



July 14, 2025

To whom it may concern

Company Name: DD GROUP Co., Ltd.
Representative: Atsuhisa Matsumura,
President and Representative
Director
(Prime Market of TSE, Securities
Code 3073)
Contact: Motoaki Saito
Senior Managing Director and
General Manager of Group's
Corporate Management Division
Phone: +81-3-6858-6080 (Main)

**Notice regarding Expression of Opinion in favor of the Tender Offer for the Shares of the
Company by PCGVI-1 Inc. and Recommendation to Tender Shares**

DD GROUP Co., Ltd. (the “Company”) hereby announces that it has resolved as follows at the board of directors meeting held today to express an opinion in favor of a tender offer (the “Tender Offer”) for the shares of the Company’s common stock (the “Company’s Stock”) by PCGVI-1 Inc. (the “Offeror”) to be carried out as part of a so-called management buyout (MBO) (Note), and also to recommend that the Company’s shareholders tender their shares in the Tender Offer.

The resolution by the board of directors was made on the assumption that the shares of the Company’s Stock are planned to be delisted through the Tender Offer and the subsequent series of procedures to be carried out by the Offeror.

(Note) A “management buyout (MBO)” generally refers to a tender offer in which the offeror is an officer of the Company (including tender offers in which the offeror conducts a tender offer pursuant to the request of an officer the Company and has common interests with an officer the Company) (please see Article 441 of the Securities Listing Regulations of the Tokyo Stock Exchange).

1. Overview of the Offeror

(1)	Name	PCGVI-1 Inc.
(2)	Location	1-9-1, Marunouchi, Chiyoda-ku, Tokyo
(3)	Name and title of representative	Hideto Nishihata, Representative Director
(4)	Description of business	Acquiring and holding the Company’s shares and controlling and managing the Company’s business after the successful completion of the Tender Offer

(5)	Capital	25,000 yen
(6)	Date of incorporation	June 13, 2025
(7)	Large shareholders and their ownership percentages	Polaris Capital Group Co., Ltd. 100.00%
(8)	Relationships between the Company and the Offeror	
	Capital relationships	N/A
	Personnel relationships	N/A
	Transactional relationships	N/A
	Status as related person	N/A

2. Purchase price

1,700 yen per common share

(Note) In addition to the common shares, the Company has issued 20,000 shares of Class A Preferred Stock (the “Preferred Stock”) as of today, all of which (20,000 shares) are held by the DBJ Food And Accommodation Support Fund Investment Limited Partnership (“DBJ Fund”). As of July 14, 2025, the Offeror has obtained a written consent (the “Written Consent”) from DBJ Fund to the effect that all of the Preferred Stock shall be excluded from the shares to be purchased in the Tender Offer, pursuant to the provisions of Article 27-2, Paragraph 5 of the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended) (the “Act”), Article 8, Paragraph 5, Item 3 of the Enforcement Order of the Financial Instruments and Exchange Act (Government Ordinance No. 321 of 1965, as amended) (the “Order”), and Article 5, Paragraph 3, Item 2 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other than Issuer (Ordinance of the Ministry of Finance No. 38 of 1990, as amended) (the “TOB Order”).

3. Details of and grounds and reasons for opinions on the Tender Offer

(1) Details of opinions on the Tender Offer

At the board of directors meeting held on July 14, 2025, based on the grounds and reasons stated in “(2) Grounds and reasons for opinions on the Tender Offer” below, the Company resolved to express an opinion in favor of the Tender Offer and recommend that the shareholders of the Company tender their shares in the Tender Offer.

The resolution at the abovementioned board of directors meeting was made in accordance with the method stated in “(V) Unanimous approval of all disinterested directors (including directors who are Audit & Supervisory Committee Members) of the Company” under “(6) Measures to ensure fairness of Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of Tender Offer” below.

(2) Grounds and reasons for opinions on the Tender Offer

The following statements that relate to the Offeror are based on explanations received from the Offeror.

(I) Overview of the Tender Offer

The Offeror is a joint stock corporation (kabushiki kaisha) incorporated on June 13, 2025, with the primary purpose of acquiring and holding all shares of the Company’s Stock (excluding the shares of restricted stock of the Target Company that have been granted to the directors of the Company as restricted stock

compensation (the “Restricted Stock”), the treasury shares held by the Company and the Non-tendered Shares (as defined below)) through the Tender Offer and privatizing the shares of the Company’s Stock. In addition, as of today, Polaris Capital Group Co., Ltd. (“Polaris”) holds all of the issued shares thereof. As of the date hereof, neither the Offeror nor Polaris holds any shares of the Company’s Stock.

Polaris is a private equity fund management company incorporated in September 2004. Through six rounds of domestic and international fund raising, it has established investment funds totaling approximately 500 billion yen. With the investment themes of “Revitalization of Japan” through “Returning to Founders’ Spirit” and “Promoting Business Model Innovation,” Polaris has achieved a cumulative total of 43 investments over 20 years, including, among others, Space Value Holdings Co., Ltd., Eclasia HD Co., Ltd., social inclu CO.,LTD., Sendenkaigi Co., Ltd. and MASSMEDIAN Co., Ltd., Welbe, Inc., Olympus Terumo Biomaterial Corp.and FH Ortho SAS, Stockmark Inc, and B Food Science Co., Ltd.

The Offeror has decided to implement the Tender Offer as part of a series of transactions (the “Transactions”) intended to privatize the shares of the Company’s Stock by acquiring all shares of the Company’s Stock (excluding the Restricted Stock, the treasury shares held by the Company and the Non-tendered Shares) listed on the Prime Market of the Tokyo Stock Exchange, Inc. (the “TSE”).

In connection with the Tender Offer, the Offeror has entered into a share transfer agreement (the “Share Transfer Agreement”) and a tender agreement (the “Tender Agreement”) with the Company’s President and Representative Director and the largest shareholder, Mr. Atsuhisa Matsumura (Total number of shares: 4,998,403 shares and Shareholding Ratio (Note 1): 27.59%; “Mr. Matsumura”) on July 14, 2025. Under the Share Transfer Agreement, it has been agreed that Mr. Matsumura will transfer all of his shares of common stock(“Matsumuraya’s Stock”) in Matsumuraya Co., Ltd. (Total number of shares: 1,488,000 shares and Shareholding Ratio: 8.21%; “Matsumuraya”), the second largest shareholder of the Company, of which Mr. Matsumura holds all voting rights, to the Offeror (the “Share Transfer”) following the Squeeze-out Process (as defined below; hereinafter the same). In addition, prior to the Share Transfer, in order to restructure Matsumuraya as a company with the sole purpose of holding only the Company’s Stock and owing debts to Mr. Matsumura, the Share Transfer Agreement stipulates that the Share Transfer is subject to the following conditions precedent, which must be satisfied prior to the Share Transfer: (i) the incorporation-type company split procedure (the “Incorporation-type Company Split”), under which Matsumuraya becomes a splitting company holding only shares of the Company’s Stock and bearing only the debt obligations owed to Mr. Matsumura, while transferring all other assets, liabilities, contractual positions, and associated rights and obligations to a company incorporated through the Incorporation-type Company Split (the “New Matsumuraya”); and (ii) the distribution in kind (the “Distribution in Kind”) of the shares of the New Matsumuraya’s stock to be held by Matsumuraya to Mr. Matsumura. Additionally, based on the fact that Matsumuraya is an asset management company whose purpose is to hold and manage shares of the Company’s Stock, the transfer price of Matsumuraya’s Stock will be substantially equal to the consideration that would be paid if Matsumuraya tendered the shares of the Company’s Stock in the Tender Offer, on the condition that the transfer price of Matsumuraya’s Stocks in the Share Transfer is set to be: (i) the amount (2,592,600,000 yen) obtained by multiplying the number of shares of the Company’s Stock held by Matsumuraya (1,488,000 shares) by the purchase price per share of the Company’s Stock in the Tender Offer (the “Tender Offer Price”) (1,700 yen per share) in the Tender Offer, (ii) subtracting any obligations Matsumuraya bears as of the date of the Share Transfer, and (iii) adding the value of assets of Matsumuraya as of the date of the Share Transfer. Accordingly, the Offeror and Mr. Matsumura determined that the transfer price would not only be considered economically reasonable, but also consistent with the uniformity of the tender offer price under Article 27-2, Paragraph 3 of the Act and Article 8, Paragraph 3 of the Enforcement Order and acceptable under applicable laws and regulations; therefore, the Offeror and Mr. Matsumura entered into the Share Transfer Agreement. The specific timing

of the Share Transfer is planned to take place after the Squeeze-out Process. However, the details have not yet been determined and will be discussed with Mr. Matsumura at a later date. Also, after the Share Transfer, an absorption merger with the Offeror as the company that survives such merger and Matsumuraya as the company that is absorbed in such merger is scheduled. Under the Tender Agreement, Mr. Matsumura has agreed to (i) tender 4,993,900 shares of the Company's Stock held by him, out of 4,998,403 shares (Shareholding Ratio: 27.59%), excluding the restricted stocks (4,503 shares) of the Company held by Mr. Matsumura under the Company's restricted stock-based remuneration plan in the Tender Offer; (ii) in the event that the Offeror is unable to acquire all of the Company's Stock (excluding the Restricted Stock, the treasury shares held by the Company and the Non-tendered Shares) through the Tender Offer, provide the necessary cooperation to implement the Squeeze-out Process after the Tender Offer is consummated. In addition, Mr. Matsumura has entered into an agreement (the "Reinvestment Agreement"), which states that once the Transactions are complete, he will invest in the Offeror an amount equivalent to approximately 5.00% of the total number of shares issued by the Offeror through a third-party allotment (the "Reinvestment"). Further, the Offeror has entered into a shareholders agreement (the "Shareholders Agreement") with Mr. Matsumura regarding the operation of the Company and the handling of the shares of the Company after the Transactions. Furthermore, on July 14, 2025, the Offeror has entered into a non-tender agreement (the "Non-tender Agreement") with Matsumuraya, under which Matsumuraya has agreed not to tender all of its shares of the Company's Stock (1,488,000 shares (the "Non-tendered Shares") and Shareholding Ratio: 8.21%) in the Tender Offer. The issue price per share of the Offeror's common stock in the Reinvestment will be determined based on the valuation of the Company's Stock, which is expected to be set at 1,700 yen per share, equivalent to the Tender Offer Price. The issue price per share of the Offeror's common stock in the Reinvestment will not be determined based on a value lower than this valuation. In addition, the Reinvestment will be implemented because Mr. Matsumura is expected to continue managing the Company as its representative director even after the completion of the Transactions, and has been considered independently of whether Mr. Matsumura may tender his shares in the Tender Offer. Accordingly, the Offeror believes that it will not violate the purpose of the equality principles of the tender offer price regulations (Article 27-2, Paragraph 3 of the Act).

As of July 14, 2025, the Offeror has obtained the Written Consent from DBJ Fund to the effect that all of the Preferred Stock shall be excluded from the shares to be purchased in the Tender Offer, pursuant to the provisions of Article 27-2, Paragraph 5 of the Act, Article 8, Paragraph 5, Item 3 of the Enforcement Order, and Article 5, Paragraph 3, Item 2 of the TOB Order. On July 7, 2025, the Company submitted a Letter of Commitment (the "Letter of Commitment") to DBJ Fund stating that, in the event that the Tender Offer is successfully completed, the Company will acquire the Preferred Stock in exchange for cash with the mandatory redemption date set at September 3, 2025, and it requested DBJ Fund to consent to the execution of the Transactions, including changes in the Company's shareholders and the implementation of the Squeeze-out Process, if the Tender Offer is successfully completed. On July 14, 2025, the Company received a written consent from DBJ Fund agreeing to such request. If the Tender Offer is successfully completed, the Company plans to acquire all of the Preferred Stock as stated in the Letter of Commitment, pursuant to Article 11-6 of the Company's articles of incorporation, with the mandatory redemption date set at September 3, 2025.

For details of the Share Transfer Agreement, the Tender Agreement, the Reinvestment Agreement, the Shareholders Agreement, the Non-tender Agreement, and the Written Consent, please refer to "4. Matters relating to material agreements regarding tendering shares in the Tender Offer and other matters concerning the Tender Offer between the Offeror and the Company's shareholders" below.

(Note 1) "Shareholding Ratio" means the ratio (rounded to the second decimal place; hereinafter the same applies to the description of the Shareholding Ratio unless otherwise specified) of the number of shares held to the number of shares (18,116,186 shares) obtained by subtracting the

number of the treasury shares held by the Company (338,833 shares) as of May 31, 2025 from the total number of issued shares (18,455,019 shares) of the Company as of May 31, 2025 as stated in the “Summary of First Quarter Consolidated Financial Results for the Fiscal Year Ending February 28, 2026 [Japanese GAAP]” (the “Company’s First Quarter Financial Results”) announced by the Company on July 14, 2025.

Based on the above, through the Reinvestment, Mr. Matsumura is expected to acquire the common stock of the Offeror equivalent to 5.00% of the voting rights, as well as to continue managing the Company even after the completion of the Transactions. Since the Tender Offer is being implemented based on an agreement between Mr. Matsumura and the Offeror, the Transactions constitute a so-called management buyout (MBO).

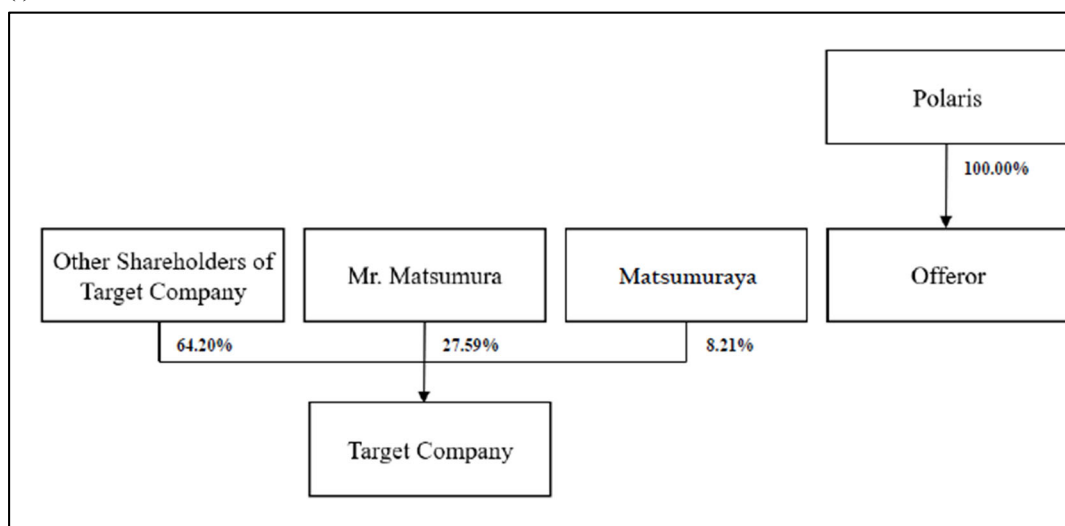
The Offeror has set the minimum number of shares to be purchased in the Tender Offer at 10,813,295 shares (Shareholding Ratio: 59.69%). If the total number of shares tendered in the Tender Offer (the “Tendered Shares”) fails to reach the minimum number of shares to be purchased (10,813,295 shares), the Offeror will not purchase any of the Tendered Shares. On the other hand, as described above, the Offeror has not set the maximum number of shares to be purchased since the Offeror intends to take the Company private by acquiring all of the Company’s Stock (excluding the Restricted Stock, the treasury shares held by the Company and the Non-tendered Shares), and if the total number of the Tendered Shares is greater than or equal to the minimum number of shares to be purchased (10,813,295 shares), the Offeror will purchase all the Tendered Shares. The minimum number of shares to be purchased (10,813,295 shares) has been set to ensure the execution of the Transactions, as the consolidation of the Company’s Stock (the “Share Consolidation”), which is necessary to implement a series of processes to make the Offeror and Matsumuraya the sole shareholders of the Company (the “Squeeze-out Process”), as described in “(4) Policies on reorganization, etc. after Tender Offer (matters concerning “two-step acquisition”)” below, requires an extraordinary resolution of the general meeting of shareholders, as provided in Article 309, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended; the “Companies Act”). Also, the minimum number of shares to be purchased in the Tender Offer is set to be 10,813,295 shares, which equal to 4,998,403 shares plus 5,814,892 shares. 4,998,403 shares are the number of the Company Shares owned by Mr. Matsumura. 5,814,892 shares is to be calculated as more than half of 11,629,783 shares, which is calculated as bellow: 18,116,186 shares (which results from subtracting the number of treasury shares held by the Company as of May 31, 2025 (338,833 shares) from the number of issued shares of the Company as of the same date, as stated in the Company's consolidated financial statements (18,455,019 shares)), minus the number of the Company Shares owned by Mr. Matsumura as of the date of this document (4,998,403 shares), and minus the number of shares subject to the Non-tender Agreement (1,488,000 shares), resulting in 11,629,783 shares. If the Offeror fails to obtain the approval of a majority of the Company’s shareholders who are not affiliated with the Offeror and Mr. Matsumura, so-called a “Majority of Minority” as defined below in “(vii) Setting the minimum number of shares to be purchased to satisfy the “Majority of Minority” condition” in “(6) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer”, the Tender Offer is not successful, which emphasizes the intentions of the Company’s minority shareholders. If the Offeror fails to acquire all the Company’s Stock (excluding the Restricted Stock, the treasury shares held by the Company and the Non-tendered Shares) through the Tender Offer, the Offeror plans to conduct the Squeeze-out Process to make the Offeror and Matsumuraya the sole shareholders of the Company and take the Company private following the consummation of the Tender Offer, as described in “(4) Policies on reorganization, etc. after the Tender Offer (matters concerning “two-step acquisition”)” below. In addition, the Offeror may conduct an absorption merger (the “Merger”) with the Company following the

completion of the Squeeze-out Process. However, details such as whether to conduct the Merger, the timing of the Merger, and which of the Offeror or the Company will become the surviving company have not yet been determined as of the date hereof.

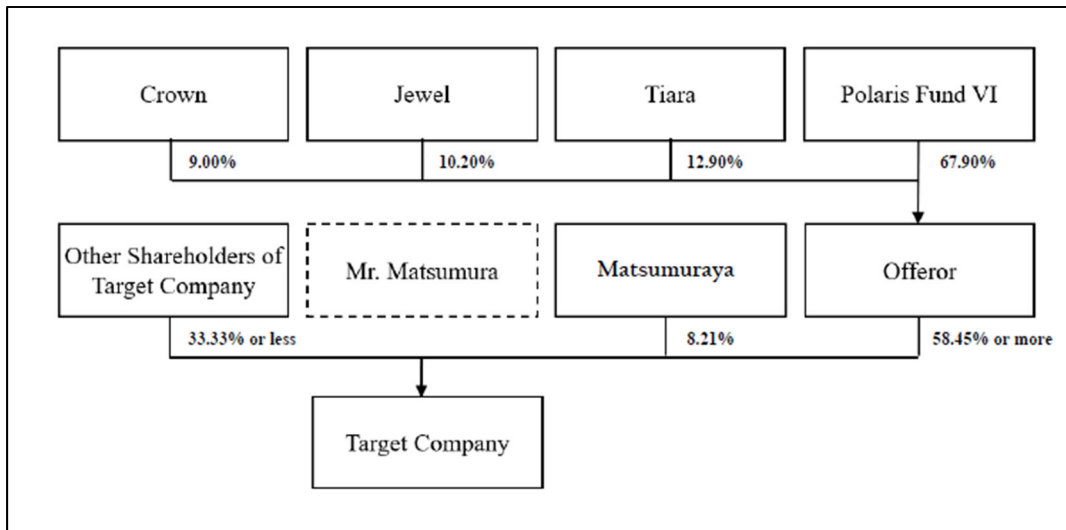
If the Tender Offer is consummated, after the completion of the Tender Offer, Polaris will transfer all of the common shares of the Tender Offeror that it owns at that time to Polaris Fund VI, and the Offeror plans to receive a capital contribution from Polaris Private Equity Fund VI, for which Polaris serves as the general partner (“Polaris Fund VI”), no later than two business days prior to the commencement date of the settlement. In addition, the Offeror plans to finance the settlement through capital contributions from Crown CG Private Equity Fund 2024, L.P. (“Crown”), Jewel CG Private Equity Fund 2024, L.P. (“Jewel”), and Tiara CG Private Equity Fund 2024, L.P. (“Tiara”), which receive information on investment opportunities from a wholly-owned subsidiary of Polaris, and a loans from Sumitomo Mitsui Banking Corporation (“SMBC”), Trust Capital Mezzanine 2022 Investment Partnership (“Trust Capital Mezzanine”), and NEC Capital Solutions Limited (“NEC Capital Solutions”). Specifically, subject to the consummation of the Tender Offer, the Offeror plans to receive capital contributions of 13,611,594,985 yen, 1,797,957,380 yen, 2,031,691,839 yen, and 2,571,079,053 yen from Polaris Fund VI, Crown, Jewel, and Tiara, respectively, no later than two business days prior to the commencement date of the settlement of the Tender Offer, and also receive loans of up to 20,650,000 thousand yen, 3,000,000 thousand yen, and 2,000,000 thousand yen in total from SMBC, Trust Capital Mezzanine, and NEC Capital Solutions, respectively (collectively, the “Acquisition Loan”), no later than one business day prior to the commencement date of the settlement. The Offeror plans to use these funds to finance the settlement of the Tender Offer. The detailed terms of the Acquisition Loan will be specified in each loan agreement for the Acquisition Loan, following separate negotiations with SMBC, Trust Capital Mezzanine, and NEC Capital Solutions, respectively. Each of the loan agreements is expected to stipulate that the Company’s Stock acquired by the Offeror through the Transactions will be offered as collateral, that a security interest will be established in certain assets of the Company after the completion of the Squeeze-out Process, and that the Company will become a joint and several guarantor of the Offeror.

