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Securities Code: 2427

Date of sending by postal mail: April 30, 2024

Start date of measures for electronic provision: April 24, 2024

To our shareholders:

Anne Heraty
Director
OUTSOURCING Inc.
1-8-3 Marunouchi, Chiyoda-ku, Tokyo

Notice of Extraordinary General Meeting of Shareholders

You are cordially informed of the Extraordinary General Meeting of Shareholders of OUTSOURCING Inc. (the “Company”), which will be held as described below.

When convening this General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of Reference Document for the General Meeting of Shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format and posts this information on each website shown below. Please access one of the websites using the internet address to review the information.

[Company’s website]

<https://www.outsourcing.co.jp/en/ir/meeting>

[Website for informational materials for General Meeting of Shareholders]

<https://d.sokai.jp/2427/24114814/> (in Japanese only)

[Tokyo Stock Exchange Website (Listed Company Search)]

<https://www2.jpx.co.jp/tseHpFront/JJK020030Action.do>

Please access the TSE website by using the internet address given above, enter “OUTSOURCING” in “Issue name (company name)” or the Company’s securities code “2427” in “Code,” click “Search,” and then select “Basic information” and “Documents for public inspection/PR information” in this order. You can find the information in “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting” section in “Filed information available for public inspection.”

If you are unable to attend the meeting in person, you may exercise your voting rights via the internet, etc. or by mail (in writing). Please review the Reference Document for the General Meeting of Shareholders and exercise your voting rights by 6:00 p.m. on Tuesday, May 14, 2024 (JST), in accordance with the guidance provided below.

1. Date and Time: Wednesday, May 15, 2024, at 10:00 a.m. (JST)
(Reception starts at 9:00 a.m.)

2. Venue: Trust City Conference Marunouchi, Room 3+4
11th Floor, Marunouchi Trust Tower Bldg. N
1-8-1 Marunouchi, Chiyoda-ku, Tokyo

3. Purpose:

Items to be resolved:

Proposal 1: Share Consolidation

Proposal 2: Partial Amendment of the Articles of Incorporation

Reference Document for the General Meeting of Shareholders

Items to Be Resolved and Reference Document

Proposal 1: Share Consolidation

This proposal is to seek approval for consolidating 18,000,000 shares of the Company's stock into one share effective June 8, 2024, in order to take the Company private in response to the result of the tender offer for the Company's common shares (the "Shares") by K.K. BCJ-78 (the "Tender Offeror").

1. Purpose of and Reasons for Implementing the Share Consolidation

As described in the press release announced by the Company on February 27, 2024, titled "Notice Regarding Opinion in Favor of Management Buyout and Recommendation to Tender Shares" (the "Opinion Press Release"), the Tender Offeror decided to implement a tender offer (the "Tender Offer") under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the "Act") and related laws and ordinances for the Shares by acquiring all of the Shares (excluding the treasury shares owned by the Company) listed on the Prime Market of the TSE as part of a series of the transactions for taking the Shares private (the "Transaction"), which is what is generally known as a management buyout (MBO) (Note 1).

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

Following that, as described in the press release announced by the Company on March 28, 2024, titled "Notice Regarding Results of the Tender Offer for the Shares by K.K. BCJ-78 and Changes in the Parent Company and the Largest Shareholder that is a Major Shareholder" (the "Tender Offer Result Press Release"), as a result of the Tender Offer carried out for a period of February 28, 2024 through March 27, 2024, the Tender Offeror owned 108,007,885 shares (shareholding ratio (Note 2) of 85.72%) on April 3, 2024 (the commencement date of the settlement of the Tender Offer).

(Note 2) "Shareholding ratio" refers to the ratio (rounded to the second decimal place) of the number of shares held to the number of shares (126,002,608 shares) calculated by deducting the number of treasury shares owned by the Company (23,592 shares) as of December 31, 2023 from the total number of issued shares (126,026,200 shares) as of December 31, 2023, both as stated in the "Financial Statements for the Fiscal Year Ended December 31, 2023 (IFRS) (Consolidated)" announced by the Company on February 19, 2024 (the "Financial Statements"); the same shall apply hereinafter.

While the details of the purpose and background of the Transaction including the Tender Offer and a share consolidation (the "Share Consolidation") for making the Tender Offeror the sole shareholder (excluding the Company) of the Company were as announced in the Opinion Press Release, the Company hereby announces the outline thereof again as follows. The statements regarding the Tender Offeror described below are based on the explanations received from the Tender Offeror.

The Tender Offeror is a wholly-owned subsidiary of K.K. BCJ-77 (the "Tender Offeror's Parent"), all of whose voting rights are indirectly owned by an investment fund that receives investment advice from Bain Capital Private Equity, LP and its group (individually or collectively, "Bain Capital"). The Tender Offeror is a stock company (*kabushiki kaisha*) established on October 2, 2023, for the principal purpose of owning the Shares and controlling and managing the Company's business activities.

The Company received preliminary explanations from Haruhiko Doi, the founder and former Representative Executive Officer, Chairman and CEO of the Company (as described in the press release announced by the Company on February 27, 2024, titled "Notice Regarding Change in the Representative Executive Officer" (the "Representative Executive Officer Change Press Release"), Haruhiko Doi retired from the office of the Representative Executive Officer, Chairman and CEO upon the expiration of the 27th term of the Company on March 29, 2024, and became Honorary Chairman, on July 5, 2023 regarding the

possibility of implementing the Tender Offer, and as set forth in “(a) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror’s Decision to Conduct the Tender Offer” in “(ii) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror’s Decision to Conduct the Tender Offer; Post-Tender Offer Managerial Policy” in “(2) Grounds and Reasons for Opinion on the Tender Offer” under “3. Substance of and Grounds and Reasons for Opinion Relating to the Tender Offer” in the Opinion Press Release, the Company received the outline of the Tender Offer and a written proposal expressing the initial intention regarding management policies after the Transaction (the “LOI”) from Bain Capital on August 9, 2023, and responded to Bain Capital that the Company would consider such proposal on August 9, 2023. Consequently, in considering the particulars of such proposal, as set forth in “(3) Measures to Ensure Fairness of the Transaction and Measures to Avoid Conflict of Interest” under “3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation” below, the Company passed a resolution at the Board of Directors meeting held on August 9, 2023, to establish a special committee (the “Special Committee”; with respect to its member composition and other specific consultation matters, see “(C) Establishment of an Independent Special Committee at the Company; Procuring a Written Report” in “(3) Measures to Ensure Fairness of the Transaction and Measures to Avoid Conflict of Interest” under “3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation” below) to consider the proposal for the Transaction to ensure the fairness of the tender offer price in the Tender Offer (the “Tender Offer Price”) and other aspects of the Transaction, including the Tender Offer. The Board of Directors resolved that the decision should be made by respecting, to the highest degree, the judgement of the Special Committee regarding the Transaction, and that if the Special Committee were to determine that the terms and conditions of the Transaction are not appropriate, the Board of Directors would not approve the Transaction based on such terms and conditions. Moreover, the Board of Directors approved a resolution to grant to the Special Committee the authority to (a) conduct negotiations on the transaction terms and conditions, etc., with the counterparty to the Transaction (including negotiations to be indirectly conducted through officers or employees of the Company or advisors), (b) as necessary, appoint or name its own financial advisor, third-party valuation agency, or legal advisor (fees for those are to be borne by the Company) to examine the matters to be consulted or name or approve (including retroactively) the Company’s advisors, etc., (if the Special Committee determines that the Company’s advisors, etc., are reliable in providing professional advice, then it may request them to provide professional advice), (c) request persons that the Special Committee determines to be necessary to attend a meeting of the Special Committee and request such persons to provide explanations on necessary information, (d) receive, from officers and employees of the Company’s group (which is comprised of the Company, 225 consolidated subsidiary companies, and two equity-method affiliates as of December 31, 2023; the “Company Group”), information reasonably necessary for the examination of and judgement on the Transaction, and (e) conduct other matters that the Special Committee determines to be necessary for the examination of and judgement on for the Transaction. In addition, since the Company received preliminary explanations from Haruhiko Doi regarding the possibility of implementing the Tender Offer on July 5, 2023, on August 2, 2023, in order to obtain advice on the fairness of the procedures of the Transaction, the Company appointed Mori Hamada & Matsumoto as its legal advisor that is independent of the Company, the Tender Offeror, the Tender Offeror’s Parent, Bain Capital, and Haruhiko Doi (collectively, the “TOB Parties”). On August 28, 2023, the Company appointed Nomura Securities Co., Ltd. (“Nomura Securities”) as its financial advisor. After establishing a system for examining the proposal from Bain Capital, the Company proceeded with its examinations. Further, on August 28, 2023, the Special Committee appointed PLUTUS CONSULTING Co., Ltd. (“Plutus Consulting”) as the Special Committee’s own financial advisor and third-party valuation agency.

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

The Special Committee received explanations from the Company and conducted question and answer sessions regarding the background of the proposal for the Transaction, the purpose of the Transaction, the business environment, the business plan, and the business challenges. Among these, with respect to the business plan for the fiscal year ending December 2023 to the fiscal year ending December 2026 presented to Bain Capital, as well as the business plan that Nomura Securities and Plutus Consulting used for their

calculations of the share value of the Shares, the Special Committee confirmed that the business plan was prepared by persons independent of the TOB Parties. In the process of preparing the business plan, the Special Committee also received explanations regarding the details, material assumptions, etc., of the business plan proposal that was being prepared, and for the final business plan, it confirmed the rationality of the details, material assumptions, and the preparation process before approving the plan. In addition, through direct meetings with Bain Capital and Haruhiko Doi, the Special Committee received explanations from Bain Capital and Haruhiko Doi and conducted question and answer sessions regarding the background and reasons of the proposal for the Transaction, the purpose of the Transaction, the assessment of the Company's business, and the terms and conditions of the Transaction, as well as management policies after the Transaction. Specifically, the Special Committee sent inquiries, including those on the Transaction and management policies after the Transaction, to Bain Capital and Haruhiko Doi on September 5, 2023, and received written responses on September 11, 2023. The Special Committee then had meetings with Bain Capital and Haruhiko Doi on September 14, 2023. In addition, the Special Committee sent inquiries, including those on specific measures for establishing and strengthening the internal governance system and specific details of the measures for corporate value enhancement and synergies through the Transaction, to Bain Capital and Haruhiko Doi on November 11, 2023, received written responses on November 20, 2023, and had a meeting with Bain Capital on November 28, 2023. During question and answer sessions with Bain Capital, the Special Committee received explanations that Bain Capital agrees to the details of the recurrence prevention measures announced by the Company on November 14, 2023 and expects that Bain Capital will newly appoint the management team including the president from in and outside of the Company Group and Haruhiko Doi will dedicate himself to the chairman position in which he does not execute business. The Special Committee determines that by allowing Bain Capital to supervise and check the Company's business execution, it will be possible to strengthen the Company's internal controls, and with Mr. Haruhiko Doi's involvement in the Company's management to the extent necessary after changing his role, and aiming to re-list the shares by restructuring and strengthening of appropriate governance and internal management system and by recovering trust from the society leads to the corporate value enhancement of the Company. Further, with respect to the facts that Bain Capital intends to support measures to maximize the Company's corporate value through (i) hands-on management support based on extensive investment experience, (ii) strengthening human resources and organizational infrastructure to support current management for long-term growth, and (iii) M&A and PMI support as described in "(b) Post-Tender Offer Managerial Policy" in "(ii) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer; Post-Tender Offer Managerial Policy" in "(2) Grounds and Reasons for Opinion on the Tender Offer" under "3. Substance of and Grounds and Reasons for Opinion Relating to the Tender Offer" in the Opinion Press Release, and Bain Capital intends to provide support such as (i) strengthening the internal compliance/governance system including inviting people responsible for compliance, (ii) increasing the level of the management systems of overseas businesses to the level of domestic businesses, and (iii) multi-regional involvement of Bain Capital members because the urgent challenge is to make efforts to reconstruct a fundamental internal management system and global governance system, based on the past investment experiences of Bain Capital in and outside Japan, the Special Committee determines that it is reasonable to consider that Bain Capital may actually provide those supports and the Company will be able to establish a system that promptly executes various measures for enhancing the Company's corporate value. In addition, the Special Committee determines that it is also possible to provide merits occurring to the Company such as creation of synergies by using Bain Capital's portfolio companies and merits occurring to employees, customers, clients and other stakeholders. For the details of the content of the written report (the "December 8, 2023 Written Report") submitted by the Special Committee to the Company's Board of Directors on December 8, 2023 and the details of the specific activities of the Special Committee, please refer to "(C) Establishment of an Independent Special Committee at the Company; Procuring a Written Report" under "(3) Measures to Ensure Fairness of the Transaction and Measures to Avoid Conflict of Interest" under "3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation" below.

