.89%) (Note 1), and (i) if the number of Tendered Share Certificates etc. does not reach 10,848,304 shares, the Tender Offeror will not carry out the purchase etc. of all Tendered Share Certificates etc., but (ii) if the number of Tendered Share Certificates etc. does reach 10,848,304 shares (for the method of confirmation, see above, "1. Tender Offer Overview", (Note 5)), the Tender Offeror will promptly give a public announcement to such effect, and extend the Tender Offer Period so that there are 10 business days left in the Tender Offer Period, counting from the business day following the date of such announcement (however, if the number of Tendered Share Certificates reaches the lower limit of the number of shares planned for purchase within 10 business days of the start of the Tender Offer Period, there will be no extension of the Tender Offer Period, as there will be at least 10 business days left in the Tender Offer Period, counting from the business day following the date of such announcement). This arrangement is intended to separate the manifestation of intent regarding whether to support or oppose the Transaction from the manifestation of intent of whether to tender shares in the Tender Offer. This will eliminate coercion, and the Tender Offeror believes that it will also provide an opportunity for even more shareholders of Target to tender their shares. Meanwhile, because its objective in the Tender Offer is to acquire all Target Shares (other than those owned by the Tender Offeror and Target's treasury shares), to make Target a wholly-owned subsidiary of the Tender Offeror, no maximum number of shares planned for purchase will be set, and if the total number of Tendered Share Certificates etc. is equal to or greater than the lower limit of the number of shares planned for purchase (10,848,304 shares), the Tender Offeror will make purchase etc. of all Tendered Share Certificates etc.

Note 1: The lower limit on the number of shares planned for purchase is calculated as below. First, take the total number of outstanding Target Shares as of February 29, 2024, as set forth in the Target Own Share Buyback Status Report (25,690,766 shares), and subtract the number of Target treasury shares as of the same date as set forth in the same report (3,945,672 shares), resulting in 21,745,094 shares. The number of voting right units associated with these shares is 217,450, under which the majority (Note 2) is 108,726 votes. Then, multiply the majority votes by the number of shares in one voting right unit (100 shares), resulting in 10,872,600 shares; Last, subtract from this number, the Target Shares that the Tender Offeror possesses (24,296 shares), resulting in 10,848,304 shares.

Note 2: The "Fair M&A Guidelines" released by METI on June 28, 2019, makes the point that "one trend of Japan's capital markets in recent years is the increasing scale of passive index funds (Note 3); among these are investors that, in principle, regardless of whether the transaction conditions are appropriate or not, will not tender their shares in tender offers." There are some passive index funds that own Target Shares that, in principle, regardless of whether the transaction conditions are appropriate or not, will not tender their shares in tender offers, but, looking at past examples, will exercise their voting rights in favor of proposals for share consolidation at the subsequent general shareholder meeting to consider the squeeze-out procedures. Given the state of shareholders as indicated in the State of Target Shareholders, it appears that there are at least a certain number of Target Shares owned by this kind of passive index fund. For this reason, the Tender Offeror asked its financial advisor Mizuho Securities ("Mizuho Securities") to provide estimates, based on public information and the information of information vendors that provide data provision services regarding financial markets etc., regarding the number of Target Shares expected to be owned by passive index funds and the number of Target Shares expected to be tendered in the Tender Offer, assuming the premium level of the Tender Offer Price. Further, there is also a certain number of Target Shareholders that own Target Shares in cross-shareholding arrangements or for similar purposes. If Target's Board of Directors expresses an opinion not in favor of the Tender Offer, these shareholders would uphold such opinion and thus not tender their shares. For this reason, the Tender Offeror asked Mizuho Securities, in addition to the request above, to consider shareholder attributes and estimate how shares that would not be expected to be tendered if Target expressed such an opinion would be voted at an Extraordinary General Shareholders Meeting (defined below in "(3) Post-Tender Offer Reorganization Policy (Matters Relating to Two-Step Acquisition)"; hereinafter the same) while having on its agenda the Share Consolidation (defined below in "(3) Post-Tender Offer Reorganization Policy (Matters Relating to Two-Step Acquisition)"; hereinafter the same) taking into account the fact that the Tender Offeror came to own Target Shares representing a shareholding ratio of greater than 50.00% (that is, a case where the Tender Offeror has become the parent company of Target). This resulted in a trial calculation regarding Target Shares, in which it cannot be said with certainty at the present time whether they would be tendered, but they would be expected to be voted in favor of a Share Consolidation proposal. While precise predictions are difficult, it is expected that the number of Target Shares owned by passive index funds (expressed as a shareholding ratio, 10.16%) (Note 4) *plus* the number of shares owned by Target's employee shareholding association (4.00%) and the number of shares owned by transaction partners (3.77%) (Note 5) would reach a total of roughly 17.93% if expressed as a shareholding ratio. Accordingly, the trial calculations showed that even if after the Tender Offer is successfully executed the number of Target Shares owned by the Tender Offeror is close to the lower limit of the number of shares planned for purchase, it was predicted that the resolution for the Share Consolidation would receive enough votes for approval.

For this reason, even if after the Tender Offer is successfully completed, the number of Target Shares owned by the Tender Offeror is the minimum number of shares planned for purchase (roughly 50.00% plus), because the number of Target Shares that are expected to be exercised in favor of the Share Consolidation proposal, expressed as a shareholding ratio, is expected to reach roughly 67.93%, even if at the Extraordinary General Shareholders Meeting the voting rights exercise rate is 100%, it is still expected that the two-thirds requirement for passing special resolutions will be exceeded. Further, it is estimated that the level of Target Shares expected to be voted in favor of the Share Consolidation resolution (roughly 67.93%) will easily surpass the level equivalent to the number of owned shares actually necessary for the Share Consolidation resolution to pass, which is approximately 60.23%, obtained by multiplying (x), the maximum voting rights exercise rate at the past five ordinary general shareholder meetings of Target (roughly 90.35%) (Note 6), by (y) two-thirds, which is the voting ratio required for the passage of special resolutions at general shareholder meetings. Thus, the Tender Offeror received the opinion that even when estimated conservatively, it is expected that requirements for passing the Share Consolidation resolution will be met. In the light of this opinion, the Tender Offeror, because its purpose in implementing the Tender Offer is to make Target a wholly owned subsidiary, decided on a lower limit of number of shares planned for purchase at a level where the passage of the Share Consolidation resolution can be reasonably expected, and the probability of a successful Tender Offer is maximized.

Note 3: A “passive index fund” is a fund that aims to secure a growth rate at the market average, with assets managed with a goal of linking investment results with share price index and other indexes that serve as market benchmarks for stocks and other investment assets.

Note 4: The Tender Offeror has received the following opinion from Mizuho Securities, and the Tender Offeror agrees with this opinion. Specifically, while there are, among the passive index funds that own Target Shares, some that in the past voted against share consolidation resolutions of other companies that had the goal of squeezing out minority shareholders, on the grounds that the economic conditions were insufficient and the transaction would not benefit general shareholders, the Tender Offer Price (3,000 yen per share) represents a 47.06% premium over the closing price for Target Shares on the TSE Prime Market on March 19, 2024, the Business Day prior to the date of announcement of the plan to commence the Tender Offer (2,040 yen), a 57.89% premium over the simple average closing price for the one month immediately prior to such date (1,900 yen), a 75.03% premium over the simple average closing price for the three months immediately prior to such date (1,714 yen), and a 92.55% premium over the simple average closing price for the six months immediately prior to such date (1,558 yen); as discussed below in “Tender Offer Price”, the premium contained in the Tender Offer Price significantly exceeds the median value for granted premiums (by 42%, 41%, 42%, and 47% (rounded off), respectively, over the closing price on the business day prior to the date of announcement, and the closing price simple average over the last one month, three months, and six months prior to such date) in the 77 cases of tender offers taking place (excluding the Tokyo PRO Market) between June 28, 2019, which is the date of release of the “Fair M&A Guidelines”, and February 29, 2024, where a person other than the issuer or a parent company will make the target company a wholly-owned subsidiary and the target company is at that time a listed domestic company in which the tender offeror (including its specially-related persons) had a shareholding ratio of the target company’s shares of less than 33.34% prior to commencement of the tender offer (it should be noted that the above analysis excludes tender offers targeting REITs, unsuccessful tender offers, two-step acquisition or so-called discount tender offers, and tender offers where prior to commencement there were changes in share price through anti-takeover measures or the like) ; (ii) the highest price Target Shares have reached since the company’s listing is 2,204 yen on January 12, 2021, and the share price has never surpassed the Tender Offer Price; and (iii) Target’s PBR (price-book value ratio) as of March 19, 2024, was less than 1.00 and the Tender Offer Price is at a level 1.4 times the PBR. Given this, (for details, see “1. Tender Offer Overview”, “Tender Offer Price”), the Tender Offeror has received the opinion that because the above economic-based objections do not apply, all passive index funds owning Target Shares are expected to support the Share Consolidation resolution.

Note 5: The Tender Offeror believes that the Transaction constitutes a bona fide offer that not only complies with the Takeover Guidelines and will contribute to enhancing Target’s corporate value, but also is attractive to Target’s shareholders and transaction partners, and therefore, the Tender Offeror believes that business operating company shareholders and many other shareholders will support and tender their shares in the Tender Offer. Given the current state of Target’s shareholders, because there are a certain number of shareholders that are holding Target Shares for cross-shareholding or similar reasons, even if the Tender Offer is successful, it is possible that the shareholding ratio of the Tender Offeror will be 50% or greater, but less than two-thirds. As discussed below, in addition to passive index funds, it is expected that some shareholders that hold Target Shares for cross-shareholding or similar reasons will vote in favor of the Share Consolidation proposal at the Extraordinary General Shareholders Meeting.

Specifically, the Tender Offeror has received the following opinion from its financial advisor Mizuho Securities as follows, and the Tender Offeror agrees with this opinion: (i) regarding Target Shares owned by Target's employee shareholding association, the current Target employees who contributed the funds for acquisition of the relevant shares can be considered the substantial shareholders, and given their relationship of being employees of Target, it is hard to believe that they would act in a manner contrary to decisions of Target. Hence, it can be expected that if Target's Board of Directors expresses an opinion not in favor of the Tender Offer, these shares will not be tendered, in line with the decision of such opinion. Similarly, because Target Shares held by Target's transaction partners are held for cross-sharing or similar reasons, just as with the shares held by the employee shareholding association, it can be expected that if Target expresses an opinion that does not support the Tender Offer, these shares will not be tendered, in line with the opinion of Target's Board of Directors. (ii) Meanwhile, supposing a situation where Target's Board of Directors does not express support for the Tender Offer, but the Tender Offer is successful and the Tender Offeror becomes the new parent company of Target, because the Transaction will not only contribute to enhancing the corporate value of Target, but also represents a serious proposal that gives weight to the interests of the employees and transaction partners, as important Target stakeholders, generally it can be expected that Target's Board of Directors will show a certain understanding towards the managerial policies etc. of the Tender Offeror, the new parent company, and will operate business in line with the policies of the parent company. Given this change in circumstances, it is expected that even shareholders such as those in (i) above that do not tender their shares in line with the opinion of the current Target Board of Directors will in principle support the Share Consolidation resolution at the Extraordinary General Shareholders Meeting.

Note 6: According to Target's securities reports, the number of voting rights as of the reference date of Target's 8th ordinary general shareholder meeting held on June 28, 2023 was 245,584, but according to the extraordinary report that Target submitted on June 30, 2023, the average number of votes cast over all proposals was 221,690, meaning that the exercised voting rights constituted 90.27% of the total number of voting rights. If the same calculations are made for the voting rights exercise rate of previous fiscal years, then for the 7th ordinary general shareholder meeting, this was roughly 77.28%; for the 6th ordinary general shareholder meeting, this was roughly 90.35%, for the 5th ordinary general shareholder meeting, this was roughly 85.29%, and for the 4th ordinary general shareholder meeting, this was roughly 90.05%. This means that the maximum voting rights exercise rate over the past five years was 90.35%. When considering the number of voting rights necessary for passage of the Share Consolidation resolution, the rate for Target's most recent general shareholders meeting can serve as a point of reference, but because the argument can be made that the data of a single year is not necessarily a sufficient range for reference, the maximum voting rights exercise rate over the past five years was used to make the range for reference more conservative.

Further, among the cases where the Tender Offer ends successfully but the Tender Offeror remains unable to acquire all Target Shares (other than those owned by the Tender Offeror and Target's treasury shares), the Tender Offeror will not change its policy of making Target a wholly owned subsidiary, planning to implement squeeze-out procedures ("Squeeze-Out Procedures"), in each and every scenario, as discussed below in "(3) Post-Tender Offer Reorganization Policy (Matters Relating to Two-Step Acquisition)." This is true even in a case where, as a result of the Tender Offer, (i) the Tender Offeror comes to own Target Shares representing 90% or more of the total number of voting rights of Target Shareholders, (ii) the Tender Offeror comes to own Target Shares representing two-thirds or more but less than 90% of the total number of voting rights of Target Shareholders, or (iii) the Tender Offeror fails to own two-thirds or more of the total number of voting rights of Target Shareholders. Additionally, in cases of (ii) and (iii) above, the Tender Offeror also intends to convene an Extraordinary General Shareholders Meeting. As discussed above in Note 2, Note 4 and Note 5, even in a case of (iii) above, the Tender Offeror expects that the voting requirements for passage of the resolution for Share Consolidation at the Extraordinary General Shareholders Meeting will be met.

However, in the case of (iii) above, there is a possibility that the Share Consolidation proposal will be rejected at the Extraordinary General Shareholders Meeting. Even in that case, however, because the ultimate purpose of the Tender Offer is to acquire all Target Shares (other than those owned by the Tender Offeror and Target's treasury shares), the Tender Offeror will make additional acquisition of Target Shares until reaching the number of shares representing two-thirds of the voting rights at the next scheduled general shareholders meeting, and then will request that a general shareholders meeting be convened (regarding the time required for such additional acquisition and subsequent approval of the Share Consolidation by the general shareholders meeting, because this depends in part on market conditions and other factors, it is difficult at the current time to specify a specific timeframe, but currently this is planned to be Target's ordinary general shareholders meeting scheduled for June 2025. The Tender Offeror will give notice when the specific expected timing becomes clear). For the methods of additional acquisition, the Tender Offeror intends to use market trades, a tender offer, off-market trading other than tender offers (to the extent allowed by FIEA). If the Tender Offer is successful, then regardless of when the result is expected to be achieved, there will be no change to the policy of making Target a wholly owned subsidiary.

The consideration that the Tender Offeror will pay shareholders in the above will be a price that, compared with the Tender Offer Price, will be economically equivalent to shareholders selling shares in such additional acquisition (that is, provided that Target does not consolidate or split shares or otherwise engage in conduct requiring adjustment of share price, the same price per share as the Tender Offer Price).

(2) The Background, Objective and Decision-Making Process Leading to the Decision to Implement the Tender Offer; Post-Tender Offer Managerial Policy

① The Objective and Decision-Making Process Leading to the Decision to Implement the Tender Offer

I. Tender Offeror Group

The Tender Offeror was founded in 1970 by Mr. Masaru Wasami, the current President and Representative Director, using one truck, and in August 1973, was incorporated as Yugen Kaisha Maruwa Unyu Kikan for the purpose of consignment truck transportation. Subsequently, it underwent an organizational change to a stock company in October 1978, through which its trade name was changed to Maruwa Unyu Kikan Co., Ltd., and in October 2022, a pure holding company system was introduced, under which the trade name was changed to AZ-COM MARUWA Holdings Inc. Its shares were listed on the second section of TSE in April 2014, designated as an issue on the first section of TSE in April 2015, and then listed on the TSE prime market in April 2022, when TSE market segments were reclassified.

During that period of time, pursuant to the management philosophy of, “Pursuant to the customer first policy, aim to be Number One in the third party logistics (“3PL”) (Note 1), and contribute to communal welfare and a bountiful society”, the Tender Offeror Group (which means as of the time of this document, the Tender Offeror, 20 consolidated subsidiaries and five non-consolidated subsidiaries (one of which is dormant), collectively; hereinafter the same applies in this “Tender Offeror Group” section) was engaging primarily in the third-party logistics business with the logistics center business as a core business, striving to expand business focusing on, e-commerce (“EC”) and ambient-temperature logistics mainly for the retail business, food logistics, and medicine and medical logistics, and in recent years, with Japan experiencing an increasing number of natural disasters, has focused on establishing “BCP logistics” as the fourth pillar of business that enables a stable supply of foodstuffs etc. in times of disaster. In addition, through efforts of developing “human resources”, learning cutting-edge knowledge and technologies, creating original logistics designs (optimizing logistics), and engaging in research and development, as a professional logistics group capable of supporting customers’ businesses from all angles, the group is confident of its contribution to the “development of local community” and the “creation of a bountiful society”. As a future vision, aiming to be Number One in the 3PL industry, it will expand “to 1 trillion yen in sales” and “100,000 employees”, and also strive to achieve “seven highs” – “high quality human resources”, “high quality”, “high growth”, “high revenue”, “high wage”, “high dividend” and “high share price” – so that corporate profit will extend to the benefit of every individual employee.

Note 1: “Third party logistics (“3PL”)” means, on behalf of shippers, planning the most efficient logistics strategies and proposing the establishment of a logistics system, and assuming and implementing such efforts as a whole.

Furthermore, to realize the future vision, the Tender Offeror has had numerous discussions with the management teams of many logistics companies and has executed M&As for the purpose of enhancing mutual corporate value. Companies participating in the Tender Offeror Group appear to be taking advantage of synergy effects and steadily growing, utilizing each other’s strengths and know-how.

As one example, Japan Logistics Development Co., Ltd. (an EC logistics center and distribution process operator), which became a wholly-owned subsidiary of the Tender Offeror in August 2020, built the Tsuchiura New Center in cooperation with the Tender Offeror to secure center capacity to handle increasing volume, and achieved an increase in sales (+18.5% compared against the term immediately preceding the M&A).

Additionally, PHYZ Holdings Inc., which became a consolidated subsidiary of the Tender Offeror in March 2022, is currently listed on the TSE standard market and operating logistics centers for EC operators such as Amazon Japan GK. PHYZ Holdings Inc. received new orders after joining the Tender Offeror Group, and increased its sales in the term ended March 2023 by 31% compared to the preceding term and the operating profit by 98% compared to the preceding term. Said company is also sharing with the entire Tender Offeror Group its “human resources hiring power”, which is the strength of said company that grew out of the temporary staffing business, and its “logistics center operation know-how for EC operators”, which said company has accumulated namely by operating the logistics center for Amazon Japan GK. Therefore, the

Tender Offeror Group's "human resource hiring power" and "EC center operation know-how" have been enhanced more than ever. It should be noted that said company's share price in the TSE standard market is 1,161 yen as of March 19, 2024, which is 81.12% (rounded off to the second decimal place) higher than 641 yen at the time when the Tender Offeror made the tender offer to said company (March 22, 2022), and suggests that the stock market is highly evaluating said company.

The logistics industry where the Tender Offeror Group and the Target Group belong is considered to be facing industry-wide critical issues such as handling the 2024 Logistics Problem (Note 2), and other management-related challenges such as shortages of human resources and operating vehicles, and soaring purchase prices and raw material prices due to reasons such as increasing geopolitical risks and the weak yen.

Note 2: "2024 Logistics Problem" means the shortage of drivers and other various problems that are expected to occur in conjunction with the application of the maximum overtime work hour limit of 960 hours per year to the vehicle operating business under the Act on the Arrangement of Related Acts to Promote Work Style Reform in April 2024.

In the food logistics industry in particular, demand for frozen foodstuffs is dramatically increasing as people's sense of value is diversifying and the quality of such products is improving, and also the prices, especially those of food products, continue to rise. Therefore, the Tender Offeror expects that the market for the food cold chain industry in particular will keep moderately expanding, and at the same time, that challenges common to all companies such as increasing needs regarding inventory to address increases in frozen foodstuffs and coordinate with BCP, increases in the number of items to control, and pressure from cosigner companies to reduce logistics costs. The Tender Offeror also believes that because there are many competitors engaging in food logistics, especially food cold chain logistics, and fierce price competition is ongoing, it has no other option but to accept orders at low prices, and the tight revenue environment continues as costs keep increasing due to soaring labor costs resulting from labor shortages and the 2024 Logistics Problem, and soaring fuel costs resulting from energy issues.

In order to solve the problems of the entire food logistics industry, which has a significant impact on people's lives, the Tender Offeror considers it important that not only each logistics company continuously makes management efforts and participates in competition, but also, related companies work together and provide cooperation to transform the business structure. After reaffirming the importance of food logistics in the wake of COVID-19, the earthquake and other disasters, the Tender Offeror believes that establishing a sustainable and stable food logistics network is a socially meaningful activity, and that it is possible to establish such a sustainable and stable logistics network by expanding the corporate scale and normalizing the relationships with shippers so that increases in labor costs, fuel costs and others can be appropriately reflected in prices, as well as by providing further added value to shippers through the establishment of a logistics network covering from upstream to downstream. The Tender Offeror also believes that it is possible to meet social expectations through seamless logistics and efficient management by optimizing limited management resources for transformation to a robust management structure. As a result, the corporate value will be enhanced in the medium-to-long term, and business operations will be realized and meet the expectations of all stakeholders.

II. Target Group

According to the 8th term securities report submitted by Target on June 29, 2023, the Target Group consists of Target, 15 consolidated subsidiaries and two affiliates as of March 31, 2023. In October 2015, Target became a wholly owning parent company through the joint share transfer of Meito Transportation Co., Ltd. ("Meito Transportation") and Hutech norin Co., Ltd. ("Hutech norin"), which are now wholly-owned subsidiaries of Target. Target Shares were listed on the first section of TSE when Target was incorporated in October 2015, and subsequently listed on the TSE prime market in April 2022, when TSE market segments were reclassified.

