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April 15, 2024

To whom it may concern:

Company: AZ-COM MARUWA Holdings Inc.
Representative: Masaru Wasami, President
(Stock Code: 9090, TSE Prime)
Director and Executive Operating Officer, General
Manager of Corporate Management Group
Inquiries: Masanao Kuzuno
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**Notice Regarding Submission of Responses to “the List of Inquiries”
from Chilled & Frozen Logistics Holdings Co., Ltd. (Code: 9099)**

As stated in the “Notice Regarding Receipt of Question Letter from Chilled & Frozen Logistics Holdings Co., Ltd. (Code: 9099)”, dated April 11, 2024, AZ-COM MARUWA Holdings Inc.(the “Company”) received a letter (“the List of Inquiries”) on the evening of April 10 from Chilled & Frozen Logistics Holdings Co., Ltd. (Code: 9099) (“Target”) regarding the tender offer for Target shares (“Tender Offer”), which the Company plans to commence as part of a series of transactions with the purpose of making Target a wholly-owned subsidiary of the Company (“Transaction”).

Thus, on the evening of April 12, the Company submitted a letter (the “Response Letter”) to Target responding to the List of Inquiries, and the Company hereby gives notice of this. Please see the attachment for the content of the Response Letter.

The “Guidelines for Corporate Takeovers (Enhancing Corporate Value and Securing Shareholders’ Interests)” released by METI on August 31, 2023, state that when the board of directors moves forward with “sincere consideration”, “if an increase in corporate value can be reasonably expected from the acquisition proposal, each director and the board of directors should give the proposal due consideration”. From October 2022 until September 2023, the Company engaged in sincere consideration through discussions with Target relating to collaboration in terms of business strategy and business integration (“Discussions”), and as a result of such consideration, the Company came to believe that its proposal for the Transaction represented “a proposal where an increase in corporate value can be reasonably expected” and thus made such proposal to Target. Accordingly, the Company hopes that Target’s Board of Directors and Special Committee, as well as its shareholders, understand that the Tender Offer Price also reflects this sincere consideration on the part of the Company.

In particular, we would hope that Target’s Board of Directors and Special Committee, as well as its shareholders, give sincere consideration to the pros and cons of having Target, through the Transaction, become the leader of the Company’s food logistics business, thereby realizing “Basic Policy” of the Target, namely, “to keep enhancing corporate value by realizing added value related to logistics and further strengthening logistics quality.” The Company will continue to take into

account the facts in the Discussions and respond in good faith to inquiries, so as to provide the Target's Board of Directors and Special Committee with the information necessary for Target to state its opinion regarding the Tender Offer.

End

(Attachment)

April 12, 2024

Chilled & Frozen Logistics Holdings Co., Ltd.

Hiromasa Aya, Representative Director, President and Executive Officer

AZ-COM MARUWA Holdings Inc.

Masaru Wasami, Representative Director and President

Response

Greetings.

We have received Your “the List of Inquiries” dated April 10, 2024, and we give our response as follows. Please note that the terms used in this Response Letter, except where otherwise defined in this Response Letter, have the same meaning as in the “the List of Inquiries”.

AZ-COM MARUWA Holdings Inc. (the “Company”) has decided to acquire ordinary shares of Your Company through a tender offer (“Tender Offer”) as part of a series of transactions (the “Transaction”) for the purpose of making Your Company a wholly-owned subsidiary of the Company, and we have set out our proposal in detail for the Transaction in our Statement of Intent, which has been submitted to You (“Statement of Intent”). It is our intention to continue giving good faith and timely replies to Your questions in order to provide Your Board of Directors and Special Committee with the information necessary to express an opinion regarding the Tender Offer.

Regards.