With respect to the Tender Offer Price, after receiving a proposal from Bain Capital on September 22, 2023, stating that the Tender Offer Price would be 1,675 yen, on September 25, 2023, the Special Committee, based on the financial opinion from Nomura Securities and Plutus Consulting (which included the opinion on the policy for negotiation with Bain Capital), and while receiving advice from Mori Hamada & Matsumoto, requested Bain Capital to reconsider the content of the proposal on the grounds that the proposed price was

not necessarily a price which gives adequate consideration to the interests of the Company's minority shareholders. Then, the external investigation committee composed of independent outside experts (the "External Investigation Committee"), which was established in order to conduct a transparent investigation in response to that fact that as the Company announced in its release dated August 1, 2023, titled "Notice of Establishment of an External Investigation Committee" and also in its release dated August 10, 2023, titled "Notice on the Background and Progress of the Investigation by the External Investigation Committee," it was confirmed that part of the application procedure for receiving employment adjustment subsidies (the "Subsidies") had not been properly carried out at OUTSOURCING TECHNOLOGY Inc ("OST"), a consolidated subsidiary of the Company, and that part of the transaction process with recruitment media companies, etc., was also found to be questionable, received a proposal from Bain Capital on September 27, 2023, which stated that the Tender Offer Price would be 1,675 yen based on the fact that it was not able to confirm the results of the investigation by the External Investigation Committee as of September 27, 2023, and that the impact on the Company was not clear. On October 1, 2023, the Special Committee requested Bain Capital to reconsider the content of the proposal including raising the Tender Offer Price on the grounds that the proposed price was not necessarily a price which gave adequate consideration to the interests of the Company's minority shareholders.

Then, the Special Committee received a proposal from Bain Capital on November 16, 2023, which stated that the Tender Offer Price would be 1,680 yen upon a thorough examination of the impact, etc. of disclosing an investigation report (the "Investigation Report") from the External Investigation Committee and disclosing additional information from the Company such as recent performance and carefully considering the request by the Special Committee on October 1, 2023 to increase the Tender Offer Price, as well as the details of the due diligence carried out on the Company. On November 22, 2023, the Special Committee requested Bain Capital to reconsider the content of the proposal on the grounds that the proposed price did not sufficiently reflect the Company's corporate value considering the Company's overall current and future business conditions as well as financial conditions and was not necessarily a price which gave adequate consideration to the interests of the Company's minority shareholders. Subsequently, on November 25, 2023, after reconsidering the Special Committee's request to raise the Tender Offer Price sincerely, Bain Capital proposed a Tender Offer Price of 1,690 yen, but the Special Committee made a request to Bain Capital on November 28, 2023, to reconsider that proposed price, stating that it still could not be said that that price gave sufficient consideration to the interests of the minority shareholders of the Company. Following that, on November 29, 2023, after carefully reconsidering the request by the Special Committee to increase the Tender Offer Price, Bain Capital made a proposal to set the Tender Offer Price at 1,700 yen per share and to change the structure of the Transaction from a structure that is based on the assumption that Haruhiko Doi will not tender all of the Shares he holds in the Tender Offer to a structure where Haruhiko Doi will tender all of the Shares he holds (excluding 27,800 shares acquired by Haruhiko Doi under the Share Allotment Agreement With Transfer Restrictions dated April 30, 2023 between the Company and Haruhiko Doi, 6,900 shares acquired by Haruhiko Doi under the Share Allotment Agreement With Transfer Restrictions dated April 15, 2022 between the Company and Haruhiko Doi, 5,800 shares acquired by Haruhiko Doi under the Share Allotment Agreement With Transfer Restrictions dated April 15, 2021 between the Company and Haruhiko Doi (40,500 shares in total); 15,761,400 shares, shareholding ratio of 12.51%) in the Tender Offer, the Special Committee requested Bain Capital to reconsider the propositions on November 30, 2023, stating that it could not be said that such proposed price gave sufficient consideration to the interests of the minority shareholders. Following that, on December 4, 2023, after carefully reconsidering the request by the Special Committee to increase the Tender Offer Price, Bain Capital made a price proposal to set the Tender Offer Price at 1,710 yen per share, and on December 5, 2023, the Special Committee requested that Bain Capital reconsider that proposal because that proposed price still does not give sufficient consideration to the interests of the minority shareholders of the Company. Following that, on December 6, 2023, after carefully reconsidering the request by the Special Committee to increase the Tender Offer Price, Bain Capital made a price proposal to set the Tender Offer Price at 1,720 yen per share, and on December 6, 2023, the Special Committee requested that Bain Capital reconsider that proposal because that proposed price still does not give sufficient consideration to the interests of the minority shareholders of the Company. Following that, on December 7, 2023, after carefully reconsidering the request by the Special Committee to increase the Tender Offer Price, Bain Capital made a price proposal to set the Tender Offer Price at 1,755 yen per share, and the Special Committee had a meeting with Bain Capital to conduct discussions and negotiations on December 7, 2023. Then, on December 8, 2023,

based on the results of such negotiations, on the condition that the final decision is to be resolved at the Company's Board of Directors based on the report of the Special Committee, the Special Committee responded that it is reasonable to accept the proposal setting the Tender Offer Price at 1,755 yen. In the process of the negotiations stated above, when the Special Committee engaged in discussions and negotiations with Bain Capital through Nomura Securities, the Company's financial advisor, Nomura Securities handled those discussions and negotiations in accordance with the negotiation policies for each topic, such as the presentation method of the repropoed price which was determined in advance by the Special Committee upon consultation and the specific repropoed price, and in communicating with Bain Capital or its advisors. Whenever new proposals for the Tender Offer Price were received from Bain Capital, Nomura Securities promptly reported to the Special Committee, and took measures in accordance with the instructions of the Special Committee. Also, the Special Committee received reports from the Company's management, other than Haruhiko Doi, on the status of the negotiations regarding the tender offer implementation agreement entered into by the Company with the Tender Offeror on December 8, 2023 on a timely basis, and gave instructions of the negotiation policy. In the process of such negotiations, the Special Committee confirmed the terms and conditions of the Transaction other than the Tender Offer Price, and determined that the agreed conditions are reasonable.

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

While the Company is rapidly growing due to the expansion of its non-manufacturing businesses in Japan and its global development through M&A, the Company recognizes that it has business challenges in terms of its internal control system and governance system. As a result of its focus on M&A strategies in the past, the Company has become a complex entity with 236 consolidated subsidiaries, and one equity-method affiliate as of September 30, 2023 (225 consolidated subsidiary companies, and two equity-method affiliates as of December 31, 2023). The Company recognizes that business challenges such as the internal control system of each company in the group have become apparent and that there are also business challenges in terms of its global governance system. In addition, the inappropriate accounting (the "Inappropriate Accounting") as announced in the "Notice Regarding Receipt of the Investigation Report from the Investigation Commission" on December 28, 2021 discovered in November 2021 and the fact that acts by the Company and five Group companies were highly likely to fall under the category of fraudulent receipt of the Subsidies, and that in OST, a former director was involved in the selection of outsourced contractors to which recruiting costs would be paid (the "Inappropriate Application") discovered in August 2023 have arisen. The Investigation Report, pointed to the causes of the fraudulent receipt of the Subsidies: a lack of compliance awareness; absence of

checks by the corporate management division and a corporate culture that led to this absence of check; pressure to earn profit; and targets that disregarded the actual state of work. The report also pointed out that, with regard to the recruiting costs, services not actually provided, inflated invoice amounts, or unnecessary work orders placed with suppliers had not been found. However, it was confirmed in the investigation process a situation where the recurrence prevention measures formulated in response to the Inappropriate Accounting had lost substance, such as the former director's involvement in the OST's business operation, disregard for the board of directors, weak management departments, and *ringi* procedures and review on counterparties being reduced to a formality. Based on these, the Company has recognized that the enhancement of the internal control system is an urgent challenge. Under these conditions, not only are proactive investments in growth sectors necessary, but the Company also recognizes the need for initiatives to radically restructure the internal management system and global governance system and believes that it must urgently establish the foundation for governance. On November 14, 2023, the Company resolved to take the recurrence prevention measures and also established a Governance Committee to promote the development and penetration of a new corporate culture capable of thoroughly implementing the recurrence prevention measures, and to improve the internal control environment to prevent corporate misconduct.

In the course of the consultations and negotiations with Bain Capital, the Company was notified that, as discussed above in “(b) Post-Tender Offer Managerial Policy” in “(ii) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror’s Decision to Conduct the Tender Offer; Post-Tender Offer Managerial Policy” in “(2) Grounds and Reasons for Opinion on the Tender Offer” under “3. Substance of and Grounds and Reasons for Opinion Relating to the Tender Offer” in the Opinion Press Release, once the Company’s shares are taken private, the Tender Offeror intends to provide supportive measures including (a) providing hands-on management support based on the Tender Offeror’s extensive investment experience, (b) enhancing human resources and organizational foundations to support the current management team for medium- to long-term growth, and (c) providing support for M&A and PMI, and to provide support such as (i) strengthening the internal compliance/governance system including inviting people responsible for compliance, (ii) increasing the level of the management systems of overseas businesses to the level of domestic businesses, and (iii) multi-regional involvement of Bain Capital members because the urgent challenge is to make efforts to reconstruct a fundamental internal management system and global governance system.

In addition to receiving the indication of these intentions from Bain Capital, the Company consequently decided that cooperating with Bain Capital will contribute to the improvement of the corporate value of the Company over the medium to long term. This is because Bain Capital has determined that, if the Company goes private and becomes released from the stock market pressure to improve short-term profits, the Company’s corporate value may be improved from a medium- to long-term perspective through (i) acceleration of organic growth, (ii) establishment of a global network for human resources mobility, (iii) improvement of management efficiency by strengthening global internal control, and (iv) acceleration of PMI and maximization of synergies after M&A, and also because, in addition to the Company’s own management efforts, by utilizing the management resources of Bain Capital, which has the know-how for group restructuring and improving internal control systems and governance systems based on its past investment cases, it is believed it will be possible to accelerate the radical restructuring of the internal management system and global governance system, which are the Company’s urgent challenges. Further, while it is expected the corporate value will increase as a result of improved management efficiency over the long term due to the strengthening of the governance and internal management systems, the Company has determined that the Transaction will contribute to the improvement of the corporate value of the Company given that it will be possible to divert to investments in businesses management resources related to shareholder relations such as expenses to maintain the listed status of the Company that arise as long as the Company is a listed company, resources and expenses to deal with disclosures and audits under the Financial Instruments and Exchange Act, and IR expenses. Further, given that it is believed it will be beneficial to continue to return Haruhiko Doi’s experience and knowledge to the Company’s business in order to hand his role over to newly appointed management with the aim of establishing a next-generation management system, as stated in Bain Capital’s proposals, it is believed that the decision that Haruhiko Doi will assume the position of chairman after the execution of the Transaction and no longer execute the management of the Company Group and that he will be involved in the management of the Company from an overall perspective such as the formulation of the Company’s growth strategy and vision will contribute to the sustainable growth of the Company. In addition,

the Company considers that aiming to re-list the shares by restructuring and strengthening of appropriate governance and internal management system and by recovering trust from the society will lead to the corporate value enhancement of the Company.