The "Execution of the Memorandum of Understanding Concerning Management Integration through Establishment of A Joint Holding Company (Share Transfer) between Meito Transportation Co., Ltd. and Hutech norin Co., Ltd." released by Meito Transportation and Hutech norin on February 10, 2015, explains the background of the joint share transfer between Meito Transportation and Hutech norin as follows. Both companies were leaders in food logistics in Japan as logistics operators specializing in cold food, and they took advantage of each other's strengths in the transportation business and the warehouse business; with Meito Transportation's specialty being in chilled food and Hutech norin's specialty being in frozen food. But as manufacturers, wholesalers and retailers increasingly reorganized in various forms in the foodstuffs industry, leading to business scale expansion and oligopolies, the business environment surrounding both companies is dramatically changing. The cold food industry is expecting steady growth, and so both companies are placed under pressure to keep up with the further expansion of business scale and geographical areas, and to realize high logistics quality to secure "the security and safety of food" at a higher speed than before. Therefore, both companies determined that it is essential to establish a strong tie, improve customer service and strengthen the business foundation through expansion of business areas, and to become a comprehensive logistics information company that will lead constantly changing food logistics with advanced temperature control technologies. With the common recognition that joint share transfer is the best option for all stakeholders to enhance the corporate value in the medium-to-long term by winning high evaluations from customers and becoming a partner of choice for customers, Meito Transportation and Hutech norin are striving to secure the status of a leading company in the food cold chain industry through integration of both companies' strongholds and provision of detailed services.

According to the Third Medium-Term Management Plan for three years released by Target on May 10, 2022, covering the period from the term ended March 2023 through the term that will end March 2025, and according to the press release concerning the revision of the Third Medium-Term Management Plan released by Target on June 16, 2023, the Target Group has the following "What We Aim to Become" and "Basic Strategy".

"What We Aim to Become"	"Establishment of a comprehensive logistics information company with low-temperature business as its core to lead the globally changing food logistics" ～become a logistics company highly evaluated and chosen by customers for its advanced temperature control～ (1) Expand the business scale, enter into new business areas, and secure the status as a leading company in the food cold chain industry by making the best use of logistics

	quality supported by in-house operations utilizing its own facilities and vehicles and many years of experience as a food cold chain pioneer, and creating a “new” logistics system; (2) Become a logistics company that continues to make a leap forward by realizing logistics-related added value, further improving logistics quality, and enhancing corporate value; (3) Become a logistics company where employees have future hopes, and enthusiastically dedicate themselves to work; and (4) Become a logistics company that fulfills its social responsibility and gains support from any and all stakeholders.
“Basic Strategy”	(1) Build a Sustainable Logistics Business • Promote a logistics business that protects the food lifeline and contributes to a bountiful society; • Build an environmentally friendly logistics base to help achieve a decarbonized society; and • Emphasize diversity, and create a pleasant workplace environment that gives meaning to all employees. (2) Enhance Corporate Value through Strategic Financing • Actively optimize the equity-debt balance and take other measures, and maintain an ROE of 8% or greater; • For better capital efficiency, appropriately allocate funds, and make investments conscious of capita cost; and • Enhance the share value by providing better returns to shareholders and further improving communication with shareholders. (3) Intensify the functions of existing businesses including the cooperative transportation business as its core, and strengthen the revenue foundation • Promote the resilience of the profit structure of the cooperative transportation business by restructuring the network and developing new functions; • Build a new cooperative transportation businesses beyond the framework of traditional business models corresponding to the classifications, such as 'shipper/customer' or 'temperature zone', and capture business opportunities; and • Reorganize and strengthen existing business models to meet customer and market needs. (4) Promote investment in growth fields • Enter into EC-related logistics and inject management resources in growing markets; • Expand new business areas using temperature control technologies; and • Make investments in overseas businesses with expected stable growth while raising the sensitivity to country risks.
“Additional Measures”	• As sustainability-related measures, make investments in improving productivity through development and the deployment of new technologies contributing to environmental measures, and labor-saving and workforce reduction;

	• Accelerate growth by promoting investments in growth fields (overseas, EC, medicine etc.), and by collaborating with other companies; and • Further strengthen revenue power and expand businesses utilizing M&A and other means that help make the existing businesses robust.

"Measures toward Realizing Management that is Conscious of Capital Cost and Share Price", which was released by Target on March 15, 2024, sets forth as follows an analysis and evaluation of current conditions regarding capital cost and return on equity, policies aimed at improvement and goals, and specific initiatives to achieve the foregoing, in order to achieve sustainable grown and enhance corporate value over the medium-to-long term.

"Evaluation of Current Conditions"	・ After the merger ROE trended at roughly 8.0% but recently has remained low. ・ The low net profit margin is thought to be one cause of this.
"Policies for Improvement"	・ Based on the basic strategies and financial strategies set forth in the Third Medium-Term Management Plan, formulate and implement a sustainable growth strategy, and achieve ROE of at least 8.0% through both business and financial approaches; ・ Seek sustainable growth by setting long-term targets that are focused on top-line growth; ・ By actively having communications with stakeholders, and explaining in a timely, easy-to-understand manner its initiatives and growth strategies, proactively engage in constructive dialogue with shareholders, which should lead to enhancements in shareholder value and corporate value.
"Specific Initiatives"	(1) Achieving a resilient revenue base and sustainable growth through further investment ・ Greater resilience in the "cold chain logistics business" through selection and concentration; ・ Expand investment in development of new technologies and environmental countermeasures; ・ Achieving human capital management through expanded investment in human resources. (2) More efficient management from a financial approach ・ Enhanced shareholder value and corporate value through an optimized capital composition; ・ Stronger measures for shareholder returns. (3) By actively communicating with stakeholders, promote constructive dialogue with shareholders ・ More accurate and objective communications regarding company efforts and growth strategies and stakeholder engagement through a more robust IR framework. (4) Strengthened governance and enhancement of corporate value through a more robust internal framework

	· Enhancement of corporate value through a group-wide committee

As consumption of chilled and frozen food steadily increases, the aggregate market value of the Tender Offeror’s shares as of March 19, 2024 (roughly 188 billion yen) (Note 3) , has increased 4.8 times from the aggregate market value of the Tender Offeror’s shares as of October 1, 2015 (approximately 39.0 billion yen) (Note 4). Meanwhile, the aggregate market value of Target Shares, which hit a peak of approximately 55.0 billion yen on January 12, 2021, and was on the decline since then, has recently been on the rise, approaching the highest aggregate market value ever recorded on January 12, 2021, reaching 44 billion yen (Note 6) on March 19, 2024 (Figure 1). As indicated in the November 16, 2023, “Notice of Buyback of Own Shares and Buyback of Own Share through ToSTNeT-3” released by Target, Target announced that it would buy back own shares by using off-auction own share repurchase trading (ToSTNet-3) having an upper limit of 3,400,000 Target Shares (representing 13.2% of total issued shares as of such time *less* treasury shares), during the period from November 17, 2023, to September 30, 2024, The price of Target Shares has been rising since mid-November 2023, and this period mostly overlaps with the announced share buyback period; a calculation based on the number of bought back shares indicated in the “State of Buyback of Own Shares” and the “Report on State of Buyback of Own Shares” released by Target on later dates indicates that the total number of shares acquired through purchase in the market from November 20, 2023, until February 29, 2024 (excluding the number of own shares acquired through ToSTNeT-3), was 259,800, accounting for more than 16% of the market trading volume for the same period. Moreover, given that since the announcement relating to such buyback of shares until the release on March 15, 2024, of “Measures toward Realizing Management that is Conscious of Capital Cost and Share Price”, Target made no disclosures of any new business strategies, the Tender Offeror presumes that the recent rise in Target’s share price mostly resulted from the impact of the buyback of its own shares and does not reflect that Target’s strategy and growth potential are highly evaluated or anticipated by the stock market. If we look at share price-linked indicators, Target’s price-book ratio (PBR) as of March 19, 2024, was below 1.0, the return on equity (ROE) for the March 2023 term was, as is noted in “Measures toward Realizing Management that is Conscious of Capital Cost and Share Price”, was 6.7%, which is below the level of 8% indicated to be the minimum ROE that a corporation should commit to, as indicated in “ ‘Competitiveness and Incentives towards Sustainable Growth (Building a Desirable Relationship between Corporations and Investors’ Project (Itoh Report)” released by the Ministry of Economy, Trade and Industry in August 2014. What is requested under “Measures toward Realizing Management that is Conscious of Capital Cost and Share Price” released by the Tokyo Stock Exchange on March 31, 2023, is as follows: “Roughly half of the companies listed on the Prime Market and roughly 60% of the companies listed on the Standard Market have an ROE of less than 8% and a PBR of less than 1.0, and thus from the perspective of capital profitability and growth, there are issues”; in light of these circumstances, “in order to realize sustainable growth and medium-to-long-term enhancement of corporate value”, it is not “buyback of own shares or increased dividends alone or other transient measures that are expected”, but rather “what is expected is thorough initiatives for achieving return on capital that continuously exceeds capital cost and attaining sustained growth”. Target has, as discussed above, used share buybacks to improve PBR and ROE. Meanwhile, in order to achieve enhancement in medium-to-long-term corporate value and further improvement in share price-linked indicators resulting therefrom, it is critical to propose and implement a proactive and thorough business strategy as discussed in the "Measures toward Realizing Management that is Conscious of Capital Cost and Share Price" that Target released on March 15, 2024, and precisely by realizing this Target will be able to achieve "What We Aim to Become" –"a logistics company that, by realizing logistics-related added value and further improving logistics quality, continues to leap forward in the enhancement of corporate value", and will be able to meet the expectations of shareholders and the requirements of the Tokyo Stock Exchange.

Note 3: Calculated using the Tender Offer's total number of issued shares as of December 31, 2023 (137,984,520 shares), as set forth in the "March 2024 Term Consolidated 3rd Quarter Earnings Report (based on Japan GAAP)" released by Tender Offeror on February 5, 2024 less Tender Offeror's treasury shares as of the same day (3,094,844 shares)

Note 4: Calculated using the total number of Tender Offeror's issued shares after share split as of September 30, 2015, as set forth in the "March 2016 Term Consolidated 2nd Quarter Earnings Report (based on Japan GAAP)" released by Tender Offeror on November 2, 2015 (16,032,840 shares; as of such date, Tender Offeror possessed no treasury shares)

Note 5: Calculated using Target's total number of issued shares as of December 31, 2020 (25,690,766 shares), as set forth in the "March 2021 Term Consolidated 3rd Quarter Earnings Report (based on Japan GAAP)" released by Target on February 8, 2021 less Target's treasury shares as of the same day (656,432 shares)

Note 6: Calculated using Target's total number of issued shares as of February 29, 2024 (25,690,766 shares), as set forth in Target's Own Share Buyback Report less Target's treasury shares as of the same day (3,945,672 shares)

Figure 1. Trends in the aggregate market value of the Tender Offeror and Target (prepared by the Tender Offeror using SPEEDA)

As mentioned above, the Tender Offeror believes that the logistics industry to which the Tender Offeror Group and the Target Group belong is facing industry-wide critical issues such as addressing the 2024 Logistics Problem and other management-related challenges such as shortage of human resources and operating vehicles, and soaring purchase prices and raw material prices due to reasons such as increasing geopolitical risks and the weak yen.

During discussions on the Business Integration Proposal held with Target from October 2022, the Tender Offeror made a proposal to Target to take advantage of the strengths of the Target Group and the Tender Offeror Group, and to work together for a new logistics system such as the food logistics center construction project ("AZ-COM Matsubushi" Project) in Matsubushi-machi, Saitama-ken, which was decided on by the Tender Offeror on April 21, 2023. However, Target did not seem to be giving serious consideration to the proposal, as it had not presented or discussed beforehand any of the points of concern, and turned down the proposal on October 5, 2023, on the grounds that "the proposal is contrary to the prior direction of business expansion", and "the decentralization of the logistics base may cause inefficiency in the transportation network", among other reasons. The Tender Offeror feels that this kind of attitude of Target is in fact contrary to the spirit of Target's "What We Aim to Become" as set forth by the Target Group at the time of incorporation, namely a company that expands the business scale, enters into new business areas, and secure the status of a leading company in the food cold chain industry by creating a "new" logistics system. The Tender Offeror believes that in order to survive and thrive in the harsh business environment discussed above, realizing and becoming "What We Aim to Become" is precisely what is called for.

Under such an awareness it is the Tender Offeror's belief that it would be difficult for Target, operating its business by itself, to achieve the consolidated operating revenue of 118.7 billion yen and the consolidated operating profit of 4.7 billion yen for the term ending March 2025, and the consolidated operating revenue of 122.4 billion yen and the consolidated operating profit of 5.7 billion yen for the term ending March 2026 as indicated in the "Revised Medium-Term Management Plan" released by Target on June 16, 2023.

Specifically, the Second Medium-Term Management Plan for the three years from the term ended March 2020 through the term ended March 2022 released by Target on May 8, 2019 included consolidated operating revenue of 130.0 billion yen and consolidated recurring profit of 6.5 billion yen as reference values for the term that will end March 2025, expecting that multiple new facilities would be completed in that plan period and be in full operation in that term, However, in the subsequent Third Medium-Term Management Plan for three years from the term ended March 2023 through the term ending March 2025 released by Target on May 10, 2022, the target for the term that will end March 2025 was revised downward from the reference values released on May 8, 2019 to a consolidated operating revenue of 118.8 billion yen and a consolidated operating profit of 5.5 billion yen. Additionally, as mentioned above, on June 16, 2023, merely one year after the Third Medium-Term Management Plan was published, it was revised, and the target for the term ending March 2025 was revised downward to a consolidated operating revenue of 118.7 billion yen and a consolidated operating profit of 4.7 billion yen.

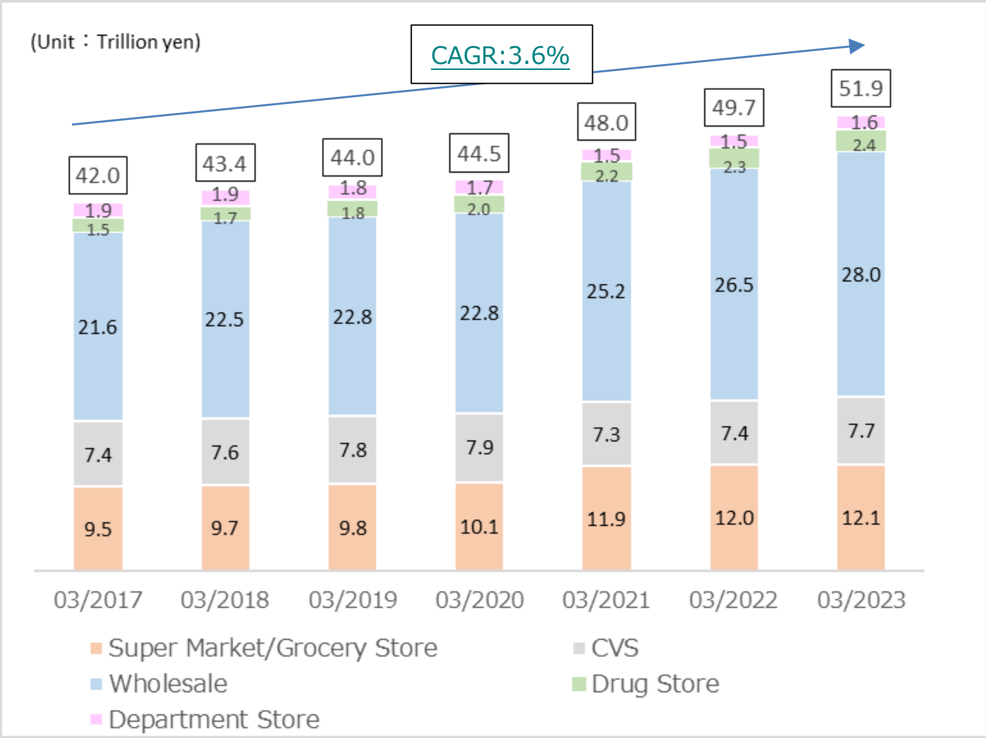
The Tender Offeror believes that the figures for consolidated sales for the term ending March 2025 and other figures based on the full operation of the new facilities in the Second Medium-Term Management Plan published by Target on May 8, 2019, have good grounds, but subsequently, in the Third Medium-Term Management Plan published by Target on May 10, 2022, and the "Revised Medium-Term Management Plan" published by Target on June 16, 2023, all the target numbers were revised downward. Regarding the Third Medium-Term Management Plan, merely one year after its release, all the target numbers were revised downward, and the Tender Offeror believes that Target does not adequately understand the business environment.

While the annual average growth rate of Target's consolidated sales since Target was incorporated remains at 1.5%, the annual average growth rate of consolidated sales of competitors operating the food cold chain business is around 3% (Figure 2), and the annual average growth rate of foodstuffs sales by store type from the term ended March 2017 through the term ended March 2023 exceeds 3%, according to the "Current Survey of Commerce" published by the Ministry of Economy, Trade and Industry (Figure 3). Thus, the annual average growth rate of Target's consolidated sales was lower than both the annual average growth rate of consolidated sales of competitors and the average growth rate in the market.

Figure 2. Comparison of annual average growth rates of consolidated sales (The Tender Offeror prepared the following table on the basis of the accounting documents of the 10 top companies that have made accounting data available and are determined to have cold chain logistics as a core business in sales in the cold chain logistics market in the "2023 Current Status and Future Outlook of the Cold Chain Logistics Market" published by Yano Research Institute Ltd., as well as SPEEDA. K.R.S. Corporation closes its books at the end of November, and thus, the following table shows numbers for the term ending at the end of each November. Regarding F-LINE Co., Ltd. and Muroo Co., Ltd., nonconsolidated sales numbers indicated in public information are used.)

(Unit:100 Million Yen)	FY03/2017	FY03/2018	FY03/2019	FY03/2020	FY03/2021	FY03/2022	FY03/2023	CAGR (2017vs2023)	CAGR (2017vs2022)
Chilled & Frozen Logistics Holdings Co., Ltd.	1,038	1,042	1,076	1,107	1,104	1,109	1,134	1.5%	1.3%
Nichirei Logistics Group Inc.	1,869	1,951	2,010	2,065	2,123	2,245	2,442	4.6%	3.7%
Nichirei Logistics Group Inc. (Except Overseas sales)	1,549	1,598	1,627	1,689	1,758	1,786	1,805	2.6%	2.9%
K.R.S. Corporation	1,597	1,692	1,722	1,712	1,760	1,796	1,846	2.4%	2.4%
F-LINE	604	608	605	898	855	828	823	5.3%	6.5%
Muroo Co.,Ltd.	471	591	624	662	693	670	674	6.1%	7.3%
Runtec Corporation	463	487	525	564	543	569	608	4.7%	4.2%
AZ-COM MARUWA Holdings Inc.	672	744	856	983	1,121	1,330	1,778	17.6%	14.6%
AZ-COM MARUWA Holdings Inc.(Cold Chain Food Logistics Business)	314	332	362	394	448	444	n.a	-	7.2%

Figure 3. Food sales by store type (prepared by the Tender Offeror on the basis of the "Current Survey of Commerce" published by the Ministry of Economy, Trade and Industry)



Given the above, the Tender Offeror observes that there are limits to what Target, operating its business by itself, can do, while addressing the 2024 Logistics Problem and other management challenges, shortage of human resources and operating vehicles, soaring purchase and raw material prices against a backdrop of such factors as increasing geopolitical risks and a weak yen, and other assorted challenges the logistics industry is facing—to realize the full potential it possesses, attain the policies toward and goals for improvement of capital cost and share price set forth in the “Measures toward Realizing Management that is Conscious of Capital Cost and Share Price”, which was released by Target on March 15, 2024, become “What We Aim to Become” and realize the “Basic Strategy” set forth by the Target Group in its Medium-Term Management Plan, and thus enhance corporate value over the medium-to-long term, beyond what it has done so far.

III. The Objective and Decision-Making Process Leading to the Tender Offeror’s Decision to Implement the Tender Offer

In October 2022, after considering what is needed for the Tender Offeror Group to demonstrate its strong presence in the cold chain logistics market and establish a sustainable logistics system in view of the current cold chain logistics industry as explained above, the Tender Offeror concluded that Business Integration with the Target Group would be one step forward to create added value in the entire cold chain logistics market, through which great synergy effects with the Tender Offeror Group can be expected.

The consolidated sales and consolidated operating profit of the Tender Offeror have an average annual growth rate of more than 10%, and consolidated sales for the term ended March 2023 grew by 30% over the prior term. Regarding the Tender Offeror’s consolidated sales relating to the cold chain logistics operated by Target Group, although the annual average growth rate of the Tender Offeror’s consolidated sales was 7.2% for the term ended at the end of March 2017 through the term ended at the end of March 2022, the annual average growth rate of Target’s consolidated sales for the same period remained 1.3%. Thus, the annual average growth rate of the Tender Offeror Group’s cold chain logistics-related business exceeded that of the

Target Group, demonstrating its high business operational capabilities. In addition to organic growth, the Tender Offeror Group is expanding its business utilizing M&A, and operating its business while respecting the autonomy of companies, which joined the Tender Offeror Group to generate synergy effects. As mentioned above, all companies which joined the Tender Offeror Group have expanded business after M&A. The Tender Offeror Group envisions that through Business Integration between the Target Group and the Tender Offeror Group having the business operation power evidenced by its performance, as with the past M&As executed by the Tender Offeror under the long-term vision to “Achieve the Consolidated Sales of 1 Trillion Yen”, and the goal of “Aim to Be Number One in the Domestic Cold Chain Logistics Market”, by having the Target Group take advantage of the business operation know-how, sales power, human resources and any other resources accumulated by the Tender Offeror Group while respecting the autonomy of the Target Group, it can be expected that the business areas of the Tender Offer and of the Target Group will complement each other, business efforts will be supported, and functions will be strengthened. Thus, it is possible to realize the potential in the Target Group’s cold chain logistics business and to achieve greater growth than ever before, and this will also help solve the assorted problems faced by the logistics industry, which are also societal problems.