1. “Schedule, Scheme, and Transaction Conditions for the Tender Offer”

- (1) “The reasons for setting a grace period of just a little over a month from the submission of the Statement of Intent until the commencement of the Tender Offer and whether it is possible to consider a postponement of the commencement of the Tender Offer” (Question 1.A)

Your Board of Directors and Your shareholders have been given sufficient time to consider the proposal

As set forth in “Notice Regarding Plans to Commence Tender Offer for the Shares of Chilled & Frozen Logistics Holdings Co., Ltd. (Code: 9099)” (“March 21, 2024 Disclosure”) and with the intent of securing sufficient time for Your Board of Directors and Your shareholders to make an appropriate judgment regarding the advisability of the Transaction and the tendering of shares, the Company determined that it was necessary to secure a period

of just over a month, and thus expects to commence the Tender Offer in early May 2024. With this arrangement, even if the Tender Offer period is 20 business days, we believe that Your shareholders will be ensured an adequate opportunity to judge whether to tender their shares in the Tender Offer. Further, given the need to quickly address the major issues facing the logistics industry, we believe that it is precisely the early realization of the synergy effects from the Transaction that will contribute to the enhancement of Your corporate value and thus to the improvement of the interests of Your shareholders. Therefore, we currently believe there is no need to postpone the commencement of the Tender Offer.

You stated that as far as You are aware, “no prior notice whatsoever was given regarding the Transaction”, but as indicated in the March 21, 2024 Disclosure, for roughly one year, from October 2022 to October 2023, the Company carried out discussions with Your Company regarding a business integration, and as You are aware, in the course of those discussions we submitted a large volume of information to You concerning the Company. Therefore, we believe that even without postponing the Tender Offer commencement timing, You will be able to carry out sufficient analysis and consideration regarding the Proposal.

Further, as discussed below in (3), immediately after public announcement of the Transaction, the Company gave an explanation of the Transaction to multiple people that we understand to be large shareholders of Your Company and none of them showed a negative reaction to the Transaction or indicated that the schedule we envisioned provided an insufficient period of time for making an appropriate judgment regarding the advisability of the Transaction and the tendering of their shares.

Therefore, we believe that a period of just a little over a month until commencement of the Tender Offer (as discussed below, a period of between two and three months until the completion of the Tender Offer) is a sufficient period of time for Your shareholders to make an appropriate judgment regarding the advisability of the Transaction and the tendering of their shares.

The Tender Offer Price was set having given full consideration to synergy effects.

We considered that ① the Tender Offer Price (3,000 yen per share) represents a 47.06% premium over the closing price for shares of Your Company 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 averages closing price for the six months immediately prior to such date (1,558 yen), thus 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 averages 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 the shares in Your Company 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 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 the above considerations, the Company believes that the Tender Offer Price represents a large premium that all current shareholders of Your Company can enjoy, and that the Tender Offer Price is not only a price that ensures at a minimum "a price that can be realized even without an acquisition", but is also a price that sufficiently ensures fair distribution of "a price that cannot be realized without acquisition" (i.e., the gains arising from acquisition). With regards to this, Your Board of Directors has stated its belief that "by carrying out due diligence, it is possible that You will come to properly understand the corporate value of our company and the synergy effects that would arise between Your Company and ours and thus present a higher acquisition price to our shareholders". We understand this to mean that Your Board of Directors believes that the profits that will arise from the acquisition are greater than what the Company envisions, and if we carry out due diligence, we will properly understand this. However, using public information, we fully considered the synergy effects that would arise from the Transaction before proposing the Tender Offer Price. In fact, since the March 21, 2024 Disclosure, in the period from April 1—the reference date for term-end dividends—until April 9, Japan time, which is the date of transmission of the Mergermarket English language article for paid subscribers that reported that You were looking for a white knight, the closing price for Your shares has trended between 3,000 and 3,065 yen, meaning that the Tender Offer Price does not appear to diverge from what the market is expecting.