Also, since the Shares are planned to be taken private upon the execution of the Transaction, the Company expects the Transaction, if executed, will lead to steady progress with the abovementioned measures, swift decision-making, reduction of costs for listing, and other effects. These effects are expected to contribute to improving the corporate value of the Company. Further, as stated in the “Notice on Change to the Certified Public Accountant” released on December 8, 2023, the Company received a notice from its financial auditor, Deloitte Touche Tohmatsu LLC, stating that with respect to the renewal of the audit agreement, because it is difficult to establish a system to maintain the audit quality for the following business year, it will not renew the agreement due to the expiration of the term of office upon the conclusion of the 27th annual general shareholders’ meeting to be held on March 27, 2024. Therefore, there will be a change in the certified public accountant, which provides audit certifications under Article 193-2, Paragraphs 1 and 2 of the Act. The successor financial auditor has not been determined as of December 8, 2023 (and as of February 27, 2024 and today), but if the Company is unable to appoint a successor financial auditor and it is unable to obtain a quarterly review report from a financial auditor regarding the financial statements for the first quarter of the Company’s fiscal year ending March 2024, it will fall under the delisting criteria prescribed in the Securities Listing Regulations of the Tokyo Stock Exchange and it might become unable to continue to be listed. Given that, it has been determined that giving the shareholders of the Company an opportunity to sell the Shares as a result of the Transaction will contribute to the interests of the shareholders of the Company. On the other hand, the generally known disadvantages of delisting include the loss of opportunity to raise funds from the capital market, changes in transaction terms such as those for borrowing from financial institutions, and disadvantages related to securing human resources. However, the Company believes that these will most likely not materially damage the corporate value of the Company, considering that (i) the funds necessary for business in the future are planned to be raised by borrowings from financial institutions, (ii) the social trust and name recognition for maintaining business relationships with financial institutions and securing talents can also be improved through the Company’s business activities, and (iii) the impact of taking the Shares private is not believed to be significant in terms of financing from financial institutions and recruitment due to the brand strength and name recognition that the Company has cultivated until now. Accordingly, the Company judged that the advantages of taking the Shares private are greater than the disadvantages. In light of the foregoing, the Board of Directors determined that the execution of the Transaction will contribute to improving the corporate value of the Company Group.

For the grounds as set forth in “(B) Method of processing fractional shares less than one share, amount of cash expected to be delivered to shareholders through such processing, and matters relating to the appropriateness of such amount” in “(1) Grounds and Reasons for Amount of Cash Expected to be Delivered to Shareholders through Processing of Fractions” under “3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation” below, the Board of Directors determined that the Transaction, including the Tender Offer, can be expected to improve the Company’s corporate value, that the Tender Offer Price of 1,755 yen and other conditions of the Tender Offer are reasonable for the Company’s shareholders, and that the Tender Offer provides the Company’s shareholders with a reasonable opportunity to sell their shares.

In light of the foregoing, at the meeting of the Board of Directors held on December 8, 2023, the Company, in its judgement based on circumstances on December 8, 2023, passed a resolution to state an opinion in favor of the Tender Offer and to recommend that the Company’s shareholders tender their shares in the Tender Offer when the Tender Offer commences.

The Tender Offer is scheduled to be commenced promptly when preconditions for the commencement of the Tender Offer (the “Preconditions”) as set forth in “(i) Overview of the Tender Offer” in “(2) Grounds and Reasons for Opinion on the Tender Offer” under “3. Substance of and Grounds and Reasons for Opinion Relating to the Tender Offer” in the Opinion Press Release are satisfied or waived by the Tender Offeror. Although it is difficult to accurately predict the length of time required to comply with international competition laws and regulations and domestic and international laws and regulations which restrict investment and the like, as of December 8, 2023, the Tender Offeror was aiming to commence the Tender Offer around late January 2024. However, the Company also passed a resolution to the effect that when the Tender Offer is commenced, the Company will request the Special Committee to consider whether there has

been any change in the opinion that the Special Committee has expressed to the Board of Directors on December 8, 2023 and to inform the Board of Directors either that there has been no change in opinion or of the new opinion if there has been a change (the “Additional Consultation Matters”), and that based on that opinion, the Company will once again express its opinion in regard to the Tender Offer at the time of the commencement of the Tender Offer.

As the Company announced in its release dated January 31, 2024, titled “Notice Regarding Progress Towards Execution of Tender Offer by K.K. BCJ-78 for the Stock of OUTSOURCING Inc. (Securities Code 2427)” (the “January 31, 2024 Press Release”), the Company was informed by the Tender Offeror on January 22, 2024 that the Tender Offeror has determined that the Preconditions are all satisfied (for those that will be determined at the time of the commencement of the Tender Offer, they are likely to be satisfied at such time), except for acquisition of the clearance with respect to the EU regulation on foreign subsidies distorting the EU internal market (the “FSR”). The Company was also informed by the Tender Offeror on January 22, 2024 that the Tender Offeror filed a prior notification to the European Commission on January 17, 2024 (local time) and such prior notification was accepted on the same date, the Tender Offeror expects to obtain clearance by late February 2024 and that the Tender Offeror aims to commence the Tender Offer around late February 2024.

Following that, at this time, the Company was informed by the Tender Offeror on February 22, 2024 that as the obtaining of clearances under domestic and foreign competition laws and investment control laws and regulations was fully completed because the preliminary review period for prior notification of concentration between undertakings under the FSR in the European Union expired on February 21, 2024 (local time), the Tender Offeror will commence the Tender Offer on February 28, 2024 subject to the satisfaction of the other Preconditions.

In addition, as set forth in the Representative Executive Officer Change Press Release, Haruhiko Doi will retire from the office of the Representative Executive Officer, Chairman and CEO upon the expiration of his 27th term of office in light of the importance of establishing a next-generation management system. Haruhiko Doi will hand over his role and provide support to the management team with the aim of establishing a next-generation management system as Honorary Chairman after retirement.

The Company shared with the members of the Special Committee at a total of six meetings (six hours in total) of the Special Committee held from January 11, 2024 through February 26, 2024 information on the status of the Company and the TOB Parties. In addition, as set forth in “(C) Establishment of an Independent Special Committee at the Company; Procuring a Written Report” in “(3) Measures to Ensure Fairness of the Transaction and Measures to Avoid Conflict of Interest” under “3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation” below, as a result of carefully examining the Additional Consultation Matters, the Special Committee submitted an additional written report (the “February 27, 2024 Written Report”) to the Company’s Board of Directors on February 27, 2024 stating that there has been no change in the opinion that the Special Committee expressed on December 8, 2023 to the Company’s Board of Directors.

Based on the above, while respecting the contents of the February 27, 2024 Written Report submitted by the Special Committee as much as possible, the Company carefully discussed and examined again the terms and conditions of the Tender Offer in light of the Company’s performance and changes in market conditions since December 8, 2023, as well as the retirement of Haruhiko Doi from Representative Executive Officer, Chairman and CEO of the Company. As a result, while the Company recognized again the necessity for strengthening the Company’s governance and internal management system and further fostering awareness of compliance by executing the Transaction, considering that TSE implemented public announcement measures and requested an improvement status report on December 20, 2023, the Company believes that as of February 27, 2024 there is no change in the purpose of the Transaction and the significance and necessity for achieving such purpose, because the Company expects to receive support for strengthening the internal compliance/governance system including inviting people responsible for compliance scheduled to be provided by Bain Capital as set forth in “(b) Post-Tender Offer Managerial Policy” in “(ii) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror’s Decision to Conduct the Tender Offer; Post-Tender Offer Managerial Policy” in “(2) Grounds and Reasons for Opinion on the Tender Offer” under “3. Substance of and Grounds and Reasons for Opinion Relating to the Tender Offer” in the Opinion Press Release. In addition, because there is no other factor that changes the decision by the Company on the Tender Offer as of December 8, 2023, the Company resolved on February 27, 2024 by a resolution (written resolution) of the Board of Directors as provided for in Article 370 of the Companies Act that the directors who do not have a

conflict of interest unanimously express an opinion in favor of the Tender Offer again and recommend that the shareholders of the Company tender their shares in the Tender Offer.

Then, as stated above, while the Tender Offer was successfully completed, but the Tender Offeror did not acquire all of the Shares (excluding the treasury shares held by the Company), the Tender Offeror decided to carry out a share consolidation for making the Tender Offeror the sole shareholder of the Company as set forth in the Opinion Press Release at a ratio of which 18,000,000 Shares to one as set forth in “2. Overview of Share Consolidation” below.

As a result of the Share Consolidation, the number of the Shares held by the Company’s shareholders other than the Tender Offeror will be a fractional number of less than one share.

For the details of the Transaction, please refer to the Opinion Press Release and the Tender Offer Result Press Release.

2. Overview of Share Consolidation

(1) Schedule of Share Consolidation

Announcement date of Extraordinary General Meeting of Shareholders record date	Tuesday, March 19, 2024
Extraordinary General Meeting of Shareholders record date	Wednesday, April 3, 2024
Date of resolution by Board of Directors	Monday, April 15, 2024
Date of Extraordinary General Meeting of Shareholders	Wednesday, May 15, 2024 (tentative)
Delisted stock designation date	Wednesday, May 15, 2024 (tentative)
Final trading date for Shares	Wednesday, June 5, 2024 (tentative)
Date of delisting of Shares	Thursday, June 6, 2024 (tentative)
Effective date of Share Consolidation	Saturday, June 8, 2024 (tentative)

(2) Particulars of Share Consolidation

(A) Class of shares to be consolidated

Common shares

(B) Consolidation ratio

Every 18,000,000 shares of the Shares will be consolidated into one share.

(C) Reduction in total number of outstanding shares

126,002,086 shares

(D) Total number of outstanding shares prior to Share Consolidation taking effect

126,002,093 shares

(Note) The total number of outstanding shares prior to the Share Consolidation taking effect is the total number of outstanding shares of the Company as of December 31, 2023 (126,026,200 shares) set forth in the Financial Statements less the number of treasury shares that the Company holds as of April 3, 2024 (24,107 shares), which are scheduled to be cancelled on June 7, 2024, in accordance with the resolution of the Board of Directors meeting held today.

(E) Total number of outstanding shares after Share Consolidation taking effect

7 shares

(F) Total number of authorized shares as of effective date

28 shares

(G) Method of processing fractional shares less than one share and amount of cash expected to be delivered to shareholders through such processing

(i) Whether the Company intends to proceed pursuant to the provision of Article 235(1) of the Companies Act, or Article 234(2) as applied mutatis mutandis pursuant to Article 235(2) of the same Act, and the reason therefor

As set forth in “1. Purpose of and Reasons for Implementing the Share Consolidation” above, it is planned that, through the Share Consolidation, the Shares held by shareholders other than the Tender Offeror will become fractional shares less than one share.

With respect to fractional shares less than one share resulting from the Share Consolidation, shares equal to the total number (in accordance with Article 235, paragraph (1) of the Companies Act, if the

total number includes a fraction of less than one share, such fraction will be discarded) will be sold in accordance with Article 235 of the Companies Act and other applicable laws and regulations, and the proceeds obtained through such sale will be delivered to shareholders in proportion to their fractional shares. With respect to such sale, in view of the fact that the Share Consolidation is to be carried out as part of the Transaction which keeps only the Tender Offeror as the shareholder of the Company, and that the Shares will be delisted as of June 6, 2024 and will become non-marketable shares, it is unlikely that a new buyer will appear through an auction process, and thus it is planned that the shares will be sold to the Tender Offeror with the permission of the court pursuant to the provisions of Article 234, paragraph (2) of the Companies Act applied mutatis mutandis under Article 235, paragraph (2) of the same Act.

The sale price in such case, if the above permission of the court is obtained as planned, is planned to be set at a price that makes it possible to deliver to each shareholder cash in the amount obtained by multiplying the number of Shares held by the shareholder by JPY 1,755, which is the same amount as the Tender Offer Price. However, the amount of cash that will be actually delivered to the shareholders may not be the same as the above amount in certain cases such as when the Company is unable to obtain the permission of the court or it is necessary to make adjustments for fractions in the calculation.