The following synergy effects between the Tender Offeror Group and the Target Group are expected, and through those effects, “What We Aim to Become” and “Basic Strategy” stipulated by the Target Group in its medium-term management plan will be promoted, and the corporate value of Target and the entire Target Group will be enhanced.

(A) Complementarity in business areas between the Tender Offeror Group and the Target Group

a. Strengthening of logistics network (cooperative transportation)

By connecting the nationwide cold chain logistics network of the Target Group with the Tender Offeror Group’s bases and the Tender Offeror’s logistics network “AZ-COM MARUWA Support Network” (as of December 31, 2023, there are 1,895 member companies nationwide), it is possible to establish an even more robust nationwide network, which will directly contribute to enhancement of the Target Group’s top line, and by additionally promoting more efficient center operation and other efforts toward new joint transportation, the entire Tender Offeror Group (including the Target Group) can strengthen its revenue power.

b. Economies of scale

If the Target Group joins the Tender Offeror Group, the Tender Offeror Group (including the Target Group) will be ranked third in the cold chain logistics market share (Figure 4). The Tender Offeror Group (including the Target Group) expects to enjoy economies of scale such as reduction of vehicle and fuel purchase costs, recruitment of human resources and improvement of quality of equipment and DX/IT investments.

Figure 4. 2022 cold chain logistics market shares by operator (prepared by the Tender Offeror on the basis of the “2023 Current Status and Future Outlook of the Cold Chain Logistics Market” published by Yano Research Institute Ltd.)

(Unit : Billion、%)

企業名	Related Sales	market share
Nichirei Logistics Group Inc.	180.5	10.2
YAMATO HOLDINGS CO., LTD.	178.0	10.0
K.R.S. Corporation	122.0	6.9
Chilled & Frozen Logistics Holdings Co., Ltd.	112.0	6.3
Runtec Corporation	60.5	3.4
SBS Holdings, Inc.	55.0	3.1
Muroo Co.,Ltd.	54.0	3.0
F-LINE	53.0	3.0
AZ-COM MARUWA Holdings Inc.	50.0	2.8

Total Related Sales
162 Billion Yen
Market Share 9.1%

c. Expansion of EC-related logistics business

Viewing EC-related logistics as a growing field, the Target Group has been investing management resources there. The Target Group has such strengths in cold chain logistics as transport and delivery capability and temperature control technologies, and by utilizing the Tender Offeror Group's EC-related logistics business foundation and know-how, the expansion of the Target Group's EC-related logistics business centering on cold food will be more rapidly realized.

d. Cooperation in the direct-from-farm value chain

The Tender Offeror Group is providing fresh and value-added foodstuffs to consumers, and is also actively promoting the "direct-from-farm value chain" in which it is serving as a bridge connecting foodstuffs buyers of supermarkets and farm producers across the country, and it helps generate business opportunities for the farm producers to support their business by providing the buyers with opportunities to visit farmlands and directly observe how produce is cultivated and produced. As part of these efforts, the Tender Offeror Group has partnered with Kumamoto Daido Seika Co., Ltd., which is a produce wholesaler and is operating a wholesale market in Kyushu, and ANA Cargo Inc. for the purpose of promoting a modal shift, and continues to increase the number of business partners. The Tender Offeror Group believes that in food logistics, the absolute temperature control of the Target Group's cold chain logistics will add more value and cooperation in the direct-from-farm value chain will provide a new revenue opportunity to the Target Group, and mutual synergy effects in a large scale can be expected.

e. Building a logistics network in the supply chain from upstream to downstream

If the Target Group, which is an independent cold chain logistics company and is considered to have many good customers, mainly manufacturers and wholesalers, joins the Tender Offeror Group, which is a 3PL operator specialized in the retail business, it becomes possible to execute logistics operations of the entire supply chain in a comprehensive fashion. Specifically, by mutually utilizing the food logistics center "AZ-COM MATSUBUSHI" (a BCP warehouse and logistics facility, with a site area of 35,200 *tsubo*, capable of handling the three temperature ranges of frozen, chilled, and dry and enabling the goods of both retail and foodstuffs manufacturers to be stored and be inventory-managed in the same center), which the Tender Offeror Group is currently constructing (operations scheduled to start in April 2025) and which will be one of

Japan's largest such centers, to carry out transport and delivery, including *yokomochi* (Note 7), with the lowest energy use possible, thus realizing efficient transport and delivery and sharing those cost merits across the supply chain; it is anticipated that this will bring about great customer satisfaction and a resilient profit structure.

Note 7: "*Yokomochi*" means the transport of freight between or within plants, outlets, branches or other internal locations.

f. Joint development of BCP logistics support business

As the fourth pillar of business, the Tender Offeror Group is rolling out the BCP logistics assistance business, which helps establish a nationwide logistics support network in times of disaster. When the Noto Peninsula Earthquake hit on January 1, 2024, the Tender Offeror Group's BCP network responded to requests from municipalities and companies immediately after the earthquake occurred, and in the following day, executed the transport and delivery of relief goods, fuel and others to the affected area, and supported the BCP logistics. Backed by such performance and trust, as of February 29, 2024, the group has disaster assistance agreements with 66 regional governments (25 prefectures, and 41 municipalities) and 4 retailers and foodstuffs manufacturers, and 2 general incorporated associations and NPOs.

If the Target Group's cold food transportation capacity is added to the Tender Offeror Group's nationwide logistics assistance and stockpiling services in times of disaster, and sustainable transportation infrastructure, it is anticipated that a higher quality lifeline can be secured, which will be an even greater contribution to society. In particular, utilizing the transport and delivery capacity for the logistics between the Target Group and its manufacturers and wholesalers in the Tender Offeror Group's BCP logistics has great social significance, which is aligned with the goal to "Promote a Logistics Business that Protects the Food Lifeline and Contributes to a Bountiful Society" which is one of the elements to "Build a Sustainable Logistics Business" pursuant to the Target Group's "Basic Strategy", and it will be possible to address across business categories the challenges that Japan faces of strengthening the resilience of the entire society at times of emergency and disaster.

g. Building an effective sales structure

The Tender Offeror Group excels at proposing a system to add more value to customers' businesses, and finding new customers, and it is anticipated that by combining the Tender Offeror Group's sales power and the Target Group's field capabilities, the sales organization can be reinforced. If unified sales activities are rolled out in the entire value chain instead of the Target Group and the Tender Offeror Group separately and fragmentally approaching manufacturers, wholesalers, retailers and other customers, an overwhelmingly effective sales structure is expected to be built. It is strongly believed that by capturing transport and delivery demand through building an effective sales structure, the Target Group's top line will be improved.

h. Developing the overseas business

Regarding overseas business, which is one of the elements to "Promote Investment in Growth

Fields” pursuant to the Target Group’s “Basic Strategy”, it is anticipated that through utilizing Tender Offeror Group’s know-how and management resources, such as supporting the expansion of the Target Group to Kamigumi Co., Ltd.’s overseas locations under the capital and business partnership agreement executed between the Tender Offeror Group and Kamigumi Co., Ltd. in September 2022, and the roll-out of the Target Group’s overseas business will be further promoted.

i. Promoting a modal shift

As part of the goal to “Build an Environmentally Friendly Logistics Base to Help Achieve a Decarbonized Society” which is one of the elements to “Build a Sustainable Logistics Business” pursuant to the Target Group’s “Basic Strategy”, the Target Group is promoting a modal shift by adding transportation by ship. As countermeasures against the 2024 Logistics Problem, environmental issues and others, the Tender Offeror Group has been providing logistics services in addition to trucks, namely, transportation by rail with Maruwa Tsuun Co., Ltd., which is a group company, transportation by ship with Kamigumi Co., Ltd., which is a capital and business partner, and transportation by air with ANA Cargo Inc., which is a business partner. Thus, it is expected to be possible for the Target Group to promote a modal shift to cover all of ground, sea and air transportations.

(B) Improvement of the Functions of the Tender Offeror Group and the Target Group

a. Human Resources hiring and training

Addressing the 2024 Logistics Problem is a concern shared by the entire industry and mutually sharing know-how will lead to further strengthening the human capital of both company groups. The Tender Offeror Group hired a total of 715 persons in fiscal 2021, both new graduates and mid-career hires, and in fiscal 2022, it hired 911 persons, including 325 new graduates, an increase of almost 200 over the previous year, and in terms of hiring, it is in a superior position in the industry. In terms of hiring foreign workers, the incorporated educational institution Maruwa Gakuen operates a Japanese language school for foreign students (Japanese Language School of the Tokyo Foreign Language Academy which was established in 1983 and Obtained school corporation accreditation in 2023), and in 2023, the Tender Offeror Group started hiring its graduates. In this manner, the Tender Offeror Group is addressing the issue of employment difficulties in the wake of Japan’s falling population. Through the above measures, the Tender Offeror Group plans to hire 5,000 new employees in the five years preceding March 2027. In addition, regarding the training of personnel, on the basis of the philosophy, “without human growth, no company growth”, in the internal schools established in 1997 (Maruwa Logistics College), a training structure is in place that has programs tailored to specific employment classes and work types and encourages employees to obtain assorted qualifications. If the Target Group joins the Tender Offeror Group, the human exchange between the two groups will enable further nurturing of personnel. Further, realizing corporate growth through cooperation between two different corporate cultures will lead to the realization of diverse career formation and personal growth for employees and happiness for employees and their families. This will lead to “Becoming a logistics company where employees have future hopes, and enthusiastically dedicate themselves to work”, which is part of “What We

Aim to Become”.

b. Accelerated investment in labor-saving and workforce reduction

In order to achieve logistics reform that includes tackling the 2024 Logistics Problem, achieving labor-saving and workforce reduction through digital transformation is a shared goal throughout the industry. The Tender Offeror Group, through advanced material handling and accelerated IT investments, has moved forward with investment in labor-saving and workforce reduction. The Target Group too, among the “Additional Measures” of its “Basic Strategy” includes “Investments in improving productivity through labor-saving and workforce reduction” and thus too seems to be moving forward with investment in labor-saving and workforce reduction. If the two groups collaborate and utilize their mutual know-how, even greater labor-saving and workforce reduction can be achieved, leading to speedier business execution and cost reductions and achieving group-wide improvements in productivity.

In light of the above consideration, on October 17, 2022, the Tender Offeror presented the Business Integration Proposal to Target, and thereafter, over the course of 12 occasions, carried out discussions with Target regarding the synergy effects between the Tender Offeror Group and the Target Group that would arise through collaboration at AZ-COM Matsubushi and otherwise. The reason for the selection of the Business Integration as the transaction form for realizing synergy between the Tender Offeror Group and the Target Group is that, as discussed above, Target was established through a joint share transfer between Meito Transportation and Hutech norin and should be well aware of the merits and demerits of such a method, this would be an easy transaction form for Target to accept. In these discussions, so that consideration would be given to the broad and specific synergy effects that would arise from collaboration between the Tender Offeror Group and the Target Group and not just the synergy effects that would come from collaboration at AZ-COM Matsubushi, the Tender Offeror Group suggested an exchange of ideas regarding collaboration in other fields, but the questions from Target focused on AZ-COM Matsubushi and Target had not presented or discussed beforehand any of the points of concern, and Target did not seem to be giving serious consideration to the Business Integration Proposal. As a result, on October 5, 2023, the Tender Offeror received a notice that Target was suspending consideration of the Business Integration Proposal because of such reasons as (i) according to the Business Integration Proposal, through the collaboration at AZ-COM Matsubushi, “the intention is to build a logistics network where the involvement of foodstuff wholesalers is minimized in order to reduce logistics costs, such as limiting the role of foodstuff wholesalers to paperwork”; however, foodstuff wholesales represent roughly one-quarter of the sales of Target and are “important business partners” of Target; accordingly, “this goes in the opposite direction of Target’s business expansion and brings a large risk of the estrangement of Target’s big customers, and because this leads to the wide dispersion of Target’s logistics bases, this could lead to greater inefficiencies in its delivery network”, and for such reasons, “while on the one hand the creation of large synergy effects for Target is not expected,” on the other hand, Target “would be bearing great risks” and for these reasons, Target has determined that the business integration “would not contribute to the enhancement of corporate value; and (ii) “because of the great differences in corporate culture, it is expected that with business integration, additional risks would increase”. The Tender Offeror believes that, ideally, the points of concern of (i) and (ii) above should have been discussed and deliberated upon collaboratively during the discussions regarding the Business Integration Proposal. However, the Tender Offeror believes it received the notice without prior presentation or discussion of the aforementioned concerns.

From early to mid-January, the Tender Offeror made repeated verifications regarding the points of concern of (i) and (ii) above. This resulted in the Tender Offeror concluding in mid-January 2024, as discussed below, that the concerns of (i) and (ii) above were not expected to materialize, and that the Business Integration Proposal was in fact expected to produce large synergy effects for Target and would also contribute to the resolution of an issue that is facing the logistics industry overall and is also a major social issue.

a. Regarding (i) above

- The Tender Offeror is building in Matsubushi-machi, Saitama Prefecture, “AZ-COM Matsubushi”, which is a BCP warehouse and logistics facility, capable of handling the three temperature ranges of frozen, chilled, and dry and enabling the goods of both retail and foodstuff manufacturers to be stored and inventory-managed in the same center, and by achieving *yokomochi* and other intermediate distribution that uses as little energy as possible, the Tender Offeror aims to build a sustainable logistics system. Currently, in order to solve the 2024 Logistics Problem, the national government is taking the lead in initiatives, which include not just truck transport companies but also shippers, to construct an efficient and sustainable logistics system. Greater energy efficiency in transport and delivery in intermediate distribution is an initiative that is in line with the national government’s policy indicated in “Outline of Comprehensive Logistics Measures (FY2021-FY2025)” released by METI on June 15, 2021. Further, improving energy efficiency in transport and delivery in intermediate distribution is an initiative that will enable redistribution of business resources for greater profitability and will contribute to greater competitiveness in transport and delivery operations.
- The Tender Offeror believes that by sharing the cost benefits from greater efficiency in the logistics network in the overall supply chain, foodstuff wholesalers that are Target’s big customers will also be able to enjoy such benefits as a reduction in logistics costs and improved profitability, and therefore the business integration will not lead to the estrangement of Target’s big customers. The Tender Offeror expects that even in cases where there is overlap in the scope of operations between customers of the Tender Offeror Group and customers of the Target Group, through collaboration at AZ-COM Matsubushi, adjustments in such scope of operations can be made so that conflicts between customers do not arise. In addition, the Tender Offeror Group, on the basis of the business philosophy that the customer comes first, has traditionally devised and proposed measures that solve the managerial issues of customers from a logistics standpoint; thus, even if after the Transaction issues arise from the Target Group’s participation in the Tender Offeror Group, the Tender Offeror’s policy is to approach the customers and engage in serious discussions aimed at their resolution.
- The Tender Offeror plans to utilize the Target Group’s existing logistics network while

engaging in the collaboration at AZ-COM Matsubushi and does not intend to make large changes to the existing logistics network that the Target Group has built. Even supposing that there are changes to the Target Group's existing logistics network, because AZ-COM Matsubushi is a facility with the goal of building a sustainable logistics system by achieving energy efficiencies to the extent possible in transport and delivery, it will not lead to greater inefficiencies in the Target Group's overall logistics network. Further, the Tender Offeror, which runs a 3PL, is planning, through the collaboration at AZ-COM Matsubushi, to entrust to the Target Group a portion of the transport and delivery operations arising in the logistics services it provides to manufacturers, as well as the retail outlet delivery operations of the retail logistics services it provides. With this, the Target Group can anticipate improvements to its top line, and by playing an integral role in the "new" logistics, the Target Group can expect to see large growth.

b. Regarding (ii) above

- Business integration between companies that have similar corporate cultures cannot be expected to result in large reform, while business integration between companies with differing corporate cultures will cultivate the chemical change of building of a new corporate culture where each side brings different strengths to the relationship. Specifically, when the corporate cultures differ, the effect that can be expected is that the employees from both firms, within this new corporate group, can learn much from each other, make selections from a broader array of career opportunities, and otherwise see an increase in relationships with both senior and junior fellow workers. This is precisely what is meant by the "happiness management" of the Tender Offeror and "Becoming a logistics company where employees have future hopes, and enthusiastically dedicate themselves to work" of "What We Aim to Become" of Target, which was born of the business integration between Meito Transportation and Hutech norin.
- As an actual case in point, PHYZ Holdings Inc. which joined the Tender Offeror Group in March 2022, has a corporate culture different from that of the Tender Offeror Group, yet through its collaboration with the Tender Offeror Group has been able to achieve greater results, and the Tender Offeror believes that it serves as evidence of what can be achieved when companies with differing corporate cultures merge.
- The Tender Offeror believes that by integrating the corporate culture of Target, which is highly regarded for being able to provide quality cold chain logistics in a stable manner, with the marketing strength of the Tender Offeror, which has constantly achieved strong corporate growth, will enable the provision of the foremost cold chain logistics domestically and will open a future path to the provision of cold chain logistics services to Asia and the rest of the world.
- For the above reasons, the Tender Offeror does not expect an increase in additional risks from the Business Integration, but rather believes that there are great synergy effects that will be gained from the Business Integration.

In mid-January 2024, as the sense of crisis grew with the worsening of economic trends in the freight transport industry, including the failure of cold chain logistics companies, the Tender Offeror felt a strong need to quickly address the major issues facing the logistics industry, including the 2024 Logistics Problem and other managerial issues, the shortfall of personnel and operating vehicles, and the sudden increase in supply and raw material prices against such factors as the backdrop of geopolitical risks and the weak yen. The Tender Offeror came to think that it was critical to realize as soon as possible rapid decision-making in the post-Transaction management of the Tender Offeror Group and the Target Group and the synergy between the groups. As a result of this, the Tender Offeror, realized that not the Business Integration but executing the Transaction and delisting Target and making Target a wholly owned subsidiary of the Tender Offeror would lead to rapid decision-making in the post-Transaction management of the Tender Offeror Group and the Target Group, enabling the rapid realization of the synergy effects expected through this rapid decision-making and enabling a rapid response to the major issues facing the logistics industry as described above. For these reasons, the Tender Offeror came to the conclusion that the Transaction would bring great benefits to the shareholders, customers, employees and other stakeholders of both firms. In point of fact, Target was established through the business integration of Meito Transportation and Hutech norin in the form of a joint stock transfer, but it was only six years after establishment that the personnel systems were unified and the rationalization and dynamic fusion from the business integration are gradually starting to develop, but a considerable amount of time was required; thus the Tender Offeror came to think that Transaction would lead to more rapid business decision-making and faster attainment of the synergy expected through such faster decision-making.

The Tender Offeror decided to begin specific consideration of execution of a Tender Offer for Target Shares as part of a series of transactions for making Target the wholly owned subsidiary of the Tender Offeror. In late January, the Tender Offeror appointed as legal advisor, Nishimura & Asahi (Gaikokuho Kyodo Jigyo), a firm independent from both the Tender Offeror Group and Target Group, and as financial advisor, Mizuho Securities, which also is independent from both the Tender Offeror Group and Target Group, and built a framework for consideration of the acquisition of Target Shares through the Tender Offer and began specific considerations.

Mizuho Securities is not a related person of either the Tender Offeror or Target. Mizuho Bank, which belongs to the same group as Mizuho Securities, holds the position of shareholder of Target and has been carrying out lending transactions with Target in the course of normal bank transactions; in addition, the Tender Offeror is planning to borrow funds for settling the Transaction from Mizuho Bank. However, according to Mizuho Securities, pursuant to FIEA, Article 36, Paragraph 2, and the applicable laws and regulations under Cabinet Order on Financial Instruments Business (Cabinet Order No. 52 of 2007, as amended), Article 70-4, Mizuho Securities and Mizuho Bank have built and implement a framework for managing conflicts of interest, including an information firewall, and Mizuho Securities is advising on this matter from a standpoint independent of Mizuho Bank's position as a shareholder and lender of the Target Company. In light of the fact that an appropriate framework for managing conflicts of interest, including an information wall has been established, and that Mizuho Securities has a track record as a financial advisor in similar deals, the Tender Offeror concluded that Mizuho Securities had secured independence as a financial advisor and thus appointed Mizuho Securities as financial advisor.

Subsequently, on March 15, 2024, Target released “Measures for Achieving Management that is Conscious of Capital Cost and Share Price” and indicated that through both a financial approach and a business approach it was seeking to enhance return on equity. As the specific initiatives indicated in the release by Target for seeking to realize sustainable growth and enhancement of corporate value over the medium-to-long term, those listed below overlap precisely with the synergy benefits that the Tender Offeror is anticipating from the Transaction; by utilizing the resources of the Tender Offer Group, Target will be able to realize these goals faster than it imagines; accordingly, Tender Offeror firmly believes that the Transaction will contribute to enhancement of the Target Group’s corporate value.

① As one initiative for “Achieving a resilient revenue base and sustainable growth through further investment”, Target cites “Expansion of EC-related logistics business” and as a specific initiative cites “collaboration and tie-up with a last one mile business”, with future goals of sales of 30 billion yen in the EC-related logistics business. As discussed above in “(A) Complementarity in business areas between the Tender Offeror Group and the Target Group”, “c. Expansion of EC-related logistics business”, by utilizing the Tender Offeror Group’s EC-related logistics business know-how such as last one mile skill and operation of EC center cultivated in transactions with Amazon Japan, the Target Group’s EC-related logistics business can grow more rapidly and with greater certainty, and the goal of 30 billion yen in sales can be realized more quickly than under Target’s current plan.