If it can be reasonably determined that synergies greater than that anticipated by our

company will arise from the acquisition, we are prepared to give the necessary consideration from the perspective of fair distribution of “a price that cannot be realized without acquisition” (i.e., the gains arising from acquisition). Therefore, we ask that You present the specific basis on which Your Board of Directors and Special Committee believe that the profits arising from the acquisition are greater than those that we envision. If we receive the specific grounds for Your belief, we are prepared to hold serious discussions with You between now and early May, when the Tender Offer is scheduled to begin, on the basis of Your explanation.

There is sufficient time for a market check

As discussed in 3.4 of the Fair M&A Guidelines regarding how long of a period should be secured for an indirect market check, it is necessary to ensure that there is at least sufficient time for the indirect market check to function effectively, but how long that period should be will differ depending on the scale of the target company and the nature of the individual deal. For this reason, it is difficult to set a uniform standard, and if a period longer than this is secured, it can be anticipated that the effectiveness of the indirect market check will be heightened, but if the period is too long, employees and transaction partners will find themselves in an unstable situation, and it is possible that there will be adverse impacts on the target company’s business, and it is necessary to keep this point in mind.

The period from the March 21, 2024 Disclosure until the completion of the Tender Offer Period will be between two and three months when the extension mechanism for the Tender Offer Period as discussed in (2) ③ below is taken into account. We believe this is a sufficient period of time for a third party to present a competing offer.

For this reason, we believe that our proposed schedule both takes into account the adverse impact that may occur to Your business and ensures that there will be sufficient time for an indirect market check to function effectively.

(2) “The possibility of raising the Tender Offer lower limit” (Question 1.B)

As discussed in the March 21, 2024 Disclosure, in addition to reasons ① and ② regarding Question 1.B., the Transaction is substantially an “all or nothing” offer as specified in “Guidelines for Corporate Takeovers (Enhancing Corporate Value and Securing Shareholders’ Interests)” released by METI on August 31, 2023 (“Takeover Guidelines”), and because an extension period as discussed in ③ below has been set, shareholders who do not tender their shares in the initial Tender Offer Period will be given an opportunity to tender their shares in the Tender Offer during the extension period. Thus, shareholders opposed to the Transaction itself can choose not to tender their shares in the initial Tender

Offer Period without being concerned about the possibility of remaining minority shareholders after the Tender Offer is successfully completed, and for this reason the Company believes that conditions for the Transaction have been set in such a manner as to eliminate coercion.

Therefore, the Company believes that there is no need to raise the lower limit for the Tender Offer. Please note that it is our understanding that last year's tender offer by Nidec Corporation for Takisawa Machine Tool Co., Ltd. operated under the same framework.

- ① The shares in Your Company owned by passive index funds (shareholding ratio of roughly 10.16%), the shares owned by Your Company's employee shareholding association (4.00%), and the shares held by Your transaction partners (3.77%) (total shareholding ratio of roughly 17.93%) are expected to be voted in favor of the share consolidation proposal at the general shareholders meeting ("Share Consolidation Proposal"). Given the voting rights exercise percentage at Your general shareholders meetings, even if after the successful completion of the Tender Offer, the number of shares in Your Company owned by us approaches the lower limit of the number of shares planned for purchase, it is expected that the requirements for the approval of the Share Consolidation Proposal will be met.
- ② Even if the Share Consolidation Proposal does not pass, the Company will make additional acquisition of 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. The consideration that the Tender Offeror will pay shareholders in the above additional acquisition will be a price that is economically equivalent with the Tender Offer Price to shareholders selling shares in the 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).
- ③ If the total number of shares tendered during the Tender Offer Period reaches the lower limit of the number of shares planned for purchase, the Company will promptly make announcement to such effect and extend the Tender Offer Period by 10 business days starting from the business day following the day of such announcement. This arrangement separates the manifestation of intent regarding the advisability of the Transaction (support/opposition) from the manifestation of intent of whether to tender shares in the Tender Offer.

Please note that in relation to ① above, although You stated, "it is possible that there are a certain number of passive index funds that, after comparing the Tender Offer Price with the intrinsic value of the company, will not support the Transaction"; we pointed out in the

March 21, 2024 Disclosure, that the Transaction is an attractive proposal for Your Company and Your shareholders, and thus we believe that the point You made misses the mark.