(ii) The name of the person who is likely to become the purchaser of the shares pertaining to the sale K.K. BCJ-78

(iii) The manner by which a person who is expected to purchase the shares pertaining to the sale secures funds for payment of the purchase price pertaining to the sale, and the adequacy of such method

The Tender Offeror will cover the funds for the execution of the Transaction, including the funds required for the acquisition of the Shares equivalent to the total number of fractional shares less than one share resulting from the Share Consolidation, by a contribution to be made by K.K. BCJ-77, which is the parent company of the Tender Offeror.

The Company has confirmed the certificate of contribution dated February 26, 2024 regarding a contribution to be made by K.K. BCJ-77, which was submitted as an attachment to the Tender Offer Registration Statement regarding the Tender Offer. In addition, according to the Tender Offeror, no event has occurred that might hinder the Tender Offeror's payment of the sale price for the Shares equivalent to the total number of fractional shares less than one unit resulting from the Share Consolidation, and the Tender Offeror is not aware of any possibility of such an event occurring in the future.

Therefore, the Company has determined that the method of securing funds for the payment of the sale price for the Shares equivalent to the total number of fractional shares less than one share resulting from the Share Consolidation is appropriate.

(iv) The timing of the sale and the prospect of the timing of the delivery of proceeds from the sale to the shareholders

The Company intends to petition the court for permission to sell the Shares equivalent to the total number of fractional shares less than one share resulting from the Share Consolidation and have the Tender Offeror purchase the relevant Shares by around mid-June 2024 pursuant to the provisions of Article 234, paragraph (2) of the Companies Act applied mutatis mutandis under Article 235, paragraph (2) of the same Act. The timing of obtaining such permission may vary depending on the circumstances of the court, but the Company expects to sell the Shares by way of having the Tender Offeror purchase the relevant Shares by early-July 2024 with the permission of the court, and after making the necessary preparations to deliver the proceeds of the sale to the shareholders, the Company expects to deliver the proceeds to the shareholders from late-August to early-September 2024.

In consideration of the period required for the series of procedures relating to the sale from the effective date of the Share Consolidation, the Company believes that at each timing as mentioned above, the Shares equivalent to the total number of fractional shares less than one share resulting from the Share Consolidation will be sold and the proceeds will be delivered to the shareholders.

3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation

(1) Grounds and Reasons for Amount of Cash Expected to be Delivered to Shareholders through Processing of Fractions

(A) Matters considered to avoid harming the interests of the Company's shareholders other than the parent company etc. in cases where there is a parent company etc.

Given that the Share Consolidation is to be carried out as the second step in the so-called two-step acquisition of the Tender Offer, and in light of factors such as the Tender Offer being carried out as part of a so-called management buyout (MBO), where there may be an inherent conflict of interest, and from the perspective of ensuring the fairness of the Tender Offer Price, eliminating arbitrariness in the decision-making process behind the decision to implement the Tender Offer, and avoiding conflicts of interest, the Tender Offeror and the Company have carried out the measures set out in "(3) Measures to Ensure Fairness of the Transaction and Measures to Avoid Conflict of Interest" to ensure the fairness of the Transaction including the Tender Offer and the Share Consolidation.

(B) Method of processing fractional shares less than one share, amount of cash expected to be delivered to shareholders through such processing, and matters relating to the appropriateness of such amount

In the Share Consolidation, as set forth in "(G) Method of processing fractional shares less than one share and amount of cash expected to be delivered to shareholders through such processing" of "(2) Particulars of Share Consolidation" of "2. Overview of Share Consolidation" above, the Company plans to deliver to all shareholders cash in the amount obtained by multiplying the number of Shares held by the shareholders by JPY 1,755, which is the same amount as the Tender Offer Price.

Given that, among other things, the Tender Offer Price of 1,755 yen, (i) of the calculation results of the share value of the Shares by Nomura Securities set out in "(A) Procurement by the Company of a Share Valuation Report from an Independent Third-Party Valuation Agency" under "(3) Measures to Ensure Fairness of the Transaction and Measures to Avoid Conflict of Interest" below, (a) exceeds the maximum price calculated by the average market price analysis, (b) exceeds the middle price calculated by the comparable company analysis, and (c) is within the range of the prices calculated by the discounted cash flow method (the "DCF Method"); (ii) of the calculation results of the share value of the Shares by Plutus Consulting set out in "(D) Procurement by the Special Committee of a Share Valuation Report and a Fairness Opinion from an Independent Third-Party Valuation Agency" under "(3) Measures to Ensure Fairness of the Transaction and Measures to Avoid Conflict of Interest" below, (a) exceeds the maximum price calculated by the average market price analysis, and (b) is within the range of the prices calculated by the DCF Method, with the Fairness Opinion received by the Special Committee from Plutus Consulting; (iii) is at a premium of 49.68% over JPY 1,172.5, the closing price of the Shares on the Prime Market of the TSE on December 7, 2023, which is the business day immediately preceding the announcement date of the scheduled commencement of the Tender Offer, at a premium of 47.85% over JPY 1,187, which is the simple average of the closing prices during the one-month period immediately preceding December 7, 2023, at a premium of 51.95% over JPY 1,155, which is the simple average of the closing prices during the three-month period immediately preceding December 7, 2023, and at a premium of 44.33% over JPY 1,216, which is the simple average of the closing prices during the six-month period immediately preceding December 7, 2023, and can be evaluated as being priced at a reasonable premium compared to other recent management buyouts (MBO) (based on the 50 cases of MBOs in Japan which have been announced on/after January 1, 2019 and successfully completed on/before December 8, 2023) and their premiums' median value (39.34% over the closing price on the business day immediately preceding the date of the announcement, 39.67% over the simple average of the closing prices during the one-month period up to the business day immediately preceding the date of the announcement, 42.37% over the simple average of the closing prices during the three-month period up to the business day immediately preceding the date of the announcement, and 45.63% over the simple average of the closing prices during the six-month period up to the business day immediately preceding the date of the announcement), and also it is not unreasonable to conduct the Transaction at this time even in light of the fact that the market price of the Shares has fallen since the announcement of the Inappropriate Application; (iv) gives consideration to the minority shareholders in that, among other things, the measures set forth in "(3) Measures to Ensure

Fairness of the Transaction and Measures to Avoid Conflict of Interest” below have been taken to ensure the fairness of the Transaction, which includes the Tender Offer, and to eliminate conflicts of interest; (v) is a value which has been decided after the abovementioned measures to ensure the fairness of the Transaction, which includes the Tender Offer, and to eliminate conflicts of interest have been taken, and after the Company and Bain Capital have engaged in discussions and negotiations on several occasions, specifically in which the Company and Bain Capital sincerely and repeatedly engaged in discussions and negotiations while referring to the details of the share value of the Shares calculated by Nomura Securities and Plutus Consulting, the discussions with the Special Committee, and the legal advice received from Mori Hamada & Matsumoto; (vi) reflects a significant increase in the proposed price for the Tender Offer as requested by the Special Committee; and (vii) comes with terms for the minimum number of shares to be purchased that are stricter than the ‘majority of minority’ conditions. In light of these facts and other matters, the Board of Directors determined that the Transaction, including the Tender Offer, can be expected to improve the Company’s corporate value, that the Tender Offer Price and other conditions of the Tender Offer are reasonable for the Company’s shareholders, and that the Tender Offer provides the Company’s shareholders with a reasonable opportunity to sell their shares. In light of the above, the Company’s Board of Directors determined that it is expected that the Transaction, which includes the Tender Offer, will enhance the corporate value of the Company, that the Tender Offer Price and other terms and conditions of the Tender Offer are appropriate for the Company’s shareholders, and that the Tender Offer will provide the Company’s shareholders with reasonable opportunities to sell their shares.

In addition, the Company has confirmed that no factors have arisen based on which the Company’s determination regarding the Transactions should be changed after the time of the resolution passed at the Board of Directors meeting held on December 8, 2023 to the effect that, as the Company’s opinion as of that date, it states an opinion in favor of the Tender Offer and to recommend that the Company’s shareholders tender their shares in the Tender Offer when the Tender Offer commences, up to the time of the resolution passed at the Board of Directors meeting held on April 15, 2024 to the effect that it decides to hold the Extraordinary Shareholders’ Meeting.

On the basis of the foregoing, the Company has determined that the amount of cash expected to be delivered to shareholders in accordance with the method of processing fractional shares and processing of fractional shares is reasonable.

- (C) Disposal of material assets, assumption of large obligations, and other events having a material effect on the status of company finances arising since the last day of the Company’s last business year
(i) Tender Offer

As set forth in “1. Purpose of and Reasons for Implementing the Share Consolidation” above, the Tender Offeror carried out the Tender Offer with the period from February 28, 2024 to March 27, 2024 as the Tender Offer Period, and as a result, as of April 3, 2024 (the day of commencement of settlement of the Tender Offer), the Tender Offeror now holds 108,007,885 Shares) (shareholding ratio: 85.72%).

- (ii) Cancellation of treasury shares

By resolution passed at the Board of Directors meeting held on April 15, 2024, the Company decided to cancel the Company’s 24,107 treasury shares (all of the treasury shares owned by the Company as of April 3, 2024) on June 7, 2024. The cancellation of treasury shares is subject to the proposal relating to the Share Consolidation being passed as in the original draft at the Extraordinary Shareholders’ Meeting, and the total number of outstanding shares of the Company after cancellation will be 126,002,093 shares.

- (2) Expectation of Delisting
(A) Delisting

As set forth in “1. Purpose of and Reasons for Implementing the Share Consolidation” above, in order to keep only the Tender Offeror as the shareholder of the Company, the Company will implement the Share Consolidation subject to shareholders’ approval at the Extraordinary Shareholders’ Meeting. For this reason, the Shares are planned to be delisted through the prescribed procedures in accordance with the delisting standards of the TSE.

As for the schedule, after being designated as delisted stock between May 15, 2024 and June 5, 2024, the delisting is planned to take effect on June 6, 2024. After the delisting, the Shares will no longer be traded on the TSE Prime Market.

(B) Reasons for pursuing delisting

As set forth in “1. Purpose of and Reasons for Implementing the Share Consolidation” above, it has been determined that taking the Shares private through the Transaction will contribute to enhancing the corporate value of the Company Group.

(C) Impact on minority shareholders and rationale therefor

As set forth in “(C) Establishment of an Independent Special Committee at the Company; Procuring a Written Report” of “(3) Measures to Ensure Fairness of the Transaction and Measures to Avoid Conflict of Interest” below, the Company consulted with the Special Committee on whether making a decision to execute the Transaction would be disadvantageous to the Company’s minority shareholders or not, and the Company received the December 8, 2023 Written Report from the Special Committee to the effect that it was found that making a decision to execute the Transaction would not be disadvantageous to the Company’s minority shareholders. In addition, the Company obtained the February 27, 2024 Written Report from the Special Committee to the effect that its past opinion stated in the December 8, 2023 Written Report remains unchanged.

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

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

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

The Tender Offeror has set the minimum number of tendered shares to be purchased in the Tender Offer at 83,961,300 shares, and if the total number of the Tendered Shares is less than the minimum number of tendered shares to be purchased (83,961,300 shares), the Tender Offeror will not purchase any of the Tendered Shares. The minimum number of tendered shares to be purchased in the Tender Offer will exceed a majority (55,100,355 shares; number equivalent to the so-called ‘majority of minority’) of the number of shares (110,200,708 shares) calculated by the total number of issued shares of the Company as of December 31, 2023, as stated in the Financial Statements (126,026,200 shares) minus (i) the number of treasury shares held by the Company on December 31, 2023, as stated in the Financial Statements (23,592 shares), and (ii) the number of the Shares held by Haruhiko Doi (15,801,900 shares). In this way, if the Tender Offeror cannot obtain the approval of the majority of shareholders of the Company who have no conflict of interest with the Tender Offeror, the Tender Offeror will not conduct the Transaction, including the Tender Offer, to respect the wishes of the minority shareholders of the Company.