The outline of the Transactions currently planned is as follows:

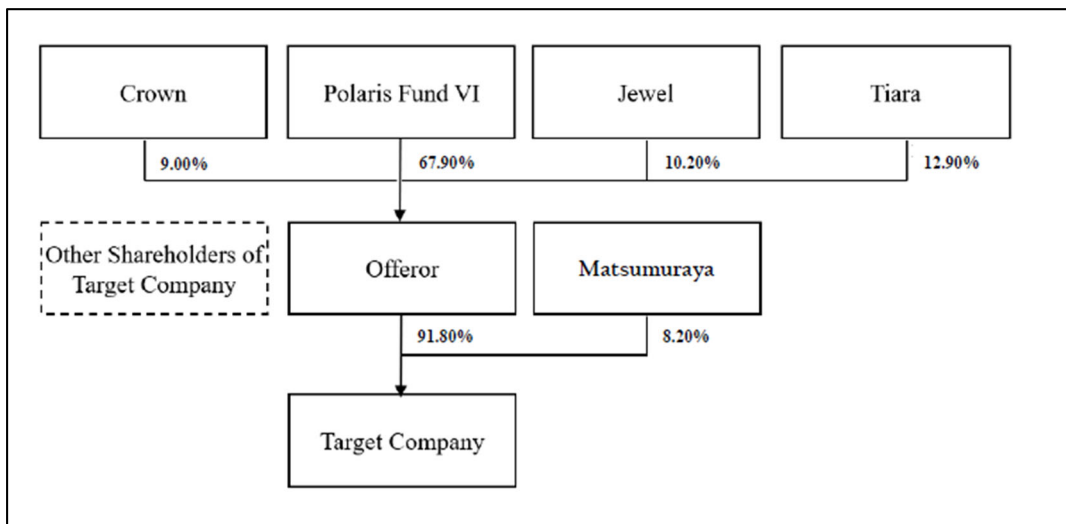
(i) Before Commencement of Tender Offer



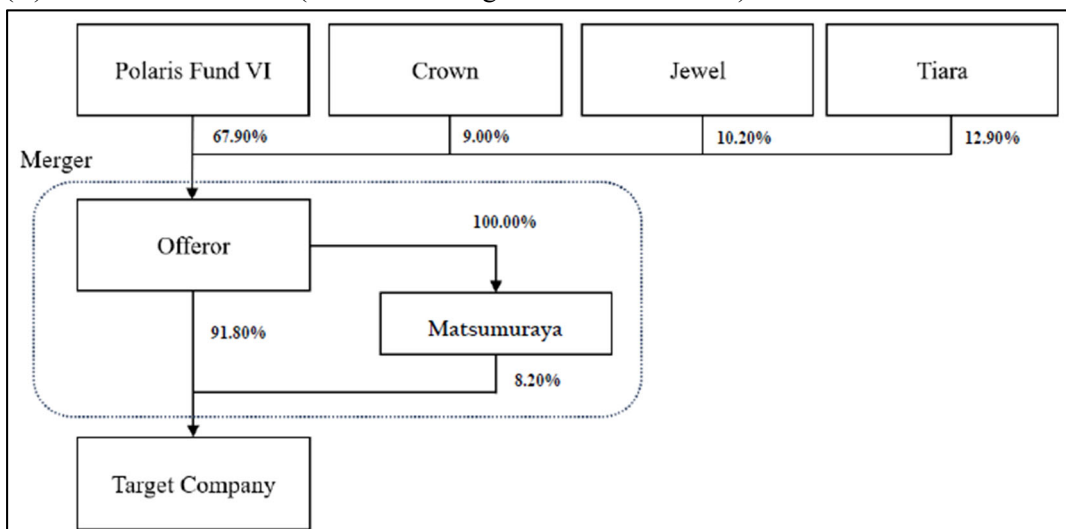
(ii) After Consummation of Tender Offer (scheduled timing: early September 2025)



(iii) After Squeeze-out Process (scheduled timing: late November 2025)



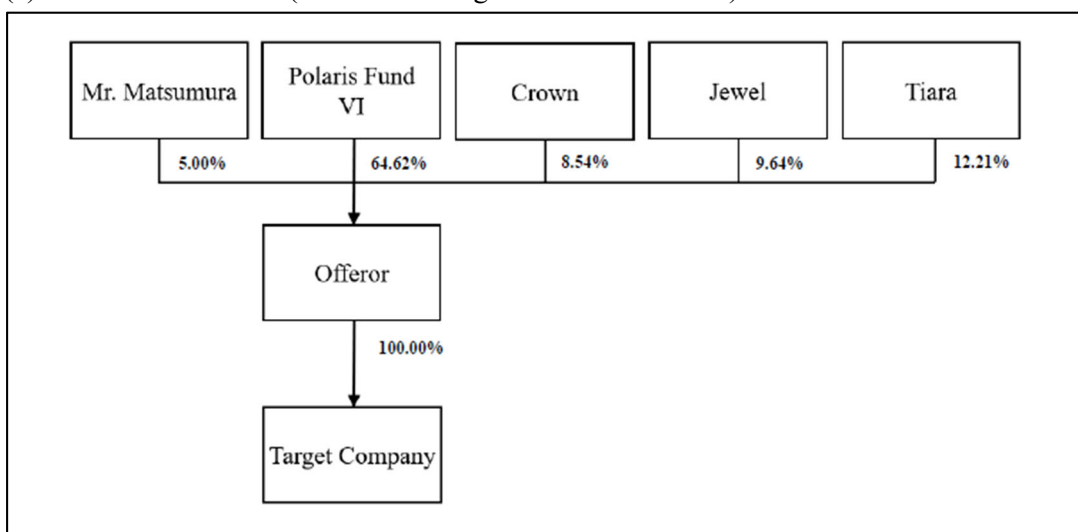
(iv) After Share Transfer (scheduled timing: late November 2025)



(Note 1) By the date of execution of the Share Transfer, through the Incorporation-type Company Split, “Matsumuraya” will become a newly established split-off company that owns only the Company’s Stock and is liable only for the debts owed to Mr. Matsumura, and all other assets, liabilities, contractual positions, and associated rights and obligations will be transferred to the newly

established split-off company, New Matsumuraya. Additionally, it is planned to simultaneously carry out the Distribution in Kind, whereby the shares of New Matsumuraya to be owned by Matsumuraya will be delivered to Mr. Matsumura as dividend property.

(v) After Reinvestment (scheduled timing: late November 2025)



The Company has resolved at the board of directors meeting held on July 14, 2025 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. The resolution at the abovementioned board of directors meeting was made on the assumption that the Offeror plans to make the Company its wholly-owned subsidiary through the Tender Offer and the subsequent series of procedures, and that the Company Shares are planned to be delisted.

For the details of the decision-making process at the board of directors meeting, please see “(V) Unanimous approval of all disinterested directors (including directors who are Audit & Supervisory Committee Members) of the Company” under “(6) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer” below.

(II) Background, purpose and decision-making process leading to the Offeror’s decision to implement the Tender Offer

The Company was founded in March 1996 as A&Y Beauty Supply Ltd. In June 2001, the Company opened “VAMPIRE CAFE” in Ginza, Chuo-ku, Tokyo, and started restaurant management, and since then has developed brands such as “*Warayaki-ya*” and “*Imaiya*”. In December 2002, the Company was reorganized from a limited liability company to a stock company, and changed its name to Diamond Dining Co., Ltd., and in March 2007, it listed on the Nippon New Market Hercules (currently the Growth Market of the TSE) of the Osaka Securities Exchange, Co. Ltd. (the “OSE”). In October 2010, the Company was transferred to the JASDAQ Standard Market of the TSE (New) due to a change in the market classification resulting from the merger of the JASDAQ Market of the TSE (Old), the Hercules Market and the NEO Market of the OSE. In November 2014, the Company was transferred from the JASDAQ Standard Market of the TSE (New) to the Second Section of the TSE, and in July 2015, it was designated to be listed on the First Section of the TSE. In September 2017, the Company underwent a reorganization to adopt a holding company structure, and changed its trade name to DD Holdings Co., Ltd. In April 2022, after the market restructuring of the TSE, the Company was transferred from the First

Section of the TSE to the Prime Market. Subsequently, in June 2023, the Company changed its trade name to DD Group Co., Ltd., and as of today, its shares are listed on the Prime Market of the TSE.

As of today, the corporate group (the “Company Group”), which consists of 14 companies, including the Company and its 10 consolidated subsidiaries, one non-consolidated subsidiary, one equity method affiliate, and one non-equity method affiliate, is engaged in two core businesses, “Food and Beverage/Amusement Business” and “Hotels and Real Estate Business,” and is developing businesses to meet the diversifying tastes of customers.

Specifically, in the food and beverage segment of the “Food and Beverage/Amusement Business,” the Company is developing new formats within the Group, including restaurants, *izakaya* (Japanese style pubs), and cafes, based on the basic concept of “extraordinary experience” and “passion for food,” which is distinct from conventional restaurants. The Company considers that it is achieving sustainable and stable business growth under its “dominant strategy (concentrated store presence)” that leverages the strengths of its multiple brands, by expanding its operations in urban centers and major cities throughout Japan through directly operated stores and developing business formats tailored to each store location, such as wedding facilities, to meet customer needs. In the amusement business, the Company has been expanding its business through the development of high-end facilities including billiards, darts, karaoke, golf simulation, and café complexes, mainly under the “BAGUS” brand, and considers that it has achieved strong differentiation in its business model compared to other companies that operate multiple stores with a small number of business formats and brands, and is expanding its businesses by building a brand that is supported by its customers. In the “Hotels and Real Estate Business,” the Company considers that it continues to grow steadily by operating hotels in Kanagawa Prefecture under the “8HOTEL,” “3S HOTEL,” and “KAMAKURA HOTEL” brands, and also operating various other businesses, such as rental containers, sales of detached houses, and share houses, as well as developing businesses that are related to everyday living based on Shonan’s highly sophisticated beach culture.

Furthermore, the Company has also expanded its business through M&A and the establishment of subsidiaries, starting with Sunpool Co., Ltd. becoming its consolidated subsidiary in June 2008, and achieved the goal of establishing 100 stores and 100 business categories in 2010 based on its Multi-concept Strategy (Note 1).

In this way, the Company Group considers that with “Customer Delight” as its management philosophy, it has been building strategies based on an awareness of the signs of a mid- to long-term paradigm shift, capturing the transformation of society, including consumer behavior and needs, such as changing lifestyles and consumer preferences, and the evolution of digital technology, in addition to the declining birthrate and aging population, and the population decline.

In April 2023, the Company released its “New Consolidated Medium-Term Management Plan (from the fiscal year ended February 2024 to the fiscal year ending February 2026)” (the “New Consolidated Medium-Term Management Plan”), which sets consolidated net sales of 40 billion yen, consolidated operating income of 2.8 billion yen (Note 2), and return on equity (ROE) of 20% or more as financial targets for the fiscal year ending February 2026. To further enhance corporate value and shareholder value, the Company has revised its group management vision to “become a ‘Brand Company’ that creates creative and innovative brands,” and as of today the Company is committed to building a business portfolio that evokes “enthusiastic delight” among all stakeholders.

(Note 1) “Multi-concept Strategy” refers to a strategy based on individual stores that emphasizes the opening of stores with different concepts, rather than a business model based on opening many stores with the same concept.

(Note 2) On April 19, 2024, the Company revised the numerical targets for the New Consolidated

Medium-Term Management Plan, including raising operating income from 2.8 billion yen to 4.0 billion yen in the New Consolidated Medium-Term Management Plan, based on the results for the fiscal year ended February 2024 and the consolidated full-year business forecast for the fiscal year ending February 2025.

As for the business environment surrounding the Company Group, the Company Group recognizes that the decline in demand caused by the spread of COVID-19, which has had a significant negative impact on the Company Group's core businesses since 2020, is gradually recovering. On the other hand, the Company Group is aware that cost containment is becoming an even more important management issue as the cost of labor, foodstuffs, utilities, and construction materials remain high due to soaring global resource prices caused by the crisis in Ukraine and the pressure to raise prices of raw materials and energy resulting from the historic depreciation of the yen against the backdrop of the widening interest rate differential between Japan and the United States. In addition, the Company recognizes that the shrinking market due to the declining population, falling birthrates and aging population, and changing lifestyles and values of consumers, such as the acceleration of behavioral changes triggered by the COVID-19 pandemic and the rapid advancement of digital technology, is expected to have a severe impact on the future business environment, and competition with other companies in the industry will become even fiercer. Furthermore, the Company Group believes that the decline in the working-age population due to population decline and an aging society is contributing to chronic labor shortages in the food service industry, and believes that it is an urgent issue.

In addition, the Company recognizes that there are management issues caused by internal environmental factors, including unprofitable businesses, efficient withdrawal from stores, optimal allocation of limited management resources (human resources, materials, capital, and information) to businesses, and breaking away from a high dependence on restaurant operations. Furthermore, the Company considers that it is required to respond to management issues in store operations, such as the promotion of digital transformation (DX), including the introduction of digital tools such as the spread of QR code-based ordering systems in stores and cross-sectional management of store performance using accounting systems, and the hiring and training of personnel with the ability to manage stores as managers.

In light of the above business environment, the Company Group is working to improve management efficiency by closing unprofitable stores, opening new stores, changing business formats, drastically reforming back-office operations, and promoting joint purchasing with other companies in the same industry through DD Plus Co., Ltd., which is a subsidiary of the Company that provides joint purchasing services for restaurants.

However, as described above, amid the increasingly severe business environment surrounding the Company Group, the Company Group believes that there is a need to reconstruct its corporate governance frameworks, as there have been cases where the optimal allocation of management resources has not necessarily been sufficiently verified, such as whether sufficient investment is being made in high-growth businesses or businesses with high profitability and high investment returns, or whether appropriate resources are being allocated to businesses requiring reforms, and investments have been made even when the growth potential was unclear or profit margins were below internal standards. In addition, to address management issues such as the promotion of DX, the Company believes that it urgently needs to acquire human resources and search for business partners with specialized knowledge who can propose effective solutions, as there is a shortage of human resources with specialized knowledge of digital transformation.

In mid-April 2025, the Company, in looking ahead to future business development, came to believe that it is essential to implement major growth measures by strengthening development of new businesses and business formats, property development, and marketing, as well as re-entering overseas businesses, from

which it was forced to withdraw due to the spread of COVID-19, and improving management efficiency through digital transformation (DX). In addition, in mid-April 2025, the Company concluded that in order to realize each of the above measures, it is necessary to implement bold management reforms without being influenced by short-term performance expectations in the stock market, and that it should consider the privatization of the Company's Stock as an option.

In the process of such considerations, when Mr. Matsumura was considering measures to sustainably enhance the Company's corporate value, including the use of outside management resources, in around early April 2021, he had an opportunity to meet with Polaris following Polaris' approach, and in around late October 2022, he had a discussion with Polaris regarding the Company's management policies based on the outlook of the long-term management environment and optimal capital structure. In around late September 2024, the Company held another discussion with Polaris regarding the Company's business condition following the implementation of its structural reforms in response to the COVID-19 pandemic, and since then, the Company and Polaris have had continued discussions.

In the course of the above discussions, Polaris has come to recognize that the Company is building a highly profitable and muscular business and financial base by implementing structural reforms, such as closing unprofitable stores, withdrawing from overseas business, and rationalizing headquarters costs amid the COVID-19 pandemic. While Polaris recognized that these structural reforms had achieved steady results, it could not deny that the promotion of discontinuous measures aiming for further growth might deteriorate the profitability and cash flow of the Company in the short term and might have a negative impact on the share price, and Polaris has come to believe that it would be difficult to implement these measures while maintaining the listing of the Company's Stock. Polaris considers that the most effective way for the Company to deal with management issues in a flexible manner without being affected by short-term fluctuations in business performance and to achieve sustainable medium- and long-term improvements in corporate value is to privatize the Company's Stock and utilize Mr. Matsumura's management capabilities, such as developing new business models and establishing on-site operations with an emphasis on cost management, and influence, the know-how Polaris has accumulated to date, as well as the resources Polaris possesses, in combination with its own. On September 5, 2024, Polaris held specific discussions with Mr. Matsumura regarding a management buyout (MBO) and reached a common understanding that the most effective means would be to take the Company private and then implement management reforms and actively develop its business. Polaris believes that the Transactions will enable it to provide the following specific support.

(i) Planning of growth strategies and support for implementation thereof

Polaris believes that it can provide a variety of management support based on its know-how and scientific approaches to management methods accumulated through its past investment record. Specific initiatives include accelerating new store openings by developing new business formats aligned with the trends in the food service market, accelerating store openings by refining the store models, and improving the success rate of store openings through data-based market analysis, expanding the business scope (developing food delivery and home meal delivery businesses that leverage the 'Company's capability in developing business formats and back-office capabilities (Note 3), overseas expansion through schemes that reduce capital and risk by utilizing franchise chains), rebuilding marketing strategies utilizing Polaris' know-how in marketing and branding (rebuilding marketing and branding strategies, marketing that is clearly targeting specific customer segments), creating further economies of scale in procurement and expanding the joint purchasing platform, formulating recruitment and human resource strategies (reducing turnover rates through investment in human resources), as well as other various growth strategies to help establish an implementation structure.

(Note 3) “Capabilities” refers to the “organizational capabilities of the entire company” and “strengths as an organization that are superior to those of other companies.”

(ii) Promotion of DX

As measures to promote DX, Polaris currently envisions the establishment of an automated management system for business performance and KPI (Note 4), visualization of management, integration of dispersed systems, and expansion of LTV (Note 5) through the use of customer data. Furthermore, as part of its efforts to promote DX, Polaris is promoting DX measures tailored to each portfolio company in order to maximize cost-effectiveness by materializing DX measures formulated during the investment consideration process when the medium-term management plan is developed, after the investment has been made. Specifically, it is promoting the construction and renewal of core systems, the BPR (Note 9) of sales and marketing involving the introduction of SFA (Note 6)/CRM (Note 7)/MA (Note 8), improving productivity by introducing machine learning and generative AI, digitalization as a new business (developing applications, expanding online sales channels, launching digital marketing businesses (Note 10)). In addition, it is accumulating organizational knowledge by regularly following up on the progress of major DX initiatives at all of its portfolio companies within the company. Polaris is also preparing a menu of support for DX for its portfolio companies, considering their applicability to each portfolio company, and establishing a system to follow up on the progress of DX at the DX Promotion Committee. For the Company, Polaris expects to implement DX measures such as strengthening digital marketing centering on social media marketing, enhancing reservations on owned media, and digitalizing store operations mainly through mobile ordering using QR codes.

(Note 4) “KPI (Key Performance Indicator)” refers to the most important factors for achieving numerical targets expressed numerically.

(Note 5) “LTV (Life Time Value)” refers to the profit obtained from customers over their lifetime.

(Note 6) “SFA (Sales Force Automation)” refers to a sales support system.

(Note 7) “CRM (Customer Relationship Management)” is a management strategy that aims to increase sales and improve profitability through improving customer satisfaction and customer loyalty.

(Note 8) “MA (Marketing Automation)” refers to a system that supports automation and streamlining of processes in overall marketing activities.

(Note 9) “BPR (Business Process Re-engineering)” means to fundamentally review an organization and its systems in order to achieve the original purpose of a particular operation, and to restructure job descriptions, workflows, management systems, and IT systems from a process perspective.

(Note 10) The “Digital Marketing Business” refers to the business of promoting products and services, acquiring customers, and enhancing brand value using the Internet and digital technologies.

