



January 14, 2025

To All Concerned

Company Name: JAMCO Corporation
Representative: Koichi Tsunematsu, Representative
Director and President
(Code 7408: TSE Prime)
Contact: Takayuki Natsui
Executive Officer in Charge of IR
(TEL: 042-503-9145)

Announcement of Opinion in Support of and Recommendation to Tender in Scheduled Tender Offer for the Company Shares by K.K. BCJ-92

As described below, JAMCO Corporation (the “Company”) hereby announces that with regard to a tender offer for the Company’s common shares (the “Company Shares”) by K.K. BCJ-92 (the “Tender Offeror”) under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the “Act”) and related laws and regulations (the “Tender Offer”), the Company has adopted a resolution at the meeting of its Board of Directors held today to express an opinion in support of the Tender Offer and to recommend that the Company’s shareholders tender their shares in the Tender Offer if the Tender Offer is commenced, as the Company’s current opinion.

According to the Tender Offeror, the Tender Offer will be implemented as a part of a series of transactions aimed to privatize the Company Shares after a series of the procedures described in “(I) Overview of the Tender Offer” in “(2) Basis and Reason for Opinion on the Tender Offer” and “(5) Policy for Organizational Restructuring, Etc. after the Tender Offer (Matters Concerning the “Two-Step Acquisition”)” in “3. Contents, Basis of and Reason for Opinion on the Tender Offer” below.

According to the Tender Offeror, with respect to the Tender Offer, a certain length of time is necessary to complete the procedures and actions required under Japanese and foreign competition laws and regulations (the Tender Offeror currently recognizes that such procedures and actions are required in Japan, Austria, Germany, Netherlands, and the U.S.; however, its decision as to the necessity of such procedures and actions may hereafter change depending on further confirmation of facts regarding the Company’s business or assets, or opinions of the relevant authorities; the same applies hereinafter), as well as the procedures and actions in Japan concerning acquisition of permissions and approvals required under the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended; the “Foreign Exchange Act”) (the “Clearances”). Accordingly, pursuant to the tender offer agreement entered into between the Company and the Tender Offeror today (the “Tender Offer Agreement”), the Tender Offeror plans to commence the Tender Offer promptly upon the satisfaction or waiver by the Tender Offeror of certain preconditions (Note 1) (the “Tender Offer Preconditions”), including the completion of the Clearances. According to the Tender Offeror, with regard to the procedures under competition laws, prior consultation with the authority has already commenced in Japan, and preparations for notifications in the other countries are currently being made and those notifications will be submitted as soon as preparations are complete. With regard to the procedures in Japan under the Foreign Exchange Act, prior briefing was given to the authority on January 14, 2025, and notification will be submitted as soon as preparations are complete. According to the Tender Offeror, as of today, the Tender Offeror aims to commence the Tender Offer by mid-February 2025, based on discussions with domestic and foreign law firms which provide legal advice concerning the Clearances; however, it is difficult to accurately predict the length of time required for procedures and actions with the authorities supervising the procedures for the Clearances. Therefore, the Tender Offeror will announce the details of the schedule for the Tender

Offer as soon as they are determined. In addition, the Tender Offeror will promptly make an announcement if the expected time of commencement of the Tender Offer is changed.

(Note 1) The “Tender Offer Preconditions” are provided as follows in the Tender Offer Agreement:

- (I) the Company’s Board of Directors has adopted a resolution to express its opinion to the effect that the Company’s Board of Directors supports the Tender Offer and recommends that the Company’s shareholders tender their shares in the Tender Offer, and such resolution has been disclosed in accordance with laws and regulations, and such expression of opinion has not been withdrawn or changed, nor has any resolution been adopted that is inconsistent therewith;
- (II) the Special Committee (as defined in “(i) Background of Establishment of Consideration System” in “(III) Decision-making Process Leading to the Company’s Decision to Support the Tender Offer and Reason Therefor” in “(2) Basis and Reason for Opinion on the Tender Offer” in “3. Contents, Basis of and Reason for Opinion on the Tender Offer” below; the same applies hereinafter) has submitted a positive report regarding the Company’s Board of Directors expressing an opinion in support of the Tender Offer and recommending that the Company’s shareholders tender their shares in the Tender Offer, and such report has not been withdrawn or changed;
- (III) all of the representations and warranties made by the Company in the Tender Offer Agreement (Note 2) are true and correct in all material respects;
- (IV) all of the obligations required to be performed or complied with by the Company under the Tender Offer Agreement (Note 2) have been performed or complied with in all material respects;
- (V) (i) the agreement to tender shares in the Tender Offer and regarding other matters between ITOCHU Corporation (“ITOCHU”), which is the largest shareholder of the Company (as of September 30, 2024), and the Tender Offeror, (the “Tender, Etc. Agreement”), (ii) the agreement not to tender shares in the Tender Offer between ANA Holdings Inc. (“ANA Holdings”), which is the second largest shareholder of the Company (as of September 30, 2024), and the Tender Offeror, (the “Non-tender Agreement (ANA Holdings)”), and (iii) the agreement not to tender shares in the Tender Offer between Showa Aircraft Industry Co., Ltd. (“Showa Aircraft Industry”; ITOCHU, ANA Holdings, and Showa Aircraft Industry are collectively referred to as the “Shareholders Agreeing Not to Tender Shares”), which is the third largest shareholder of the Company (as of September 30, 2024) and is indirectly controlled by Bain Capital (as defined in “(I) Overview of the Tender Offer” in “(2) Basis and Reason for Opinion on the Tender Offer” in “3. Contents, Basis of and Reason for Opinion on the Tender Offer” below; the same applies hereinafter) through investment advice or business execution authority, and the Tender Offeror, (the “Non-tender Agreement (Showa Aircraft Industry)”; the Non-tender Agreement (ANA Holdings) and the Non-tender Agreement (Showa Aircraft Industry) are collectively referred to as the “Non-tender Agreements”) have been lawfully and validly executed as of today and remain valid without amendment (except where these agreements are terminated by mutual agreement);
- (VI) confirmation has been obtained from the Company to the effect that there are no material facts concerning business as set forth in Article 166, Paragraph 2 of the Act (excluding those that have been disclosed pursuant to Paragraph 4 of the

same Article) and that the Company is not aware of any facts concerning the launch of a tender offer, etc. or facts concerning suspension of a tender offer, etc. as set forth in Article 167, Paragraph 2 of the Act (excluding the Tender Offer and those that have been disclosed pursuant to Paragraph 4 of the same Article) with respect to the Company;

- (VII) no judicial or administrative agencies' decision, etc. has been made that restricts or prohibits any of the Transactions (as defined below; the same applies hereinafter) and there is no risk thereof;
- (VIII) the Clearances have been completed;
- (IX) approval or consent required concerning the Transactions and the Company becoming a wholly-owned subsidiary of the Tender Offeror as a result of the Transactions has been obtained from the Company's business partners of which the Tender Offeror notified the Company, with the content reasonably satisfactory to the Tender Offeror;
- (X) none of the matters set forth in Article 14(1)(i)(a) to (j) and (m) to (t), Article 14(1)(iii)(a) to (h) and (j), Article 14(1)(iv), and Article 14(2)(iii) to (vi) of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended; the "Order") have occurred; an "action equivalent to what is set forth in sub-items (a) through (s)" as set forth in Article 14(1)(i)(t) of the Order means (x) (a) cases where the body that makes decisions with respect to execution of business of the Company decides to pay dividends of surplus with a record date prior to the date on which the settlement for the Tender Offer commences (the "Settlement Commencement Date") (excluding where the amount of money or other assets to be delivered to shareholders is expected to be less than an amount equivalent to 10% of the book value of the net assets on the non-consolidated balance sheet of the Company as of the end of its most recent fiscal year), and (b) cases where the body that makes decisions with respect to execution of business of the Company decides to pay dividends of surplus with a record date prior to the Settlement Commencement Date without presenting the specific amount of the dividends of surplus and there is a possibility that the dividends may be paid in an amount exceeding an amount equivalent to 10% of the book value of the net assets on the non-consolidated balance sheet of the Company as of the end of its most recent fiscal year, and (y) cases where the body that makes decisions with respect to execution of business of the Company decides to acquire its own shares (excluding where the amount of money or other assets to be delivered in exchange for the acquisition of shares is expected to be less than an amount equivalent to 10% of the book value of the net assets on the non-consolidated balance sheet of the Company as of the end of its most recent fiscal year). Furthermore, "facts equivalent to those set forth in sub-items (a) through (i)" as set forth in Article 14(1)(iii)(j) of the Order means (i) cases where it is found that past statutory disclosure documents submitted by the Company contain false statements regarding material matters or omit statements regarding material matters to be stated, and the Tender Offeror did not know that such statements were false or omitted, and (ii) cases where any of the facts set forth in (a) through (g) of the same item occurs in any of the Company's material subsidiaries; and
- (XI) as of today or thereafter, there has been no event or occurrence that has or may have a material adverse effect on the business, assets, liabilities, financial condition, business results, cash flow, or their prospects of the Company and its subsidiaries, or implementation of the Transactions, and no material change has

occurred in the stock market conditions or other market, financial, or economic environment in Japan or overseas, and there is no actual risk thereof (limited to where such change causes loss in the corporate value or the share value of the Company to the extent that the purchase price per Company Share in the Tender Offer (the “Tender Offer Price”) cannot be maintained, and excluding (i) changes in the market price of the Company Shares triggered by the announcement of the Transactions, (ii) impact caused by changes in political situations, economic situations, financial markets, or securities markets in Japan or overseas (including impact caused by deterioration of international diplomatic relations, the terrorism, political instability, and other political crises in Japan or overseas), (iii) impact caused by outbreak or escalation of combats, wars, natural disasters, or man-made disasters, (iv) impact caused by the changes in the overall situation in the industry to which the Company’s business belongs, (v) impact caused by epidemics, continuations of epidemics, or the spread of epidemics of the COVID-19 or other infectious diseases, and (vi) impact caused by changes in laws and regulations, accounting principles, or their interpretations).

(Note 2) For details of the representations and warranties of the Company and the Company’s obligations under the Tender Offer Agreement, please see “(1) Tender Offer Agreement” in “4. Matters Related to Important Agreements Concerning the Tender Offer” below.

Therefore, as described in “(V) Approval of All Directors of the Company without Conflicts of Interest and No Objection Opinion of All Audit & Supervisory Board Members of the Company without Conflicts of Interest” in “(6) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest and Other Measures to Ensure Fairness of the Tender Offer” in “3. Contents, Basis of and Reason for Opinion on the Tender Offer” below, at the above-mentioned meeting of its Board of Directors, the Company has also adopted a resolution to the effect that upon the commencement of the Tender Offer, the Company will ask the Special Committee about whether or not there are any changes in the Special Committee’s opinions represented to the Company’s Board of Directors as of January 10, 2025, and will request that if there are no changes, the Special Committee state to that effect to the Company’s Board of Directors, and that if there are any changes, the Special Committee state its new opinion to the Company’s Board of Directors, and that based on such opinion, the Company will express its opinion on the Tender Offer again at the time of commencement of the Tender Offer.

The above-mentioned resolutions at the meeting of the Company’s Board of Directors were made on the assumption that the Tender Offeror intends to conduct a series of transactions to privatize the Company Shares through acquisition of all of the Company Shares (excluding the treasury shares owned by the Company) (the “Transactions”), and that the Company Shares will be delisted through the Transactions.

1. Outline of the Tender Offeror

(1) Name	K.K. BCJ-92
(2) Location	5F, Palace Building, 1-1-1 Marunouchi, Chiyoda-ku, Tokyo
(3) Name and Title of Representative	Yuji Sugimoto, Representative Director
(4) Description of Business	Acquisition and ownership of shares in the Company, and control and management of the Company’s business activities
(5) Stated Capital	JPY5,000 (as of January 14, 2025)
(6) Date of Incorporation	December 10, 2024
(7) Major Shareholders and Shareholding Ratio (as of January 14, 2025)	K.K. BCJ-91 (shareholding ratio: 100.00%) (Note 1)

(8)	Relationship between the Company and the Tender Offeror	
	Capital Relationship	Showa Aircraft Industry, which is indirectly controlled by Bain Capital through investment advice or business execution authority, owns 2,003,200 Company Shares (ownership ratio (Note 2): 7.46%).
	Personal Relationship	N/A
	Business Relationship	N/A
	Applicability to Related Parties	N/A

(Note 1) As stated in “(I) Overview of the Tender Offer” in “(2) Basis and Reason for Opinion on the Tender Offer” in “3. Contents, Basis of and Reason for Opinion on the Tender Offer” below, as of today, an investment fund to which Bain Capital provides investment advice indirectly holds all of the voting rights of K.K. BCJ-91.

(Note 2) “Ownership ratio” means the ratio (rounded to two decimal places; the same applies hereinafter to the calculation of ownership ratio) to the number of shares (26,856,030 shares) obtained by deducting the number of the treasury shares owned by the Company as of September 30, 2024 (7,944 shares), from the total number of issued shares as of the same day as set out in the Consolidated Financial Results for the Second Cumulative Quarter of the Fiscal Year 2024 Ending March 31, 2025 [Japanese GAAP] submitted by the Company on November 8, 2024 (the “Company Second-Quarter Financial Results”) (26,863,974 shares).

2. Tender Offer Price

JPY1,800 per common share

3. Contents, Basis of and Reason for Opinion on the Tender Offer

(1) Contents of Opinion on the Tender Offer

The Company adopted a resolution at a meeting of the Board of Directors held today to express an opinion in support of the Tender Offer and to recommend that the Company’s shareholders tender their shares in the Tender Offer if the Tender Offer is commenced, as the Company’s current opinion, based on the ground and reason set out in “(III) Decision-making Process Leading to the Company’s Decision to Support the Tender Offer and Reason Therefor” in “(2) Basis and Reason for Opinion on the Tender Offer” below.

Among the directors of the Company, Mr. Yu Takahashi concurrently serves as an officer of ITOCHU; Mr. Toshiyuki Abe, Mr. Koichi Tsunematsu, and Mr. Juichi Watanabe are from ITOCHU; Ms. Yuki Tsuru is an attorney-at-law belonging to a law firm with which ITOCHU has executed an advisory agreement; Mr. Takashi Yonekura is from ANA Holdings; and Mr. Shigeru Harada concurrently serves as an officer of All Nippon Airways Co., Ltd., a subsidiary of ANA Holdings. Therefore, they did not participate in deliberations or resolutions at the above-mentioned meeting of the Board of Directors to avoid the possibility of conflict of interest.

Furthermore, in order to ensure an effective resolution that satisfies the quorum under the Companies Act (Act No. 86 of 2005, as amended; the “Companies Act”), nine directors, including the above-mentioned seven directors who did not participate in deliberations or resolutions at the above-mentioned meeting of the Board of Directors, voted with regard to the proposal again, and they adopted resolutions by unanimous vote.

As described above, the Tender Offer is scheduled to be promptly commenced if the Tender Offer Preconditions are satisfied or waived by the Tender Offeror. As of today, the Tender Offeror aims to commence the Tender Offer by mid-February 2025. Therefore, as described in “(V) Approval of All

Directors of the Company without Conflicts of Interest and No Objection Opinion of All Audit & Supervisory Board Members of the Company without Conflicts of Interest” in “(6) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest and Other Measures to Ensure Fairness of the Tender Offer” below, at the above-mentioned meeting of its Board of Directors, the Company has also adopted a resolution to the effect that upon the commencement of the Tender Offer, the Company will ask the Special Committee about whether or not there are any changes in the Special Committee’s opinions represented to the Company’s Board of Directors as of January 10, 2025, and will request that if there are no changes, the Special Committee state to that effect to the Company’s Board of Directors, and that if there are any changes, the Special Committee state its new opinions to the Company’s Board of Directors, and that based on such opinions, the Company will express its opinion on the Tender Offer again at the time of commencement of the Tender Offer.

The above-mentioned resolutions at the meeting of the Company’s Board of Directors were made in such manner as is set out in “(V) Approval of All Directors of the Company without Conflicts of Interest and No Objection Opinion of All Audit & Supervisory Board Members of the Company without Conflicts of Interest” in “(6) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest and Other Measures to Ensure Fairness of the Tender Offer” below.

(2) Basis and Reason for Opinion on the Tender Offer

Among the basis and reasons for the opinion on the Tender Offer, the descriptions relating to the Tender Offeror are based on the explanations received from the Tender Offeror.

(I) Overview of the Tender Offer

As of today, the Tender Offeror is a wholly-owned subsidiary of K.K. BCJ-91 (the “Tender Offeror’s Parent Company”) which receives investment from BCPE Phoenix Cayman, L.P. (“BCPE Phoenix”), of which all of the voting rights are held by an investment fund that receives investment advice from Bain Capital Private Equity, LP (Bain Capital Private Equity, LP, the investment fund that receives investment advice from Bain Capital Private Equity, LP, and their group are individually or collectively referred to as “Bain Capital”). The Tender Offeror is a stock company established on December 10, 2024 mainly for the purpose of owning the Company Shares and controlling and managing the Company’s business activities. As of today, the Tender Offeror does not own any Company Shares; however, Showa Aircraft Industry, which is indirectly controlled by Bain Capital through investment advice or business execution authority, acquired the Company Shares on April 26, 2011 for the purpose of building a good cooperative relationship with the Company and effectively utilizing the mutual management resources; and as of today, it owns 2,003,200 Company Shares (ownership ratio: 7.46%).

Bain Capital is an international investment firm with approximately USD185 billion in assets under management worldwide. In Japan, Bain Capital opened its Tokyo office in 2006, and since then, a team of about 70 employees in Japan has been working to enhance the corporate value of its portfolio companies. Most of Bain Capital’s professionals have business or consulting backgrounds and have successfully led corporate value enhancement initiatives at the following companies, not only by providing general investment and financial support to portfolio companies but also by executing steady growth strategies through on-site management support. In Japan, Bain Capital has invested in 37 companies, including T-Gaia Corporation, TRANCOM Co., Ltd., Snow Peak, Inc., OUTSOURCING Inc., T&K TOKA CO., LTD., SYSTEM INFORMATION CO., LTD. (currently known as SI&C Co., Ltd.), IDAJ Co., LTD., EVIDENT CORPORATION (the successor to the former Scientific Solutions business of Olympus Corporation), Impact HD Inc., MASH Holdings Co., Ltd., Hitachi Metals, Ltd. (currently known as Proterial, Ltd.), Tri-Stage Inc. (currently known as STREET HOLDINGS Inc.), Linc’well Inc., Nihon Safety Co., Ltd., IGNIS LTD., Kirindo Holdings Co., Ltd., Hey Kabushiki Kaisha (currently known as STORES, Inc.), Showa Aircraft Industry Co., Ltd., Cheetah Digital Kabushiki Kaisha (currently known as EmberPoint Co., Ltd.), Works Human Intelligence Co., Ltd., and Toshiba Memory Corporation (currently known as Kioxia Corporation). Globally, Bain Capital has invested in

approximately 400 companies, or approximately 1,450 companies or more when including additional investments, since its establishment in 1984.

On January 14, 2025, the Tender Offeror determined to implement the Tender Offer as a part of the Transactions if the Tender Offer Preconditions are satisfied or waived by the Tender Offeror.

To implement the Tender Offer, the Tender Offeror executed the Tender, Etc. Agreement with ITOCHU today, and it is agreed that if the Tender Offer is commenced, out of 8,956,500 Company Shares owned by ITOCHU (ownership ratio: 33.35%), 4,393,850 shares (ownership ratio: 16.36%; the “Shares Agreed to Be Tendered”) will be tendered in the Tender Offer and that the remaining 4,562,650 shares (ownership ratio: 16.99%; the “Shares Agreed Not to Be Tendered by ITOCHU”) will not be tendered in the Tender Offer.