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

To ensure the fairness of the decision-making process regarding the Tender Offer Price presented by the Tender Offeror, the Company asked Nomura Securities, which is a financial advisor and third-party valuation agency independent of the Company and the TOB Parties, to calculate the share value of the Shares, and thereby obtained the Share Valuation Report (Nomura Securities) from Nomura Securities on December 8, 2023. Nomura Securities does not constitute a related party of the Company or the TOB Parties and does not have any material interests to be noted in regard to the Transaction, which includes the Tender Offer. The remuneration payable to Nomura Securities for the Transaction includes contingency remuneration to be paid subject to the completion of the Transaction. Considering the

practices generally used in similar transactions and whether it would be appropriate to have a compensation system in which the Company will bear a certain amount of financial burden if the Transaction were not to be completed, among other factors, the Company determined that including a contingency remuneration that is subject to the completion of the Transaction would not negate the independence of Nomura Securities, and has appointed Nomura Securities as a financial advisor and third-party valuation agency with the abovementioned compensation system. Further, the Special Committee has confirmed that there are no issues with the independence and appropriateness of Nomura Securities, and has approved Nomura Securities as the Company's third-party valuation agency.

For the Tender Offer, Nomura Securities considered multiple potential valuation methods to be adopted for the share valuation of the Company, and then, on the assumption that the Company is a going concern and that a multifaceted evaluation of the Share value would be appropriate, calculated said share value using the following: (i) the average market price analysis that takes into account the trends of the market price of the Shares, because the Shares are listed on the Prime Market of the TSE, (ii) the comparable company analysis, because there are multiple listed companies engaged in businesses relatively similar to that of the Company and analogical inference of the share value of the Company in comparison to comparable companies is viable, and (iii) the DCF Method, to ensure that the circumstances of the Company's future business activities would be reflected in the calculation.

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

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

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

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

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

The financial projections based on the Company's business plans that Nomura Securities used as a basis for the DCF Method calculations are as indicated below. Such financial projections include fiscal

years in which large changes or decrease in earnings is expected. Specifically, in the fiscal year ending December 2024, it is expected that operating profits will significantly increase by approximately 34% compared to the previous fiscal year, but that is due to a recovery from a temporary slowdown in operating profits resulting from an impairment loss of fixed assets of 162 million yen in its Domestic Engineering Outsourcing Business, an impairment loss of goodwill of 1,366 million yen in its Domestic Manufacturing Outsourcing Business, and an impairment loss of goodwill of 648 million yen in its Overseas Manufacturing and Service Operations Business in the fiscal year ending December 2023. Moreover, fiscal years in which it is expected there will be a significant change in the free cash flow are not included. The synergistic effect expected to be achieved by the implementation of the Transaction is not reflected in the Company's business plan, as it is difficult to specifically estimate any effect at the time of the calculation.

(Unit: million JPY)

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

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

(B) Procurement of Advice from an Independent Law Office

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

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

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

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

Based on the resolution of the Board of Directors, the Company consulted with the Special Committee on the following matters (the "Consultation Matters"): (a) evaluating and making a recommendation to the Board of Directors regarding whether the Board of Directors should approve the Tender Offer and whether the Company should recommend that shareholders tender their shares in the Tender Offer (upon examining (a), the Special Committee will (i) evaluate and judge whether the Transaction should be executed from the perspective of whether the Transaction will contribute to the improvement of the corporate value of the Company and (ii) evaluate and judge the appropriateness of the transaction terms and conditions and the fairness of the procedures from the perspective of securing the interests of the Company's general shareholders) and (b) evaluating whether the decision on the Transaction by the Board of Directors will be disadvantageous to the Company's minority shareholders and providing its opinion to the Board of Directors. The Company requested that the Special Committee submit the December 8, 2023 Written Report regarding the foregoing to the Company.

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

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

(ii) Process of Examination

The Special Committee held a total of 25 meetings (totaling approximately 50 hours) during the period from August 17, 2023 to December 8, 2023, to discuss and examine the Consultation Matters. Specifically, the Special Committee received explanations from the Company and conducted question

and answer sessions regarding the background of the proposal for the Transaction, the purpose of the Transaction, the business environment, the business plan, and the business challenges. Among these, with respect to the business plan presented to Bain Capital and the business plan that Nomura Securities and Plutus Consulting used for their calculations of the share value of the Shares, the Special Committee confirmed that those business plans were prepared by entities independent of the TOB Parties. During the process of preparing these business plans, the Special Committee also received explanations regarding the details, material assumptions, etc., of the business plan proposal being prepared, and for the final business plans, confirmed the rationality of their details, material assumptions, and preparation process before approving them. In addition, through direct meetings with Bain Capital and Haruhiko Doi, the Special Committee also received explanations from them and conducted question and answer sessions regarding the background and reasons for the proposal for the Transaction, the purpose of the Transaction, their assessment of the Company's business, the terms and conditions of the Transaction, and the management direction after the Transaction. Specifically, the Special Committee sent inquiries, including those on the Transaction and management policies after the Transaction, to Bain Capital and Haruhiko Doi on September 5, 2023, and received written responses on September 11, 2023. The Special Committee then had meetings with Bain Capital and Haruhiko Doi on September 14, 2023. In addition, the Special Committee sent inquiries, including those on specific measures for establishing and strengthening the internal governance system and on specific details of the measures for corporate value enhancement and synergies through the Transaction, to Bain Capital and Haruhiko Doi on November 11, 2023, received written responses on November 20, 2023, and held a meeting with Bain Capital on November 28, 2023. During the question and answer sessions with Bain Capital, the Special Committee received explanations with respect to the governance structure after the execution of the Transaction that Bain Capital agrees to the details of the recurrence prevention measures announced by the Company on November 14, 2023 and expects that Bain Capital will newly appoint the management team including the president from in and outside of the Company Group and Haruhiko Doi will dedicate himself to the chairman position in which he does not execute the business of the Company Group. The Special Committee has determined that under the circumstances in which the Company is taken private, aiming to re-list the shares after restructuring and strengthening of appropriate governance and internal management system and recovering trust from the society with necessary involvement by Haruhiko Doi in the Company's management will lead to enhancement of the corporate value of the Company. Further, with respect to the facts that Bain Capital intends to support measures to maximize the Company's corporate value through (i) hands-on management support based on extensive investment experience, (ii) strengthening human resources and organizational infrastructure to support current management for long-term growth, and (iii) M&A and PMI support as described in "(b) Post-Tender Offer Managerial Policy" in "(ii) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer; Post-Tender Offer Managerial Policy" under "(2) Grounds and Reasons for Opinion on the Tender Offer" under "3. Substance of and Grounds and Reasons for Opinion Relating to the Tender Offer" in the Opinion Press Release, and Bain Capital intends to provide support such as (i) strengthening the internal compliance/governance system including inviting people responsible for compliance, (ii) increasing the level of the management systems of overseas businesses to the level of domestic businesses, and (iii) multi-regional involvement of Bain Capital members because the urgent challenge is to make efforts to reconstruct a fundamental internal management system and global governance system, based on the past investment experiences of Bain Capital in and outside Japan, the Special Committee determines that it is reasonable to consider that Bain Capital may actually provide that support to the Company and the Company will be able to establish a system that promptly executes various measures for enhancing the Company's corporate value through the Transaction. In addition, the Special Committee determines that it is also possible to provide merits occurring to the Company such as creation of synergies by using Bain Capital's portfolio companies and merits for employees, customers, clients and other stakeholders.

In addition, as stated above in "1. Purpose of and Reasons for Implementing the Share Consolidation," after the Company received a proposal from Bain Capital on September 22, 2023 that the Tender Offer Price would be 1,675 yen per share, the Special Committee examined the Tender Offer Price multiple times through fair procedures that excluded the influence of the TOB Parties, while referring to the financial advice by Nomura Securities and Plutus Consulting, which are third party calculation agencies

including the results of their calculations of the share value of the Shares and the negotiation policies with Bain Capital, as well as the guidance and other legal advice from Mori Hamada & Matsumoto regarding the measures to ensure the fairness of procedures of the Transaction. The Special Committee also engaged multiple times in negotiations with the Tender Offeror through Nomura Securities.

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

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

1. Opinions stated in the Written Report

(1) The Special Committee believes that with respect to the Tender Offer, the Company's Board of Directors should resolve to express an opinion in favor of the Tender Offer and recommend that the shareholders of the Company tender their shares in the Tender Offer if the Tender Offer is commenced, as the Company's opinion as of December 8, 2023.

(2) The Special Committee believes that the Company's Board of Directors' resolution to express an opinion in favor of the Tender Offer and recommend that the shareholders of the Company tender their shares in the Tender Offer if the Tender Offer is commenced, as the Company's opinion as of December 8, 2023 with respect to the Tender Offer, would not be disadvantageous to the Company's minority shareholders. The Special Committee also believes that the Tender Offeror making the Company go private after the completion of the Tender Offer would not be disadvantageous to the Company's minority shareholders.

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

(1) Whether the Transaction should be conducted

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

The Company's understanding of the business environment surrounding the Company Group is as follows: In the Domestic Engineering Outsourcing Business, while the market is expected to remain firm, the severe business environment is expected to continue, such as intensifying competition in recruitment. In the Domestic Manufacturing Outsourcing Business, while demand for temporary staffing is expected to increase, asking charge increases to clients and other ongoing corporate efforts will be necessary due to intensifying competition in recruitment and other related circumstances. In the Domestic Service Operations Outsourcing Business, while the severe business environment continues due to the prolonged delay in procurement as a result of the recent unstable supply of materials, further deterioration in the business environment is not expected and medium- to long-term business growth, albeit slow, can be anticipated. In the Overseas Engineering Outsourcing Business, while in the mainstay markets of Ireland and Oceania the restrictions imposed in connection with the COVID-19 pandemic have almost been removed and the referral service business has been strong in the latest fiscal year, there are signs of a slowdown in business due to a reaction to the increase in demand in the post-COVID-19 period as well as concerns for recessions in Oceania in the current fiscal year. In the Overseas Manufacturing and Service Operations Outsourcing Business, it is expected that demand for human resources will remain high going forward in Western European countries such as the Netherlands and Germany, where the Company mainly conducts business activities, and that especially in Germany demand for temporary staffing will increase due to factors such as the recovery of automobile production. The Special Committee has no particular objection to the Company's understanding of the business environment as stated above.

As stated in “(a) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror’s Decision to Conduct the Tender Offer” in “(ii) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror’s Decision to Conduct the Tender Offer; Post-Tender Offer Managerial Policy” in “(2) Substance of and Grounds and Reasons for Opinions Relating to the Tender Offer” under “3. Substance of and Grounds and Reasons for Opinion Relating to the Tender Offer” in the Opinion Press Release, the Company is aware that it is necessary to strengthen its governance and internal management systems as quickly as possible because, despite the fact that the recurrence prevention measures were taken following the occurrence of an inappropriate accounting incident, an inappropriate application incident was discovered, resulting in a decrease in the public trust in the Company’s governance and internal management systems, and this could be a growth constraint for the Company Group’s business over the medium- to long-term. The Company took seriously the analysis of the causes listed in the Investigation Report and the recommendations for the measures, and as described in the press release announced by the Company on November 14, 2023, titled “Notice Regarding Formulation of Measures to Prevent Recurrence,” the Company determined and announced that the Company would formulate and thoroughly implement the recurrence prevention measures and verify and implement those measures by establishing a governance committee that is led by outside directors and composed of outside experts and internal personnel. The Company Group has become a complex corporate entity with 236 consolidated subsidiaries, and one equity-method affiliate as of September 30, 2023 (225 consolidated subsidiary companies, and two equity-method affiliates as of December 31, 2023), and management issues such as the governance and internal management systems of each group company are becoming more and more apparent. The Special Committee determined that the Company’s awareness regarding its management issues as stated above is reasonable in light of the fact that it is deemed that the governance system and internal control function of the Company Group such as reform of the corporate culture and restructuring of organizational systems still requires enhancement and that rectifying the current state of the Company Group as a complex corporate entity with numerous consolidated subsidiaries would contribute to improving the governance and internal management systems of the Company.

