January 31, 2025

To Whom It May Concern:

Company: NIKKON Holdings Co., Ltd.
Representative: Masakatsu Kuroiwa, President and Representative Director
(Securities Code: 9072; Tokyo Stock Exchange Prime Market)
Contact: Hidehiro Motohashi, Director, Executive Officer
TEL 03-3541-5330

Notice of Commencement of Tender Offer for Shares of Chuoh Pack Industry Co., Ltd. (Securities Code: 3952)

NIKKON Holdings Co., Ltd. ("Tender Offeror") has decided, by an resolution of the extraordinary meeting of the Board of Directors held on this day, to acquire the ordinary shares ("Target Shares") of Chuoh Pack Industry Co., Ltd. (Securities code: 3952, listed on the Nagoya Stock Exchange ("Nagoya Stock Exchange") Main Market; "Target") through a tender offer ("Tender Offer") under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; "FIEA") as follows.

1. Purpose etc. of Purchase etc.

(1) Overview of Tender Offer

At a meeting of the Board of Directors held on this day, Tender Offeror passed a resolution to acquire all Target Shares listed on the Nagoya Stock Exchange Main Market (excluding 1,200,000 Target Shares held by Toyota Motor Corporation ("Toyota Motor") (Ownership Percentage (Note 1): 24.16%; "Shares Held by Toyota Motor") and treasury shares held by Target; "Shares Subject to Tender Offer") and to implement the Tender Offer as part of a series of transactions ("Transaction") to take the Target Shares private. As of this day, Tender Offeror does not own any Target Shares.

(Note 1) "Ownership Percentage" is the percentage (rounded off to the second decimal place) with respect to the result (4,966,911 shares) when the number of treasury shares held by Target as of September 30, 2024 (258,097 shares) is subtracted from the total number of issued shares of Target as of such date (5,225,008 shares), as set forth in the "Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 2025 [Japanese GAAP]" ("Target Q2 Earnings Report") published by Target on November 7, 2024, less. The same applies to the calculation of the Ownership Percentage below.

The Transaction is constituted by the following: [1] the Tender Offer; [2] in the event that the Tender Offer is completed and Tender Offeror is unable to acquire all of the Shares Subject to

Tender Offer in the Tender Offer, a share consolidation in accordance with Article 180 of the Companies Act (Law No. 86 of 2005, as amended; hereinafter the same), for the purpose of making Tender Offeror and Toyota Motor the only shareholders of Target ("Share Consolidation"; the series of procedures to make Tender Offeror and Toyota Motor the only shareholders of Target through the Share Consolidation and to delist the Target Shares are referred to as the "Squeeze-Out Procedures"); and [3] a buyback of own shares for the Shares Held by Toyota Motor ("Treasury Share Acquisition") to be implemented by Target, subject to completion of the Squeeze-Out Procedures, with the intention that ultimately Tender Offeror and Toyota Motor will hold 95% and 5% of the voting rights in Target, respectively ("Voting Rights Ratio") (Note 2).

In connection with the Tender Offer, Tender Offeror has entered into a transaction basic agreement ("Transaction Basic Agreement") with Toyota Motor, the largest shareholder of Target, dated this day, under which Toyota Motor will not tender any of the Shares Held by Toyota Motor in the Tender Offer and, following completion of the Squeeze-Out Procedures, will sell a portion of the Shares Held by Toyota Motor in the Treasury Share Acquisition, so as to reflect the Voting Rights Ratio. For details of the Transaction Basic Agreement, please refer to "(6) Matters Relating to Important Agreements Concerning the Tender Offer" below.

(Note 2) Regarding the Voting Rights Ratio, as a result of comprehensively taking into account the background of the development and growth of Target's business due to its business and personnel relationships with Toyota Motor, as well as the role and importance of Toyota Motor in Target's business and in the building of a management structure that has supported Target's development and growth up to now, Tender Offeror has decided that having Toyota Motor retain a certain percentage of Target Shares after the Transaction and continue to have a certain level of involvement in Target's management will contribute to the enhancement of Target's corporate value; thus, in the end, Tender Offeror decided the Voting Rights Ratio after negotiations with Toyota Motor. If the total number of issued shares of Target decreases through the Share Consolidation, and the total number of issued shares and the number of shares owned by Tender Offeror and Toyota Motor become such that the number of shares cannot be divided in a manner reflecting the Voting Rights Ratio through the Treasury Share Acquisition alone, it is planned to implement a share split at a ratio that will enable the Voting Rights Ratio to be achieved.

Tender Offeror plans to make Tender Offeror and Toyota Motor the only shareholders of Target by the time of the Treasury Share Acquisition, and in the event that the Share Consolidation will be implemented, a special resolution at a general meeting of shareholders stipulated in Article 309, Paragraph 2 of the Companies Act will be required. Therefore, in order to ensure that the Transaction is carried out, and to ensure that Tender Offeror and Toyota Motor will own a total of at least two-thirds of the total number of voting rights of all shareholders of Target after the completion of the Tender Offer, the minimum number of shares planned for purchase was obtained by subtracting the number of treasury shares held by Target as of September 30, 2024

(258,097 shares) from the total number of issued shares of Target as of the same date stated in the Target Q2 Earnings Report (5,225,008 shares) (resulting in 4,966,911 shares), then multiplying the number of voting rights (49,669) attached to those shares by two-thirds (resulting in 33,113; rounded up to the nearest whole number), and subtracting from this figure the number of voting rights (12,000) attached to Shares Held by Toyota Motor (1,200,000 shares) (resulting in 21,113 voting rights), and multiplying this figure by one share unit of Target Shares (100 shares), resulting in 2,111,300 shares. As Tender Offeror intends to delist the Target Shares by acquiring all Shares Subject to Tender Offer, Tender Offeror has not set a maximum number of shares planned for purchase, and will purchase etc. all share certificates etc. tendered in the Tender Offer ("Tendered Shares").

If Tender Offeror is unable to acquire all Shares Subject to Tender Offer through the Tender Offer, it is planned that Tender Offeror will implement the Squeeze-Out Procedures as set forth in "(4) Post-Tender Offer Reorganization etc. Policy (Matters Concerning Two-Step Acquisition" below after the Tender Offer is completed.

If the Tender Offer is completed, Tender Offeror plans to receive a loan ("Acquisition Loan") from MUFG Bank, Ltd. ("MUFG Bank") up to 19.1 billion yen by the business day immediately preceding the settlement commencement date for the Tender Offer, and plans to use these funds to pay for the settlement of the Tender Offer. The details of the loan terms for the Acquisition Loan will be determined in the loan agreement for the Acquisition Loan, following separate discussions with MUFG Bank.

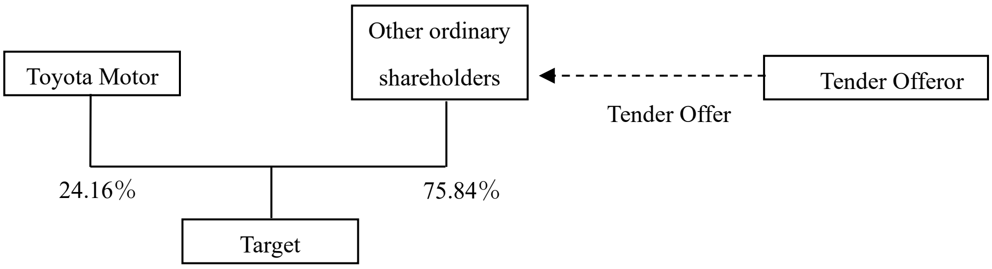
After the Squeeze-Out Procedures have been completed, it is planned that Target will implement a Treasury Share Acquisition in which Target will acquire a portion of the Target Shares held by Toyota Motor (1,001,741 shares prior to implementation of the Squeeze-Out Procedures) for a total amount of 4,204,306,977 yen (Note 3) (if as a result of the Squeeze-Out Procedures any fractional shares of the Target Shares held by Toyota Motor arise, the amount of money to be delivered to Toyota Motor as consideration for such fractional shares will be deducted; "Treasury Share Acquisition Price"). In the Treasury Share Acquisition (i) by setting the purchase etc. price for the Target Shares in the Tender Offer ("Tender Offer Price") higher than the acquisition price per Target Share in the Treasury Share Acquisition (prior to implementation of the Squeeze-Out Procedures), it is intended to allocate more of the funds required to acquire a portion of the Target Shares to Target's minority shareholders and to provide such shareholders with a more advantageous opportunity to sell and thus increasing their profits, and (ii) because the Treasury Share Acquisition Price will be subject to the provisions of the Corporation Tax Act (Law No. 34 of 1965, as amended; hereinafter the same) regarding the exclusion of deemed dividends from gross revenue, the Treasury Share Acquisition Price has been set based on the amount at which, even in the case where the relevant tax benefits that Toyota Motor could theoretically enjoy are taken into account to the maximum extent, the after-tax net proceeds that Toyota Motor will receive from the Treasury Share Acquisition will be equal to the amount of the after-tax net proceeds that it would receive if were it to tender in the Tender Offer the number of shares it will trade in the Treasury Share Acquisition. After the Share Consolidation takes effect, Target plans to carry out the Capital Reduction etc. in order to secure the distributable amount required for the Treasury Share Acquisition.

(Note 3) This amount is calculated by multiplying the acquisition price of the Treasury Share Acquisition, which is 4,197 yen per Target Share (prior to implementation of the Squeeze-Out Procedures), by the number of Target Shares that the Target is scheduled to acquire through the Treasury Share Acquisition (1,001,741 shares prior to implementation of the Squeeze-Out Procedures).

Transaction Scheme Diagram

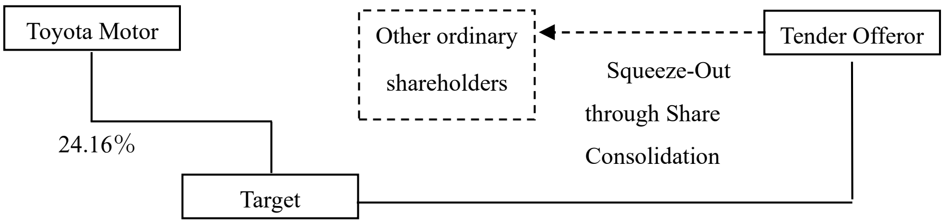
(i) Tender Offer (February 3, 2025-March 18, 2025 (tentative))

Tender Offeror is conducting the Tender Offer in order to acquire all Shares Subject to Tender Offer.



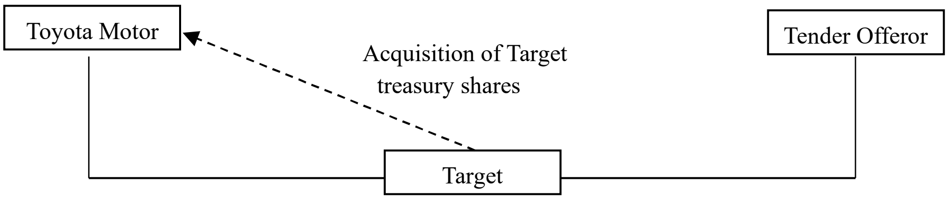
(ii) Share Consolidation (around June 2025 (tentative))

If Tender Offeror is unable to acquire all Shares Subject to Tender Offer in the Tender Offer, after the Tender Offer is completed, Tender Offeror will request that the Target implement the Share Consolidation procedures, and will implement a series of procedures to make Tender Offeror and Toyota Motor the only shareholders of Target.



(iii) Treasury Share Acquisition (around August 2025 (tentative))

After the Target Shares are delisted and the Squeeze-Out Procedures are completed, Target will use its cash and deposits to implement the Treasury Share Acquisition. If the Voting Rights Ratio cannot be achieved solely through the Treasury Share Acquisition, prior to the Treasury Share Acquisition, it is planned to implement a share split at a ratio that will enable the Voting Rights Ratio to be achieved.



According to the "Notice of Opinion in Support of Tender Offer by NIKKON Holdings Co., Ltd. for Shares of the Company and Recommendation to Tender Shares" ("Target Press Release") released by Target on this day, at Target's Board of Directors meeting held on this day, Target passed a resolution expressing its opinion in support of the Tender Offer and recommending that Target shareholders tender their shares in the Tender Offer. For more information on the decision-making process of the Target's Board of Directors, see the Target Press Release and "[6] Approval of All Directors Not Having an Interest in Target; Opinion of No Objection by All Auditors Not Having an Interest in Target" in "(3) Measures to Ensure the Fairness of the Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure the Fairness of the Tender Offer".

(2) Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process; Managerial Policy after Tender Offer

[1] Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process

Tender Offeror was established on August 27, 1953 as Nippon Konpo Unpan Co., Ltd. for the purpose of engaging in land transportation and transportation agency services, freight trucking services, freight handling services for rail-bound cargo, contracting for cargo packaging and packing work, sales of packaging materials, and non-life insurance agency services. Later, on May 25, 1965, with the aim of changing the par value of shares, the company was merged into Toyo Kasei Kogyo Co., Ltd., established on December 7, 1950 (which had suspended business activities from February 1962 and changed its trade name to Nippon Konpo Unpan Co., Ltd. in April 1963), and on October 1, 1968, the company changed its trade name to Nippon Konpo Unyu Soko Co., Ltd. On October 1, 2015, the company changed its name to NIKKON Holdings Co., Ltd due to the transition to a holding company structure.

Tender Offeror listed its shares on the Second Section of the Tokyo Stock Exchange, Inc. ("Tokyo Stock Exchange") in August 1970, was transferred to the First Section of the Tokyo Stock Exchange in September 1997, and was transferred from the First Section to the Prime Market due to a review of the market classification of the Tokyo Stock Exchange in April 2022, and its shares are currently listed on the Prime Market of the Tokyo Stock Exchange.

Tender Offeror's corporate group is composed of Tender Offeror and 80 affiliated companies (as of this day; collectively, "Tender Offeror Group"), and its main business activities are transportation, warehousing, packaging, and testing, as well as other businesses incidental to these.

In April 2024, Tender Offeror Group launched its 13th Medium-Term Management Plan, a new three-year plan, and set out on a new challenge by establishing three pillars of business strategy: “overseas business,” “recycling business,” and “three-temperature-zone business.”

Meanwhile, Target was established in Arimatsu-cho, Chita-gun, Aichi Prefecture in May 1957, and its main business is the manufacture and sale of various packaging materials, centering on corrugated cardboard products. Further, Target Shares were listed on the Second Section of the Nagoya Stock Exchange in December 1993, and as a result of a review of market classification of the Nagoya Stock Exchange in April 2022, they are currently listed on the Nagoya Stock Exchange Main Market. In addition, Toyota Motor has held a stake in Target since April 1997, and as of this day, Target is an equity-method affiliate of Toyota Motor.

As of this day, the corporate group, which is composed of Target, three subsidiaries, and one affiliate (“Target Group”), has a management philosophy of “contributing to the creation of a comfortable earth and prosperous society through the provision of environmentally friendly, high-value-added packaging materials,” and the Target Group is operating its business with the management objective of aiming for the prosperity of its shareholders and business partners and the stability and improvement of the lives of its employees through the development of Target.

In addition, Target Group has formulated a medium-term management plan, “Vision 2025,” with the aim of realizing the management philosophy and objectives described above, and based on a corporate culture that is safe and rewarding to work in and a production capacity that can handle small-lot, high-mix production, in order to continue to grow steadily by providing packaging and logistics solutions that are closely tailored to customer needs, the company has been working on (a) achieving SDGs and CN (carbon neutrality), (b) becoming the safest company in the industry, (c) establishing an optimal production/logistics system, (d) developing high-value-added new products, (e) expanding sales channels, and (f) developing human resources and improving corporate value as its goal.

With regard to the economic environment surrounding the Target Group, it is expected that personal consumption will pick up even amid continued price increases, and that the Japanese economy will continue to recover gradually, as employment and income conditions improve. However, the future of the economy remains uncertain due to the sharp rise in raw material and energy prices and exchange rate fluctuations against a backdrop of prolonged instability in international situation, as well as the serious shortage of labor.

In this economic environment, the Japanese corrugated cardboard industry continues to face a difficult management environment due to persistently high overhead costs, labor shortages, and other factors, although production volume has generally remained flat and price revisions have delivered results. In this business environment, Target Group has been engaged in initiatives for further sustainable growth and enhancement of corporate value for the entire Target Group, toward maintaining and strengthening its revenue base, through price revisions in response to rising costs, winning orders, and group-wide cost reduction activities that include administrative departments, to achieve its "Vision 2025."

Amid these circumstances, in mid-March 2024, when it learned that its largest shareholder Toyota Motor wanted to examine the handling of Target Shares held by Toyota Motor considering the necessity of continued listing of Target Shares and the challenging business environment surrounding the Target Group, Target engaged in repeated discussions and consideration, regarding capital policy premised on the sale of Target Shares held by Toyota Motor (not limited to transactions for the purpose of delisting Target Shares), with Target's lead securities firm Nomura Securities Co., Ltd. ("Nomura Securities"), regarding what the capital policy should be to maximize Target's corporate value from a medium-to-long-term perspective. As a result, in late August, from the perspective of further enhancement of Target's corporate value and maximization of the shared interests of Target shareholders, including Toyota Motor, a decision was reached that rather than Target continuing its business on its own, it would be more desirable to implement a bid process ("Bid Process") led by Target on the assumption of a delisting of Target Shares with several business companies and investment funds thought to have indicated an interest in Target's business.