Furthermore, the Tender Offeror executed the Non-tender Agreement (ANA Holdings) with ANA Holdings (shares owned: 5,373,200 shares, ownership ratio: 20.01%) and the Non-tender Agreement (Showa Aircraft Industry) with Showa Aircraft Industry (shares owned: 2,003,200 shares, ownership ratio: 7.46%) today, respectively, and it is agreed that all of the Company Shares owned by ANA Holdings and Showa Aircraft Industry (total number of shares owned: 7,376,400 shares, ownership ratio: 27.47%. 11,939,050 shares (ownership ratio: 44.46%) obtained by adding the number of the Shares Agreed Not to Be Tendered by ITOCHU (4,562,650 shares, ownership ratio: 16.99%) to the above-mentioned total number of shares owned by ANA Holdings and Showa Aircraft Industry are hereinafter referred to as the “Shares Agreed Not to Be Tendered”) will not be tendered in the Tender Offer.

In addition, in the Tender, Etc. Agreement and the Non-tender Agreements, it is agreed that the Shareholders Agreeing Not to Tender Shares will agree to a proposal concerning the Consolidation of Shares (as defined in “(5) Policy for Organizational Restructuring, Etc. after the Tender Offer (Matters Concerning the “Two-Step Acquisition”)” below; the same applies hereinafter) with regard to all of the Company Shares owned by them at the point in time at the Extraordinary Shareholders Meeting (as defined in “(5) Policy for Organizational Restructuring, Etc. after the Tender Offer (Matters Concerning the “Two-Step Acquisition”)” below; the same applies hereinafter), and that the Shareholders Agreeing Not to Tender Shares will sell all of the Shares Agreed Not to Be Tendered in response to the Acquisition of Own Stock (as defined below; the same applies hereinafter) to be conducted by the Company after the Consolidation of Shares becomes effective (Note 1).

For details of the Tender, Etc. Agreement and the Non-tender Agreements, please see “4. Matters Related to Important Agreements Concerning the Tender Offer” below.

(Note 1) The Acquisition of Own Stock is designed to achieve both maximization of the tender offer price and maintenance of fairness among shareholders by setting the Own Stock Acquisition Price (as defined below; the same applies hereinafter) at an amount that will make the after-tax proceeds if the Shareholders Agreeing Not to Tender Shares were to tender the Shares Agreed Not to Be Tendered in the Tender Offer equal to the after-tax proceeds if they responded to the Acquisition of Own Stock, taking into account the application of the provision on the non-inclusion of deemed dividends in profits.

In the Tender Offer, the Tender Offeror has set the minimum planned purchase quantity at 5,965,000 shares (ownership ratio: 22.21%), and if the total number of shares tendered in the Tender Offer (“Tendered Shares”) falls short of the minimum planned purchase quantity (5,965,000 shares), the Tender Offeror will purchase none of the Tendered Shares. On the other hand, given that the Tender Offeror aims to privatize the Company Shares by obtaining all of the Company Shares (excluding the Shares Agreed Not to Be Tendered and the treasury shares owned by the Company) in the Tender Offer, the Tender Offeror has not set any maximum planned purchase quantity in the Tender Offer. The Tender Offeror will purchase all of the Tendered Shares if the total number of the Tendered Shares is no less than the minimum planned purchase quantity (5,965,000 shares).

The Tender Offeror has set the minimum planned purchase quantity (5,965,000 shares) at (A) the number of shares (5,965,000 shares) obtained by multiplying (B) the number of voting rights (268,560 voting rights) pertaining to the number of shares (26,856,030 shares) obtained by deducting the treasury shares owned by the Company as of September 30, 2024 (7,944 shares) from the total number of issued shares as of the same day as set out in the Company Second-Quarter Financial Results (26,863,974 shares), by two-thirds (2/3), and then deducting (C) the number of voting rights (119,390 voting rights) pertaining to the Shares Agreed Not to Be Tendered (11,939,050 shares) from the product (179,040 voting rights), and then multiplying the difference (59,650 voting rights) by the number of share units (100 shares) of the Company ($A = (B \times 2/3 - C) \times 100$). If the Tender Offeror fails to acquire all of the Company Shares (excluding the Shares Agreed Not to Be Tendered and the treasury shares owned by the Company) in the Tender Offer, after consummation of the Tender Offer, the Tender Offeror assumes to request that the Company implement a series of procedures to make the Tender Offeror and Shareholders Agreeing Not to Tender Shares the only shareholders of the Company and privatize the Company Shares (the “Squeeze Out Procedures”) as set out in the “(5) Policy for Organizational Restructuring, Etc. after the Tender Offer (Matters Concerning the “Two-Step Acquisition”)” below. Since the Tender Offeror assumes that the Consolidation of Shares will be conducted as the Squeeze Out Procedures and the special resolution at a shareholders meeting provided in Article 309, Paragraph 2 of the Companies Act is required therefor, the Tender Offeror has set the minimum planned purchase quantity so that the Tender Offeror and the Shareholders Agreeing Not to Tender Shares will hold at least two-thirds of the voting rights of all shareholders of the Company after the Tender Offer in order to ensure that the Squeeze Out Procedures will be performed.

Furthermore, the Tender Offeror plans to fund the Tender Offer from contributions from the Tender Offeror’s Parent Company (the “Contribution”). The Tender Offeror plans to receive the Contribution by two business days prior to the Settlement Commencement Date subject to consummation of the Tender Offer and other conditions. The amount to be procured by the Contribution is planned to exceed the amount (JPY26,850,564,000) obtained by multiplying the number of shares (14,916,980 shares) obtained by deducting the number of the treasury shares owned by the Company as of September 30, 2024 (7,944 shares) and the number of the Shares Agreed Not to Be Tendered (11,939,050 shares) from the total number of issued shares as of the same day as set out in the Company Second-Quarter Financial Results (26,863,974 shares), by the Tender Offer Price (JPY1,800).

In addition, following the Squeeze Out Procedures, the Tender Offeror plans to have the Company acquire the Shares Agreed Not to Be Tendered (the “Acquisition of Own Stock,” and the price for the acquisition of own shares associated with the Acquisition of Own Stock is referred to as the “Own Stock Acquisition Price”). There is a possibility that the Acquisition of Own Stock may be implemented after the Consolidation of Shares and prior to the approval of exemption from the obligation to file securities reports; however, this will be after the Company Shares are delisted. Since the delisted shares do not fall under the “listed share certificates, etc.” (Article 24-6, Paragraph 1 of the Act, and Article 4-3 of the Order) subject to a tender offer for one’s own shares (meaning a tender offer set forth in Article 27-22-2 of the Act; the same applies hereinafter), the Tender Offeror plans not to have the Company conduct a tender offer for its own shares. In addition, the Own Stock Acquisition Price is scheduled to be JPY1,536 for ITOCHU, JPY1,540 for ANA Holdings, and JPY1,499 for Showa Aircraft Industry per Company Share prior to the Consolidation of Shares. By taking into account the application of the provision on the non-inclusion of deemed dividends in profits to the Shareholders Agreeing Not to Tender Shares, an amount that will make the after-tax proceeds if the Shareholders Agreeing Not to Tender Shares were to tender their shares in the Tender Offer equal to the after-tax proceeds if they responded to the Acquisition of Own Stock was set, respectively. The Acquisition of Own Stock was proposed by Bain Capital to ANA Holdings on November 21, 2024, to Showa Aircraft Industry on December 5, 2024, and to ITOCHU on December 25, 2024, respectively, from the viewpoint of achieving both maximization of the tender offer price and maintenance of fairness among shareholders. Furthermore, after the Squeeze Out Procedures, the Tender Offeror plans to have the Company conduct (i) a capital increase through third-party allotment in which the Tender Offeror will be the allottee (“Capital Increase”) and (ii) a capital decrease through a reduction of its stated capital and capital reserves pursuant to Article 447, Paragraph 1 and Article 448, Paragraph 1 of the Companies Act (Note 2) (“Capital Decrease, Etc.”), in

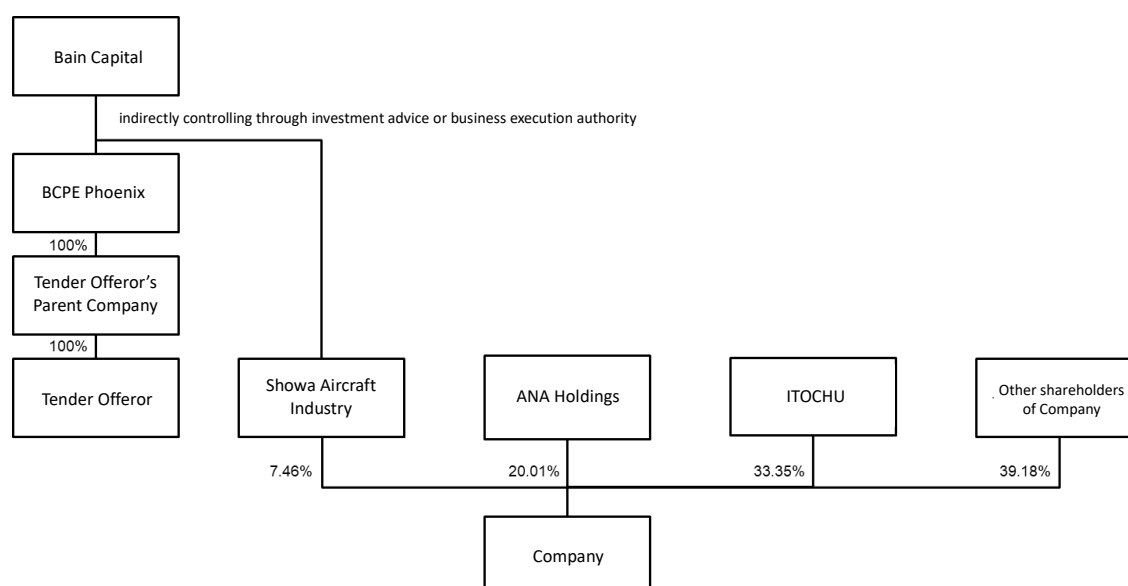
order to secure funds necessary for the Company to implement the Acquisition of Own Stock and a distributable amount.

(Note 2) In the Capital Decrease, Etc., the Tender Offeror plans to reduce the amount of the Company's stated capital and capital reserves and to transfer the reduced amount to other capital surplus.

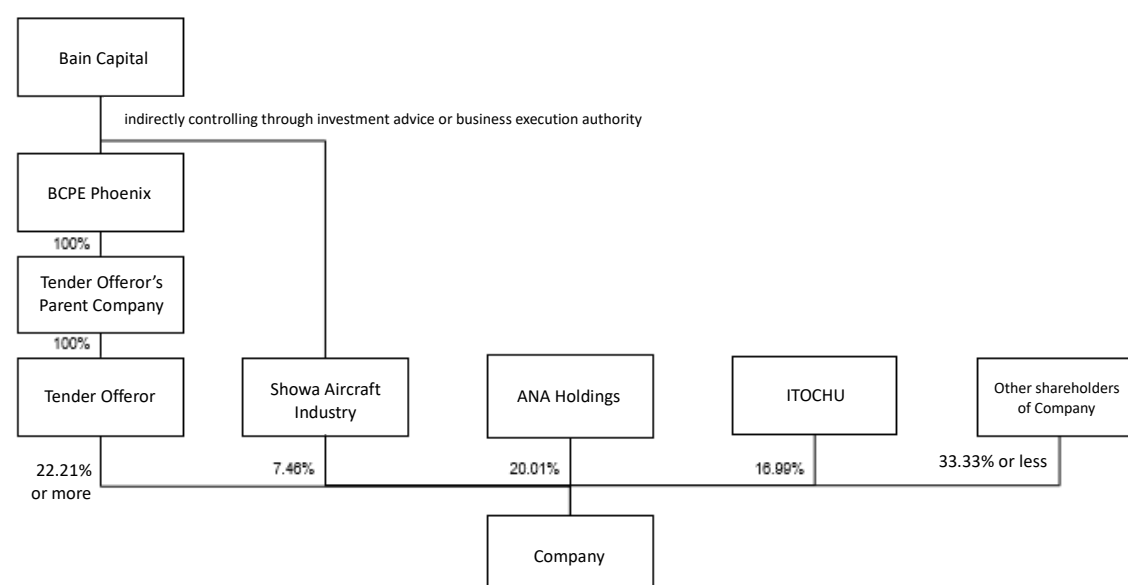
None of ITOCHU, ANA Holdings, and Showa Aircraft Industry plan to make a contribution to the Tender Offeror's Parent Company or the Tender Offeror after completion of the Acquisition of Own Stock.

An outline of the series of transactions that are currently contemplated is illustrated as follows.

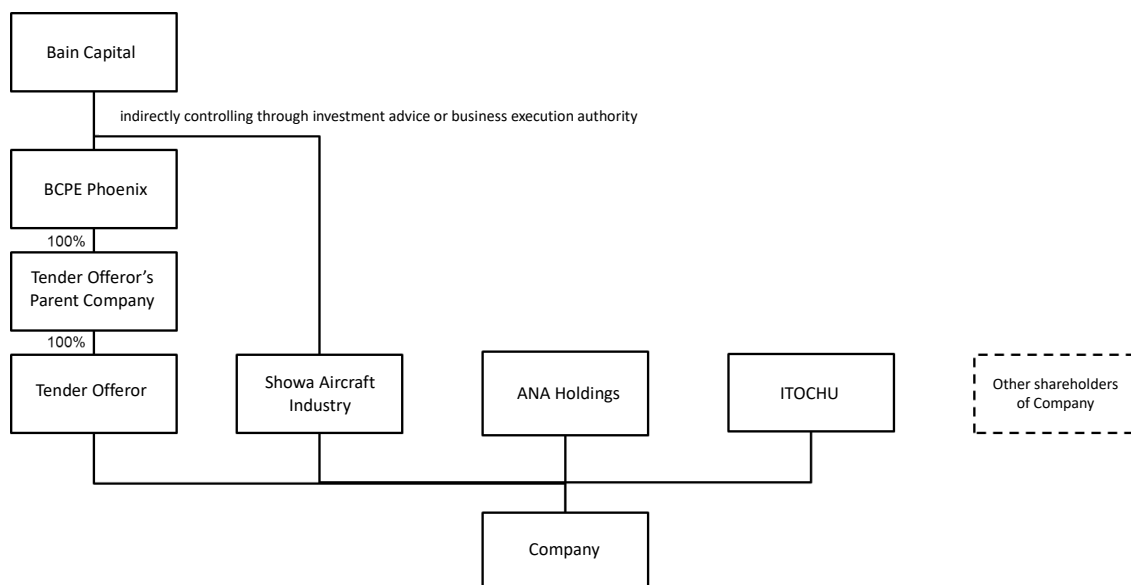
I. Prior to Implementation of the Tender Offer



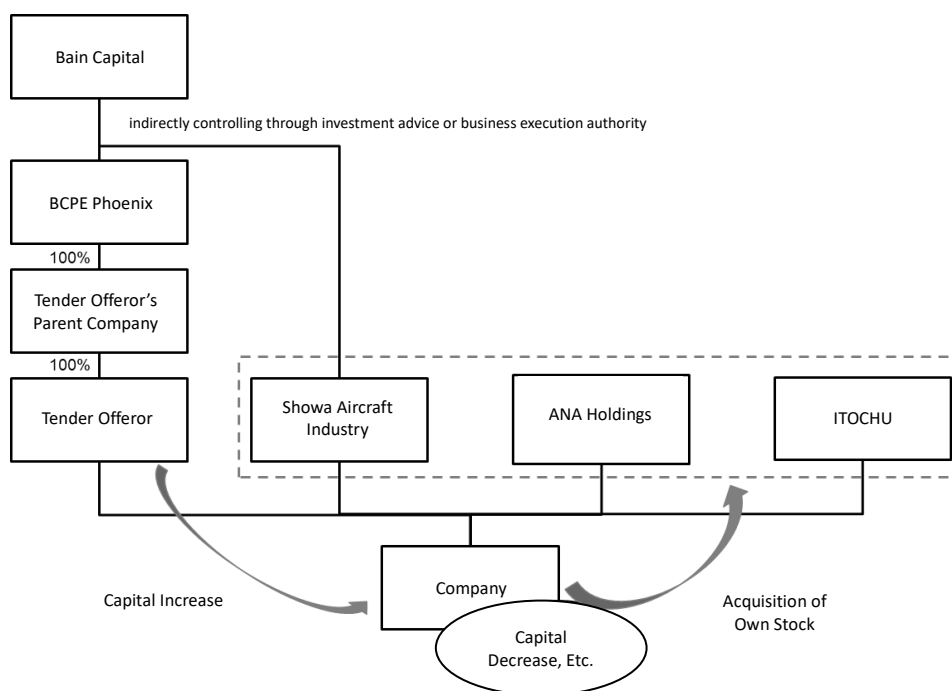
II. After Implementation of the Tender Offer



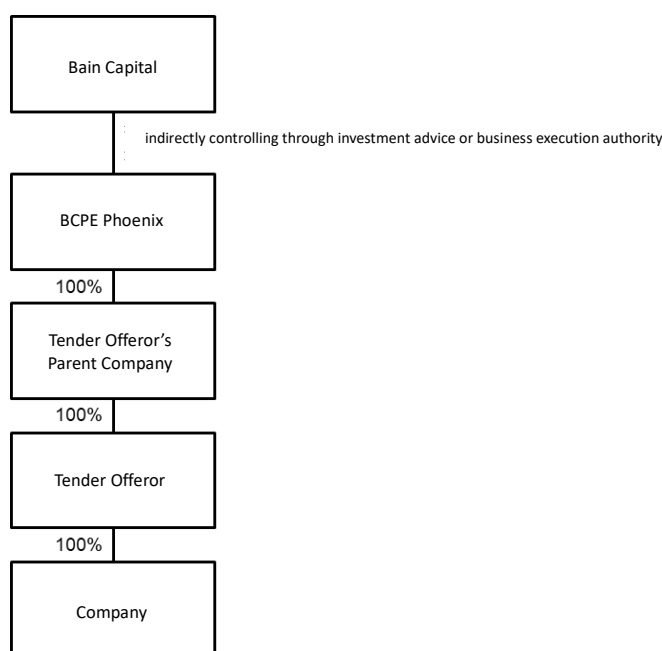
III. After Squeeze Out Procedures



IV. Acquisition of Own Stock



V. After Acquisition of Own Stock



(II) Background, Purpose and Decision-making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer and Management Policies after the Tender Offer

(i) Management Environment Surrounding the Company

The Company was established in March 1949 as Imabashi Securities Kabushiki Kaisha, and in December 1952, the Company changed its trade name to Shinkurashiki Aircraft Kabushiki Kaisha, and started preparations for the business of manufacturing, repair, and sale, etc. of aircrafts. Thereafter, in September 1955, the Company changed its trade name to C. Itoh Aircraft Maintenance and Engineering Co., Ltd. and started operations of maintenance of aircrafts; in March 1970, ITOCHU transferred its shares in the Company to Japan Airlines Co., Ltd. and All Nippon Airways Co., Ltd., and thereby the three companies made an equity participation in the Company. In August of the same year, the Company started development and manufacturing of various interior products for large-sized aircrafts, such as galleys, and in June 1988, the Company changed its trade name to JAMCO Corporation. The Company Shares were registered as an over-the-counter stock with the Japan Securities Dealers Association (incorporated association) (currently, the Japan Securities Dealers Association) in November 1988 and listed on the Second Section of Tokyo Stock Exchange, Inc. (the "TSE") in December 1988; thereafter, the Company Shares were designated to the First Section of the TSE in March 2015. Then, following the review of the market segments of the TSE in April 2022, the Company Shares are listed on the Prime Market of the TSE as of today.

The Company Group (meaning a corporate group consisting of the Company as well as seven consolidated subsidiaries and two equity-method affiliates (as of today); the same applies hereinafter) mainly engages in business activities of manufacturing and sale of cabin interior products mainly consisting of passenger aircraft galleys (kitchen facilities), lavatories, and seats, aircraft equipment, carbon-fiber structural members, and aircraft engine parts, as well as maintenance of aircrafts.