(iii) Creation of synergies with Polaris’ portfolio companies

Polaris believes that the Company and Polaris’ existing portfolio companies can create synergies through future collaboration. One example is a tie-up with one of the Polaris’ existing portfolio companies, Senden Kaigi Co., Ltd. (a media and event management company), such as distributing feature articles on web media, to increase the visibility of the Company and the food and beverage brands operated by the Company. In addition, Polaris has a track record of investing in multi-store businesses and has practical experiences in the essentials of various strategies to maximize earnings, such as marketing efficiency measures and branding measures, as well as strategies for efficient operations, such as cost improvement, pricing optimization, and logistics efficiency improvement. Polaris also believes that it is capable of

leveraging its know-how of multi-store development cultivated through its past investment in SFP Holdings Co., Ltd. (a company that operates restaurants, centralized on *izakaya* (Japanese-style bar) “*Isomaru Suisan*”), one of its past portfolio companies, and the know-how of space planning to maximize the value of customer experience cultivated through its investment experience in Novarese Corporation (a company that operates restaurants, wedding halls, etc.).

Mr. Matsumura and Polaris believe that advanced management know-how, especially in terms of human and financial resources, is indispensable to realize the measures described in (i) through (iii) above, and that the collaboration with Polaris, which has deep insight and industry knowledge of the Company backed up by extensive investment experience in the food and beverage business and multi-store business as well as practical value enhancement and other know-how based on these, and which is able to provide implementation support at both the management and operational levels by leveraging its extensive human resources while respecting the management philosophy, corporate culture, and management policies of its portfolio companies, is desirable to complement and strengthen the necessary management know-how and resources to build a management structure that enables agile and flexible decision-making. In addition, Mr. Matsumura and Polaris consider that, while large-scale investments and upfront costs will be required, such as costs associated with the appointment of outside experts in planning and supporting growth strategies and promoting DX, as well as capital expenditures and personnel costs associated with accelerating the opening of new stores and securing necessary personnel when implementing growth strategies, since these efforts could have an uncertain impact on future profitability, in the short term, there is a risk of a decline in the level of profits, deterioration of cash flow, and worsening of the financial condition due to an increase in interest-bearing debt. Therefore, they consider that the above initiatives may not be greatly appreciated by the capital market as a measure of a listed company, and in such case, the possibility that the share price of the Company’s Stock may decline and that the shareholders of the Company may suffer adverse effects in the short term is undeniable. Furthermore, in order for the Company to actively and flexibly execute strategic decision-making without being constrained solely by shareholder returns as a listed company, it is considered essential to privatize the Company’s Stock.

Furthermore, the Company believes that there will be no particular disadvantages arising from the loss of capital ties with existing shareholders or from being included in the Offeror Group. In addition, Mr. Matsumura and Polaris recognize that the Company has enjoyed various benefits as a listed company since its initial public offering in March 2007, including the ability to acquire outstanding human resources due to increased name recognition and improvement in social credibility. However, since the Company has established good relationships with financial institutions, it is expected to be able to secure the necessary funds through indirect financing when needed, and there is currently no need to raise funds through equity financing. Furthermore, the Company has already built brand strength and credibility with its business partners. Therefore, Mr. Matsumura and Polaris consider that the necessity for the Company to maintain its listing and the benefits it can derive from doing so have relatively diminished.

Then, having determined that the best option to realize the sustainable enhancement of the Company’s corporate value is to provide shareholders with an opportunity to sell their shares without suffering from any short-term negative impact, establish a management structure that enables flexible decision-making without being constrained by short-term stock market valuation by privatizing the Company’s Stock, and improve management flexibility and make the most of Polaris’ management capabilities and management support, on March 14, 2025, Polaris proposed the privatization of the Company’s Stock on the premise that it would be a management buyout (MBO) with re-investment by Mr. Matsumura and commenced discussions and negotiations regarding the feasibility of the Transactions with the Company.

In commencing discussions and negotiations regarding the Transactions, Polaris appointed SMBC Nikko Securities Inc. as its financial advisor and Anderson Mori & Tomotsune as its legal advisor for the

Transactions on April 10, 2025.

In addition, the Company resolved at a meeting of its Board of Directors held on April 14, 2025, to establish a special committee (the “Special Committee”; for details regarding the background of the establishment of the Special Committee and its specific activities, please see “(III) Establishment of an independent special committee at the Company and obtainment of a report from such special committee” in “(6) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer” below) to consider the proposal for the Transactions and has established a structure for discussions and negotiations regarding the Transactions.

Subsequently, Polaris conducted due diligence to assess the feasibility of the Tender Offer from financial, tax, legal, and business perspectives during the period from April 15, 2025 to early June 2025, and has concurrently held extensive negotiations with the Company and the Special Committee on various conditions of the Transactions including the significance and purpose of the Transactions, the business policy after the Transactions, synergies arising from the Transactions, and the Tender Offer Price. Following such events, on June 20, 2025, Mr. Matsumura and Polaris proposed to the Company, based on the interim results of the due diligence and the Company’s business and financial conditions, that the Tender Offer Price be set at 1,500 yen (which includes a premium of 6.16% on the closing price (1,413 yen) of the Company’s Stock on the TSE Prime Market on June 19, 2025 which is the business day preceding the date of proposal (rounded to the second decimal place; hereinafter the same applies to the calculation of the premium ratio), a premium of 9.73% on the simple average closing price for the past one month until such date (1,367 yen) (rounded to the nearest whole yen; hereinafter the same applies to the calculation of the simple average closing price), a premium of 13.72% on the simple average closing price for the past three months until such date (1,319 yen), and a premium of 14.16% on the simple average closing price for the past six months until such date (1,314 yen)). On June 25, 2025, Mr. Matsumura and Polaris received a request from the Company and the Special Committee to re-propose a higher tender offer price from the perspective of protecting the interests of the minority shareholders of the Company. Upon this request, Mr. Matsumura and Polaris carefully reviewed the Tender Offer Price and proposed on June 27, 2025 to set the Tender Offer Price at 1,550 yen (which includes a premium of 6.31% on the closing price (1,458 yen) of the Company’s Stock on the TSE Prime Market on June 26, 2025 which is the business day preceding the date of proposal, a premium of 11.27% on the simple average closing price for the past one month until such date (1,393 yen), a premium of 16.89% on the simple average closing price for the past three months until such date (1,326 yen), and a premium of 17.87% on the simple average closing price for the past six months until such date (1,315 yen)). In response to this, on July 1, 2025, Mr. Matsumura and Polaris received a request from the Company and the Special Committee to re-propose a higher tender offer price from the perspective of protecting the interests of the minority shareholders of the Company. Upon this request, Mr. Matsumura and Polaris carefully reviewed the Tender Offer Price again and proposed on July 1, 2025 to set the Tender Offer Price at 1,575 yen (which includes a premium of 7.14% on the closing price (1,470 yen) of the Company’s Stock on the TSE Prime Market on June 30, 2025 which is the business day preceding the date of proposal, a premium of 11.70% on the simple average closing price for the past one month until such date (1,410 yen), a premium of 18.60% on the simple average closing price for the past three months until such date (1,328 yen), and a premium of 19.68% on the simple average closing price for the past six months until such date (1,316 yen)). In response, on July 4, 2025, Mr. Matsumura and Polaris received a request from the Company and the Special Committee to re-propose a higher tender offer price from the perspective of protecting the interests of the minority shareholders of the Company. Upon this request, Mr. Matsumura and Polaris carefully reviewed the Tender Offer Price and proposed on July 7, 2025 to set the Tender Offer Price at 1,680 yen (which includes a premium of 16.34% on the closing price (1,444 yen) of the Company’s Stock on the TSE Prime Market on July 4, 2025 which is the business day preceding the date of proposal, a premium of 18.06% on the simple average closing price for the

past one month until such date (1,423 yen), a premium of 25.56% on the simple average closing price for the past three months until such date (1,338 yen), and a premium of 27.18% on the simple average closing price for the past six months until such date (1,321 yen)). In response, on July 8, 2025, Mr. Matsumura and Polaris received a request from the Company and the Special Committee to re-propose a higher tender offer price from the perspective of protecting the interests of the minority shareholders of the Company. Upon this request, Mr. Matsumura and Polaris carefully reviewed the Tender Offer Price and proposed on July 8, 2025 to set the Tender Offer Price at 1,700 yen (which includes a premium of 17.40% on the closing price (1,448 yen) of the Company's Stock on the TSE Prime Market on July 7, 2025 which is the business day preceding the date of proposal, a premium of 18.88% on the simple average closing price for the past one month until such date (1,430 yen), a premium of 26.58% on the simple average closing price for the past three months until such date (1,343 yen), and a premium of 28.69% on the simple average closing price for the past six months until such date (1,321 yen)). In response, on July 10, 2025, Mr. Matsumura and Polaris received a request from the Company and the Special Committee to re-propose a higher tender offer price from the perspective of protecting the interests of the minority shareholders of the Company. Upon this request, Mr. Matsumura and Polaris carefully reviewed the Tender Offer Price and proposed on July 10, 2025 to set the Tender Offer Price at 1,700 yen (which includes a premium of 15.88% on the closing price (1,467 yen) of the Company's Stock on the TSE Prime Market on July 7, 2025 which is the business day preceding the date of proposal, a premium of 18.47% on the simple average closing price for the past one month until such date (1,435 yen), a premium of 25.83% on the simple average closing price for the past three months until such date (1,351 yen), and a premium of 28.59% on the simple average closing price for the past six months until such date (1,322 yen)), and proposed to set a minimum number of shares to be purchased in the Tender Offer by a so-called "majority of minority," and on July 12, 2025, they received notification from the Company that it will accept the proposal. After these discussions and negotiations, on July 14, 2025, the Offeror decided to commence the Tender Offer as part of the Transactions with the Tender Offer Price set at 1,700 yen.

Since Polaris considered it necessary to assume that DBJ Fund would not tender the Preferred Stock in the Tender Offer in order to realize the Transactions, after consulting with DBJ Fund, which owns the Preferred Stock, Polaris received a response from the Company in around late May 2025 to the effect that the Company would positively consider a cash redemption of the Preferred Stock after the Tender Offer. Subsequently, on July 14, 2025, the Offeror obtained the Written Consent from DBJ Fund, and pursuant to the provisions of Article 27-2, Paragraph 5 of the Act, Article 8, Paragraph 5, Item 3 of the Enforcement Order and Article 5, Paragraph 3, Item 2 of the TOB Order, obtained consent that all of the Preferred Stock shall be excluded from the shares to be purchased in the Tender Offer. In addition, on July 7, 2025, after the Company submitted the Letter of Commitment to DBJ Fund and requested its consent to the Transactions, including the change in the Company's shareholders and the implementation of the Squeeze-Out Process in the event that the Tender Offer is successfully completed. On July 14, 2025, the Company received written consent from DBJ Fund agreeing to the request, and in the event that the Tender Offer is successfully completed, the Company plans to acquire all of the Preferred Stock as set out in the Letter of Commitment, pursuant to Article 11-6 of the Company's articles of incorporation, with September 3, 2025, set as the mandatory redemption date.

In addition, since Polaris could also indirectly acquire the Company's Stock through the acquisition of Matsumuraya's Stock, on May 22, 2025, in parallel with the above negotiations with the Company and the Special Committee, Polaris conducted a meeting with Mr. Matsumura regarding the Non-tender Agreement and the Share Transfer. Subsequently, the Offeror continued to engage in further discussions with Mr. Matsumura regarding the Tender Offer Agreement, the Non-tender Agreement, and the purchase price, method of acquisition, and other terms and conditions related to the acquisition of Matsumuraya's Stock, and as a result of discussions and negotiations with the Company and the Special Committee, on July 14, 2025, an agreement was reached regarding the Tender Offer Agreement with the Tender Offer

Price set at 1,700 yen, the Non-tender Agreement, and the Share Transfer Agreement. Accordingly, on July 14, 2025, upon entering into the Tender Agreement, the Non-tender Agreement and the Share Transfer Agreement with Mr. Matsumura, the Company finally resolved to set the Tender Offer Price at 1,700 yen and implement the Tender Offer as part of the Transactions.

(III) Decision-making process leading to the Company's decision to support the Tender Offer and the reasons therefor

(i) Background to the establishment of a review system

On March 14, 2025, the Company was informed by Mr. Matsumura, the Company's president and representative director, that he had begun examining taking the Company's Stock private and had commenced discussions with multiple private equity funds ("PE Funds"), including Polaris. Specifically, Mr. Matsumura informed the Company that on March 12, 2025, he received an initial communication regarding taking the Company's Stock private from one PE Fund other than Polaris (the "Alternative Candidate"), and on March 14, 2025, the Company received a request from Polaris and Mr. Matsumura to examine taking the Company's Stock private under a management buyout (MBO) through reinvestment by Mr. Matsumura. Therefore, on March 14, 2025, the Company appointed Mori Hamada & Matsumoto Foreign Law Joint Enterprise ("Mori Hamada") as its legal advisor and PwC Advisory LLC ("PwC") as its financial advisor and third-party valuator, and it established a system for examining, negotiating, and making judgments regarding the Transactions from the perspectives of enhancing the Company's corporate value and ensuring the interests of its minority shareholders from a position independent of Mr. Matsumura, Polaris, and the Alternative Candidate. From mid-March 2025, the Company provided an opportunity for Polaris and the Alternative Candidate to conduct initial business due diligence.

Following initial business due diligence, on April 11, 2025, the Company received a non-binding written proposal from Polaris and Mr. Matsumura stating matters such as the purpose and background of the Transactions and the anticipated structure of the Transactions, in which a special purpose company established by Polaris would conduct a tender offer for the Company's Stock, following which the Company's Stock would be taken private through means such as procedures to squeeze out the Company's minority shareholders. On the same date, the Company also received notification from the Alternative Candidate that it had suspended its examination of transactions relating to taking the Company's Stock private.

Subsequently, taking into consideration the facts that the Transactions constitute a management buyout (MBO) through a tender offer by Mr. Matsumura, the Company's president and representative director, in which a portion of the Company's Stock will be acquired, and that such transactions typically involve issues regarding structural conflicts of interest and information asymmetry, in order to ensure thorough care in the decision-making regarding the Transactions, remove any arbitrariness from the Company's decision-making regarding the process of examining the Transactions, and ensure the fairness of the entire process of examining and judging whether the Transactions should be conducted, the appropriateness of the terms and conditions of the Transactions, and other such matters, based on advice from Mori Hamada, the Company resolved at a meeting of its board of directors on April 14, 2025 to establish the Special Committee composed mainly of the Company's independent outside directors who do not have interests in Polaris or Mr. Matsumura and do not have interests that differ from the Company's general shareholders in regard to whether or not the Transactions are consummated (for the composition of the Special Committee, the specific activities it conducted, and other such matters, please see "(III) Establishment of an independent special committee at the Company and obtainment of a report from such special committee" in "(6) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of

interest and other measures to ensure fairness of the Tender Offer” below) in order to establish a system for examining whether or not to conduct the Transactions independent from Polaris and Mr. Matsumura (collectively with the Offeror, the “Parties Related to the Offeror”) as well as from the Transactions. The Company requested the Special Committee (1) to examine whether or not the Transactions should be conducted (including whether or not the Company’s board of directors should support the Tender Offer and whether or not it should recommend that the Company’s shareholders tender their shares in the Tender Offer) and make a recommendation to the Company’s board of directors and (2) to examine whether the decisions of the Company’s board of directors regarding the Transactions would be disadvantageous to the Company’s minority shareholders and express an opinion to the Company’s board of directors (collectively, the “Consultation Matters”). The Company’s board of directors also resolved that, when the Special Committee examines the matters stated in (1), (i) it shall examine and judge whether or not the Transactions should be conducted from the perspective of whether or not the Transactions would contribute to enhancing the Company’s corporate value, and (ii) it shall examine and judge the appropriateness of the terms and conditions of the Transactions and the fairness of the procedures for the Transactions from the perspective of furthering the interests of the Company’s general shareholders. In addition, when establishing the Special Committee, the Company’s board of directors resolved that (i) the decisions of the Company’s board of directors regarding the Transactions will be made while respecting to the maximum extent the judgment the Special Committee and (ii) if the Special Committee judges that it is not appropriate to conduct the Transactions or that the terms and conditions of the Transactions are not appropriate, the Company’s board of directors will not approve the Transactions (including not supporting the Tender Offer) under those terms and conditions.

In addition, when establishing the Special Committee, the Company’s board of directors resolved to grant the Special Committee authorities including those (a) to negotiate the terms and conditions of the Transactions with the counterparty in the Transactions (including indirect negotiations through the Company’s employees, officers, or advisors, etc.), (b) as necessary when examining the Consultation Matters, to appoint its own financial, legal, or other advisors (in which case the Company shall bear any fees) and to designate or approve (including ex post facto approval) the Company’s financial, legal, or other advisors (if the Special Committee has confirmed that there are no issues in regard to the independence and expertise of the Company’s advisors, the Special Committee may seek expert advice therefrom), (c) to request persons deemed necessary by the Special Committee to attend its meetings and provide explanations regarding necessary information, (d) to receive information necessary for examining and making judgments regarding the Transactions from the Company’s employees and officers, including information regarding the content of business plans and the basis for the preparation thereof, and (e) to conduct other actions deemed necessary by the Special Committee when examining and making judgments regarding the Transactions.

As stated in “(III) Establishment of an independent special committee at the Company and obtainment of a report from such special committee” in “(6) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer” below, on the same date, the Special Committee confirmed that there were no issues in regard to the independence and expertise of Mori Hamada, the Company’s legal advisor, and PwC, the Company’s financial advisor and third-party valuator, and approved the appointment thereof. In addition, as stated in “(IV) Establishment of an independent review system in the Company” in “(6) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer” below, the Company established a system for examining the Transactions with the approval of the Special Committee.

(ii) Background to review and negotiations

Under the system stated in “(i) Background to the establishment of a review system” above, taking into consideration advice from PwC and Mori Hamada and the deliberations of the Special Committee, the Company carefully examined matters such as the purpose of the Transactions, the management structure and management policy after the Transactions, the reasonableness of the terms and conditions of the Tender Offer, and the fairness of the series of procedures for the Transactions, and it repeatedly engaged in discussions and negotiations with the Offeror on multiple occasions.

Specifically, on April 11, 2025, the Company received a non-binding written proposal from Polaris and Mr. Matsumura stating matters such as the purpose and background of the Transactions and the anticipated structure of the Transactions, in which a special purpose company established by Polaris would conduct a tender offer for the Company’s Stock, following which the Company’s Stock would be taken private through means such as procedures to squeeze out the Company’s minority shareholders. After carefully examining that proposal, on April 25, 2025, the Company sent a letter to Polaris through the Special Committee containing questions regarding matters such as the background of the Transactions, the business environment and management issues facing the Company, the merits and demerits of the Transactions, the management structure after the Transactions, and the terms and conditions of the Transactions. The Company received a written response to those questions from Polaris on May 7, 2025, based on which it held a meeting with Polaris on May 13, 2025 to ask further questions regarding those matters. Through the written response and responses at the meeting, the Company received preliminary explanations from Polaris regarding the purpose and background of the Transactions, including the process by which Polaris came to propose the Transactions to the Company based on the Company’s business environment and management issues (as stated in “(II) Background, purpose and decision-making process leading to the Offeror’s decision to implement the Tender Offer” above, Polaris’ responses included building a management structure that enables agile decision-making by taking the Company’s Stock private), the merits and demerits of taking the Company’s Stock private, including the synergies anticipated through the Transactions (as stated in “(II) Background, purpose and decision-making process leading to the Offeror’s decision to implement the Tender Offer” above, Polaris’ responses included a tie-up with Senden Kaigi Co., Ltd., one of Polaris’ existing portfolio companies), the management policy after the Transactions, including the future officer structure (as stated in “(IV) Management policy after the Tender Offer” below, Polaris’ responses included that it plans for Mr. Matsumura to continue his participation in the management of the Company as a director after the Transactions), and the structure of the Transactions (as stated in “(I) Overview of the Tender Offer” above and “(4) Policies on reorganization, etc. after the Tender Offer (matters concerning “two-step acquisition”)” below, Polaris’ responses included that the main purpose of the Transactions is to take the Company’s Stock private). In addition, from April 15 to early June 2025, Polaris conducted due diligence on the Company Group.