In light of this background, on September 12, 2024, Tender Offeror received a notice from Nomura Securities that Target intended to conduct a first bid process ("First Bid Process") in the Bid Process and that Target had expressed an interest in Tender Offeror, which like Target ran a packing business, and wished to invite Tender Offeror to participate in the First Bid Process. In response to this, because it could be anticipated that the Transaction would lead to a greater ability to appeal to existing customers by supplementing Tender Offeror's services with Target's high-quality products and services, cross-selling between Target's customer base focused on the Toyota Motor Group and the strong customer base of Tender Offeror within the automobile and industrial machinery industries, and by leveraging Tender Offeror's broad geographical networks to expand the sale of Target's products to areas where Target has been unable to sell its products because of geographical limitations, Tender Offeror decided to participate in the First Bid Process in late September 2024, as it believed that the Transaction was consistent with the cross-selling strategy of Tender Offeror's 13th Medium-Term Management Plan, and that it would be able to achieve further growth in the business conducted by Target by creating synergies with the Tender Offeror Group.

After that, Tender Offeror conducted an analysis and consideration based on the information disclosed by Target during the First Bid Process, including the information in the information package describing the significance of investing in Target; securities reports, financial statements and other timely disclosed public information of Target; and Target's business strengths, and other information, and on October 15, 2024, Tender Offeror submitted a non-binding letter of intent to Target, based on the premise of taking Target private. In such letter of intent, Tender Offeror proposed a scheme under which Toyota Motor also tendered its shares in the Tender Offer, but also indicated that it was willing to consider a scheme under which the Toyota Motor shares were acquired through the

Treasury Share Acquisition.

Then, Tender Offeror received a notice from Target through Nomura Securities that it had passed the First Bid Process and was permitted to participate in the second bid process (“Second Bid Process”), and Tender Offeror decided to participate in the Second Bid Process. During the Second Bid Process, Tender Offeror conducted due diligence on Target’s business, financial, tax, and legal matters, and held meetings with Target’s management team from late October 2024 to early December of 2024, and proceeded with analysis and consideration regarding the acquisition of the Target Shares. As a result of the analysis and consideration, [1] Tender Offeror came to understand that the businesses and customer bases developed by Tender Offeror and Target are in a mutually complementary relationship, and to believe that by cooperating, Tender Offeror and Target would be able to provide mutual services and products to their respective business partners, and there was a possibility that the sales of both companies would increase significantly. In addition, [2] by utilizing the know-how, and human and financial resources related to logistics that Tender Offeror has cultivated, and by supporting the transportation of Target products as part of the Target Group support, it was recognized that it would be possible to significantly reduce the logistics costs of Target, including the costs of outsourcing transportation, and that it would be possible to further improve the cost competitiveness of Target’s business. [3] Furthermore, Tender Offeror came to believe that Target’s nationwide and international expansion and business scale-up would maximize the synergy effects described in [1] and [2] above and promote further growth for both companies. Tender Offeror does not believe that there are any disadvantages to the Transaction.

In addition, on November 13, 2024, Tender Offeror received a notice from Toyota Motor to the effect that in light of the fact that Toyota Motor was expected to be subject to the provisions of the Corporation Tax Act regarding the exclusion of deemed dividends from gross revenue, by increasing the distribution to minority shareholders of Target, it would be possible to maximize the Tender Offer Price and ensure fairness among shareholders, and in consideration of the fact that in the First Bid Process, it had received, through Target, proposals relating to the Treasury Share Acquisition (including the proposal indicating a willingness to consider a scheme where the Toyota Motor shares would be acquired) from Second Stage Candidates (defined below), including Tender Offeror, it wished to consider the Transaction on the assumption that the Treasury Share Acquisition would take place. Subsequently, through the interviews with Toyota Motor in late November 2024 in parallel with the Second Bid Process and the process of negotiations regarding the Transaction Basic Agreement conducted during the Second Bid Process, Tender Offeror confirmed that Toyota Motor intended to maintain transactions with Target and that Toyota Motor intended to continue to own Target Shares at the Voting Rights Ratio even after the Transaction. As a result of comprehensively taking into account the background of the development and growth of Target’s business due to its business and personnel relationships with Toyota Motor, as well as the role and importance of Toyota Motor in Target’s business and in building a management structure that had supported Target’s development and growth up to now, Tender Offeror decided that having Toyota Motor retain a certain percentage of

Target Shares after the Transaction and continue to have a certain level of involvement in Target's management would contribute to the development and enhancement of the Target's business and corporate value by building a cooperative relationship between Tender Offeror and Toyota Motor aimed at improving the Target's business performance, and accepted this intention.

Therefore, on December 16, 2024, Tender Offeror submitted to Target a legally binding final letter of intent that included statements concerning a Target share value of 23 billion yen (a value of 4,631 yen per one Target Share), a Tender Offer Price of 4,824 yen, a Treasury Share Acquisition Price of 4,024 yen, and other assorted Tender Offer Price etc. terms and conditions, on the assumption that Target would be delisted. Furthermore, it was confirmed that the Tender Offer Price represented a premium of 267.96% (rounded off to the second decimal place; hereinafter the same applies in the calculation of the premium (%) relative to the share price) over the closing price of 1,311 yen for Target Shares on the Nagoya Stock Exchange Main Market on December 13, 2024, the business day before the submission date of the final letter of intent, a premium of 267.12% over the simple average closing price for the preceding one month of 1,314 yen (rounded off to the nearest whole number; hereinafter the same applies in the calculation of the simple average of closing share prices (yen)), a premium of 263.53% over the simple average closing price for the preceding three months of 1,327 yen, and a premium of 257.07% over the simple average closing price for the preceding six months of 1,351 yen. It should be noted that in light of the fact that Toyota Motor was expected to be subject to the provisions of the Corporation Tax Act regarding the exclusion of deemed dividends from gross revenue, and with the belief that by increasing the distribution to minority shareholders of Target, it would be possible to maximize the Tender Offer Price and ensure fairness among shareholders, the Treasury Share Acquisition Price has been set based on the amount that would result in the after-tax net proceeds for Toyota Motor were it to tender in the Tender Offer the number of shares it will trade in the Treasury Share Acquisition, being the same as the amount of the after-tax net proceeds it would receive in selling its shares in the Treasury Share Acquisition of the Treasury Share Acquisition Price.

After that, Tender Offeror comprehensively considered the competitive situation, etc. in the Second Bid Process and submitted a final letter of intent ("Final Letter of Intent") to Target on December 17, 2024, with a Target share value of 24 billion yen (a value of 4,832 yen per one Target Share), setting the Tender Offer Price at 5,034 yen (representing a premium of 283.98% over the closing price of 1,311 yen for Target Shares on the Nagoya Stock Exchange Main Market on December 13, 2024, a premium of 283.11% over the simple average closing price for the preceding one month of 1,314 yen, a premium of 279.35% over the simple average closing price for the preceding three months of 1,327 yen, and a premium of 272.61% over the simple average closing price for the preceding six months of 1,351 yen) and the Treasury Share Acquisition Price at 4,197 yen.

On December 20, 2024, Tender Offeror received a notice from Target that Tender Offeror was selected as the final candidate for the tender offer with the most favorable Final Letter of Intent, including the tender offer price, and that Target would begin discussions and consideration with Tender Offeror and Toyota Motor for the implementation of the Transaction, including the Treasury Share Acquisition.

Following the above course of events, on this day, Tender Offeror decided to implement the Tender Offer with a Tender Offer Price of 5,034 yen and executed the Transaction Basic Agreement with Toyota Motor. Tender Offeror has engaged in no discussions or negotiations with Toyota Motor concerning the Tender Offer Price.

[2] Decision-Making Process Leading to Target's Support of the Tender Offer; Reasons

As set forth in "[1] Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process" above, Target has been engaged in initiatives for further sustainable growth and enhancement of corporate value for the entire Target Group; in mid-March 2024, when it learned that its largest shareholder Toyota Motor wanted to examine the handling of Target Shares held by Toyota Motor considering the necessity of continued listing of Target Shares and the challenging business environment surrounding the Target Group, Target commenced discussions and consideration, regarding a capital policy assuming the sale of Target Shares held by Toyota Motor (not limited to transactions for the purpose of delisting Target Shares), with Nomura Securities, Target's lead securities firm, regarding the state of capital policy to maximize Target's corporate value from a medium-to-long-term perspective. Specifically, as Target considered and discussed a capital policy for maximizing Target's corporate value, Target had discussions with four investment funds as potential buyer candidates, received preliminary capital policy proposals, which did not include economic conditions, from all such investment funds. While discussions between the four investment funds and Target that considered these preliminary capital policy proposals did not develop further, as a result of the discussions with these four funds, including the content of the preliminary capital policy proposals, Target re-examined the importance of listing in light of the content of such proposals as well as the drastic changes surrounding the stock market environment. Then, in late August, from the perspective of further enhancement of Target's corporate value and maximization of the shared interests of Target shareholders, including Toyota Motor, a decision was reached that rather than Target continuing its business on its own, it would be more desirable to implement the Bid Process subject to the delisting of Target Shares with several business companies and investment funds thought to indicate an interest in Target's business. It was contemplated that the Bid Process would foster a competitive environment and that specific purchase prices would be presented, and it was confirmed that Toyota Motor intended to cooperate in the Bid Process.

Subsequently, from early September 2024, Target started to sound out several business companies, including Tender Offeror, and 19 investment funds about participating in the Bid Process. As a result, after it was confirmed that 14 companies had indicated an interest in participating in the Bid Process, these candidates submitted written oaths concerning non-disclosure, the First Bid Process was commenced from around mid-September, 2024, and a business plan for five terms from the fiscal year ending March 2025 to the fiscal year ending March 2029 ("Business Plan") prepared by Target was submitted to all of the candidates participating in the First Bid Process. Then, in mid-October 2024, first stage letters of intent were received from several candidates, including Tender Offeror. Target then carefully examined and compared the candidates' understanding of Target and their view of Target share value, measures that would lead to an expansion of Target's business, the acquisition structure, and other matters revealed in the first stage letters of intent received from the candidates, and on October 17, 2024, Target chose three candidates, including Tender Offeror ("Second Stage Candidates"), which it would sound out about participating in the Second Bid Process.

When engaging in consideration, negotiations, and determinations relating to the Transaction, Target received advice from Nomura Securities starting in mid-March 2024, and from Anderson Mori & Tomotsune Foreign Law Joint Enterprise and Anderson Mori & Tomotsune (collectively, "Anderson Mori & Tomotsune"), starting in late August 2024), and in light of this background, at a meeting of Target's Board of Directors held on October 17, 2024, the appointments of Nomura Securities as Target's third-party valuation agency and financial advisor and the appointment of Anderson Mori & Tomotsune as Target's legal advisor were officially approved. Further, as set forth in "(i) Background to Establishment etc." in "[5] Establishment of an Independent Special Committee at Target; Obtaining of Report" of "(3) Measures to Ensure the Fairness of the Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure the Fairness of the Tender Offer" below, in order to commence consideration of the Transaction officially, for the purposes of eliminating, prior to deliberating and resolving on the advisability of the Transaction, any arbitrariness in decision-making relating to the Transaction of Target, a listed company, and ensuring fairness, transparency and objectivity in the course of decision-making, on the same day, with a view toward assembling a special committee having independence from Target, Tender Offeror and Toyota Motor, and ensuring a balance on the special committee overall of knowledge, experience, and abilities, Target established a special committee ("Special Committee") composed of four members (namely, Mr. Satoru Horiike (President and Representative Director of Horiike Sangyo Co., Ltd.), an independent outside director of Target; Mr. Kiyotaka Saito (attorney, Kiyotaka Saito Law Offices), an independent outside statutory auditor of Target; and external experts Mr. Hidetaka Nishina (attorney, Nakamura, Tsunoda & Matsumoto) and Mr. Takashi Kagami (certified public accountant, Representative Director, Takano Sogo Consulting Co., Ltd.)), to consult on such matters as whether the Transaction is not adverse to the interests of Target's minority shareholders. Furthermore, as set forth in "(i) Name of Valuation Agency and Relationship between Listed Companies and Tender Offeror" in "[3] Target's Obtaining of a Share Valuation Report from an Independent Financial Advisor and Third Party Valuation Agency" and "[4] Advice from a Law Firm Independent from Target" of "(3) Measures to Ensure the Fairness of the Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure the Fairness of the Tender Offer" below, the Special Committee confirmed that there were no issues regarding the independence of Nomura Securities and Anderson Mori & Tomotsune from the Tender Offeror and Toyota Motor. In addition, as set forth in "(ii) Course of the Consideration" in "[5] Establishment of an Independent Special Committee at Target; Obtaining of Report" of "(3) Measures to Ensure the Fairness of the Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure the Fairness of the Tender Offer" below, the Special Committee confirmed the reasonableness of Target's determination concerning the choice of the Second Stage Candidates.

Subsequently, Target commenced the Second Bid Process on October 22, 2024, and provided opportunities to the Second Stage Candidates to engage in due diligence from such date until early December 2024. Then on December 16 and 17, 2024, Target received legally binding final letters of intent from all Second Stage Candidates. It is noted that while Target did receive final letters of intent from all Second Stage Candidates on December 16, on that day, Target confirmed with all Second Stage Candidates whether it was correct to understand that the share prices indicated in the final letters of intent were final prices reflecting the maximum valuation of the Target share value. On December 17, two of the Second Stage Candidates, including Tender Offeror, gave notice of an increase in share price, and only Tender Offer actually re-submitted the legally binding final letter of intent, with the increased price reflected. At that time, Tender Offeror submitted to Target a legally binding Final Letter of Intent that included statements concerning a Target share value of 23 billion yen (a value of 4,631 yen per one Target Share), a Tender Offer Price of 4,824 yen, a Treasury Share Acquisition Price of 4,024 yen, and other assorted Tender Offer Price etc. terms and conditions, on the assumption that Target would be delisted, and then, subsequently, on December 17, 2024, Tender Offeror resubmitted to Target a legally binding final letter of intent that included statements concerning a Target share value of 24 billion yen (a value of 4,832 yen per one Target Share), a Tender Offer Price of 5,034 yen, a Treasury Share Acquisition Price of 4,197 yen, and other assorted Tender Offer Price etc. terms and conditions. In parallel with the Second Bid Process, in late November 2024, Toyota Motor met with each of the Second Stage Candidates, and at such meetings, Toyota Motor stated that it was its intention that (a) after the Transaction, Toyota Motor would continue to own 5% of Target Shares, and (b) after the Transaction, Target's statutory auditor would be dispatched from Toyota Motor. Toyota Motor and the Second Stage Candidates had repeated discussions (a) and (b) above during the Second Bid Process, and as a result, all Second Stage Candidates including Tender Offeror accepted such intention of Toyota Motor.

In light of the advice of its financial advisor Nomura Securities and the advice of its legal advisor Anderson Mori & Tsunematsu, and as a result of careful discussions and investigation by Target from perspectives including Target's share value, the direction of business strategies after implementation of the Transaction, synergy effects, treatment of employees and governance structures, management policies after implementation of the Transaction and assurances of obtaining clearance under competition law, Target, considering that Tender Offeror's proposal was the best from the above perspectives and that the Target share value presented by Tender Offeror was the highest among the Second Stage Candidates that participated in the Second Bid Process, determined on December 19, 2024 that selecting Tender Offeror as the final candidate would maximize the shared interests of Target shareholders and contribute to the further enhancement of Target's corporate value in the future (with respect to managerial policy after the implementation of the Transaction and other matters such as business strategies after the implementation of the Transaction, synergy, etc., see "[3] Managerial Policy after Tender Offer" below). As set forth in "(ii) Course of the Consideration" in "[5] Establishment of an Independent Special Committee at Target; Obtaining of Report" of "(3) Measures to Ensure the Fairness of the Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure the Fairness of the Tender Offer" below, based on the final letters of intent from the Second Stage Candidates that participated in the Second Bid Process, the Special Committee confirmed the reasonableness of Target's decision of choosing Tender Offeror as the final candidate.

As set forth above, in light of its decision to choose Tender Offeror as the final candidate, after the decision, Target received advice from Nomura Securities and Anderson, Mori & Tsunematsu while engaging in question-and-answer sessions and confirmations with Tender Offeror through the Special Committee regarding the advisability of implementing the Transaction and the transactional terms.

Specifically, on December 26, 2024, the Special Committee sent to Tender Offeror questions regarding the synergy from the Transaction, the existence or non-existence of disadvantages from the Transaction, and the fairness of procedures of the Transaction ("Questions"), received a written response to the Questions from Tender Offeror on January 14, 2025, and on January 17, 2025, conducted question-and-answer sessions with Tender Offeror in light of the content of the response. Also, on the same day, the Special Committee confirmed that Tender Offeror would not change the price presented in the Final Letter of Intent resubmitted on December 17, 2024.

With the background described above, and based on the content of a share valuation report from Nomura Securities dated January 30, 2025 (the "Share Valuation Report (Nomura Securities)"), as well as legal advice from Anderson Mori & Tomotsune, Target carefully reviewed whether to proceed with, and the terms and conditions of, the Transaction from the perspective of enhancing corporate value and maximizing the common interests of Target's shareholders, giving the utmost respect to the deliberations of the Special Committee and the content of its report (the "Report").