Furthermore, in September 2005, on the 50th anniversary of its foundation, the Company Group revisited the importance of its universal action principle—the cornerstone of the management philosophy passed down by our corporate leaders for five decades, and established its management philosophy of "JAMCO, a Technology Oriented Company with Samurai Values," "- Rising to the eternal challenge of realizing our aspirations," "- Bringing joy and satisfaction to our customers and

employees,” and “- Striving for coexistence with nature, contributing to a prosperous and progressive society.” In the aviation industry, the Company, as a “technology-intensive company” based on manufacturing and maintenance, has a spirit of “samurai values” that represent faithfulness and fairness, and a sense of responsibility and duty, and all officers and employees are strongly aware of this management philosophy and have strived to achieve it.

An outline of the Company Group’s business is as follows:

(A) Business related to manufacturing of aircraft interior products

The Company Group manufactures and sells products mainly consisting of galleys and lavatories, and as a manufacturer (total interior integrator) which comprehensively supplies aircraft cabin equipment, including design, development, and aircraft system modification related to all interior products for aircraft cabins, its main customers include domestic and foreign key airlines and aircraft manufacturers, such as THE BOEING COMPANY (“Boeing”) and Airbus SE (“Airbus”).

(B) Business related to manufacturing of aircraft seats

The Company Group manufactures and sells products mainly consisting of aircraft seats, and its main customers include domestic and foreign key airlines.

(C) Business related to manufacturing of aircraft equipment

The Company Group manufactures and sells products mainly consisting of various types of aircraft equipment, such as heat exchangers, carbon-fiber structural components, and aircraft engine parts, and its main customers include domestic aircraft equipment, aircraft, and engine manufacturers, such as Shimadzu Corporation, IHI Corporation, TOKYO KEIKI INC., Kawasaki Heavy Industries, Ltd., and Toshiba Electronic Technologies Corporation, and aircraft manufacturers, such as Airbus.

(D) Business related to aircraft maintenance

The Company Group provides maintenance and modification services for regional aircrafts (Note 1), small-and medium-sized aircrafts, and helicopters as well as repair services for equipment on those aircrafts, and sells aircraft parts, and its main customers include domestic airlines and public offices, such as the Ministry of Defense, the Japan Coast Guard, the Independent Administrative Institution Civil Aviation College, the Metropolitan Police Department, and prefectural police.

(Note 1) A regional aircraft means a small-sized jet airliner having less than 100 seats, which connects cities within a certain region.

(E) Other

The other segments include the business of Orange JAMCO Corporation, which is a domestic consolidated subsidiary. Orange JAMCO Corporation is a special subsidiary which promotes employment of persons with disabilities, which is one of the Company Group’s corporate social responsibility activities; it prepares business cards and carries out logistics and cleaning services under the entrustment from the Company Group.

Furthermore, the Company Group announced its mid- to long-term vision titled “JAMCO Vision 2030” during the fiscal year 2021, and under the slogan, “Toward a comfortable and sustainable future using technology and quality,” it shows the direction in the Company Group’s overall growth and sets forth an action plan (AP 2030) as a roadmap to achieve the vision. On May 23, 2024, the Company Group announced its mid-term management plan for the fiscal year 2024 (the “Company Mid-term Management Plan”) in which the basic policy was set at “selection and concentration,” and at the same time as steady implementation of the action plan, it has strived to strengthen its management basis,

including its financial standing that will support future growth. Specifically, the Company Group has made the following efforts: (i) in the interior product business, to strengthen the capability to meet demands and the supply chains, improve quality, and optimize the manufacturing bases for the purpose of developing the interior product business more; (ii) in the seat business, to reduce development costs through freezing new development and ensure performance of the existing agreements for the purpose of fundamentally reviewing the seat business, and (iii) in the maintenance business and the equipment manufacturing business, to achieve the selection and concentration of business, automate wheel maintenance, and respond to defense projects (Note 2) for the purpose of increasing the number of orders to be received and strengthening its earning power.

(Note 2) A defense project means a transaction with the Ministry of Defense as a customer.

With regard to the business environment surrounding the Company, passenger demands in the air transport industry have recovered from the COVID-19 pandemic both in domestic and international airlines, and the Company understands that solid growth is expected in the future. On the other hand, global supply chains that were damaged due to rapidly decreased demands at the time of the COVID-19 pandemic are still on the way to recovery, and in addition to the difficulty in supplying materials and parts, securing personnel is a significant issue across the air transport industry. Furthermore, as countermeasures against rising costs, such as personnel and material costs, due to the inflation, the Company believes that the importance of cost management is increasingly becoming high.

In such management environment surrounding the Company, the Company Group will make efforts to strengthen the capability to meet demands in order to respond to the rapid recovery of air passenger demands, and will aim to recover the financial basis that was damaged at the time of the COVID-19 pandemic; at the same time, the Company Group understands that in addition to the above-mentioned efforts stated in the Company Mid-term Management Plan, there are tasks that need prompt responses, such as responses to shortage of human resources, optimization of inventory management, minimization of effects of the prolonged lead time of parts on the production deadline, and improvement in cash flow, and that in particular, improvement in its financial standing is an urgent task because the Company has been requested by its main banks to formulate and submit a plan to reduce its existing borrowings.

(ii) Background, Purpose and Decision-making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer

Bain Capital has been conducting research and study on investees in Japan. Since May 22, 2024, Bain Capital started an opinion exchange with ITOCHU, with which Bain Capital has been in contact for some time, on matters such as the Company's optimal capital composition. On June 11, 2024, Bain Capital entered into a confidentiality agreement with ITOCHU and started consideration on the premise of privatization of the Company Shares. During the opinion exchange, on June 25, 2024, it was decided that first, the Company's largest shareholder ITOCHU (as of September 30, 2024) will notify the Company of its intention regarding the Tender Offer. Then, while the Company had discussions with ITOCHU on the Company's management, on July 3, 2024, the Company was notified by ITOCHU that Bain Capital is willing to conduct the Tender Offer, and ITOCHU intends to agree to the Tender Offer. Thereafter, Bain Capital obtained contact with the Company through ITOCHU. On July 5, 2024, Bain Capital held an initial interview with the Company to share information on the details of general management support that Bain Capital provides to its investees as well as hypotheses on initial growth directions such as improving earnings across the entire company and further strengthening of overseas businesses and new areas. The Company responded that it would like to obtain further information regarding Bain Capital's approach to creation of corporate value and specific examples thereof. Subsequently, on July 12, 2024, Bain Capital provided the Company with an explanation regarding a case study on the support that Bain Capital provided to Showa Aircraft Industry after investment in Showa Aircraft Industry and held an initial discussion with the Company on the Company's growth directions. The Company responded that it would like to discuss a more detailed growth strategy and support system after privatization. Thereafter, on July 23, 2024, Bain Capital submitted a written pledge on confidentiality to the Company, and then, part of the information was disclosed to Bain Capital by

the Company. As a result of an initial analysis based on the information provided by the Company and publicly available information, Bain Capital valued the Company highly as the Company (i) has established a solid position in the interior products business, (ii) has a long-term track record of supplying the products to Boeing and Airbus and particularly has achieved the position of sole supplier to Boeing, (iii) has an unique position in the aircraft maintenance business and stably generates revenue by using its certifications for a wide variety of airframes and through technical alliances with major manufacturers. On the other hand, the damage to its financial base due to the COVID-19 pandemic resulted in the Company's failure to sufficiently strengthen its capability to meet demands in order to respond to the air passenger demands which have now rapidly recovered. In light of such circumstance, Bain Capital believed that if the Company is privatized, and Bain Capital becomes the Company's partner, (i) Bain Capital will be able to support the Company in attaining a sound financial base and improving profitability by flexibly and swiftly promoting management reform by utilizing Bain Capital's global management personnel network and wealth of past investment experience, and (ii) Bain Capital will be able to support the Company's further growth in the future by providing an M&A opportunity by utilizing Bain Capital's global network, which will allow the Company to capture demands in the air transport industry where strong growth driven by passenger demands is expected in the future. Accordingly, Bain Capital believed that the Company will be able to realize new growth that cannot be achieved by the Company alone. As such, on August 8, 2024, Bain Capital submitted to the Company a non-binding letter of intent to the effect that (i) the Company Shares will be privatized through tender offer, in which an acquiring company of which a fund which receives investment advice from Bain Capital is an investor is the tender offer, (ii) the Tender Offeror will execute an agreement with ITOCHU and ANA Holdings to the effect that ITOCHU and ANA Holdings will not tender their shares in the Tender Offer, (iii) after consummation of the Tender Offer, the Company will implement the acquisition of own stock from ITOCHU and ANA Holdings, and (iv) after the Transactions, there is the possibility that ITOCHU and ANA Holdings will reinvest in the Tender Offeror (the "Initial Letter of Intent").

Moreover, according to Bain Capital, since May 2024, Bain Capital has continued discussions with ITOCHU on matters, including ITOCHU's continued involvement as a shareholder of the Company by making a reinvestment in the Tender Offeror after implementation of the Tender Offer. According to ITOCHU, ITOCHU has provided strategic support and personnel support, such as dispatch of secondees, including management personnel, for a long time, aimed at enhancement of the Company's corporate value. Since late May 2024, while ITOCHU held multiple discussions with Bain Capital, ITOCHU understood that the environment surrounding the Company's businesses, including aircraft interior products, has been changing recently and that the missions that ITOCHU can achieve as a shareholder of the Company and the roles that ITOCHU can play to contribute to enhancement of the Company's corporate value has become limited. Based on such understanding, ITOCHU concluded that as part of a review of its business portfolio, it is desirable for ITOCHU to transfer its Company Shares by way of tendering its shares in the Tender Offer, and ITOCHU informed Bain Capital to that effect on November 20, 2024 (however, as described below, as a result of Bain Capital's discussions with ITOCHU based on the subsequent negotiations regarding the Tender Offer Price with the Special Committee, they agreed that the Shares Agreed Not to Be Tendered by ITOCHU out of the Company Shares owned by ITOCHU will be transferred to the Company by ITOCHU responding to the Acquisition of Own Stock).

In addition, according to Bain Capital, on July 26, 2024, Bain Capital provided an explanation to ANA Holdings through ITOCHU to the effect that Bain Capital was considering matters on the premise of privatization of the Company Shares. According to ANA Holdings, ANA Holdings is an important existing business partner for the Company and has provided strategic support and personnel support, such as dispatch of secondees, including management personnel, for a long time, aimed at enhancement of the Company's corporate value, and ANA Holdings has the intention to support the Company, respecting the Company's intention. Subsequently, on November 8, 2024, Bain Capital provided an explanation to ANA Holdings on Bain Capital's opinion regarding the Transactions on the premise of privatization of the Company Shares, and ANA Holdings also started specific consideration of the Transactions. During an interview with ANA Holdings held on November 27, 2024, Bain Capital requested ANA Holdings to provide cooperation in the Company acquiring the Company Shares held

by ANA Holdings, and in non-tender in the Tender Offer and in the Acquisition of Own Stock after the Squeeze Out Procedures in light of achieving both maximization of the tender offer price and maintenance of fairness among shareholders by setting the Own Stock Acquisition Price at an amount that will make the after-tax proceeds if ANA Holdings was to tender its shares in the Tender Offer equal to the after-tax proceeds if ANA Holdings responds to the Acquisition of Own Stock, taking into account the application of the provision on the non-inclusion of deemed dividends in profits. In response to such request, ANA Holdings considered whether to reinvest in the Tender Offeror after the Transactions. However, ANA Holdings understood that the business environment surrounding the Company, including aircraft interior products, has been changing recently and that the missions that ANA Holdings can achieve as a shareholder of the Company and the roles that ANA Holdings can play to contribute to enhancement of the Company's corporate value has become limited. Based on such understanding, ANA Holdings concluded that ANA Holdings will sell its Company Shares through the Transactions and will not reinvest in the Tender Offeror, and on December 2, 2024, ANA Holdings expressed to Bain Capital its intention to accept the proposals for non-tender in the Tender Offeror and the Acquisition of Own Stock after the Squeeze Out Procedures.

Subsequently, Bain Capital multilaterally analyzed the Company's business, finance, and future plans based on the interim result of the due diligence on the Company conducted from late October 2024 to early December 2024. On December 3, 2024, on the condition that the Company does not pay year-end dividend for the fiscal year ending March 2025, Bain Capital submitted a letter of intent (the "Letter of Intent") including a proposal stating that the Tender Offer Price will be JPY1,643 (the price includes a premium of 18.97% (rounded to two decimal places; the same applies hereinafter in the calculation of the premium percentage) on the closing price of JPY1,381 of the Company Shares on the TSE Prime Market on December 2, 2024 (i.e., the business day immediately preceding the date of proposal)). In response thereto, on December 10, 2024, the Special Committee issued a reply in which it requested a review of the Tender Offer Price because the proposed price did not fully reflect the Company's corporate value and was difficult to be deemed to have reached a level at which the Company would be able to recommend that its minority shareholders tender their shares in the Tender Offer. Upon receipt of this reply, on December 18, 2024, Bain Capital made the second proposal stating that the Tender Offer Price will be JPY1,660 (the price includes a premium of 12.77% on the closing price of JPY1,472 of the Company Shares on the TSE Prime Market on December 17, 2024 (i.e., the business day immediately preceding the date of proposal)). On December 20, 2024, the Special Committee issued a reply in which it requested a review concerning an increase in the Tender Offer Price because the premium level to the most recent share price is also insufficient compared to similar cases and the proposed price did not fully reflect the Company's corporate value and was difficult to be deemed to have reached a level at which the Company would be able to recommend that its minority shareholders tender their shares in the Tender Offer. Upon receipt of this reply, on December 25, 2024, Bain Capital made the third proposal stating that the Tender Offer Price will be JPY1,710 (the price includes a premium of 15.38% on the closing price of JPY1,482 of the Company Shares on the TSE Prime Market on December 24, 2024 (i.e., the business day immediately preceding the date of proposal)). On December 25, 2024, the Special Committee issued a reply in which it requested that the Tender Offer Price be significantly increased and that the various conditions, including the structure, be reviewed because the proposed price did not fully reflect the Company's corporate value and it is possible to significantly increase the Tender Offer Price by changing to a structure in which ITOCHU does not tender their shares in the Tender Offer and instead obtains the tax benefits of a deemed dividend. Upon receipt of this reply, in order to increase the tender offer price as much as possible, on December 25, 2024, Bain Capital requested that ITOCHU not tender a part of the Company Shares owned by ITOCHU in the Tender Offer and transfer those shares to the Company by ITOCHU responding to the Acquisition of Own Stock after the Squeeze Out Procedures, assuming that an amount that will make the after-tax proceeds if ITOCHU were to tender their shares in the Tender Offer equal to the after-tax proceeds if ITOCHU responded to the Acquisition of Own Stock will be set, by taking into account the application of the provision on the non-inclusion of deemed dividends in profits. On December 27, 2024, ITOCHU presented its intention to accept it. As a result of the agreement that the Shares Agreed Not to Be Tendered by ITOCHU will be transferred to the Company by ITOCHU responding to the Acquisition of Own Stock, Bain Capital will be able to use more funds for the Tender Offer out of the funds that are

required for the Transactions; then, on January 8, 2025, Bain Capital made the fourth proposal stating that the Tender Offer Price will be JPY1,800 (the price includes a premium of 21.79% on the closing price of JPY1,478 of the Company Shares on the TSE Prime Market on January 7, 2025 (i.e., the business day immediately preceding the date of proposal)). On January 10, 2025, the Special Committee issued a reply in which it had determined that the Tender Offer Price has reached a level at which the Special Committee would be able to recommend that the Company's shareholders tender their shares in the Tender Offer, and an agreement between Bain Capital and the Special Committee was reached. .

(iii) Management Policy after the Tender Offer

With respect to the management policy after the Tender Offer, as described in “(ii) Background, Purpose and Decision-making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer” above, after privatizing the Company through the Transactions, in light of its past investments and experience, Bain Capital will provide the Company with hands-on management support (Note 1) based on its extensive experience, strengthen human resources and organizational infrastructure to support the Company's existing management for long-term growth, and support measures for maximizing the Company's corporate value through M&A and PMI (Note 2) support.

(Note 1) “Hands-on management support” means proactive management support by dispatching personnel, such as experts, to an investee for a certain period after investment.

(Note 2) “PMI” is the abbreviation for Post Merger Integration, which means integration process to maximize the initially-planned integration effect after M&A.

According to Bain Capital, Bain Capital's management policy for the Company after the completion of the Transactions is, in principle, to maintain the current management structure and have the current management continue to play a leading role in the management of the Company Group, although it is considering dispatching a few directors to the Company. With regard to the invitation and necessity of outside personnel, Bain Capital expects to utilize its global network to introduce appropriate personnel if it is determined, after consultation with the Company's current management, that such personnel will contribute to the future growth of the Company. As for other matters concerning the management structure and management policy, Bain Capital has not determined or does not assume anything at this time, and it is planned that these matters will be discussed and considered between the Tender Offeror and the Company after the completion of the Tender Offer.

(III) Decision-making Process Leading to the Company's Decision to Support the Tender Offer and Reason Therefor

(i) Background of Establishment of Consideration System

As stated in “(ii) Background, Purpose and Decision-making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer” in “(II) Background, Purpose and Decision-making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer and Management Policies after the Tender Offer” above, on August 8, 2024, as the Company received the Initial Letter of Intent from Bain Capital, the Company started establishment of a system for considering, negotiating, and making decisions on the Transactions from the perspective of enhancing the Company's corporate value and ensuring the interest of the Company's minority shareholders. Specifically, from July 3, 2024, on which the Company was notified by ITOCHU that Bain Capital is willing to conduct the Tender Offer, until today, the Company is not the Tender Offeror's subsidiary, and the Tender Offer does not fall under the category of a tender offer conducted by the controlling shareholder; however, (a) as of today, ITOCHU and ANA Holdings hold 8,956,500 shares (ownership ratio: 33.35%) and 5,373,200 shares (ownership ratio: 20.01%) of the Company Shares, respectively, and the total of the Company Shares owned by ITOCHU and ANA Holdings is 14,329,700 shares (ownership ratio: 53.36%); (b) one director of the Company (Mr. Yu Takahashi) concurrently serves as an officer of ITOCHU, three directors of the Company (Mr. Toshiyuki Abe, Mr. Koichi Tsunematsu, and Mr. Juichi Watanabe) are from ITOCHU,

one director of the Company (Ms. Yuki Tsuru) is an attorney-at-law belonging to a law firm with which ITOCHU has executed an advisory agreement, one director of the Company (Mr. Takashi Yonekura) is from ANA Holdings, and one director of the Company (Mr. Shigeru Harada) concurrently serves as an officer of All Nippon Airways Co., Ltd., a subsidiary of ANA Holdings; and (c) according to the Initial Letter of Intent, as of the submission date thereof, it was planned that (i) the Tender Offeror will enter into an agreement with ITOCHU and ANA Holdings to the effect that ITOCHU and ANA Holdings will not tender their shares in the Tender Offer, (ii) after consummation of the Tender Offer, the Company will implement the acquisition of own stock from ITOCHU and ANA Holdings, and (iii) after the Transactions, there is the possibility that ITOCHU and ANA Holdings will reinvest in the Tender Offeror; due to those reasons, taking into account the fact that the Transactions fall under the category of a transaction which typically involves both a structural conflict of interest issue and an asymmetric information issue, from the perspective of addressing those issues and ensuring the fairness of the Transactions, as stated in “(I) Establishment of Independent Special Committee by the Company and Obtainment of Report from the Special Committee” in “(6) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest and Other Measures to Ensure Fairness of the Tender Offer” below, by resolutions at the Board of Directors meetings held on August 30, 2024 and September 6, 2024, the Company established a special committee composed of three members: Mr. Shinichi Suzuki (independent outside director of the Company), Mr. Hitoshi Takahashi (independent outside audit & supervisory board member of the Company), and Mr. Shinsuke Matsumoto (attorney-at-law belonging to Nakamura, Tsunoda & Matsumoto) (the “Special Committee”) for the purposes of (i) considering whether the Company’s Board of Directors should approve the Transactions (including whether the Company’s Board of Directors should express its support of the Tender Offer and recommend that the Company’s shareholders tender their shares in the Tender Offer) and making a recommendation to the Company’s Board of Directors and (ii) considering whether decision-making by the Company’s Board of Directors concerning the implementation of the Transactions is disadvantageous to the Company’s minority shareholders (including whether the Company’s Board of Directors should express its support of the Tender Offer and recommend that the Company’s shareholders tender their shares in the Tender Offer), and expressing opinions to the Company’s Board of Directors (collectively, the “Consultation Matters”) (for the composition of the Special Committee, authorities granted thereto, background of the consideration, and details of the determination, please see “(I) Establishment of Independent Special Committee by the Company and Obtainment of Report from the Special Committee” in “(6) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest and Other Measures to Ensure Fairness of the Tender Offer” below.).