Following that, on June 20, 2025, the Company and the Special Committee received a legally binding final proposal on the privatization transactions from Polaris and Mr. Matsumura which, taking into consideration matters such as the results of due diligence, included (i) setting the Tender Offer Price at 1,500 yen per share (which includes a premium of 6.16% on 1,413 yen, the closing price of the Company’s Stock on the Prime Market of the TSE on June 19, 2025, the business day immediately preceding June 20, 2025, a premium of 9.73% on 1,367 yen, the simple average closing price for the one-month period up to that date, a premium of 13.72% on 1,319 yen, the simple average closing price for the three-month period up to that date, and a premium of 14.16% on 1,314

yen, the simple average closing price for the six-month period up to that date; the “First Proposal Price”) and not including the Preferred Stock in the scope of the Tender Offer as the DBJ Fund intends to separately redeem for cash all of the Preferred Stock it holds after the successful completion of the Tender Offer, (ii) including all of the common shares issued by the Company, excluding treasury shares and the Non-tendered Shares, in the scope of the Tender Offer, (iii) not setting a maximum number of shares to be purchased in the Tender Offer, and setting the minimum number at 10,589,400 shares (Shareholding Ratio: 58.45%), and (iv) planning to conduct the Squeeze-out Process if all of the Company’s Stock is not acquired through the Tender Offer. In response, on June 25, 2025, taking into consideration advice from PwC and Mori Hamada and the results of the preliminary calculation of the Company’s share value by PwC, the Company’s third-party valuator, the Company and the Special Committee requested Polaris and Mr. Matsumura to reexamine their proposal as the First Proposal Price was not nearly at a level that could be found to give sufficient consideration to the Company’s corporate value and the interests of its general shareholders. Following that, on June 27, 2025, the Company and the Special Committee received a proposal from Polaris and Mr. Matsumura to set the Tender Offer Price at 1,550 yen per share (which includes a premium of 6.31% on 1,458 yen, the closing price of the Company’s Stock on the Prime Market of the TSE on June 26, 2025, the business day immediately preceding June 27, 2025, a premium of 11.27% on 1,393 yen, the simple average closing price for the one-month period up to that date, a premium of 16.89% on 1,326 yen, the simple average closing price for the three-month period up to that date, and a premium of 17.87% on 1,315 yen, the simple average closing price for the six-month period up to that date; the “Second Proposal Price”). In response, on July 1, 2025, taking into consideration advice from PwC and Mori Hamada and the results of the preliminary calculation of the Company’s share value by PwC, the Company’s third-party valuator, the Company and the Special Committee requested Polaris and Mr. Matsumura to reexamine their proposal as the Second Proposal Price was not nearly at a level that could be found to give sufficient consideration to the interests of the Company’s general shareholders, and the Company and the Special Committee sought confirmation regarding the planned tender offer period in the Tender Offer and whether or not Polaris and Mr. Matsumura planned to set the minimum number of shares to be purchased in the Tender Offer at a majority of minority. Following that, on July 1, 2025, the Company and the Special Committee received a proposal from Polaris and Mr. Matsumura to set the Tender Offer Price at 1,575 yen per share (which includes a premium of 7.14% on 1,470 yen, the closing price of the Company’s Stock on the Prime Market of the TSE on June 30, 2025, the business day immediately preceding July 1, 2025, a premium of 11.70% on 1,410 yen, the simple average closing price for the one-month period up to that date, a premium of 18.60% on 1,328 yen, the simple average closing price for the three-month period up to that date, and a premium of 19.68% on 1,316 yen, the simple average closing price for the six-month period up to that date; the “Third Proposal Price”) and received a response to the effect that Polaris and Mr. Matsumura planned to set the tender offer period in the Tender Offer at 30 business days and did not plan to set the minimum number of shares to be purchased in the Tender Offer at a majority of minority. In response, on July 4, 2025, taking into consideration advice from PwC and Mori Hamada and the results of the preliminary calculation of the Company’s share value by PwC, the Company’s third-party valuator, the Company and the Special Committee strongly requested Polaris and Mr. Matsumura to reexamine their proposal as the Third Proposal Price was not nearly at a level that could be found to give sufficient consideration to the interests of the Company’s general shareholders. Following that, on July 7, 2025, the Company and the Special Committee received a proposal from Polaris and Mr. Matsumura to set the Tender Offer Price at 1,680 yen per share (which includes a premium of 16.34% on 1,444 yen, the closing price of the Company’s Stock on the Prime Market of the TSE on

July 4, 2025, the business day immediately preceding July 7, 2025, a premium of 18.06% on 1,423 yen, the simple average closing price for the one-month period up to that date, a premium of 25.56% on 1,338 yen, the simple average closing price for the three-month period up to that date, and a premium of 27.18% on 1,321 yen, the simple average closing price for the six-month period up to that date; the “Fourth Proposal Price”). In response, on July 8, 2025, taking into consideration advice from PwC and Mori Hamada and the results of the preliminary calculation of the Company’s share value by PwC, the Company’s third-party valuator, the Company and the Special Committee requested Polaris and Mr. Matsumura to reexamine their proposal as the Fourth Proposal Price could still not be found to give sufficient respect to the interests of the Company’s general shareholders. Following that, on July 8, 2025, the Company and the Special Committee received a proposal from Polaris and Mr. Matsumura to set the Tender Offer Price at 1,700 yen per share (which includes a premium of 17.40% on 1,448 yen, the closing price of the Company’s Stock on the Prime Market of the TSE on July 7, 2025, the business day immediately preceding July 8, 2025, a premium of 18.88% on 1,430 yen, the simple average closing price for the one-month period up to that date, a premium of 26.58% on 1,343 yen, the simple average closing price for the three-month period up to that date, and a premium of 28.69% on 1,321 yen, the simple average closing price for the six-month period up to that date; the “Fifth Proposal Price”). In response, on July 10, 2025, taking into consideration advice from PwC and Mori Hamada and the results of the preliminary calculation of the Company’s share value by PwC, the Company’s third-party valuator, the Company and the Special Committee requested Polaris and Mr. Matsumura to reexamine their proposal as the Fifth Proposal Price could still not be found to give sufficient respect to the interests of the Company’s general shareholders. In addition, in order to protect the interests of general shareholders, the Special Committee examined methods for ensuring the fairness of the Transactions by confirming the intentions of the general shareholders, and the Special Committee requested Polaris and Mr. Matsumura to set the minimum number of shares to be purchased in the Tender Offer at a majority of minority as a measure to ensure fairness. Following that, on July 10, 2025, the Company and the Special Committee again received a proposal from Polaris and Mr. Matsumura to set the Tender Offer Price at 1,700 yen per share. Polaris and Mr. Matsumura also informed the Company and the Special Committee that 1,700 yen was the final proposal price (the “Final Proposal Price”) as it was the highest amount they could offer and it would be extremely difficult to raise the price any further. Furthermore, Polaris and Mr. Matsumura responded that they would set the minimum number of shares to be purchased in the Tender Offer at a majority of minority as requested by the Company and the Special Committee. In response, on July 12, 2025, taking into consideration advice from PwC and Mori Hamada, the results of the calculation of the Company’s share value by PwC, the Company’s third-party valuator, and the fact that respect had been given to confirming the intentions of the general shareholders by setting the minimum number of shares to be purchased in the Tender Offer at a majority of minority, the Company and the Special Committee agreed to set the Tender Offer Price at 1,700 yen.

In the process of those negotiations, taking into consideration advice from PwC and Mori Hamada, the Special Committee determined the negotiation policies after careful examination from the perspective of furthering the interests of the minority shareholders.

Following that, on July 14, 2025, the Company received a report from the Special Committee dated July 14, 2025 (the “Report”) stating that (a) the Special Committee believes that the Company’s board of directors should support the Tender Offer and recommend that the Company’s shareholders tender their shares in the Tender Offer and (b) the Special Committee believes that the decisions of the Company’s board of directors regarding the Transactions are not disadvantageous to the Company’s minority shareholders. (For a summary of the Report, the specific activities conducted

by the Special Committee, and other such matters, please see “(III) Establishment of an independent special committee at the Company and obtainment of a report from such special committee” under “(6) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer” below.)

(iii) Determination

Following the above process, the Company carefully examined whether or not the Transactions, including the Tender Offer, will contribute to enhancing the corporate value of the Company and whether or not the terms and conditions of the Transactions, including the Tender Offer Price, are appropriate while taking into account the share valuation report obtained from PwC on July 10, 2025 (the “Share Valuation Report”), financial advice from PwC, and legal advice received from Mori Hamada regarding the decision-making process and methods relating to the Transactions, including the Tender Offer, and other considerations when making decisions in regard to the Transactions, including the Tender Offer, and while respecting to the maximum extent the judgment of the Special Committee stated in the Report submitted thereby.

As stated in “(II) Background, purpose and decision-making process leading to the Offeror's decision to implement the Tender Offer” above, cost containment has become an even more important management issue as the cost of labor, foodstuffs, utilities, and construction materials remains high, and the Company believes that it is also necessary to respond to increasingly fierce competition caused by the shrinking market due to the declining population, falling birthrates and aging population, and changing values of people and to address management issues regarding the business environment surrounding the Company, such as the promotion of digital transformation (DX) including the introduction of digital tools, and hiring and training personnel with the ability to manage stores and personnel with work experience in marketing and branding.

In light of the above management environment, the Company Group has worked to improve management efficiency, but amid the increasingly challenging management environment surrounding the Company Group, the Company has come to recognize that it is essential to implement key growth strategies, including strengthening areas such as new business and business model development, property development, and marketing, as well as re-entering overseas businesses that it was forced to withdraw from due to the COVID-19 pandemic and promoting digital transformation (DX) to improve management efficiency, in order to move forward with its future business development. In addition, the Company came to the conclusion that in order to realize each of the above items, it is necessary to implement bold management reforms without being influenced by short-term performance expectations in the stock market, and that taking the Company's Stock private should be considered as an option. Therefore, the Company began seriously examining the Transactions.

As a result, the Company judged that conducting the Transactions with the Offeror would make it possible to implement bold management reforms without being influenced by short-term performance expectations in the stock market and would contribute to enhancing the corporate value of the Company Group from the following perspectives.

In addition, the Company judged that in order to promote various types of measures under the following perspectives, the continued involvement of Mr. Matsumura, who is the Company's founder and has the deepest understanding of the management of the Company Group, in the Company's management would provide the greatest contribution to enhancing corporate value.

(a) Opening new stores under existing business formats and accelerating the development of new business formats

Based on a model of developing stores with a variety of business formats, as of today, the Company Group operates more than 300 stores under more than 110 brands in Japan. However, as the market environment is rapidly changing and customer needs are diversifying, the Company believes that in order to achieve the sustained growth of the Company Group, it is essential to introduce new perspectives to its existing store opening strategies. Furthermore, the Company believes that in order to maintain its competitive advantage amid this environment, it is necessary not only to expand stores under existing business formats, but also to accelerate the development of new business formats based on trends in the food service market and customer needs. Polaris has experience investing in many food service businesses and businesses with many stores, and by leveraging Polaris' know-how on adding value and its store opening models backed up by successful examples of store openings, the Company believes that it can expand stores under existing business formats in areas where the Company's strengths can be utilized and accelerate the development of new business formats.

(b) Strengthening marketing strategies

In order to continue expanding the Company Group's business amid the changing competitive environment, the Company believes that it is essential to maximize LTV by strengthening its marketing strategies. By utilizing Polaris' strong know-how in marketing and branding, such as enhancing the ability to attract customers through marketing and improving customer appeal through branding, the Company believes it will be possible to restructure its marketing strategies, accelerate market penetration after opening new stores, strengthen marketing using social networking services, mobile apps, and other technologies, and improve customer loyalty and satisfaction.

(c) Systematically promoting digital transformation

As the cost of labor, foodstuffs, utilities, and construction materials remains high, the Company believes that in order to further expand the Company Group's business, it is essential to implement new technologies and actively leverage digital tools and to train and hire human resources to accomplish those goals. By utilizing successful examples of promoting digital transformation at Polaris' portfolio companies and its know-how for doing so, as well as its systems that support the promotion of digital transformation, the Company believes it will be possible to reduce the above costs, manage performance and utilize customer data across all stores, improve operational efficiency by enhancing the Company's infrastructure, and strengthen its sales activities and digital marketing. In addition, by utilizing Polaris' know-how on matters such as hiring personnel and formulating human resources strategies to actively work to train and hire human resources to promote digital transformation, the Company believes it will be possible to systematically promote digital transformation.

(d) Re-expanding overseas

The Company Group has not engaged in the overseas business since withdrawing therefrom when it conducted structural reforms during the COVID-19 pandemic. While the Japanese market is expected to shrink in the future due to a declining population, the popularity of Japanese cuisine around the world is growing, and stylish Japanese dining based on *izakaya* (Japanese style pubs) is steadily becoming more common particularly in Asia. Taking into account those and other factors, in order for the Company to achieve sustained growth moving forward, it believes that it is essential to re-expand overseas. By utilizing Polaris' track record in supporting overseas expansion through means such as franchising, the Company believes that it will be possible to expand its business overseas via a method that reduces the required expenses and risks as much as possible.

The Company considered that the demerits of taking the Company's Stock private may include an impact on areas such as acquiring excellent human resources and expanding transaction partners through the improved trust from society and name recognition that the Company has enjoyed as a listed company, as well as being unable to procure funds through equity financing from the capital market. However, taking into consideration the fact that the Company has already established a certain level of name recognition within the industry as well as recent increases in the costs for maintaining listing, the Company believes that there is little value to maintaining its listing moving forward. Additionally, the Company Group's performance is good, and based on the current financial condition of the Company Group in which it is sufficiently able to obtain the funds necessary for its business activities through means such as loans from financial institutions, there is not expected to be a need to procure a large amount of funds through equity financing for the near future. Therefore, the Company believes that the demerits of taking the Company's Stock private will be limited and that the merits of the Transactions exceed those demerits. In addition to the demerits of taking the Company's Stock private, the Company considered that one potential demerit of coming under control of Polaris would be a feeling of uncertainty and constraints on autonomy due to being acquired by a fund with a culture that differs from that of the Company, but as stated in "(IV) Management policy after the Tender Offer" below, it is anticipated that Mr. Matsumura, the Company's founder, will continue serving as representative director and that other current management members will basically continue serving in their roles, and the Company therefore believes that this demerit will be limited.

In addition, the Company judged that the Tender Offer Price and other terms and conditions of the Tender Offer are reasonable and that the Tender Offer provides the shareholders of the Company a reasonable opportunity to sell the Company's Stock at a price that includes a reasonable premium and under reasonable terms and conditions based on the following factors.

- (i) According to the results of the valuation of the Company's Stock stated in the Share Valuation Report by PwC stated in "(I) Procurement by the Company of a share valuation report from an independent third-party valuator" under "(6) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer" below, the Tender Offer Price of 1,700 yen exceeds the maximum value of the range of values calculated under the market price analysis and is within the range of values calculated under the discounted cash flow method (the "DCF Method").
- (ii) Using July 10, 2025, the date two business days before the announcement date of the implementation of the Tender Offer, as a reference date, the Tender Offer Price of 1,700 yen includes a premium of 15.72% on 1,469 yen, the closing price of the Company's Stock on the Prime Market of the TSE on the reference date, a premium of 18.06% on 1,440 yen, the simple average closing price for the preceding one-month period, a premium of 25.55% on 1,354 yen, the simple average closing price for the preceding three-month period, and a premium of 28.50% on 1,323 yen, the simple average closing price for the preceding six-month period, and when compared to the medians of premiums on the closing price on the day immediately preceding the announcement date and the simple average closing prices for the preceding one-month, three-month, and six-month periods in 85 management buyout (MBO) transactions for the purpose of taking the target company private that were announced on or after June 28, 2019, the date on which the Ministry of Economy, Trade and Industry published the "Fair M&A Guidelines," and in which the tender offer was successfully completed on or before July 3, 2025 (such medians were 42.20% on the closing price on the day immediately

preceding the announcement date and 43.70%, 45.90%, and 46.60% on the simple average closing prices for the preceding one-month, three-month, and six-month periods, respectively), although it is difficult to view the premiums on the closing price of the Company's Stock on the reference date of the Tender Offer Price and the market value of the Company's Stock for the preceding one-month period as being at a high level, the market value of the Company's Stock has been increasing over the preceding three-month period, and therefore it is appropriate to give suitable consideration to the premiums for the preceding three-month and six-month periods instead of focusing only on the premiums for the most recent closing price and preceding one-month period. In addition, the rates of tender offer premiums on the market value of shares of companies with high price to book ratios (PBRs) tend to be low as the corporate value of those companies is already highly evaluated by the stock market, and given that the PBR of the Company as of the reference date is significantly above 2, it is possible to view the Tender Offer Price as including a certain level of premiums and to consider that it is not appropriate to focus only on the comparison to the medians of premiums in similar transactions. Therefore, the level of premiums included in the Tender Offer Price cannot entirely be found to be insufficient, and the validity of the Tender Offer Price should be determined after taking into account other circumstances that support that validity.

- (iii) As stated in “(VII) Setting of minimum number of shares to be purchased to satisfy majority of minority condition” under “(6) Measures to ensure fairness of Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of Tender Offer” below, the minimum number of shares to be purchased in the Tender Offer has been set to satisfy the majority of minority condition, meaning that the Tender Offer will not be successfully completed without the support of a majority of the Company's Stock held by the Company's shareholders who do not have any interests in the Offeror, thereby emphasizing the intentions of the Company's minority shareholders.
- (iv) The Company finds that consideration has been given to the interests of its minority shareholders as the Tender Offer Price was determined after taking the measures to ensure the fairness of the Tender Offer stated in “(6) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer” below.
- (v) The Tender Offer Price of 1,700 yen was determined after taking the above measures and following the Special Committee engaging in discussions and negotiations with the Offeror equivalent to those in an arms-length transaction on multiple occasions through the Company's financial advisor. Specifically, taking into account matters such as the results of the valuation of the Company's Stock by PwC, financial advice from PwC including advice on policies regarding negotiations with the Offeror, guidance from Mori Hamada regarding measures to ensure the fairness of procedures for the Transactions, and other legal advice from Mori Hamada, the Special Committee engaged in serious and continual discussions and negotiations with the Offeror, as a result of which the Tender Offer Price was raised to 1,700 yen, an increase of approximately 13.33% (rounded to two decimal places) from the First Proposal Price (1,500 yen per share).
- (vi) As stated in “(III) Establishment of an independent special committee at the Company and obtainment of a report from such special committee” under “(6) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer” below, the Report obtained from the Special Committee states that the Special Committee finds the terms and conditions of the Transactions, including the Tender Offer Price, to be appropriate.

Based on the above, at a meeting of the Company's board of directors held on July 14, 2025, the Company resolved to express an opinion in support of the Tender Offer and to recommend that the Company's shareholders tender their shares in the Tender Offer.

For details of the resolution at the above meeting of the board of directors, please see "(V) Unanimous approval of all disinterested directors (including directors who are Audit & Supervisory Committee Members) of the Company" under "(6) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer" below.

(IV) Management policy after the Tender Offer

The Transactions constitute what is known as a management buyout (MBO), and as described in "(I) Overview of the Tender Offer" above, Mr. Matsumura plans to acquire the Offeror's shares representing the voting rights of 5.00% after the consummation of the Transactions, and also plans to continue to manage the Company as its director after the Transactions. As described in "(II) Background, purpose and decision-making process leading to the Offeror's decision to implement the Tender Offer" above, Mr. Matsumura plans to make full use of Polaris' know-how and resources to promote measures to maximize the corporate value of the Company. Mr. Matsumura's specific position after the Transactions is expected to be representative director. Polaris Fund VI and Mr. Matsumura have entered into a management entrustment agreement (the "Management Entrustment Agreement") regarding the management of the Company on the condition precedent that the Squeeze-out Process is consummated.

After the consummation of the Transactions, Polaris plans to determine the management structure based on the governance structure of the entire group upon consultation with the Company by securing a majority of the board of directors with persons appointed or dispatched by Polaris, or concluding management delegation agreements with the current directors on the premise that the current management team will continue in their roles; however, the specific number of people and candidates are yet to be determined. Polaris plans to establish a governance structure as envisaged by Polaris and maintain close communication between Mr. Matsumura, Polaris, and the management team of the Company in order to ensure swift and appropriate decision-making at all times.

(3) Matters relating to calculation

(I) Name of valuator and its relationships with the Company and the Offeror

As a measure to ensure fairness in considering the Tender Offer Price proposed by the Offeror and making a decision on the opinion on the Tender Offer, the Company's board of directors requested PwC, a financial advisor and third-party valuator independent of the Parties Related to the Offeror, to evaluate the Company's Stock and obtained the Share Valuation Report from PwC on July 10, 2025. PwC is not a related party of the Parties Related to the Offeror or the Company, and does not have any material interests in the Transactions, including the Tender Offer. Compensation for PwC in relation to the Transactions includes fixed fees, payable regardless of whether the Transactions are consummated, and milestone-based fees, which are paid upon reaching certain milestones that have been set throughout the process toward consummating the Transactions. PwC believes that, given the fact that whether the Transactions will be consummated is uncertain, instead of only being paid a fixed fee, incorporating such milestone-based fees into its compensation structure is more preferable from the perspective of the financial burden incurred by the Company, and thus such compensation structure is reasonable for both the Company and PwC. Therefore, the Company determined that the mere fact of having milestone-based fees be included in the compensation for

PwC would not negate the independence of PwC, and on that basis, the Company appointed PwC as its financial advisor and third-party valuator based on the above compensation structure.