Further, You also stated, “the Transaction carries the risk of injuring the relationship that the Company has with its main customers—namely, food manufacturers and wholesalers. In addition, given the differences in the corporate cultures of the two companies, our employees and transaction partners may not consider the Transaction to be beneficial, and so it is possible that they will not support the Transaction even after the Tender Offer successfully concludes”. However, as indicated in the March 21, 2024 Disclosure, (i) it can be expected that if Your Board of Directors expresses an opinion that does not support the Tender Offer, employees and transaction partners will not tender their shares, in line with the opinion of Your Board of Directors, but (ii) if the Tender Offer is successful and the Company becomes Your new parent company, because the Transaction will not only contribute to enhancing Your corporate value, but also represent a serious proposal that gives weight to the interests of the employees and transaction partners as important stakeholders of Your Company, generally, it can be expected that Your Board of Directors will show a certain understanding towards the managerial policies etc. of the Company, Your 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 Your Board of Directors will in principle support the Share Consolidation Proposal at the Extraordinary General Shareholders Meeting. Thus, the point that You made misses the mark.

Please note that, for conservative reasons, the number of shares (shareholding ratio) in ① above was not added to the calculations, but even regarding transaction partners that are holding shares of Your Company for cross-sharing or similar reasons, it is expected that if Your Company expresses an opinion that does not support the Tender Offer, these shareholders will refrain from tendering their shares in the Tender Offer. However, for the same reasons as the transaction partners, it is believed that they will support the Share Consolidation Proposal after the Tender Offer is successfully completed. Accordingly, please bear in mind that in addition to the shares in Your Company owned by passive index funds, the employee shareholding association, and transaction partners (total shareholding ratio of roughly 17.93%), it is expected that there will be an additional number of votes in favor of the resolution.

- (3) “Whether, in relation to the Transaction, there was any communication with a third party, including Your shareholders, and if so, what the specific content was” (Questions 1.C)

The Company aims for an integration between the Company alone and Your Company and has made no agreement for joint acquisition of shares in Your Company or any other communication with any third party. Further, until the public announcement of the Transaction, the Company has provided no explanation of the Transaction to, and made no communication regarding the Transaction with, any third party, including Your shareholders.

Of course, following the public announcement of the Transaction, with a view towards gaining the full understanding of Your shareholders regarding the Transaction as well as preventing damage to Your corporate value, we have given explanations regarding the Transaction to multiple companies that we understand to be large shareholders of Your Company, and, from the perspective of customer first, to a number of Your transaction partners. These shareholders and transaction partners did not express any negative reaction towards the Transaction, but rather expressed anticipation regarding the initiatives to resolve the issues facing the logistics industry and other favorable opinions. Please understand that we cannot reveal the specific names of the shareholders and transaction partners because we have not received permission.

2. “Regarding Awareness of Facts Relating to the Background of this Matter”

- (1) “Our Company’s opinion relating to the grounds on which the March 21, 2024 Disclosure and the Statement of Intent state that Your Company “did not seem” to be giving the old Business Integration Proposal “sincere consideration”” (Question 2)

In order to deepen discussions regarding the large synergy effects of business integration and collaboration with Your Company, the Company approached Your Company about having an exchange of opinions. However, starting from June 2023, Your Company’s questions centered on AZ-COM Matsubushi, and we sensed no effort on Your part to engage in a deepening of the discussions that the Company initially planned regarding the large synergy effects. On June 22, Your Company declined to participate in the direct discussions between the presidents of our firms that the Company had suggested.

Further, as stated in the March 21, 2024 Disclosure, we have pointed to the strengthening of the logistics network (joint transport) as one synergy effect of collaborating with Your Company, and Your Company at one point agreed to deepening discussions through visits to both companies’ logistics centers. However, in response to the date for a visit (September 4) proposed by the Company on August 7, we received notice on August 22 from Your Company declining the logistics center visits due to scheduling difficulties, with no suggestion of an alternative date.