In addition, the Company has appointed Mori Hamada & Matsumoto as its legal advisor and Daiwa Securities Co. Ltd. (“Daiwa Securities”) as its financial advisor and third-party calculation agent, both independent of the Tender Offeror, ITOCHU, ANA Holdings, Showa Aircraft Industry, and the Company, and of the Transactions in August 30, 2024 and September 12, 2024, respectively. The Special Committee approved the appointment thereof after confirming that there were no problems with their independence and expertise.

Furthermore, at the Board of Directors meetings held on August 30, 2024 and September 6, 2024, based on the legal advice from Mori Hamada & Matsumoto, in considering, negotiating, and making decisions on the Transactions within the Company, the Company resolved that the seven directors in (b) above will only participate in the second-step deliberations and resolutions at the Company’s Board of Directors meetings to adopt an effective resolution that satisfies the quorum under the Companies Act and will not participate in any discussions or negotiations on the Transactions, as they are believed to have interests in the Transactions. Regarding the involvement of one officer and employee of the Company in the preparation of the Company’s business plan to be submitted to the Tender Offeror in connection with the Transactions, while the officer and employee holds a general manager position in the Corporate Planning & Business Development Department of the Company and is familiar with quantitative consideration at the Company and thus is indispensable personnel for formulation of the Company’s business plan and calculation of the Company’s corporate value based thereon, the officer and employee is a secondee from ITOCHU. However, the involvement of the officer and employee only in the preparation of the Company’s business plan has been approved at the Board of Directors meeting

held on August 30, 2024 and at the Special Committee meeting held on September 6, 2024, on the condition that measures to ensure the fairness, such as establishment of an independent Special Committee, have been taken, the officer and employee will not be involved in negotiations with ITOCHU and will be involved only in the formulation of a business plan necessary for the negotiations, such business plan will be separately approved by the Special Committee, and there are no problems with the consideration system on the Transactions (including the scope and duties of the Company's officers and employees who are involved in considerations, negotiations, and decision-making on the Transactions) in terms of independence.

(ii) Background of Consideration and Negotiation

Thereafter, the Company received a report on the valuation result of the Company Shares and advice on the policy for negotiations with Bain Capital and other advice from the financial perspective from Daiwa Securities, as well as advice on the measures to ensure the fairness of the procedures in the Transactions and other legal advice from Mori Hamada & Matsumoto. Based on such advice and taking into account the business environment surrounding the Company Group, the Company Group's business situation, the significance and purpose of the Transactions, impacts of the Transactions on the Company, the details of the management policy after the Transactions, and other matters with the utmost respect for the details of the opinion of the Special Committee, the Company has carefully discussed and examined whether to conduct the Transactions and the appropriateness of the terms and conditions the Transactions.

Furthermore, since the establishment of the Special Committee by the resolutions at the Board of Directors meetings held on August 30, 2024 and September 6, 2024, the Special Committee has continued to discuss and negotiate with Bain Capital regarding the terms and conditions of the Transactions, including the Tender Offer Price.

Specifically, following the receipt of the Initial Letter of Intent from Bain Capital on August 8, 2024, the Special Committee proceeded with internal examinations and discussions. On September 18, 2024, the Special Committee asked Bain Capital in writing about the background, purpose, significance, and other matters of the Transactions, and on September 25, 2024, the Special Committee received a written reply to the questions from Bain Capital. Moreover, based on the reply, the Special Committee asked Bain Capital additional questions in writing on October 11, 2024, and on October 17, 2024, the Special Committee received a written reply to the questions from Bain Capital. Subsequently, following the receipt of the Letter of Intent from Bain Capital on December 3, 2024, the Special Committee proceeded with internal examinations and discussions. On December 11, 2024, the Special Committee asked Bain Capital in writing about the Company's issues, the assumed measures, and the structure of the Transactions stated in the Letter of Intent, and on the same day, the Special Committee received a written reply to the questions from Bain Capital. At the Special Committee meeting held on December 12, 2024, the Special Committee received explanations regarding the reply from Bain Capital and had a question-and-answer session in connection with this. In addition, based on the question-and-answer session, the Special Committee proceeded with internal examinations and discussions. On December 17, 2024, the Special Committee asked Bain Capital additional questions in writing, and on December 18, 2024, the Special Committee received a written reply to the questions from Bain Capital. Moreover, based on the reply, the Special Committee proceeded with internal examinations and discussions, and on December 24, 2024, the Special Committee asked Bain Capital additional questions in writing. On December 26, 2024, the Special Committee received a written reply to the questions from Bain Capital.

Furthermore, in parallel with the discussions and negotiations with Bain Capital, the Special Committee sought the opinions of ITOCHU and ANA Holdings. Specifically, in regard to ITOCHU, following the receipt of the Letter of Intent from Bain Capital on December 3, 2024, the Special Committee proceeded with internal examinations and discussions. On December 11, 2024, the Special Committee asked ITOCHU in writing about the necessity of the Transactions, the circumstances, background, and reasons leading to introducing Bain Capital to the Company, and the structure of the Transactions, and on December 18, 2024, the Special Committee received a written reply to the questions from ITOCHU. At the Special Committee meeting held on December 19, 2024, the Special Committee received

explanations regarding the reply from ITOCHU and had a question-and-answer session in connection therewith.. In regard to ANA Holdings, at the Special Committee meeting held on October 24, 2024, the Special Committee asked ANA Holdings about its intentions and concerns about the Transactions and whether any options were available other than the Transactions, received a reply to the questions from ANA Holdings, and had a question-and-answer session in connection therewith. Thereafter, following the receipt of the Letter of Intent from Bain Capital on December 3, 2024, the Special Committee proceeded with internal examinations and discussions. On December 12, 2024, the Special Committee asked ANA Holdings in writing about whether ANA Holdings would make a reinvestment after the Transactions and the reasons therefor, and the structure of the Transaction, and at the Special Committee meeting held on December 16, 2024, the Special Committee received explanations regarding the reply to the questions from ANA Holdings and had a question-and-answer session in connection therewith.

With respect to the Tender Offer Price, the Special Committee has had multiple discussions with Bain Capital since December 3, 2024. Specifically, the Special Committee multilaterally analyzed the Company's business, finance, and future plans based on the interim results of the due diligence on the Company conducted by Bain Capital. On December 3, 2024, on the condition that the Company does not pay a year-end dividend for the fiscal year ending March 2025, the Special Committee received the Letter of Intent including a proposal stating that the Tender Offer Price will be JPY1,643 (the price includes a premium of 18.97% on the closing price of JPY1,381 of the Company Shares on the TSE Prime Market on December 2, 2024 (i.e., the business day immediately preceding the date of proposal)). However, on December 10, 2024, the Special Committee requested a review of the proposal because the proposed price did not fully reflect the Company's corporate value and was difficult to be deemed to have reached a level at which the Company would be able to recommend that its minority shareholders tender their shares in the Tender Offer. Upon receipt of this reply, on December 18, 2024, the Special Committee received a proposal for the Transactions including the Tender Offer Price of JPY1,660 (the price includes a premium of 12.77% on the closing price of JPY1,472 of the Company Shares on the TSE Prime Market on December 17, 2024 (i.e., the business day immediately preceding the date of proposal)). However, on December 20, 2024, the Special Committee requested a review concerning an increase in the Tender Offer Price because the premium level to the most recent share price is also insufficient compared to similar cases and the proposed price did not fully reflect the Company's corporate value and was difficult to be deemed to have reached a level at which the Company would be able to recommend that its minority shareholders tender their shares in the Tender Offer.

Thereafter, on December 25, 2024, the Special Committee received a proposal stating that the Tender Offer Price will be JPY1,710 (the price includes a premium of 15.38% on the closing price of JPY1,482 of the Company Shares on the TSE Prime Market on December 24, 2024 (i.e., the business day immediately preceding the date of proposal)). However, on December 25, 2024, the Special Committee requested that the Tender Offer Price be significantly increased and that the various conditions, including the structure, be reviewed because the proposed price did not fully reflect the Company's corporate value and it is possible to significantly increase the Tender Offer Price by changing to a structure in which ITOCHU does not tender their shares in the Tender Offer and instead obtains the tax benefits of a deemed dividend. Upon receipt of this, on January 8, 2025, the Special Committee received a proposal from Bain Capital stating that it will change the structure to make it so that some of the shares owned by ITOCHU will not be tendered in the Tender Offer and that the Tender Offer Price will be JPY1,800 (the price includes a premium of 21.79% on the closing price of JPY1,478 of the Company Shares on the TSE Prime Market on January 7, 2025 (i.e., the business day immediately preceding the date of proposal)). On January 10, 2025, the Special Committee determined that the Tender Offer Price has reached a level at which the Special Committee would be able to recommend that the Company's shareholders tender their shares in the Tender Offer, and an agreement between Bain Capital and the Special Committee was reached. For detail of the decision of the Special Committee, please see "(I) Establishment of Independent Special Committee by the Company and Obtainment of Report from the Special Committee" in "(6) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest and Other Measures to Ensure Fairness of the Tender Offer" below.

In the process of the examinations and negotiations above, the Special Committee exchanged opinions with the Company and the Company's advisors as needed and made confirmations and approvals as necessary. Specifically, with respect to the business plan of the Company, which has been presented to Bain Capital and used by Daiwa Securities as the basis for the valuation of the Company Shares, the Company obtained the prior confirmation and approval of the Special Committee for the reasonableness of the contents, material preconditions, and preparation background of the business plan of the Company. In addition, the Company's financial advisor, Daiwa Securities, had negotiations with Bain Capital in accordance with the negotiation policy that was deliberated and determined in advance by the Special Committee. Every time Daiwa Securities received a proposal for the Tender Offer Price from Bain Capital, Daiwa Securities immediately submitted a report to the Special Committee and made responses to Bain Capital in accordance with the opinions, instructions, requests from the Special Committee on the policy for negotiation with Bain Capital and other matters.

Subsequently, on January 10, 2025, the Company received a report from the Special Committee (the "Report") (for an overview of the Report, please see "(I) Establishment of Independent Special Committee by the Company and Obtainment of Report from the Special Committee" in "(6) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest and Other Measures to Ensure Fairness of the Tender Offer" below.).

(iii) Details of Determination

Based on the background above, at the Company's Board of Directors meeting held today, the Company carefully discussed and examined as to whether the Transactions, including the Tender Offer, would contribute to the enhancement of the Company's corporate value and whether the terms and conditions of the Transactions, including the Tender Offer Price, were reasonable, taking into account the legal advice provided by Mori Hamada & Matsumoto, advice from Daiwa Securities from a financial perspective, and the contents of the share valuation report regarding the Company Shares submitted by Daiwa Securities on January 10, 2025 (the "Share Valuation Report") with the utmost respect for the judgment of the Special Committee expressed in the Report.

Consequently, as stated below, the Company determined that the privatization of the Company through the Transactions, including the Tender Offer by the Tender Offeror would contribute to the enhancement of the Company's corporate value.

As described in "(i) Management Environment Surrounding the Company" in "(II) Background, Purpose and Decision-making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer and Management Policies after the Tender Offer" above, in the business environment surrounding the Company Group, the Company Group will make efforts to strengthen its capabilities to meet demands in order to respond to the rapid recovery in air passenger demand due to the end of the COVID-19 pandemic, and will aim to recover its financial basis that was damaged at the time of the COVID-19 pandemic; at the same time, in addition to the above-mentioned efforts stated in the Company Mid-term Management Plan, the Company Group needs to promptly respond to the issues that already existed, such as responses to the shortage of human resources, strengthening of the internal control system, optimization of inventory management, minimization of effects of the prolonged lead time of parts on the production deadline, and improvement in cash flow.

The Company understands that while fundamental structural reform will allow the Company to accelerate the efforts stated in the Company Mid-term Management Plan and its responses to the management issues mentioned above, in the current situation in which the Company is listed and has minority shareholders, there is a certain limitation on expeditious utilization of management resources and flexible and speedy decision-making with a view toward protecting the interests of the Company's minority shareholders. However, the Company believes that by the Company going private through the Transactions, the Company will be able to engage in efforts from a mid- to long-term perspective and achieve expeditious decision-making without such limitations or adhering to short-term results. The Company also believes that the Company will be able to allocate its management resources concerning

responses to shareholders, such as the listing maintenance expenses that would arise as long as the Company is a listed company, resources and expenses to respond to disclosures and audits under the Financial Instruments and Exchange Act, and IR expenses, etc., for investments. The Company believes that it will be able to implement various measures, including the efforts stated in the Company Mid-term Management Plan and responses to management issues, by utilizing the management know-how that Bain Capital has acquired through investments in investees in Japan and overseas, and in Showa Aircraft Industry, whose business areas are close to those of the Company, as well as experience in business reform support and the personnel and financial management resources that Bain Capital holds. In addition, as described in “(iii) Management Policy after the Tender Offer” in “(II) Background, Purpose and Decision-making Process Leading to the Tender Offeror’s Decision to Conduct the Tender Offer and Management Policies after the Tender Offer,” after privatizing the Company through the Transactions, in light of its past investments and experience, Bain Capital will provide the Company with support measures for maximizing the Company’s corporate value through hands-on management support based on its extensive experience, strengthen human resources and organizational infrastructure to support the Company’s existing management for long-term growth, and M&A and PMI support. The Company believes that with such support, the Company will be able to realize growth that it could not achieve by itself. The Company decided that going private through the Transactions and collaborating with Bain Capital will allow the Company to implement the measures as stated in (a) to (c) below and will contribute to enhancement of the Company’s corporate value.

- (a) Achievement of financial stability that will allow capital expenditure to realize growth of the existing business, and promotion of financial transparency as the previous step thereof

Bain Capital believes that in order to improve the Company’s financial leverage that has remained high, (i) refinancing on the condition that will not impede the Company’s growth through negotiations with financial institutions, (ii) reduction in interest-bearing debts through improvement in the capabilities to create cash flow, and (iii) improvement in EBITDA are necessary. The Company also believes that it is important to secure working capital and funds for capital expenditure to respond to expanding demands, and that if the Transactions are implemented, the Company will be able to take optimal fundraising means for the Company against a backdrop of Bain Capital’s creditworthiness.

In order to appropriately manage important figures and indices that are necessary for management decisions and business operations, Bain Capital plans to set necessary indices and establish a monitoring system therefor and thereby promote “financial transparency.” The Company also understands that its failure to appropriately manage these management indices due to a shortage of human resources and insufficient development of an internal control system is one of the material issues and believes that the Company will be able to resolve this issue by accepting the business management know-how and personnel who have a high level of expertise from Bain Capital.

- (b) Consideration, formulation, and promotion of the mid- to long-term growth strategies on a hands-on basis

As part of the Company’s mid- to long-term growth strategies, Bain Capital plans to implement various measures on a hands-on basis, such as further development of the interior products business, stable growth of the maintenance and equipment manufacturing business, expansion of the scale through M&As, cost management, improvement in productivity, improvement in profitability through a fundamental review of the seat business, achievement of efficiency of working capital through dissolution of retained inventories, etc.

Although the Company has already established a robust position regarding the interior products business, the Company expects there to be room for further growth by strengthening the capability to meet demands and the supply chains, strengthening the sales function aiming to expand the customer base and strengthening the aftermarket sales, such as refurbishment of the existing aircrafts and spare parts. The Company understands that achievement of efficiency of working capital through dissolution of accumulated inventories is one of the Company’s key management issues. However, the Company

understands that the acceptance of the business management know-how and personnel who have a high level of expertise from Bain Capital will contribute to resolution of these issues. In addition, the Company positions the maintenance and equipment manufacturing business as its core business. The Company believes that it is necessary to increase the number of orders to be received and strengthen its earning power by achieving the selection and concentration as well as reinforce its personnel and believes that the Company will be able to resolve this issue by accepting personnel who have a high level of expertise from Bain Capital. Furthermore, in the mid- to long-term, utilization of M&As is deemed to be effective, and the Company believes that it will be able to increase the determinacy of implementation of effective M&As by utilizing Bain Capital's M&A know-how, network of potential investees, etc.

Thus, the above-mentioned measures proposed by Bain Capital fit the Company's understanding of its current management environment, and the Company believes that it will be able to realize enhancement of its mid- to long-term corporate value by receiving management support from Bain Capital which has affluent support records in manufacturing business.

(c) Reinforcement of human resources that will enable (a) and (b) to be realized

In order to implement the measures mentioned in (a) and (b) above, it is urgent to reinforce human resources by bringing in people who have a high level of expertise. Bain Capital has a management personnel pool consisting of over 100 persons only in Japan, and its investee companies have employed many executive personnel. Bain Capital has also focused on reinforcement of not only executive personnel but also field-level personnel. Bain Capital plans to discuss the necessary positions and number of persons with the Company's officers and employees after the Transactions, and regarding necessary personnel, Bain Capital plans to employ external personnel utilizing its worldwide network and utilize external consulting firms. As stated above, the Company has many management issues, and human resources are necessary for each of those measures. The Company believes that it will be able to resolve the management issues and inject human resources for further growth by receiving various dispatched personnel and know-how regarding recruitment of personnel, education, and improvement in productivity from Bain Capital.

Generally, the disadvantages of privatization of shares include an impact on business partners or other stakeholders and a decline in the motivation of employees or unstable recruitment of personnel due to a decline in the name recognition and brand power as a listed company, as well as an inability to raise funds from capital markets. However, since the Company engages in B to B business and its name recognition and brand power have largely been obtained and maintained through its business activities, the privatization of the Company will have no material impact on them, and rather, after implementation of the Transactions, the Company will be able to recruit personnel utilizing Bain Capital's network. In regard to raising funds from capital markets, through the Transactions, the Company will be able to utilize optimal fund raising means, as necessary, against a backdrop of Bain Capital's creditworthiness. Therefore, the Company believes that the disadvantages of the Company going private through the Transactions will be limited. In addition, the Company examined the impact on the corporate value of ITOCHU, which is the largest shareholder of the Company (as of September 30, 2024), and ANA Holdings, which is the second largest shareholder of the Company (as of September 30, 2024), ceasing to be shareholders of the Company through the Transactions and the Acquisition of Own Stock. However, since the Company understands that there is no business relationship standing on the premise that these shareholders own the Company Shares based on the opinions obtained from both companies' shareholders and that there is no concern about the continuation of business transactions after the privatization of the Company, there is no risk that the Company's corporate value will be damaged in connection with the privatization of the Company.