Haruhiko Doi was approached by Bain Capital while the management of the Company, including Haruhiko Doi, believed that in order to realize further growth of the Company and the enhancement of its corporate value while dealing with the management issues of the Company, it is beneficial to utilize external management resources in addition to the Company’s own management efforts. Through continuous discussions with Bain Capital, Haruhiko Doi realized that the most optimal way to maximize the corporate value of the Company is to utilize Bain Capital’s global networks as well as its abundant experience, track record, human resources, and management know-how in providing support for group reorganizations and strengthening governance and internal management systems, and to establish a system that can steadily put these in practice in a short period of time, and on the premise that he would maintain a certain degree of a capital relationship with the Company and continue to be involved in its management, and given that the establishment of the most optimal governance system is an urgent issue of the Company in response to the occurrence of the inappropriate application incident and other issues, and thus it is necessary to establish, as quickly as possible, a system that enables speedy decision-making that integrates both ownership and management perspectives, Haruhiko Doi came to the determination that he will conduct an MBO of the Company jointly with Bain Capital at this time. Bain Capital intends to support the reform of the corporate culture aiming to medium-to-long-term corporate value enhancement instead of achieving short-term revenue goals, and promote the measures to avoid the same kind of incidents. With respect to the position of Haruhiko Doi after the Transaction, Bain Capital will discuss the appointment of Haruhiko Doi as director for the next business year onwards. Also, Bain Capital expects that Bain Capital will newly recruit the management team, including the president, from within and outside the Company Group, and Haruhiko Doi will focus on the non-executive duties as chairman and be involved in the designation of the growth strategy and vision with Bain Capital. The Company also believes that Bain Capital is a strong partner in rebuilding its governance and internal management systems, which is a management issue of the Company, based on Bain Capital’s past performance and other background. In addition, the Company believes that it is beneficial to the Company’s sustainable growth that after the execution of the Transaction, Haruhiko Doi will be appointed as chairman and cease to execute the Company Group’s management, and will be involved in

the Company's management from a broader perspective, such as designation of the growth strategy and vision. The Special Committee determined that the purposes of the Transaction are reasonable for the following reasons: (i) the Special Committee also believes that, in establishing new systems, it would be beneficial to utilize outside management resources that have a deep understanding of the Company's business and a track record of making improvements at companies that have had similar management issues as those that the Company has and therefore it is considered appropriate and reasonable to make Bain Capital a partner in the Transaction; and (ii) in light of factors such as that (a) there is an undeniable possibility that, if measures for the above management issues are taken while maintaining the listing of the Company, a decrease in the earnings level or deterioration in the cash flow of the Company would occur in the short term, which could cause disadvantages to the Company's shareholders, and (b) by taking the Company private together with Bain Capital and allowing Bain Capital to supervise and check the Company's business execution, it will be possible to strengthen the Company's internal controls, and with Haruhiko Doi's involvement in the Company's management to the extent necessary after changing his role, it will be possible to reestablish and strengthen proper governance and internal management systems and to aim to re-list the shares of the Company after restoring the trust of society, which will lead to an increase in the Company's corporate value, the Transaction is an effective option as a means to push forward with the development of governance and internal management systems, which is an urgent management issue of the Company Group as a whole, and therefore will contribute to the enhancement of the corporate value of the Company Group as a whole.

Bain Capital proposed the following as the measures to enhance the corporate value of the Company that are contemplated to be taken by the Tender Offeror after the execution of the Transaction: (i) hands-on management support based on extensive investment experience, (ii) strengthening human resources and organizational infrastructure to support current management for mid- to long-term growth, and (iii) M&A and PMI support. In addition, the Company believes that, from the perspective of the growth of the Company's core business, actions such as reorganization through consolidation and abolition of subsidiaries, strengthening the governance of the Company Group, and strengthening management personnel as needed in cooperation with Bain Capital will not only enable the Company to establish a system that promptly implements various measures that will contribute to the enhancement of the corporate value of the Company but also are expected to create synergies through the utilization of Bain Capital's portfolio companies. The Special Committee also believes that, based on Bain Capital's past investment and other track records in Japan and abroad, the expectation that Bain Capital is actually capable of providing the above support to the Company is reasonable, and also it is reasonable to believe that the Company will be able to create all of the advantages that it thinks can be offered to stakeholders through the Transaction by working in collaboration with Bain Capital through the Transaction, and thus the Special Committee determined that the Transaction will be able to offer advantages to the Company's stakeholders.

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

(2) Appropriateness of the Transaction terms and conditions

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

Plutus Consulting, which is the Special Committee's third-party valuation agency independent of the Company and the TOB Parties, used the average market price analysis and the DCF method to calculate the value of the Shares, and after the Special Committee received an explanation of the reasons for selecting those calculation methods, the Special Committee confirmed the reasonableness of the calculation methods after a question-and-answer session on the content of that explanation and the important assumptions concerning the calculation. Furthermore, Nomura Securities, which is the Company's third-party valuation agency independent of the Company and the TOB Parties, used the average market price analysis, the comparable company analysis, and the DCF method to calculate the value of the Shares, and after the Special Committee received an explanation of the reasons for selecting those calculation methods, the Special Committee confirmed the reasonableness of the calculation methods after a question-and-answer session on the content of that explanation and the important assumptions used in the calculations. The content of the calculations is considered to be appropriate in light of current practice, given the reasonableness of the business plan on which they are based, as described below.

With respect to the proposed business plans of the Company, on which Plutus Consulting and Nomura Securities based their DCF method calculations, the Special Committee confirmed that the plans were prepared by members excluding officers and employees who may have a conflict of interests, and also confirmed the reasonableness of the contents of the proposed business plans, material assumptions and the preparation process, major differences from a new medium-term management plan for the three-year period from the fiscal year ending December 31, 2023 to the fiscal year ending December 31, 2025, entitled "VISION2025: Building a New Stage" (the "Medium-Term Management Plan"), and reasons for such differences. Furthermore, with regard to those business plans, the Special Committee confirmed that, whereas the Medium-Term Management Plan already announced was prepared on the basis of figures that included effort targets (aggressive figures the Company aims for), based on the Medium-Term Management Plan, adjustments were made to the target figures for sales, operating profit and other items from the perspective of re-formulating the plan as a more probable business plan, and the period covered by the plan was extended to FY2026, and the Special Committee confirmed the reasonableness of the business plans, including the reasons for the revisions.

In light of the share valuation of the Shares in the Share Valuation Report (Plutus Consulting), the Tender Offer Price exceeds the maximum price calculated by the market price analysis, and is within the range of the prices calculated by the DCF Method. In light of the share valuation of the Share Valuation Report (Nomura Securities), the Tender Offer Price exceeds the maximum price calculated by the average market price analysis, and is within the range of the prices calculated by the comparable company analysis and the DCF Method.

The Special Committee obtained the Fairness Opinion from Plutus Consulting, the Special Committee's third-party valuation agency, and in the Fairness Opinion, Plutus Consulting expressed the opinion that the Tender Offer Price is fair to the Company's minority shareholders from a financial point of view, and the Special Committee found no particular unreasonable points in the issuance procedures and contents of the Fairness Opinion.

The premium of the Tender Offer Price can be evaluated as a price with a reasonable premium compared to the median premium in other recent management buyout (MBO) cases. In this regard, although the premium of the Tender Offer Price to the market share price prior to the announcement of the inappropriate application incident is low when compared to past MBO cases, the market share price prior to the announcement of the inappropriate application incident is not considered to reflect the recent situation of the Company, etc. In light of this, it is reasonable to consider that the closing price (1,172.5 yen) of the Shares on the Prime Market of the TSE on December 7, 2023, the business day immediately preceding the announcement date of the Transaction, is rather a reflection of the current intrinsic corporate value of the Shares.

It can be evaluated that earnest and continuous discussions and negotiations between the Special Committee and the TOB Parties have been conducted.

Although the Transaction will be announced after the announcement of the Special Investigation Committee's investigation results on the inappropriate application incident (the "Investigation Results") on November 2, 2023, when the market price of the Shares fell in the wake of the announcement of the inappropriate application incident on August 1, 2023 and has been weak since, the announcement of the

second quarter financial results and the third quarter financial results that were reextended to November 14, 2023, the announcement of the press release based on the Investigation Results and dated November 14, 2023, titled “Notice Regarding Formulation of Measures to Prevent Recurrence,” and the announcement of the release dated November 14, 2023, titled “Notice Regarding Difference of the Second Quarter Expected Consolidated Financial Results for the Cumulative Period and the Actual Results,” it is not deniable that those announced facts may affect the share price of the Shares, but the Special Committee is aware that the establishment of an optimal governance system is an urgent issue for the Company, and given that it is considered reasonable to urgently establish a system that enables rapid decision-making where ownership and management are integrated, in order to achieve both business growth and a fundamental reform of the governance and internal management systems, the Special Committee confirmed that (i) there are no unreasonable points in executing the Transaction at this time, (ii) as the announcement of the inappropriate application incident and the Investigation Results are subject to practical timely disclosure on the financial instruments exchange, there was no arbitrariness in the decision of the Company’s management on the timing of the announcement of these matters and there was no involvement of the TOB Parties in the relevant review process and the timing of the disclosure, (iii) in light of the state of negotiations with the Tender Offeror on the Tender Offer Price at the time of the announcement of the Investigation Results, it cannot be said that it was certain that the Transaction would be conducted at that time, and the decision of the Company’s management not to disclose the fact that the Transaction was under consideration at the time of the announcement of the Investigation Results was not unreasonable, (iv) the announcements dated November 14, 2023 described above were issued at the time according to the approval of Kanto Finance Bureau and the Securities Listing Regulations and were not arbitrarily issued for the purpose of decreasing the share price of the Shares prior to the announcement of the Transaction, (v) although the premium of the Tender Offer Price to the market share price prior to the announcement of the inappropriate application incident is low compared to past MBO cases, the inappropriate application incident was not arbitrarily announced by the Company’s management, (vi) the market price of the Shares has turned upward after a temporary large decline due to the announcement of the inappropriate application incident, (vii) given that more than four months have passed since the announcement of the inappropriate application incident, and in the meantime, in addition to the results of the investigation and the recurrence prevention measures relating to the inappropriate application incident, the Company’s financial results for the second and third quarter of the fiscal year ending March 2024 have been announced, and the market share price prior to the announcement of the inappropriate application incident is not considered to reflect the recent situation of the Company, it is reasonable to consider that the closing price (1,172.5 yen) of the Shares on the Prime Market of the TSE on December 7, 2023, the business day immediately preceding the announcement date of the Transaction, is rather a reflection of the current intrinsic corporate value of the Shares, and (viii) the Tender Offer Price was negotiated based on the market price of the Shares before the announcement of the inappropriate application incident, and therefore it is not considered that the Transaction was intended to be executed at a lower tender offer price than the intrinsic corporate value due to the Share price falling due to the announcement of the inappropriate application incident; and therefore in view of the fact that the share price fell as a result of the announcement of the inappropriate application incident, the Special Committee determined that it was not considered that there were any unreasonable points in conducting the Transaction at this time.

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

number of such conditions is limited. It should be noted that although Haruhiko Doi will indirectly re-invest in the Company after the Transaction in the form of holding shares in the Tender Offeror's Parent, the valuation of the Shares, which is the premise for determining the price to be paid per ordinary share of the Tender Offeror's Parent in reinvestment in which Haruhiko Doi will invest in the Tender Offeror's Parent by subscribing to the common shares of the Tender Offeror's Parent (the "Reinvestment") up to 5% after the completion of a series of procedures to make the Tender Offeror the sole shareholder of the Company and take the Shares private (the "Squeeze-Out Process"), is the same price as the Tender Offer Price, in order not to conflict with the purpose of the regulation of uniformity of the tender offer price, which is not unreasonable in view of the interests of the Company's general shareholders.

(3) Fairness of the procedures

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

The Special Committee is a committee composed of five outside directors of the Company. In view of the establishment and operation of the Special Committee, it is considered that a mechanism is secured for the Company's Board of Directors to make decisions with respect for the decisions of the Special Committee to the maximum extent, and that the Special Committee has the necessary authority to function effectively as a measure to ensure fairness.

It is considered that the Special Committee was substantially involved in the negotiation process between the Company and the Tender Offeror with respect to the transaction terms and conditions, including the purchase consideration.