② As one initiative for “Achieving a resilient revenue base and sustainable growth through further investment”, Target cites “Developing the overseas business” and as specific initiatives is considering (i) strengthening the foundation of the network in the southern Vietnam area and expanding into the northern Vietnam area and (ii) expanding into Southeast Asia port warehouses. As discussed above in “(A) Complementarity in business areas between the Tender Offeror Group and the Target Group, “(h) Developing the overseas business”, regarding (i)Kamigumi Co., Ltd., which has a capital and business tie-up with the Tender Offeror, has its Hanoi Branch in Hanoi (northern Vietnam) and its local affiliate Kamigumi Vietnam Co., Ltd in Ho Chi Minh City (northern Vietnam), and Target could utilize this network; and regarding (ii), Kamigumi Co., Ltd. has port operation know-how and local networks, and can provide assistance.

③ As one initiative for “Achieving a resilient revenue base and sustainable growth through further investment”, Target is making efforts to address the 2024 Logistics Problem, one of which is “reducing workload” through promoting a modal shift by adding transportation by ship”. As discussed above in “(A) Complementarity in business areas between the Tender Offeror Group and the Target Group”, “i. Promoting a modal shift”, in this regards as well, assistance utilizing the network of Kamigumi Co., Ltd. will be available.

④ As one initiative for “Achieving a resilient revenue base and sustainable growth through further investment”, Target cites as a priority, “Achieving human capital management through expanded investment in human resources, and as specific examples of this cites, “training specifically designed for individual employment classes” and “improvements in wages and benefits aimed at greater hiring competitiveness (new graduates and mid-career hires). As set forth above in “(B) Improvement of the Functions of the Tender Offeror Group and the Target Group”, “(a) Human resource hiring and training”, the Tender Offer Group has for many years taken initiatives in the field of education of human resources, with the education department being an independent organization, and in fiscal year 2022 made 911 hires in total of new graduates and mid-career hires; the Target Group will also be able to utilize our know-how and knowledge regarding education of the Tender Offeror Group’s human resources education and hiring.

⑤ As one initiative for “Achieving a resilient revenue base and sustainable growth through further investment”, Target cites “deployment of workforce reduction and labor-saving facilities”. As discussed in “(B) Improvement of the Functions of the Tender Offeror Group and the Target Group”, “(b) Accelerated investment in labor-saving and workforce reduction”, the Target Group has also been moving forward with investment in labor-saving and workforce reduction and is applying the labor-saving and workforce reduction know-how learned in the EC-related logistics business to the food logistics business. The Tender Offeror believes that with this, the application of the labor-saving and workforce reduction know-how that the Tender Offeror learned in the EC-related logistics business to the growth fields that the Target Group cites of EC-related logistics business and the Target Group’s main business, food logistics will go smoothly.

Thus, the Tender Offeror decided that it would submit a Statement of Intent to Target. The Tender Offeror also released this press release to ensure that Target and its shareholders could properly understand the content of the Statement of Intent and the background behind it. Additionally, this was done to allow sufficient time for consideration, in order to gain the understanding and support of Target and its shareholders for the Transaction. For almost one year, from October 2022 to October 2023, the Tender Offeror carried out discussions with Target relating to the Business Integration Proposal, but it did not get the sense that Target was giving serious consideration, and on October 5, 2023—without any transparency as to whether there was consideration in line with the debates that took place at the Study Group Regarding Fair Acquisitions between November 18, 2022, and August 31, 2023, or with the Takeover Guidelines, which METI released in light of those debates on August 31, 2023—the Tender Offeror received a notice from Target to the effect that it was suspending consideration of the Business Integration Proposal. As discussed above, the Tender Offeror feels strongly about the necessity to promptly address the major issues facing the logistics industry and believes that it is critical to quickly realize the synergy between the Tender Offeror Group and the Target Group. However, the Tender Offeror also believed that, just as in the discussions regarding the Business Integration Proposal from October 2022 to October 2023, there was a strong possibility Target would not give serious consideration to the matter unless the press release and the Statement of Intent were released beforehand. The Tender Offeror thought that holding discussions with Target after releasing this press release and the Statement of Intent would likely result in serious consideration by Target because it would be based on a more transparent process, and it would lead to Target properly understanding the content of the Transaction and supporting it, thus resulting in the synergy between the Tender Offeror Group and the Target Group being more rapidly realized. With this in mind, the Tender Offeror decided in mid-February 2024 to first release this press release and the Statement of Intent and then hold discussions with Target. The Tender Offeror wishes, after Target provides the details of the results of its consideration of the Business Integration Proposal, to be given the opportunity to resolve any concerns arising from such consideration and to explain the substance of the Transaction and the intent of the Tender Offeror to Target’s Board of Directors and the Special Committee, so that they will properly understand the Transaction and support the Tender Offer.

As of the present time, with no announcement having been made up to this point of the Transaction, the Tender Offeror has not carried out any discussions relating to the Transaction with any shareholders of Target, but following an announcement of the Transaction, the Tender Offeror may, where necessary, ask certain Target Shareholders, in light of their attributes etc., for opportunities to explain the Transaction directly.

② Management Policy after the Transaction

With the aim of achieving synergies between the Tender Offeror Group and the Target Group early, and of enhancing the corporate value of the two companies in the medium-to-long term, the Tender Offeror, after the Transaction, will leverage its operational prowess to formulate the Target Group's business plans and carry out management designed to achieve such plans, thereby supporting the efforts to realize management reform. The Tender Offeror will instill into the Target Group's operations its promotion of business initiatives with all members of the company as one, including the Tender Offeror's active and top-level sales, and the Tender Offeror's culture of organization-wide commitment to meet targets, and implement these efforts so the Target Group can unleash its full potential and realize synergies with the Tender Offeror Group quickly.

The Tender Offeror is also considering dispatching directors to the Target Group as one option if the Tender Offer is successful, but we intend to determine specific management policies and management structure after discussions with the Target going forward with the spirit of equality from the perspective of further enhancing the corporate value of both sides, and there are no facts that have been finalized at this point. The Tender Offeror's hopes for the Target Group are that, after the Tender Offer is completed, current senior management at the Target will continue to serve in their respective capacities, assuming that the Target Group will make efforts to create synergies between the Tender Offeror Group and the Target Group and otherwise increase the corporate value of the two companies in the medium-to-long term. At this point in time, there are no particular plans to change the Target Group's trade name or brand, nor modify employment of the Target Group's employees and their employment conditions.

The Tender Offeror also plans to have the Tender Offeror Group and Target Group continue transactions with their business partners after the Transaction and further cater their sales activities to customers.

With respect to future management policies and the management structure in the event the Tender Offer completes without the support of Target's Board of Directors, specific consideration will be carried out after completion of the Tender Offer.

(3) Post-Tender Offer Reorganization Policy (Matters Relating to Two-Step Acquisition)

As set forth in (1) Tender Offer Overview above, the Tender Offeror aims to make the Target a wholly owned subsidiary; for this reason, of those cases where the Tender Offer ends successfully, but the Tender Offeror is unable to acquire all Target Shares (other than those owned by the Tender Offeror and Target's treasury shares), even in a case where, as a result of the Tender Offer (i) the Tender Offeror comes to own Target Shares representing 90% or more of the total number of voting rights of Target Shareholders, (ii) the Tender Offeror comes to own Target Shares representing two-thirds or more but less than 90% of the total number of voting rights of Target Shareholders, or (iii) the Tender Offeror does not come to own Target Shares representing two-thirds of the total number of voting rights of Target Shareholders, the Tender Offeror plans to implement the Squeeze-Out Procedures; and in the case of (i) above, the Tender Offeror intends to make demand for sale of shares etc. pursuant to the Companies Act (Act No. 86 of 2005; as amended, "Companies Act"), Title 2, Chapter 2, Clause 4-2 and, in the case of (ii) and (iii) above request that the Target convene an Extraordinary General Shareholders Meeting with resolutions to carry out consolidation of Target Shares ("Share Consolidation") pursuant to the Companies Act, Article 180 of (Act No. 86 of 2005; as amended, "Companies

Act") and partially amend its Articles of Incorporation to abolish the provisions of the share unit on condition that the Share Consolidation takes effect. As discussed in Note 2, Note 4 and Note 5 in "(1) Tender Offer Overview above", the Tender Offeror expects that, even in the case of (iii) above, the vote requirements for passage of the resolution for Share Consolidation at the Extraordinary General Shareholders Meeting will be met.

However, in the case of (iii) above, there is the possibility that the Share Consolidation proposal will be rejected at the Extraordinary General Shareholders Meeting. Even in this case, however, because, ultimately, the purpose of the Tender Offer is to acquire all Target Shares (other than those owned by the Tender Offeror and Target's treasury shares), the Tender Offeror will make additional acquisition of Target Shares until reaching the number of shares representing two-thirds of the voting rights at the next scheduled general shareholders meeting, and then will request that a general shareholders meeting be convened (regarding the time required for such additional acquisition and subsequent approval of the Share Consolidation by the general shareholders meeting, because this depends in part on market conditions and other factors, it is difficult at the current time to specify a specific timeframe, but currently this is planned to be Target's ordinary general shareholders meeting scheduled for June 2025; the Tender Offeror will give notice when the specific expected timing becomes clear). For the methods of additional acquisition, the Tender Offeror intends to use market trades, a tender offer, off-market trading other than tender offer (to the extent allowed by FIEA). If the Tender Offer is successful, then regardless of when the result is expected to be achieved, there will be no change to the policy of making the Target a wholly owned subsidiary.

The consideration that the Tender Offeror will pay shareholders in the above will be a price that, compared with the Tender Offer Price, will be economically equivalent to shareholders selling shares in such additional acquisition (that is, provided that the Target does not consolidate or split shares or otherwise engage in conduct requiring adjustment of share price, the same price per share as the Tender Offer Price).

① Demand for Share Sale

In a case where, upon successful completion of the Tender Offer, the total number of Target voting rights that the Tender Offeror owns comes to 90% or more of the voting rights of all Target Shareholders and thus the Tender Offeror becomes a special controlling shareholder as provided in Article 179, Paragraph 1 of the Companies Act, the Tender Offeror, promptly upon completion of the payment of the Tender Offer and pursuant to the provisions of Part II, Chapter 2, Section 4-2 of the Companies Act, plans to demand that all Target Shareholders (excluding the Tender Offeror and the Target; hereinafter the same in this ①) sell all of their holdings of Target Shares ("Demand for Share Sale"). The Demand for Share Sale is expected to provide that, as compensation per one Target Share, that the amount equal to the Tender Offer Price will be delivered to Target Shareholders. In this case, the Tender Offeror will notify the Target of the foregoing and demand that the Target approve the Demand for Share Sale. If the Target by a resolution of its Board of Directors approves the Demand for Share Sale, the Tender Offeror, without a need for individual approvals of Target Shareholders in accordance with the procedures under relevant laws and regulations, will acquire all Target Shares held by all Target Shareholders on the acquisition date stipulated in the Demand for Share Sale.

Under the Companies Act, designed to protect the rights of minority shareholders relating to a demand for share sale, in accordance with Article 179-8 of the Companies Act and other relevant laws and regulations, shareholders subject to a sale may file a petition for the court to determine the sale and purchase price of their Target Shares. The sale and purchase price of Target Shares in a case where the foregoing petition is filed will ultimately be determined by the court.

② Share Consolidation

On the other hand, in a case where, upon successful completion of the Tender Offer, the total number of Target voting rights that the Tender Offeror owns does not come to 90% or more of the voting rights of all Target Shareholders, the Tender Offeror, promptly upon completion of the payment of the Tender Offer, plans to demand that the Target convene, within about 3 months of the completion of the Tender Offer at the latest, an extraordinary general shareholders meeting ("Extraordinary General Shareholders Meeting") with resolutions to carry out the Share Consolidation pursuant to the provisions of Article 180 of the Companies Act and partially amend its Articles of Incorporation to abolish the provision of the share unit, on the condition that the Share Consolidation takes effect.

With respect to the timing of convening the Extraordinary General Shareholders Meeting, the Tender Offeror will request that the Target promptly announce such timing upon discussion and determination by the Tender Offeror and the Target. Please note that the Tender Offeror intends to explain in good faith the necessity of convening the Extraordinary General Shareholders Meeting in the hope of obtaining the Target's cooperation, but in the event that Target's cooperation cannot be obtained, the Tender Offeror will have no choice but to implement on its own the procedures required for convening the Extraordinary General Shareholders Meeting as a shareholder, and intends to do the same as promptly as possible. The Tender Offeror plans to support the foregoing resolutions at the Extraordinary General Shareholders Meeting.

In a case where the resolution for the Share Consolidation is approved at the Extraordinary General Shareholders Meeting, on the date when the Share Consolidation takes effect, Target Shareholders will come to own the number of Target Shares that corresponds to the Share Consolidation ratio approved at the Extraordinary General Shareholders Meeting. If the Share Consolidation produces any fractional share in the number of the Target Shares, in accordance with the procedures of Article 235 of the Companies Act and other relevant laws and regulations, proceeds from selling the number of Target Shares equivalent to the sum of such fractional shares to the Target or the Tender Offeror (if the sum includes a fractional number, such fractional number is rounded off) ("All Fractional Shares") will be delivered to Target Shareholders (except for the Tender Offeror and Target). With respect to the sale price of the All Fractional Shares, a calculation will be made so that as a result of such sale, the amount of monies to be delivered to the Target Shareholders who did not tender their shares in the Tender Offer (excluding the Tender Offeror and Target) will be equal to the Tender Offer Price multiplied by the number of Target Shares owned by such Target Shareholders, and then a request will be made that the Target file a petition with the court for a permission for voluntary sale.

The ratio of the Share Consolidation is undetermined as of this day; but with the aim of the Tender Offeror coming to own all of the Target Shares, a request will be made that the ratio be determined so that the number of Target Shares held by Target Shareholders who did not tender their shares in the Tender Offer (excluding the Tender Offeror and Target) will be a fractional number of less than one share.

Under the clauses of the Companies Act, that are designed to protect the rights of minority shareholders relating to a share consolidation, in a case where a share consolidation produces any fractional share less than one share, in accordance with Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations, Target Shareholders (except for the Tender Offeror and Target) may demand that the Target purchase all fractional shares less than one share that they own at a fair price and file a petition for the court to determine the price of the Target Shares. As discussed above, in the Share Consolidation, the number of Target Shares held by Target Shareholders who did not tender their shares in the Tender Offer (excluding the Tender Offeror and Target) is expected to be a fractional share less than one share. Target Shareholders (excluding the Tender Offeror and Target) are expected to be able to file the foregoing petition. The purchase price if the foregoing petition is filed will be ultimately determined by the court.

With respect to the procedures of ① and ② above, implementation of such procedures may take time or the method of implementation may be changed depending on any amendment to or enforcement of, as well as any change to the authorities' construction of relevant laws and regulations. Even in such a case, however, a method in which monies will be ultimately delivered to Target Shareholders who did not tender their shares in the Tender Offer (excluding the Tender Offeror and Target) is planned to be used, and in that case, a computation will be made so that the amount of monies to be delivered to the shareholders will be equivalent to the Tender Offer Price multiplied by the number of Target Shares owned by such shareholders.

With respect to specific procedures and the timing of implementing such procedures in each of the foregoing cases, the Tender Offeror plans to request that the Target promptly announce the same upon discussion and determination by the Tender Offeror and Target.

Please note that the Tender Offer is not a solicitation in any way of support from Target Shareholders at the Extraordinary General Shareholders Meeting. Shareholders should confirm on their own responsibility the handling of tendering in the Tender Offer or tax matters in the foregoing procedures with tax accountants and other experts.

(4) Prospects of Delisting; Reasons

As of this day, Target Shares are listed on the TSE Prime Market; but because the Tender Offeror did not set a limit on the number of shares planned to purchase in the Tender Offer, depending on the outcome of the Tender Offer, Target Shares may be delisted after prescribed procedures in accordance with the TSE listing and delisting standards.

Even if such standards do not apply at the time of the completion of the Tender Offer, in a case where the procedures set forth in the foregoing (3) Post-Tender Offer Reorganization Policy (Matters Relating to Two-Step Acquisition) are implemented after the completion of the Tender Offer, Target Shares will be delisted after prescribed procedures in accordance with the TSE listing and delisting standards. After Target Shares are delisted, it is not possible to trade Target Shares on the TSE.

In the Tender Offer, it is possible that after the successful completion of the Tender Offer, the Tender Offeror does not come to own Target Shares representing two-thirds or more of voting rights of all Target Shareholders and as a result thereof, the resolution relating to the Share Consolidation may not obtain approval at the Extraordinary General Shareholders Meeting described in the foregoing (3) Post-Tender Offer Reorganization Policy (Matters Relating to Two-Step Acquisition). However, even if such approval cannot be obtained, because the Tender Offeror intends to acquire all Target Shares (other than those owned by the Tender Offeror and Target's treasury shares), the Tender Offeror, for the approval of the Share Consolidation, plans to additionally acquire Target Shares until the number of its shareholdings reach the number equivalent to the number of voting rights at the shareholders meeting planned to convene next multiplied by two-thirds, and demand that such shareholders meeting be convened (however, depending on the timing, the resolution in question may be presented to the ordinary shareholders meeting to be convened in June 2025). As methods of additional acquisitions, the Tender Offeror plans to use trading on the market, tender offers, and trading outside the market other than tender offers (limited to transactions permitted under law). If the Tender Offer completes successfully, regardless of the projected timing above, the policy to make the Target a wholly owned subsidiary will not be changed.

In the foregoing additional acquisitions, the price the Tender Offeror will pay to shareholders will be a price that will be considered economically on par with the Tender Offer Price for the shareholders who will sell their shares in response to such additional acquisitions (the same as Tender Offer Price per share, as long as the Target will not carry out a share consolidation, stock split or other acts requiring an adjustment in price).

(5) Matters Relating to Important Agreements between the Tender Offeror and Target Concerning Tendering Shares in the Tender Offer

Not applicable.

(6) Fairness of Procedures in the Transaction in Light of the Takeover Guidelines

The Tender Offeror believes that the Transaction falls under the category of a “desirable acquisition” under the Takeover Guidelines because bringing about synergy with the Tender Offeror Group will enhance the Target’s corporate value over the medium-to-long term and, at the same time, will enable distribution to Target’s shareholders of fair consideration with a large premium over the market price; and in executing the Transaction, the Tender Offeror will properly and proactively disclose information that will be beneficial for the judgment of Target’s shareholders (principle of transparency), and in the end will rely on the judgments that Target’s shareholders make (principle of respecting the will of shareholders) and otherwise give utmost consideration to the fairness of procedures. Specifically, the Tender Offeror proposes that the Transaction be implemented using methods that comply with the Takeover Guidelines, as follows.

① Ensuring the Opportunity for Informed Judgment

The Tender Offeror believes that through the Statement of Intent and this press release, it has provided the Target and its shareholders with necessary and sufficient information. In addition, the Tender Offeror expects that in the period from this day until commencement of the Tender Offer, it will provide explanations in good faith to the Target Board of Directors and to the Special Committee that the Target is expected to establish, so that they will support the Tender Offer. Also, if the Target Board of Directors and the Special Committee ask for the provision of additional information not already contained in the Statement of Intent, and that information is reasonably determined to be necessary in order to form an opinion regarding the Tender Offer, the Tender Offeror intends to respond in good faith; and to ensure that there is sufficient time to gain the understanding and support of the Target and its shareholders for the Transaction. The Tender Offeror expects to commence the Tender Offer in early May 2024 and plans 20 business days for the Tender Offer Period, meaning that, taken together, there is a period of consideration of more than two months between today and the final day of the Tender Offer Period, and the Tender Offeror believes that this is sufficient time for the Target and its shareholders to consider the transaction.

Therefore, the Tender Offeror believes that it is in compliance with the “principle of respecting the will of shareholders" and the "principle of transparency" as stipulated in the Takeover Guidelines, and, having appropriately provided the necessary information, sufficient transparency and fairness, has ensured sufficient opportunity for shareholders to make an informed judgment of whether to comply with acquisition of shares by the acquirer.

② The Setting of Conditions Intended to Eliminate Coercion

(i) The Setting of the Number of Shares Planned for Purchase with a Goal of Delisting

In the Tender Offer, the Tender Offeror intends ultimately to acquire all Target Shares (other than those owned by the Tender Offeror and Target's treasury shares), and did not set a limit on the number of shares planned for purchase.

Further, of those cases where the Tender Offer ends successfully, but the Tender Offeror is unable to acquire all Target Shares (other than those owned by the Tender Offeror and Target's treasury shares), even in a case where, as a result of the Tender Offer, (i) the Tender Offeror comes to own Target Shares representing 90% or more of the total number of voting rights of Target Shareholders, (ii) the Tender Offeror comes to own Target Shares representing two-thirds or more but less than 90% of the total number of voting rights of Target Shareholders, or (iii) the Tender Offeror fails to own two-thirds or more of the total number of voting rights of Target Shareholders, the Tender Offeror will not change its policy of making the Target a wholly owned subsidiary and plans to implement the Squeeze-Out Procedures, and in cases of (ii) and (iii) above, the Tender Offeror intends to convene an Extraordinary General Shareholders Meeting. As discussed above in "(1) Tender Offer Overview," "(Note 2) (Note 4) and (Note 5)", even in a case of (iii) above, the Tender Offeror expects that the vote requirements for passage of the resolution for Share Consolidation at the Extraordinary General Shareholders Meeting will be met. There is the possibility that the Share Consolidation proposal will be rejected at the Extraordinary General Shareholders Meeting. Even in this case, however, because, ultimately, the purpose of the Tender Offer is to acquire all Target Shares (other than those owned by the Tender Offeror and Target's treasury shares), the Tender Offeror will make additional acquisition of Target Shares until reaching the number of shares representing two-thirds of the voting rights at the next scheduled general shareholders meeting, and then will request that a general shareholders meeting be convened (regarding the time required for such additional acquisition and subsequent approval of the Share Consolidation by the general shareholders meeting, because this depends in part on market conditions and other factors, it is difficult at the current time to specify a specific timeframe, but currently this is planned to be Target's ordinary general shareholders meeting scheduled for June 2025; the Tender Offeror will give notice when the specific expected timing becomes clear). For the methods of additional acquisition, the Tender Offeror intends to use market trades, a tender offer, off-market trading other than tender offer (to the extent allowed by FIEA). If the Tender Offer is successful, then regardless of when the result is expected to be achieved, there will be no change to the policy of making the Target a wholly owned subsidiary.