Furthermore, the Company has examined a method of capital increase through public offering or capital increase through third-party allotment as a measure to enhance its corporate value, including improvement in its financial standing, as an alternative option to the Transactions. However, the Company decided not to utilize the method of capital increase through public offering or capital increase

through third-party allotment for the following reasons: (i) these methods will cause a dilution in the Company Shares and may impair the interests of the Company's existing shareholders; (ii) since these methods are based on the premise that the Company will remain listed, it will be difficult to implement fundamental structural reform while protecting the interests of the Company's minority shareholders compared to the Transactions, which are based on the privatization of the Company; and (iii) if these methods are used, the intentions of ITOCHU, which is the largest shareholder of the Company, and ANA Holdings, which is the second largest shareholder of the Company, will be important, but ITOCHU and ANA Holdings support the Transactions.

In addition, in light of the following points, the Company determined that the Tender Offer Price and other terms and conditions of the Tender Offer are reasonable and that the Tender Offer provides the Company's minority shareholders with the opportunity to sell the Company Shares at the price with reasonable premiums and under reasonable terms and conditions:

- i. With regard to the value of the Company Shares as calculated by Daiwa Securities stated in “(3) Matters Concerning Calculation” below, the Tender Offer Price is greater than the the upper limit of the range of the valuation results using the average market share price method and within the range of the valuation results using the discount cash flow method (the “DCF Method”);
- ii. The price includes a premium of 26.67% on the closing price of JPY1,421 of the Company Shares on the TSE Prime Market on January 10, 2025 (i.e., the business day immediately preceding the date of announcement of the Tender Offer (today)), a premium of 21.46% on the simple average closing price of JPY1,482 (rounded to the nearest whole number; the same shall apply hereinafter in the calculation of the simple average closing price) for the past month to the same date (from December 11, 2024 to January 10, 2025), a premium of 32.35% on the simple average closing price of JPY1,360 for the past three months to the same date (from October 11, 2024 to January 10, 2025), and a premium of 32.26% on the simple average closing price of JPY1,361 for the past six months to the same date (from July 11, 2024 to January 10, 2025), respectively, and it is recognized that an appropriate premium has been added to the Tender Offer Price in comparison with similar cases. Specifically, in general, a stock with high P/B ratio tends to have a low premium to the market price in a tender offer or M&A transaction, because its corporate value is already highly evaluated in the stock market. As of September 30, 2024, the Company's P/B ratio is approximately 2.6. Of the tender offers for the purpose of going private announced after the publication of the M&A Guidelines on June 28, 2019, and for which the tender offer was completed by December 25, 2024, the premium ratio in the 26 cases where the target company's P/B ratio was 2.5 or greater was 10-20% or 20-30% to the closing price on the reference date in five cases, 20-30% to the simple average closing price for the immediately preceding one-month period in nine cases, 20-30% to the simple average closing price for the immediately preceding three-month period in seven cases, and 20-30% to the simple average closing price for the immediately preceding six-month period in six cases, which was the modal value. The Tender Offer Price represents a premium of 20-30% to the closing price on the last business day before the scheduled announcement date and the simple average closing price for the immediately preceding one-month period, and a premium of 30-40% to the simple average closing prices for the immediately preceding three-month and six-month periods, which is greater than the respective modal values. Therefore, a reasonable premium has been provided in comparison to transactions similar to this one;
- iii. The measures to ensure the fairness of the Tender Offer stated in “(6) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest and Other Measures to Ensure Fairness of the Tender Offer” below have been taken, and the interests of the minority shareholders have been found to be ensured; and

- iv. The Report obtained from the Special Committee also determined that the Tender Offer Price and other terms and conditions of the Tender Offer have been found to be reasonable, as stated in “(I) Establishment of Independent Special Committee by the Company and Obtainment of Report from the Special Committee” in “(6) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest and Other Measures to Ensure Fairness of the Tender Offer” below.

In light of the above, the Company has adopted a resolution at the meeting of its Board of Directors held today to express an opinion in support of the Tender Offer and to recommend that the Company’s shareholders tender their shares in the Tender Offer.

Moreover, the Tender Offer is scheduled to be promptly commenced if the Tender Offer Preconditions are satisfied or waived by the Tender Offeror. As of today, although it is difficult to accurately predict the length of time required for procedures and actions with the authorities supervising the procedures for the Clearances, the Tender Offeror aims to commence the Tender Offer by mid-February 2025. Accordingly, at the above-mentioned meeting of its Board of Directors, the Company has also adopted a resolution to the effect that upon the commencement of the Tender Offer, the Company will ask the Special Committee about whether or not there are any changes in the Special Committee’s opinions represented to the Company’s Board of Directors as of January 10, 2024, and will request that if there are no changes, the Special Committee state to that effect to the Company’s Board of Directors, and that if there are any changes, the Special Committee state its new opinions to the Company’s Board of Directors, and that based on such opinions, the Company will express its opinion on the Tender Offer again at the time of commencement of the Tender Offer.

For the method of resolution at the above-mentioned meeting of Company’s Board of Directors, please see “(V) Approval of All Directors of the Company without Conflicts of Interest and No Objection Opinion of All Audit & Supervisory Board Members of the Company without Conflicts of Interest” in “(6) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest and Other Measures to Ensure Fairness of the Tender Offer” below.

(3) Matters Concerning Calculation

(I) Name of Calculation Agent and Relationship with the Company and the Tender Offeror

When expressing its opinion on the Tender Offer, in order to ensure the fairness of the decision-making process regarding the Tender Offer Price presented by Bain Capital, the Company requested Daiwa Securities, its financial advisor and third-party calculation agent that is independent of the Tender Offeror, ITOCHU, ANA Holdings, Showa Aircraft Industry, and the Company, to calculate the value of the Company Shares and obtained the Share Valuation Report on January 10, 2025. Daiwa Securities is not a related party of the Tender Offeror, ITOCHU, ANA Holdings, Showa Aircraft Industry, or the Company and does not have any material interest in the Transactions. Additionally, taking into consideration the other measures to ensure fairness of the Tender Offer Price and measures to avoid conflicts of interest that are being taken in connection with the Transactions (for specific details, please see “(6) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest and Other Measures to Ensure Fairness of the Tender Offer” below), the Company believes that interests of the Company’s minority shareholders have been adequately considered and therefore has not obtained an opinion from Daiwa Securities regarding the fairness of the Tender Offer Price (i.e. fairness opinion). The remuneration of Daiwa Securities includes a contingency fee to be paid on the condition such as that the Transactions are consummated. Taking into consideration the general practice in similar transactions and the fact that the remuneration system would impose an adequate monetary burden on the Company even if the Transactions are not consummated, the Company has determined that the inclusion of such contingency fee does not mean Daiwa Securities having material interests that are different from those of the minority shareholders in the success or unsuccess of consummation of the Transaction or negate the independence of Daiwa Securities. Accordingly, the Company appointed

Daiwa Securities as its financial advisor and third-party calculation agent in accordance with the above-mentioned remuneration system.

(ii) Summary of Calculation

Daiwa Securities considered several calculation methods in selecting the calculation method to be adopted in calculating the value of the Company Shares, and based on the concept that a multifaceted evaluation would be appropriate given the value of the Company Shares, on the assumption that the Company is a going concern, Daiwa Securities analyzed the per share value of the Company Shares using the average market share price method to take into account the trends of the market share price of the Company, and the DCF Method to reflect the details and forecast of the Company's business results in the evaluation, as the calculation method. On January 10, 2025, the Company obtained the Share Valuation Report from Daiwa Securities.

The ranges of the per share value of the Company Shares calculated based on each of the above methods are as follows:

Average market share price method:	JPY1,360 – JPY1,482
DCF Method:	JPY1,342 – JPY2,447

Under the average market share price method, using January 10, 2025 as the calculation base date, the range of the per share value of the Company Shares was calculated to be JPY1,360 to JPY1,482 based on the closing price of the Company Shares on the TSE Prime Market on the base date (JPY1,421), the simple average closing price (JPY1,482) for the last one month (from December 11, 2024 to January 10, 2025), the simple average closing price (JPY1,360) for the last three months (from October 11, 2024 to January 10, 2025), and the simple average closing price (JPY1,361) for the last six months (from July 11, 2024 to January 10, 2025).

Under the DCF Method, based on the business plan prepared by the Company, the Company's corporate value and share value were calculated by discounting the free cash flows that the Company is expected to generate in and after the third quarter of the fiscal year ending March 2025 to the present value using a certain discount rate, based on the earnings and investment plans in the business plan for five fiscal years from the fiscal year ending March 2025 to the fiscal year ending March 2029, publicly available information, and other various factors. Thus, the range of the per share value of the Company Shares was calculated to be JPY1,342 to JPY2,447.

The Company's financial forecast which Daiwa Securities used for the calculation using the DCF Method includes fiscal years in which a significant increase in profit is expected to occur. Specifically, for the fiscal year ending March 2026, a significant increase in consolidated operating profit of approximately 12 billion yen, which is an increase of approximately 108% compared to the previous fiscal year, is expected. The main reason for this is that since aircraft manufacturers plan to increase the number of aircrafts to be newly manufactured and demands for refurbishment of the existing aircrafts operated by airlines are increasing in connection with the recovery of air passenger demand, the Company expects an improvement in its profitability by concentrating its resources into the aircraft interior product business, which is the Company's core business, and focusing on strengthening sales promotion of spare parts, which are quite profitable in that business. Moreover, as the Company's financial forecast which Daiwa Securities used for the calculation using the DCF Method has applied a certain adjustment to the "Consolidated Financial Results for the Fiscal Year 2023 Ended March 31, 2024 [Japanese GAAP] published on May 10, 2024 (the "Company Financial Results"), taking into account the recent changes in the business environment, the business forecast for the Fiscal Year 2024 Ending March 31, 2025 in the Company's financial forecast contains numerical targets which differ from the Company Financial Results. However, the reasonability of the content, material conditions precedent, and preparation background of the Company's business plan, including such difference, have been confirmed in advance and then approved by the Special Committee. For details, please see "(I) Establishment of Independent Special Committee by the Company and Obtainment of Report from the

Special Committee” in “(6) Measures to Ensure Fairness of Tender Offer Price, Measures to Avoid Conflicts of Interest and Other Measures to Ensure Fairness of the Tender Offer” below.

In the business plan prepared by the Company, which Daiwa Securities used for the calculation using the DCF Method, synergy effects expected to be realized through implementation of the Transactions have not been taken into account because it is difficult to make a definite estimation of those effects at this time.

Daiwa Securities has calculated the share value of the Company Shares using publicly available information, information provided by the Company, information disclosed to the public, etc. as it is, in principle, on the assumption that all of such materials and information are accurate and complete and Daiwa Securities has not independently verified their accuracy or completeness. Moreover, the assets or liabilities (including off-balance-sheet assets and liabilities and other contingent liabilities) of the Company and its affiliates have not been independently evaluated or assessed, and Daiwa Securities has not requested any third-party institution to make any appraisal or assessment. In addition, it is assumed that information regarding the Company’s financial forecast has been rationally prepared based on the best estimates and judgment made by the Company available as of the end of September 2024.

(4) Likelihood of and Reasons for Delisting

As of today, the Company Shares are listed on the TSE Prime Market. However, since the Tender Offeror has not set the maximum planned purchase quantity in the Tender Offer, depending on the result of the Tender Offer, the Company Shares may be delisted through prescribed procedures in accordance with the delisting standards of the TSE. In addition, even if the Company Shares do not fall under the delisting standards at the time of consummation of the Tender Offer, as the Tender Offeror plans to implement the Squeeze Out Procedures in “(5) Policy for Organizational Restructuring, Etc. after the Tender Offer (Matters Concerning the “Two-Step Acquisition”)” after the consummation of the Tender Offer, the Company Shares will be delisted through prescribed procedures in accordance with the delisting standards of the TSE. It will not be possible to trade the Company Shares on the TSE Prime Market after the delisting.

(5) Policy for Organizational Restructuring, Etc. after the Tender Offer (Matters Concerning the “Two-Step Acquisition”)

As stated in “(I) Overview of the Tender Offer” in “(2) Basis and Reason for Opinion on the Tender Offer” above, the Tender Offeror plans to implement the Squeeze Out Procedures in the following manner after the consummation of the Tender Offer if the Tender Offeror fails to acquire all of the Company Shares (excluding, however, the Shares Agreed Not to Be Tendered and the treasury shares held by the Company) in the Tender Offer.

Specifically, promptly after the completion of the settlement of the Tender Offer, , the Tender Offeror will request the Company to hold an extraordinary shareholders meeting (the “Extraordinary Shareholders Meeting”) that includes in its agenda a proposal to consolidate the Company Shares in accordance with Article 180 of the Companies Act promptly after the completion of the settlement of the Tender Offer (the “Consolidation of Shares”) and, on the condition of the effectuation of the Consolidation of Shares, a proposal to partially amend the Articles of Incorporation to abolish the provisions regarding share units. The Tender Offeror and the Shareholders Agreeing Not to Tender Shares intend to vote in favor of the above proposals at the Extraordinary Shareholders Meeting.

If the proposal for the Consolidation of Shares is approved at the Extraordinary Shareholders Meeting, on the effective date of the Consolidation of Shares, the shareholders of the Company will own the number of Company Shares corresponding to the ratio of the Consolidation of Shares approved at the Extraordinary Shareholders Meeting. If a fraction of less than one share arises due to the Consolidation of Shares, the Company’s shareholders who hold fractional shares will receive the amount of money that would be obtained by selling to the Company or the Tender Offeror the Company Shares equivalent

to the total number of such fractional shares (if the total number includes a fraction of less than one share, such fraction shall be rounded down; the same shall apply hereinafter) in accordance with the procedures under Article 235 of the Companies Act and other relevant laws and regulations. With respect to the sale price of the Company Shares equivalent to the total number of such fractional shares, the Tender Offeror intends to request the Company to file a petition with the court for permission of voluntary sale after calculating the amount of money to be paid to the Company's shareholders who did not tender their Company Shares in the Tender Offer (excluding the Tender Offeror, the Shareholders Agreeing Not to Tender Shares, and the Company) as a result of the sale so that it will be equal to the Tender Offer Price multiplied by the number of Company Shares owned by such shareholders. The ratio of the Consolidation of Shares has not yet been determined as of today, but the Tender Offeror plans to request the Company to set the ratio so that the number of Company Shares owned by the shareholders who did not tender their Company Shares in the Tender Offer (excluding the Tender Offeror, the Shareholders Agreeing Not to Tender Shares, and the Company) will be a fraction of less than one share so that the Tender Offeror and the Shareholders Agreeing Not to Tender Shares will be able to own all of the Company Shares (excluding the treasury shares owned by the Company). The Company intends to comply with these requests by the Tender Offeror upon consummation of the Tender Offer. However, if, after the Tender Offer, there is a shareholder (other than the Tender Offeror) which owns the Company Shares in a number equal to or more than the number of the Company Shares owned by any of the Shareholders Agreeing Not to Tender Shares or such shareholder is expected to exist, the Tender Offeror will take the necessary measures to realize the capital relationship described in "III. After Squeeze Out Procedures" in "(I) Overview of the Tender Offer" in "(2) Basis and Reason for Opinion on the Tender Offer" above after discussions with the Shareholders Agreeing Not to Tender Shares.

As a provision under the Companies Act that aims to protect the rights of minority shareholders in relation to the Consolidation of Shares, if a fraction of less than one share arises due to the Consolidation of Shares, the Company's shareholders (excluding the Tender Offeror, the Shareholders Agreeing Not to Tender Shares, and the Company) may, in accordance with the provisions of Articles 182- 4 and 182- 5 of the Company Act and other relevant laws and regulations, demand that the Company purchase all of the fractional shares they own at a fair price and may file a petition with the court to determine the price of the Company Shares.

As described above, in the event of a Consolidation of Shares, the number of Company Shares owned by the Company's shareholders who did not tender their Company Shares in the Tender Offer (excluding the Tender Offeror, the Shareholders Agreeing Not to Tender Shares, and the Company) will be a fraction of less than one share so the Company's shareholders who oppose to the Consolidation of Shares (excluding the Tender Offeror, the Shareholders Agreeing Not to Tender Shares, and the Company) will be able to file the above petition. If the abovementioned petition is filed, the purchase price of the Company Shares will be ultimately determined by the court.

The method and timing of implementation of the abovementioned procedures are subject to change depending on the status of revision, enforcement, interpretation by the authorities or other circumstance with respect to relevant laws and regulations. However, even in such case, the Company intends to adopt a method wherein the Company's shareholders who did not tender their Company Shares in the Tender Offer (excluding the Tender Offeror, the Shareholders Agreeing Not to Tender Shares, and the Company) will ultimately be paid and the amount of money to be paid to each such shareholder in such case will be calculated so that it will be equal to the Tender Offer Price multiplied by the number of Company Shares owned by each such shareholder.

The specific procedures in the above cases, the timing of their implementation and other relevant matters will be promptly announced by the Company as soon as they are determined upon consultation with the Tender Offeror. The Tender Offer is in no way intended to solicit the approval of the Company's shareholders at the Extraordinary Shareholders Meeting. Additionally, the Company's shareholders should consult their certified public tax accountants or other experts at their own responsibility with respect to the tax treatment when they tender their Company Shares in the Tender Offer or take the abovementioned procedures.

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

As of today, the Company is not the Tender Offeror's subsidiary, and the Tender Offer does not fall under the category of a tender offer conducted by the controlling shareholder; however, (a) as of today, ITOCHU, ANA Holdings, and Showa Aircraft Industry hold 8,956,500 shares (ownership ratio: 33.35%), 5,373,200 shares (ownership ratio: 20.01%), and 2,003,200 shares (ownership ratio: 7.46%) of the Company Shares, respectively, and the total of the Company Shares held by ITOCHU, ANA Holdings, and Showa Aircraft Industry is 16,332,900 shares (ownership ratio: 60.82%); (b) one director of the Company (Mr. Yu Takahashi) concurrently serves as an officer of ITOCHU, three directors of the Company (Mr. Toshiyuki Abe, Mr. Koichi Tsunematsu, and Mr. Juichi Watanabe) are from ITOCHU, one director of the Company (Ms. Yuki Tsuru) is an attorney-at-law belonging to a law firm with which ITOCHU has executed an advisory agreement, one director of the Company (Mr. Takashi Yonekura) is from ANA Holdings, and one director of the Company (Mr. Shigeru Harada) concurrently serves as an officer of All Nippon Airways Co., Ltd., a subsidiary of ANA Holdings; and (c) according to the Initial Letter of Intent, as of the submission date thereof, it was planned that (i) the Tender Offeror will enter into an agreement with ITOCHU, ANA Holdings, and Showa Aircraft Industry to the effect that ITOCHU, ANA Holdings, and Showa Aircraft Industry will not tender their shares in the Tender Offer, (ii) after consummation of the Tender Offer, the Company will implement the acquisition of own stock from ITOCHU and ANA Holdings, and (iii) after the Transactions, there is the possibility that ITOCHU and ANA Holdings will reinvest in the Tender Offeror; due to those reasons, taking into account the fact that the Transactions fall under the category of a transaction where both a structural conflict of interest issue and an asymmetric information issue exist in a similar manner, from the perspective of addressing those issues and ensuring the fairness of the Transactions, the Company took the measures as described below. Among the descriptions below, those relating to the measures taken by the Tender Offeror are based on the explanations received from the Tender Offeror.

The total of the Shares Agreed to Be Tendered owned by ITOCHU (4,393,850 shares) (ownership ratio: 16.36%) and the Shares Agreed Not to Be Tendered owned by ITOCHU, ANA Holdings, and Showa Aircraft Industry (11,939,050 shares) (ownership ratio: 44.46%) is 16,332,900 shares (ownership ratio: 60.82%). Therefore, the Tender Offeror has not set the minimum planned purchase quantity corresponding to the "Majority of Minority" based on the idea that, if such minimum planned purchase quantity is set, there is the possibility that consummation of the Tender Offer may become precarious and may not contribute to the interests of the minority shareholders who wish to tender their shares in the Tender Offer. However, the Tender Offeror considers that due consideration is given to the interests of the minority shareholders of the Company since the Tender Offeror and the Company have respectively taken the following measures. The Company has made the same decision.