Subsequently, on October 5, 2023, Your representative director handed the Company a

notice that said consideration of the old Business Integration Proposal would be suspended, and the Company was forced to accept this. The concerns given as reasons for suspending consideration had not been presented beforehand to the Company, and during the meeting held that day with Your representative director, the Company did not receive any explanation regarding the details of discussions at Your Board of Directors or Value Co-Creation Committee meetings.

3. “Regarding Representative Director and President Wasami”

- (1) “Handling under the Transaction of shares in Your Company held by Wasami” (Question 3.A)

There is no agreement between the Company and Wasami as an individual regarding the handling of the shares he holds.

The Company is not in a position to comment on the handling under the Transaction of shares in Your Company held by Wasami, but the Company believes that he will tender these shares in the Tender Offer.

- (2) “Our Company’s opinion regarding the purpose for Wasami’s acquisition of shares in Your Company and the possibility that his acquisition of shares in Your Company violates insider trading regulations and other laws and regulations” (Question 3.B)

Wasami has for a while had the policy of reinvesting funds gained from the Company’s dividends into revitalizing and developing the logistics industry, and he holds a broad range of shares in multiple companies belonging to the logistics industry after obtaining the consent of those companies in advance. The shares in Your Company were also acquired after receiving Your approval in advance (and the approval of Your then Representative Director and President Hayashibara).

Further, the description of Your Company’s awareness does not note the timing at which Wasami ceased purchasing shares in Your Company, and it is written in a way likely to create the misunderstanding that Wasami has continued to purchase shares up to the present. However, as Your Company is aware, on March 31, 2022, roughly two years prior to the announcement of the plans of commencement of the Tender Offer, Wasami was requested by Your Company to cease purchasing additional shares, and since then, he has made no more purchases, as Your Company requested; (we are confused as to why, notwithstanding this, the above question was asked). Because the Company began its consideration of business integration with Your Company after that date, there is no possibility of any

violation of insider trading regulations or other laws and regulations, as Your Company suggested.

- (3) “Our Company’s opinion regarding the possibility that Wasami’s acquisition of shares in Your Company will harm the fairness of the Transaction” (Question 3.C)

Regarding the point You made about “the possibility of harming the fairness of the Transaction,” we understand that specifically You have in mind the issue of “toeholds”. Section 4.1.1.2 of the Guidelines for Corporate Takeovers (Toehold and Disclosure of Intent of Acquisition) discusses toeholds as follows:

“When considering an acquisition, an acquiring party’s strategy may be to establish a small capital relationship with the target company through a pre-acquisition purchase (toehold) in order to gain an understanding of the company’s status, and then decide whether to proceed with an acquisition proposal. Acquiring shares in advance also has the effect of increasing the likelihood of a successful tender offer for the acquisition. Thus, pre-acquisition purchases have significance in advancing acquisitions and should not be negatively regarded.

However, if a party has a clear intent of acquisition but advances to buy shares without revealing this intention, other shareholders may sell their shares at a lower price (which does not reflect a control premium).

Therefore, it is advisable for a party intending to make an acquisition, if the party is definite about its intention to make a subsequent tender offer, to provide information to the capital markets and the target company when advancing to purchase the company’s shares in the market prior to its tender offer.”