In addition, the Company did not obtain an opinion regarding the fairness of the Tender Offer Price (a fairness opinion) from PwC because the Company believed that sufficient consideration has been given to the interests of the minority shareholders of the Company in light of other measures that have been taken by the Offeror and the Company to ensure the fairness of the Tender Offer and to avoid conflicts of interest when implementing the Transactions (for specific details, please see “(6) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer” below).

(II) Overview of calculations

PwC considered multiple share valuation methods to be adopted for the evaluation of the Company’s Stock, and based on the assumption that the Company is a going concern and that a multifaceted evaluation of the Company’s Stock would be appropriate, PwC calculated the value per share of the Company’s Stock using the following: (i) the market price analysis, because the Company’s Stock is listed on the Prime Market of the TSE and market prices are available, and (ii) 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 of the Company’s Stock that were calculated by PwC based on the above methods are as follows.

Market price analysis:	1,323 yen to 1,469 yen
DCF Method:	1,687 yen to 2,370 yen

In the market price analysis, July 10, 2025 was used as the reference date, and calculations were performed on the basis of the closing price of the Company’s Stock of 1,469 yen on the reference date, the simple average closing price of 1,440 yen (rounded to the nearest whole number; the same applies hereinafter) for the one-month period immediately preceding the reference date, the simple average closing price of 1,354 yen for the three-month period immediately preceding the reference date, and the simple average closing price of 1,323 yen for the six-month period immediately preceding the reference date (all such prices as listed on the Prime Market of the TSE). As a result, the value per share of Company’s Stock was calculated to be in the range of 1,323 yen to 1,469 yen. In the DCF Method, the share value of the Company was calculated by (i) calculating the business value of the Company by discounting to the present value at a given discount rate (weighted average cost of capital) the free cash flow that the Company is expected to generate during and after the second quarter of the fiscal year ending February 2026, based on factors such as revenues and investment plans under the Company’s business plans for the three fiscal years from the fiscal year ending February 2026 to the fiscal year ending February 2028 prepared by the Company (the “Business Plan”), financial information of the Company, and publicly available information, and then (ii) adding to or deducting from the calculated business value the amounts of non-operational assets and interest bearing debts, etc. In the calculation of the share value, discount rates of between 5.9% and 6.9% were used. In addition, perpetual growth rates were taken into account to calculate the terminal value, using perpetual growth rates of between 0.5% and 1.0%. The calculations resulted in a value per share of the Company’s Stock in the range of 1,687 yen to 2,370 yen.

The Business Plan was prepared by the Company based on the business plan that was used as the basis when preparing the New Consolidated Medium-Term Management Plan (for the period from the fiscal year ended February 2024 to the fiscal year ending February 2026) announced by the

Company on April 21, 2023 and the revised New Consolidated Medium-Term Management Plan announced by the Company on April 19, 2024 in light of changes in the market environment during the period from the formulation and revision of the New Consolidated Medium-Term Management Plan up to that time, the recent revenue environment, the performance of the Company, and other factors. The Company determined that it would be appropriate to consider the validity of the Tender Offer Price by calculating the share value of the Company based on the Business Plan that was prepared based on financial projections that were considered by the Company to be objective and reasonable and more closely reflect the current status of the Company. When the Company prepared the Business Plan, the Special Committee received explanations from the Company regarding the content of a draft version of the Business Plan, material conditions precedent thereto, and other related matters and confirmed the reasonableness of the content of the final version of the Business Plan, the material conditions precedent thereto, the process of preparation thereof, and other related matters. The Special Committee also confirmed that the discrepancies that had arisen between the figures stated in the New Consolidated Medium-Term Management Plan and these financial projections were reasonable in light of the recent revenue environment, performance of the Company, and other factors because the market environment had been changing since the formulation of the New Consolidated Medium-Term Management Plan up to that time, and on that basis, the Special Committee approved the draft version of the Business Plan.

The Company's financial projections under the Business Plan that PwC used as a basis for the DCF Method calculations are as indicated below, and such financial projections do not include fiscal years in which significant increases or decreases in earnings or free cash flow to equity are expected. In addition, the synergistic effect expected to be achieved by the implementation of the Transactions is not reflected in the business forecast that PwC used for the DCF Method, as it is difficult to specifically estimate any such effect at this time.

(Unit: million yen)

	Fiscal year ending February 2026 (Nine months)	Fiscal year ending February 2027	Fiscal year ending February 2028
Net Sales	32,247	43,190	44,938
Operating Profit	2,958	4,163	4,510
EBITDA	3,924	5,537	5,998
Free Cash Flow	1,771	3,124	3,104

When evaluating the Company's Stock, PwC used, as a general rule, the information provided by the Company, publicly available information, and other materials on an as-is basis, assuming that all of the materials and information, etc. were accurate and complete and that there were no undisclosed facts that could have a material impact on the calculation of the value of the Company's Stock by PwC. Therefore, PwC did not independently verify the accuracy or completeness of such materials or information, etc. Further, no independent evaluations or appraisals were conducted, and no assessments or appraisals from third-party organizations were sought, in regard to any of the assets and liabilities of the Company and its affiliates (including unlisted assets and liabilities and other contingent liabilities). PwC also assumed that the information regarding the Company's

financial projections had been reasonably prepared based on the best predictions and judgments that could be made by the Company's management team as of present.

The evaluation of the Company's Stock by PwC was based on the above information available up to July 10, 2025. The calculations by PwC were performed solely to serve as a reference for the Company's board of directors in examining the value of the Company's Stock.

- (4) Policies on reorganization, etc. after the Tender Offer (matters concerning "two-step acquisition") As described in "(I) Overview of the Tender Offer" in "(2) Grounds and reasons for opinions on the Tender Offer" above, if the Offeror is unable to acquire all of the shares of the Company's Stock (excluding the Restricted Stock, the treasury shares held by the Company and the Non-tendered Shares) through the Tender Offer, the Offeror intends, after the successful completion of the Tender Offer, to request the Company to implement the Squeeze-out Process described in the manner below, in order to make the Offeror and Matsumuraya the sole shareholders of the Company.

Specifically, the Offeror will, in accordance with Article 180 of the Companies Act, promptly after the completion of the settlement of the Tender Offer, request the Company to hold an extraordinary shareholders meeting ("Extraordinary Shareholders' Meeting") of the Company that includes in its agenda a proposal for the share consolidation (the "Share Consolidation") and, on the condition of the effectuation of the Share Consolidation, a proposal to partially amend the articles of incorporation to abolish the provisions regarding share units. From the perspective of enhancing the corporate value of the Company, the Offeror believes that it is desirable to hold the Extraordinary Shareholders' Meeting as soon as possible. Accordingly, the Offeror intends to request the Company to publish a notice to set a record date, so that the record date for the Extraordinary Shareholders' Meeting will be as close as practicable to the commencement date of settlement for the Tender Offer. While the timing of the Extraordinary Shareholders' Meeting may vary depending on when the Tender Offer is successfully completed, as of now, the meeting is scheduled to be held sometime from October to November 2025. If the Company receives such a request from the Offeror, the Company intends to comply with such request. The Offeror will vote in favor of the above proposals at the Extraordinary Shareholders' Meeting. In addition, the Offeror has agreed with Matsumuraya that Matsumuraya will exercise its voting rights in favor of each of the proposals described above with respect to the Non-tendered Shares.

If the proposal for the Share Consolidation is approved at the Extraordinary Shareholders' Meeting, on the effective date of the Share Consolidation, the Company's shareholders will hold the number of the shares of the Company's Stock corresponding to the ratio of the Share Consolidation approved at the Extraordinary Shareholders' Meeting. If the Share Consolidation results in a fraction of less than one share, the Company's shareholders who hold such fractional shares shall receive an amount of money that would be obtained by selling to the Company or the Offeror the number of shares of the Company's Stock equivalent to the total number of such fractional shares (if the total number includes a fraction of less than one share, such fraction shall be rounded down; hereinafter the same) or by such other means in accordance with the provisions prescribed in Article 235 of the Companies Act and other relevant laws and regulations. With respect to the sale price of the number of shares of the Company's Stock equivalent to the total number of such fractional shares, the Offeror intends to request the Company to file with the court a petition for permission of a voluntary sale after calculating that the amount of money to be paid to the Company's shareholders who did not tender in the Tender Offer (excluding the Offeror, Matsumuraya, and the Company) as a result of such sale will be equal to the Tender Offer Price multiplied by the number of the shares of the Company's Stock held by each such shareholder. The ratio of the consolidation of the shares of the Company's Stock has not yet been determined as of today, but it will be determined so that the number of the

shares of the Company's Stock held by the Company's shareholders who did not tender in the Tender Offer (excluding the Offeror, Matsumuraya, and the Company) will be a fraction of less than one share, thereby enabling only the Offeror and Matsumuraya to hold all of the shares of the Company's Stock.

However, if, on and after the commencement date of settlement for the Tender Offer and prior to the Share Consolidation becoming effective, there is a shareholder of the Company who holds a number of shares of the Company's Stock that is equal to or greater than the number of the Non-tendered Shares (1,488,000 shares), the Offeror intends to terminate the Share Transfer Agreement and request the Company to carry out the Share Consolidation at a ratio that will result in the Offeror becoming the sole owner of all of the shares of the Company's Stock (excluding the treasury shares held by the Company).

In addition, if, at the time the consolidation ratio for the Share Consolidation is determined, the Incorporation-type Company Split or any procedures necessary therefor have not been completed, the Offeror intends to terminate the Share Transfer Agreement and proceed as follows: (i) if, as a result of the successful completion of the Tender Offer, the total number of voting rights in the Company held by the Offeror reaches 90% or more of the total number of voting rights held by all the Company's shareholders and the Offeror becomes a special controlling shareholder as defined in Article 179, Paragraph 1 of the Companies Act, the Offeror intends to demand that all the Company's shareholders (excluding the Offeror and the Company) cash out all of their shares of the Company's Stock pursuant to the provisions of Part II, Chapter II, Section 4-2 of the Companies Act, and (ii) if the total number of voting rights in the Company held by the Offeror falls short of 90% of the total number of voting rights held by all the Company's shareholders, the Offeror intends to request the Company to carry out the Share Consolidation at a ratio that will result in the Offeror becoming the sole owner of all of the shares of the Company's Stock (excluding the treasury shares held by the Company).

The provisions of the Companies Act that aim to protect the rights of minority shareholders in connection with the Share Consolidation provide that in the case where a share consolidation is implemented and there arises a fraction of less than one share as a result of the share consolidation, the shareholders of the Company who did not tender their shares in the Tender Offer (excluding the Offeror and the Company) may, pursuant to the provisions of Article 182-4 and Article 182-5 of the Companies Act and other applicable laws and regulations, demand that the Company purchase all of the fractional shares they hold at a fair price and may file a petition with the court to determine the price of the shares of the Company's Stock. If the above petition is filed, the purchase price will be ultimately determined by a court.

Depending on the status of amendments to and enforcement of relevant laws and regulations and interpretations by authorities, the above procedures may take time to be implemented or the implementation method may be changed. Provided, however, that even in such cases, if the Tender Offer is successfully completed, the method of delivering the amount of money to the shareholders of the Company who did not tender their shares in the Tender Offer (excluding the Offeror, Matsumuraya, and the Company) will be adopted in the ultimate, and in such event, the amount of money to be delivered to such Company's shareholders will be calculated to be the same as the price obtained by multiplying the Tender Offer Price by the number of the shares of the Company's Stock held by such Company's shareholders.

The specific procedures in the above cases, the timing of their implementation and other relevant matters will be promptly announced by the Company as soon as they are determined upon consultation with the Company.

With respect to the Restricted Stock, a resolution was passed at the ordinary general meeting of

shareholders of the Company held on May 29, 2024, when the restricted stock compensation plan was introduced, to the effect that, if a matter related to reorganization, etc. were to be approved at a general meeting of shareholders of the Company, the Company may automatically acquire the Restricted Stock without compensation before the effective date of such reorganization, etc. In addition, the allotment agreement for the Restrict Stock provides that (a) the Company may, during the transfer restriction period, remove the transfer restrictions on all or part of the Restricted Stock on the business day immediately preceding the effective date of a share consolidation (only if all of the shares of the Restricted Stock held by each director become a fraction of less than one share as a result of the share consolidation), and (b) in the case described in (a) above, the Company shall automatically acquire without compensation all of the shares of the Restricted Stock for which the transfer restriction has not been removed as of the time immediately after the removal of such restrictions. Accordingly, the Restricted Stock will be acquired by the Company without compensation on the business day immediately preceding the effective date of the Share Consolidation in accordance with the above resolution of the general meeting of shareholders and the provision in the allotment agreement described in (b) above.

The Tender Offer is in no way intended to solicit the approval of the Company's shareholders at the Extraordinary Shareholders' Meeting. Additionally, the Company's shareholders should consult their certified public tax accountants or other experts at their own responsibility with respect to the tax treatment when they tender in the Tender Offer or take the abovementioned procedures.

Furthermore, the Offeror currently intends that Mr. Matsumura will ultimately acquire shares in the Offeror equivalent to a total of 5.00% of the voting rights. In order to achieve this purpose, it is intended that Mr. Matsumura will make the Reinvestment to the Offeror after the completion of the Squeeze-out Process. As of today, the specific schedule and other details of such Reinvestment have not yet been determined; however, it is currently expected to be completed by no later than December 2025.

(5) Possibility of delisting and reasons therefor

As of today, the Company's Stock is listed on the Prime Market of the TSE. However, since the Offeror has not set the maximum number of shares to be purchased in the Tender Offer, depending on the result of the Tender Offer, the Company's Stock may be delisted pursuant to the prescribed procedures in accordance with the criteria for delisting prescribed by the TSE. In addition, even in the case where the Company's Stock does not meet such criteria at the time of the successful completion of the Tender Offer, if the Squeeze-out Process described in "(4) Policies on reorganization, etc. after the Tender Offer (matters concerning "two-step acquisition")" above are implemented after the successful completion of the Tender Offer, the Company's Stock will meet the criteria for delisting prescribed by the TSE, and accordingly, the Company's Stock will be delisted pursuant to the prescribed procedures. The Company's Stock will no longer be traded on the Prime Market of the TSE after the delisting.

(6) Measures to ensure fairness of the Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of the Tender Offer

In light of the fact that the Tender Offer will be implemented as part of the Transactions that constitute a management buyout (MBO), which typically involves the issue of structural conflicts of interest, the Offeror and the Company have implemented the following measures to ensure the fairness of the Transactions, including the Tender Offer, from the perspectives of ensuring the fairness of the Tender Offer Price, eliminating any arbitrariness in the decision-making process leading to the determination to implement the Tender Offer, and avoiding conflicts of interest. Of the following statements, the statements

regarding the measures implemented by the Offeror are based on the explanations provided by the Offeror.

- (I) Procurement by the Company of a share valuation report from an independent third-party valuator
As stated in “(I) Name of valuator and its relationships with the Company and the Offeror” in “(3) Matters relating to calculation” above, as a measure to ensure fairness in examining the Tender Offer Price proposed by the Offeror and making a decision on the opinion regarding the Tender Offer, the Company requested PwC, a financial advisor and third-party valuator independent of the Parties Related to the Offeror and the Company, to calculate the share value of the Company’s Stock and obtained the Share Valuation Report from PwC on July 10, 2025. PwC is not a related party of the Parties Related to the Offeror or the Company, and does not have any material interests in the Tender Offer. Compensation for PwC in relation to the Transactions includes fixed fees, payable regardless of whether the Transactions are consummated, and milestone-based fees, which are paid upon reaching certain milestones that have been set throughout the process toward consummating the Transactions. PwC believes that, given the fact that whether the Transactions will be consummated is uncertain, instead of only being paid a fixed fee, incorporating such milestone-based fees into its compensation structure is more preferable from the perspective of the financial burden incurred by the Company, and thus such compensation structure is reasonable for both the Company and PwC. Therefore, the Company determined that the mere fact of having milestone-based fees be included in the compensation for PwC would not negate the independence of PwC, and on that basis, the Company appointed PwC as its financial advisor and third-party valuator based on the above compensation structure. In addition, the Special Committee has confirmed that there are no issues with the independence or expertise of PwC and has approved the Company’s appointment of PwC as the Company’s financial advisor and third-party valuator.
For an overview of the Share Valuation Report, please see “(II) Overview of calculations” in “(3) Matters relating to calculation” above.
As stated in “(I) Name of valuator and its relationships with the Company and the Offeror” in “(3) Matters relating to calculation” above, the Company has not obtained an opinion regarding the fairness of the Tender Offer Price (a fairness opinion) from PwC.
- (II) Advice received by the Company from an independent law firm
In order to ensure fairness and appropriateness in the decision-making by the Company’s board of directors regarding the Transactions, including the Tender Offer, the Company has appointed Mori Hamada as its legal advisor independent of the Parties Related to the Offeror and the Company, and has been receiving legal advice from Mori Hamada regarding the method and process of decision-making by the Company’s board of directors regarding the Transactions and other matters to consider. Mori Hamada is not a related party of the Parties Related to the Offeror, and does not have any material interests that should be noted in relation to the Tender Offer. Compensation for Mori Hamada in relation to the Transactions will be calculated by multiplying the number of hours worked by an hourly rate regardless of whether the Transactions are consummated, and does not include any contingent fees that are to be paid subject to the consummation of the Transactions. Furthermore, the Special Committee has confirmed that there are no issues with the independence of Mori Hamada and has approved its appointment as the Company’s legal advisor.
- (III) Establishment of an independent special committee at the Company and obtainment of a report from such special committee
 - (i) Background of establishment
In consideration of the fact that the Transactions constitute a so-called management buyout (MBO) involving the partial acquisition of the Offeror or the Company’s Stock by Mr. Matsumura, the Company’s

representative director and president, and that the Transactions constitute transactions that typically involve issues of structural conflicts of interest and information asymmetry, and from the perspectives of ensuring careful decision-making in the Transactions, eliminating arbitrariness in the Company's decision-making regarding the examination process for the Transactions, and ensuring fairness throughout the entire process of examining and making decisions on whether to implement the Transactions and the validity of the terms and conditions of the Transactions, at the Company's board of directors meeting held on April 14, 2025, the Company resolved, based on advice it received from Mori Hamada, to establish the Special Committee for the purpose of establishing a framework independent of the Parties Related to the Offeror and the Transactions with respect to whether to implement the Transactions. The Special Committee is composed of the following six members: Mr. Mikio Yamano (an independent outside director of the Company); Mr. Yasuhiro Nishimura (an independent outside director and member of the Audit & Supervisory Committee of the Company); Mr. Tetsuo Saito (an independent outside director and member of the Audit & Supervisory Committee of the Company); Mr. Shigeyuki Ishida (an independent outside director and member of the Audit & Supervisory Committee of the Company); Mr. Yusaku Kurahashi (an attorney-at-law at Kurahashi Law Office), who has specialized knowledge and extensive experience as an attorney-at-law; and Mr. Yoshitake Kamino (a certified public accountant, tax accountant, and representative member at Aoyama Access Tax & Consulting), who has specialized knowledge and extensive experience as a certified public accountant. Although Mr. Yusaku Kurahashi and Mr. Yoshitake Kamino are not directors of the Company, from the perspective of supplementing the knowledge of the members of the Special Committee who are outside directors, the Company has requested Mr. Yusaku Kurahashi and Mr. Yoshitake Kamino to serve as members of the Special Committee as outside experts, because of their extensive knowledge of M&A transactions, including those similar to the Transactions. The Company has selected these six individuals to serve as members of the Special Committee since its establishment, and there have been no changes to the members of the Special Committee since their selection. In addition, the Special Committee has elected Mr. Mikio Yamano as the chairman by a mutual election of the committee members. Furthermore, compensation for the members of the Special Committee is comprised only of fixed fees or fees based on a time-charge system, which are to be paid regardless of the content of the matters the committee members report, and the Company has not adopted any contingent fees that are to be paid to the Special Committee members subject to the consummation of the Transactions. The Company has confirmed that all members of the Special Committee are independent of the Parties Related to the Offeror and the consummation of the Transactions.