The Special Committee has obtained the Share Valuation Report (Plutus Consulting) and the Fairness Opinion from Plutus Consulting, which is the Special Committee's financial advisor and third-party valuation agency independent of the Company and the TOB Parties.

The Company has obtained the Share Valuation Report (Nomura Securities) from Nomura Securities, which is a financial advisor and third-party valuation agency independent of the Company and the TOB Parties.

The Company's Board of Directors has received independent professional advice from Mori Hamada & Matsumoto, which is a legal advisor independent of the Company and the TOB Parties regarding the method and process of decision-making by the Board of Directors and other matters of note.

The system established within the Company to examine the Transaction was based on the advice of Mori Hamada & Matsumoto and was approved by the Special Committee after confirming that there were no issues from the perspective of the independence and fairness.

The Company has not allowed Haruhiko Doi, a director who has conflicts of interest, to participate in the deliberations and vote in the meeting of the Company's Board of Directors regarding the Transaction and has not allowed him to participate in the consultations and negotiations with Bain Capital regarding the Transaction from the Company's position since the establishment of the Special Committee.

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

Although the period of the tender offer is 20 business days, if the period from December 8, 2023 when the Tender Offeror announces the Tender Offer schedule to the commencement of the Tender Offer is included, the period during which a counter offer by a person other than the Tender Offeror can be made after the announcement of the Tender Offer schedule is substantially longer than the minimum period as prescribed by laws and ordinances. Therefore, it is considered that a so-called indirect market check is being conducted. Although the Company does not actively conduct market checks to investigate whether there are potential offerors in the market, careful examination is necessary for implementation of such checks from the perspective of information management, etc. In addition, as mentioned above, in the

Transaction, it can be evaluated that substantial measures were taken to ensure fairness and that sufficient consideration is given to the interests of the Company's shareholders through fair procedures.

The minimum number of shares to be purchased in the Tender Offer exceeds the number equivalent to a so-called "majority of minority," and the conditions that are stricter than the "majority of minority" are established.

In the December 8, 2023 Press Release and the report concerning the expression of opinion to be submitted by the Company, information will be fully disclosed with respect to (a) the independence and appropriateness of the members of the Special Committee, (b) the content of the authority granted to the Special Committee, (c) the background of examination by the Special Committee and its involvement in the process of negotiating the transaction terms and conditions with the Tender Offeror, (d) a summary of the substance of the December 8, 2023 Written Report, including a summary of the grounds and reasons for the Special Committee's decision on whether the Transaction should be implemented, and the appropriateness of the transaction terms and conditions and fairness of procedures, (e) the compensation system for the members of the Special Committee, (f) the background leading to the execution of the Transaction, (g) the specific details of the conflicts of interest held by the Company's directors, etc. in the Tender Offer and whether such directors, etc. were involved in the process of forming the transaction terms and conditions, and (h) the specific background of the discussions and negotiations between the Company and the Tender Offeror regarding the transaction terms and conditions, to the extent that the general shareholders may have appropriate opportunities to make decisions, and in accordance with the financial instruments and exchange laws and ordinances and the timely disclosure standards of the Tokyo Stock Exchange, and appropriately taking into consideration the "Fair M&A Guidelines" published by the Ministry of Economy, Trade and Industry on June 28, 2019.

In the Transaction, if the Tender Offeror fails to acquire all of the Shares (excluding the treasury shares held by the Company), the Squeeze-out Process will be performed promptly after the completion of the settlement of the Tender Offer. Therefore, it can be determined that the legality of the Squeeze-out Process is ensured considering that no issue of coerciveness arises in the Tender Offer because methods which cannot ensure the right to claim for pricing or the right to claim for purchase of shares for the Company's shareholders will be not employed, and that even if the general shareholders receive consideration from the Tender Offer or the demand for the sale of shares or Share Consolidation of the Company to be performed after the completion of the Tender Offer, it will be announced that the receipt of the amount of consideration equal to the Tender Offer Price will be ensured.

In addition to the above, there are no facts that presume that the Company was unduly influenced by the Tender Offeror in the course of discussions, deliberations and negotiations concerning the Transaction.

3. Summary

Based on the above, given that it is considered that the Transaction will contribute to the improvement of the Company's corporate value and that the transaction terms and conditions are appropriate and procedures are fair from the perspective of securing the interests of the Company's general shareholders, the Special Committee believes that with respect to the Tender Offer, the Company's Board of Directors is to resolve to issue an opinion in support of the Tender Offer and recommend that its shareholders tender their shares in the Tender Offer if the Tender Offer is commenced, as the Company's opinion as of December 8, 2023.

It is considered that the Transaction will contribute to the improvement of the Company's corporate value and that the transaction terms and conditions are appropriate and procedures are fair from the perspective of securing the interests of the Company's general shareholders. Therefore, the Special Committee believes that it is not disadvantageous to the Company's minority shareholders that with respect to the Tender Offer, the Company's Board of Directors resolves to issue an opinion in support of the Tender Offer and recommend that its shareholders tender their shares in the Tender Offer if the Tender Offer is commenced, as the Company's opinion as of December 8, 2023. In addition, the Special Committee believes that it is not disadvantageous to the Company's minority shareholders that the Tender Offeror takes the Shares of the Company private after the completion of the Tender Offeror.

Then, as announced in the January 31, 2024 Press Release, the Company was informed by the Tender Offeror on January 22, 2024 that the Tender Offeror has determined that the Preconditions are all satisfied

(for those that will be determined at the time of the commencement of the Tender Offer, they are likely to be satisfied at such time), except for acquisition of the clearance with respect to the FSR. The Company was also informed by the Tender Offeror on January 22, 2024 that the Tender Offeror filed a prior notification to the European Commission on January 17, 2024 (local time) and such prior notification was accepted on the same date, the Tender Offeror expects to obtain clearance by late February 2024 and that the Tender Offeror aims to commence the Tender Offer around late February 2024.

Following that, at this time, the Company was informed by the Tender Offeror on February 22, 2024 that as the obtaining of clearances under domestic and foreign competition laws and investment control laws and regulations was fully completed because the preliminary review period for prior notification of concentration between undertakings under the FSR in the European Union expired on February 21, 2024 (local time), the Tender Offeror will commence the Tender Offer on February 28, 2024 subject to the satisfaction or waiver of the other Preconditions.

In addition, as the Company announced in the Representative Executive Officer Change Press Release, Haruhiko Doi will retire from the office of the Representative Executive Officer, Chairman and CEO upon the expiration of his 27th term of office in light of the importance of establishing a next-generation management system. Haruhiko Doi will hand over his role and provide support to the management team with the aim of establishing a next-generation management system as Honorary Chairman after retirement.

The Company shared with the members of the Special Committee at a total of six meetings (six hours in total) of the Special Committee held from January 11, 2024 through February 26, 2024 information on the status of the Company and the TOB Parties.

The Special Committee confirmed at the meeting of the Special Committee held on February 26, 2024 with the Company the facts regarding whether any material change in the situation that may affect the Transaction has occurred since December 8, 2023, and examined the Additional Consultation Matters. As a result, the Special Committee confirmed that there is no circumstance in which the opinion expressed to the Company's Board of Directors on December 8, 2023 must be changed considering the circumstances from December 8, 2023 through February 27, 2024, and submitted the February 27, 2024 Written Report to the Company's Board of Directors on February 27, 2024 by unanimous resolution of the members of the Special Committee.

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

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

The Board of Directors received the Share Valuation Report (Plutus Consulting) and the Fairness Opinion on December 8, 2023, together with the December 8, 2023 Written Report from the Special Committee. After considering the content of the Share Valuation Report (Plutus Consulting) and the Fairness Opinion, the Board of Directors passed a resolution as stated below in "(E) Approval of All Company Directors Not Having a Conflict of Interest."

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

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

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

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

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

In the DCF Method, the corporate value and share value of the Company were calculated using the free cash flow that the Company is expected to generate, which was estimated based on projections prepared by the Company for the period from the fiscal year ending December 2023 to the fiscal year ending December 2026 and the trends of the most recent business results, and then discounted to the present value at a given discount rate. The calculations resulted in a share value per Share in the range of JPY 1,588 to 1,975. Discount rates of between 7.85% and 9.10% were used based on the WACC (Weighted Average Cost of Capital). In addition, when calculating the going-concern value, the perpetuity growth rate method was adopted, and the Shares are calculated with the perpetuity growth rate being 0%.

The financial projections based on the Company's business plans that Plutus Consulting used as a basis for the DCF Method calculations are as indicated below. Such financial projections include fiscal years in which large changes in earnings is expected. Specifically, in the fiscal year ending December 2024, it is expected that operating profits will significantly increase by approximately 34% compared to the previous fiscal year, but that is due to a recovery from a temporary slowdown in operating profits resulting from an impairment loss of fixed assets of 162 million yen in its Domestic Engineering Outsourcing Business, an impairment loss of goodwill of 1,366 million yen in its Domestic Manufacturing Outsourcing Business, and an impairment loss of goodwill of 648 million yen in its Overseas Manufacturing and Service Operations Outsourcing Business in the fiscal year ending December 2023. The synergistic effect expected to be achieved by the implementation of the Transaction is not reflected in the Company's business plan, as it is difficult to specifically estimate any effect at the time of the calculation.

(Unit: million JPY)

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

When calculating the share value, Plutus Consulting, as a general rule, utilized the information provided by the Company, publicly-available information, and other such information on an as-is basis,

assuming that such materials, information, etc., were accurate and complete in all respects. Therefore, Plutus Consulting did not independently evaluate the accuracy or completeness of these materials. Further, no independent evaluations or assessments were made, and no expert opinions or assessments from third-party organizations were sought, in regard to the assets and liabilities of the Company (including unlisted assets and liabilities, and other contingent liabilities). Moreover, it was assumed that the information regarding financial projections had been reasonably prepared based on the best predictions and judgments that could be made by the Company's top management (excluding Haruhiko Doi) at the time of the calculation. However, regarding the Company's business plan that constitutes the basis of the calculations, Plutus Consulting has carried out interviews multiple times and analyzed and examined its details. As stated in "(C) Establishment of an Independent Special Committee at the Company; Procuring a Written Report" above, the Special Committee has confirmed the rationality of the details, material assumptions, and preparation process of the business plan.

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

On the basis of the legal advice the Company obtained from Mori Hamada & Matsumoto, the Share Valuation Report (Nomura Securities) the Company obtained from Nomura Securities, and the Share Valuation Report (Plutus Consulting) and the Fairness Opinion the Special Committee obtained from Plutus Consulting, and while respecting the contents of the December 8, 2023 Written Report submitted by the Special Committee as much as possible, the Company conducted careful discussions from the standpoint of whether the Company's corporate value would improve through the Transaction and whether the Transaction would be executed through fair procedures to ensure that general shareholders would receive their entitled benefits.

Consequently, as explained above in "1. Purpose of and Reasons for Implementing the Share Consolidation," the Company decided that the Transaction would contribute to enhancing the Company's corporate value since there is a high likelihood of success in radically restructuring the internal management system and global governance system, which are the Company's urgent challenges, and decided that the terms and conditions of the Transaction, including the Tender Offer Price, are appropriate in light of factors such as the calculation results of the Share Valuation Report (Nomura Securities) and the Share Valuation Report (Plutus Consulting), the opinion on the fairness from a financial point of view in the Fairness Opinion, the premium of the Tender Offer Price, and the process of negotiations with Bain Capital. At the Board of Directors meeting held on December 8, 2023, the Company's directors (11 directors of the Company excluding Haruhiko Doi) who participated in the deliberations and vote unanimously passed a resolution to state an opinion in favor of the Tender Offer and to recommend all of the Company's shareholders to tender their shares in the Tender Offer.

In addition, as stated above in "1. Purpose of and Reasons for Implementing the Share Consolidation," the Tender Offer is scheduled to be commenced promptly when the Preconditions are satisfied or waived by the Tender Offeror. Although it is difficult to accurately predict the length of time required to comply with foreign competition laws and regulations on competition and domestic and foreign laws and regulations on investment restrictions, as of December 8, 2023, the Tender Offeror is aiming to commence the Tender Offer around late January 2024. The Company also passed a resolution to the effect that upon the commencement of the Tender Offer, the Company will request the Special Committee to consider whether there has been any change in the opinion the Special Committee has expressed to the Board of Directors on December 8, 2023 and to inform the Board of Directors either that there has been no change or of the new opinion if there has been a change, and based on that opinion, the Company will once again express its opinion in regard to the Tender Offer at the time of the commencement of the Tender Offer.