As a result, Target has concluded that the Transaction will contribute to achieving further sustainable growth and enhancing corporate value across the entire Target Group toward the realization of "VISION 2025," based on the following reasons: after the implementation of the Transaction, as stated in "[i] Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process" under "(2) Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process; Managerial Policy after Tender Offer" above, (i) collaboration between Tender Offeror and Target will enable both companies to provide mutual services and products to their respective clients, significantly boosting sales for both companies; (ii) leveraging the logistics know-how, human resources, and financial resources that Tender Offeror has cultivated, along with support for the transportation of Target's products as part of support for the group, will substantially reduce Target's logistics costs, including those for outsourced transportation, and further enhance the cost competitiveness of Target's business; and (iii) expanding nationwide and overseas operations and scaling the business of Target will maximize the synergy effects described in (i) and (ii) above and foster further growth of both companies. The implementation of those various measures and realizing the resulting synergies will, in turn, lead to overcoming Target's management challenges, such as rising overhead costs and labor shortages.

In addition to the above, Target has determined that the Tender Offer Price is a reasonable price, ensuring the profits that the minority shareholders of Target should receive, and that the Tender Offer provides the minority shareholders of Target with a reasonable opportunity to sell their Target Shares at a price with an appropriate premium, due to the following reasons:

(i) Measures to ensure the fairness of the terms and conditions of the Transaction, including the Tender Offer Price, have been taken by Target as described in “(3) Measures to Ensure the Fairness of the Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure the Fairness of the Tender Offer” below, it is recognized that consideration is being given to the minority shareholders of Target, and the Tender Offer Price has been determined after taking measures to ensure the fairness of the Tender Offer;

(ii) The Tender Offer Price is the price resulting from competition among multiple candidates in the Bid Process (and the price offered by Tender Offeror is also the highest);

(iii) Based on the results of the valuation of Target Shares by Nomura Securities in the Share Valuation Report (Nomura Securities) as described in “[3] Target’s Obtaining of a Share Valuation Report from an Independent Financial Advisor and Third Party Valuation Agency” under “(3) Measures to Ensure the Fairness of the Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure the Fairness of the Tender Offer” below, the Tender Offer Price exceeds the upper limits of the ranges calculated under each of the average market share price method, the comparable companies method, and the discounted cash flow method (“DCF Method”);

(iv) The Tender Offer Price represents a premium of 273.17% over the closing price for Target Shares of 1,349yen on the Main Market of the Nagoya Stock Exchange Main Market as of January 30, 2025, which is the business day immediately preceding the announcement date of the implementation of the Tender Offer; a premium of 275.11% over the simple average closing price of 1,342 yen for the most recent one month until January 30, 2025; a premium of 280.50% over the simple average closing price of 1,323 yen for the most recent three months until January 30, 2025; and a premium of 277.93% over the simple average closing price of 1,332 yen for the most recent six months until January 30, 2025; and a premium of 147.98% over the all-time record high for Target Shares, which was 2,030 yen in June 1994. Accordingly, it is considered to provide an adequate level of premium, offering all shareholders of Target an economic benefit that exceeds this premium; and

(v) As described in “[5] Establishment of an Independent Special Committee at Target; Obtaining of Report” under “(3) Measures to Ensure the Fairness of the Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure the Fairness of the Tender Offer” below, the Tender Offer Price has been determined to fully reflect the value of Target Shares and is set at a level that fully considers the interests of the minority shareholders in the Report submitted by the Special Committee.

Generally, the disadvantages associated with privatizing a company include the loss of access to capital markets for equity finance and the absence of benefits associated with being a listed company, such as enhanced name recognition and social credibility. However, given Target's current financial position, there is no significant need for equity financing for the time being. Additionally, Target can continue to enhance name recognition and social credibility through its diligent business performance. Therefore, Target believes the disadvantages associated with privatization are limited.]

From the foregoing, Target determined that implementing the Transaction with Tender Offeror would contribute to the maximization of the shared interests of Target shareholders and further enhancement of Target’s corporate value going forward, that the Tender Offer Price was an appropriate price that secured the benefits that Target shareholders should enjoy, and that the Tender Offers provided Target shareholders with an opportunity for reasonable sale of their shares, and at the Board of Directors meeting held on this day, passed a resolution expressing its opinion in favor of the Tender Offer and recommending that Target shareholders tender their shares in the Tender Offer.

For the details of the foregoing resolution of the Board of Directors, see “[6] Approval of All Directors Not Having an Interest in Target; Opinion of No Objection by All Auditors Not Having an Interest in Target” in “(3) Measures to Ensure the Fairness of the Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure the Fairness of the Tender Offer” below.

[3] Managerial Policy after Tender Offer

With respect to Managerial Policy after Tender Offer, for the steady creation of the synergy from the Transaction set forth in “[1] Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process” above, Tender Offeror’s policy is to give the utmost respect to matters such as Target’s management philosophy, human resources and brand, regional connections built since the establishment of Target, and customer’s trust, and to pursue integrated management as a part of Tender Offeror Group companies to maximize synergy with the management resources of Tender Offeror Group companies. The details of the management structure of Target after the Transaction including the composition of officers have not been decided at this time, but it is expected that Target’s management team will continue to play a leading role in the operation of its business, but for the purpose of supporting the medium-to-long-term growth of Target as its shareholders, Tender Offeror plans to dispatch one representative director and one outside statutory auditor etc. Moreover, Tender Offeror executed a Transaction Basic

Agreement with Toyota Motor dated this day, and said agreement provides that for three years after the Treasury Share Acquisition, Toyota Motors can nominate one candidate as Target's statutory auditor, and by the date that marks the third anniversary of the Treasury Share Acquisition, the handling of the right to appoint a statutory auditor after the passing of such period will be decided through good-faith consultations.

As for the employees of Target Group, it is Tender Offeror's basic policy to continue their employment after the Transaction and not to make any unfavorable changes to their employment conditions. Further, Tender Offeror, as the managerial policy of Target after the Transaction, plans to maintain and respect the autonomy of Target's management as the basis policy, and at the same time, to decide the details of the managerial policy of Target after the Transaction through discussions with Target after the completion of the Tender Offer.

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

As of this day, Target is not a subsidiary of Tender Offeror, and the Tender Offer does not constitute a tender offer by a controlling shareholder. Further, there are no plans by all or part of Target's management team to invest directly or indirectly in Tender Offeror, and the Transaction that includes the Tender Offer does not fall under a so-called management buyout (MBO).

As of this day, Tender Offeror does not own any of the Target Shares, but (i) Tender Offeror has concluded a Transaction Basic Agreement under which it has agreed with Toyota Motor, another affiliate of Target, that Shares Held by Toyota Motor shall not be tendered in the Tender Offer and that a portion of the Shares Held by Toyota Motor will be sold pursuant to the Treasury Share Acquisition after the Squeeze-Out Procedures are completed, (ii) Tender Offeror intends to delist Target Shares and make Tender Offeror and Toyota Motor the only shareholders of Target, and (iii) since Target will implement the Treasury Share Acquisition, thereby acquiring a portion of the Shares Held by Toyota Motor, Tender Offeror and Target have taken the following measures from the perspective of ensuring the fairness of the Tender Offer, eliminating any arbitrariness in decision-making relating to the Transaction, and ensuring the fairness, transparency, and objectivity of the decision-making process while avoiding conflicts of interest.

The following descriptions of measures implemented by Target are based on explanations provided by Target.

[1] Implementation of Bid Procedures

According to the Target Press Release, as set forth in "[2] Decision-Making Process Leading to Target's Support of the Tender Offer; Reasons" in "(2) Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process; Managerial Policy after Tender Offer" above, from early September 2024, Target started to sound out several business companies, including Tender Offeror, and 19 investment funds about participating in the Bid Process. As a result, after it was confirmed that 14 companies had indicated an interest in participating in the Bid Process, these candidates submitted written pledges concerning non-disclosure, the First Bid Process was commenced from around mid-September, 2024, and the Business Plan prepared by Target was submitted to all of the candidates participating in the First Bid Process. Then, in mid-October 2024, first stage letters of intent were received from several candidates, including Tender Offeror. Target then carefully examined and compared the candidates' understanding of Target and their view of Target share value, measures that would lead to an expansion of Target's business, the acquisition structure, and other matters revealed from the first stage letters of intent, and on October 17, 2024, Target chose the Second Stage Candidates, including Tender Offeror, which it would sound out about participating in the Second Bid Process. Then, on October 22, 2024, Target commenced the Second Bid Process and provided opportunities to the Second Stage Candidates including Tender Offeror to engage in due diligence from such date until early December 2024. As set forth in "[2] Decision-Making Process Leading to Target's Support of the Tender Offer; Reasons" in "(2) Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process; Managerial Policy after Tender Offer", on December 16 and 17, 2024, Target received legally binding final letters of intent from all Second Stage Candidates. In light of the advice of its financial advisor Nomura Securities and the advice of its legal advisor Anderson Mori & Tsunematsu, and as a result of careful discussions and investigation by Target from perspectives including Target's share value, the direction of business strategies after implementation of the Transaction, synergy effects, treatment of employees and governance structures, and management policies after implementation of the Transaction and assurances of obtaining clearance under competition law, considering that Tender Offeror's proposal was the best from the above perspectives and that the Target share value presented by Tender Offeror was the highest among the Second Stage Candidates that participated in the Second Bid Process, Target determined on December 19, 2024 that selecting Tender Offeror as the final candidate would maximize the shared interests of Target shareholders and contribute to the further enhancement of Target's corporate value in the future.

[2] Tender Offeror's Obtaining of a Share Valuation Report from an Independent Third Party Valuation Agency

When setting the Tender Offer Price, Tender Offeror asked Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. ("Mitsubishi UFJ Morgan Stanley Securities"), Tender Offeror's financial advisor, to calculate the value of Target Shares as a third-party valuation agency independent of Tender Offeror, Target, and Toyota Motor, and received a share valuation report ("Share Valuation Report (Mitsubishi UFJ Morgan Stanley Securities)") on January 30, 2025. Mitsubishi UFJ Morgan Stanley Securities does not fall under a related party of Tender Offeror, Target, or Toyota Motor and does not have any material interests relating to the Tender Offer. Tender Offeror comprehensively considered various elements set forth in "[1] Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process" in "(2) Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process; Managerial Policy after Tender Offer" above, and determined and set the Tender Offer Price through discussions and negotiations with

Target and Toyota Motor, and consequently, Tender Offeror did not obtain a fairness opinion regarding the Tender Offer Price from Mitsubishi UFJ Morgan Stanley Securities.

For a summary of the Share Valuation Report (Mitsubishi UFJ Morgan Stanley Securities) and information on the reasons leading up to the determination of the Tender Offer Price in light of the opinions presented in that report, see "[1] Grounds for calculation" and "[2] Background of the Calculation" in "(4) Basis etc. for Calculation of Purchase etc. Prices" of "2. Overview of Purchase etc." below.

[3] Target's Obtaining of a Share Valuation Report from an Independent Financial Advisor and Third Party Valuation Agency

(i) Name of Valuation Agency and Relationship between Listed Companies and Tender Offeror

When expressing its opinion concerning the Tender Offer, Target obtained a share valuation report ("Share Valuation Report (Nomura Securities)") on January 30, 2025 from Nomura Securities, a financial advisor and third-party valuation agency independent from Target, Tender Offeror, and Toyota Motor. It should be noted that both Target and Tender Offeror implemented measures to ensure the fairness of the Tender Offer and to avoid conflicts of interest, and therefore, Target did not obtain a fairness opinion regarding the Tender Offer Price from Nomura Securities. Furthermore, Nomura Securities does not fall under a related party of Target, Tender Offeror, or Toyota Motor and does not have any noteworthy material interests relating to the Transaction that includes the Tender Offer. Nomura Securities' compensation relating to the Transaction includes a success fee to be paid subject to the successful completion of the Transaction and other factors. Taking into consideration general practices in similar transactions and the appropriateness of a compensation scheme where a significant financial burden would arise for Target even if the Transaction were not completed, Target determined that the fact that a success fee subject to the successful completion of the Tender Offer was included was not sufficient to negate the independence of Nomura Securities, and selected Nomura Securities as its financial advisor and third-party valuation agency with the compensation scheme described above. Furthermore, the Special Committee confirmed that there were no issues regarding the independence of Nomura Securities.

(ii) Overview of Calculation

As a result of investigating the valuation methods for the Tender Offer, on the assumption of Target as a going concern, Nomura Securities determined that it would be appropriate to assess the value of the Target Shares from multiple perspectives. Based on this approach, the following methods were used: the market price average method, as the Target Shares were listed on the Nagoya Stock Exchange Main Market; the comparable company method, as the existence of several listed companies relatively similar to Target allowed for an inferred valuation of Target's shares; and DCF Method, in order to reflect target's future business activities into the evaluation.

According to Nomura Securities, when evaluating the Target share value, the methods used and the per-share value range of the Target Shares calculated are as set forth below.

Market price average method	1,322 yen - 1,354 yen
Comparable company method	657 yen - 2,696 yen
DCF Method	2,629 yen - 4,817 yen

When using the market price average method, January 29, 2025 was set as the calculation reference date, and based on the closing price for Target Shares of 1,345 yen on the Nagoya Stock Exchange Main Market as of the calculation reference date, the simple average closing price for the preceding five business days of 1,354 yen, the simple average closing price for the preceding month of 1,342 yen, the simple average closing price for the preceding three months of 1,322 yen, and the simple average closing price for the preceding six months of 1,333 yen, the per-share value of the Target Shares was determined to be in the range between 1,322 yen and 1,354 yen.

When using the comparable company method, Target's share value was calculated by comparing the market price, profitability, and other financial indicators of listed companies engaged in business similar to that of Target, and the per-share value of Target Shares was determined to be in the range between 657 yen and 2,696 yen.

When using the DCF Method, the corporate value of Target was evaluated taking into consideration the revenue forecasts, investment plans, and other reasonable assumptions based on the Business Plan prepared by Target according to free cash flows expected to be generated by Target from the third quarter of the fiscal year ending March 2025 onward, discounted to present value at a certain discount rate that reflected business risks. Furthermore, certain financial adjustments were made by adding or subtracting the values of cash equivalents, interest-bearing debt, and the like held by Target and analyzing share value. The per-share value of the Target Shares was determined to be in the range between 2,629 yen and 4,817 yen. It should be noted that the Business Plan used as a basis for the DCF Method does not include any fiscal years when substantial increases or decreases in profit are anticipated. Furthermore, regarding synergy effects expected from execution of the Transaction, a concrete estimate is difficult as of the time of the valuation, and therefore, such effects are not taken into account in the Business Plan. Also, as stated in "(ii) Course of the Consideration" in "[5] Establishment of an Independent Special Committee at Target; Obtaining of Report" of "(3) Measures to Ensure the Fairness of the Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure the Fairness of the Tender Offer" below, the Special Committee received explanations concerning the particulars of the Business Plan, the background to its preparation, and the like and conducted question and answer sessions on these points, and has confirmed the reasonableness of the Business Plan.

(Note) When assessing the share value of the Target Shares, Nomura Securities assumed that public information and all information received from Target was accurate and complete and did not independently verify the accuracy or completeness of that information. Regarding the assets and liabilities of Target and its affiliates (including financial derivative products, off-balance sheet assets and liabilities, and other contingent liabilities), Nomura Securities did not perform any independent valuation, appraisal, or assessment, including analysis or evaluation of individual assets and liabilities, and did not request any appraisals or assessment by third-party agencies. It is assumed that the Business Plan was reasonably considered and prepared by Target's management team using the best, good-faith forecasts and determinations available at the time of the valuation. The valuation by Nomura Securities reflects information and economic conditions obtained by Nomura Securities through January 29, 2025. The valuation by Nomura Securities was prepared for the sole purpose of serving as reference for Target's Board of Directors when investigating the share value of the Target Shares.

[4] Advice from a Law Firm Independent from Target

To ensure the fairness and appropriateness of decision-making by Target's Board of Directors, Target appointed Anderson Mori & Tomotsune as its legal advisor independent from Target, Tender Offer, and Toyota Motor and according to Target it has received legal advices concerning the decision-making methods and processes of Target's Board of Directors and other considerations in decision-making relating to the Tender Offer and the subsequent series of procedures. Anderson Mori & Tomotsune does not fall under the category of a related person of Tender Offeror, Target, or Toyota Motor and does not have any material interests in the Transaction.

Furthermore, the Special Committee confirmed that there are no issues regarding Anderson Mori & Tomotsune's independence and expertise. Anderson Mori & Tomotsune's remuneration comprises hourly compensation only, and a compensation scheme that includes a success fee subject to the successful completion of the Transaction has not been adopted.

[5] Establishment of an Independent Special Committee at Target; Obtaining of Report

(i) Background to Establishment etc.