- (I) Establishment of Independent Special Committee by the Company and Obtainment of Report from the Special Committee
- (i) Background of Establishment, Etc.

As described in "(III) Decision-making Process Leading to the Company's Decision to Support the Tender Offer and Reason Therefor" in "(2) Basis and Reason for Opinion on the Tender Offer" above, taking into account the fact that the Transactions fall under the category of a transaction where both a structural conflict of interest issue and an asymmetric information issue exist in a similar manner, from the perspective of addressing those issues and ensuring the fairness of the Transactions, by resolutions at the Board of Directors meeting held on August 30, 2024, the Company established the Special Committee composed of three members: Mr. Shinichi Suzuki (independent outside director of the Company), Mr. Hitoshi Takahashi (independent outside audit & supervisory board member of the Company), and Mr. Shinsuke Matsumoto (attorney-at-law belonging to Nakamura, Tsunoda & Matsumoto), all of who have no interest in the Tender Offeror, ITOCHU, ANA Holdings, Showa Aircraft Industry, and Transactions. They have been appointed as members of the Special Committee for the

following reasons: Mr. Shinichi Suzuki has abundant experience and broad knowledge as a corporate manager, and he has a considerable degree of knowledge about the Company's business as an outside director of the Company; Mr. Hitoshi Takahashi is familiar with the Commercial Act, the Companies Act, the Financial Instruments and Exchange Act, and corporate legal affairs, he has broad knowledge both of legal theories and practice as a university professor, and he has a considerable degree of knowledge about the Company's business as an Outside Audit & Supervisory Board Member of the Company; and Mr. Shinsuke Matsumoto has professional knowledge and experience concerning M&As as an attorney-at-law. Among the directors of the Company, Mr. Yu Takahashi concurrently serves as an officer of ITOCHU; Mr. Toshiyuki Abe, Mr. Koichi Tsunematsu, and Mr. Juichi Watanabe are from ITOCHU; Ms. Yuki Tsuru is an attorney-at-law belonging to a law firm with which ITOCHU has executed an advisory agreement; Mr. Takashi Yonekura is from ANA Holdings; and Mr. Shigeru Harada concurrently serves as an officer of All Nippon Airways Co., Ltd., a subsidiary of ANA Holdings. Therefore, they did not participate in deliberations or resolutions at the above-mentioned meeting of the Board of Directors to avoid the possibility of conflict of interest, and they did not participate in discussions or negotiations with the Tender Offeror on the Company's behalf.

Furthermore, in order to ensure an effective resolution that satisfies the quorum under the Companies Act, at the Board of Directors meeting held on September 6, 2024, nine directors, including the above-mentioned seven directors who did not participate in deliberations or resolutions at the above-mentioned meeting of the Board of Directors, voted with regard to the proposal again, and they adopted resolutions by unanimous vote.

The members of the Special Committee appointed, from among themselves, Mr. Shinichi Suzuki as the chairman of the Special Committee. With regard to compensation for the members of the Special Committee, the compensation to be paid to Mr. Shinichi Suzuki and Mr. Hitoshi Takahashi only comprises a variable fee depending on the number of meetings and does not include a contingency fee payable subject to consummation of the Transactions. The compensation to be paid to Mr. Shinsuke Matsumoto is to be calculated by multiplying the working hours by the hourly rate and does not include a contingency fee payable subject to consummation of the Transactions.

Furthermore, the Company sought opinions on the Consultation Matters from the Special Committee. In establishing the Special Committee, the Company's Board of Directors adopted a resolution to the effect that (i) the decision by the Company's Board of Directors regarding the Transactions will be made with the utmost respect for the details of the decision by the Special Committee, including the approval or disapproval of the Tender Offer, and that (ii) if the Special Committee determines that the terms and conditions of the Transactions are not appropriate, the Company's Board of Directors will not approve the Transactions under those terms and conditions (including not agreeing to the Tender Offer); the Company's Board of Directors also adopted a resolution to grant to the Special Committee the authority to (i) negotiate the terms and conditions and other matters between Bain Capital and the Tender Offeror (including indirect negotiations through the Company's officers, employees, and advisors); (ii) appoint its own financial advisor or third-party calculation agent, and legal advisor as necessary in considering and making decisions concerning the Consultation Matters (costs will be borne by the Company in such case), or to nominate or approve (including ex post facto approval) financial, legal or other advisors of the Company (if the Special Committee determines that the Company's advisors are trustworthy persons from whom to seek professional advice, it may seek professional advice from the Company's advisors); (iii) request that persons deemed necessary by the Special Committee attend meetings of the Special Committee and seek explanations regarding necessary information; (iv) receive information where reasonably necessary for considering and making decisions on the Consultation Matters from the Company's officers and employees or other persons deemed necessary by the Special Committee; and (v) conduct other matters deemed necessary by the Special Committee when considering and making decisions on the Transactions.

(ii) Background of Consideration

The Special Committee met a total of 27 times between September 6, 2024 and January 10, 2025; in addition, it made reports, shared information, conducted deliberations, and made decisions through e-mails in between meetings as necessary to perform its duties concerning the Consultation Matters. Specifically, the Special Committee received explanations regarding the background leading to making a proposal for the Transactions, the purpose of the Transactions, the terms and conditions of the Transactions, etc. from Bain Capital, and it received explanations regarding the background leading to accepting the proposal for the Transactions, the purpose of the Transactions, the business environment, the business plan, etc. from the Company, and had a Q&A session regarding these points.

The Special Committee confirmed and approved the reasonableness of the contents, material preconditions, and preparation background of the business plan that would be presented to Bain Capital and the business plan that would be used as the basis for the valuation of the Company Shares by Daiwa Securities.

Furthermore, the Special Committee has received legal advice regarding the details of the measures to ensure the fairness of the Transactions and the measures to avoid conflicts of interest, and other matters related to the Transactions from Mori Hamada & Matsumoto, the legal advisor to the Company, given its independence and expertise. In addition, given the independence and expertise of Daiwa Securities, the financial advisor to the Company, the Special Committee received explanations from Daiwa Securities at the Company's request, and deliberated and considered the negotiation policy to receive a proposal for a higher price from the Tender Offeror. Every time the Company received a proposal for the Tender Offer Price from Bain Capital, the Special Committee timely received a report, received explanations from Daiwa Securities at the Company's request, stated its opinion to the effect that the Company should request that Bain Capital increase the Tender Offer Price multiple times, and deliberated and considered the negotiation policy with Bain Capital; thus, the Special Committee was substantially involved in the discussions and negotiations concerning the Tender Offer Price with Bain Capital.

As a result, on January 8, 2024, the Company received a proposal including the Tender Offer Price of JPY1,800 per share from the Tender Offeror, and consequently had the Tender Offer Price increase from JPY1,643, which was initially offered by the Tender Offeror, to JPY1,800.

In addition, the Special Committee received explanations regarding the details of the draft of this press release concerning the Tender Offer that was scheduled to be released by the Company from Daiwa Securities, and confirmed that sufficient information disclosure would be made.

(iii) Details of Determination

Through the above process, the Special Committee carefully discussed and deliberated the Consultation Matters based on the advice from a legal standpoint received from Mori Hamada & Matsumoto and the advice from a financial standpoint and Share Valuation Report received from Daiwa Securities as of January 10, 2025, and submitted to the Board of Directors a Report with the following general content, which represents the unanimous opinion of the Special Committee.

(a) Matters Stated in the Report

- i. The Special Committee believes that it is appropriate for the Board of Directors to adopt a resolution to support the Tender Offer and recommend that the shareholders of the Company tender their shares in the Tender Offer.
- ii. The Special Committee believes that the decision of the Board of Directors with respect to the

Transactions (the decision to support the Tender Offer and recommend that the shareholders of the Company tender their shares in the Tender Offer, and the decision to conduct the Squeeze-Out Procedures) is not disadvantageous to the minority shareholders of the Company.

(b) Analysis

i. Whether the Transactions are beneficial to the corporate value of the Company

(A) Business Environment Surrounding the Group

The Special Committee does not disagree with the Company's assessment of the business environment surrounding the Company Group stated in "(II) Background, Purpose and Decision-making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer and Management Policies after the Tender Offer" in "(2) Basis and Reason for Opinion on the Tender Offer" above.

(B) Analysis of Bain Capital's Proposal

With respect to Bain Capital's proposal for measures after the Transactions stated in "(III) Decision-making Process Leading to the Company's Decision to Support the Tender Offer and Reason Therefor" in "(2) Basis and Reason for Opinion on the Tender Offer" above, the Special Committee has examined the content of Bain Capital's proposal by sending questions to and receiving written answers from Bain Capital on multiple occasions, as well as receiving direct explanations from Bain Capital and conducting question-and-answer sessions, and has determined as follows.

First, while radical structural reform is a possible means for the Company to accelerate the achievement of the Company Mid-term Management Plan and address management challenges, the Special Committee believes that under the current circumstances, where the Company is listed and minority shareholders exist, the flexible use of management resources and the flexibility and speed of decision-making are limited to a certain extent from the perspective of the interests of the Company's minority shareholders. Therefore, the Special Committee believes that by going private through the Transactions, the Company will be able to speed up its initiatives and decision-making from a medium- to long-term perspective, not limited by short-term business performance, without being subject to such restrictions. In addition, the Company may allocate management resources related to shareholder relations, such as listing maintenance costs, resources and costs used to deal with disclosure and auditing under the Financial Instruments and Exchange Act, and investor relations costs, which are incurred as long as the Company is a listed company, to investment in its business.

In addition, the Special Committee believes that Bain Capital's accumulated management know-how from its investments in domestic and overseas targets (including in related fields, such as Showa Aircraft Industry) and experience in supporting business reforms, and the human, financial, and other management resources that Bain Capital possesses, will enable the Company to implement initiatives toward achieving the Company Mid-term Management Plan and to address management challenges.

In addition, after taking the Company private through the Transactions, Bain Capital plans to support measures to maximize the Company's corporate value by providing hands-on management support based on its extensive experience, developing human resources and strengthening organizational infrastructure to support existing management for long-term growth, and supporting M&A and PMI, based on its past investment experience. The Special Committee believes that this support will enable the Company to achieve growth that it could not achieve on its own.

The Company believes that taking it private through the Transactions to enable collaboration with Bain Capital will allow it to implement the following measures in order to enhance corporate value.

- (i) Promote financial soundness to enable capital investment to realize existing business growth, with financial visualization as a preliminary step

Bain Capital believes that in order to improve the Company's financial leverage, which remains high, it is necessary to (1) refinance existing debt through negotiations with financial institutions, (2) reduce interest-bearing debt by improving cash flow generation, and (3) improve EBITDA. The Company also considers it important to secure working capital and capital investment funds to meet growing demand, and the completion of the Transactions will provide the Company with an optimal means of financing backed by Bain Capital's credit. With regard to refinancing from financial institutions, the Company has received a proposal from Bain Capital on terms that do not impede its growth strategy, which it plans to discuss with financial institutions in the future.

In addition, Bain Capital plans to promote "financial visualization" by setting necessary indicators for which it will establish a monitoring system, in order to appropriately manage important figures and indicators necessary for management decisions and business operations. The Company is also aware that one of its key challenges is that these management indicators are not appropriately managed due to a lack of human resources and internal management systems. Bain Capital's business management expertise and highly specialized human resources will help to address this issue.

- (ii) Hands-on deliberation, formulation and implementation of medium- to long-term growth strategy

Bain Capital plans to implement, as part of the Company's medium- to long-term growth strategy, measures including: further deepening the interior products business; stable growth of the maintenance and equipment manufacturing business; scaling through M&A; cost control; productivity improvement; profitability improvement through a fundamental review of the seat business; and working capital efficiency improvement through the elimination of inventory backlogs.

Although the Company has already established a strong position in the interior products business, further growth is expected to be possible by strengthening the sales function to expand the customer base and increasing aftermarket sales such as retrofits and spare parts. In addition, the Company is aware of the urgent need to rebuild the sheet business, which is currently unprofitable, and considers improving working capital efficiency by eliminating inventory buildup to be one of its major management challenges. Bain Capital's management expertise and highly specialized human resources will help to address these issues. The maintenance and equipment manufacturing business is one of the Company's core businesses, and the Company believes that it is necessary to increase capacity and personnel in this business from a medium- to long-term perspective. M&A is an effective means of achieving this goal, and Bain Capital's M&A expertise, network of potential investment targets, and the like can be utilized to increase the probability of effective M&A transactions.

Each of the above measures proposed by Bain Capital is consistent with the Company's assessment of the business environment surrounding the Company Group stated in "(II) Background, Purpose and Decision-making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer and Management Policies after the Tender Offer" in "(2) Basis and Reason for Opinion on the Tender Offer" above, and the Company believes that it will be possible to improve medium- to long-term corporate value by receiving management support from Bain Capital, which has a wealth of experience in the manufacturing industry.

(iii) Recruitment of human resources to enable (i) and (ii) above

In order to implement the measures described in (i) and (ii) above, there is an urgent need to secure highly specialized human resources. Bain Capital has a pool of more than 100 management personnel in Japan alone, and has also hired many senior management personnel for portfolio companies in the past. They are also focused on enhancing human resources not only at the management level but also at the front lines. Bain Capital plans to discuss with the Company's officers and employees regarding the positions and numbers of personnel needed following the Transactions, and will not only dispatch its existing personnel to the Company, but also use its worldwide network for recruitment and leverage outside consultants and the like to meet the Company's staffing needs. As described in "(II) Background, Purpose and Decision-making Process Leading to the Tender Offeror's Decision to Conduct the Tender Offer and Management Policies after the Tender Offer" in "(2) Basis and Reason for Opinion on the Tender Offer" above, the Company faces many management challenges and requires human resources for all of its measures. Upon receiving personnel and expertise on recruiting, training, and productivity improvement from Bain Capital, the Company will be able to address these challenges and invest human resources for further growth.

(C) Analysis of the Disadvantages of Taking the Company Private through the Transactions

The Transactions are being conducted for the purpose of taking the Company private. Generally speaking, the disadvantages associated with taking a company private include the impact on partners and other stakeholders due to the loss of the name recognition and brand power of a listed company, a decline in employee motivation and recruitment difficulties, and loss of the ability to raise funds from the capital markets.

However, as the Company's business is B-to-B, its name recognition and brand power have been acquired and maintained through business activities, and thus will not be significantly affected by going private. On the contrary, following the execution of the Transactions, it will be possible to recruit personnel through Bain Capital's network, and regarding the loss of access to the capital markets, the Transactions will enable the Company to utilize Bain Capital's credit to raise funds in the most appropriate manner. Therefore, the Special Committee believes that the disadvantages to the Company of going private are limited.

The Special Committee also deliberated the impact on the corporate value of the Company due to ITOCHU and ANA Holdings ceasing to be shareholders of the Company as a result of the Transactions and the Acquisition of Own Stock, by sending questions to ITOCHU and ANA Holdings, to which it received written answers or direct explanations, and holding question-and-answer sessions with them.

Upon inquiring with the two shareholders about this point, the Special Committee was informed that the Company has no business relationship with those shareholders based on their ownership of the Company Shares and is aware of no particular concerns regarding the continuation of business transactions after the Company goes private. ITOCHU has stated that it will discuss in good faith how to handle the employees seconded from the Company, including setting a certain period of time for handover, and that it expects to maintain the current overseas sales agency agreement. ANA Holdings also stated that it would be open to discussions with the Company if there is a need for any of the employees seconded from the Company to stay on, and that it hopes to continue transactions related to the seat business and the maintenance business.

Therefore, the impact of ITOCHU and ANA Holdings ceasing to be shareholders of the Company is

expected to have a limited impact on the Company's corporate value.

(D) Summary

Based on the above, the Special Committee believes that taking the Company private through the Transactions will allow it to implement initiatives to achieve the Company Mid-term Management Plan and measures to address urgent management challenges with Bain Capital's support, and that the disadvantages to the Company of going private through the Transactions are limited. Therefore, the Special Committee believes that going private through the Transactions will help to enhance the Company's corporate value.

ii. Fairness of the procedures for the Transactions

In light of the following points, the Special Committee believes that fair procedures have been implemented from the perspective of the interests of the general shareholders, and that sufficient consideration has been given to the interests of the shareholders of the Company through fair procedures.

- (A) The Company has established the independent Special Committee, and the Special Committee has performed its function effectively.
- (B) The Company has obtained independent professional advice from outside experts (Mori Hamada & Matsumoto and Daiwa Securities).
- (C) The Company has obtained a share valuation report from Daiwa Securities, an independent, expert third-party appraiser, as the basis for its decisions with respect to the Transactions.
- (D) The Company has established a system that enables it to exclude interested officers and employees from the process of deliberation and negotiation of the Transactions to the extent possible, and to deliberate and negotiate the Transactions from a standpoint independent of any parties other than the Company that are connected to the Tender Offer.
- (E) The Company plans to enter into the Tender Offer Agreement with the Tender Offeror, and as stated in "(1) Tender Offer Agreement" in "4. Matters Related to Important Agreements Concerning the Tender Offer" below, the agreement in principle prohibits the Company from changing the resolution of the Board of Directors regarding the Expression of Opinion in Support until the end of the purchase period in the Tender Offer (the "Period") or making proposal and solicitations related to competing transactions to parties other than the Tender Offeror from the execution date of that agreement to the effective date of the Consolidation of Shares. However, if a Counter Tender Offer is commenced, and the Board of Directors of the Company has reasonably determined, based on a legal opinion from a lawyer, that it is reasonable to consider that maintaining the Expression of Opinion in Support despite the commencement of that Counter Tender Offer would be a breach of the directors' duty of care, and has received an opinion from the Special Committee to the effect that it would be appropriate to withdraw or modify the Expression of Opinion in Support, the Company may request to hold discussions with the Tender Offeror regarding changing the Tender Offer Price after disclosing the lawyer's legal opinion to the Tender Offeror. If the Tender Offeror does not change the Tender Offer Price to a price greater than the offer price of the Counter Tender Offer by the earlier of 10 business days after that request and the last day of the Period, an exception will be made. As such, there is no agreement, etc. that unduly restricts the ability of a competing tender offeror to make contact with the Company. According to Bain Capital, the Tender Offer

Period for the Tender Offer will be set at 20 business days, which is the minimum period required by law, but if the period from the advance notice of the Tender Offer to the commencement of the Tender Offer is included, the period will in substance be longer than the minimum period required by law (at least 30 business days). A so-called indirect market check has been conducted by publicly announcing the facts concerning the M&A and then conducting the M&A after creating an environment in which other potential acquirers can make counter-proposals after the public announcement. Although the Company did not conduct a so-called active market check to investigate or deliberate whether there were any potential acquirers in the market, it is not always desirable to conduct active market checks because of concerns about the disincentive to M&A and practical issues in terms of information management and the like. In addition, given that an indirect market check has been conducted with respect to the Transactions as described above, and that other sufficient measures to ensure fairness have been taken as described in (A) through (D) above and (G) and (H) below, the Special Committee believes that the mere fact that an active market check was not conducted does not reduce the fairness of the procedures in the Transactions.