The consideration that the Tender Offeror will pay shareholders in the above will be a price that, compared with the Tender Offer Price, will be economically equivalent to shareholders selling shares in such additional acquisition (that is, provided that the Target does not consolidate or split shares or otherwise engage in conduct requiring adjustment of share price, the same price per share as the Tender Offer Price).

Therefore, the Transaction constitutes, in substance, an “all or nothing” offer as indicated in the Takeover Guidelines.

(ii) The Setting of a Tender Offer Period for the Purpose of Providing Shareholders with an Opportunity for Judgment on Both Tendering Shares in the Tender Offer and the Advisability of the Transaction

The Tender Offeror plans, in the Tender Offer, to set the lower limit of the number of shares planned for purchase in the Tender Offer at 10,848,304 shares, and (i) if the number of shares tendered in the Tender Offer does not reach a total of 10,848,304 shares, the Tender Offeror will not make purchase of all the Tendered Share Certificates etc., by (ii) if the number of Tendered Share Certificates etc. reaches 10,848,304 shares (for the number of confirmation, see above, “1. Tender Offer Overview”, “Note 5””), then the Tender Offeror will promptly give a public announcement to such effect, and extend the Tender Offer Period so that there are 10 business days left in the Tender Offer Period, counting from the business day following the date of such announcement (however, if the number of Tendered Share Certificates reaches the lower limit of the number of shares planned for purchase within 10 business days of the start of the Tender Offer Period, there will be no extension of the Tender Offer Period, as there will be at least 10 business days left in the Tender Offer Period, when counting from the business day following the date of such announcement). This arrangement is intended to enable the separation of the manifestation of intent regarding whether to support or oppose the Transaction from the manifestation of intent of whether to tender shares in the Tender Offer. This eliminates coercion, and the Tender Offeror believes that it will provide an opportunity for even more shareholders of Target to tender their shares.

3. Overview of the Purchase etc.

(1) Overview of Target

①	Name	Chilled & Frozen Logistics Holdings Co., Ltd.	
②	Address	R Building Shinjuku, 3-8 Wakamatsu-cho, Shinjuku-ku, Tokyo	
③	Title and Name of Representative	Representative Director and President Hiromasa Aya	
④	Nature of Business	Management of subsidiaries and group companies operating freight transport business, warehouse business, etc.	
⑤	Capital	4 billion yen (as of December 31, 2023)	
⑥	Date established	October 1, 2015	
⑦	Major shareholders and their shareholding ratios (as of September 30, 2023)	The Master Trust Bank of Japan (trust account)	9.04%
		Maruha Nichiro Corporation	6.98%
		Kyodo Milk Industry Co., Ltd.	6.06%
		The Norinchukin Bank	5.05%
		Kyoei Fire & Marine Insurance Co., Ltd.	5.00%
		C&F Logistics Employee Stockholding Association	3.56%
		C&F Logistics Business Partner Stockholding Association	3.31%
		BBH FOR FIDELITY LOW-PRICED STOCK FUND (standing proxy: MUFG Bank)	3.19%
		JA Mitsui Leasing, Ltd.	3.03%
		Masaru Wasami	2.96%
⑧	Relationship between the Tender Offeror and Target		
	Capital relationship	The Tender Offeror, as of this day, owns 24,296 Target Shares (Shareholding ratio:	

		0.11%), and the Tender Offeror's representative director, Masaru Wasami, as of this day, holds 728,400 (Shareholding ratio: 3.35%).
	Personal relationship	Not applicable.
	Transactional relationship	The Tender Offeror Group subcontracts to the Target Group some of the transport and delivery services it provides.
	Related parties relationship	Not applicable.

Note: The information for "Major shareholders and their shareholding ratios (as of September 30, 2023) was taken from "State of Major Shareholders" in the 9th term second quarter report submitted by Target on November 10, 2023.

(2) Schedule etc.

Because the Tender Offeror is unaware of any Permission Procedures that are required other than those under the Antimonopoly Act, as of this day, the Tender Offeror plans to move forward with the measures necessary to complete the procedures under the Antimonopoly Act and commence the Tender Offer in early May 2024, but because of circumstances that could not be ascertained based on public information relating to the Target Group, there is a possibility the Tender Offeror will require additional time in order to comply with foreign regulations, and so the Tender Offeror will promptly give notice regarding the details of the Tender Offer schedule.

It is planned that the Tender Offer Period will be set at 20 business days. The Tender Offeror expects that (i) in the period from this day until commencement of the Tender Offer it will provide explanations in good faith to the Target Board of Directors and the Special Committee that Target is expected to establish, so that they will support the Tender Offer and if, in addition to the information contained in the Statement of Intent, the Target Board of Directors and the Special Committee ask for the provision of information that is reasonably determined to be additionally necessary in order to form an opinion regarding the Tender Offer, the Tender Offeror intends to respond in good faith, and will ensure that there is a period of time necessary and sufficient for this purpose; and (ii) because the Tender Offeror intends to ensure that there is sufficient time for Target and its shareholders to make a proper judgment regarding the Transaction and whether to tender shares and because the Tender Offeror has determined that it is necessary to secure a period of roughly one more or more for such period, the Tender Offer will commence in early May 2024. With this arrangement, even if the Tender Offer Period is set at 20 business days, the Tender Offeror believes that sufficient opportunity has been secured for Target's general shareholders to decide whether to tender their shares in the Tender Offer and that a sufficient opportunity has been secured for purchases etc. of Target Shares by a person other than the Tender Offeror. In addition, if the total number of Tendered Share Certificates etc. reaches the lower limit of the number of shares planned for purchase (10,848,304 shares) (for details regarding the lower limit of the number of shares planned for purchase, see above "2. Purpose of Purchase etc.", "(1) Tender Offer Overview"; hereinafter the same) (for the number of confirmation, see above, "1. Tender Offer Overview", "Note 5"), then the Tender Offeror will promptly give a public announcement to such effect, and extend the Tender Offer Period so that there are 10 business days left in the Tender Offer Period, counting from the business day following the day of such announcement (however, if the number of Tendered Share Certificates reaches the lower limit of the number of shares planned for purchase within 10 business days of the start of the Tender Offer Period, there will be no extension of the Tender Offer Period, as there will be at least 10 business days left in the Tender Offer Period, counting from the business day following the day of such announcement). This arrangement is intended to enable the manifestation of intent regarding whether to support or oppose the Transaction to be separate from the manifestation of intent of whether to tender shares in the Tender Offer, thus eliminating coercion.

(3) Price of the Purchase etc.

3,000 yen per one ordinary share.

(4) Grounds for the Calculation of the Purchase Price

Tender Offer Price (3,000 yen per share) (i) represents a 47.06% premium over the closing price for Target Shares on the TSE Prime Market on March 19, 2024, the Business Day prior to the date of announcement of the plan to commence the Tender Offer (2,040 yen), a 57.89% premium over the simple average closing price for the one month immediately prior to such date (1,900 yen), a 75.03% premium over the simple average closing price for the three months immediately prior to such date (1,714 yen), and a 92.55% premium over the simple average closing price for the six months immediately prior to such date (1,588 yen). The premium contained in the Tender Offer Price significantly exceeds the median value for granted premiums (by 42%, 41%, 42%, and 47% (rounded off), respectively, over the closing price on the business day prior to the day of announcement, and the closing price simple average over the one month, three months, and six months prior to such date) exceeds in the 77 cases of tender offers taking place (excluding the Tokyo PRO Market) between June 28, 2019, which is the date of release of the "Fair M&A Guidelines", and February 29, 2024, where a person other than the issuer or a parent company will make the target company a wholly-owned subsidiary and the target company is a listed domestic company (other than companies in which, prior to commencement of the tender offer, the Tender Offeror (including its specially-related persons) had a shareholding ratio of the target company's shares of less than 33.34%) (it should be noted that the above analysis excludes tender offers targeting REITs, unsuccessful tender offers, two-step acquisition or so-called discount tender offers, and tender offers where prior to commencement there were changes in share price through anti-takeover measures or the like) ; ② the highest price Target Shares have reached since the company's listing is 2,204 yen on January 12, 2021, and the price has never surpassed the Tender Offer Price; and ③ Target's PBR (price-book value ratio) as of March 19, 2024 was less than 1.00 and the Tender Offer Price is at a level 1.4 times the PBR; given this, the Tender Offer Price represents a large premium that all current shareholders of Target can enjoy, and for this reason the Tender Offeror decided on a Tender Offer Price of 3,000 yen per share.

The Tender Offeror has considered comprehensively all the above factors, including the expected synergies set forth above in "2. Purpose of Purchase etc.," "(2) The Background, Objective and Decision-Making Process Leading to the Decision to Implement the Tender Offer; Post-Tender Offer Managerial Policy, and the prospects for share-tendering when setting the Tender Offer price. Therefore, the Tender Offeror believes that the Tender Offer Price is a reasonable price for Target's shareholders, and as of the current point in time, when it is unclear will obtain information useful for the calculation from Target, has not obtained a share valuation report from a third-party valuation agency or fairness report. A share appraisal report will be obtained when the Tender offer actually begins.

(5) Number of Shares Planned for Purchase

Number of shares planned for purchase	Lower limit of the number of shares planned for purchase	Upper limit of number of shares planned for purchase
21,720,798 shares	10,848,304 shares	N.A.

Note 1: If the total number of Tendered Share Certificates etc. does not reach the lower limit of the number of shares planned for purchase (10,848,304 shares), the Tender Offeror will not purchase of all the Tendered Share Certificates etc. If the total number of Tendered Share Certificates etc. does reach the lower limit of the number

of shares planned for purchase (10,848,304 shares), the Tender Offeror will make purchase etc. of all the Tendered Share Certificates etc.

Note 2: The number of shares planned for purchase indicates the largest number of share certificates of Target that the Tender Offeror plans to acquire in the Tender Offer. This maximum number is: The total number of Target issued shares as of February 29, 2024, as set forth in the Target Own Share Buyback Status Report (25,690,766 shares) *less* the number of Target treasury shares as of the same date as set forth in the same report (3,945,672 shares), (resulting in 21,745,094 shares) *and less* the number of Target Shares that the Tender Offeror possesses (24,296 shares), resulting in 21,720,798 shares.

Note 3: Shares of less than one share unit can also be tendered in the Tender Offer. If there is a demand by a shareholder for purchase of shares of less than one share unit in accordance with the Companies Act, Target will buy back its own shares during the Tender Offer Period in accordance with statutory procedures.

Note 4: There are no plans to acquire treasury shares possessed by Target through the Tender Offer.

Note 5: The number of shares planned for purchase and the lower limit of the number of shares planned for purchase indicated above are provisional numbers relying on information current as of today, and because of changes from such time forth, the actual numbers used in the Tender Offer may differ from the numbers above.

(6) Changes in Shareholding Ratios through the Purchase etc.

No. of voting rights attached to share certificates etc. of the Tender Offeror prior to purchase etc.	242	(shareholding ratio prior to purchase etc.: 0.11%)
No. of voting rights attached to share certificates etc. of specially related persons prior to purchase etc.	TBD	(shareholding ratio prior to purchase etc.: TBD)
No. of voting rights attached to share certificates etc. of the Tender Offeror after purchase etc.	217,450	(shareholding ratio after purchase etc.: 100.00%)
No. of voting rights attached to share certificates etc. of specially related persons after purchase etc.	0	(shareholding ratio after purchase etc.: 0.00%)
Total number of voting rights of all shareholders etc. of Target	218,366	

Note 1: "No. of voting rights attached to share certificates etc. of specially related persons prior to purchase etc." and their "shareholding ratio prior to purchase etc.", are figures that are planned to be disclosed by the time of commencement of the Tender Offer, after investigation of the total number of voting rights owned by the specially related persons (however, excluding those specially related persons who are excluded from the category of specially related persons under the Cabinet Order Relating to Tender Offers for Share Certificates by Persons Other Than the Issuer (Ministry of Finance Order No. 38 of 1990, as amended), Article 3, Paragraph 2, Item 1, I the calculation of shareholding ratio under FIEA, Article 27-2, Paragraph 1). Because the share certificates etc. possessed by the specially related persons are also subject to the Tender Offer, the "No. of voting rights attached to share certificates etc. of specially related persons after purchase etc." is set at zero.

Note 2: "Total number of voting rights of all shareholders etc. of Target" is the number of voting rights of all shareholders as of December 31, 2023, as set forth in Target's 9th term third quarter report submitted on February 13, 2024. However, because shares of less than one share unit are also subject to the Tender Offer (other than treasury shares of less than one share unit held by Target), in the calculation of "shareholding ratio prior to purchase etc." and "shareholding ratio after purchase etc.", the denominator used was the number of voting rights (217,450) attached to the number of shares (21,745,094 shares) obtained by deducting (x) the number of treasury shares owned by Target as of February 29, 2024, according to the Target Own Share Buyback Status Report (3,945,672 shares) from (y) the total number of issued shares of Target as of such date according to the Target Own Share Buyback Status Report (25,690,766 shares).

(7) Amount of Funds for Purchase

65,162,394,000 yen (planned)

Note: The amount of funds for purchase is the amount obtained by multiplying the number of shares planned for purchase in the Tender Offer (21,720,798 shares) above in "(5) Number of Share Certificates etc. Planned for Purchase" by the Tender Offer Price (3,000 yen per share). If because of changes in share price this day onward, the actual number of shares planned for purchase in the Tender Offer is different or if because of an event set forth above in "1. Tender Offer Overview", "Tender Offer Price", the Tender Offer Price is reviewed prior to the start of the Tender Offer.

(8) Settlement Method

It is planned that Mizuho Securities (Tender Offer Agent) will be the securities firm handling settlement of the purchase etc., but matters relating to method of settlement are currently under consideration, and notice will be given as soon as a decision is made.

(9) Other Purchase etc. Conditions and Methods

① Conditions under FIEA, Article 27-13, Paragraph 4; Particulars

If the total number of Tendered Share Certificates etc. does not reach the lower limit of the number of shares planned for purchase (10,848,304 shares), the Tender Offeror will not purchase of all the Tendered Share Certificates etc. If the total number of Tendered Share Certificates etc. does reach the lower limit of the number of shares planned for purchase (10,848,304 shares), the Tender Offeror will purchase etc. of all the Tendered Share Certificates etc.

② Other Purchase etc. Conditions and Methods

Method of settlement, notice of commencement of tender offer, and other purchase etc. conditions and methods will be announced once decided.

③ Other

The Tender Offer will not be carried out, either directly or indirectly, in or directed to the United States, nor will it be carried out using the US mail or other interstate commerce or international commerce means or methods (including without limitation facsimile, email, interest communications, telex, and telephone), nor will it be carried out using an US securities exchange facility. It is not possible to tender shares in the Tender Offer using any of the above methods, or through the above facilities, or from within the United States.

Further, this document will not be sent or distributed within, towards, or from the United States, using postal mail or other method, nor can such mailing or distribution be done. Any tendering of shares in the Tender Offer directly or indirectly violating the above restriction will not be accepted.

When tendering shares in the Tender Offer, a tendering shareholder etc. (in the case of a foreign shareholder, its standing proxy) is required to make the following representation and warranty to the Tender Offer Agent.

That the tendering shareholder etc. was not in the United States either when tendering shares or when sending a application to tender shares. That the tendering shareholder etc. neither sent or received information relating to the Tender Offer (including copies), in, to, or from the United States, whether directly or indirectly. That in the execution of the purchase etc. or the tender offer application, the tendering shareholder etc., whether directly or indirectly, did not use the US mail or other interstate commerce or international commerce means or methods (including without limitation facsimile, email, interest communications, telex, and telephone) and did not use the facilities of a securities exchange in the United States (excluding cases where the relevant other person gives all instructions relating to the purchase etc. from outside the United States).

4. Post-Tender Offer Policy and Future Prospects

For Post-Tender Offer policies etc., see above, “2. Purpose of Purchase etc.”, “(2) The Background, Objective and Decision-Making Process Leading to the Decision to Implement the Tender Offer; Post-Tender Offer Managerial Policy”, “(3) Post-Tender Offer Reorganization Policy (Matters Relating to Two-Step Acquisition)” and “(4) Prospects of Delisting; Reasons”.

The impact of the Tender Offer on projected results for this term is minimal. If it is found that there will be a material impact on results, an announcement will be made promptly.

5. Other

(1) Agreements between the Tender Offeror and Target or its officers; particulars

Not applicable.

(2) Other information determined to be necessary for an investor to judge whether to tender shares in the purchase etc.

Not applicable.

(3) Current term projections and prior term results

The impact the Transaction will have on the consolidated results for the March 2024 term of the Tender Offeror is currently under study; if a matter requiring announcement arises, the Tender Offeror will promptly make announcement.

For reference: Consolidated results projections for the March 2024 term (April 1, 2023 to March 31, 2024) (as announced November 6, 2023 and February 5, 2024), and the prior term consolidated results.

(unit: million yen)

	Sales	Operating Profit	Recurring Profit	Net profit belonging to parent shareholder
Consolidated results projections (March 2024 term)	200,000	14,500	15,000	9,380
Prior term results (March 2023 term)	177,829	11,362	11,949	7,780

End

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

March 21, 2024

To the Board of Directors of Chilled & Frozen Logistics Holdings Co, Ltd.

AZ-COM MARUWA Holdings Co., Ltd.

Masaru Wasami, Representative Director and President

State of Intent Regarding Business Integration Designed to Maximize Corporate Value

Greetings.

From October 2022 until September 2023, AZ-COM MARUWA Holdings Co., Ltd. (“Our Company”, “We”, “Us”, “Our”) has proposed to Representative Director and President Aya of Chilled & Frozen Logistics Holdings Co., Ltd. (“Your Company”, “You”, “Your”) and other members of Your management team a business integration collaboration in terms of business strategy to enhance the corporate value of both firms (“Business Integration”; such proposal, the “Business Integration Proposal”). Although the discussions with You regarding this proposal were suspended by You last December, We still believe that the Business Integration will result in synergies between the two firms and that the Business Integration Proposal has more than meaningful proposal. Taking into account subsequent consideration on Our part, We hereby formally propose, as part of a series of transactions for the purpose of making Your Company a wholly-owned subsidiary of Our Company (“Transaction”), the implementation of a tender offer (“Tender Offer”) for Your Company’s shares (the foregoing, the “Proposal”).

While you will find the details below, We would like to stress that it was the following two thoughts that brought Us to make the Proposal.

(i) We firmly believe that by making Your Company a wholly-owned subsidiary of Our Company, the synergy effect from our two firms will be large, and there is a specific and strong probability that the corporate value of both firms will be optimized.

(ii) The price for the purchase etc. under the Tender Offer (“Tender Offer Price”) is 3,000 yen per one share. This represents a 47.06% premium over the closing market share price for Your Company’s shares on March 19, 2024, the Business Day prior to the date of announcement of the plan to commence the Tender Offer, and 57.89%, 75.03% and 92.55% premium over the average closing market share price for Your Company’s shares for, respectively, the past one month, three months, and six months immediately prior to such date. The highest price Your shares have reached since listing was 2,204 yen on January 12, 2021; given that Your share price has never exceeded the Tender Offer Price, We believe this Tender Offer Price will allow all Your current shareholders to enjoy a large premium.

For these reasons, We believe that the Proposal provides to Your shareholders more than enough of what the “Guidelines for Corporate Takeovers (Enhancing Corporate Value and Securing Shareholders’ Interests)” released by METI on August 31, 2023 (“Takeover Guidelines”), calls “benefits that shareholders should enjoy”, that is, “value that can be realized without the acquisition.” It also enables the appropriate realization of a fair distribution of a “value that would not be realized without the acquisition”. We thus firmly believe that the Transaction overall represents what the Takeover Guidelines recommends—namely, a “desirable acquisition”.

We believe that the Transaction will be beneficial to all Your stakeholders, and, at the same time, will not only move Our Company much closer towards the realization of Our future vision, but also contribute to the resolution of social problems. It is for these reasons that we are making the Proposal. The full expression of Your potential to enhance corporate value will be achieved much faster, and with greater certainty, by joining Our Group as an equally valued partner rather than if Your Company remains operated by itself, resulting in Your corporate value being enhanced over the medium-to-long term, thus, You will be able to realize management that meets the expectations of all shareholders.

We have thoroughly examined all the areas where we can anticipate business synergy and integration effects following with the Business Integration with Your Company, and since October 2022, we have also had opportunities and to have sufficient time to hold a dialogue with You. For Us, each time the analysis and discussions, we were confident upon every analysis and discussion that the business synergy discussed below could be anticipated, but Your side seemed to be interested only in a portion of the business collaboration at AZ-COM Matsubushi, and as of the present, we have not reached a common understanding.