To officially commence its consideration of the Transaction, prior to deliberating and resolving on the advisability of the Transaction, Target's Board of Directors established the Special Committee on October 17, 2024 for the purposes of eliminating any arbitrariness in decision-making relating to the Transaction of Target, a listed company, and ensuring the fairness, transparency, and objectivity in the course of decision-making. With a view toward assembling a special committee having independence from Target, Tender Offeror and Toyota Motor, and ensuring a balance on the special committee overall of knowledge, experience, abilities, the Committee comprises four members: Mr. Satoru Horiike (President and Representative Director of Horiike Sangyo Co., Ltd.), an independent outside Director of Target; Mr. Kiyotaka Saito (attorney, Saito Kiyotaka Law Offices), an independent outside statutory auditor of Target; and external experts, Mr. Hidetaka Nishina (attorney, Nakamura, Tsunoda & Matsumoto Law Office) and Mr. Takashi Kagami (certified public accountant, Representative Director, Takano Sogo Consulting Co., Ltd.). (It should be noted that Target selected these four individuals as members of the Special Committee from the outset and there have been no changes to the Committee's membership. When appointing members to the Special Committee, Target confirmed that Mr. Satoru Horiike, Mr. Kiyotaka Saito, Mr. Hidetaka Nishina and Mr. Takashi Kagami do not have any material interests in Target, Tender Offeror, or Toyota Motor. Furthermore, each member of the Special Committee will be paid a fixed amount or hourly compensation as consideration for their duties, regardless of the particulars of their report, and a compensation scheme that includes a success fee subject to the successful completion of the Transaction has not been adopted.) By the mutual election of the Special Committee, Mr. Satoru Horiike, an independent outside Director of Target, was selected as the chairman of the Special Committee.

Following establishment of the Special Committee, Target posed the following questions to the Special Committee: (a) whether the objectives of the Transaction were legitimate and reasonable (including whether the Transaction would contribute to enhancement of Target's corporate value), (b) whether the fairness and appropriateness of the terms and conditions of the Transaction (including the purchase etc. price in the Tender Offer) have been ensured, (c) whether the interests of Target shareholders were given adequate consideration through fair procedures in the Transaction, (d) whether, in addition to (a) through (c), the Transaction was not adverse to the interests of Target's minority shareholders and (e) whether it was appropriate for Target's Board of Directors to express support for the Tender Offer and recommend that Target shareholders tender their shares (collectively, "Consultation Matters"). The Special Committee was further tasked with providing a Report on these matters to Target.

In addition, Target's Board of Directors resolved to grant the following authority to the Special Committee: (i) the authority to delegate to third-party agencies or other external bodies the evaluation of Target's share value, provision of a fairness opinion on the Transaction, and any other matters determined to be necessary by the Special Committee, with the reasonable costs associated with such delegation to be borne by Target, (ii) the authority to ensure that the decision-making of the Target's Board of Directors with regard to the Transaction would show utmost deference to the determinations of the Special Committee, and in particular, if the Special Committee determined that the transaction terms relating to the Transaction were not appropriate, Target's Board of Directors would not consent to the Transaction under those transaction terms, and (iii) the authority to negotiate with Tender Offeror candidates regarding the purchase etc. price and other transaction terms in the tender offer relating to the Transaction.

(ii) Course of the Consideration

From October 21, 2024 to January 30, 2025, the Special Committee met a total of nine times and conducted discussions and considerations concerning the Consultation Matters, and in the time between meeting days, members of the Special Committee exchanged opinions via e-mail and the like from time to time. Specifically, the Special Committee received timely reports and explanations from Target, Nomura Securities, and Anderson Mori & Tomotsune and conducted question-and-answer sessions concerning the background and course of the Transaction, an overview of Target's business, the structure of the Transaction, the independence of each advisor, an overview and the status of the Bid Process, confirmation of the procedures for selecting Tender Offeror, the reasonableness of the Tender Offer Price calculation method, the course and particulars of discussions and negotiations with Tender Offeror (including the particulars of discussions and negotiations between Tender Offeror and Toyota Motor) and other matters. Furthermore, the Special Committee received explanations of the Business Plan from and conducted question-and-answer sessions with Target, confirmed the reasonableness of the Business Plan, and received explanations from Nomura Securities, Target's financial advisor and third-party valuation agency, concerning the valuation methods and results of the valuation of the Target Shares, conducted question-and-answer sessions and deliberations and considerations, and then confirmed its reasonableness. In addition, the Special Committee received explanations from Anderson Mori & Tomotsune, Target's legal advisor, concerning the particulars of the legal advice that Target received from Anderson Mori & Tomotsune concerning considerations when Target makes decisions regarding the Transaction that includes the Tender Offer and conducted considerations. In the Bid Process, the Special Committee received reports from time to time on the status of that process from Target, Nomura Securities, and Anderson Mori & Tomotsune, and the Special Committee confirmed the reasonableness of Target's decision concerning the selection of the Second Stage Candidates who were sounded out about their participation in the Second Bid Process and, based on the final letters of intent received from the Second Stage Candidates that participated in the Second Bid Process, confirmed the reasonableness of Target's decision to select Tender Offeror as the final candidate, and by deliberating on and considering the particulars and expressing opinions, the Special Committee has been substantially involved in important stages including selection of the Second Stage Candidates and the final candidate. After Target selected Tender Offeror as the final candidate, as set forth in "[2] Decision-Making Process Leading to Target's Support of the Tender Offer; Reasons" in "(2) Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process; Managerial Policy after Tender Offer" above, on December 26, 2024, the Special Committee sent the Questions to Tender Offeror, received a written response to the Questions from Tender Offeror on January 14, 2025, and on January 17, 2025, conducted question-and-answer sessions between Tender Offeror in light of the content of the response. Also, on the same day, the Special Committee confirmed that Tender Offeror would not change the Tender Offer Price stated in the Final Letter of Intent resubmitted on December 17, 2024.

(iii) Details of the Special Committee's Determination

The Special Committee, based on the above circumstances, carefully discussed and considered the Consultation Matters. As a result, on January 30, 2025, the Special Committee submitted to Target's Board of Directors the Report, the contents of which are summarized below, with the unanimous consent of all members:

i. Content of the report

(A) The Transaction will contribute to the enhancement of Target's corporate value and its purpose is legitimate and reasonable;

(B) The fairness and appropriateness of the terms and conditions of the Transaction (including the purchase price in the Tender Offer) are ensured;

(C) Due consideration is given to the interests of the shareholders of Target through fair procedures in the Transaction;

(D) In addition to (A) through (C) above, the Transaction is not deemed to be disadvantageous to the minority shareholders of Target; and

(E) It is reasonable for Target's Board of Directors to express an opinion in favor of the Tender Offer and to express its opinion recommending that the shareholders of Target tender their shares in the Tender Offer.

ii. Reason for the report

(A) Whether the purpose of the Transaction is legitimate and reasonable (including whether the Transaction will contribute to the enhancement of Target's corporate value)

A. Explanation regarding the synergies expected from the Transaction

(a) Synergies projected by Tender Offeror

In the Bidding Process and interviews conducted by the Special Committee, Tender Offeror explained that synergies resulting from the Transaction can be expected substantially as follows:

a. Cross-selling to clients of both companies

- While Tender Offeror provides a full range of logistics services on a one-stop basis, Target provides packaging materials including corrugated products. Therefore, the business and customer bases developed by Tender Offeror and Target complement each other. Collaboration between Tender Offeror and Target will enable both companies to provide mutual services and products to their respective clients, which may significantly boost sales for both companies.
- In particular, Tender Offeror believes that the synergies generated by the expansion of Target products to existing customers of Tender Offeror will be the most quantitatively effective synergies in the Transaction.
- With respect to the timing for realizing synergies, Tender Offeror assumes that priorities will be set for existing customers of Tender Offeror to carry out proposal activities in a step-by-step manner, and as a result, Tender

Offeror assumes to gradually realize the sales expansion effect.

b. Reducing Target's logistics costs by leveraging Tender Offeror's management resources

- Tender Offeror owns and operates a large number of its own domestic warehouse assets, drivers and sales vehicles. Leveraging the logistics know-how, human resources, and financial resources that Tender Offeror has cultivated, along with support for the transportation of Target's products as part of support for the Group, may be able to substantially reduce Target's logistics costs, including those for outsourced transportation, and further enhance the cost competitiveness of Target's business.

c. Supporting Target's nationwide and overseas operations

- Tender Offeror has a large number of affiliated companies and bases both in Japan and overseas, and may be able to contribute to expanding the business scale of Target by supporting the nationwide and overseas operations of Target, whose business base is concentrated in the Chubu region, by providing Tender Offeror's sales bases and distribution network.
- Tender Offeror believes that expanding nationwide and overseas operations and scaling the business of Target will maximize the synergy effects described in "a. Cross-selling to clients of both companies" and "b. Reducing Target's logistics costs by leveraging Tender Offeror's management resources" above and foster further growth of both companies.

Tender Offeror's recognition and explanation as mentioned above are not inconsistent with the contents or circumstances of Target's business nor contradict the objective facts, and are not particularly unreasonable.

(b) Target's recognition of synergies

Subsequently, the Special Committee confirmed how Target recognized the synergies resulting from the Transaction through interviews with Target. The results of the confirmation are as follows:

a. Cross-selling to clients of both companies

- While Tender Offeror handles logistics in general, Target specializes in packaging within the logistics process, so there is little overlap in business. Therefore, joining Tender Offeror Group can be expected to expand business opportunities for Target's products.
- Since Target's strength is its ability to design and develop packaging materials (the ability to design and develop packaging materials which reduce costs while maintaining the quality of products to be packaged such as automobile parts), Target believes that it can utilize such strength in providing the most suitable packaging materials to Tender Offeror's

customers.

b. Reducing Target's logistics costs by leveraging Tender Offeror's management resources

- Currently, Target utilizes outsourcing to transport the manufactured packaging materials through logistics at a cost.
- However, Target expects that the Transaction will allow Target to join Tender Offeror Group and utilize Tender Offeror's logistics resources, including transportation, thereby reducing logistics costs.

c. Supporting Target's nationwide and overseas operations

- For Target, the nationwide and overseas operations are a challenge for the future, but the overseas operations are currently making little progress. In addition, if Target is to operate overseas on its own in the future, Target will need to make major investments, which will naturally limit the ability to operate overseas.
- However, if Target joins Tender Offeror Group, which already has a large number of business bases, and thereby utilizes the physical resources and human resources of Tender Offeror Group, Target believes that this will provide a significant boost to the realization of nationwide and overseas operations and lead to business growth.

Target's explanation above is considered to be reasonable, considering that, from the eyes of the members of the Special Committee serving as Target's outside officers, the explanation is consistent with the knowledge obtained from the information on Target's business that they have been aware of as outside officers.

In addition, Target sets out in its Annual Securities Report Target's business risks, including the risk of a decline in sales due to industry trends and an intensifying competitive environment, the risk of a decline in profits due to an increase in cost resulting from fluctuations in market conditions for raw materials, and the risk associated with overseas operations. The synergies generated by the Transaction as set forth in "a. Cross-selling to clients of both companies" above through "c. Supporting Target's nationwide and overseas operations" above are consistent with these events recognized by Target as its challenges, and can be assessed to be consistent with the matters previously disclosed by Target.

B. Whether there are any disadvantages of the Transaction

Meanwhile, considering that it is necessary to confirm whether there are any disadvantages of the Transaction that are greater than the synergies, the Special Committee asked each of Target and Tender Offeror regarding their recognition of the disadvantages of the Transaction.

As a result, the Special Committee received the following responses from Target and Tender Offeror with respect to the disadvantages of the Transaction:

- In general, the disadvantages of privatization of shares include: (I) difficulty in raising funds through equity financing; (II) difficulty in issuing stock compensation and stock options, which has an adverse effect on the retention of human resources; and (III) inability to gain external credibility as a listed company, and deterioration of brand image.
- However, by joining Tender Offeror Group, Target will be able to raise funds through group financing from Tender Offeror, and there is no concern about (I). There is also a shareholding association system for employees of Tender Offeror Group, and there is also a safeguard for (II). Furthermore, with respect to (III), Target has gained social credibility through its past business activities and achievements, and by joining Tender Offeror Group, a TSE Prime-listed company, Target will be able to conduct business under a stronger management foundation. Therefore, the mere fact of privatization will not have a negative impact on Target's credibility or brand image.
- Tender Offeror has repeatedly indicated its intention to maintain the employment and treatment of Target's employees and that it has no intention of causing any disadvantage to Target's employees by virtue of the Transaction.
- Tender Offeror has explained that after execution of the Transaction, Tender Offeror would like to examine a system that ensures management autonomy by Target, independently formulating its management policies and slogans while, as a member of Tender Offeror Group, sharing the group's views such as the "Group Basic Principles," "Group Code of Conduct," and "Sustainability Policy."
- The Transaction Basic Agreement, which has been disclosed to Target, does not include any clause that unduly restricts Target's business operation.

In light of the foregoing, the Special Committee does not find any material disadvantages of the Transaction. Therefore, the Special Committee considers that the synergies expected from the Transaction will be greater than the disadvantages of the Transaction.

C. Summary

Premised on the above facts, the synergies anticipated from the Transaction (including cross-selling to both companies' customers, reducing Target's logistics costs through the utilization of Tender Offeror's management resources, and supporting Target's nationwide and international expansion) are not merely qualitative narratives but are supported by detailed plans, such as the implementation of cross-selling and the reduction of Target's logistics costs.

Furthermore, specific explanations have been provided regarding which measures among the anticipated synergies are expected to yield the greatest impact, both in terms of quantitative effectiveness and within specific timeframes. Accordingly, the expected synergies from the Transaction are adequately justified from a quantitative perspective.

Therefore, the Transaction is considered to contribute to the enhancement of Target's corporate value, and no disadvantages have been identified that would outweigh the synergies expected to be generated from the Transaction.

On the basis of the above, regarding the reasons presented for implementing the Transaction, no elements have been identified as potentially leading to unreasonable outcomes for Target's stakeholders.

Based on these considerations, the Transaction is considered to contribute to the enhancement of Target's corporate value, and its purpose is regarded as reasonable.

In addition, the Special Committee confirmed with the Tender Offeror that there was no intention to amend the price offered in the Final Letter of Intent resubmitted on December 17, 2024, when the Special Committee conducted a Q&A session with the Tender Offeror based on responses to the Written Inquiry on January 17, 2025.

(B) Whether the fairness and appropriateness of the terms and conditions of the Transaction (including the purchase price in the Tender Offer) are ensured

A. Ensuring the status of negotiations

First, regarding the negotiation status of the Transaction, it is recognized that fair deliberation was conducted throughout the process of selecting Tender Offeror and determining the various terms of the Transaction, including the Tender Offer Price, with Target taking the initiative in advancing the Bidding Process while receiving advice from Nomura Securities, ultimately leading to a final agreement.

Nomura Securities and Target provided the Special Committee with detailed explanations regarding the series of negotiation processes. The Special Committee was also proactively involved in the Bidding Process by giving its opinions on the selection of candidates at each stage of the process.

Moreover, Tender Offeror does not hold any shares in Target at this time, and Target and Tender Offeror are independent parties. As such, there are no concerns regarding potential conflicts of interest in Target's selection of Tender Offeror.

As described above, the negotiation process leading to the announcement of the Transaction resulted from objective and consistent discussions between Target and Tender Offeror as independent parties. Throughout this process, no factors were identified that would cast doubt on the transparency or fairness of the decision-making process.

B. Relationship between the share valuation and the Tender Offer Price

(a) Business plan

The Business Plan was created in the course of advancing the Bidding Process and was equally provided to all participants in the Bidding Process. Considering that no participants in this Bidding Process had any significant capital relationship with Target, there are no issues of doubt regarding the preparation method or process of the Business Plan (including the fact that no parties with interests in the Transaction were involved in its preparation).

In addition, regarding the content of the Business Plan, it is a standalone-based business plan that does not incorporate synergies or other effects premised on the execution of the Transaction. However, since Target does not perform due diligence on Tender Offeror's side in the Transaction, there are circumstances that make it difficult for Target to quantitatively estimate the corporate value enhancement effects of the Transaction at this point in time, and it is not unreasonable that the standalone-based Business Plan serves as the basis for the valuation.

In addition, the Special Committee conducted a detailed review of the content of the Business Plan itself, and concluded that there were no unreasonable aspects.

Based on these considerations, the Business Plan shows no evidence of any intervening pressure arising from conflicts of interest (such as pressure to adopt unduly conservative assumptions or other similar pressures) in terms of either its formulation process or the formulation method, and its content is deemed reasonable.

(b) Valuation method

The Special Committee conducted multiple hearings with Nomura Securities, receiving detailed explanations regarding the valuation method and evaluation process for the value of Target Shares, as well as the deliberation process concerning the share valuation and related aspects. The Special Committee confirmed that no unreasonable points were identified in any of these areas and assessed the Share Valuation Report (Nomura Securities) as a share valuation report prepared by an independent third-party valuator.

(c) Appropriateness of the Tender Offer Price

Regarding the Tender Offer Price, the following circumstances are recognized:

- The price significantly exceeds the upper limit of the valuation results based on the average market share price method and the comparable company method as set forth in the Share Valuation Report (Nomura Securities), and is exceeds the upper limit of the valuation results of the DCF Method.
- The Tender Offer Price represents a premium of 273.17% over the closing price of the Target Shares of 1,349 yen on the Main Market of the Nagoya

Stock Exchange Main Market as of January 30, 2025, which is the business day immediately preceding the announcement date of the implementation of the Tender Offer; a premium of 275.11% over the simple average closing price of 1,342 yen for the most recent one month until January 30, 2025; a premium of 280.50% over the simple average closing price of 1,323 yen for the most recent three months until January 30, 2025; and a premium of 277.93% over the simple average closing price of 1,332 yen for the most recent six months until January 30, 2025 and it is recognized that the premium of the Tender Offer Price is substantially higher than the premiums observed in similar transactions (domestic tender offers announced on or after January 1, 2023, with the settlement commencement date set to occur by January 29, 2025, targeting publicly listed companies, where the offeror intended to take the target company private; however, the following cases were excluded: (I) cases where the target company was a consolidated subsidiary of the offeror or its ultimate parent company as of the business day prior to the announcement, and (II) cases involving management buyouts (MBOs), counter-tender offers, unsolicited tender offers, and cases where the target company had not passed a resolution recommending tendering at the time of the tender offer announcement).