- (F) Although a “majority of the minority” condition is not planned for the Transactions, the application of such a condition in the Tender Offer could result in the successful completion of the Tender Offer being obstructed by a relatively small number of shares, which would increase uncertainty as to whether the Tender Offer will successfully be completed and would not be beneficial to the interests of general shareholders who wish to tender their shares in the Tender Offer. In addition, given that other sufficient measures to ensure fairness have been taken as described in (A) through (E) above and (G) and (H) below, the Special Committee believes that the mere fact that no “majority of the minority” condition has been set does not reduce the fairness of the procedures in the Transactions.
- (G) There is a plan to ensure that general shareholders have an opportunity to make an appropriate decision regarding the Transactions based on sufficient information.
- (H) Practical measures desirable to eliminate coercion have been taken in the Transactions as set out in the “Fair M&A Guidelines” published by the Ministry of Economy, Trade and Industry on June 28, 2019.
- (I) Summary
In light of the above, the Special Committee believes that fair procedures have been implemented from the perspective of the interests of the general shareholders, and that sufficient consideration has been given to the interests of the shareholders of the Company through fair procedures, despite the absence of an active market check or “majority of the minority” condition in the Transactions, because other sufficient measures to ensure fairness have been taken.

iii. Appropriateness of the terms of the Transactions

The Special Committee believes that the terms of the Transactions concerning the method of acquisition and the type of consideration are reasonable as described in (A) below. In addition, the Special Committee believes that the Tender Offer Price and the consideration for the Squeeze-Out Procedures, which is set at the same amount, are reasonable as described in (B) below.

(A) Appropriateness of method of acquisition and type of consideration

As described in “(I) Overview of the Tender Offer” in “(2) Basis and Reason for Opinion on the Tender Offer” above, the Transactions will be conducted for the purpose of taking the Company private by conducting the Tender Offer at a price that includes a certain premium to the market price and, if the Tender Offer is successful, promptly implementing the Squeeze-Out Procedures by way of the Consolidation of Shares. This method of taking private through a share consolidation after a tender offer is a commonly used method for taking a listed company private. In the Transactions, it is anticipated that the Shareholders Agreeing Not to Tender Shares will not tender their shares in the Tender Offer and will sell the Shares Agreed Not to Be Tendered in the Acquisition of Own Stock after the Consolidation of Shares takes effect, such that the Tender Offeror will become the only shareholder of the Company. This is considered to be appropriate because it is contemplated in order to maximize the tender offer price and to ensure fairness among shareholders by setting the Own Stock Acquisition Price at an amount such that the amount of proceeds after the transaction if the Shareholders Agreeing Not to Tender Shares were to tender their shares in the Tender Offer is equivalent to the amount of post-tax proceeds if they sell in the Acquisition of Own Stock, taking into account that the Shareholders Agreeing Not to Tender Shares will be subject to the non-transfer pricing rules.

Therefore, the Special Committee believes that the method of acquisition used in the Transactions is reasonable.

With regard to the type of consideration used in the Transactions, as the Tender Offeror is an unlisted special purpose company established by Bain Capital, the Special Committee does not believe that it is in the interest of the general shareholders to use low-liquidity shares as consideration. The Special Committee therefore believes that it is reasonable to use money, rather than the shares of the Tender Offeror, as consideration.

Therefore, the Special Committee believes that the method of acquisition and the type of consideration are reasonable.

(B) Appropriateness of the acquisition price

(i) Rationality of the business plan of the Company used as the basis for the DCF analysis in the Share Valuation Report (the “Business Plan”)

As described below, there are no unreasonable aspects in the purpose or procedures for formulating the Business Plan, or the content of that plan.

- Although one officer and employee (General Manager of the Corporate Planning & Business Development Department) on secondment from ITOCHU, who is indispensable to the formulation of the Business Plan and the calculation of the corporate value of the Company based on the Business Plan, is involved with the approval of the Special Committee, no other interested officers or employees are involved in the Business Plan, and there are no unreasonable aspects in the formulation of the Business Plan.
- The Business Plan was formulated for the purpose of objectively and reasonably verifying the appropriateness of the terms of the Transactions.
- There are no unreasonable aspects in the content of the Business Plan.

(ii) Results of valuation by Daiwa Securities

There are no unreasonable aspects in the valuation methods or content of the Share Valuation Report, and the Special Committee determines the Share Valuation Report to be reliable as described below.

- The average market price analysis and the DCF Method used by Daiwa Securities are valuation methods that are commonly used in share valuation in transactions similar to the Transactions, and there are no unreasonable aspects in the reasons given by Daiwa Securities for using each valuation method.
- There are no unreasonable aspects in the content of the valuation by Daiwa Securities using average market price analysis and the DCF Method.
- The Tender Offer Price is greater than the upper limit of the valuation results based on average market price analysis in the Share Valuation Report, and is within the range of the valuation results based on the DCF Method.
- Daiwa Securities did not adopt the comparable company method, but this was due to the fact that Daiwa Securities determined that there were no listed companies that could be appropriately compared with the Company, and there are no unreasonable aspects in Daiwa Securities' explanation as to why it made that determination.

(iii) Premium analysis

The Tender Offer Price represents a premium of 26.67% to the closing price of the Company Shares on January 10, 2025, the business day immediately preceding the scheduled announcement of the notice of the Tender Offer, 21.46% to the simple average closing price of the Company Shares for the one-month period prior to January 10, 2025, 32.35% to the simple average closing price of the Company Shares for the three-month period prior to January 10, 2025, and 32.26% to the simple average closing price of the Company Shares for the six-month period prior to January 10, 2025.

In general, a stock with high P/B ratio tends to have a low premium to the market price in a tender offer or M&A transaction, because corporate value is already priced in by the market. As of September 30, 2024, the Company's P/B ratio is approximately 2.6. Of the tender offers for the purpose of going private announced after the publication of the M&A Guidelines on June 28, 2019, and for which the tender offer was completed by December 25, 2024, the premium ratio in the 26 cases where the target company's P/B ratio was 2.5 or greater (the "Similar Cases") was 10-20% or 20-30% to the closing price on the reference date in five cases, 20-30% to the simple average closing price for the immediately preceding one-month period in nine cases, 20-30% to the simple average closing price for the immediately preceding three-month period in seven cases, and 20-30% to the simple average closing price for the immediately preceding six-month period in six cases, which was the modal value.

The Tender Offer Price represents a premium of 20-30% to the closing price on the last business day before the scheduled announcement date and the simple average closing price for the immediately preceding one-month period, and a premium of 30-40% to the simple average closing prices for the immediately preceding three-month and six-month periods, which is greater than the respective modal values. Therefore, a reasonable premium has been provided in comparison to the Similar Cases.

(iv) Good-faith negotiations with the Tender Offeror

The Special Committee discussed and negotiated with the Tender Offeror regarding the terms of the Transactions, and ensured that good-faith negotiations with the Tender Offeror were conducted under circumstances in which reasonable efforts were made to conduct the Transactions on terms favorable to the general shareholders to the fullest extent possible – that is, circumstances substantively equivalent to an arm’s length transaction – and ultimately agreed to the Tender Offer Price.

(v) Summary

As described above, there are no unreasonable aspects in the purpose or procedures for formulating the Business Plan that was used as the basis for the DCF Method in the Share Valuation Report, or the content of that plan. There are no unreasonable aspects in the valuation methods or content of the valuation in the Share Valuation Report, and the Special Committee determines the Share Valuation Report to be reliable.

The Special Committee believes that the Tender Offer Price of JPY1,800 is appropriate, given that: it is greater than the upper limit of the valuation results based on the average market share price method in the Share Valuation Report, and is within the range of the valuation results based on the DCF Method; the Tender Offer Price represents a sufficient premium in comparison to the Similar Cases; and the agreement was reached after good-faith negotiations between the Tender Offeror and the Company in which circumstances substantively equivalent to an arm’s-length transaction were secured, including exceeding the highest market price of the Company Shares in the past one-year period (JPY1,661).

iv. Recommendation

The Special Committee believes that the Transactions contribute to enhancement of the corporate value of the Company as set out in i. above, that the Transactions are conducted through fair procedures in order to secure the interests of general shareholders as set out in ii. above, and that the method of acquisition and type of consideration in the Transactions are reasonable, and the Tender Offer Price is appropriate, as set out in iii. above. Therefore, the Special Committee believes that it is appropriate for the Company’s Board of Directors to express an opinion in support of the Tender Offer and recommend that the shareholders of the Company tender their shares in the Tender Offer.

v. Whether the decision of the Company’s Board of Directors with respect to the Transactions is disadvantageous to the minority shareholders of the Company

The Special Committee believes that the Transactions contribute to enhancement of the corporate value of the Company as set out in i. above, that the Transactions are conducted through fair procedures in order to secure the interests of general shareholders as set out in ii. above, and that with regard to the terms and conditions of the Transactions, the method of acquisition and type of consideration are reasonable, and the Tender Offer Price and the consideration for the Squeeze Out Procedures are appropriate, as set out in iii. above. As such, the Special Committee believes that decision of the Company’s Board of Directors with respect to the Transactions (the decision to express an opinion in support of the Tender Offer, to recommend that the shareholders of the Company tender their shares in the Tender Offer, and to conduct the Squeeze Out Procedures) is not disadvantageous to the minority shareholders of the Company.

(II) Obtainment of Share Valuation Report from Independent Third-Party Calculation Agent by the Company

As described in “(3) Matters Concerning Calculation” above, when deciding its opinion on the Tender Offer, the Company requested Daiwa Securities, its financial advisor and third-party calculation agent that is independent of the Tender Offeror, ITOCHU, ANA Holdings, Showa Aircraft Industry, and the Company, to calculate the value of the Company Shares and obtained the Share Valuation Report on January 10, 2025. Daiwa Securities is not a related party of the Tender Offeror, ITOCHU, ANA Holdings, Showa Aircraft Industry, or the Company and does not have any material interest in the Transactions. Furthermore, the Special Committee has approved Daiwa Securities as a financial advisor and third-party calculation agent of the Company because there were no problems with its independence and expertise, and the Special Committee confirmed that it would also be able to receive professional advice from Daiwa Securities as necessary.

(III) Advice Obtained from Independent Law Firm by the Company

As stated in “(III) Decision-making Process Leading to the Company’s Decision to Support the Tender Offer and Reason Therefor” in “(2) Basis and Reason for Opinion on the Tender Offer” above, the Company has appointed Mori Hamada & Matsumoto as its legal advisor independent of the Tender Offeror, ITOCHU, ANA Holdings, Showa Aircraft Industry, and the Company, as well as the Transactions, and it has received legal advice including advice on measures to be taken to ensure the fairness of procedures for the Transactions, various procedures for the Transactions, the Company’s method and process, etc. for making decisions in connection with the Transactions, and other matters to be noted in making decisions. Furthermore, after confirming that there are no problems with the independence, expertise, and records, etc., of Mori Hamada & Matsumoto, the Special Committee has approved the appointment. Mori Hamada & Matsumoto is not a related party of the Tender Offeror, ITOCHU, ANA Holdings, Showa Aircraft Industry, or the Company, and it has no material interest in the Transactions, including the Tender Offer. It is provided that the compensation to be paid to Mori Hamada & Matsumoto will be calculated by multiplying the working hours by the hourly rate, regardless of whether the Transactions are consummated, and this does not include a contingency fee payable subject to consummation of the Transactions.

(IV) Establishment of Independent Consideration System by the Company

As described in “(III) Decision-making Process Leading to the Company’s Decision to Support the Tender Offer and Reason Therefor” in “(2) Basis and Reason for Opinion on the Tender Offer” above, the Company has internally established a system for considering, negotiating, and making decisions on the Transactions independently of the Tender Offeror, ITOCHU, ANA Holdings, and Showa Aircraft Industry. Specifically, after receiving the Initial Letter of Intent from Bain Capital on August 8, 2024, the Company considered and established a project team to consider the Transactions (including preparation of a business plan that would serve as the basis of the valuation of the Company Shares) and hold discussions and negotiations with the Tender Offeror. Other than one officer and employee of the Company mentioned below who was involved in the preparation of the business plan with approval of the Company’s Board of Directors and the Special Committee, its members only consisted of the Company’s officers and employees, including a director of the Company (Mr. Toshikazu Kimura), who do not concurrently serve as an officer or employee of the Tender Offeror, ITOCHU, ANA Holdings, or Showa Aircraft Industry, or who have not had any position as an officer or employee of each of them in the past; and this practice continues.

Furthermore, at the Board of Directors meetings held on August 30, 2024 and September 6, 2024, based on the legal advice from Mori Hamada & Matsumoto, in considering, negotiating, and making decisions on the Transactions within the Company, as stated in “(i) Background of Establishment of Consideration System” of “(III) Decision-making Process Leading to the Company’s Decision to Support the Tender Offer and Reason Therefor” in “(2) Basis and Reason for Opinion on the Tender Offer,” the Company resolved that seven directors will only participate in the second-step deliberations and resolutions at the

Company's Board of Directors meetings to adopt an effective resolution that satisfies the quorum under the Companies Act and will not participate in any discussions or negotiations on the Transactions, as they are believed to have interests in the Transactions. Regarding the involvement of one officer and employee of the Company in the preparation of the Company's business plan to be submitted to the Tender Offeror in connection with the Transactions, while the officer and employee holds a general manager position in the Corporate Planning & Business Development Department of the Company and is familiar with quantitative consideration at the Company and thus is indispensable personnel for formulation of the Company's business plan and calculation of the Company's corporate value based thereon, the offer and employee is a secondee from ITOCHU. However, the involvement of the officer and employee only in the preparation of the Company's business plan has been approved at the Board of Directors meeting held on August 30, 2024 and at the Special Committee meeting held on September 6, 2024, on the condition that measures to ensure the fairness, such as establishment of an independent special committee, have been taken, the officer and employee will not be involved in negotiations with ITOCHU and will be involved only in the formulation of a business plan necessary for the negotiations, such business plan will be separately approved by the special committee, and there are no problems with the consideration system on the Transactions (including the scope and duties of the Company's officers and employees who are involved in considerations, negotiations, and decision-making on the Transactions) in terms of independence.

The Company has obtained approval from the Special Committee to the effect that there are no problems with the Company's consideration system (including the scope and duties of the Company's officers and employees who are involved in considerations, negotiations, and decision-making on the Transactions), including the above-mentioned practice, from the perspectives of independence and fairness.

(V) Approval of All Directors of the Company without Conflicts of Interest and No Objection Opinion of All Audit & Supervisory Board Members of the Company without Conflicts of Interest

Taking into account the legal advice received from Mori Hamada & Matsumoto, advice received from Daiwa Securities from a financial perspective, the Report obtained from the Special Committee, the details of the continuous discussions held multiple times with Bain Capital, and other relevant materials, the Company carefully discussed and considered whether the Transactions, including the Tender Offer by the Tender Offeror, would contribute to the enhancement of the Company's corporate value and whether the terms and conditions of the Transactions, including the Tender Offer Price, were reasonable. Consequently, as described in "(III) Decision-making Process Leading to the Company's Decision to Support the Tender Offer and Reason Therefor" in "(2) Basis and Reason for Opinion on the Tender Offer" above, the Company determined that the Transactions would contribute to the enhancement of the Company's corporate value and that the purpose of the Transactions was reasonable, and expressed its opinion in support of the Tender Offer. In addition, the Company determined that the terms and conditions of the Transactions (including the Tender Offer Price) were fair and reasonable because the results of the valuation of the Company Shares by Daiwa Securities were above the upper limit of the range of the valuation results using the market price method and within the range of the valuation results using the DCF Method and the measures to ensure the fairness of the Tender Offer have been taken; therefore, the Company adopted a resolution to recommend that the Company's shareholders tender their shares in the Tender Offer.

Furthermore, as described in "(III) Decision-making Process Leading to the Company's Decision to Support the Tender Offer and Reason Therefor" in "(2) Basis and Reason for Opinion on the Tender Offer" above, the Tender Offer is scheduled to be promptly commenced if the Tender Offer Preconditions are satisfied or waived by the Tender Offeror. As of today, it is difficult for the Tender Offeror to accurately predict the length of time required for procedures and actions taken with the authorities supervising the procedures concerning the Clearances; however, the Tender Offeror aims to commence the Tender Offer by mid-February 2025. Therefore, at the above-mentioned meeting of its Board of Directors, the Company has also adopted a resolution to the effect that upon the commencement of the Tender Offer, the Company will ask the Special Committee about whether or not there are any

changes in the Special Committee's opinions represented to the Company's Board of Directors as of January 10, 2025, and will request that if there are no changes, the Special Committee state to that effect to the Company's Board of Directors, and that if there are any changes, the Special Committee state its new opinions to the Company's Board of Directors, and that based on such opinions, the Company will express its opinion on the Tender Offer again at the time of commencement of the Tender Offer.

Among the directors of the Company, Mr. Yu Takahashi concurrently serves as an officer of ITOCHU; Mr. Toshiyuki Abe, Mr. Koichi Tsunematsu, and Mr. Juichi Watanabe are from ITOCHU; Ms. Yuki Tsuru is an attorney-at-law belonging to a law firm with which ITOCHU has executed an advisory agreement; Mr. Takashi Yonekura is from ANA Holdings; and Mr. Shigeru Harada concurrently serves as an officer of All Nippon Airways Co., Ltd., a subsidiary of ANA Holdings. Therefore, they did not participate in deliberations or resolutions at the above-mentioned meeting of the Board of Directors to avoid the possibility of a conflict of interest. In addition, at the above-mentioned meeting of the Board of Directors, all of the four Audit & Supervisory Board Members were present, and all of the attending Audit & Supervisory Board Members stated their opinion to the effect that they had no objection to the above-mentioned resolutions.

Furthermore, in order to ensure an effective resolution that satisfies the quorum under the Companies Act, nine directors, including the above-mentioned seven directors who did not participate in deliberations or resolutions at the above-mentioned meeting of the Board of Directors, voted with regard to the proposal again, and they adopted resolutions by unanimous vote. In addition, at the above-mentioned meeting of the Board of Directors, all of the four Audit & Supervisory Board Members were present, and all of the attending Audit & Supervisory Board Members stated their opinion to the effect that they did not object to the above-mentioned resolutions.

(VI) Measures to Ensure Opportunities for the Company's Shareholders to Appropriately Determine Whether to Tender Shares in the Tender Offer

As described in "(5) Policy for Organizational Restructuring, Etc. after the Tender Offer (Matters Concerning the "Two-Step Acquisition")" in "3. Contents, Basis of and Reason for Opinion on the Tender Offer" above, the Tender Offeror has clarified as follows: (i) the Tender Offeror plans that promptly after completion of the settlement of the Tender Offer, depending on the number of shares acquired by the Tender Offeror due to consummation of the Tender Offer, it will request that the Company hold the Extraordinary Shareholders Meeting that includes in its agenda a proposal to conduct the Consolidation of Shares and, on the condition of the effectuation of the Consolidation of Shares, a proposal to partially amend the Articles of Incorporation to abolish the provisions regarding share units, and the Tender Offeror will adopt no method that does not secure the right to request the purchase of shares or the right to request a price determination for the Company's shareholders; (ii) at the time of the Consolidation of Shares, the amount of money to be paid to the Company's shareholders as consideration will be calculated so that it will be equal to the Tender Offer Price multiplied by the number of Company Shares owned by such shareholders (excluding the Company and the Tender Offeror). Therefore, the Tender Offeror has secured opportunities for the Company's shareholders to appropriately determine whether to tender their shares in the Tender Offer, and it has given due consideration to prevent coercion from arising.

Furthermore, the Tender Offeror aims to commence the Tender Offer by mid-February 2025, and expects that approximately one month will be necessary before the commencement of the Tender Offer. Therefore, although the purchase period for the Tender Offer is set at 20 business days (which is the shortest period provided in laws and regulations), the Tender Offeror has given due consideration so that opportunities for the Company's shareholders to appropriately determine whether to tender their shares in the Tender Offer have been secured, and thereby plans to ensure the fairness of the Tender Offer Price.

In addition, as stated in "(1) Tender Offer Agreement" in "4. Matters Related to Important Agreements Concerning the Tender Offer" below, while the Tender Offer Agreement provides that the Company is, in principle, prohibited from changing the resolution of the Board of Directors pertaining to the Expression of Opinion in Support until the end of the Tender Offer Period; or making a proposal or

solicitation in connection with any Competing Transaction to any person other than the Tender Offeror during the period between the execution date of the Tender Offer Agreement and the effective date of the Consolidation of Shares, there are exceptions allowed if the Company may change the Expression of Opinion in Support in accordance with (a) of “(1) Tender Offer Agreement” in “4. Matters Related to Important Agreements Concerning the Tender Offer” below, and there is no agreement made that excessively limits any counter purchase proponent from contacting the Company so as not to hinder an opportunity for any counter purchase. Thereby, the Tender Offer Agreement takes a care of securing the fairness of the Tender Offer.