Under the Takeover Guidelines, "In principle, upon receipt of an acquisition proposal to acquire corporate control, management or directors should promptly submit or report such matter to the board of directors. " "The board of directors to which the matter is submitted shall in general give "sincere consideration" to a "bona fide offer." "The board of directors, in proceeding with its "sincere consideration" of an acquisition proposal that is a "bona fide offer," is expected to obtain additional information from the acquiring party about the acquisition proposal, , and should consider the appropriateness of the acquisition from the perspective of whether the acquisition will contribute to enhancing corporate value.... In doing so, ..., If an increase in corporate value can be reasonably expected from the acquisition proposal, as suggested by a purchase price that is considerably higher than the historical stock price level, each director and the board of directors should give the proposal due consideration. In addition, it is advisable for the board of directors to thoroughly compare, from a quantitative perspective, the differences between the purchase price and measures to enhance corporate value through acquisitions proposed by the acquirer, and the measures to enhance corporate value if the incumbent management team were to continue to manage the company."

We anticipate that in order to ensure a period for consideration sufficient to obtain the understanding and support of Target and its shareholders for the Transaction, we will commence in early May 2024, and, that from this day, we will hold discussions with You under transparent process.

I. Our Group

Our Company was founded in 1970 by Mr. Masaru Wasami, the current President and Representative Director, using one truck, and in August 1973, it was incorporated as Yugen Kaisha Maruwa Unyu Kikan for the purpose of consignment truck transportation. Subsequently, in October 1978, it changed its trade name to Maruwa Unyu Kikan Co., Ltd. In October 2022, it transitioned to a pure holding company structure, and the trade name was changed to AZ-COM MARUWA Holdings Co., Ltd. Its shares were listed on the second section of the TSE in April 2014, designated as an issue on the first section of the TSE in April 2015, and then listed on the TSE prime market in April 2022, when TSE market segments were reclassified.

During that period of time, Our Group grew to 20 consolidated subsidiaries, with consolidated sales of 177.8 billion yen, an operating profit of 11.3 billion yen, and a total market value of roughly 188 billion yen (as of March 19) in the term that ended March 2023. Under the management philosophy of, “Operating on the principal that the customer comes first, aim to be the number one company in third party logistics (“3PL”) and contribute to building shared happiness and a bountiful society”, Our Group has engaged primarily in the third-party logistics business, with the logistics center business as a core business, while striving to expand business focusing on, e-commerce (“EC”) and ambient-temperature logistics mainly for the retail business, food logistics, and medicine and medical logistics. Also, in recent years, with Japan experiencing an increasing number of natural disasters, We have been focused on establishing “BCP logistics” as the fourth pillar of business that enable a stable supply of foodstuffs etc. in times of disaster. In addition, through efforts of developing “human resources”, learning cutting-edge knowledge and technologies, creating original logistics designs (optimizing logistics), and engaging in research and development, We are confident that we are contributing to the “development of local community” and the “creation of a bountiful society” as a professional logistics group capable of supporting Our customers’ businesses from all angles. As a future vision, aiming to be Number One in the 3PL industry, We will expand “to 1 trillion yen in sales” and “100,000 employees”, and We will also strive to achieve the “seven highs” – “high quality human resources”, “high quality”, “high growth”, “high revenue”, “high wage”, “high dividend” and “high share price” – so that corporate profit will extend to the benefit of every individual employee.

Furthermore, to realize the future vision, Our Company has had numerous discussions with the management teams of many logistics companies, and as a result, We have executed M&A transactions for the purpose of enhancing the corporate value of both firms. Companies participating in Our Group are utilizing each other’s strengths and know-how, thus generating synergy effects and achieving steady growth.

As one example, Japan Logistics Development Co., Ltd. (an EC logistics center and distribution processing operator), which became a wholly-owned subsidiary of the Tender Offeror in August 2020, built the Tsuchiura New Center in cooperation with Our Company to secure center capacity to handle increasing volume, and achieved an increase in sales (+18.5% compared against the fiscal year immediately preceding the M&A).

Additionally, PHYZ Holdings Inc., which became a consolidated subsidiary of the Tender Offeror in March 2022, is currently listed on the TSE standard market and operating logistics centers for large EC operators such as Amazon Japan GK. PHYZ Holdings Inc. received new orders after joining Our Group, and increased its sales during the term that ended March 2023 by 31% compared to the preceding fiscal year and the operating profit by 98% compared to the preceding term. Not only is this company expanding its business, but its EC center operating know-how is having a beneficial effect on Our Group overall and other synergy effects are being enjoyed. It should be noted that the company’s share price on the TSE standard market was 1,161 yen as of March 19, 2024, plus 81% compared to 641 yen, the price at the time of the tender offer (March 22, 2022), and shows that the market is highly evaluating the company.

2. Significance of the Tender Offer

(1) The State of Business Operations and Issues at Your Company, as Seen by Our Group

As consumption of chilled and frozen food steadily increases, the aggregate market value of Our Company's shares as of March 19, 2024 (188.8 billion yen), has increased 4.8 times from the aggregate market value of Our Company's shares as of October 1, 2015 (approximately 39.0 billion yen). Meanwhile, the aggregate market value of Your Company's Shares, which hit a peak of approximately 55.0 billion yen on January 12, 2021, and was on the decline since then, has recently been on the rise, approaching its highest aggregate market value ever recorded on January 12, 2021, and reaching 44 billion yen on March 19, 2024 (Figure 1).

As indicated in the "Notice of Buyback of Own Shares and Buyback of Own Shares through ToSTNeT-3" that You released on November 16, 2023, Your Company has been buying back its shares. The price of Your Company's Shares has been rising since mid-November 2023, and this period mostly overlaps with the announced share buyback period; a calculation based on the number of bought-back shares described in the "State of Buyback of Own Shares" and the "Report on State of Buyback of Own Shares" that You released on later dates indicates that the total number of shares acquired through purchase in the market from November 20, 2023, until February 29, 2024 (excluding the number of acquired treasury shares through ToSTNeT-3). accounts for more than 16% of the market trading volume for the same period. You made no disclosures of any new business strategies since the announcement relating to the buyback of shares until the release on March 15, 2024, of "Measures toward Realizing Management that is Conscious of Capital Cost and Share Price". Thus, We must assume that the recent rise in Your Company's share price was primarily the result of the impact of the buyback of own shares and does not mean that the market is highly evaluating Your strategy or anticipating Your growth. If we look at share price-linked indices, Your price-book ratio (PBR) as of March 19, 2024, was below 1.0, the return on equity (ROE) for the term that ended March 2023 was, as you note in "Measures toward Realizing Management that is Conscious of Capital Cost and Share Price", was 6.7%, which is below the level of 8%, indicated to be the minimum ROE that a corporation should commit to in " 'Competitiveness and Incentives towards Sustainable Growth (Building a Desirable Relationship between Corporations and Investors' Project (Itoh Report)" released by Ministry of Economy, Trade and Industry in August 2014. What is requested under "Measures toward Realizing Management that is Conscious of Capital Cost and Share Price" released by the Tokyo Stock Exchange on March 31, 2023, is as follows: "Roughly half of the companies listed on the Prime Market and roughly 60% of the companies listed on the Standard Market have an ROE of less than 8% and a PBR of less than 1.0, and thus from the perspective of capital profitability and growth, there are issues". In light of these circumstances, "in order to realize sustainable growth and medium-to-long-term enhancement of corporate value", it is not "buyback of own shares or increased dividends alone or other transient measures that are expected", but rather "what is expected is thorough initiatives for achieving return on capital that continuously exceeds capital cost and attaining sustained growth". Your Company has, as discussed above, used share buybacks to improve PBR (price-book ratio) and ROE (return on equity). Meanwhile, in order to achieve enhancement in medium-to-long-term corporate value and further improvement in share price-linked indices resulting therefrom, it is critical to propose and implement a proactive and thorough business strategy as discussed in the "Measures toward Realizing Management that is Conscious of Capital Cost and Share Price" that you released on March 15, 2024, and precisely by realizing this, You will be able achieve "What We Aim to Become" – that is, become a logistics company that continues to leap forward by realizing logistics-related added value, thus further improving logistics quality, and enhancing the corporate value – and You will be able to respond to the expectations of Your shareholders and the requirements of the Tokyo Stock Exchange.

As mentioned above, Our Company believes that the logistics industry to which Our Group and Your Group belong is facing industry-wide critical issues such as addressing the 2024 Logistics Problem and other management-related challenges such as the shortage of human resources and operating vehicles, and soaring purchase prices and raw material prices due to factors such as increasing geopolitical risks and the weak yen.

During discussions on the Business Integration Proposal with You from October 2022, Our Company proposed that Your Group and Our Group take advantage of our mutual strengths and collaborate in a "new" logistics system such as the food logistics center construction project ("AZ-COM Matsubushi" Project) in Matsubushi-machi, Saitama-ken, which Our Company decided to pursue on April 21, 2023. However, You did not seem to be giving serious consideration to the proposal, as it had not presented or discussed beforehand any of the points of concern, turned down it on October 5, 2023, on the grounds that "the proposal goes in the opposite direction of our business expansion" and "the wide dispersion of our logistics bases could lead to greater inefficiencies in its delivery network", among other reasons . On Our part, we felt that this kind of attitude of You is in fact contrary to the spirit of the principles You enumerated at the time of Your foundation in "What We Aim to Become" such as Your goals to– expand the business scale, enter into new business areas, and secure the status of a leading company in the food cold chain industry by creating a "new" logistics system. We believe that in order to survive and thrive in the harsh business environment discussed above, realizing and becoming "What We Aim to Become" is precisely what is called for.

Under this awareness, We believe that it would be difficult for you, operating its business by yourself, to achieve the consolidated operating revenue of 118.7 billion yen and the consolidated operating profit of 4.7 billion yen for the term ending March 2025, as well as the consolidated operating revenue of 122.4 billion yen and the consolidated operating profit of 5.7 billion yen for the term ending March 2026, as indicated in the "Revised Medium-Term Management Plan" released by Your Company on June 16, 2023.

Specifically, the Second Medium-Term Management Plan, released by You on May 8, 2019, for the three years from the term that ended March 2020 through the term that ended March 2022 included a consolidated operating revenue of 130.0 billion yen and a consolidated recurring profit of 6.5 billion yen as reference values for the term ending March 2025, with the expectation that multiple new facilities would be completed in that plan period and be in full operation by the term ending March 2025. However, in the subsequent Third Medium-Term Management Plan, released by Target on May 10, 2022, for the three years from the term that ended March 2023 through the term that will end March 2025, the targets for the term that will end March 2025 were revised downward from the reference values released on May 8, 2019, to a consolidated operating revenue of 118.8 billion yen and a consolidated operating profit of 5.5 billion yen. Additionally, as mentioned above, on June 16, 2023, merely one year after the Third Medium-Term Management Plan was published, it was revised downward again to a consolidated operating revenue of 118.7 billion yen and a consolidated operating profit of 4.7 billion yen.

We believe that there were grounds for the consolidated sales and other figures for the term ending March 2025, which assumed full operation of the new facilities, when they were set forth in the Second Medium-Term Management Plan, which You released on May 8, 2019. However, in the subsequent Third Medium-Term Management Plan, which You released on May 10, 2022, and the "Revised Medium-Term Management Plan", which You released on June 16, 2023, all the target numbers were revised significantly downward. Merely one year after its release, all the target numbers in the Third Medium-Term Management Plan were revised downward, and We are forced to say that You do not have an accurate grasp of the business environment.

While the annual average growth rate of Your consolidated sales since Your incorporation is only 1.5%, the annual average growth rate of consolidated sales of major competitors operating a food cold chain business is around 3% (Figure 2), and the annual average growth rate of food sales by business type from the term that ended March 2017 through the term that ended March 2023 is also in excess of 3%, according to the Current Survey of Commerce published by the Ministry of Economy, Trade and Industry (Figure 3). Thus, the annual average growth rate of Your consolidated sales was lower than both the annual average growth rate of the consolidated sales of competitors and the annual average growth rate of the market.

Given the above, We observes that there are limits to what you, operating your business by yourself, can do, while addressing the 2024 Logistics Problem and other management challenges, shortage of human resources and operating vehicles, soaring purchase and raw material prices against a backdrop of such factors as increasing geopolitical risks and a weak yen, and other assorted challenges the logistics industry is facing—to realize the full potential that You possess, attain the policies toward and goals for improvement of capital cost and share price set forth in the "Measures toward Realizing Management that is Conscious of Capital Cost and Share Price", which was released by You on March 15, 2024, become "What We Aim to Become" and realize the "Basic Strategy" set forth by Your Group in its Medium-Term Management Plan, and thus enhance corporate value over the medium-to-long term, beyond what you have done so far.

Meanwhile, Our Company has been achieving annual growth exceeding 10% in both sales and operating profit. For the year that ended March 2023, and realized consolidated sales growth of more than 30% over the prior term. Regarding Our Company's consolidated sales relating to the cold chain logistics operated by Your Group, our group consolidated sales recorded an annual average growth rate of 7.2% between the year that ended March 2017 and the year that ended March 2022, a period for which comparable data is available that exceeds the annual average growth rate of 1.3% at Your Company during the same period. This shows that Our Company possesses strong business operation prowess. In addition to organic growth, Our Company Group has used mergers and acquisitions to expand our businesses. While we respect the autonomy of companies that have become part of the group, as mentioned above, these companies have expanded their operations after their respective M&As. The management integration with Our Company, which has the business operation prowess backed by the results above, will mean the following: under our long-term vision of "achieving 1 trillion yen in consolidated sales" and the goal of "becoming No. 1 in the temperature-controlled food distribution market in Japan", as we have done with our past M&As, we will respect the autonomy of Your Group while utilizing the business operation know-how, sales capabilities, human resources and other resources that Our Company Group has developed to complement business areas with Your Company Group and support efforts and strengthen functions, which will enable us to draw out Your Company Group's potential in the temperature-controlled food distribution business and achieve further growth, while also contributing to resolving the various issues that the logistics industry faces, which are also societal issues.

Figure 1. Changes in market value(prepared by Our Company using SPEEDA data)

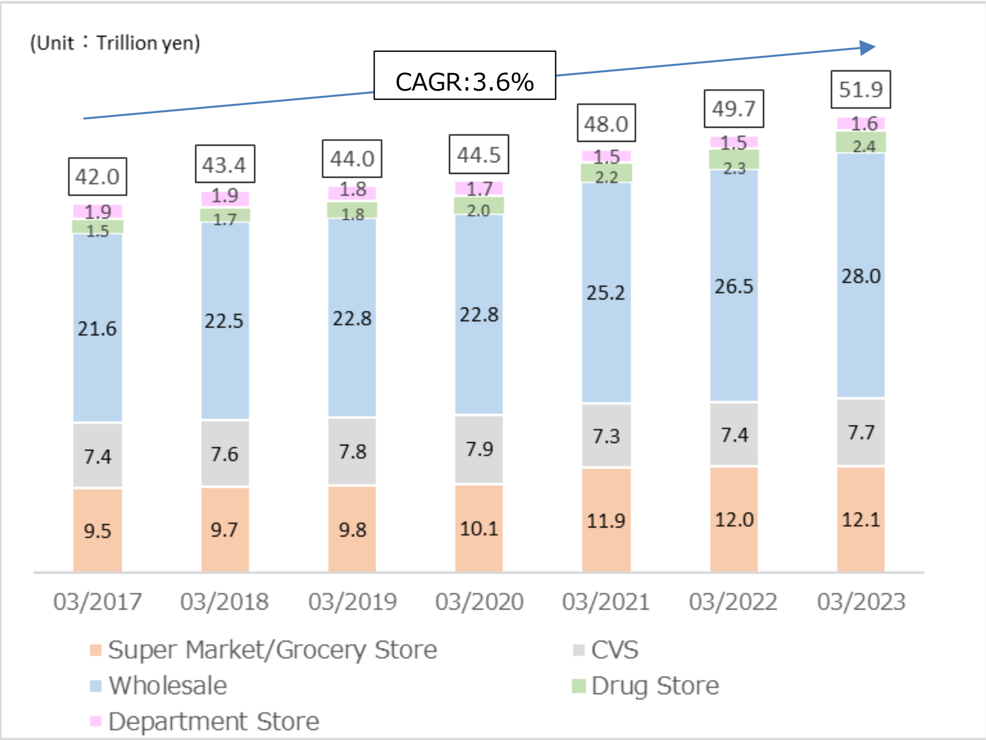
Figure 2. Consolidated sales annual average growth: comparison

(Prepared by Our Company, using financial statements of the companies that have temperature-controlled distribution as a main business and for which earnings data was available, among the top 10 companies in terms of sales in the temperature-controlled distribution market in "2023 Current State of Temperature-Controlled Distribution Market and Outlook" by Yano Research Institute Ltd.)

(Unit:100 Million Yen)	FY03/2017	FY03/2018	FY03/2019	FY03/2020	FY03/2021	FY03/2022	FY03/2023	CAGR (2017vs2023)	CAGR (2017vs2022)
Chilled & Frozen Logistics Holdings Co., Ltd.	1,038	1,042	1,076	1,107	1,104	1,109	1,134	1.5%	1.3%
Nichirei Logistics Group Inc.	1,869	1,951	2,010	2,065	2,123	2,245	2,442	4.6%	3.7%
Nichirei Logistics Group Inc. (Except Overseas sales)	1,549	1,598	1,627	1,689	1,758	1,786	1,805	2.6%	2.9%
K.R.S. Corporation	1,597	1,692	1,722	1,712	1,760	1,796	1,846	2.4%	2.4%
F-LINE	604	608	605	898	855	828	823	5.3%	6.5%
Muroo Co.,Ltd.	471	591	624	662	693	670	674	6.1%	7.3%
Runtec Corporation	463	487	525	564	543	569	608	4.7%	4.2%
AZ-COM MARUWA Holdings Inc.	672	744	856	983	1,121	1,330	1,778	17.6%	14.6%
AZ-COM MARUWA Holdings Inc.(Cold Chain Food Logistics Business)	314	332	362	394	448	444	n.a	-	7.2%

Figure 3: Sales from Current Survey of Commerce

(Prepared by Our Company using data from Current Survey of Commerce, the Ministry of Economy, Trade and Industry)



(2) Envisioned Future under the Proposal

Our Company Group currently has group sales targets of 500 billion yen in 2030 and 1 trillion yen in 2040, and the food distribution business is positioned as a major anchor for this effort. We believe Your Company Group is the company that will serve as the engine driving the food logistics business.

According to the data from Yano Research Institute, , Your Company Group ranks fourth in the temperature-controlled logistics business, falling behind K.R.S. Corporation. Although Our Company Group comes in ninth place, the integration between Your Company and Our Company will enable us to surpass K.R.S. and become No. 3, only behind Nichirei Logistics and Yamato Transport.

By integrating management with Your Company, we seek to create business synergies together, work on scaling our businesses and enhancing profitability, accelerate M&A deals, alliances and other aspects of inorganic growth and become No. 1 in the food logistics industry.

(3) Significance of this Proposal in terms of Business Strategy and Synergies

Our Company recognizes that in creating profit opportunities and strengthening competitiveness, supply chain management platforms (both real/physical and digital), which link processes from production to sales, offer a higher chance of creating "added value of logistics" and establishing dominance.

Our understanding is that Your Company Group was created through the management integration between Meito Transportation Co., Ltd., which focuses on temperature-controlled food logistics, and Hutech norin Co., Ltd., which is strong in frozen food logistics. Because of this background, the core operations of Your Company Group are temperature-controlled and frozen food logistics, with a particular strength in the joint shipping delivery, which you commercialized ahead of other companies.

We also understand that Your Company Group has good business partners, mainly food producers and trading companies, and boasts one of the largest operations among independent temperature-controlled food logistics companies. Because of this, You are not bound by capital or business ties to certain business partners and are able to flexibly meet service requests from any type of customer.

Further, We understand that Your Company Group owns attractive cold chain assets that include around 120 delivery bases across the nation with a fleet of approximately 2,700 temperature-controlled distribution vehicles, and that by chiefly using your own infrastructure, your operation of storage and transportation businesses enable Your Company to provide consistent and high-quality logistics services.

Since we started doing business with Ito-Yokado in 1973, Our Company Group has positioned food distribution as one of our core competencies and expanded our operations.

One of the biggest strengths in Our Company Group's food distribution is providing, mostly to food-focused supermarkets, AZ-COM7PL (Seven Performances Logistics), a service that offers separation of sales channels and distribution channels through logistics, improvement in store operations, and enhanced product procurement through shipments of farm-fresh fruits and vegetables. We provide logistics services comprehensively for the supply chain as a whole, from food producers at the upstream of the chain to food-focused supermarkets and online supermarkets at the downstream. As modes of transportation supporting such services, we have realized a modal mix that includes trucking centered on our AZ-COM MARUWA support network, as well as temperature-controlled containers (K.K. Maruwa Tsuun), air freight by business partner K.K. ANA Cargo and roll-on, roll-off shipping.

However, the business environment facing the logistics industry, to which Our Company and Your Company belong, presents critical issues to the entire industry, including shippers (shippers and their recipients), such as the 2024 Logistics Problem and other management-related challenges, such as the shortage of human resources and operating vehicles, and soaring purchase prices and raw material prices due to factors such as increasing geopolitical risks and the weak yen.

In the food logistics industry in particular, challenges common to all companies can be seen, such as increasing inventory needs to address increases in frozen foods and for BCP measures, increases in the number of items to control, and pressure from shipper companies to reduce logistics costs. We believe in order to address the problems of the entire food logistics industry that have a significant impact on people's lives, it is important not only for logistics companies to continuously make managerial efforts and compete, but also for related companies to work together and provide cooperation to transform the business structure. In fact, through business activities utilizing M&A and other means, Our Company has been realizing the same. Specifically, it is possible to meet social expectations through seamless logistics and efficient management while making the best use of limited management resources for transformation to a robust management structure. Doing this will result in the continuous enhancement of corporate value and business operations that can meet the expectations of all stakeholders.