- The Tender Offer Price is more than twice the all-time record high of Target Shares since listing, which was 2,030 yen, significantly exceeding this all-time record high.
- The Transaction will be implemented with Tender Offeror, who submitted the highest and most feasible offer among multiple candidates through the Bidding Process. There is no other feasible transaction that would enable Target to provide its minority shareholders with the terms and conditions superior to those of the Transaction.

In light of the background described above, the Special Committee believes that the Tender Offer Price fully reflects the value of Target Shares and is set at a level that fully considers the interests of the minority shareholders.

As the Tender Offer Price is significantly higher than the net asset value per share of Target (2,689.61 yen) at the end of the interim period of the fiscal year ending March 2025, there are no particular concerns regarding the Tender Offer Price in terms of PBR.

C. Appropriateness of the scheme and other considerations

The Transaction is structured as a tender offer rather than a share exchange. This scheme is a standard approach and does not present any particular disadvantages to the minority shareholders of Target.

Additionally, regarding the approach where the Tender Offer and Squeeze-Out Procedures are conducted first, followed by the Treasury Share Acquisition as part of the Transaction, if Toyota Motor were to tender its shares of Target Shares in the

Tender Offer, the after-tax net proceeds would be set at the same as those from agreeing to the Treasury Share Acquisition. Therefore, there is nothing in this approach that could be considered unreasonable to the minority shareholders of Target.

D. Summary

As stated in "A. Ensuring the status of negotiations" through "C. Appropriateness of the scheme and other considerations" above, there are no concerns regarding the negotiation status of the Transaction. Additionally, with respect to the share valuation, the Tender Offer Price has been determined with sufficient consideration of the interests of minority shareholders.

In addition, in the Transaction, regardless of whether minority shareholders receive consideration through the Tender Offer or the Squeeze-Out Procedures, it is guaranteed that they will receive the same amount as the Tender Offer Price.

Accordingly, it is concluded that the fairness and appropriateness of the terms and conditions of the Transaction as a whole, including the Tender Offer Price, are ensured from the perspective of the minority shareholders of Target.

(C) Whether or not due consideration is given to the interests of the shareholders of Target through fair procedures in the Transaction

A. Establishment of the Special Committee

In light of the establishment and operation of the Special Committee described below, the Special Committee is considered to be functioning effectively as the Fairness Ensuring Measures.

- The Special Committee is composed of an independent outside director of Target, an independent outside auditor of Target, and two outside experts;
- The Special Committee mutually confirms that all members of the Special Committee are independent of Tender Offeror and Toyota Motor and that their fees do not include performance fees;
- The Special Committee was established at a stage prior to the decision on the terms of the Transaction between Tender Offeror and Target;
- The Special Committee is chaired by an outside director who is considered the most qualified member of the Special Committee under the M&A Guidelines;
- When Target proceeds with the Bidding Process, it has explained to and obtained the confirmation of the Special Committee from the stage of the First Bidding Process the candidates who proceed to the next process and the reasons for their selection, thereby ensuring that the Special Committee is substantially affecting the negotiation process with respect to the transaction terms;
- The Special Committee has the authority to appoint advisors to the Special Committee; provided, however, that the Special Committee has determined that the appointment of advisors is not necessary in light of the fact that the knowledge concerning the characteristics of Target's business (one of the

members of the Special Committee is a director of Target), the knowledge concerning evaluation of corporate value (one of the members of the Special Committee is a certified public accountant), and the knowledge concerning law (two of the members of the Special Committee are lawyers) are satisfied by the members, and the expertise and independence of advisors of Target;

- The Special Committee, on behalf of general shareholders, has obtained material information, including the draft Transaction Basic Agreement, and use such information to evaluate and decide on the Transaction, given the wide range of agreements and synergies contemplated by the Transaction and the difficulty in disclosing all details to the general public; and
- When Target's Board of Directors resolves the matters to be consulted on the Special Committee, it shall resolve that Target will ensure that decision-making of Target's Board of Directors regarding the Transaction respects the determination of the Special Committee to the maximum extent and, in particular, that if the Special Committee deems the terms and conditions of the Transaction to be inappropriate, Target's Board of Directors will not decide to implement the Transaction.

B. Decision-making process in Target

It is expected that all six directors and two of Target's three auditors will participate in the deliberations and resolutions regarding the Tender Offer.

On the other hand, one of Target's auditor, Mr. Kyogo Onoue ("Mr. Onoue"), who is currently concurrently an officer and employee of Toyota Motor, did not participate in the deliberations and resolutions of Target's Board of Directors.

Target's Board of Directors, after excluding the above-mentioned interested auditors from the deliberations, is expected to adopt a resolution by unanimous consent of all directors of Target, and all auditors are expected to state that they have no objection to the resolution, finally.

Based on the above, we do not find anything questionable about the fairness of the decision-making process at Target.

C. Independent expert advice from external advisors

(a) Advice from legal advisors

Target's Board of Directors receives advice on decision-making from its legal advisor, Anderson Mori & Tomotsune.

The Special Committee has confirmed directly through interviews that there are no doubts as to the independence of the law firm.

(b) Procurement of a share valuation report from a third-party valuator

Target's Board of Directors has obtained the Share Valuation Report (Nomura Securities) from Nomura Securities, an independent third-party valuator, as a material with respect to the value of the Target Shares, in order to ensure fairness of the Tender Offer Price.

The Special Committee has confirmed the independence of Nomura Securities directly through interviews. The fees payable to Nomura Securities in connection with the Transaction include a performance fee, which is payable subject to the successful completion of the Transaction and other conditions. As such fees are in line with the general practice in similar transactions, the Special Committee has determined that such fee system does not raise any issues regarding the independence of Nomura Securities.

D. Market checks

(a) Implementation of the Bidding Process

The Bidding Process for the Transaction is underway, and it is acknowledged that 14 companies have expressed an interest in participating in the Bidding Process and Target has selected Tender Offeror as a candidate.

Therefore, so-called "active market checks" to investigate and evaluate prospective acquiring parties in the market have been implemented.

(b) Tender offer period and deal protection clause

The tender offer period for the Tender Offer has been set to [30] business days, with a view to ensure that by setting a tender offer period longer than the statutory minimum period, Target's shareholders have the opportunity to make an appropriate decision on whether to tender their shares in the Tender Offer, and to ensure the fairness of the Tender Offer by securing opportunities for competing offers from parties other than Tender Offeror.

In addition, Target and Tender Offeror have not entered into any agreement that would restrict contact with a competing offeror, such as a deal protection clause.

As described above, so-called "indirect market checks" where an M&A transaction is executed in a manner that allows other prospective acquiring parties to make competing proposals after the Transaction is announced have been implemented in the Transaction.

E. Majority of minority

The minimum number of shares to be purchased in the Tender Offer is set at a number which exceeds the number of voting rights representing a majority of the number of Target Shares held by the by shareholders of Target who have no conflict of interest with Tender Offeror, commonly referred to as the "majority of minority."

F. Enhancement of the provision of information to general shareholders and improvement of process transparency

In the notice concerning opinion to be submitted by Target, Target plans to fully disclose to its shareholders a summary of the Special Committee and the Share Valuation Report (Nomura Securities), as well as the status of the Bidding Process and the negotiation process with Tender Offeror.

G. Elimination of coerciveness

The Squeeze-Out Procedures in the Transaction is to be implemented by means of a scheme using a share consolidation method. In the process of implementing the scheme, shareholders are granted the right to file a petition for price determination pursuant to Articles 182-4 and 182-5 of the Companies Act, and this right is explicitly disclosed in the notice (concerning opinion) to be submitted by Target.

Furthermore, in the notice (concerning opinion) to be submitted by Target, it is disclosed that the Squeeze-Out Procedures will be conducted promptly after the completion of the Tender Offer and that the amount of money to be delivered to the minority shareholders in the Squeeze-Out Procedures will be evaluated to be equal to the Tender Offer Price multiplied by the number of Target Shares held by each such shareholder (excluding Target and Toyota Motor).

H. Summary

In light of the matters described in "A. Establishment of the Special Committee" through "G. Elimination of coerciveness" above, in terms of both ensuring that the Transaction is recognized as an arm's length transaction in the process of forming the terms of transaction and ensuring that general shareholders have an opportunity to make an appropriate decision based on sufficient information, the Fairness Ensuring Measures necessary and sufficient for the Transaction have been adopted and are being effectively operated in practice.

Therefore, in the Transaction, it is recognized that due consideration has been given to the interests of Target's general shareholders through fair procedures.

(D) In addition to (A) through (C) above, whether the Transaction is not deemed to be disadvantageous to the minority shareholders of Target

The Special Committee believes that the matters described in "(A) Whether the purpose of the Transaction is legitimate and reasonable (including whether the Transaction will contribute to the enhancement of the corporate value of Target)" through "(C) Whether or not due consideration is given to the interests of the shareholders of Target through fair procedures in the Transaction" above are factors to be considered when considering whether the Transaction is not deemed to be disadvantageous to the minority shareholders of Target. In addition, as described in "(A) Whether the purpose of the Transaction is legitimate and reasonable (including whether the Transaction will contribute to the enhancement of the corporate value of Target)" through "(C) Whether or not due consideration is given to the interests of the shareholders of Target through fair procedures in the Transaction" above, as a result of the deliberations of the Special Committee, none of these matters are considered problematic.

Based on the above, the Special Committee believes that the Transaction is not disadvantageous to the minority shareholders of Target.

(E) Whether or not Target's Board of Directors should express an opinion in favor of the Tender Offer and express its opinion recommending that the shareholders of Target tender their shares in the Tender Offer

As described in "(A) Whether the purpose of the Transaction is legitimate and reasonable (including whether the Transaction will contribute to the enhancement of the corporate value of Target)" through "(D) In addition to (A) through (C) above, whether the Transaction is not deemed to be disadvantageous to the minority shareholders of Target" above, the Transaction is considered to contribute to the enhancement of the corporate value of Target and its purpose is considered to be reasonable. In addition, it is considered that due consideration has been given to the interests of Target's minority shareholders through fair procedures in the Transaction, and the Tender Offer Price is deemed to ensure the appropriateness of the terms and conditions from the perspective of Target's minority shareholders.

Therefore, the Special Committee express its opinion that it is reasonable for Target's Board of Directors to express an opinion in favor of the Tender Offer and to recommend that the shareholders of Target tender their shares in the Tender Offer.

[6] Approval of All Directors Not Having an Interest in Target; Opinion of No Objection by All Auditors Not Having an Interest in Target

In light of the content of the Share Valuation Report (Nomura Securities) that Target received from Nomura Securities and the legal advice that it received from Anderson Mori & Tomotsune, Target conducted careful deliberations and considerations of the Transaction from the perspectives of enhancing Target's corporate value and the appropriateness of the terms and conditions relating to the Transaction including protecting the interests of minority shareholders, while giving maximum deference to the Report submitted by the Special Committee.

As a result, at the meeting held on this day, Target's Board of Directors resolved to express support for the Tender Offer and recommend that Target shareholders tender their shares in the Tender Offer, as discussed above in "[2] Decision-Making Process Leading to Target's Support of the Tender Offer; Reasons" in "(2) Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process; Managerial Policy after Tender Offer."

At the above-referenced Board of Directors meeting, the resolution was adopted unanimously following deliberation by all six Target directors, and further, two of all three statutory auditors, excluding Mr. Onoue, who is an outside statutory auditor, attended the meeting and expressed no objection to adopting the resolution. It should be noted that Mr. Onoue did not participate in the deliberations or resolution at the Board of Directors meeting from the perspectives of eliminating any potential for influence due to issues of structural conflicts of interest arising from his concurrent position as an employee of Toyota

Motor and ensuring the fairness of the Tender Offer.

It is further noted that among the Target directors who participated in the above-referenced Board of Directors meeting, President Masashi Yamashita ("Mr. Yamashita") previously held a position as an employee of Toyota Motor, but eight years have passed since his retirement, he no longer has any employment relationship with Toyota Motor and is not in a position to receive instructions from Toyota Motor. As discussed above in "(ii) Course of the Consideration" in "[5] Establishment of an Independent Special Committee at Target; Obtaining of Report" above, the background and course of the Transaction, an overview of Target's business, the structure of the Transaction, the independence of each advisor, an overview and the status of the Bid Process, confirmation of the procedures for selecting Tender Offeror, the particulars of the Business Plan, the reasonableness of the Tender Offer Price calculation method, the course and particulars of discussions and negotiations with Tender Offeror (including the particulars of discussions and negotiations between Tender Offeror and Toyota Motor) and other matters were reported in a timely manner to the Special Committee, discussions were held by the Special Committee and Target on multiple occasions, and during these discussions, Target received opinions from the Special Committee while conducting discussions and negotiations with Tender Offeror, and as a result, it is believed that the Special Committee functioned effectively in the process of Target's consideration of the Transaction and in its negotiations with Tender Offeror. Therefore, Target determined that Mr. Yamashita, who previously held a position as an employee of Toyota Motor, does not have a level of conflicting interests significant enough to compromise the fairness of the proceedings unless he were excluded warrant exclusion from deliberations by and resolutions of Target's Board of Directors.

[7] Measures to Provide Purchase Opportunities to Other Buyers

The statutory minimum period for a tender offer period is 20 business days (Article 27-2, Paragraph 2 of the FIEA and Article 8, Paragraph 1 of the Cabinet Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended; "Order")); Tender Offeror set the tender offer period at 30 business days. By setting the tender offer period longer than the statutory minimum, Tender Offeror intends to ensure that Target shareholders have adequate opportunity to make informed decisions regarding tendering of their shares to the Tender Offer, and that persons other than Tender Offeror have an opportunity to make competing purchase etc. offers, thus ensuring the fairness of the Tender Offer. Furthermore, Tender Offeror has not made any agreements with Target that include transaction protection clauses that prohibit Target from engaging with competing purchasers or any other agreements that would restrict such purchasers from contacting Target. In this way, by setting the tender offer period as indicated above and ensuring competing purchase etc. opportunities, Tender Offeror has given consideration to ensuring the fairness of the Tender Offer.

Furthermore, as set forth in "[2] Decision-Making Process Leading to Target's Support of the Tender Offer; Reasons" in "(2) Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process; Managerial Policy after Tender Offer" above, Target implemented the Bid Process and selected Tender Offeror through comparison against other candidates under certain competitive conditions; therefore, Target believes that opportunities for purchase etc. of Target Shares by persons other than Tender Offer have been sufficiently provided.

[8] Setting a Minimum Number of Shares Planned for Purchase that Satisfies the Majority of Minority

As stated in "(1) Overview of Tender Offer" above, the minimum number of shares planned for purchase in the Tender Offer has been set at 2,111,300 shares, and if the total number of Tendered Shares does not reach the minimum number of shares planned for purchase, Tender Offeror will not purchase any of the Tendered Shares. The minimum number of shares planned for purchase of 2,111,300 shares (Ownership Percentage: 42.51%) was calculated as follows: the total number of issued shares of Target as of September 30, 2024 stated in the Target Q2 Earnings Report (5,225,008 shares), the number of treasury shares held by Target as of the same date (258,097 shares) is subtracted, resulting in 4,966,911 shares, and from this figure, the number of Shares Held by Toyota Motor (1,200,000 shares) is subtracted, leaving 3,766,911 shares; The minimum number of shares planned for purchase was set at a level that exceeds the bare majority of this figure (1,883,456 shares; this corresponds to the majority of Target Shares held by Target shareholders who do not have interests in Tender Offeror, i.e., a so-called majority of minority). As a result, if approval is not obtained from a majority of Target shareholders other than interested persons of Tender Offeror, the Transaction that includes the Tender Offer will not be implemented, thereby respecting the intentions of Target's minority shareholders.

(4) Post-Tender Offer Reorganization etc. Policy (Matters Concerning Two-Step Acquisition)

As stated in "(1) Overview of Tender Offer" above, if Tender Offeror is not able to acquire all the Shares Subject to Tender Offer in the Tender Offer, after completion of the Tender Offer, Tender Offeror plans to carry out the Squeeze-out Procedures using the method described below.

Promptly after settlement of the Tender Offer is complete, Tender Offeror plans to request that Target hold an extraordinary general shareholders meeting ("Extraordinary General Shareholders Meeting") with agenda items including a proposal for the Share Consolidation pursuant to Article 180 of the Companies Act and partial amendment of Target's articles of incorporation to eliminate provisions concerning the number of shares constituting a unit, subject to the Share Consolidation taking effect. Tender Offeror plans to vote in favor of the above proposed resolutions at the Extraordinary General Shareholders Meeting, and as stated in "(6) Matters Relating to Important Agreements Concerning the Tender Offer" below, Toyota Motor has agreed in the Transaction Basic Agreement to take all action necessary to make Tender Offeror and Toyota Motor the only shareholders of Target (including exercising voting rights at the Extraordinary General Shareholders Meeting), and consequently, Toyota Motor plans to vote in favor of the above proposed resolutions at the Extraordinary General Shareholders Meeting. As of this day, the Extraordinary General Shareholders Meeting is scheduled to be held in May 2025.