As answered in (2) above, Wasami’s acquisitions of shares in Your Company was for the purpose of revitalizing the logistics industry, came after receiving Your Company’s prior approval, and it is clear that such acquisitions were not made with the intent of creating a toehold for the subsequent acquisition of Your Company. Additionally, if we consider the matter in light of the discussions and considerations by the Fair Acquisition Study Group, under the Guidelines for Corporate Takeovers, regarding the volume of “toehold” purchases, the primary focus is generally on toehold purchases of stakes of 20% or greater in the short period of time prior to a tender offer. However, in this matter, Wasami’s acquisition of Your Company’s shares was during a period that ended almost two years prior to the announcement of the commencement of the Tender Offer—namely, the period from April 13, 2016, the day he began purchasing shares with Your Company’s prior approval, until

March 31, 2022, the day he ceased purchasing shares as Your Company requested—and the total number of acquired shares stopped at 728,400 (a shareholding ratio of 3.35%). The shares in listed companies held by Wasami include shares in at least six companies belonging to the logistics industry (excluding Your Company) and shares in at least 10 companies in retail and other industries that are highly relevant in a business sense. He does not hold an exceptionally large volume of shares in Your Company when compared to his holding of shares in other companies. Therefore, Wasami’s acquisition of shares in Your Company is entirely different from a case where a toehold is problematic, (typically, a case where a person, without disclosing information regarding an intention of acquisition, suddenly buys up a large number of shares on the market in a short period and thus suddenly proposes an acquisition), and we do not believe this will harm the fairness of the Transaction.

- (4) “Our Company’s opinion regarding the impact that Wasami’s retirement will have on the post-Transaction managerial policy for Your Company, and on the training of a successor candidate” (Question 3.D)

The post-Transaction managerial policy for Your Company is a matter that we would like to decide following discussions with Your Company; held in the spirit of equality and from the perspective of further enhancing the corporate value of both companies. This policy will not change even after the retirement of President Wasami.

Regarding the training of a successor candidate, currently, so that the managerial framework will be stable over the medium-to-long term, the Company is taking measures such as running a President Training Program. In the President Training Program, the managements, including employee originally from the Company and officers of companies brought into the group through M&A, receive training in abilities and evaluation of qualifications through lectures and group discussions under the guidance of outside consultants.

Please note that although Wasami’s age is disclosed as “79 years old as of April 2024” in “the List of Inquiries”, he is actually 78 years old as of April 2024.

4. “Synergies and Dis-synergies of the Transaction”

- (1) “Our Company’s opinion regarding the post-Transaction defection risk from manufacturers, wholesalers, and other large customers of Your Company; as well as Our Company’s opinion, in the case where the acquisition is realized, regarding the scale of customer defection anticipated in terms of sales” (Question 4.A)

The Company does not anticipate any specific defection risk from transaction partners and believes that even if any defection were to occur, it would be extremely limited. After the Transaction, the Company expects to continue Your Company's current operational framework, including on-site operations, and because transaction partners can continue to engage in transactions in the same manner as before, we do not believe the Transaction will lead to customer defection. If a transaction partner feels any unease, the Company will take measures to resolve such unease among transaction partners, including direct appeals from the CEO. Further, since the March 21, 2024 Disclosure, the Company has continued to engage in dialogue with Your shareholders, Your Company's transaction partners, and other assorted stakeholders so that they may fully understand the Transaction, and our perception is that they have indicated their understanding of the Company's explanations of the Transaction.

Please note that if some transaction partners do not support the Transaction, customer defection may cause a reduction in sales, but even in such a case, the reduction is expected to be limited, and the Company believes that synergy effects can be generated that will exceed such reduction, with no adverse impact on corporate value or on employees and other stakeholders.

- (2) "The grounds for the judgment that the transactional relationship with food wholesalers, Your Company's major customers, can continue" (Question 4.B)

The Company has close contact with food wholesalers in the course of standard logistics operations and has had opportunities to explain the "AZ-COM Matsubushi" Project to them, and none have expressed concerns regarding this project, nor has anyone made remarks suggesting that there is a defection risk.

The Company understands that the current situation, with food logistics diversifying and the 2024 Logistics Problem being a social issue, requires that logistics companies also change with the times. "AZ-COM Matsubushi" represents such a change, and is nothing more than one logistics network option available in Japan, and it is a shared understanding in the industry that food wholesalers are businesses that will continue to play an important role in food logistics. Providing food to consumers safely, reliably, and quickly is what is most important, and from that perspective, we understand that collaboration along the supply chain, all the way from producers to retailers, is critical.