The Company's board of directors consulted with the Special Committee regarding the Consultation Matters (namely, (A) to examine whether to implement the Transactions (whether the Company's board of directors should support the Tender Offer and recommend that the shareholders of the Company tender their shares in the Tender Offer) and to make a recommendation to the Company's board of directors thereon, and (B) to examine whether the decision by the Company's board of directors regarding the Transactions would be disadvantageous to the Company's minority shareholders and to provide an opinion thereon to the Company's board of directors). The Company's board of directors has also resolved that, when examining the matters described in (A) above, the Special Committee will (i) examine and determine whether the Transactions should be implemented from the perspective of whether the Transactions would contribute to the enhancement of the corporate value of the Company and (ii) examine and determine the validity of the transaction terms and the fairness of the procedures from the perspective of securing the interests of the Company's general shareholders.

Furthermore, the Company's board of directors has resolved that (i) the decisions of the Company's board of directors regarding the Transactions will be made with the utmost respect to the judgment of the Special Committee, and (ii) if the Special Committee determines that the implementation or the terms and conditions of the Transactions are not appropriate, the Company's board of directors will not approve the

Transactions under those terms and conditions (including not supporting the Tender Offer).

Upon establishing the Special Committee, the Company's board of directors has resolved to: (a) authorize the Special Committee to conduct negotiations regarding transaction terms with the counterparty of the Transactions (including indirect negotiations through the Company's officers and employees, advisors, or the like); (b) authorize the Special Committee to appoint its own financial, legal, or other advisors as necessary (in which case the Company shall bear the costs) or to appoint or approve (including ex-post facto approval) financial, legal, or other advisors for the Company when examining the Consultation Matters (if the Special Committee confirms that there are no issues with the independence or expertise of the Company's advisors, then it may seek professional advice from the Company's advisors); (c) authorize the Special Committee to request the attendance of persons deemed necessary by the Special Committee at meetings of the Special Committee to provide explanations regarding necessary information; (d) authorize the Special Committee to receive from the Company's officers and employees information necessary to examine and make decisions concerning the Transactions, including information regarding the details of, and the conditions precedent to the preparation of, the Company's business plans; and (e) grant the Special Committee other authorities in relation to conducting such matters as the Special Committee deems necessary in order to examine and make decisions concerning the Transactions.

(ii) Process of examination

The Special Committee met a total of 10 times, for a total of approximately 10 hours, between April 21, 2025 and July 11, 2025, and carried out careful discussions and examinations with respect to the Consultation Matters by, among other actions, reporting to and sharing information with other members as well as by deliberating and making decisions on the relevant matters through e-mail and the like between those meetings.

Specifically, on April 21, 2025, the Special Committee first confirmed that there were no issues in regard to the independence or expertise of Mori Hamada, the Company's legal advisor, and PwC, the Company's financial advisor, and approved their appointments as such, and the Special Committee confirmed that the Special Committee itself may receive professional advice from those advisors as necessary. Subsequently, based on the legal advice received from Mori Hamada, the Special Committee examined the measures to be taken to ensure the fairness of the procedures in the Transactions. Furthermore, on April 28, 2025, the Special Committee approved the internal examination framework for the Transactions established by the Company after confirming that there were no issues in regard to its independence.

Based on the foregoing, in examining the Consultation Matters, the Special Committee sent questions to Polaris on April 25, 2025 regarding matters such as the background to the Transactions, the Company's business environment and management issues, the advantages and disadvantages of the Transactions, the management structure after the Transactions, and the terms and conditions of the Transactions. Based on the written response received from Polaris on May 7, 2025, the Special Committee conducted interviews and held question-and-answer sessions with Polaris on May 13, 2025. In addition, the Special Committee sent questions to the Company's management on June 16, 2025 regarding matters such as the background to the Transactions, the Company's business environment and management issues, the progress of the New Consolidated Medium-Term Management Plan, the management's views on the advantages and disadvantages of the Transactions, the management structure after the Transactions, and the terms and conditions of the Transactions. Based on the written response received from the Company's management on June 23, 2025, the Special Committee conducted interviews and held question-and-answer sessions with the Company's management on July 1, 2025.

Furthermore, on April 28, 2025, the Special Committee received explanations from the Company

and held question-and answer sessions regarding the details, material conditions precedent, and process of preparation of the Business Plan prepared by the Company, which was presented to the Offeror in the Transactions and which was used as the basis for the valuation of the Company's Stock by PwC, and then confirmed and approved the reasonableness of those matters by taking into account the advice from a financial perspective received from PwC, the Company's financial advisor. In addition, as stated in "(II) Overview of calculations" in "(3) Matters relating to calculation" above, PwC conducted the valuation of the Company's Stock based on the Business Plan. The Special Committee received explanations from PwC regarding the valuation methods used in the valuation of the Company's common shares conducted by PwC, the reasons for adopting such valuation methods, and the details of calculation and material conditions precedent for each valuation method, and then confirmed the reasonableness of those matters after holding question-and-answer sessions and deliberating on and examining those matters.

In addition, the Special Committee prepared and established policies for negotiations with the Parties Related to the Offeror regarding the terms of the Transactions, including the Tender Offer Price, and requested advice from PwC on negotiations based on such policies. The Special Committee also convened meetings of the Special Committee as necessary and received timely reports from the Company, PwC, and Mori Hamada regarding the process and details of the discussions and negotiations with the Parties Related to the Offeror pertaining to the Transactions, and discussed the policies for such discussions and negotiations. As stated in "(III) Decision-making process leading to the Company's decision to support the Tender Offer and reasons therefor" in "(2) Grounds and reasons for opinions on the Tender Offer" above, the Special Committee has been substantially involved in the negotiation process with the Offeror by taking actions such as holding discussions with the Company and PwC on negotiation policies and providing opinions on multiple occasions until the Company received the final proposal of the terms and conditions of the Transactions. As a result, on July 10, 2025, the Company received from the Offeror a proposal that included setting the Tender Offer Price at 1,700 yen per share, and after receiving a total of six proposals, the Tender Offer Price was ultimately raised to 1,700 yen per share, which represents an increase of approximately 13.33% (rounded to the second decimal place) from the initial offer price of 1,500 yen.

Furthermore, the Special Committee has received explanations from both Mori Hamada and PwC on multiple occasions regarding the content of the drafts for the press release and opinion statement regarding the Tender Offer to be released or submitted by the Company, and the Special Committee has confirmed that the Company will provide appropriate and sufficient disclosure.

(iii) Determination

As a result of its careful discussions and examinations with respect to the Consultation Matters in light of the background described above, the Special Committee submitted the Report to the Company's board of directors on July 14, 2025 as summarized below with the unanimous approval of all members of the Special Committee.

(iii) Determination

As a result of its careful discussions and examinations with respect to the Consultation Matters in light of the background described above, the Special Committee submitted the Report to the Company's board of directors on July 14, 2025 as summarized below with the unanimous approval of all members of the Special Committee.

(A) Details of the Report

(a) The Company's board of directors (should support the Tender Offer and recommend that the

Company's shareholders tender their shares in the Tender Offer.

- (b) The decisions of the Company's board of directors regarding the Transactions are not disadvantageous to the Company's minority shareholders.

(B) Reasons for the Report

- Consultation Matter (i) (whether or not the Company's board of directors should support the Tender Offer and whether or not it should recommend that the Company's shareholders tender their shares in the Tender Offer)
- a) Whether or not the Transactions would contribute to enhancing the corporate value of the Company
 - a. Business environment and management issues of the Company Group
 - The Special Committee shares the same awareness regarding the business environment and management issues of the Company Group as that stated in "(II) Background, purpose and decision-making process leading to the Offeror's decision to implement the Tender Offer" under "(2) Grounds and reasons for opinions on the Tender Offer" in "3. Details of and grounds and reasons for opinions on the Tender Offer" above.
 - Taking into account that business environment and those management issues, the Company Group has areas in which it is necessary to invest both human and material resources, but as it is difficult to find that the Company Group has the knowledge, know-how, and investment capabilities necessary for those investments, the Special Committee agrees with the Company's awareness that further efforts are necessary, such as forming strategies with the support of a business strategy partner who can provide solutions to issues, and the Special Committee finds that the purpose of such measures to address those management issues is reasonable.
 - b. Significance (Merits) of the Transactions
 - The synergies that the Offeror anticipates as stated in "(II) Background, purpose and decision-making process leading to the Offeror's decision to implement the Tender Offer" under "(2) Grounds and reasons for opinions on the Tender Offer" in "3. Details of and grounds and reasons for opinions on the Tender Offer" above and the synergies that the Company believes will be achievable through the Transactions as stated in "(III) Decision-making process leading to the Company's decision to support the Tender Offer and the reasons therefor" under "(2) Grounds and reasons for opinions on the Tender Offer" in "3. Details of and grounds and reasons for opinions on the Tender Offer" above are largely consistent.
 - In addition, amid increasingly intense competition in the store-based food service industry due to the rapidly declining population caused by falling birthrates and aging population and changing consumer needs caused by changing values, labor shortages are becoming more severe, and it is necessary to rapidly implement thorough and effective measures. The Special Committee finds that the above synergies to be achieved through the unification of the Offeror and the Company are important as they would each contribute to resolving the Company's management issues, and if realized, those measures would contribute to enhancing the Company's corporate value.

- c. Demerits of the Transactions
 - The Special Committee finds the Company's awareness regarding the demerits of taking the Company's Stock private as stated in "(III) Decision-making process leading to the Company's decision to support the Tender Offer and the reason therefor" under "(2) Grounds and reasons for opinions on the Tender Offer" in "3. Details of and grounds and reasons for opinions on the Tender Offer" above to be reasonable.
 - The Special Committee also considers that common demerits of delisting include limitations on financing methods and a decline in social credibility and name recognition leading to negative impacts on business relationships with transaction partners and on hiring personnel. However, in regard to financing, taking into account the recent financial environment, there are many cases in which it is considered more reasonable to procure funds through indirect financing rather than relying on equity financing, and given that Polaris can be expected to invest in the Company, there is little risk of a significant obstacle occurring in regard to the Company's management. Additionally, in regard to social credibility and name recognition, the Company has already established a certain degree of trust with its transaction partners, and the Special Committee does not believe that existing business relationships will be significantly damaged due to delisting, nor does it believe that the Company's customer trust and name recognition, which the Company has built up through its business operations up to the present, will immediately be lost due to delisting. Furthermore, in regard to hiring personnel, although delisting is expected to lead to a decrease in the number of job applicants, by aiming to achieve relisting, the Special Committee believes that it will be possible to acquire highly motivated personnel, as when the Company was a startup, which may lead to improving the speed of business growth.
 - Based on the above, the Special Committee believes that the demerits of the Transactions will be limited and will be smaller than the merits of the Transactions stated in b. above.
- d. Examination of options other than the Transactions
 - As measures to enhance the Company's corporate value other than the Transactions, the Company believes that it could conduct anticipatory investments and M&A transactions that it is currently examining while maintaining its listing. However, the Company Group is constantly affected by changes in its share price due to quarterly financial results announcements and analyst evaluations, as a result of which there have been cases in the past in which the Company refrained from making investments within a single business year due to concerns regarding short-term share price changes. In addition, anticipatory investments and M&A transactions often put short-term strain on profits and incur significant costs, as a result of which the Company has tended to hesitate to conduct such measures due to concerns of a negative impact on its share price.
 - The Company believes that by choosing to conduct the Transactions, taking the Company's Stock private after the Transactions will release the Company from the pressure of short-term share price changes, which will

enable the Company to boldly and dramatically undertake strategic anticipatory investments and large-scale M&A transactions from a long-term perspective without being excessively concerned with the wishes of the Company's shareholders, thereby making it possible to establish a firm foundation for future growth.

- The Special Committee also believes that if the Company chooses to maintain its listing, it would likely be difficult for the Company to conduct strategic anticipatory investments or M&A transactions to thoroughly address the business environment and management issues of the Company Group without taking into consideration worsened short-term cash flows and negative impacts on share prices. In addition, if the Company has minority shareholders, it may be difficult for the Company to actively utilize Polaris's know-how due to potential conflicts of interest between the Parties Related to the Offeror and the Company's minority shareholders. Therefore, the Special Committee finds that the Offeror taking the Company's Stock private would contribute to the medium- to long-term growth of the Company Group.
- In regard to the possibility of transactions with the Alternative Candidate, given that the Alternative Candidate suspended its examination of transactions relating to taking the Company's Stock private, the Special Committee finds that it is appropriate and reasonable to conduct the Transactions with the Offeror, in which Polaris and Mr. Matsumura, both of whom proposed the Transactions, have invested or plan to invest.
- e. Summary
 - Based on the above, the Special Committee believes that the Company's awareness regarding the purpose of the Transactions is reasonable, and it finds that the Transactions would contribute to enhancing the Company's corporate value.
- b) Validity of the terms and conditions of the Transactions
 - a. Results of calculation of share value by independent third-party valuator
 - The Share Valuation Report from PwC, the Company's financial advisor and third-party valuator independent from the Parties Related to the Offeror, uses market price analysis and the DCF Method as calculation methods, and the Special Committee has confirmed the reasonableness of the content of the share value analysis and the significant underlying assumptions for the calculation under each method.
 - In the market price analysis, the share value of the Company was calculated by analyzing the most recent closing price of the Company's Stock and the average closing prices over certain periods. That type of calculation method is commonly used in transactions similar to the Transactions. In addition, it can be said that the calculation periods used are commonly used for this method, and the Special Committee confirmed that no material events occurred during these periods that would necessitate adjustments to market share values. Based on the above, the Special Committee does not find any unreasonable matters in regard to the details of the calculation by market price analysis.
 - In addition, in the DCF Method, the share value of the Company was

calculated by (i) calculating the business value of the Company by discounting to the present value at a given discount rate (weighted average cost of capital) the free cash flow that the Company is expected to generate during and after the second quarter of the fiscal year ending February 2026, based on factors such as revenues and investment plans under the Business Plan prepared by the Company for the three fiscal years from the fiscal year ending February 2026 to the fiscal year ending February 2028, financial information of the Company, and publicly available information, and then (ii) adding to or deducting from the calculated business value the amounts of non-operational assets and interest bearing debts, etc. PwC set the discount rates and the perpetual growth rates for calculating the terminal value used in the DCF Method based on its expert perspective as a third-party valuator, and the Special Committee does not find any particularly unreasonable matters in regard to aspects such as the basis for the calculation of those figures and the calculation methods.

- The Special Committee finds that the risk of any impact caused by issues of structural conflicts of interest was reasonably eliminated by means such as the Business Plan on which the calculation under the DCF Method was based being prepared under the direction of persons independent from the Parties Related to the Offeror. In addition, the Business Plan was prepared by the Company based on the business plan that was used as the basis when preparing the New Consolidated Medium-Term Management Plan (for the period from the fiscal year ended February 2024 to the fiscal year ending February 2026) announced by the Company on April 21, 2023 and the revised New Consolidated Medium-Term Management Plan announced by the Company on April 19, 2024 in light of changes in the market environment during the period from the formulation and revision of the New Consolidated Medium-Term Management Plan up to the present, the recent revenue environment, the performance of the Company, and other factors, and the Business Plan was prepared based on financial projections that were considered by the Company to be objective and reasonable and more closely reflect the current status of the Company. The Special Committee finds that the planned figures for each fiscal year under the Business Plan are likely to be accurate.
- Based on the above, the Special Committee finds the Business Plan on which the calculation of the share value of the Company was based to be reasonable in light of the underlying assumptions thereof, the background of the preparation thereof, and the current status of the Company.
- Furthermore, in light of the valuation of the Company's Stock stated in the Share Valuation Report, the Tender Offer Price exceeds the maximum value of the range of values calculated under the market price analysis and is within the range of values calculated under the DCF Method.
- b. Premiums on the market value of the Company's Stock
 - Using July 10, 2025, the date two business days before the announcement date of the implementation of the Tender Offer, as a reference date, the Tender Offer Price of 1,700 yen includes a premium of 15.72% on 1,469 yen, the closing price of the Company's Stock on the Prime Market of the

TSE on the reference date, a premium of 18.06% on 1,440 yen, the simple average closing price for the preceding one-month period, a premium of 25.55% on 1,354 yen, the simple average closing price for the preceding three-month period, and a premium of 28.50% on 1,323 yen, the simple average closing price for the preceding six-month period. The medians of premiums on the closing price on the day immediately preceding the announcement date and the simple average closing prices for the preceding one-month, three-month, and six-month periods in 85 management buyout (MBO) transactions for the purpose of taking the target company private that were announced on or after June 28, 2019, the date on which the Ministry of Economy, Trade and Industry published the “Fair M&A Guidelines,” and in which the tender offer was successfully completed on or before July 3, 2025 were 42.20% on the closing price on the day immediately preceding the announcement date and 43.70%, 45.90%, and 46.60% on the simple average closing prices for the preceding one-month, three-month, and six-month periods, respectively.

- In comparison to those examples, it is difficult to view the premiums on the closing price of the Company’s Stock on the reference date of the Tender Offer Price and the market value of the Company’s Stock for the preceding one-month period as being at a high level. However, the market value of the Company’s Stock has been increasing over the preceding three-month period, and therefore it is appropriate to give suitable consideration to the premiums for the preceding three-month and six-month periods instead of focusing only on the premiums for the most recent closing price and preceding one-month period. In addition, the rates of tender offer premiums on the market value of shares of companies with high price to book ratios (PBRs) tend to be low as the corporate value of those companies is already highly evaluated by the stock market, and given that the PBR of the Company as of the reference date is significantly above 2, it is possible to view the Tender Offer Price as including a certain level of premiums and to consider that it is not appropriate to focus only on the comparison to the medians of premiums in similar transactions. Therefore, the level of premiums included in the Tender Offer Price cannot entirely be found to be insufficient, and the validity of the Tender Offer Price should be determined after taking into account other circumstances that support that validity.
- c. Setting of a majority of minority condition
 - As stated in c. in e) below, the minimum number of shares to be purchased in the Tender Offer has been set to satisfy a so-called majority of minority condition. Setting a majority of minority condition will lead to a greater emphasis on ensuring that the general shareholders have the opportunity to make judgements by directly confirming that a majority of the general shareholders are satisfied with the transaction terms. Further, when setting a majority of minority condition, it is necessary to set transaction terms at a level which the majority of general shareholders are expected be satisfied with in order to successfully complete the Tender Offer; therefore, setting a majority of minority condition also serves the function of strengthening the negotiating power of the Company during the process of forming the

transaction terms, thereby contributing to the Tender Offer being conducted under transaction terms favorable to the general shareholders.

- In other words, the fact that the minimum number of shares to be purchased has been set to satisfy the majority of minority condition in this case can be considered to be an element that enhances the validity of the transaction terms (including the Tender Offer Price) of the Transactions.
- d. Process of negotiating and determining the price
 - The Special Committee engaged in discussions and negotiations with the Offeror regarding the terms and conditions of the Transactions, including the Tender Offer Price, as a result of which the Tender Offer Price was raised a total of four times, ultimately achieving an increase of approximately 13.33% (rounded to two decimal places) from the tender offer price in the first proposal (1,500 yen).
 - Based on the above, it can be found that serious discussions and negotiations were held between the Special Committee and the Offeror.
- e. Reasonableness of transaction methods
 - The two-step acquisition method proposed by the Offeror involving a tender offer for cash consideration and a subsequent demand for share cash-out or share consolidation is a method commonly used in transactions to take a company private. The consideration to be paid in the transactions in the second step is planned to be set to be equivalent to the Tender Offer Price, and shareholders who are dissatisfied with the amount of the consideration can file a petition with a court to determine the share price. Accordingly, the Special Committee finds this method to not be unreasonable.
 - Mr. Matsumura plans to indirectly reinvest in the Company through the Reinvestment, and according to the Offeror, the appraised value of the Company's Stock to be used as a basis when determining the issue price per common share of the Offeror in the Reinvestment is planned to be set to be equivalent to the Tender Offer Price, and therefore, the Special Committee does not find any unreasonable matters in regard to consistency with the Tender Offer Price in the Reinvestment.
 - The Offeror plans to indirectly acquire the Company's Stock through the Share Transfer, and according to the Offeror, the appraised value of the Company's Stock to be used as a basis when determining the transfer price of Matsumuraya's Stock in the Share Transfer will be set to be equivalent to the Tender Offer Price, and therefore, the Special Committee does not find any unreasonable matters in regard to consistency with the Tender Offer Price in the Share Transfer.
- f. Summary
 - The Special Committee believes that the validity of the transaction terms of the Transactions has been ensured from the perspective of pursuing the interests of the Company's minority shareholders in light of the fact, as stated above, (a) the Tender Offer Price has been deemed to be valid comprehensively considering that (i) while the Special Committee does not find any unreasonable matters in the valuation methods and the details of valuations (including the details of the Business Plan used as the basis for the calculation) in the share valuation by PwC, an independent third-party valuator, and the share valuation is believed to

be valid in light of current practices, the Tender Offer Price is higher than the upper limit of the price range in the Share Valuation Report calculated in accordance with the market price analysis and falls within the price range calculated in accordance with the DCF Method, (ii) although it cannot necessarily be said that the premium level is high compared to similar cases, it cannot be categorically evaluated as insufficient, (iii) the majority of minority condition has been set, which can operate as an element that enhances the validity of the transaction terms of the Transactions, and (iv) the price negotiations were conducted with the Offeror, and as a result of such negotiations, the price was raised significantly on multiple occasions from the initial proposal; and (b) the Special Committee does not find any unreasonable matters in the method of the Tender Offer.

c) Fairness of procedures in the Transactions

- The Company established the Special Committee, and it can be found that the Special Committee is structured properly to protect the interests of the Company's general shareholders from an independent standpoint. Further, a mechanism has been ensured in which the Company's board of directors makes decisions while paying the maximum respect to the determinations of the Special Committee, and the Special Committee has been granted the necessary authority and the like to function effectively.
- It can be found that in the Transactions, the Special Committee has been substantially involved in the negotiation process related to the transaction terms between the Company and the Offeror, including the Tender Offer Price (including being involved in discussions, negotiations, and the like conducted through PwC, who is an advisor of the Special Committee).
- The Company has appointed PwC as its financial advisor and a third-party valuator independent from the Parties Related to the Offeror, the Company, and the Transactions, has received advice therefrom from a financial perspective throughout the entire examination process for the Transactions, including advise on the negotiation policy with the Offeror regarding the Tender Offer Price, and the Company has also obtained the Share Valuation Report in order to ensure fairness in the decision-making process regarding the Tender Offer Price proposed by the Offeror.
- In order to ensure the fairness and appropriateness of the decision-making of the Company's board of directors regarding the Transactions, including the Tender Offer, the Company has received legal advice from Mori Hamada as a legal advisor independent from the Parties Related to the Offeror, the Company, and the Transactions.
- The Company has established an internal system to review, negotiate, and make judgements concerning the Transactions from the perspective of enhancing the Company's corporate value and securing the interests of the Company's minority shareholders, from a standpoint independent from the Offeror, which consists solely of Mr. Motoaki Saito, Senior Managing Director, and other two officers and employees, who are deemed to be independent from the Parties Related to the Offeror, and this system has been approved by the Special Committee. It can be found that the internal independent review system at the Company has been appropriately built and is functioning effectively.