If the Share Consolidation proposal is approved at the Extraordinary General Shareholders Meeting, on the day that the Share Consolidation takes effect, Target shareholders will come to hold Target Shares in numbers reflecting the share consolidation ratio approved at the Extraordinary General Shareholders Meeting. If any fractional shares of less than one share arise from the Share Consolidation, in accordance with the procedures of Article 235 of the Companies Act and other related laws and regulations, the money obtained by selling to Target or Tender Offeror Target Shares in a number equivalent to the sum total of such fractional shares (if the total sum includes a fractional share of less than one share, such sum shall be rounded down to the nearest whole number; hereinafter the same) will be delivered to shareholders of such fractional shares of Target. The sale price of the Target Shares corresponding to the total number of fractional shares will be calculated to ensure that the amount of money paid to Target shareholders who did not tender their shares in the Tender Offer (excluding Target, Tender Offeror, and Toyota Motor) is equivalent to the Tender Offer Price times the number of Target Shares they hold, and then it is planned to request that Target to file a petition for permission to sell voluntarily with the court. Furthermore, the Target Shares consolidation ratio is not yet set as of this day, but Tender Offeror plans to request that Target ensure that the number of Target Shares held by Target shareholders who do not tender their shares (excluding Target, Tender Offeror, and Toyota Motor) is reduced to fractional shares of less than one share so that Tender Offeror and Toyota Motor own all Target Shares (excluding treasury shares held by Target). If the Tender Offer is completed, Target plans to comply with such request from Tender Offeror.

As a provision of the Companies Act intended to protect the rights of minority shareholders in relation to the Share Consolidation, if fractional shares of less than one share arise due to Share Consolidation, Target shareholders may, pursuant to Article 182-4 and Article 182-5 of the Companies Act and other applicable laws and regulations, request that Target purchase all of their fractional shares at a fair price, and shareholders may petition a court for determination of the price for the Target Shares.

As stated above, it is planned that the Share Consolidation will reduce the number of Target Shares held by Target shareholders who do not tender their shares (excluding Target, Tender Offeror, and Toyota Motor) to fractional shares of less than one share, and therefore, Target shareholders who oppose the Share Consolidation (excluding Target, Tender Offeror, and Toyota Motor) will have an opportunity to file the petition mentioned above. It should be noted that if such a petition is filed, the purchase price for the Target Shares will ultimately be decided by the court.

There is a possibility that due to reasons such as amendment, enactment, and interpretation by related authorities of related laws and regulations, the procedures of the Share Consolidation will require time to implement, or the method of implementation will change. However, even in such a case, it is planned that ultimately the method of delivering money to Target shareholders (excluding Target, Tender Offeror, and Toyota Motor) that did not tender their shares in the Tender Offer will be adopted, and Tender Offeror plans for the amount of money that will be delivered to such shareholders of Target to be calculated so as to be the same as the price obtained by multiplying the Tender Offer Price by the number of Target Shares each such shareholder of

Target holds. It is planned that Target will publicly announce specific procedures, the timing for implementation, and other information on the above promptly after a decision is made through consultations with Target. It should be noted that the Tender Offer is not in any way a solicitation for the support of Target shareholders at the Extraordinary General Shareholders Meeting. Furthermore, with respect to tax treatment of the tendering of shares in the Tender Offer or any of the above procedures, Target shareholders are requested to confirm these matters under their own responsibility with tax accountants or other professionals.

In addition, subject to the completion of the Squeeze-Out Procedures, Tender Offeror plans to request that Target make partial amendment of its articles of incorporation, eliminating provisions for a voting rights reference day for ordinary general shareholders meetings, so that the only shareholders entitled to exercise rights at Target's ordinary general shareholders meeting regarding the term ending March 2025, scheduled for June 2025 ("Ordinary General Shareholders Meeting"), would be Tender Offeror and Toyota Motor. For this reason, even shareholders who were registered or recorded on Target's shareholder register of March 31, 2024, may not be entitled to vote at the Ordinary General Shareholders Meeting.

(5) Prospects for Delisting; Reasons

As of this day, Target Shares are listed on the Nagoya Stock Exchange Main Market, but Tender Offeror has not set a maximum number of shares planned for purchase in the Tender Offer, and therefore, depending on the outcome of the Tender Offer, Target Shares may be delisted by performing the designated procedures in accordance with the delisting standards of the Nagoya Stock Exchange. Furthermore, even if those standards are not satisfied at the time of implementation of the Tender Offer, following implementation of the Tender Offer, Tender Offeror plans to implement the Squeeze-out Procedures, as discussed in "(4) Post-Tender Offer Reorganization etc. Policy (Matters Concerning Two-Step Acquisition)" above. In this case, Target Shares will be delisted by performing the designated procedures in accordance with the delisting standards of the Nagoya Stock Exchange. It should be noted that following delisting, it will not be possible to trade Target Shares on the Nagoya Stock Exchange Main Market.

(6) Matters Relating to Important Agreements Concerning the Tender Offer

Tender Offeror concluded a Transaction Basic Agreement with Toyota Motor dated this day whereby they agreed that (i) Toyota Motor will not tender any of the Target Shares that it holds (1,200,000 shares; Ownership Percentage: 24.16%) in the Tender Offer, (ii) following settlement of the Tender Offer, procedures necessary to carry out the Share Consolidation will be performed as soon as reasonably and practicably possible, and (iii) subject to the distributable amount necessary for Target to implement the Treasury Share Acquisition being secured, following completion of the Squeeze-Out Procedures, a share split will be implemented as necessary to enable buyback of own shares to achieve the Voting Rights Ratio and, as soon as reasonably and practicably possible, to perform the Treasury Share Acquisition will be carried out.

However, after execution of the Transaction Basic Agreement, no later than 5 business days before the final day of the tender offer period, even if Toyota Motor did not make a request or induce a request, if a tender offer for Target shares is initiated by a person other than Tender

Offeror and the participants in the Second Bid Process at a purchase price exceeding the Tender Offer Price by 5% or more ("Competing Tender Offer") (however, it is necessary that in such tender offer no maximum number of shares planned for purchase be set), Toyota Motor may request that Tender Offeror discuss changes to the Tender Offer Price and Treasury Share Acquisition Price. In this case, if by the earlier of (a) the day five business days after the day of the request or (b) the day before the last day of the tender offer period, Tender Offeror does not (i) increase the Tender Offer Price to an amount exceeding the purchase price of the Competing Tender Offer or (ii) lawfully change the per-share Treasury Share Acquisition consideration such that the total after-tax net proceeds from the sale of shares to Target in the Treasury Share Acquisition exceed the total after-tax net proceeds Toyota Motor would receive from participating in the Competing Tender Offer, then Toyota Motor may tender all or some of the Shares Held by Toyota Motor in the Competing Tender Offer.

Furthermore, the Transaction Basic Agreement provides that during the period from this day to the day that the Treasury Share Acquisition is implemented, Toyota Motor (i) may not make any agreement in relation to a transaction that substantively conflicts with or is likely to impede the execution of the Transaction ("Conflicting Transaction") or accept a Conflicting Transaction, (ii) may not discuss, negotiate, or provide information relating to a Conflicting Transaction, whether directly or indirectly, and (iii) if Toyota Motor receives a proposal for a Conflicting Transaction from a person other than Tender Offeror or becomes aware that such a proposal exists, Toyota Motor must notify Tender Offeror to that effect and of the particulars of such proposal as soon as practicably possible.

In addition, the Transaction Basic Agreement provides that Toyota Motor may nominate one candidate as Target's statutory auditor for three years following the Treasury Share Acquisition date and the handling of nomination rights for a statutory auditor and the handling of Target Shares held by Toyota Motor not subject to the Treasury Share Acquisition after expiration of that period will be determined through good-faith discussions on the assumption of the Treasury Share Acquisition Price before the lapse of the three-year period from the Treasury Share Acquisition date. In addition, Toyota Motor agreed to make commercially reasonable efforts to ensure that after execution of the Transaction, it will continue to place orders with Target at a scale not substantially smaller than the scale of orders placed by Toyota Motor with Target before signing the Transaction Basic Agreement for at least three years after the Treasury Share Acquisition date (however, this does not preclude a reduction in the scale of orders taking into account changes in the market environment for Target's products and services, changes in demand, or other circumstances).

In addition to the above, in the Transaction Basic Agreement, the parties agreed on conditions precedent for Tender Offeror to commence the Tender Offer (Note 1), Tender Offeror's duty to implement the Tender Offer subject to satisfaction of those conditions precedent, representations and warranties of Tender Offeror and Toyota Motor, the duty to provide indemnity if Tender Offeror and Toyota Motor do not perform their duties or breach their representations and warranties pursuant to the Transaction Basic Agreement, provisions concerning termination (Note 2), the duty of confidentiality, restrictions on assignment of contractual status or rights and obligations, and other matters.

It should be noted that with the exception of the Transaction Basic Agreement, there are no agreements by Tender Offeror and Toyota Motor concerning the Transaction, and with the exception of payment of the Treasury Share Acquisition Price, Tender Offeror is not providing any benefit to Toyota Motor in relation to the Transaction.

(Note 1) (1) That the representations and warranties by Toyota Motor under the Transaction Basic Agreement are all true and correct in material respects and that it is expected that the representations and warranties by Toyota Motor under the Transaction Basic Agreement are all true and correct in material respects on the Treasury Share Acquisition Date; (2) that Toyota Motor has performed or complied with in material respect all duties that Toyota Motor is to perform or comply with by the commencement date of the Tender Offer under the Transaction Basic Agreement; (3) that by the Tender Offer commencement date, Target's Board of Directors has passed and announced a resolution expressing an opinion in support of the Tender Offer and has passed no resolution amending or withdrawing, or having content contradictory to, such expression of opinion; (4) that by the Tender Offer commencement date, the Special Committee has issued its Report to the effect that it is appropriate for Target's Board of Directors to express the above opinion and its Report to the effect that Target's decision regarding the Tender Offer is not disadvantageous to Target's minority shareholders, and these Reports have not been amended or withdrawn; (5) that no petition, litigation, or proceedings are pending requesting that a judicial or administrative agency restrict or prohibit the Transaction, no laws and regulations and no determinations of a judicial or administrative agency exist that would restrict or prohibit the Transaction, and the Transaction does not violate any laws or regulations, nor is there a likelihood of any of the foregoing; (6) that confirmation has been obtained from Target that there are no material facts about business that have not been publicly announced of Target as stipulated in Article 166, Paragraph 2 of FIEA or facts that have not been publicly announced relating to the implementation or facts that have not been publicly announced relating to the suspension of a tender offer etc. for share certificates etc. of Target as stipulated in Article 167, Paragraph 2 of FIEA, or facts that have not been publicly announced reasonably found to be likely to fall under any of the foregoing facts; (7) that the filing of the plan for acquisition of shares pursuant to Article 10, Paragraph 2 of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947, as amended; "Antimonopoly Act") has been accepted by the Fair Trade Commission and Tender Offeror has not received any notice or warning to the effect that there are legal problems that will have a material impact on the Transaction.

(Note 2) Both Tender Offeror and Toyota Motor have a termination right on the grounds of material breach of duty or material breach of representations and warranties under the Transaction Basic Agreement and on the grounds of a petition for commencement of insolvency proceedings being filed against the counterparty.

2. Overview of Purchase etc.

(1) Overview of Target

[1] Name	Chuoh Pack Industry Co., Ltd.	
[2] Location	363 Haruhimiyashige-machi, Kiyosu-shi, Aichi	
[3] Position and name of Representative	President Masashi Yamashita	
[4] Description of Business	Manufacture and sale of various packaging materials, centering on corrugated cardboard products	
[5] Capital	1,077 million yen (as of September 30, 2024)	
[6] Date of establishment	May 29, 1957	
[7] Major shareholders and shareholding ratio (as of September 30, 2024)	Toyota Motor Corporation	24.15%
	BBH FOR FIDELITY LOW-PRICED STOCK FUND (PRINCIPAL ALL SECTOR SUB PORTFOLIO) (standing proxy: MUFG Bank, Ltd.)	7.98%
	Itochu Pulp & Paper Corporation	4.02%
	Dynapac Co., Ltd.	3.68%
	Chuoh Pack Industry Co., Ltd. Employee Share Ownership Association	3.65%
	Maruhachi Shokusan K.K.	2.41%
	Oji Materia Co., Ltd.	2.17%
	Tokushu Tokai Paper Co., Ltd.	2.01%
	Kamishoji Co., Ltd.	1.91%
	Hiroshi Suzuki	1.81%
[8] Relationship between Tender Offeror and Target		
Capital relationship	Not applicable.	
Personal relationship	Not applicable.	
Business relationship	Not applicable.	
Falls under a related party	Not applicable.	

(Note) "[7] Major shareholders and shareholding ratio (as of September 30, 2024)" is based on "Status of major shareholders" in the 74th term semi-annual securities report submitted by Target on November 11, 2024.

(2) Schedule etc.

[1] Schedule

Board of Directors resolution	January 31, 2025 (Friday)

Date of public notice of commencement of Tender Offer	February 3, 2025 (Monday) An electronic public notice will be given, and an announcement to such effect will be published in the Nihon Keizai Shimbun. (URL for electronic public notice: https://disclosure2.edinet-fsa.go.jp/)
Tender offer notification submission date	February 3, 2025 (Monday)

[2] Notification Initial Purchase etc. Period

From February 3, 2025 (Monday) until March 18, 2025 (Tuesday) (30 business days)

[3] The Possibility of an Extension Based on a Request from Target

Not applicable.

(3) Purchase Price

5,034 yen per 1 ordinary share

(4) Basis etc. for Calculation of Purchase etc. Prices

[1] Grounds for Calculation

In order to determine the Tender Offer Price, Tender Offeror requested Mitsubishi UFJ Morgan Stanley Securities, its financial advisor, to serve as a third-party valuation agency independent from Tender Offeror, Target and Toyota Motor and calculate the value of Target shares. Mitsubishi UFJ Morgan Stanley Securities does not fall under a related party of Tender Offeror, Target or Toyota Motor, and has no material interests in the Tender Offer. Mitsubishi UFJ Morgan Stanley Securities is a company which has the same parent company as MUFG Bank and Mitsubishi UFJ Trust and Banking Corporation ("Mitsubishi UFJ Trust and Banking"). MUFG Bank and Mitsubishi UFJ Trust and Banking have positions as shareholders of Tender Offeror, and MUFG Bank conducts loans transactions with Tender Offeror as part of ordinary banking transactions and plans to lend settlement funds for the Tender Offer to Tender Offeror. According to Mitsubishi UFJ Morgan Stanley Securities, however, in accordance with Article 36, Paragraph 2 of the FIEA and the applicable laws and regulations of Article 70-4 of the Cabinet Office Order on Financial Instruments Business Association, etc. (Cabinet Office Order No. 52 of 2007, as amended), among, and at each of, financial advisor Mitsubishi UFJ Morgan Stanley Securities, MUFG Bank and Mitsubishi UFJ Trust and Banking, as measures to prevent any adverse effects, appropriate systems for managing conflicts of interest such as information firewalls to strictly manage information regarding Tender Offeror have been established and implemented, and therefore, Mitsubishi UFJ Morgan Stanley Securities provides service as a financial advisor without being affected by the decisions by MUFG Bank or Mitsubishi UFJ Trust and Banking and calculated the value of Target shares from a standpoint independent from the position of MUFG Bank as a shareholder and lender and the position of Mitsubishi UFJ Trust and Banking as a shareholder. Further, taking into account the fact that there is a strict information management system established among, and at each of, Mitsubishi UFJ Morgan Stanley Securities, MUFG Bank and Mitsubishi UFJ Trust and Banking; that Mitsubishi UFJ Morgan Stanley Securities has a track record of serving as a third-party valuation agency for similar transactions in the past; and that, while the compensation to be paid to Mitsubishi UFJ Morgan Stanley Securities regarding the Transaction does include a success fee payable upon the successful completion of the Transaction and other conditions, in light of common business practices for similar transactions and the appropriateness of the fact that the compensation was structured so that even if the Transaction was unsuccessful there would be a considerable monetary burden for Tender Offeror, the inclusion of the contingent fee payable upon successful completion of the Tender Offer in and itself does not deny the independence of Mitsubishi UFJ Morgan Stanley Securities, Tender Offeror appointed Mitsubishi UFJ Morgan Stanley Securities as its financial advisor and third-party valuation agency independent from Tender Offeror, Target and Toyota Motor.

Mitsubishi UFJ Morgan Stanley Securities examined valuation methods for the Tender Offer and used the market price method, comparable company analysis method and the DCF Method to calculate the value of Target Shares, and Tender Offeror obtained the Share Valuation Report (Mitsubishi UFJ Morgan Stanley Securities) from Mitsubishi UFJ Morgan Stanley Securities on January 30, 2025. Tender Offeror comprehensively considered various elements set forth in "[1] Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process" in "(2) Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process; Managerial Policy after Tender Offer" of "1. Purpose etc. of Purchase etc." above, and held discussions and negotiations with Target and Toyota Motor prior to determining and setting the Tender Offer Price; consequently, Tender Offeror did not obtain a fairness opinion regarding the Tender Offer Price from Mitsubishi UFJ Morgan Stanley Securities.