Furthermore, the "AZ-COM Matsubushi" set-up will strengthen the price competitiveness of food wholesalers, who will enjoy advantages such as a rise in sales from an increase in transaction volume and a decrease in costs from labor savings for transportation and delivery provided by food wholesalers, and these advantages will

sufficiently outweigh any disadvantages from the streamlining of logistics.

- (3) “Details regarding the specific economic impact of the synergies expected from the Transaction and when that impact will be felt” (Question 4.C)

In “Notice Concerning Action to Implement Management that is Conscious of Cost of Capital and Stock Price”, disclosed on March 15, 2024, Your Company has set a 200-billion-yen sales target for the March 2035 term. The Company believes that focusing mainly on collaboration in EC-related logistics and joint transport can contribute to an increase in sales of at least 5% each term. The Company also believes that through synergy with the Company, 200 billion yen in sales can be realized even more quickly than if Your Company continues to grow on its own.

However, when these synergies will be expressed as well as the resulting specific figures or projections for sales, operating profit, and other economic impacts will be determined by the specific economic policies decided upon through discussions with Your management team. For that reason, and so that these synergies can be expressed rapidly, the Company would like to collaborate closely with Your management team.

5. “Our Company’s Post-Transaction Financial Risk”

- (1) “Understanding of Our Company’s post-Transaction financial risk and policies towards maintaining financial stability” (Question 5)

With respect to the Company’s consolidated equity ratio of 39.7% as of the end of December 2023 (while it is not mentioned in the question, we understand this to be the consolidated equity ratio), it is the Company’s understanding that such level is not particularly low when compared to the ratios of other companies in the logistics industry.

It is true that borrowings will increase from the Transaction, but the Company has properly carried out verification of retirement of debt. The Company firmly believes that the Transaction will bring out Your Company’s full potential in the cold food logistics business, thus resulting in enhanced profitability on a consolidated basis, and the Company is confident that the debt arising from the Transaction can be fully retired. In addition, the future-oriented business activities that the Company has been conducting have been praised by financial institutions etc., and we have obtained the understanding of financial instructions regarding financing for the Transaction, as well as for the significance of the Transaction, and do not believe that there is any substantial financial risk.

Rather, the Company has judged that enhanced profitability on a consolidated basis from

various investment activities will lead to the maintenance and enhancement of financial stability. Moreover, the Company will not be tied down by specific managerial indicators, but will analyze multiple financial indicators in a multi-faceted manner and will appropriately consider capital strategies and finance strategies in light of such analysis results and the external environment, thereby endeavoring to maintain and enhance financial stability.

6. “Our Company’s Post-Transaction Governance Framework”

- (1) “Actual examples of how Your Company’s Board of Directors is capable of achieving sufficient and effective supervision of Wasami in a manner that even external persons would be aware of” (Question 6)

First, with respect to a succession plan, in order to strengthen independence, objectivity and accountability in such matters as nomination of officers, the Company has established a Nomination and Compensation Committee, which has formulated a succession plan. Wasami, the Company’s Representative Director, also serves as the chair of the committee, but to ensure independence and objectivity, a majority of the committee members are outside directors. The committee considers the appointment and dismissal of directors etc. and the CEO succession plan etc., and reports to the Board of Directors. Based on the committee’s reports, the Board of Directors appoints managers and other directors who will contribute to the sustained growth and enhancement of the Company’s medium-to-long-term corporate value. As a specific succession plan, based on the belief that “without human growth, no company growth”, the Company has operated an “internal college (Maruwa Logistics College, established 1997)”, where a training structure is in place that has programs tailored to specific employment classes and work types and encourages employees to obtain assorted qualifications, as well as the above-mentioned “President Training Program”. In the President Training Program, full-time employees and managers, including officers of companies brought into the group through M&A, receive training in abilities and evaluation of qualifications through lectures and group discussions under the guidance of outside consultants.