- Because the Transactions fall under a management buyout (MBO) by Mr. Matsumura, the Company's President and Representative Director, Mr. Matsumura has not participated in any of the deliberations or resolutions so far pertaining to any agenda items related to the Transactions, and the Company plans to not allow Mr. Matsumura to be involved in the deliberations and resolutions at the meeting of the Company's board of directors to be held on July 14, 2025 to deliberate on the board of directors' expression of its opinion on the Tender Offer. In addition, Mr. Matsumura has not participated in any discussions or negotiations with the Offeror regarding the Transactions on behalf of the Company.
- On March 14, 2025, the Company was informed by Mr. Matsumura, the Company's President and Representative Director, that an examination of taking the shares of the Company's stock private as well as discussions with multiple PE Funds, including Polaris, had commenced. Subsequently, the Company also received offers from the Alternative Candidate, as well as from Polaris, who is a Party Related to the Offeror, to examine taking the shares of Company's Stock private. The Special Committee is able to assess that during this process, the Offeror was in a competitive environment where selection would be made through comparison with the Alternative Candidate, which the Special Committee considers as having had a certain effect as a market check from the perspective of examining the existence of potential acquirers.
- The Special Committee finds that an indirect market check has been carried out based on the fact that in the Tender Offer, by setting a relatively long purchase period, an appropriate opportunity for the Company's shareholders to make judgements regarding tendering their shares in the Tender Offer has been ensured, as well as an opportunity for persons other than the Offeror to make competing purchases.
- The minimum number of shares to be purchased in the Tender Offer, 10,813,295 shares (Shareholding Ratio: 59.69%), satisfies the so-called majority of minority condition because if the majority of the number of shares of the Company's Stock held by the Company's shareholders who are disinterested in the Offeror do not support the Tender Offer, the Tender Offer will not be successfully completed, and this is a mechanism that places an emphasis on the intent of the minority shareholders of the Company.
- It is planned that information will be extensively disclosed in the draft of the disclosure documents related to the Tender Offer, and it can be said that such disclosure will mitigate information asymmetry regarding the Transactions and ensure the general shareholders an appropriate opportunity to make judgements based on sufficient information. In addition, the Company and the Offeror plan to make appropriate disclosures after obtaining advice from their respective legal advisors.
- It can be found that, in the Transactions, the legality of the Squeeze-Out Procedures has been ensured by giving consideration to prevent any issue of coercion.
- In addition to the foregoing, the Special Committee does not find any fact suggesting that the Company was unduly influenced by the Offeror in the process of the discussions, examinations, and negotiations regarding the

Transactions.

d) Conclusion

- It can be found that: the Transactions would contribute to enhancing the corporate value of the Company, as stated in a) above; the validity of the transaction terms of the Transactions, including the purchase price, has been ensured, as stated in b) above, and; fair procedures have been implemented, as stated in c) above. Therefore, the Special Committee finds that sufficient consideration has been given to the general shareholders of the Company.
- Accordingly, the Special Committee believes that it is appropriate for the Company's board of directors to express an opinion in favor of the Tender Offer and an opinion recommending that the shareholders of the Company tender their shares in the Tender Offer.
- Consultation Matter (ii) (whether the decision by the Company's board of directors regarding the Transactions is disadvantageous to the Company's minority shareholders)
- As stated in (a)d) above, it can be found that, from the perspective of pursuing the interests of the general shareholders of the Company, the Transactions would contribute to enhancing the Company's corporate value and the validity of the transaction terms and fairness of the procedures have been ensured.
- Therefore, the Special Committee believes that the decision-making by the Company's board of directors' regarding the Tender Offer (i.e. (a) the decision to express an opinion in favor of the Tender Offer and recommend that the shareholders of the Company tender their shares in the Tender Offer, and (b) the decision regarding the process of taking the shares of the Company's Stock private through the squeeze-out process to be conducted after the Tender Offer as part of the Transactions) is not disadvantageous to the Company's minority shareholders.

(IV) Establishment of an independent review system in the Company

As stated in "(i) Background to the establishment of a review system" in "(III) Decision-making process leading to the Company's decision to support the Tender Offer and reasons therefor" in "(2) Grounds and reasons for opinions on the Tender Offer" above, the Company has established an internal system to review, negotiate, and make decisions concerning the Transactions from a standpoint independent of the Parties Related to the Offeror and from the perspective of enhancing the corporate value of the Company and securing the interests of the Company's minority shareholders.

Specifically, the Company received initial proposals regarding the delisting of the Company's Stock from the Alternative Candidate on March 12, 2025 and from Polaris and Mr. Matsumura on March 14, 2025. Following the receipt of these proposals, based on the legal advice obtained from Mori Hamada from a standpoint independent of the Parties Related to the Offeror and from the perspective of enhancing the corporate value of the Company and securing the interests of the Company's general shareholders, in the process of conducting negotiations and internal reviews regarding the terms and conditions of the Transactions, including the Tender Offer Price, the Company established an internal review system consisting only of Mr. Motoaki Saito, Senior Managing Director, and two other officers and employees who were deemed to be independent of the Parties Related to the Offeror and of whom Mr. Matsumura, who is the representative director of the Company and has a special interest in the Offeror, is not included. Under this system, the Company conducted internal reviews regarding the Transactions, including establishing its business plan, holding discussions and negotiations with the Offeror regarding the price and other transaction terms, and responding to the Special Committee. These measures have been approved by the Special Committee.

- (V) Unanimous approval of all disinterested directors (including directors who are Audit & Supervisory Committee Members) of the Company

By taking into account the legal advice received from Mori Hamada, the advice from a financial perspective received from PwC, the content of the Share Valuation Report, the Report obtained from the Special Committee, the content of the multiple rounds of ongoing discussions conducted with the Offeror, and other relevant materials, the Company conducted careful discussions and examinations on whether the Transactions, including the Tender Offer by the Offeror, would contribute to the enhancement of the corporate value of the Company and whether the terms and conditions of the Transactions, including the Tender Offer Price, were appropriate.

As a result, as stated in “(iii) Determination” in “(III) Decision-making process leading to the Company’s decision to support the Tender Offer and reasons therefor” in “(2) Grounds and reasons for opinions on the Tender Offer” above, at the Company’s board of directors meeting held on July 14, 2025, all directors of the Company participating in the deliberations and resolutions (nine out of ten directors of the Company, excluding Mr. Matsumura) reached the conclusion that the Transactions would contribute to the enhancement of the corporate value of the Company given that conducting the Transactions together with the Offeror would enable the Company to implement bold management reforms without being affected by expectations from the stock market for short-term performance and that synergies are expected to be generated through the Transactions, and determined that the Tender Offer would offer an opportunity to the shareholders of the Company to sell their shares at a price inclusive of a reasonable premium and upon reasonable terms and conditions. Therefore, the board of directors of the Company unanimously adopted a resolution to express an opinion in support of the Tender Offer and to recommend that all shareholders of the Company tender their shares in the Tender Offer.

- (VI) Measures to ensure purchase opportunities from other purchasers

The Offeror has set the tender offer period at 30 business days, while the shortest statutory period is 20 business days. By setting a long tender offer period, the Offeror ensures to provide the Company’s shareholders with an appropriate opportunity to make a judgment regarding the tender of their shares in the Tender Offer and ensures to provide the opportunities for competing offerors to make a competing purchase for the Company’s Stock, thereby intending to ensure the fairness of the Tender Offer Price.

Additionally, the Offeror and the Company have not entered into any agreement that restricts a competing offeror from having contact with the Company, such as an agreement that includes transaction protection provisions that would prohibit the Company from having contact with a competing offeror. As such, in conjunction with the establishment of the period of purchase above, the Offeror has given consideration to the fairness of the Tender Offer by ensuring opportunities for competing tender offers.

- (VII) Setting of minimum number of shares to be purchased to satisfy majority of minority condition

As stated in “(I) Overview of the Tender Offer” above, the Offeror has set the minimum number of shares to be purchased in the Tender Offer at 10,813,295 shares (Shareholding Ratio: 59.69%). If the total number of Tendered Shares fails to reach the minimum number of shares to be purchased (10,813,295 shares), the Offeror will not purchase any of the Tendered Shares. The minimum number of shares to be purchased in the Tender Offer (10,813,295 shares) exceeds the number of shares (5,814,892 shares) equivalent to the majority of the number of shares (11,629,783 shares) resulting from (i) the total number of issued shares (18,455,019 shares) of the Company as of May 31, 2025 as stated in the Company’s First Quarter Financial Results less (ii) the number of treasury shares held by the Company (338,833 shares) as of May 31, 2025 (resulting in 18,116,186 shares), and minus (iii) the number of Company’s Stock held by Mr. Matsumura as of the date hereof (4,998,403 shares) and the number of Non-tendered Shares (1,488,000 shares), that

is, the number of shares equivalent to the majority of the number of the Company's Stock held by the shareholders of the Company who have no interest in the Offeror or Mr. Matsumura (the so-called "majority of minority"). In this way, if the consent of the majority of the Company's shareholders who have no interest in the Offeror or Mr. Matsumura is not obtained, the Offeror will not conduct the Transactions, including the Tender Offer, thereby emphasizing the intentions of the Company's minority shareholders.

4. Matters relating to material agreements regarding tendering shares in the Tender Offer and other matters concerning the Tender Offer between the Offeror and the Company's shareholders

(1) The Tender Agreement

Upon the Tender Offer, the Offeror has entered into the Tender Agreement with Mr. Matsumura as of July 14, 2025. Under the Tender Agreement, it is agreed that 4,993,900 shares of the Company's Stock owned by Mr. Matsumura, out of 4,998,403 shares (Shareholding Ratio: 27.59%), excluding the Restricted Stock owned by Mr. Matsumura (4,503 shares), will be tendered in the Tender Offer.

The outline of the Tender Agreement is as follows. There are no conditions precedent for tendering shares under the Tendering Agreement.

- Mr. Matsumura has agreed that in the event that the Offeror commences the Tender Offer, Mr. Matsumura will promptly (no later than 10 business days prior to the expiration of the Tender Offer Period) tender 4,993,900 of the Company Stock (4,998,403 shares; ownership ratio: 27.59%) (hereinafter, the "Tender") held by him excluding the Restricted Stock (4,503 shares) held by Mr. Matsumura, and in addition, he has agreed not to withdraw the Tender Offer and not to terminate the agreement concerning the purchase of the shares to be tendered that is formed by the Tender Offer. Mr. Matsumura will not exercise his right to request the convocation of a general meeting of shareholders of the Company or to make a shareholder proposal without the prior written consent of the Offeror, and in the event that a general meeting of shareholders of the Company is held with a record date for the exercise of rights that is a date before the settlement commencement date of the Tender Offer, Mr. Matsumura will exercise his voting rights and all other rights at such meeting, in accordance with the reasonable instructions of the Offeror.
- Mr. Matsumura has agreed to each of the following covenants: (i) to cause the Company and its subsidiaries to operate their businesses with the care of a good manager within the ordinary course of business, and (ii) to provide reasonable cooperation necessary for the Offeror to execute the loan agreement that the Offeror plans to execute for the financing of the Tender Offer.
- In the Tender Agreement, the Offeror has made representations and warranties regarding, among other matters, the following: (i) the validity of its incorporation and existence; (ii) the validity and enforceability of the Tender Agreement; (iii) the obtainment and implementation of necessary permits and approvals; (iv) the absence of any conflict with laws and regulations; (v) the absence of any insolvency proceedings; and (vi) that the Offeror has no business with any antisocial forces. Also, in the Tender Agreement, Mr. Matsumura has made representations and warranties regarding, among other matters, the following: (i) the validity of the execution of the Tender Agreement; (ii) the validity and enforceability of the Tender Agreement; (iii) the obtainment and implementation of necessary permits and approvals; (iv) the absence of any conflict with laws and regulations; (v) the absence of any insolvency proceedings; (vi) that the Offeror has no business with any antisocial forces; (vii) legal and valid ownership of the Company's Stock held by him; and (viii) matters related to the businesses of the Company and its subsidiaries.
- In addition to the above, the Tender Agreement stipulates other general provisions, including indemnification obligations at the time of a breach of agreement or representations and warranties, the termination of agreement, and confidentiality obligations. It is stipulated in the Tender Agreement that

the Tender Agreement will terminate if Mr. Matsumura and the Offeror agree to terminate the agreement in writing, the Tender Offer is withdrawn, or the Tender Offer is not successfully completed. It is also stipulated that if either party commits a material breach of its obligations or representations and warranties under the Tender Agreement, the other party is entitled to the right of termination.

(2) The Share Transfer Agreement

The Offeror has entered into the Share Transfer Agreement with Mr. Matsumura as of July 14, 2025. Under the Share Transfer Agreement, it has been agreed that Mr. Matsumura will transfer all of Matsumuraya's Stock, of which Mr. Matsumura holds all voting rights, to the Offeror following the Squeeze-out Process. An outline of the Share Transfer Agreement is as follows. In addition, the Offeror will fulfill its obligation to transfer Matsumuraya's Stock based on the Share Transfer Agreement on the condition that the Incorporation-type Company Split and the Distribution in Kind have been legally and effectively executed prior to the Share Transfer.

- Mr. Matsumura shall not exercise his right to demand the convocation of or his right to submit a proposal at a general meeting of shareholders of Matsumuraya without the prior written consent of the Offeror. In addition, except in the cases expressly provided for separately in the Share Transfer Agreement, it is stipulated in the Share Transfer Agreement that if a general meeting of shareholders of Matsumuraya is held with a date up to the closing date specified in the Share Transfer Agreement as the record date for exercising rights at such meeting, Mr. Matsumura shall exercise his voting rights and any and all other such rights at that general meeting of shareholders in accordance with the reasonable instructions of the Offeror.
- Mr. Matsumura (a) will make utmost efforts to ensure that Matsumuraya conducts its business within the scope of its normal operations with the due care of a prudent manager (including refraining from certain acts) and (b) has agreed to each of the covenants in the Share Transfer Agreement, including causing Matsumuraya to complete the procedures necessary for the Incorporation-type Company Split.
- In the Share Transfer Agreement, (i) the Offeror has made representations and warranties regarding, among other matters, the following: (a) the validity of its incorporation and existence; (b) the validity and enforceability of the Share Transfer Agreement; (c) the obtainment and implementation of necessary permits and approvals; (d) the absence of any conflict with laws and regulations; (e) the absence of any insolvency proceedings; and (f) that the Offeror has no business with any antisocial forces, and (ii) Mr. Matsumura has made representations and warranties regarding, among other matters, the following: (a) the validity of the execution of the Share Transfer Agreement; (b) the validity and enforceability of the Share Transfer Agreement; (c) the obtainment and implementation of necessary permits and approvals; (d) the absence of any conflict with laws and regulations; (e) the absence of any insolvency proceedings; (f) that Mr. Matsumura has no business with any antisocial forces; (g) the legal and valid ownership of the Company's Stock held by him; and (h) matters related to the businesses of the Company and its subsidiaries.
- In addition to the above, the Share Transfer Agreement stipulates other general provisions, including indemnification obligations at the time of a breach of agreement or representations and warranties, the termination of agreement, and confidentiality obligations. It is stipulated in the Share Transfer Agreement that the Share Transfer Agreement will terminate if Mr. Matsumura and the Offeror agree to terminate the agreement in writing, the Tender Offer is withdrawn, or the Tender Offer is not successfully completed. It is also stipulated that if either party commits a material breach of its obligations or representations and warranties under the Share Transfer Agreement, the other party is entitled to the right of termination.

(3) The Non-tender Agreement

Upon the Tender Offer, the Offeror has entered into the Non-tender Agreement with Matsumuraya as of July 14, 2025. Under the Non-tender Agreement, it is agreed that all 1,488,000 shares (Shareholding Ratio: 8.21%) of the Company's Stock owned by Matsumuraya will not be tendered in the Tender Offer.

The outline of the Non-tender Agreement is as follows.

- Matsumuraya will not tender 1,488,000 shares (ownership ratio: 8.21%) of the Company's Stock held by Matsumuraya in the Tender Offer, if the Offeror commences the Tender Offer.
- Matsumuraya will (i) make its utmost efforts to have the Company and its subsidiaries operate its business with the care of a good manager within the scope of normal business operations (including not allowing certain acts to be performed), and the Offeror has agreed (i) to make its best efforts to ensure that the Company and its subsidiaries operate their businesses with the care of a good manager within the ordinary course of business (including not allowing certain acts to be conducted) and (ii) to provide reasonable cooperation necessary for the execution of the loan agreement that the Offeror plans to execute for the financing of the Tender Offer.
- In the Non-tender Agreement, the Offeror has made representations and warranties regarding, among other matters, the following: (i) the validity of its incorporation and existence; (ii) the validity and enforceability of the Non-tender Agreement; (iii) the obtainment and implementation of necessary permits and approvals; (iv) the absence of any conflict with laws and regulations; (v) the absence of any insolvency proceedings; and (vi) that the Offeror has no business with any antisocial forces. Also, in the Tender Agreement, Mr. Matsumura has made representations and warranties regarding, among other matters, the following: (i) the validity of the execution of the Tender Agreement; (ii) the validity and enforceability of the Tender Agreement; (iii) the obtainment and implementation of necessary permits and approvals; (iv) the absence of any conflict with laws and regulations; (v) the absence of any insolvency proceedings; (vi) that the Offeror has no business with any antisocial forces; (vii) legal and valid ownership of the Company's Stock held by him; and (viii) matters related to the businesses of the Company and its subsidiaries.
- In addition to the above, the Non-tender Agreement stipulates other general provisions, including indemnification obligations at the time of a breach of agreement or representations and warranties, the termination of agreement, and confidentiality obligations. It is stipulated in the Non-tender Agreement that the Non-tender Agreement will terminate if Matsumuraya and the Offeror agree to terminate the agreement in writing, the Tender Offer is withdrawn, or the Tender Offer is not successfully completed. It is also stipulated that if either party commits a material breach of its obligations or representations and warranties under the Non-tender Agreement, the other party is entitled to the right of termination.

(4) The Shareholders Agreement

Mr. Matsumura and Polaris Fund VI have entered into the Shareholders Agreement as of July 14, 2025 regarding the organization and operation, and the handling of the shares of the Offeror and the Company, which includes the following provisions. The Shareholders Agreement shall be effective at the time of the Reinvestment, except for certain provisions such as general provisions.