The range of the per-share value of Target Shares calculated by Mitsubishi UFJ Morgan Stanley Securities is as follows:

Market price method:	1,323 yen to 1,349 yen
Comparable company method:	2,443 yen to 3,191 yen
DCF Method:	4,356 yen to 4,975 yen

In using the market price method, January, 30, 2025 was set as the calculation reference date, and based on the closing price for Target Shares on the Nagoya Stock Exchange Main Market on the reference date (1,349 yen), the simple average closing price for the month immediately preceding such date (1,342 yen), the simple average closing price for the three months immediately preceding such date (1,323 yen), and the simple average closing price for the six months immediately preceding such date (1,332 yen), the per-share value of Target Shares was determined to be in the range between 1,323 yen and 1,349 yen.

In using the comparable company analysis method, the value of Target Shares was evaluated by comparing the market price, profitability, and other financial indicators of listed companies engaged in business comparatively similar to that of Target, and the per-share value of Target Shares was determined to be in the range between 2,443 yen and 3,191 yen.

In using the DCF Method, based on the business plan for the period from fiscal year ending March 2025 to fiscal year ending March 2029 that was supplied by Target, and taking into consideration the most recent financial results of Target, public information, the results of due diligence of Target that Tender Offeror conducted from late October to early December of 2024, the synergies expected to be realized from the execution of the Transaction, and other factors, the value of Target shares was calculated by discounting the free cash flow that Target expects to generate in and after the fiscal year ending March 2026 to the present value at a certain discount rate, and the per-share value of Target Shares was calculated to be in the range between 4,356 yen and 4,975 yen. It should be noted that Target's business plan for the eight-year period from fiscal year ending March 2025 to fiscal year ending March 2032 that Mitsubishi UFJ Morgan Stanley Securities used for its DCF analysis assumes the implementation of the Transaction, and the synergies expected to be realized from the Transaction are taken into account.

Tender Offeror comprehensively took into account such assorted factors as the Share Valuation Report (Mitsubishi UFJ Morgan Stanley Securities), the results of the due diligence on Target that it conducted from late October to early December of 2024, changes in the market price of Target Shares, whether the Board of Directors of Target would support the Tender Offer, and the prospects of Target Shares being tendered in the Tender Offer, and in light of the outcome of discussions and negotiations with Target and Toyota Motor, ultimately decided at its Board of Directors meeting on this day to set the Tender Offer Price at 5,034 yen.

The Tender Offer Price of 5,034 yen represents a 273.17% premium over the closing price for Target Shares on the Nagoya Stock Exchange Main Market on January 30, 2025 of 1,349 yen, the business day prior to the day for the announcement of the plan to commence the Tender Offer; a 275.11% premium over the simple average closing price for the one month immediately preceding such date of 1,342 yen; a 280.50% premium over the simple average closing price for the three months immediately preceding such date of 1,323 yen; and a 277.93% premium over simple average closing price for the six months immediately preceding such date of 1,332 yen.

(Note) The analysis of Mitsubishi UFJ Morgan Stanley Securities and the analysis of the value of the Target Shares that was the foundation for that analysis were implemented solely for the purpose of serving as reference for Tender Offeror. The analysis does not express any opinion, or make any recommendation, to Targets shareholders regarding any conduct of Tender Offeror or such shareholders in relation to the Tender Offer. Mitsubishi UFJ Morgan Stanley Securities has made no recommendation to Tender Offeror regarding a specific tender offer price, nor has Mitsubishi UFJ Morgan Stanley Securities made any recommendation that a specific tender offer price is the only appropriate price for the Tender Offer. In calculating the value of Target Shares, Mitsubishi UFJ Morgan Stanley Securities in principle, directly used the information provided by Tender Offeror and Target and public information, and assumed that such materials and information, etc. were all accurate and complete, and has not independently verified the accuracy and completeness of the foregoing. In addition, regarding information relating to Target's financial forecasts, Mitsubishi UFJ Morgan Stanley Securities assumes that such information was reasonably prepared by Target based on the best forecasts and determinations that could be made as of January 30, 2024 ("Subject Day"). Mitsubishi UFJ Morgan Stanley Securities assumes that all permits, approvals, consents etc. from government agencies and supervisory ministries and agencies required for the Transaction can be obtained and such permits, approvals, consents etc. have no delays, restrictions, or conditions attached that would have a material adverse impact on the Transaction. Mitsubishi UFJ Morgan Stanley Securities is not an advisor regarding legal matters, accounting, or tax matters, and has made no independent verification of any issues relating to legal matters, accounting, or tax matters and has relied on the judgment of Tender Offeror and its legal, accounting, and tax advisors and of Target and its audit corporation. Further, Mitsubishi UFJ Morgan Stanley Securities has not performed any independent valuation or assessment of the assets and liabilities (including off-balance sheet assets and liabilities, and other contingent liabilities) of the Target Group, nor has it requested a valuation or assessment by any third-party agency. The valuation by Mitsubishi UFJ Morgan Stanley Securities reflects the foregoing information obtained through the Subject Day and is based on financial, market, and other conditions as of the Subject Day and on information that Mitsubishi UFJ Morgan Stanley Securities had obtained as of the Subject Day. Events occurring after the Subject Day can have an impact on the assumptions used in the analysis of Mitsubishi UFJ Morgan Stanley Securities and in the preparation of the Stock Valuation Report (Mitsubishi UFJ Morgan Stanley Securities), but Mitsubishi UFJ Morgan Stanley Securities owes no duty to update, revise, or re-confirm the Stock Valuation Report (Mitsubishi UFJ Morgan Stanley Securities) or analysis. The preparation of the Stock Valuation Report (Mitsubishi UFJ Morgan Stanley Securities) and the analysis formed the base thereof went through a complicated process and is not necessarily suited to a partial analysis or a summarizing. The valuation ranges based on the specific analyses described in the Stock Valuation Report (Mitsubishi UFJ Morgan Stanley Securities) should not be taken to be valuations by Mitsubishi UFJ Morgan Stanley Securities regarding the actual value of Target Shares. Mitsubishi UFJ Morgan Stanley Securities provides services in relation to the Transaction as financial advisor to Tender Offeror and intends to receive a fee as consideration for such services. A considerable portion of such fee is subject to agreement being reached regarding the Transaction and the consummation of the Transaction.

[2] Background of the Calculation

(Background leading to the determination of the Tender Offer Price) As set forth in "[1]

Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process" in "(2) Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process; Managerial Policy after Tender Offer" of "1. Purpose etc. of Purchase etc." above, on September 12, 2024, Tender Offeror received a notice from Nomura Securities that Target had expressed an interest in Tender Offeror, which like Target ran a packing business, and wished to invite Tender Offeror to participate in the First Bid Process. In response to this, because it could be anticipated that the Transaction would lead to a greater ability to appeal to existing customers by supplementing Tender Offeror's services with Target's high-quality products and services, cross-selling between Target's customer base focused on the Toyota Motor Group and the strong customer base of Tender Offeror within the automobile and industrial machinery industries, by leveraging Tender Offeror's broad geographical networks to expand the sale of Target's products to areas where Target has been unable to sell its products because of geographical limitations, Tender Offeror believed that the Transaction was consistent with the cross-sell strategy in its 13th Medium-Term Management Plan, and that it would be able to achieve further growth in the business conducted by Target by creating synergies with the Tender Offeror Group, and decided in late September 2024 to participate in the First Bid Process.

Subsequently, Tender Offeror conducted an analysis and consideration based on the information disclosed by Target during the First Bid Process, including the information in the information package describing the significance of investing in Target; securities reports, financial statements and other timely disclosed public information of Target; Target's business strengths, and other information; and on October 15, 2024, Tender Offeror submitted a non-binding letter of intent based on the premise of taking Target private. In such letter of intent, Tender Offeror proposed a scheme under which Toyota Motor also tendered its shares in the Tender Offer, but also indicated that it was willing to consider a scheme under which the Toyota Motor shares were acquired through the Treasury Share Acquisition.

After that, Tender Offeror received a notice from Target through Nomura Securities on October 22, 2024 that Tender Offeror had passed the First Bid Process and was permitted to participate in the Second Bid Process, and Tender Offeror proceeded to participate in the Second Bid Process. During the Second Bid Process, from late October 2024 to early December 2024, Tender Offeror conducted due diligence on Target's business, financial, tax and legal matters, held meetings with Target's management team, and proceeded with analysis and consideration of a potential acquisition of Target Shares. Based on the analysis and consideration, [1] Tender Offeror understands that the businesses and customer bases developed by Tender Offeror and Target are in a mutually complementary relationship, and has come to believe that by cooperating, Tender Offeror and Target will be able to mutually provide their services and products to their respective business partners, and there is a possibility that sales of both companies will increase significantly. In addition, [2] Tender Offeror also recognized that, by leveraging the logistics know-how, human and financial resources that Tender Offeror has cultivated and by supporting the transportation of Target products as part of Target Group support efforts, it will be possible to significantly reduce the logistics costs at Target, including outsourced transportation costs, thereby further improving the cost competitiveness of Target's business. [3] Further, Tender Offeror has come to believe that expanding Target's nationwide and international expansion and business scale-up will maximize the synergy effects described in [1] and [2] above and promote further growth for both companies. Tender Offer does not envision any particular disadvantages from the Transaction.

In addition, on November 13, 2024, Tender Offeror received a notice from Toyota Motor to the effect that (i) Toyota Motor was expected to be subject to the provisions of the Corporation Tax Act regarding the exclusion of deemed dividends from gross revenue, and that by increasing the distribution to minority shareholders of Target, it would be possible to maximize the Tender Offer Price and ensure fairness among shareholders, and (ii) in consideration of the fact that in the First Bid Process, proposals relating to the Treasury Share Acquisition (including the proposal indicating a willingness to consider a scheme where the Toyota Motor shares would be acquired) had been received through Target from the Second Stage Candidates, which included Tender Offeror, it wished to consider the Transaction on the assumption that the Treasury Share Acquisition would take place. Subsequently, through the interviews with Toyota Motor in late November 2024 in parallel with the Second Bid Process and the process of negotiations regarding the Transaction Basic Agreement conducted during the Second Bid Process, Tender Offeror confirmed that Toyota Motor intended to maintain transactions with Target and that Toyota Motor intended to continue to own Target Shares at the Voting Rights Ratio even after the Transaction. As a result of comprehensively taking into account the background of the development and growth of Target's business due to its business and personnel relationships with Toyota Motor, as well as the role and importance of Toyota Motor in Target's business and in building a management structure that had supported Target's development and growth up to now, Tender Offeror decided that having Toyota Motor retain a certain percentage of Target Shares after the Transaction and continue to have a certain level of involvement in Target's management would contribute to the development and enhancement of the Target's business and corporate value by building a cooperative relationship between Tender Offeror and Toyota Motor aimed at improving the Target's business performance, and accepted this intention.

Therefore, on December 16, 2024, Tender Offeror submitted to Target a legally binding final letter of intent that set forth a Target share value of 23 billion yen (a value of 4,631 yen per one Target Share), a Tender Offer Price of 4,824 yen, a Treasury Share Acquisition Price of 4,024 yen, and other assorted Tender Offer Price etc. terms and conditions, on the assumption that Target would be delisted. Furthermore, it was confirmed that the Tender Offer Price represents a premium of 267.96% over the closing price of 1,311 yen for Target Shares on the Nagoya Stock Exchange Main Market on December 13, 2024, the business day before the submission date of such final letter of intent; a premium of 267.12% over the simple average closing price for the preceding one month of 1,314 yen; a premium of 263.53% over the simple average closing price for the preceding three months of 1,327 yen; and a premium of 257.07% over the simple average closing price for the preceding six months of 1,351 yen. It should be noted that in light of the fact that Toyota Motor was expected to be subject to the provisions of the Corporation Tax Act regarding the exclusion of deemed dividends from gross revenue, and with the belief that by increasing the distribution to minority shareholders of Target, it would be possible to maximize the Tender Offer Price and ensure fairness among shareholders, the Treasury Share Acquisition Price has been set based on the amount that would result in the after-tax net proceeds for Toyota Motor were it to tender in the Tender Offer the number of shares it will trade in the Treasury Share Acquisition, being the same as the amount of the after-tax net proceeds it would receive in selling its shares in the Treasury Share Acquisition. After that, Tender Offeror comprehensively considered the competitive situation, etc. in the Second Bid Process and submitted a Final Letter of Intent to Target on December 17, 2024, with a Target stock value of 24 billion yen (a value of 4,832 yen per one Target Share), setting the Tender Offer Price at 5,034 yen (representing a premium of 283.98% over the closing price of 1,311 yen for Target Shares on the Nagoya Stock Exchange Main Market on December 13, 2024, a premium of 283.11% over the simple average closing price for the preceding one month of 1,314 yen; a premium of 279.35% over the simple average closing price for the preceding three months of 1,327 yen; and a premium of 272.61% over the simple average closing price for the preceding six months of 1,351yen) and the Treasury Share Acquisition Price at 4,197 yen.

On December 20, 2024, Tender Offeror received a notice from Target that Tender Offeror was selected as the final candidate for the tender offer with the most favorable Final Letter of Intent, including the tender offer price, and that Target would begin discussions and consideration with Tender Offeror and Toyota Motor for the implementation of the Transaction, including the Treasury Share Acquisition.

Following the above course of events, on this day, Tender Offeror decided to implement the Tender Offer with a Tender Offer Price of 5,034 yen and executed the Transaction Basic Agreement with Toyota Motor. Tender Offeror has engaged in no discussions or negotiations with Toyota Motor concerning the Tender Offer Price or the Treasury Share Acquisition Price.

[3] Relationship with the Valuation Agency

Mitsubishi UFJ Morgan Stanley Securities does not fall under a related party of Tender Offeror, Target or Toyota Motor, and has no material interests in the Tender Offer. Mitsubishi UFJ Morgan Stanley Securities has the same parent as MUFG Bank and Mitsubishi UFJ Trust and Banking Corporation. MUFG Bank and Mitsubishi UFJ Trust and Banking have positions as shareholders of Tender Offeror, and MUFG Bank has provided loans to Tender Offeror as part of ordinary banking transactions and plans to lend settlement funds for the Tender Offer to Tender Offeror. According to Mitsubishi UFJ Morgan Stanley Securities, in accordance with Article 36, Paragraph 2 of the FIEA and the applicable laws and regulations of Article 70-4 of the Cabinet Office Order on Financial Instruments Business Association, etc. (Cabinet Office Order No. 52 of 2007, as amended), among, and at each of, financial advisor Mitsubishi UFJ Morgan Stanley Securities, MUFG Bank and Mitsubishi UFJ Trust and Banking, as measures to prevent any adverse effects, appropriate systems for managing conflicts of interest such as information firewalls to strictly manage information regarding Tender Offeror have been established and implemented, and therefore, Mitsubishi UFJ Morgan Stanley Securities provides service as a financial advisor without being affected by the decisions by MUFG Bank or Mitsubishi UFJ Trust and Banking and calculated the value of Target shares from a standpoint independent from the position of MUFG Bank as a shareholder and lender and the position of Mitsubishi UFJ Trust and Banking as a shareholder.

(5) Number of Share Certificates etc. Planned for Purchase

Number of shares planned for purchase	Minimum number of shares planned for purchase	Maximum number of shares planned for purchase
3,766,911 (shares)	2,111,300 (shares)	- (shares)

(Note 1) If the total number of Tendered Shares does not reach the minimum number of shares planned for purchase (2,111,300 shares), Tender Offeror will not purchase any of the Tendered Shares. If the total number of Tendered Shares does reach the minimum number of shares planned for purchase (2,111,300 shares), Tender Offeror will make purchase etc. of all Tendered Shares.

(Note 2) The Tender Offer has not set any maximum number of shares planned for purchase, and the 3,766,911 shares, which is the maximum number of Target Shares that Tender Offeror will acquire through the Tender Offer, is indicated as the number of shares planned for purchase. This number was obtained by subtracting the number of treasury shares held by Target as of September 30, 2024 (258,097 shares) and the number of Shares Held by Toyota Motor (1,200,000 shares) from the total number of issued shares of Target as of the same date as stated in the Target Q2 Earnings Report (5,225,008 shares).

(Note 3) Shares of less than one share unit can also be tendered in the Tender Offer. If a shareholder exercises its right to demand for purchase of shares of less than one share unit in accordance with the Companies Act, Target may buy back its own shares during the tender offer period in accordance with statutory procedures.

(Note 4) There are no plans to acquire treasury shares held by Target through the Tender Offer.

(6) Change in Ownership Percentage of Share Certificates etc. due to Purchase etc.