In light of such conditions, Our Company has continued to consider what is necessary to respond to changes in the business environment of the food logistics industry, and to address the 2024 Logistics Problem and other social issues while demonstrating Our strong presence in the food logistics industry. One of Our Company's conclusions from such consideration is that mutual synergy effects on a large scale can be expected through business integration with Your Company, and could help Us earn a strong position in the food logistics industry.

In recent years in particular, due to administrative guidelines and the like, addressing the 2024 Logistics Problem and the rise in labor costs have become greater challenges. Our Company believes that sharing or mutually utilizing Our Company's and Your Company's management resources will have a business synergistic effect, increasing profitability going forward, and thus leading to strengthened competitiveness, prompt responses to changes, and evolution in logistics and business models in conjunction with further evolutions in future technologies, such as the physical internet and changes in customer needs.

If Your Company joins Our Group, similarly to M&A conducted by Our Company in the past, Your Company will be able to utilize the business operation know-how, bases, human resources, and other various resources that Our Company has been cultivating while remaining autonomous. Additionally, it is possible to realize the potential in Your Group's cold chain logistics business and to achieve greater growth than ever before, and this will also help solve the assorted problems faced by the logistics industry, which are also societal problems. Our Company is certain that through such measures, Your Group will grow markedly as an independent food logistics business operator, will be able to continuously develop with strengthened competitiveness, and "expand the business scale, enter into new business areas, and secure the status of a leading company in the food cold chain industry by creating a 'new' logistics system" that is "What We Aim to Become", which Your Group set forth at the time of incorporation.

Further, Our Group believes that Our Company, with its high operational prowess that has continued to realize medium-term management plans, aggressive investment strategies, and diverse corporate guideline experiences can spearhead the food logistics industry with Your Group, snf this will contribute to the maintenance and enhancement of the competitiveness of Japan's logistics businesses.

While experiencing PMI activities of various outside businesses that have joined Our Group, Our Company has focused on, as important elements in realizing enhancement of corporate value after joining the group, complementing the growth of existing business areas and promoting investments in growth fields. We believe Your Group meets these elements, and by joining Our Group, it is believed that corporate values will be markedly enhanced through the following synergistic effects.

(A) Complementarity in business areas between Our Group and Your Group

a. Strengthening of logistics network (cooperative transportation)

By connecting the nationwide cold chain logistics network of Your Group with Our Group's bases and Our logistics network "AZ-COM MARUWA Support Network" (as of December 31, 2023, there are 1,895 member companies nationwide), it is possible to establish an even more robust nationwide network, which will directly contribute to enhancement of Your Group's top line, and by additionally promoting more efficient center operation and other efforts toward new joint transportation, the entire Group can strengthen its revenues power.

b. Economies of scale

If Your Group joins Our Group, we will be ranked third in the cold chain logistics market share, and we also expect to enjoy economies of scale such as reduction of vehicle and fuel purchase costs, recruitment of human resources and improvement of quality of equipment and DX/IT investments.

c. Expansion of the EC-related logistics business

Viewing EC-related logistics as a growing field, Your Group has been investing management resources there. Your Group has such strengths in cold chain logistics as transport and delivery capability and temperature control technologies, and by utilizing Our Group's EC-related logistics business foundation and know-how, the expansion of Your Group's EC-related logistics business centering on cold food will be more rapidly realized.

In the "Measures toward Realizing Management that is Conscious of Capital Cost and Share Price" that Your Company released on March 15, 2024, as one initiative for "Achieving a resilient revenue base and sustainable growth through further investment", Your Company cites "Expansion of EC-related logistics business" and as a specific initiative cites "collaboration and tie-up with a last one mile business", with future goals of sales of 30 billion yen in the EC-related logistics business. By utilizing Our Group's EC-related logistics business know-how such as last one mile skill and operation of EC center cultivated in transactions with Amazon Japan, Your Group's EC-related logistics business can grow more rapidly and with greater certainty, and the goal of 30 billion yen in sales can be realized more quickly than under Your Company's current plan.

d. Cooperation in the direct-from-farm value chain

Our Group is providing fresh and value-added foodstuffs to consumers, and is also actively promoting the "direct-from-farm value chain" in which Our Group is serving as a bridge connecting foodstuffs buyers of supermarkets and farm producers across the country, and it helps generate business opportunities for the farm producers to support their business by providing the buyers with opportunities to visit farmlands and directly observe how produce is cultivated and produced. As part of these efforts, Our Group has partnered with Kumamoto Daido Seika Co., Ltd., which is a produce wholesaler and is operating a wholesale market in Kyushu, and ANA Cargo Inc. for the purpose of promoting a modal shift, and continues to increase the number of business partners. Our Group believes that in food logistics, the absolute temperature control of the Your Group's cold chain logistics will add more value and cooperation in the direct-from-farm value chain will provide a new revenue opportunity to Your Group. Therefore, and mutual synergy effects in a large scale can be expected.

e. Building a logistics network in the supply chain from upstream to downstream

If Your Group, which is an independent cold chain food logistics company with an excellent customer base centering on numerous manufacturers and wholesalers, joins Our Group, a 3PL operator specialized in the retail business, it becomes possible to execute logistics operations of the entire supply chain in a comprehensive fashion. Specifically, by mutually utilizing the food logistics center "AZ-COM Matsubushi" (a BCP warehouse and logistics facility, with a site area of 35,200 *tsubo*, capable of handling the three temperature ranges of frozen, chilled, and dry and enabling the goods of both retail and foodstuffs manufacturers to be stored and be inventory-managed in the same center), which Our Group is currently constructing (operations scheduled to start in April 2025) and which will be one of Japan's largest such centers, to carry out transport and delivery, including *yokomochi*, with the lowest energy use possible, thus realizing efficient transport and delivery and sharing those cost merits across the supply chain; it is anticipated that this will bring about great customer satisfaction and a resilient profit structure.

f. Joint development of BCP logistics support business

As the fourth pillar of business, Our Group is rolling out the BCP logistics assistance business, which helps establish a nationwide logistics support network in times of disaster. When the Noto Peninsula Earthquake hit on January 1, 2024, Our Group's BCP network responded to requests from municipalities and companies immediately after the earthquake occurred, and in the following day, executed the transportation and delivery of relief goods, fuel and others to the affected area, and supported the BCP logistics. Backed by such performance and trust, as of February 29, 2024, the group has disaster assistance agreements with 66 regional governments (25 prefectures, and 41 municipalities) and 4 retailers and foodstuffs manufacturers, and 2 general incorporated associations and NPOs.

If Your Group's cold food transportation capacity is added to Our Group's nationwide logistics assistance and stockpiling services in times of disaster, and sustainable transportation infrastructure, it is anticipated that a higher quality lifeline can be secured, which will be an even greater contribution to society. In particular, utilizing the transport and delivery capacity for the logistics between Your group and its manufacturers and wholesalers in Our Group's BCP logistics has great social significance, which is aligned with the goal to "Promote a Logistics Business that Protects the Food Lifeline and Contributes to a Bountiful Society" which is one of the elements to "Build a Sustainable Logistics Business" pursuant to Your Group's "Basic Strategy", and it will be possible to address across business categories the challenges that Japan faces of strengthening the resilience of the entire society at times of emergency and disaster.

g. Building an effective sales structure

Our Group excels at proposing a system to add more value to customers' businesses, and finding new customers, and it is anticipated that by combining Our Group's sales power with Your Group's field capabilities, the sales organization can be reinforced. If unified sales activities are rolled out in the entire value chain instead of Your Group and Our Group separately and fragmentally approaching manufacturers, wholesalers, retailers and other customers, an overwhelmingly effective sales structure is expected to be built. We firmly believe that by capturing transport and delivery demand through building an effective sales structure, Your Group's top line will be improved.

h. Developing the overseas business

Regarding overseas business, which is one of the elements to "Promote Investment in Growth Fields" pursuant to Your Group's "Basic Strategy", it is anticipated that through utilizing Our Group's know-how and management resources, such as supporting the expansion of the Your Group to Kamigumi Co., Ltd.'s overseas locations under the capital and business partnership agreement executed between the Our Group and Kamigumi Co., Ltd.

in September 2022, and the roll-out of the Your Group's overseas business will be further promoted.

In the "Measures toward Realizing Management that is Conscious of Capital Cost and Share Price" that Your Company released on March 15, 2024, as one initiative for "Achieving a resilient revenue base and sustainable growth through further investment", Your Company cites "Developing the overseas business" and as specific initiatives is considering "(i) strengthening the foundation of the network in the southern Vietnam area and expanding into the northern Vietnam area and (ii) expanding into Southeast Asia port warehouses. Regarding (i)Kamigumi Co., Ltd., which has a capital and business tie-up with Our Company, has its Hanoi Branch in Hanoi (northern Vietnam) and its local affiliate Kamigumi Vietnam Co., Ltd in Ho Chi Minh City (northern Vietnam), and Your Company could utilize this network; and regarding (ii), Kamigumi Co., Ltd. has port operation know-how and local networks, and can provide assistance.

i. <u>Promoting a modal shift</u>

As part of the goal to "Build an Environmentally Friendly Logistics Base to Help Achieve a Decarbonized Society" which is one of the elements to "Build a Sustainable Logistics Business" pursuant to Your Group's "Basic Strategy", Your Group is promoting a modal shift by adding transportation by ship. As countermeasures against the 2024 Logistics Problem, environmental issues and others, Our Group has been providing logistics services in addition to trucks, namely, transport by rail with K.K. Maruwa Tsuun, which is a group company; transportation by ship with Kamigumi Co., Ltd., which is a capital and business partner; and transportation by air with ANA Cargo Inc., which is a business partner. With Your Group, it will be possible to promote a modal shift to cover all of ground, sea and air transportations.

In the "Measures toward Realizing Management that is Conscious of Capital Cost and Share Price" that Your Company released on March 15, 2024, as one initiative for "Achieving a resilient revenue base and sustainable growth through further investment", Your Company is making efforts to address the 2024 Logistics Problem, one of which is "reducing workload" through promoting a modal shift by adding transportation by ship". In this regards as well, assistance utilizing the network of Kamigumi Co., Ltd. will be available.

(B) Improvement of the functions of Our Group and Your Group

a. <u>Human Resources hiring and training</u>

Addressing the 2024 Logistics Problem is a concern shared by the entire industry and mutually sharing know-how will lead to further strengthening the human capital of both companies. Regarding human resources hiring, Our Group hired a total of 715 persons in fiscal 2021, both new graduates and mid-career hires, and in fiscal 2022 we hired 911 persons, including 325 new graduates, an increase of almost 200 over the previous year, and, in terms of hiring, Our Group is in a superior position in the industry. In terms of hiring foreign workers, the incorporated educational institution Maruwa Gakuen operates a Japanese language school for foreign students (Japanese Language School of the Tokyo Foreign Language Academy which was established in 1983 and Obtained school corporation accreditation in 2023), and in 2023, Our Group started hiring its graduates. In this manner, Our Group is addressing the issue of employment difficulties in the wake of Japan's falling population. Through the above measures, Our Group plans to hire 5,000 new employees in the five years preceding March 2027. In addition, regarding the training of personnel, on the basis of the philosophy, "without human growth, no company growth", in the internal schools established in 1997 (Maruwa Logistics College), a training structure is in place that has programs tailored to specific employment classes and work types and encourages employees to obtain assorted qualifications. If Your Group joins Our Group, the human exchange between the two groups will enable further nurturing of personnel. Further, realizing corporate growth through cooperation between two different corporate cultures will lead to the realization of diverse career formation and personal growth for employees and happiness for employees and their families. This will lead to "Becoming a logistics company where employees have future hopes, and enthusiastically dedicate themselves to work", which is part of "What We Aim to Become".

In the "Measures toward Realizing Management that is Conscious of Capital Cost and Share Price" that Your Company released on March 15, 2024, as one initiative for "Achieving a resilient revenue base and sustainable growth through further investment", Your Company cites as a priority, "Achieving human capital management through expanded investment in human resources, and as specific examples of this cites, "training specifically designed for individual employment classes" and "improvements in wages and benefits aimed at greater hiring competitiveness (new graduates and mid-career hires). Our Group has for many years taken initiatives in the field of education of human resources, with the education department being an independent organization, and in fiscal year 2022 made 911 hires in total of new graduates and mid-career hires; Your Group will also be able to utilize our know-how and knowledge regarding education of the Our Group's human resources education and hiring.

b. Accelerated investment in labor-saving and workforce reduction

In order to achieve logistics reform that includes tackling the 2024 Logistics Problem, achieving labor-saving and workforce reduction through digital transformation is a shared goal throughout the industry. Our Group, through advanced material handling and accelerated IT investments, has moved forward with investment in labor-saving and workforce reduction. Your Group too, among the "Additional Measures" of its "Basic Strategy" includes "Investments in improving productivity through labor-saving and workforce reduction" and thus too seems to be moving forward with investment in labor-saving and workforce reduction. If the two groups collaborate and utilize their mutual know-how, even greater labor-saving and workforce reduction can be achieved, leading to speedier business execution and cost reductions and achieving group-wide improvements in productivity.

In the "Measures toward Realizing Management that is Conscious of Capital Cost and Share Price" that Your Company released on March 15, 2024, as one initiative for "Achieving a resilient revenue base and sustainable growth through further investment", Your Company cites "deployment of workforce reduction and labor-saving facilities". Our Group has also been moving forward with investment in labor-saving and workforce reduction and is applying the labor-saving and workforce reduction know-how learned in the EC-related logistics business to the food logistics business. We believe that with this, the application of the labor-saving and workforce reduction know-how that We learned in the EC-related logistics business to the growth fields that Your Group cites of EC-related logistics business and the Your Group's main business, food logistics will go smoothly.

In response to the Business Integration Proposal that Our Company made the year before last, and regarding the discussions which were carried out since over the course of 12 occasions, we received from Your Company the October 5, 2023, notice explaining your decision to suspend consideration of the Business Integration Proposal. This is due to reasons such as (i) according to the Business Integration Proposal, through the collaboration at AZ-COM Matsubushi, "the intention is to build a logistics network where the involvement of foodstuff wholesalers is minimized in order to reduce logistics costs, such as limiting the role of foodstuff wholesalers to paperwork"; however, foodstuff wholesales represent roughly one-quarter of the sales of Your Company and are "important business partners" of Your Company; accordingly, "this goes in the opposite direction of Your Company's business expansion and brings a large risk of the estrangement of Your Company's big customers, and because this leads to the wide dispersion of Your Company's logistics bases, this could lead to greater inefficiencies in its delivery network", and for such reasons, "while on the one hand the creation of large synergy effects for Your Company is not expected," on the other hand, Your Company "would be bearing great risks" and for these reasons, Your Company has determined that the business integration "would not contribute to the enhancement of corporate value; and (ii) "because of the great differences in corporate culture, it is expected that with business integration, additional risks would increase". The above concerns should have been considered in discussions on the Business Integration Proposal between the two companies exchanging opinions, but because We were not given such an opportunity, from early to mid-January, We made repeated verifications on Our own regarding the points of concern of (i) and (ii) above. This resulted in Our Company concluding, in mid-January 2024, as discussed below, that the concerns of (i) and (ii) above were not expected to materialize, and that the Business Integration Proposal was in fact expected to produce large synergy effects for Your Company and would also contribute to the resolution of an issue facing the logistics industry overall and is also a major social issue.

a. Regarding (i) above

- Our Company is building in Matsubushi-machi, Saitama Prefecture, "AZ-COM Matsubushi", which is a BCP warehouse and logistics facility, capable of handling the three temperature ranges of frozen, chilled, and dry and enabling the goods of both retail and foodstuff manufacturers to be stored and inventory-managed in the same center, and by achieving *yokomochi* and other intermediate distribution that uses as little energy as possible, Our Company aims to build a sustainable logistics system. Currently, in order to solve the 2024 Logistics Problem, the national government is taking the lead in initiatives, which include not just truck transport companies but also shippers, to construct an efficient and sustainable logistics system.

Greater energy efficiency in transport and delivery in intermediate distribution is an initiative that is in line with the national government's policy indicated in "Outline of Comprehensive Logistics Measures (FY2021-FY2025)" released by METI on June 15, 2021. Further, improving energy efficiency in transport and delivery in intermediate distribution is an initiative that will enable redistribution of business resources for greater profitability and will contribute to greater competitiveness in transport and delivery operations.

- We believe that by sharing the cost benefits from greater efficiency in the logistics network in the overall supply chain, foodstuff wholesalers that are Your Company's big customers will also be able to enjoy such benefits as a reduction in logistics costs and improved profitability, and therefore the business integration will not lead to the estrangement of Your Company's big customers. Our Company expects that even in cases where there is overlap in the scope of operations between customers of Our Group and customers of Your Group, through collaboration at AZ-COM Matsubushi, adjustments in such scope of operations can be made so that conflicts between customers do not arise. In addition, Our Group, on the basis of the business philosophy that the customer comes first, has traditionally devised and proposed measures that solve the managerial issues of customers from a logistics standpoint; thus, even if after the Transaction issues arise from Your Group's participation in Our Group, Our Group's policy is to approach the customers and engage in serious discussions aimed at their resolution.
- Our Company plans to utilize Your Group's existing logistics network while engaging in the collaboration at AZ-COM Matsubushi and does not intend to make large changes to the existing logistics network that Your Group has built. Even supposing that there are changes to Your Group's existing logistics network, because AZ-COM Matsubushi is a facility with the goal of building a sustainable logistics system by achieving energy efficiencies to the extent possible in transport and delivery, it will not lead to greater inefficiencies in Your Group's overall logistics network. Further, our company, which runs a 3PL, is planning, through the collaboration at AZ-COM Matsubushi, to entrust to Your Group a portion of the transport and delivery operations arising in the logistics services it provides to manufacturers, as well as the retail outlet delivery operations of the retail logistics services it provides. With this, Your Group can anticipate improvements to its top line, and by playing an integral role in the "new" logistics, Your Group can expect to see large growth.

b. Regarding (ii) above

- Business integration between companies that have similar corporate cultures cannot be expected to result in large reform, while business integration between companies with differing corporate cultures will cultivate the chemical change of building of a new corporate culture where each side brings different strengths to the relationship. Specifically, when the corporate cultures differ, the effect that can be expected is that the employees from both firms, within this new corporate group, can learn much from each other, make selections from a broader array of career opportunities, and otherwise see an increase in relationships with both senior and junior fellow workers. This is precisely what is meant by the "happiness management" of Our Company and "Becoming a logistics company where employees have future hopes, and enthusiastically dedicate themselves to work" of "What We Aim to Become" of Your Company, which was born of the business integration between Meito Transportation Co. Ltd. and Hutech norin Co., Ltd.

- As an actual case in point, PHYZ Holdings Inc., which joined Our Group in March 2022, has a corporate culture different from that of Our Group, yet through its collaboration with Our Group has been able to achieve greater results, and We believe that it serves as evidence of what can be achieved when companies with differing corporate cultures merge.
- Our Group believes that by integrating the corporate culture of Your Company, which is highly regarded for being able to provide quality cold chain logistics in a stable manner, with the marketing strength of Our Company, which has constantly achieved strong corporate growth, will enable the provision of the foremost cold chain logistics domestically and will open a future path to the provision of cold chain logistics services to Asia and the rest of the world.
- For the above reasons, Our Company does not expect an increase in additional risks from the Business Integration, but rather believes that there are great synergy effects that will be gained from the Business Integration.

(4) Your Company's Valuation from the Perspective of Shareholders and Share Price, and the Significance of the Proposal

(A) Valuation in the stock market

As discussed in 2(1) above, Your Company's share price recorded an all-time high of 2,204 yen on January 12, 2021, and has since remained at a lower level. However, from the latter half of 2023, as the stock market has boomed, Your Company's share price has steadily risen.

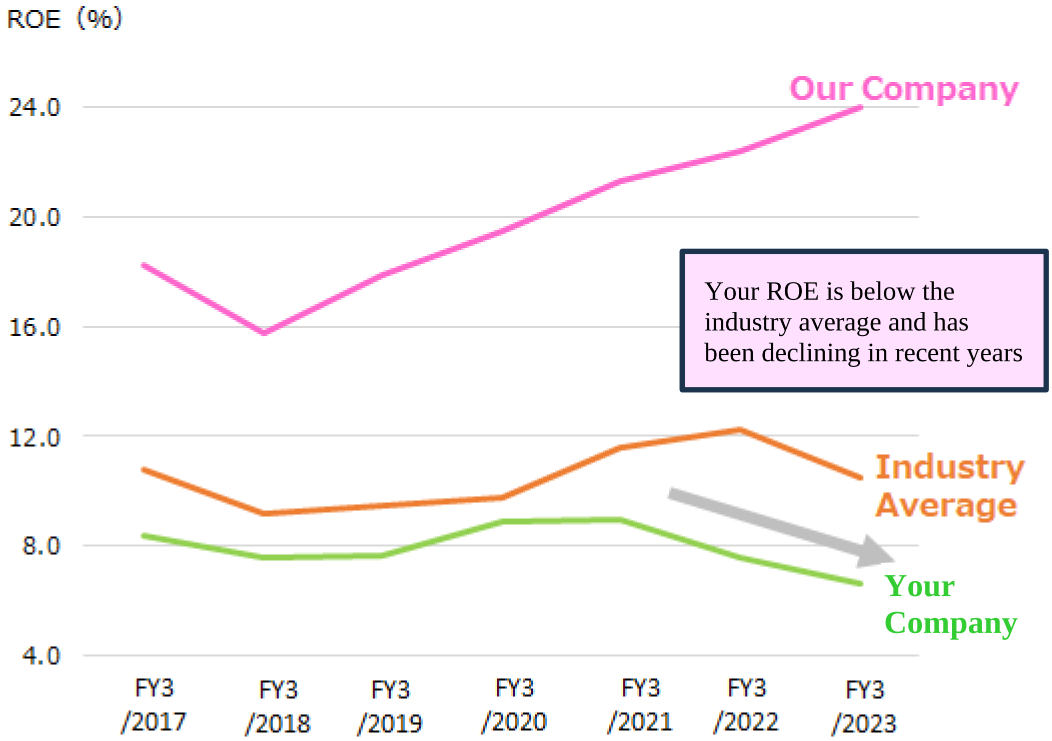
Our company presumes that the recent rise in Your company's share price mostly resulted from the impact of the buyback of its own shares and does not reflect that Your company's strategy and growth potential are highly evaluated or anticipated by the stock market. If we look at share price-linked indicators, Your company's price-book ratio (PBR) as of March 19, 2024, was below 1.0, the return on equity (ROE) for the March 2023 term was, as is noted in "Measures toward Realizing Management that is Conscious of Capital Cost and Share Price", was 6.7%, which is below the level of 8% indicated to be the minimum ROE that a corporation should commit to, as indicated in " 'Competitiveness and Incentives towards Sustainable Growth (Building a Desirable Relationship between Corporations and Investors' Project (Itoh Report)" released by the Ministry of Economy, Trade and Industry on August 2014. In order to achieve enhancement in medium-to-long-term corporate value and further improvement in share price-linked indicators resulting therefrom, it is critical to propose and implement a proactive and thorough business strategy as discussed in the "Measures toward Realizing Management that is Conscious of Capital Cost and Share Price" that Your Company released on March 15, 2024.