Further, the Company is promoting “happiness management”, a management system where focus is placed on the work site and management is carried out in section units composed of small groups. A characteristic of the system is that by dividing the corporate organizations into sections, which are the smallest units, and implementing autonomous and independent departmental management, the Company aims to standardize and enhance management. This has led to an increase in the number of successor candidates.

Next, of the 11 directors, the Company has appointed four persons who (i) meet the requirements for outside directors specified in the Companies Act and the independence criteria specified by the Tokyo Securities Exchange and are not likely to have conflicts of interest with general shareholders, (ii) can present frank and vigorous opinions at Board of Directors meetings and other meetings, and (iii) can contribute to the sustained development and enhancement of the medium-to-long-term corporate value of the Company as independent outside directors. The Board of Directors, which includes such independent outside directors, is appropriately supervising the management team. In fact, all directors and statutory auditors, including outside officers, after being given an explanation of the purpose of the evaluation of the effectiveness of the Board of Directors, responded to an online questionnaire, carried out by an external organization for the purpose of maintaining anonymity and transparency, in which they graded the Board of Directors composition, operation, discussion content, monitoring, director performance, support systems for directors and statutory auditors, training, and dialogue with shareholders and were also given opportunities to provide their own comments. The survey results were collected, tallied, and analyzed; and the results showed that improvements were seen in the number of outside directors, the operation system of the Board of Directors, and the support systems etc. for directors and statutory auditors. Additionally, the responses to the questions overall confirmed that matters were generally appropriate, and that the effectiveness of the Board of Directors has been secured.

Moreover, the Audit Office performs internal audits not only from the perspective of legality, but also from the perspective of appropriateness and efficiency. In addition, (i) the Risk Management Committee has formulated a “Compliance Manual” and examines various compliance issues; (ii) the Estimate and Contract Screening Committee approves and deliberates the appropriateness of matters concerning the performance of logistic services for large-scale projects; and (iii) the Investment Committee, regarding matters relating to large-scale investment deals, ensures the soundness of the deal, approves and deliberates investment safety and profitability, and reports to the Board of Directors. Thus the oversight structure of the organizations have been properly built and are properly operated.

In addition, regarding transactions with the controlling shareholder, if a transaction is to be carried out with the Company’s Representative Director Wasami, who is the controlling shareholder, to ensure that there is no detriment to the interests of general shareholders, the transaction will be carried out based on laws and regulations and internal rules or, where necessary, following a resolution of the Board of Directors (as a director with special interests, Representative Director Wasami is excluded from voting on such resolutions at the relevant Board of Directors meetings), and the Board of Statutory Auditors, where three of the four auditors are independent outside statutory auditors, and the Audit Office will carry

out audits in order to monitor whether an appropriate transaction is being carried out. In addition, with a basic policy of having appropriate terms and conditions that are the same as typical transactional terms and conditions, the Special Committee, which is composed only of independent outside directors, deliberates the appropriateness of a transaction and its terms and conditions, and in light of the results of its report, the Board of Directors and other decision-making organs will make a decision on the transaction (the Board of Directors is the only decision-making organ for important transactions with the controlling shareholder of which Representative Director Wasami is a member; as a director with special interests, Wasami is excluded from voting on such resolutions at Board of Directors meetings).

Similarly, from the perspective of transactions with directors, if a transaction is to be carried out with a director, before the transaction, the necessity, reasonableness and appropriateness will be deliberated by the Special Committee, which is composed only of independent outside directors, and the Board of Directors will decide whether to approve based on the results of the Special Committee's report (as a director with special interests, the Company's Representative Director Wasami is excluded from the relevant meetings of the Board of Directors), and after the transaction, the results of the implementation of the transaction are reported to the Board of Directors.

Consequently, there is a system in place for proper supervision to address concerns relating to conflicts of interest associated with the fact that Wasami, the Company's controlling shareholder, is the Representative Director.

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