- i. Restrictions on the transfer, creation of security interests on, or succession of shares of the Offeror
- ii. Mr. Matsumura's tag-along right and Polaris Fund VI's right of co-sale
- iii. Polaris Fund VI's right to demand sale

(5) The Written Consent

As of July 14, 2025, the Offeror has obtained a written consent from DBJ Fund to the effect that all of the

Preferred Stock shall be excluded from the shares to be purchased in the Tender Offer, pursuant to the provisions of Article 27-2, Paragraph 5 of the Act, Article 8, Paragraph 5, Item 3 of the Enforcement Order, and Article 5, Paragraph 3, Item 2 of the TOB Order.

(6) The Reinvestment Agreement and other agreements

As described in “(I) Overview of the Tender Offer” in “(2) Grounds and reasons for opinions on the Tender Offer” in “3. Details of and grounds and reasons for opinions on the Tender Offer” above, Mr. Matsumura and Polaris Fund VI have entered into the Reinvestment Agreement as of July 14, 2025, and have agreed that after the Transactions are consummated, he will invest an amount equivalent to approximately 5.00% of the total number of shares issued by the Offeror through a third-party allotment.

(7) The Management Entrustment Agreement

As described in “(I) Overview of the Tender Offer” in “(2) Grounds and reasons for opinions on the Tender Offer” in “3. Details of and grounds and reasons for opinions on the Tender Offer” above, Polaris Fund VI has entered into the Management Entrustment Agreement with Mr. Matsumura as of July 14, 2025, and has agreed to delegate to Mr. Matsumura the duties of director and representative director of the Company Group, subject to the completion of the Squeeze-out Process. It has been agreed that the compensation for the performance of those duties will be the same amount as at the time of the execution of the Management Entrustment Agreement.

5. Granting of benefits by the Offeror or other special related parties

N/A

6. Policy of response to basic policies relating to company control

N/A

7. Questions for the Offeror

N/A

8. Request for extension of the tender offer period

N/A

9. Future prospects

Please see “3. Details of and grounds and reasons for opinions on the Tender Offer” for “(iv) Management policy after the Tender Offer” under “(2) Grounds and reasons for opinions on the Tender Offer,” “(4) Policies on reorganization, etc. after the Tender Offer (matters concerning “two-step acquisition”),” and “(5) Possibility of delisting and reasons therefor.”

10. Other matters

(1) Announcement of the “Consolidated Financial Results for the First Quarter of the Year Ended February 28, 2026 [Japanese GAAP]”

The Company published the release titled “Consolidated Financial Results for the First Quarter of the Year Ended February 28, 2026 [Japanese GAAP]” on July 14, 2025. Please see the published materials for details.

(2) Announcement of the “Notice Regarding Revision of Interim Dividend and Year-End Dividend Forecast for the Year Ended February 28, 2026 (No Dividend) and Abolishment of Shareholder

Benefit Program”

At the board of directors meeting held on July 14, 2025, the Company passed a resolution to not distribute any interim or year-end dividend for the year ended February 28, 2026 and to abolish the shareholder benefit program, subject to the successful completion of the Tender Offer. For details, please see the release titled “Notice Regarding Revision of Interim Dividend and Year-End Dividend Forecast for the Year Ended February 28, 2026 (No Dividend) and Abolishment of Shareholder Benefit Program.

End

Reference: “Notice Regarding Commencement of Tender Offer for the Shares of DD Group Co., Ltd. (Securities Code: 3073) by PCGVI-1 Co., Ltd.” dated July 14, 2025 (separately attached)

July 14, 2025

To whom it may concern

Company Name: DD GROUP Co., Ltd.
Representative: Atsuhisa Matsumura,
President and Representative
Director
(Prime Market of TSE, Securities
Code 3073)
Contact: Motoaki Saito
Senior Managing Director and
General Manager of Group's
Corporate Management Division
Phone: +81-3-6858-6080 (Main)

**Notice Regarding Commencement of Tender Offer for the Shares of DD GROUP Co., Ltd.
(Securities Code: 3073) by PCGVI-1 Inc.**

The Company hereby announces that PCGVI-1 Inc. has decided today to acquire the shares of common stock of DD GROUP Co., Ltd. through a tender offer as stated in the Attachment.

End.

This material has been published pursuant to Article 30, Paragraph 1, Item 4 of the Enforcement Order of the Financial Instruments and Exchange Act based on the request made by PCGVI-1 Inc. (the offeror) to DD GROUP Co., Ltd. (the target company of the Tender Offer).

(Attachment)

Notice Regarding Commencement of Tender Offer for DD GROUP Inc. (Securities Code: 3073) dated July 14, 2025

July 14, 2025

To whom it may concern:

Company name: DD GROUP Co., Ltd.
Name of representative: President and Representative Atsuhisa Matsumura
Director
(Securities code: 3073, TSE Prime)
Inquiries: General Manager of Group's Motoaki Saito
Corporate Management
Division
(TEL 03-6858-6080)

Company name: PCGVI-1 Inc.
Name of representative: Representative Director Hideto Nishihata

Notice regarding Commencement of Tender Offer for Common Stock of DD GROUP Co., Ltd. (Securities code: 3073) by PCGVI-1, Inc.

As of the date hereof, PCGVI-1, Inc. hereby announces the release of the attached "Notice regarding Commencement of Tender Offer for Common Stock of DD Group Co., Ltd. (Securities code: 3073)."

<p>This material is published pursuant to Article 30, Paragraph 1, Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act at the request of PCGVI-1, Inc. (the Offeror) to DD Group Co., Ltd. (the Target Company of the Tender Offer).</p>
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(Attachment)

Notice regarding Commencement of Tender Offer for Common Stock of DD GROUP Co., Ltd. (Securities code: 3073) as of the date hereof

To whom it may concern:

Company name:	PCGVI-1 Inc.	
Name of	Representative	Hideto Nishihata
representative:	Director	

Notice regarding Commencement of Tender Offer for Common Stock of DD GROUP Co., Ltd. (Securities code: 3073)

PCGVI-1 Inc. (the "Offeror") hereby announces that it decided as of the date hereof to acquire common stock (the "Target Company's Stock") of DD Group Co., Ltd. (listed on the Prime Market of the Tokyo Stock Exchange, Inc. (the "TSE"); Securities code: 3073; the "Target Company") through a tender offer (the "Tender Offer") under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended, the "Act").

The Offeror is a joint stock corporation (*kabushiki kaisha*) incorporated on June 13, 2025, with the primary purpose of acquiring and holding all shares of the Target Company's Stock (excluding the restricted stock of the Target Company granted to directors of the Target Company as restricted stock-based share remuneration (the "Restricted Stock"), the treasury shares held by the Target Company and the Non-tendered Shares (as defined below; hereinafter the same)) through the Tender Offer and privatizing the shares of the Target Company's Stock. In addition, as of the date hereof, Polaris Capital Group Co., Ltd. ("Polaris") holds all of the issued shares thereof. As of the date hereof, neither the Offeror nor Polaris holds any shares of the Target Company's Stock.

Polaris is a private equity fund management company incorporated in September 2004. Through six rounds of domestic and international fund raising, it has established investment funds totaling approximately 500 billion yen. With the investment themes of "Revitalization of Japan" through "Returning to Founders' Spirit" and "Promoting Business Model Innovation," Polaris has achieved a cumulative total of 43 investments over 20 years, including, among others, Space Value Holdings Co., Ltd., Eclasia HD Co., Ltd., social inclu CO.,LTD., Sendenkaigi Co., Ltd. and MASSMEDIAN Co., Ltd., Welbe, Inc., Olympus Terumo Biomaterial Corp. and FH Ortho SAS, Stockmark Inc, and B Food Science Co., Ltd.

The Offeror has decided to implement the Tender Offer as part of a series of transactions (the "Transactions") intended to privatize the shares of the Target Company's Stock by acquiring all shares of the Target Company's Stock (excluding the Restricted Stock, the treasury shares held by the Target Company and the Non-tendered Shares) listed on the Prime Market of the TSE. In connection with the Tender Offer, the Offeror has entered into a share transfer agreement (the "Share Transfer Agreement") and a tender agreement (the "Tender Agreement") with the Target Company's President and Representative Director and the largest shareholder, Mr. Atsuhisa Matsumura (Total number of shares: 4,998,403 shares and Shareholding Ratio (Note 1): 27.59%; "Mr. Matsumura") as of the date hereof. Under the Share Transfer Agreement, it has been agreed that Mr. Matsumura will transfer all of his shares of common stock ("Matsumuraya's Stock") in Matsumuraya Co., Ltd. (Total number of shares: 1,488,000 shares and Shareholding Ratio: 8.21%; "Matsumuraya"), the second largest shareholder of the Target Company, of which Mr. Matsumura holds all voting rights, to the Offeror (the "Share Transfer") following a series of processes to make the Offeror and Matsumuraya the sole shareholders of the Target Company (the "Squeeze-out Process"). In addition, prior to the Share Transfer, in order to restructure Matsumuraya as a company that holds only the Target Company's Stock and bears only the debt obligations owed to Mr. Matsumura, the Share Transfer Agreement stipulates that the Share Transfer is subject to the following conditions precedent, which must be satisfied prior to the Share Transfer: (i) the incorporation-type company split procedure, under which Matsumuraya becomes a splitting company holding only shares of the Target Company's Stock and bearing only the debt obligations owed to Mr. Matsumura, while transferring all other assets, liabilities, contractual positions, and associated rights and obligations to a company incorporated through the incorporation-type

company split (the "New Matsumuraya"); and (ii) the distribution in kind of the shares of the New Matsumuraya's stock to be held by Matsumuraya to Mr. Matsumura. Additionally, based on the fact that Matsumuraya is an asset management company with the purpose of holding and managing the shares of the Target Company's Stock, the transfer price of Matsumuraya's Stock will be substantially equal to the consideration that would be paid if Matsumuraya tendered the shares of the Target Company's Stock in the Tender Offer, on the condition that the transfer price of Matsumuraya's Stocks in the Share Transfer is set to be: (i) the amount (2,529,600,000 yen) obtained by multiplying the number of shares of the Target Company's Stock held by Matsumuraya (1,488,000 shares) by the purchase price per share of the Target Company's Stock in the Tender Offer (the "Tender Offer Price") (1,700 yen per share) in the Tender Offer, (ii) subtracting any obligations Matsumuraya bears as of the execution date of the Share Transfer, and (iii) adding the value of assets of Matsumuraya as of the execution date of the Share Transfer. Accordingly, the Offeror and Mr. Matsumura determined that the transfer price would not only be considered economically reasonable, but also consistent with the uniformity of the tender offer price under Article 27-2, Paragraph 3 of the Act and Article 8, Paragraph 3 of the Enforcement Order of the Financial Instruments and Exchange Act (Government Ordinance No. 321 of 1965, as amended, the "Enforcement Order") and acceptable under applicable laws and regulations; therefore, the Offeror and Mr. Matsumura entered into the Share Transfer Agreement. The specific timing of the Share Transfer is planned to take place after the Squeeze-out Process. However, the details have not yet been determined and will be discussed with Mr. Matsumura at a later date. In addition, an absorption-type merger with the Offeror as the company that survives such merger and Matsumuraya as the company that is absorbed in such merger is planned to be implemented after the Share Transfer. Under the Tender Agreement, Mr. Matsumura has agreed to (i) tender 4,993,900 shares of the Target Company's Stock held by him, out of 4,998,403 shares (Shareholding Ratio: 27.59%), excluding the restricted stocks (4,503 shares) of the Target Company held by Mr. Matsumura under the Target Company's restricted stock-based remuneration plan in the Tender Offer and (ii) in the event that the Offeror is unable to acquire all of the Target Company's Stock (excluding the Restricted Stock, the treasury shares held by the Target Company and the Non-tendered Shares) through the Tender Offer, provide the necessary cooperation to implement the Squeeze-out Process after the Tender Offer is consummated. In addition, Mr. Matsumura has entered into a reinvestment agreement, which states that once the Transactions are complete, he will invest in the Offeror an amount equivalent to approximately 5.00% of the total number of shares issued by the Offeror through a third-party allotment (the "Reinvestment"). Further, the Offeror has entered into a shareholders agreement with Mr. Matsumura regarding the operation of the Target Company and the handling of the shares of the Target Company after the Transactions. Furthermore, as of the date hereof, the Offeror has entered into a non-tender agreement with Matsumuraya, under which Matsumuraya has agreed not to tender all of its shares of the Target Company's Stock (1,488,000 shares (the "Non-tendered Shares") and Shareholding Ratio: 8.21%) in the Tender Offer. The issue price per share of the Offeror's common stock in the Reinvestment will be determined based on the valuation of the Target Company's Stock, which is expected to be set at 1,700 yen per share, equivalent to the Tender Offer Price. The issue price per share of the Offeror's common stock in the Reinvestment will not be determined based on a value lower than this valuation. In addition, the Reinvestment will be implemented because Mr. Matsumura is expected to continue managing the Target Company as its representative director even after the completion of the Transactions, and has been considered independently of whether Mr. Matsumura may tender his shares in the Tender Offer. Accordingly, we believe that it will not violate the purpose of the equality principles of the tender offer price regulations (Article 27-2, Paragraph 3 of the Act).

(Note 1) "Shareholding Ratio" means the ratio (rounded to the second decimal place; hereinafter the same applies to the description of the Shareholding Ratio unless otherwise specified) of the number of shares held to the number of shares (18,116,186 shares) obtained by subtracting the number of the treasury shares held by the Target Company (338,833 shares) as of May 31, 2025 from the total number of issued shares (18,455,019 shares) of the Target Company as of May 31, 2025 as stated in the "Summary of First Quarter Consolidated Financial Results for the Fiscal Year Ending February 28, 2026 [Japanese GAAP]" announced by the Target Company on the date hereof.

Based on the above, through the Reinvestment, Mr. Matsumura is expected to acquire the common stock of the Offeror equivalent to 5.00% of the voting rights, as well as to continue managing the Target Company even after the completion of the Transactions. Since the Tender Offer is being implemented based on an agreement between Mr. Matsumura and the Offeror, the Transactions constitute a so-called management buyout (MBO) (Note 2).

(Note 2) "Management buyout (MBO)" means a tender offer from an officer of the target of the tender offer (including tender offers where the offeror is implementing the offer based on the request of an officer of the target of the tender offer and has a common interest with the officer of such target) (please refer to Rule 441 of the TSE's Securities Listing Regulations).

The summary of the Tender Offer is as follows.

(1) Name of the Target Company
DD GROUP Co., Ltd.

(2) Type of share certificates subject to Tender Offer
Common Stocks

(Note) As of the date hereof, the Target Company has issued 20,000 shares of Class A Preferred Stock (the "Preferred Stock"), in addition to common stock. DBJ Food & Hospitality Support Fund Investment Limited Partnership ("DBJ Fund") holds all of the Preferred Stock (i.e., 20,000 shares). As of the date hereof, the Offeror has obtained a written consent from DBJ Fund to the effect that all of the Preferred Stock shall be excluded from the shares to be purchased in the Tender Offer, pursuant to the provisions of Article 27-2, Paragraph 5 of the Act, Article 8, Paragraph 5, Item 3 of the Enforcement Order, and Article 5, Paragraph 3, Item 2 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other than Issuer (Ordinance of the Ministry of Finance No. 38 of 1990, as amended). In addition, according to the Target Company, on July 7, 2025, the Target Company submitted a letter of commitment (the "Commitment Letter") to DBJ Fund, to the effect that if the Tender Offer was successfully completed, the Target Company would acquire all shares of the Preferred Stock for cash consideration, with September 3, 2025 designated as the mandatory redemption date. The Target also requested DBJ Fund to consent to the implementation of the Transactions, including the change of the shareholders of the Target Company and the implementation of the Squeeze-out Process upon the successful completion of the Tender Offer. On July 14, 2025, the Target Company received from DBJ Fund a letter of consent to such request, and upon the successful completion of the Tender Offer, the Target Company plans to acquire all shares of the Preferred Stock pursuant to Article 11-6 of the Articles of Incorporation of the Target Company, with September 3, 2025 as the mandatory redemption date, as described in the Commitment Letter.

(3) Period of purchase
July 15 (Tuesday) 2025 to August 27 (Wednesday) 2025 (30 business days)

(4) Price for purchase
1,700 yen per share of common stock

(5) Number of share certificates to be purchased

Number of share certificates to be purchased	Minimum number of share certificates to be purchased	Maximum number of share certificates to be purchased
16,628,186 (shares)	10,813,295 (shares)	— (shares)

(6) Commencement date of settlement

September 3, 2025 (Wednesday)

- (7) Tender offer agent
SMBC Nikko Securities Inc. 3-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo

For specific details of the Tender Offer, please refer to the Tender Offer Registration Statement to be submitted by the Offeror for the Tender Offer on July 15, 2025.

[Soliciting Regulations]

This press release is a press statement to announce the Tender Offer to the public and is not prepared for the purpose of soliciting an offer to sell. When making an offer for sale, please be sure to read the Tender Offer Explanation Statement regarding the Tender Offer and make the offer at your own discretion. This press release does not constitute an offer to sell, a solicitation of an offer to sell, or a solicitation of an offer to purchase any securities, nor does it constitute a part thereof, and this press release (or any part hereof) or the fact of its distribution shall not serve as the basis for any contract related to the Tender Offer, and may not be relied upon when executing any contract.

[Future Outlook]

This press release may include forward-looking statements such as "expect," "anticipate," "intend," "plan," "believe," and "assume," including those related to the future business of the Offeror and other companies. These statements are based on the current business outlook of the Offeror and may change depending on the circumstances going forward. The Offeror does not assume any obligation to revise forward-looking statements regarding this information to reflect actual results, various circumstances, or changes in conditions.

[U.S. Regulations]

The Tender Offer shall be implemented in accordance with the procedures and information disclosure standards prescribed by the Act. However, these procedures and standards are not always the same as the procedures and information disclosure standards applicable in the United States. In particular, neither Section 13(e) nor Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended; the same applies hereinafter), nor the rules promulgated under these provisions, apply to the Tender Offer, and the Tender Offer is not conducted in accordance with these procedures and standards. The financial information included in this press release, the documents referenced in this press release, and the public disclosures of the Target Company has been prepared in accordance with Japanese accounting standards and is not necessarily equivalent in content to the financial statements of U.S. companies. In addition, because both the Offeror and the Target Company are corporations incorporated outside the United States, and because some or all of their respective officers reside outside the United States, it may be difficult to exercise rights or claims that may be asserted on the basis of U.S. securities laws. It may also be impossible to initiate legal proceedings in courts outside the United States against corporations incorporated outside the United States or their officers on the grounds of a violation of U.S. securities laws. Furthermore, the jurisdiction of U.S. courts may not necessarily be recognized over corporations incorporated outside the United States, as well as their respective subsidiaries and affiliates. In addition, there is no guarantee that shareholders will be able to compel corporations incorporated outside the United States, as well as their respective subsidiaries and affiliates, to submit to the jurisdiction of U.S. courts.

Unless otherwise specifically stated, all procedures in connection with the Tender Offer shall be conducted in the Japanese language. While all or part of the documents in connection with the Tender Offer may be prepared in English, in the event of any discrepancies between the English-language documents and the Japanese-language documents, the Japanese-language documents shall prevail.

This press release or the documents referenced in this press release include forward-looking statements as defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the U.S. Securities Exchange Act of 1934. The actual results may be significantly different from those expressly or implicitly indicated in such forward-looking statements, due to known or unknown risks, uncertainties, or other factors. The Offeror, the Target Company, or their respective affiliates do not guarantee that the results expressly or implicitly indicated in those forward-looking statements will be achieved. The "forward-looking statements" included in this press release or the documents referenced in this press release were prepared based on the information held by the Offeror and the Target Company as of the date hereof, and unless obligated by laws or regulations, the Offeror, the Target Company or their respective affiliates shall not be obligated to update or modify the statements to reflect future events or situations.

The financial advisors of the Offeror and the Target Company, as well as the tender offer agent (including their respective affiliates), may, within the ordinary course of their business and to the extent permitted under Japanese laws and regulations related to financial instruments transactions as well as other applicable laws and regulations, in accordance with the requirements of Rule 14e-5(b) under the U.S. Securities Exchange Act of 1934, purchase, or conduct any act in preparation for such purchase of, the Target Company's Stock for their own account or for their customers' accounts, not through the Tender Offer, prior to the commencement of the Tender Offer or during the period for purchases in the Tender Offer. Such purchases may be conducted at the market price through market transactions, or at the price determined through negotiations conducted outside the market. If any information concerning such purchases is disclosed in Japan, such information will also be disclosed in English in the United States via the English website (or by other public disclosure methods) of the person who has conducted such purchases.

[Other Countries]

Legal restrictions may be imposed on the announcement, publication, or distribution of this press release in certain countries or regions. In such cases, please be aware of and comply with such restrictions. This press release shall not constitute a solicitation of an offer to purchase or an offer to sell shares related to the Tender Offer, and shall be deemed to have been distributed for informative purposes only.