Then, as announced in the January 31, 2024 Press Release, the Company was informed by the Tender Offeror on January 22, 2024 that the Tender Offeror has determined that the Preconditions are all satisfied (for those that will be determined at the time of the commencement of the Tender Offer, they are likely to be satisfied at such time), except for acquisition of the clearance with respect to the FSR. The Company was also informed by the Tender Offeror on January 22, 2024 that the Tender Offeror filed a prior notification to the European Commission on January 17, 2024 (local time) and such prior notification was accepted on the same date, the Tender Offeror expects to obtain clearance by late

February 2024 and that the Tender Offeror aims to commence the Tender Offer around late February 2024.

Following that, at this time, the Company was informed by the Tender Offeror on February 22, 2024 that as the obtaining of clearances under domestic and foreign competition laws and investment control laws and regulations was fully completed because the preliminary review period for prior notification of concentration between undertakings under the FSR in the European Union expired on February 21, 2024 (local time), the Tender Offeror will commence the Tender Offer on February 28, 2024 subject to the satisfaction of the other Preconditions.

In addition, as the Company announced in the Representative Executive Officer Change Press Release, Haruhiko Doi will retire from the office of the Representative Executive Officer, Chairman and CEO upon the expiration of his 27th term of office in light of the importance of establishing a next-generation management system. Haruhiko Doi will hand over his role and provide support to the management team with the aim of establishing a next-generation management system as Honorary Chairman after retirement.

The Company shared with the members of the Special Committee at a total of six meetings (six hours in total) of the Special Committee held from January 11, 2024 through February 26, 2024 information on the status of the Company and the TOB Parties. In addition, as a result of carefully examining the Additional Consultation Matters, the Special Committee submitted the February 27, 2024 Written Report to the Company's Board of Directors on February 27, 2024.

Based on the above, while respecting the contents of the February 27, 2024 Written Report submitted by the Special Committee as much as possible, the Company carefully discussed and examined again the terms and conditions of the Tender Offer in light of the Company's performance and changes in market conditions since December 8, 2023, as well as the retirement of Haruhiko Doi from Representative Executive Officer, Chairman and CEO of the Company. As a result, while the Company recognized again the necessity for strengthening the Company's governance and internal management system and further fostering awareness of compliance by executing the Transaction, considering that TSE implemented public announcement measures and requested an improvement status report on December 20, 2023, the Company believes as of February 27, 2024 that there is no change in the purpose of the Transaction and the significance and necessity for achieving such purpose, because the Company expects to receive support for strengthening the internal compliance/governance system including inviting people responsible for compliance scheduled to be provided by Bain Capital as set forth in "(b) Post-Tender Offer Managerial Policy" in "(ii) Background, Objectives, and Decision-Making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer; Post-Tender Offer Managerial Policy" under "3. Substance of and Grounds and Reasons for Opinion Relating to the Tender Offer" in the Opinion Press Release. In addition, because there is no other factor that changes the decision by the Company on the Tender Offer as of December 8, 2023, the Company resolved on February 27, 2024 by a resolution (written resolution) of the Board of Directors as provided in Article 370 of the Companies Act that the directors who do not have a conflict of interest unanimously express an opinion in favor of the Tender Offer again and recommend that the shareholders of the Company tender their shares in the Tender Offer.

Since Haruhiko Doi is expected to execute the tender agreement with the Tender Offeror on December 8, 2023 and the shareholders agreement with BCPE Origin on December 8, 2023 and decide on the Reinvestment in the Tender Offeror's Parent after consultation with the Tender Offeror, and will be involved in the management of the Company after the Transaction for a certain period, Haruhiko Doi may have conflicts of interest with the Company in relation to the Transaction. Therefore, he has not in any way participated in the deliberations or vote in the Board of Directors meeting held on December 8, 2023, or in the consultations and negotiations with Bain Capital from the Company's position. In addition, Haruhiko Doi has not expressed his intention to provide consent to the above resolution (written resolution) of the Board of Directors as of February 27, 2024.

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

The Tender Offeror has set the tender offer period to 20 business days, which is the minimum tender offer period stipulated by law. When including the period from December 8, 2023, on which the plan of Tender Offer is announced, to the commencement of the Tender Offer, such period would essentially

be longer than the minimum period stipulated by law. Therefore, the Tender Offeror believes that the tender offer period will ensure both the opportunity for the general shareholders of the Company to decide whether to tender their Shares in the Tender Offer and the opportunity for persons other than the Tender Offeror to purchase the Shares.

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

(G) Exclusion of Coerciveness

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

4. Future Prospects

In conjunction with the implementation of the Share Consolidation, as set forth in "(i) Delisting" of "(2) Expectation of Delisting" of "3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation" above, it is planned that the Shares will be delisted.

The Transaction constitutes what is known as a management buyout (MBO), and Haruhiko Doi is expected to be engaged in the management of the Company for a certain period after the successful completion of the Tender Offer. For the details of Company's management structure, including the composition of the Company's directors and officers after the Transaction, please refer to "1. Purpose of and Reasons for Implementing the Share Consolidation."

5. Matters Relating to Transactions etc. with Controlling Shareholder

Because the Tender Offeror today corresponds to the Company's parent company, transactions relating to the Share Consolidation constitute transactions with the controlling shareholder.

(1) Status of Compliance with Guidelines relating to Policy to Protect Minority Shareholders in Transactions etc. with the Controlling Shareholder

In the Corporate Governance Report disclosed by the Company on March 29, 2024, the Company has not established the "guidelines relating to policy to protect minority shareholders in transactions etc. with the controlling shareholder." However, in the case of transactions with the controlling shareholder, the Company's basic policy is to check the appropriateness and economic rationality of the content of the transactions, including whether it is equivalent to independent transaction conditions, and to take appropriate measures to ensure that minority shareholders are not disadvantaged when deciding the terms and conditions of transactions with the controlling shareholder.

In relation to the Transaction, which includes the Tender Offer, as set forth in "(3) Measures to Ensure Fairness of the Transaction and Measures to Avoid Conflict of Interest" under "3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation" above, the Company has taken measures for ensuring fairness and measures for avoiding conflicts of interest, and it is considered that such treatment is in compliance with the above basic policy.

(2) Matters Relating to Measures for Ensuring Fairness and Measures for Avoiding Conflicts of Interest

See "(3) Measures to Ensure Fairness of the Transaction and Measures to Prevent Conflict of Interest" in "3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation" above.

(3) Overview of Opinion Obtained from Person Having No Conflict of Interest with Controlling Shareholder that the Transaction is Not Disadvantageous to Minority Shareholders

The Company requested the Special Committee to consider whether the decision on the implementation of the Transaction will be disadvantageous to the Company's minority shareholders and received the December 8, 2023 Written Report from the Special Committee stating that the decision on the implementation of the Transaction will not be disadvantageous to the Company's minority shareholders. Also, the Company received the February 27, 2024 Written Report from the Special Committee stating that there has been no change in the previous opinion expressed in the December 8, 2023 Written Report. For details, please refer to "(C) Establishment of an Independent Special Committee at the Company; Procuring a Written Report" in "(3) Measures to Ensure Fairness of the Transaction and Measures to Avoid Conflict of Interest" under "3. Grounds etc. for Amount of Cash to be Delivered to Shareholders Through Processing of Fractions for the Share Consolidation" above. Since the December 8, 2023 Written Report and February 27, 2024 Written Report refer to the Transaction including the Share Consolidation, the Company has not obtained another opinion from a person having no conflict of interest with the Controlling Shareholder in approving the Share Consolidation.

Proposal 2: Partial Amendment of the Articles of Incorporation

1. Reasons for Presenting this Proposal

(1) If the current draft of the proposal for the Share Consolidation is approved and the Share Consolidation takes effect, in accordance with Article 182, paragraph (2) of the Companies Act, the Company’s total number of authorized shares will be reduced to 28 shares. To clarify this point, subject to the Share Consolidation taking effect, Article 6 (Total Number of Authorized Shares) of the Articles of Incorporation will be amended.

(2) If the proposal for the Share Consolidation is approved as in the current draft and the Share Consolidation takes effect, the Company’s total number of outstanding shares will be seven shares, and it will cease to be necessary to specify the number of shares in a share unit. Subject to the Share Consolidation taking effect, in order to abolish the provision that currently makes 100 shares the share unit for the Shares, the entire text of Article 7 (Number of Shares in Share Unit) and Article 9 (Restriction on Rights of Holders of Shares Less Than One Share Unit), will be deleted entirely, and in conjunction with these amendments the article numbers will be shifted up.

(3) If the proposal for the Share Consolidation is approved as proposed and the Share Consolidation takes effect, because the Shares will be delisted and the Tender Offeror will be the only shareholder of the Company, the provisions regarding the record date of the annual general shareholders’ meeting and the provisions regarding the electronic provision system of materials for the a shareholders’ meeting will lose their necessity. Therefore, the Company will delete the entire text of Article 13 (Record Date of Annual General Shareholders’ Meeting) and Article 15 (Measures for Electronic Provision, etc.) of the Articles of Incorporation, and move up the number of articles in connection with such change, on the condition that the Share Consolidation takes effect.

2. Content of Amendment

The amendments are as set out below. Provided that the proposal for the Share Consolidation is approved at the Extraordinary Shareholders’ Meeting as in the current draft, and the Share Consolidation takes effect, these amendments of the Articles of Incorporation are scheduled to take effect on June 8, 2024, which is the effective date of the Share Consolidation.

(Underlining shows the amended portions.)

Current Articles of Incorporation	Draft Amendment
Articles 1–5 (Omitted)	Articles 1–5 (Unchanged from current version)
Article 6. Total Number of Authorized Shares The Company’s total number of authorized shares shall be <u>160,000,000</u> shares.	Article 6. Total Number of Authorized Shares The Company’s total number of authorized shares shall be <u>28</u> shares.
<u>Article 7. Number of Shares in Share Unit</u> <u>The number of shares of the Company in one share unit shall be 100 shares.</u>	(Deleted)
Article <u>8</u> . (Omitted)	Article <u>7</u> . (Unchanged from current version)
<u>Article 9. Restriction on Rights of Holders of Shares Less Than One Share Unit</u> <u> Holders of shares less than one share unit of the Company may not exercise any rights, except for the following rights:</u> <u>(1) The rights set forth in the items of the Companies Act, Article 189, paragraph (2);</u>	(Deleted)

<p><u>(2) The right to make demands for acquisition of shares with put options; and</u> <u>(3) The right of shareholders to receive allotment of subscription shares or stock acquisition rights for subscription in proportion to the number of shares.</u></p>	
<p>Article <u>10</u>–Article <u>12</u> (Omitted)</p>	<p>Article <u>8</u>–Article <u>10</u> (Unchanged from current version)</p>
<p><u>Article 13. Record Date of Annual General Shareholders’ Meeting</u> <u>The record date for voting rights of the Company’s annual general shareholders’ meeting shall be December 31 of each year.</u></p>	<p>(Deleted)</p>
<p>Article <u>14</u>. (Provisions omitted)</p>	<p>Article <u>11</u>. (Unchanged from current version)</p>
<p><u>Article 15. Measures for Electronic Provision, etc.</u> <u>1. The Company shall take measures for electronic provisions of the information contained in the reference documents for the shareholders’ meeting, etc. upon the convocation of the shareholders’ meeting.</u> <u>2. The Company may omit to state all or part of the matters as prescribed by the Ministry of Justice Order for which measures for electronic provisions are taken in the documents to be delivered to the shareholders that make a request for delivery of documents by the record date for voting rights.</u></p>	<p>(Deleted)</p>
<p>Article <u>16</u>–Article <u>40</u> (Omitted)</p>	<p>Article <u>12</u>–Article <u>36</u> (Unchanged from current version)</p>