No. of voting rights attached to share certificates etc. held by Tender Offeror before the Purchase etc.	0	(Ownership Percentage of share certificates etc. before the purchase etc. 0.00%)
No. of voting rights attached to share certificates etc. held by specially related persons before the Purchase etc.	12,000	(Ownership Percentage of share certificates etc. before the purchase etc. 24.16%)
No. of voting rights attached to share certificates etc. held by Tender Offeror following the Purchase etc.	37,669	(Ownership Percentage of share certificates etc. following the purchase etc. 75.84%)

No. of voting rights attached to share certificates etc. held by specially related persons following the Purchase etc.	12,000	(Ownership Percentage of share certificates etc. following the purchase etc. 24.16%)
Total number of voting rights of all shareholders of Target	49,647	

(Note 1) For "No. of voting rights attached to share certificates etc. held by specially related persons before the purchase etc.", the total number of voting rights attached to share certificates etc. held by specially related persons (excluding those specially related persons who are excluded from the category of specially-related persons under Article 3, Paragraph 2, Item 1 of the Cabinet Office Order 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; "Cabinet Office Order"), in the calculation of the Ownership Percentage of share certificates, etc. under Article 27-2, Paragraph 1 of the FIEA) is indicated. It is noted that from this day forward, Tender Offeror will confirm the number of the share certificates etc. of Target held by specially-related persons, and if revisions are needed, will disclose the details of such revision.

(Note 2) For "Total number of voting rights of all shareholders of Target", the number of voting rights of all shareholders as of September 30, 2024, as stated in the 74th term semi-annual securities report submitted by Target on November 11, 2024, is indicated. However, because shares of less than one share unit can also be tendered in the Tender Offer, in the calculation of "Ownership Percentage of share certificates etc. before the purchase etc." and "Ownership Percentage of share certificates etc. following the purchase etc.", the number of voting rights (49,669) attached to the number of shares (4,966,911 shares) obtained by subtracting the number of treasury shares held by Target as of September 30, 2024 (258,097 shares) from the total number of issued shares of Target as of the same date as stated in the Target Q2 Earnings Report (5,225,008 shares) was used as the denominator.

(Note 3) "Ownership Percentage of share certificates etc. before the purchase etc." and "Ownership Percentage of share certificates etc. following the purchase etc." are rounded off to the second decimal place.

(7) Funds for Purchase 963 million yen

(Note) In the "Funds for purchase", the amount calculated by multiplying the number of shares planned for purchase in the Tender Offer (3,766,911 shares) by the Tender Offer Price (5,034 yen) is indicated.

(8) Method of Settlement

[1] Name and Location of Head Office of Financial Instruments Business Operator, Bank etc., Handling Settlement of Purchase etc.

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

1-9-2 Otemachi, Chiyoda-ku, Tokyo

au Kabucom Securities Co., Ltd. (sub-agent)

3-2-5 Kasumigaseki, Chiyoda-ku, Tokyo

(Note) Sub-agent plans to change its trade name in February 1, 2025 to Mitsubishi UFJ e-Smart Securities Co., Ltd.

[2] Settlement Commencement Date

March 26, 2025 (Wednesday)

[3] Method of Settlement

Without delay after the end of the tender offer period, a notice of purchase, etc. through the Tender Offer will be mailed to the address or location of the shareholders who tendered their shares in the Tender Offer ("Tendering Shareholders etc.") (or the standing proxy in the case of shareholders residing outside of Japan (including corporate shareholders; "Foreign Shareholders")). Delivery by sub-agent will be made by an electromagnetic method through the screen after log-in.

Purchases will be made in cash. The proceeds from the sale of the purchased share certificates etc. will be remitted from the tender offer agent or sub-agent to the place designated by the Tendering Shareholder etc. (or the standing proxy in the case of Foreign Shareholders) without delay on or after the settlement commencement date, as instructed by the Tendering Shareholder etc. (or the standing proxy in the case of a Foreign Shareholders).

[4] Method of Return of Share Certificates etc.

If some or all of the Tendered Shares are not purchased pursuant to the conditions set forth in "[1] Existence or Non-Existence of Conditions Specified in the Items of Article 27-13, Paragraph 4 of the FIEA, and Details Thereof" and "[2] Existence or Non-Existence of Conditions for Withdrawal etc. of Tender Offer, Details Thereof and Method of Disclosure of Withdrawal etc." in "(9) Other Conditions and Methods of Purchase etc." below, share certificates etc. to be returned will be returned by restoring the record of share certificates etc. to the record immediately before the tender was made promptly after the second business day following the last day of the tender offer period (or the date of withdrawal etc. if the tender offer is withdrawn etc.).

(9) Other Conditions and Methods of Purchase etc.

[1] Descriptions of Conditions Specified in the Items of Article 27-13, Paragraph 4 of the FIEA

If the total number of Tendered Shares does not reach the minimum number of shares planned for purchase (2,111,300 shares), Tender Offeror will not purchase any of the Tendered Shares. If the total number of Tendered Shares does reach the minimum number of shares planned for purchase (2,111,300 shares), Tender Offeror will make purchase etc. of all Tendered Shares.

[2] Descriptions of Conditions for Withdrawal etc. of Tender Offer and Method of Disclosure

of Withdrawal etc.

In the event of any of the matters set forth in Article 14, Paragraph 1, Items 1, (a) through (j) and (m) through (q), Item 3, (a) through (h and (j), Item 4, and Article 14, Paragraph 2, Items 3 through 6 of the Order, the Tender Offer may be withdrawn etc. In the Tender Offer, "facts equivalent to the facts listed in (a) through (i)" as stipulated in Article 14, Paragraph 1, Item 3 (j) of the Order means (i) a case where a statutory disclosure document submitted by Target in the past is found to contain a false statement with respect to a material matter or omit a statement of a material matter that should be stated, and Tender Offeror did not know of such false statement or omission and could not have known of it despite exercising due care, and (ii) a case where any of the events listed in (a) through (g)of said item has occurred to Target's material subsidiary.

Further, the Tender Offer may be withdrawn etc. in any of the following cases on the grounds that "Permission etc." of Article 14, Paragraph 1, Item 4 of the Order could not be obtained: by the day before the tender offer period expiration day, and in relation to Tender Offeror's prior notification to the Japan Fair Trade Commission pursuant to Article 10, Paragraph 2 of the Antimonopoly Act, (i) if Tender Offeror received a prior notice from the Japan Fair Trade Commission regarding a Cease and Desist Order mandating the disposal of all or part of Target Shares, transfer of part of Target's business or any other similar disposition; (ii) if the period for measures to make a prior notice of a Cease and Desist Order under said Act has not expired; or (iii) if Tender Offeror has been subject to an emergency injunction by a court as a party engaged in acts suspected of being in violation of Article 10, Paragraph 1 of said Act.

In the event of withdrawal etc., an electronic public notice will be given, and an announcement to such effect will be published in the Nihon Keizai Shimbun; provided, however, that if it is difficult to make the public notice by the end of the tender offer period, a public announcement will be made in the manner stipulated in Article 20 of the Cabinet Office Order, and a public notice will be made immediately thereafter.

[3] Description of Conditions of Price Reduction of Purchase etc. and Method of Disclosure of Reduction

Pursuant to Article 27-6, Paragraph 1, Item 1 of the FIEA, if Target engages in any of the conduct specified in Article 13, Paragraph 1 of the Order during the tender offer period, the purchase etc. price may be reduced in accordance with the criteria specified in Article 19, Paragraph 1 of the Cabinet Office Order.

In the event that Tender Offeror intends to reduce the purchase etc. price, an electronic public notice will be given, and an announcement to such effect will be published in the Nihon Keizai Shimbun; provided, however, that if it is difficult to make the public notice by the end of the tender offer period, a public announcement will be made in the manner stipulated in Article 20 of the Cabinet Office Order, and a public notice will be made immediately thereafter. In the event of a reduction in the purchase etc. price, Tendered Shares prior to the date of such public notice will also be Purchased etc. at the reduced purchase etc. price.

[4] Information About Termination Right of Tendering Shareholders etc.

Tendering Shareholders etc. may terminate the agreement relating to the Tender Offer at any time during the tender offer period. In you wish to terminate the agreement, please deliver or send the Tender Offer Tender Application Receipt Voucher and a document stating the intent to terminate the agreement relating to the Tender Offer ("Termination Letter") to the head office or any branch offices in Japan of the tender offer agent that received tendered shares by no later than 16:00 on the last day of the tender offer period. Termination of the agreement will come into effect when the Termination Letter is delivered to, or reaches, the person designated below. However, in a case where the Termination Letter is made by mail, it will be a condition that the Termination Letter must reach the following designated person by no later than 16:00 on the last day of the tender offer period. In the case of termination of tendering agreement through au Kabucom Securities Co., Ltd., the sub-agent (sub-agent plans to change its trade name in February 1, 2025 to Mitsubishi UFJ e-Smart Securities Co., Ltd.), please carry out termination procedures by no later than 16:00 on the last day of the tender offer period through the screen after logging in by the method set forth in "Share Tender Offer (TOB)" (https://kabu.com/item/tob/) of said company's home page (https://kabu.com/).

Person authorized to receive Termination Letters

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

1-9-2 Otemachi, Chiyoda-ku, Tokyo

(or any branch offices of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. In Japan)

Tender Offeror will not claim any compensation for damages or penalty payment from Tendering Shareholders etc. in connection with the termination of agreement by the Tendering Shareholders etc. The cost of returning the Tendered Shares will also be borne by Tender Offeror. In the event of a request for termination, the Tendered Shares will be returned in the manner set forth in "[4] Method of Return of Share Certificates etc." in "(8) Method of Settlement" above promptly after the completion of the procedures for such request for termination.

[5] Method of Disclosure in Case of Change of Purchase Conditions etc.

During the tender offer period, Tender Offeror may change the purchase conditions etc., except where prohibited by Article 27-6, Paragraph 1 of the FIEA or Article 13 of the Order. If Tender Offeror intends to change the purchase conditions etc., Tender Offeror will make an electronic public notice will be given, and an announcement to such effect will be published in the Nihon Keizai Shimbun; provided, however, that if it is difficult to make the public notice by the end of the tender offer period, a public announcement will be made in the manner stipulated in Article 20 of the Cabinet Office Order, and a public notice will be made immediately thereafter. In the event of a change in the purchase conditions etc., Tendered Shares that were issued prior to the date of such public notice will also be

Purchased etc. in accordance with the amended purchase conditions etc.

[6] Method of Disclosure in Case of Submission of Revised Notification

If Tender Offeror submits a revised notification to the Director-General of the Kanto Local Finance Bureau (except for the cases provided for in the proviso of Article 27-8, Paragraph 11 of the FIEA), Tender Offeror will immediately make public announcement of the contents of the revised notification that relate to the contents of the public notice of the commencement of the Tender Offer in the manner stipulated in Article 20 of the Cabinet Office Order. Further, Tender Offeror will immediately revise the tender offer explanatory statement and deliver the revised tender offer explanatory statement to the Tendering Shareholders etc. to whom the tender offer explanatory statement has already been delivered; provided, however, that if the revisions are only minor in scope, Tender Offeror will make the revisions by preparing a document stating the reason for the revisions, the matters revised, and the details of the revisions and delivering such document to the Tendering Shareholders etc.

[7] Method of Disclosure of Results of Tender Offer

The results of the Tender Offer will be announced in the manner prescribed in Article 9-4 of the Order and Article 30-2 of the Cabinet Office Order on the day following the last day of the tender offer period.

(10) Date of public notice of commencement of Tender Offer

February 3, 2025 (Monday)

(11) Tender Offer Agent

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

31-9-2 Otemachi, Chiyoda-ku, Tokyo

The tender offer agent has appointed the following sub-agent to undertake a portion of the administration of the tender offer:

au Kabucom Securities Co., Ltd. (sub-agent)

3-2-5 Kasumigaseki, Chiyoda-ku, Tokyo

(Note) Sub-agent plans to change its trade name in February 1, 2025 to Mitsubishi UFJ e-Smart Securities Co., Ltd.

3. Post-Tender Offer Policy etc. and Future Outlook

(1) Post-Tender Offer Policy

For the post-Tender Offer policy etc., see “(2) Background to the Decision to Implement the Tender Offer, Purpose and Decision-Making Process; Managerial Policy after Tender Offer”, “(4) Post-Tender Offer Reorganization etc. Policy (Matters Concerning Two-Step Acquisition)” and “(5) Prospects for Delisting; Reasons” in “1. Purpose etc. of Purchase etc.” above.

(2) Impact on Future Consolidated Earnings of Tender Offeror and Outlook

The impact on earnings of Tender Offeror from Transaction is currently being reviewed, and in cases where any event requiring public announcement occurs in the future, a public announcement will be made promptly thereafter.

4. Other

(1) Description of Agreement Between Tender Offeror and Target or its Officers

[1] Support of, and recommendation to tender shares in, the Tender Offer

According to the Target Press Release, at the meeting of Target’s Board of Directors held on this day, Target passed a resolution expressing an opinion in support of the Tender Offer and recommending that Target shareholders tender their shares in the Tender Offer.

For details of such decision-making process of Target's Board of Directors, see the Target Press Release and “[6] Approval of All Directors Not Having an Interest in Target; Opinion of No Objection by All Auditors Not Having an Interest in Target” in “(3) Measures to Ensure the Fairness of the Tender Offer Price, Measures to Avoid Conflicts of Interest, and Other Measures to Ensure the Fairness of the Tender Offer” of “1. Purpose etc. of Purchase etc.” above.

[2] Treasury Share Acquisition

According to the Target Press Release, Target determined that the Transaction would contribute to enhancement of Target's corporate value, and as part of the Transaction, after completion of the Squeeze-Out Procedures to be implemented after the completion of the Tender Offer, is planning to carry out a share split as necessary so as to enable an acquisition of treasury shares such that the Voting Rights Ratio can be achieved and then conduct the Treasury Share Acquisition as promptly as reasonably practical there after. For details of Treasury Share Acquisition, see “(1) Overview of Tender Offer” in “1. Purpose etc. of Purchase etc.” above.

(2) Other Information Considered Necessary for Investors to Decide whether to Tender their Shares in the Purchase etc.

Release of “Notice Concerning Revision of End-of-Term Dividends for the Fiscal Year Ending March 2025 (No Dividends)”

At its Board of Directors meeting held on this day, Target passed a resolution, subject to completion of the Tender Offer, to revise its dividend forecasts for the fiscal year ending March 2025 and not issue any end-of-term dividends for the fiscal year ending March 2025. For details see “Notice Concerning Revision of End-of-Term Dividends for the Fiscal Year Ending March 2025 (No Dividends)”, which was released on this day.

(3) Other

- This Press Release was prepared to announce the Tender Offer to the public and was not prepared for the purpose of soliciting any offer to sell, or any offer to purchase, in regard to the Tender Offer. If shareholders wish to make an offer to sell their shares, they should first read the tender offer explanatory statement and make their own independent decision. This Press Release does not constitute, nor form part of, a solicitation of any offer to sell, or any solicitation of any offer to buy, any securities. In addition, neither this Press Release (nor any part of it) nor the fact of its distribution shall form the basis of or be relied on in connection with any agreement for the foregoing.

- The Tender Offer relates to the shares of the ordinary share of the Target, which is a company established in Japan. The Tender Offer shall be conducted in accordance with the procedures and information disclosure standards prescribed under Japanese law, and such procedures and standards may not be the same as comparable procedures and information disclosure standards prescribed in the United States. In particular, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934, as amended (hereinafter the same shall apply), as well as the regulations thereunder, do not apply to the Tender Offer, and the Tender Offer will not be conducted in accordance with the procedures and standards prescribed thereby. The financial information contained in this Press Release is based on Japanese accounting standards, which may differ significantly from generally accepted accounting principles in the United States and other countries. In addition, since the Tender Offeror is a corporation established outside of the United States and all or some of its directors and officers are not residents of the United States, it may be difficult to exercise any rights or claims that can be asserted based on U.S. securities-related laws. In addition, it may not be possible to commence legal proceedings against a non-U.S. corporation as well as its directors and officers in a non-U.S. court based on a violation of U.S. securities-related laws. Furthermore, U.S. courts may not assert jurisdiction over a non-U.S. corporation and its subsidiaries and affiliates.
- Unless otherwise specified, all procedures relating to the Tender Offer will be conducted in Japanese. All or a portion of the documents relating to the Tender Offer will be prepared in English, but in the case of any discrepancy between a document in English and that in Japanese, the Japanese document shall prevail.
- This Press Release includes “forward-looking statements” as defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the U.S. Securities Exchange Act of 1934. Due to known or unknown risks, uncertainties or other factors, actual results may differ significantly from the results indicated by the statements that are implicitly or explicitly forward-looking. Neither the Tender Offeror, the Target, nor their affiliates guarantee that such implicit or explicit forward-looking statements will materialize. The “forward-looking statements” in this Press Release were prepared based on information held by the Tender Offeror as of this day, and unless required by law, neither the Tender Offeror, the Target nor their affiliates shall be obligated to amend or revise such forward-looking statements to reflect subsequent events or circumstances.
- The financial advisors to the Tender Offeror, the Target and Toyota Motor, as well as the tender offer agent (including their affiliates), may, within the scope of their ordinary business and to the extent permitted under the financial instrument exchange-related laws and regulations and any other applicable laws and regulations in Japan, and Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934, purchase Target Shares by means other than the Tender Offer or engage in conduct to arrange such purchases, for their own account or for client accounts, during the period of purchase etc. in the Tender Offer (“Tender Offer Period”). In the event that information regarding

such purchases is disclosed in Japan, such information will be also disclosed on the English website of the financial advisor or the tender offer agent conducting such purchases (or by using another disclosure method).

End