It should be noted that by realizing a growth strategy and business plan that strongly emphasizes managerial speed, Our Company has continually recorded performance significantly exceeding our commitment to the market. The market highly values such performance, and as a result our share price and indices remain higher than those of other logistics companies.

(Figure 1) Share price transition (prepared by Our Company using SPEEDA)

(Figure 2) PBR transition (the transition from the establishment of Your Company, prepared by Our Company using Quick)

(Figure 3) ROE transition (the transition from the establishment of Your Company, prepared by Our Company using SPEEDA. Industry average is calculated from the index of listed companies among the cold chain logistics companies on page 8.)



(B) The Significance of the Proposal from the Perspective of Your Company's Shareholders and Based on Your Company's Share Price

It is planned that the Tender Offer Price will be 3,000 yen per share, which compared with Your Company's closing share price on the preceding business day and the average closing price over the past one month, three months and six months, will show a significant premium of 47.06-92.55% added. Such a tender offer price, which largely exceeds the highest share price since listing, is expected to provide an excellent opportunity for investors to achieve a return on an investment that realistically would be difficult to forecast if Your Company were to continue to operate on its own.

- Over the preceding business day: 47.06%
- Over the most recent one-month average: 57.89%
- Over the most recent three-month average: 75.03%
- Over the most the recent six-month average: 92.55%

<Premium expected from the Tender Offer Price>

(5) Advantages for employees

Since incorporation, operating under the principle of "Personnel Growth is the Company's Growth", Our Group has emphasized human resource development. The roles, required skills and behavior for each job rank, as well as the role model to be aimed for, are clearly stipulated. In line with the role model, hiring activities are carried out, and human resources are developed and employed. Consideration is also given to achieving diversity, regardless of gender or career. Under Our Group's policy as above, Your Group's employees can expect the following advantages through the Transaction.

① In principle, after the Transaction, the employment of Your Company's employees will be maintained under the same employment conditions.

② As a logistics value chain that is complete from upstream to downstream is created as a result of the Business Integration, it is certain that the employees who have been successful in cold chain logistics will be able to fully utilize their skills, knowledge and experience in the new corporate group. Leadership and management opportunities in the new field will provide a wider variety of career choices, and employees can experience greater growth the harder they work. Overall, the improvement of corporate performance will result in better treatment such as higher pay.

③ After the Transaction, Your Company's employees will use Our Group's ample human resources development programs (such as Maruwa Logistics College, various training programs, and assistance in gaining qualifications), and can improve their skills, which will be beneficial to their future career formation.

④ Our Group proactively supports asset building by our employees through the employees share ownership plan and other programs. The employees of Our Group companies also participate in the employees share ownership plans.

⑤ According to Your Company's Securities Report for the term that ended March 2023, Your Group has five labor unions and maintains good labor relations. We would like to maintain good relations with Your Group's labor unions after Your Group joins Our Group. Likewise, after K.K. Maruwa Tsuun joined Our Group in 1994, we have maintained good labor relations with K.K. Maruwa Tsuun's labor union.

(6) Advantages for other stakeholders

(A) Transaction partners

① Harnessing the synergy effects between the two firms' businesses through this Business Integration, and further improving logistics services will lead to the provision of more convenient services to transaction partners.

② Consequently, we will strive to reduce the logistics costs of transaction partners.

③ Pursuant to the Corporate Governance Code, transaction partners that are listed companies and hold Your Group's shares as part of a cross-shareholding policy are required to disclose the purpose of holding shares under the cross-shareholding policy and examine the value of their investment. It is anticipated that the Transaction will provide a good opportunity to discontinue such shareholding relationships.

(B) Local communities

① Our Group is actively making efforts in the BCP logistics support business to establish a logistics network resilient in the face of disasters. We have built a system to contribute to BCP measures of the nation and municipalities. Under which, we have disaster assistance agreements with municipalities (63 partner municipalities as of the end of January 2024), and the "AZ-COM MARUWA Support Network" has been designated as a public corporation under the Basic Act on Disaster Management. If Your Group participates, the transport capacity will be further enhanced in times of emergency and a greater contribution to local communities can be expected.

② Investment will be made to build and renovate logistics centers, and this will lead to employment opportunities, local population growth, and active consumer activities.

③ Our Group is actively co-sponsoring sports and local events. With Your Group, we will initiatively fulfill our corporate social responsibility (CSR), and contribute to the development and prosperity of local communities.

3. Regarding the Tender Offer

Based on the foregoing, Our Company plans to implement a Tender Offer (FIEA, Article 27-2 et seq.) for Your Company's shares. We are confident that Your Company's Board of Directors and the Special Committee will agree that supporting the Proposal is the best option in light of the specific conduct expected of directors and board of directors under the Takeover Guidelines, and from the perspective of enhancing Your Company's corporate value and the common interests of all stakeholders, including shareholders.

Tender Offer Overview

1	Tender Offeror	AZ-COM MARUWA HOLDINGS INC.
2	Tender Offer Target	Chilled & Frozen Logistics Holdings Co., Ltd.
3	Type of share certificates etc. to be purchased	Ordinary shares
4	Price of purchase etc.	3,000 yen per share The Tender Offer Price represents the following respective premiums (rounded off to the nearest whole number; hereinafter the same regarding premiums) over the closing price of Your Company's shares on the TSE Prime Market on March 19, 2024, which is the business day prior to the date of announcement of the intention to commence the Tender Offer, and over the closing price simple average (rounded off to the nearest whole number; hereinafter the same regarding closing price simple averages) over the past one month , three months , and six months before the reference date. – A 47.06% premium over the reference date closing price of 2,040 yen – A 57,89% premium over the one-month closing price simple average of 1,900 yen – A 75.03% premium over the three-month closing price simple average of 1,714 yen – A 92.55% premium over the six-month closing price simple average of 1,558 yen
5	Number of shares planned for purchase	– Upper limit: none – Lower limit: 10,848,304 shares (Note 1) : Note 1: The lower limit The number of shares planned for purchase is 10,848,304 shares (Shareholding ratio: 49.89%), which is calculated as follows. First, take the total number of Your Company's issued shares as of February 29, 2024, as set forth in the Your Company's Own Share Buyback Status Report that Your Company submitted on March 5, 2024 ("Your Company's Own Share Buyback Status Report") (25,690,766 shares), and subtract the number of Your Company's treasury shares as of the same date

		as set forth in the same report (3,945,672 shares), resulting in 21,745,094 shares. The number of voting rights associated with these shares is 217,450 and a majority of this is 108,726 votes. Then, multiply the majority votes by Your Company's number of shares in one unit of shares (100 shares), which results in 10,872,600 shares (shareholding ratio (Note 2) : 50.00%). Last, subtract the number of Your Company's shares that we possess (24,296 shares) (Shareholding ratio: 0.11%) , resulting in 10,848,304 shares (Shareholding ratio: 49.89%). Note 2: "Shareholding ratio" means the ratio with respect to the total number of Your Company's issued shares as of February 29, 2024, as set forth in Your Company's Own Share Buyback Status Report (25,690,766 shares) *less* the number of Your Company's treasury shares as of the same date as set forth in the Your Company's Own Share Buyback Status Report (3,945,672 shares) (meaning a total of 21,745,094 shares) (rounded off to the second decimal place; the same applies hereinafter with respect to shareholding ratios).
6	Timing of commencement of the Tender Offer	Our Company (i) anticipates that from this day forward until the commencement of the Tender Offer, Our Company will give explanations in good faith to Your Company's Board of Directors and the special committee that Your Company is expected to establish ("Special Committee"), so that they will support the Tender Offer; further, if, in addition to the information set forth in the Statement of Intent, Your Company's Board of Directors and the Special Committee request the provision of additional information reasonably determined to be necessary in order to form an opinion regarding the Tender Offer, it is Our Company's plan to respond with sincerity and secure a period of time necessary and sufficient for such purpose; and (ii) that, because Our Company intends to secure a sufficient period of time for consideration in order to gain the understanding and support of Your Company and Your Company's shareholders regarding the Transaction, Our Company anticipates commencing the Tender Offer in early May 2024. Our Company will provide details regarding the Tender Offer schedule as soon as they are decided.
7	Tender Offer Period	20 business days. However, in the event that during the purchase period of the Tender Offer ("Tender Offer Period"), the number of share certificates etc. tendered in the Tender Offer ("Tendered Share Certificates etc.") reaches the lower limit of the number of shares planned for purchase, Our Company will promptly give a public announcement to such effect,

		and extend the Tender Offer Period so that there are 10 business days left in the Tender Offer Period, commencing on the business day following the date of such announcement (however, if the number of Tendered Share Certificates reaches the lower limit of the number of shares planned for purchase within 10 business days of the start of the Tender Offer Period, there will be no extension of the Tender Offer Period, because there will be at least 10 business days left in the Tender Offer Period, counting from the business day following the date of such announcement)
8	Tender Offer Agent	Mizuho Securities Co., Ltd.
9	Financial resources	Our company will use our own funds and borrowings from partner banks.

4. Management Policy after the Transaction

(1) Post-delisting Management Policy

After the Transaction, with the aim of achieving synergies between Our Group and Your Group early and enhancing the corporate value of the two companies in the medium-to-long term, Our Company will leverage its operational prowess to formulate Your Group's business plans and carry out management designed to achieve such plans, thereby supporting the efforts to realize management reform. Our Company will instill into Your Group's operations our promotion of business initiatives with all members of the company as one, including active and top-level sales of Our Company, and Our Company's culture of organization-wide commitment to meet targets, and implement these efforts so Your Group can unleash its full potential and realize synergies with Our Group quickly.

Our Company is also considering dispatching directors to Your Group as one option if the Tender Offer is successful, but Our Company intends to determine specific management policies and management structure after discussions with Your Company going forward with the spirit of equality from the perspective of further enhancing the corporate value of both sides, and there are no facts that have been finalized at this point. Our Company's hopes for Your Group are that, after the Tender Offer is completed, Your Company's current senior management will continue to serve in their respective capacities, assuming that Your Group will make efforts to create synergies between Our Group and Your Group and otherwise increase the corporate value of the two companies in the medium-to-long term. At this point in time, there are no particular plans to change Your Group's trade name or brand, nor to modify the employment of Your Group's employees and their employment conditions.

Our Company also plans to have Our Group and Your Group continue transactions with their business partners after the Transaction and further cater their sales activities to customers.

With respect to future management policies and the management structure in the event the Tender Offer completes without the support of Your Company's Board of Directors, specific consideration will be carried out after completion of the Tender Offer.

(2) If as a Result of the Tender Offer Sufficient Shares are Not Acquired, then Our Company will Implement a

Squeeze Out on Its Own

Of those cases where the Tender Offer ends successfully, but Our Company is unable to acquire all of Your Company's shares (all shares of Your Company other than those owned by Our Company and Your Company's treasury shares), even in a case where, as a result of the Tender Offer (i) Our Company comes to own Your Company' Shares representing 90% or more of the total number of voting rights of Your Company's shareholders, (ii) Our Company comes to own Your Company's shares representing two-thirds or more but less than 90% of the total number of voting rights of Your Company's shareholders, or (iii) Our Company does not come to own Your Company's shares representing two-thirds of the total number of voting rights of Your Company's shareholders; Our Company will not change its policy of making Your Company a wholly owned subsidiary and plans to implement the squeeze-out procedures ("Squeeze-Out Procedures"). In the case of (i) above, Our Company intends to demand for a share sale etc., and in the cases of (ii) and (iii) above, Our Company intends to request that Your Company convenes an extraordinary general shareholders meeting ("Extraordinary General Shareholders Meeting") with resolutions to carry out consolidation of Your Company's shares ("Share Consolidation") and partially amend its Articles of Incorporation to abolish the provision of the share unit, on the condition that the Share Consolidation takes effect. Even in the case of (iii) above, Our Company expects that some of the passive index funds and shareholders that own Your Company's shares in cross-shareholding arrangements or did not tender their shares for similar purposes will exercise voting rights in favor of the resolution for the Share Consolidation, and the vote requirements for passage of the resolution for Share Consolidation at the Extraordinary General Shareholders Meeting will be met.

However, in the case of (iii) above, there is the possibility that the Share Consolidation proposal will be rejected at the Extraordinary General Shareholders Meeting. Even in this case, however, because, ultimately, the purpose of the Tender Offer is to acquire all of Your Company's shares (other than those owned by Our Company and Your Company's treasury shares), Our Company will make additional acquisition of Your Company's shares until reaching the number of shares representing two-thirds of the voting rights at the next scheduled general shareholders meeting. Then Our Company will request that a general shareholders meeting be convened to approve the Share Consolidation (regarding the time required for such additional acquisition and subsequent approval of the Share Consolidation by the general shareholders meeting, because this depends in part on market conditions and other factors, it is difficult at the current time to specify a specific timeframe. However, currently, this is planned to be Your Company's ordinary general shareholders meeting scheduled for June 2025. Our Company will give notice when the specific expected timing becomes clear). For the methods of additional acquisition, Our Company intends to use market trades, a tender offer, off-market trading other than a tender offer (to the extent allowed by FIEA). If the Tender Offer is successful, then regardless of when the result is expected to be achieved, there will be no change to the policy of making Your Company a wholly-owned subsidiary.

The consideration that We will pay shareholders in the above scenario will be a price that, compared with the Tender Offer Price, will be economically equivalent to shareholders selling shares in such additional acquisition (that is, provided that Your Company does not consolidate or split shares or otherwise engage in conduct requiring adjustment of share price, the same price per share as the Tender Offer Price).

5. Envisioned Schedule

Submission of Statement of Intent	March 21, 2024
Obtainment of clearance based on competition laws (Japan)	Late April 2024 (planned)
Date of announcement of intention to commence the Tender Offer	Early May 2024 (planned)
Tender Offer notification submission date	Late May 2024 (planned)
Tender Offer Period	From early May 2024 (20 business days) (planned)

6. Fairness of Procedures in the Transaction

(1) Ensuring the Opportunity for Informed Judgment

We believe that through this Statement of Intent and the press release, dated on the same date, concerning the plan to commence the Tender Offer, Your Company and Your Company's shareholders will be provided with necessary and sufficient information. Additionally, in the period from this day until commencement of the Tender Offer, Our Company will provide explanations in good faith to Your Company's Board of Directors and to the Special Committee that Your Company is expected to establish, so that they will support the Tender Offer. If, in addition to the information contained in the Statement of Intent, Your Company's Board of Directors and the Special Committee ask for information that is reasonably determined to be additionally necessary in order to form an opinion regarding the Tender Offer, Our Company intends to respond in good faith. To ensure that there is sufficient time to gain the understanding and support of Your Company and Your Company's shareholders for the Transaction, Our Company expects to commence the Tender Offer in early May 2024 and plans 20 business days for the Tender Offer Period, meaning that, taken together, there is a period of consideration of more than two months between today and the final day of the Tender Offer Period, and We believe that this is sufficient time for Your Company and Your Company's shareholders to consider the Transaction. Therefore, We believe that it is in compliance with the "principle of respecting the will of shareholders" and the "principle of transparency" as stipulated in the Takeover Guidelines. Having appropriately provided the necessary information and ensured sufficient transparency and fairness, the Tender Offer has ensured sufficient opportunity for shareholders to make an informed judgment of whether to comply with the acquisition of shares by the acquirer.

(2) The Setting of Conditions Intended to Eliminate Coercion

i. The Setting of the Number of Shares Planned for Purchase with a Goal of Delisting

In the Tender Offer, Our Company intends ultimately to acquire all of Your Company’s shares (other than those owned by Our Company and Your Company’s treasury shares), and has set no maximum number of shares planned for purchase.

Further, even in the case where the Tender Offer ends successfully, if Our Company is initially unable to acquire all of Your Company’s shares (other than those owned by Our Company and Your Company’s treasury shares) as a result of the Tender Offer, Our Company will not change its policy of making Your Company a wholly owned subsidiary and plans to implement the Squeeze-Out Procedures. Even if Our Company is unable to acquire the number of Your Company’s shares representing two-thirds of the voting rights at a general shareholders meeting, and the resolution for the Share Consolidation is not approved at the Extraordinary General Shareholders Meeting, as set forth in 4.(2) above, Our Company plans to reconvene a general shareholders meeting to have the Share Consolidation approved by additionally acquiring the necessary number of Your Company’s shares.

Therefore, the Transaction constitutes, in substance, an “all or nothing” offer as indicated in the Takeover Guidelines.

ii. The Setting of a Tender Offer Period for the Purpose of Providing Shareholders with an Opportunity for Individual Judgment on Both Tendering Shares in the Tender Offer and the Advisability of the Transaction

We plan, in the Tender Offer, to set the lower limit of the number of shares planned for purchase in the Tender Offer at 10,848,304 shares, and (i) if the number of shares tendered in the Tender Offer does not reach a total of 10,848,304 shares, Our Company will not make purchase of all the Tendered Share Certificates etc., but (ii) if the number of Tendered Share Certificates etc. reaches 10,848,304 shares, then We will promptly give a public announcement to such effect and extend the Tender Offer Period so that there are 10 business days left in the Tender Offer Period, counting from the business day following the date of such announcement (however, if the number of Tendered Share Certificates reaches the lower limit of the number of shares planned for purchase within 10 business days of the start of the Tender Offer Period, there will be no extension of the Tender Offer Period, as there will be at least 10 business days left in the Tender Offer Period, when counting from the business day following the date of such announcement). This arrangement is intended to enable the separation of the manifestation of intent regarding whether to support or oppose the Transaction from the manifestation of intent of whether to tender shares in the Tender Offer. This eliminates coercion, and We believe that it will provide an opportunity for even more shareholders of Your Company to tender their shares.

7. The Proposal is Reasonable and Pays a Sufficient Premium to Shareholders

The Tender Offer Price (3,000 yen per share) (i) represents a 47.06% premium over the closing price for Your Company’s shares on the TSE Prime Market on March 19, 2024, the Business Day prior to the date of announcement of the plan to commence the Tender Offer (2,040 yen), a 57.89% premium over the simple average closing price for the one month immediately prior to such date (1,900 yen), a 75.03% premium over the simple average closing price for the three months immediately prior to such date (1,714 yen), and a 92.55% premium over the simple average closing price for the six months immediately prior to such date (1,588 yen). The premium contained in the Tender Offer Price significantly exceeds the median value for granted premiums (by 42%, 41%, 42%, and 47% (rounded off), respectively, over the closing price on the business day prior to the date of announcement, and the closing price simple average over the one month, three months, and six months prior to such date) exceeds in the 77 cases of tender offers taking place (excluding the Tokyo PRO Market) between June 28, 2019, which is the date of release of the METI's "Guidelines for Fair M&A Transactions (Enhancing Corporate Value and Securing Shareholders' Interests)", and February 29, 2024, where a person other than the issuer or a parent company will make the target company a wholly-owned subsidiary and the target company is a listed domestic company (other than companies in which, prior to commencement of the tender offer, Our Company (including its specially-related persons) had a shareholding ratio of the target company's shares of less than 33.34%) (it should be noted that the above analysis excludes tender offers targeting REITs, unsuccessful tender offers, two-step acquisition or so-called discount tender offers, and tender offers where prior to commencement there were changes in share price through anti-takeover measures or the like); ② the highest price Your Company's shares have reached since the company's listing is 2,204 yen on January 12, 2021,and the price has never surpassed the Tender Offer Price; and ③ Your Company's PBR (price-book value ratio) as of March 19, 2024, was less than 1.00, and the Tender Offer Price is at a level 1.4 times the PBR; given this, the Tender Offer Price represents a large premium that all current shareholders of Your Company can enjoy, and for this reason We decided on a Tender Offer Price of 3,000 yen per share.

We have considered all the above factors, including the envisioned synergy set forth in "(3) Business Strategy Significance and Synergy of the Proposal" of "2. Significance of the Tender Offer", the prospects of tender, and other matters comprehensively when setting the Tender Offer price. Therefore we did not obtain the share valuation report from a third-party valuation agency or fairness report. A share appraisal report will be obtained when the Tender offer actually begins.

8. Representations

① This Statement of Intent is legally binding, and is valid for three months after submission. However, if the Tender Offer is extended, this Statement of Intent will be valid until the Tender Offer termination date.

② This Statement of Intent will not be revised or withdrawn, but may be revised if both companies agree as a result of discussions with Your Company.

9. Contact Point and Other

AZ-COM MARUWA Holdings Inc.
Public Relations・Investor Relations Department
bpd@momotaro.co.jp

End