As stated in “(I) Establishment of Independent Special Committee by the Company and Obtainment of Report from the Special Committee” above, the Company has not conducted a proactive market check to investigate and evaluate whether there is any potential acquirer in the market. However, with respect to a proactive market check, concerns regarding its effect of inhibiting M&A and practical issues from the perspective of information management are pointed out, and it would not always be desirable to conduct a proactive market check. Moreover, in the Transactions, as stated above, it is found that an indirect market check has been conducted, and other measures to secure the fairness have been fully taken. In light of this, the Company believes that even though a proactive market check has not been conducted, this alone does not impair the fairness of the procedures in the Transactions.

4. Matters Related to Important Agreements Concerning the Tender Offer

(1) Tender Offer Agreement

The Tender Offeror and the Company have entered into the Tender Offer Agreement as of today to conduct the Tender Offer. Under the Tender Offer Agreement, on the condition that a positive report was submitted by the Special Committee regarding the Board of Directors expressing its opinion that it is in support of the Tender Offer and it recommends that the Company’s shareholders tender their shares in the Tender Offer, and that the report has not been withdrawn or changed, the Company shall make a resolution of the Board of Directors to express its opinion that it is in support of the Tender Offer and it recommends that the Company’s shareholders tender their shares in the Tender Offer (“Expression of Opinion in Support”). In the Tender Offer Agreement, the Tender Offeror and the Company have agreed on the matters below.

- (a) Until the end of the Tender Offer Period, the Company shall not change the resolution of the Board of Directors pertaining to the Expression of Opinion in Support or make any resolution of the Board of Directors that conflicts with such resolution. However, if, after the execution of the Tender Offer Agreement and until the last day of the Tender Offer Period, without the Company having breached its obligations under the Tender Offer Agreement, any party other than the Tender Offeror commences a tender offer for the Company Shares at a purchase price exceeding the Tender Offer Price (the tender offer is required to be one in which no maximum planned purchase quantity is set and the minimum planned purchase quantity is set at the number of shares that will result in the voting rights owned by the tender offeror of the tender offer after the tender offer corresponding to two-thirds or more of all voting rights of the Company) (a “Counter Tender Offer”), and the Company’s Board of Directors reasonably determines that maintaining the Expression of Opinion in Support, although the Counter Tender Offer has been commenced, is found to be in breach of the duty of care as a prudent manager of directors of the Company based on an attorney’s opinion to that effect and obtains a report from the Special Committee to the effect that it is appropriate for the Company’s Board of Directors to withdraw or change the Expression of Opinion in Support, the Company may, after disclosing the details of such attorney’s opinion to the Tender Offeror, propose to hold discussions with the Tender Offeror on a change in the Tender Offer Price; and if the Tender Offeror does not increase the Tender Offer Price up to the purchase price in the Counter Tender Offer or more by the day on which 10 business days have elapsed from the day of such proposal or the end of the Tender Offer Period, whichever comes earlier, the Company may adopt a resolution of the Board of Directors to withdraw or change the Expression of Opinion in Support.

- (b) From today to the effective date of the Consolidation of Shares, the Company shall not, directly or indirectly, make a proposal or solicitation in connection with any transactions that substantially conflict with or is reasonably found to inhibit the Transactions (including corporate reorganization of the Company, such as a merger, share exchange, company split with a third party, transfer of all or part of the Company's businesses to a third party, or a third party's tender offer for and other sale and purchase of share certificates issued by the Company, "Competing Transactions"). However, if the Company is allowed to withdraw or change the Expression of Opinion in Support in accordance with (a) above, this shall not apply in relation to a third party which has commenced the Counter Tender Offer. In addition, from today to the effective date of the Consolidation of Shares, if the Company receives a proposal, solicitation, provision of information, or offer of Competing Transactions from a person other than the Tender Offeror, the Company shall notify the Tender Offeror to that effect and the details of thereof as soon as reasonably possible and discuss how to respond to it with the Tender Offeror in good faith.
- (c) (i) The Tender Offeror is to exert its utmost efforts to complete the acquisition of the clearances under Japanese and foreign competition laws and regulations and investment control laws and regulations as soon as practicable after the execution of the Tender Offer Agreement, subject to the performance by the Company of its obligations set forth in (ii) below, and (ii) the Company is to promptly provide the reasonably necessary information sought by the Tender Offeror to a reasonable extent so that the Tender Offeror can complete the acquisition of those clearances, is to cooperate in the matters sought by the Tender Offeror in a timely and sincere manner to the extent reasonable, and is to cause the Company and its subsidiaries to provide information promptly to the extent reasonable and to cooperate in a timely and sincere manner.
- (d) The Tender Offer Agreement provides for matters pertaining to the implementation of the Transactions, representations and warranties by the Tender Offeror and the Company (Note 1), and, in addition to the foregoing, certain obligations of the Company until the completion of the Transactions (Note 2). The Tender Offer Agreement also provides that the Tender Offeror will conduct the Tender Offer if the Tender Offer Preconditions are satisfied or waived by the Tender Offeror.
- (e) The Tender Offer Agreement also provides for the grounds for cancellation of the Tender Offer Agreement (only until the commencement of the Tender Offer Period): (i) either party's material breach of its representations and warranties, (ii) either party's breach of important obligations, and (iii) failure to commence the Tender Offer on or before April 30, 2025 (excluding failure to commence the Tender Offer due to an event attributable to the party which intends to terminate the agreement). Furthermore, other than the above-mentioned grounds for cancellation, the Tender Offer Agreement also provides that if the Tender Offeror withdraws the Tender Offer in accordance with laws and regulations or the total number of Tendered Shares pertaining to the Tender Offer falls below the minimum planned purchase quantity, this constitutes grounds for termination of the Tender Offer Agreement.
- (Note 1) In the Tender Offer Agreement, the Tender Offeror has made representations and warranties regarding: (1) the effectiveness of its establishment and survival, (2) the authority and power necessary for the execution and performance of the Tender Offer Agreement, (3) the legal binding effect and enforceability of the Tender Offer Agreement, (4) the absence of conflicts with laws and regulations regarding the execution and performance of the Tender Offer Agreement, (5) the absence of insolvency proceedings or other proceedings, (6) fund raising, and (7) the absence of a relationship with antisocial forces. In the Tender Offer Agreement, the Company has made representations and warranties regarding: (1) the effectiveness of its establishment and survival, (2) the authority and power necessary for the execution and performance of the Tender Offer Agreement, (3) the legal binding effect and enforceability of the Tender Offer Agreement, (4) the absence of conflicts with laws and regulations

regarding the execution and performance of the Tender Offer Agreement, (5) the absence of insolvency proceedings or other proceedings, (6) the absence of a relationship with antisocial forces, (7) the compliance with anti-corruption laws and regulations, (8) the effectiveness of issued shares or the like, (9) the absence of violation of laws and regulations or the like, (10) the effectiveness of important agreements or the like, (11) the absence of lawsuit or the like, (12) the payment of taxes or the like, (13) the accuracy of the statutory disclosed documents, (14) the accuracy of information disclosed to the Tender Offeror, and (15) the absence of undisclosed material facts or other matters (however, the representations and warranties from (9) to (13) above are excluded from the Company's indemnification obligation).

- (Note 2) In the Tender Offer Agreement, the Company has substantially assumed: (1) an obligation to mutually cooperate in good faith with the Tender Offeror and exert efforts to the extent reasonable in satisfaction of the Tender Offer Preconditions, (2) an obligation to implement the Squeeze Out Procedures and the Acquisition of Own Stock upon consummation of the Tender Offer, (3) an obligation to carry out its business in the ordinary course of business, (4) in connection with an agreement or the like that requires the approval or consent from the counterparty for or to the Transactions and the resulting conversion of the Company into a wholly-owned subsidiary by the Tender Offeror, an obligation to exert the utmost efforts to obtain such approval or consent from the counterparty to such agreement or the like, (5) an obligation to cooperate in the Tender Offeror's funding, (6) an obligation to notify when the Company is aware of breach of representations and warranties or breach of obligations, (7) an obligation to grant the Tender Offeror access to the Company and its subsidiaries information, (8) an indemnification obligation in case of a breach of the representations and warranties or a breach of the obligations, (9) an obligation to maintain confidentiality, and (10) an obligation not to transfer the contractual status or rights or obligations under the agreement.

(2) Tender, Etc. Agreement

According to the Tender Offeror, as of today, the Tender Offeror has entered into the Tender, Etc. Agreement with ITOCHU, in which (i) ITOCHU has agreed to tender 4,393,850 Company Shares (ownership ratio: 16.36%) of its 8,956,500 Company Shares (ownership ratio: 33.35%) in the Tender Offer within 10 business days from the commencement of the Tender Offer upon commencement of the Tender Offer and not to tender its 4,562,650 Company Shares (ownership ratio: 16.99%) in the Tender Offer, (ii) in the Extraordinary Shareholders Meeting, ITOCHU is to support the proposal for the Consolidation of Shares in connection with all of its Company Shares at the time, and (iii) after the Consolidation of Shares becomes effective, ITOCHU is to sell all of its Company Shares at the time in response to the Acquisition of Own Stock. In the Tender, Etc. Agreement, the Tender Offeror has agreed to the matters below. Save for the Tender, Etc. Agreement, no agreements on the Transactions have been entered into between the Tender Offeror and ITOCHU, and except for the payment of the Tender Offer Price, no interests will be granted to ITOCHU in connection with the Tender Offer.

- (a) The Tender, Etc. Agreement provides that ITOCHU's performance of its obligations to tender and not tender its Company Shares in the Tender Offer in (i) above are on the condition that (I) the Tender Offer has been commenced lawfully and effectively and has not been withdrawn; (II) all of the representations and warranties made by the Tender Offeror in the Tender, Etc. Agreement (Note 1) are true and correct in all material respects; (III) all of the obligations required to be performed or complied with by the Tender Offeror under the Tender, Etc. Agreement (Note 2) have been performed or complied with in all material respects; (IV) no judicial or administrative agencies' decision, etc. has been made that restricts or prohibits the Tender Offer or a tender by ITOCHU in the Tender Offer; (V) the Clearances have been completed; (VI) confirmation to the effect that there are no undisclosed material facts concerning the Company has been obtained from the Company; (VII) the Company's Board of

Directors has adopted a resolution to express its opinion to the effect that the Company's Board of Directors supports the Tender Offer and recommends that the Company's shareholders tender their shares in the Tender Offer, and such resolution has been disclosed in accordance with laws and regulations, and such resolution has not been withdrawn or changed, nor has any resolution been adopted that is inconsistent therewith (Note 3); and (VIII) the Special Committee has submitted a positive report regarding the Company's Board of Directors expressing an opinion in support of the Tender Offer and recommending that the Company's shareholders tender their shares in the Tender Offer, and such report has not been withdrawn or changed. However, if the condition precedent (VII) above ceases to be satisfied by the time of its tender, if ITOCHU determines that it will not perform its obligations to tender and not tender its Company Shares in the Tender Offer in (i) above, ITOCHU shall, before such determination, have discussions in good faith with the Tender Offeror; and in such a case, the Tender Offeror shall immediately respond to the discussions upon request by ITOCHU. Even if any of the conditions precedent is not satisfied, ITOCHU may tender all or part of the Shares Agreed to Be Tendered in the Tender Offer at its own discretion. Moreover, after the tender of its shares in the Tender Offer, by the last day of the Tender Offer Period, if either the conditions precedent (V) or (VII) above ceases to be satisfied, ITOCHU may withdraw its tender and cancel the agreement pertaining to the share purchase consummated as a result of its tender. However, if ITOCHU withdraws its tender due to the condition precedent (VII) above ceasing to be satisfied and cancels the agreement pertaining to the share purchase consummated as a result of its tender, ITOCHU shall, before such withdrawal and cancellation, have discussions in good faith with the Tender Offeror; and in such a case, the Tender Offeror shall immediately respond to the discussions upon request by ITOCHU.

- (b) The Tender, Etc. Agreement provides that until the completion of the Acquisition of Own Stock, except for a tender in the Tender Offer and the Acquisition of Own Stock, directly or indirectly, (i) ITOCHU shall not transfer, hand over, provide as collateral, or otherwise dispose of the Company Shares owned by it or obtain, provide, or transfer any shares in the Company or any right pertaining to shares in the Company (including making a short sale and tendering its shares in a third party's tender offer targeting shares issued by the Company), and (ii) ITOCHU shall not make any proposal or solicitation to a third party regarding a transaction that conflicts with or impedes, or may conflict with or impede, the Transactions (including the Company's organizational restructuring with a third party, such as a merger, share exchange, or company split, transfer of all or part of the Company's businesses, and a third party's tender offer or other purchase and sale targeting shares issued by the Company). The Tender, Etc. Agreement also provides that if ITOCHU receives any information provision, proposal, or solicitation regarding such transaction from a third party, ITOCHU shall promptly provide notice to the Tender Offeror.
- (c) The Tender, Etc. Agreement provides that if a shareholders' meeting of the Company is held with the record date for exercise of rights which is a day falling on or before the day preceding the completion of the Acquisition of Own Stock, ITOCHU shall exercise its voting rights pertaining to the Company Shares owned by ITOCHU and other rights at the shareholders' meeting in accordance with the Tender Offeror's instructions, except where the condition precedent (VII) in (a) above has not been satisfied upon exercise of such rights.
- (d) The Tender, Etc. Agreement provides that ITOCHU shall have Mr. Yu Takahashi submit to the Company a resignation letter to the effect that he/she will resign from the office of director of the Company subject to consummation of the Tender Offer no later than the day preceding the Settlement Commencement Date to have him/her resign from the office of director.
- (e) The Tender, Etc. Agreement provides that ITOCHU and the Tender Offeror shall discuss whether to continue the secondment of the employees who have been seconded to the Company on an individual employee basis. In addition, ITOCHU and the Tender Offeror shall have

discussions in good faith in order to reduce the Company Group's business operational difficulties caused by return of such employees.

- (f) The Tender, Etc. Agreement provides for the grounds for cancellation of the Tender, Etc. Agreement (only until the commencement of the Tender Offer Period): (i) either party's breach of important obligations, (ii) either party's material breach of its representations and warranties, (iii) a petition for commencement of legal insolvency proceedings or voluntary liquidation proceedings being filed with regard to either party, (iv) inability to pay debts, suspension of payment, or a disposition to suspend bank transactions with regard to either party, and (v) termination due to failure to commence the Tender Offer on or before March 31, 2025 (excluding failure to commence the Tender Offer due to an event attributable to the party which intends to terminate the agreement; in addition, if the Tender Offeror does not commence the Tender Offer by March 31, 2025 due to uncompletion of the Clearances, the deadline shall be extended from March 31, 2025 to April 30, 2025). Furthermore, other than the above-mentioned grounds for cancellation, the Tender, Etc. Agreement also provides that (i) if the Tender Offeror withdraws the Tender Offer in accordance with laws and regulations or the total number of Tendered Shares pertaining to the Tender Offer falls below the minimum planned purchase quantity (except where ITOCHU breaches its tender obligation), and (ii) by the last day of the Tender Offer Period, if ITOCHU does not tender its shares in the Tender Offer (including the case where ITOCHU withdraws its tender) as either of the conditions precedent (V) or (VII) in (a) above cease to be satisfied, and if the Tender Offeror changes minimum planned purchase quantity, and the Tender Offer consummates, these constitute the grounds for termination of the Tender, Etc. Agreement.

- (Note 1) In the Tender, Etc. Agreement, the Tender Offeror has made representations and warranties regarding: (1) the effectiveness of its establishment and survival, (2) the legal binding effect and enforceability of the Tender, Etc. Agreement, (3) the absence of conflicts with laws and regulations regarding the execution and performance of the Tender, Etc. Agreement, (4) the absence of insolvency proceedings or other proceedings, (5) the absence of a relationship with antisocial forces, and (6) compliance with anti-corruption laws. ITOCHU has made representations and warranties regarding: (1) the effectiveness of its establishment and survival, (2) the legal binding effect and enforceability of the Tender, Etc. Agreement, (3) the absence of conflicts with laws and regulations regarding the execution and performance of the Tender, Etc. Agreement, (4) owning of the Company Shares, (5) the absence of insolvency proceedings or other proceedings, (6) the absence of a relationship with antisocial forces, and (7) compliance with anti-corruption laws.

- (Note 2) In the Tender, Etc. Agreement, each party has assumed: (1) an obligation to notify when a party is aware of breach of representations and warranties or breach of obligations, (2) an indemnification obligation in case of a breach of the representations and warranties or a breach of the obligations, (3) an obligation to maintain confidentiality, and (4) an obligation not to transfer the contractual status or rights or obligations under the agreement.

- (Note 3) As stated in "(1) Tender Offer Agreement," the Tender Offer Agreement provides that until the Tender Offer Period ends, the Company shall not change the resolution to express its opinion to the effect that the Company supports the Tender Offer and recommends that its shareholders tender their shares in the Tender Offer or adopt any resolution of its Board of Directors that is inconsistent therewith. However, after execution of the Tender Offer Agreement, by the last day of the Tender Offer Period, if the Counter Tender Offer is commenced without the Company breaching its obligations set forth in the Tender Offer Agreement, and the Company's Board of Directors reasonably determines that maintaining the Expression of Opinion in Support, although the Counter Tender Offer has been commenced, is found to be in breach of the duty of

care as a prudent manager of directors of the Company based on an attorney's opinion to that effect and obtains a report from the Special Committee to the effect that it is appropriate for the Company's Board of Directors to withdraw or change the Expression of Opinion in Support, the Company may, after disclosing the details of such attorney's opinion to the Tender Offeror, request the Tender Offeror to have a discussion on a change to the Tender Offer Price, and if the Tender Offeror does not change the Tender Offer Price to a price higher than the tender offer price in the Counter Tender Offer by the day on which 10 business days have passed from the date of the request or by the last day of the Tender Offer Period, whichever comes earlier, the Company may adopt a resolution of the Board of Directors to withdraw or change the Expression of Opinion in Support.

(3) Non-tender Agreement (ANA Holdings)

According to the Tender Offeror, as of today, the Tender Offeror has entered into the Non-tender Agreement (ANA Holdings) with ANA Holdings, in which (i) ANA Holdings has agreed not to tender all of its 5,373,200 Company Shares (ownership ratio: 20.01%) in the Tender Offer upon commencement of the Tender Offer, (ii) in the Extraordinary Shareholders Meeting, ANA Holdings is to support the proposal for the Consolidation of Shares in connection with all of its Company Shares, and (iii) after the Consolidation of Shares becomes effective, ANA Holdings is to sell all of its Company Shares in response to the Acquisition of Own Stock. In addition, in the Non-tender Agreement (ANA Holdings), the Tender Offeror has agreed to the matters below. Save for the Non-tender Agreement (ANA Holdings), no agreements on the Transactions have been entered into between the Tender Offeror and ANA Holdings.

- (a) The Non-tender Agreement (ANA Holdings) provides that if the Tender Offer does not satisfy either (I) the condition precedent that the Special Committee has submitted a positive report regarding the Company's Board of Directors expressing an opinion in support of the Tender Offer and recommending that the Company's shareholders tender their shares in the Tender Offer or (II) the condition precedent that as the Company's expression of an opinion regarding the Tender Offer, the resolution of the Board of Directors to the effect that the Company supports the Tender Offer and recommends that its shareholders tender their shares in the Tender Offer has been lawfully and validly adopted, the Tender Offeror shall have discussions in good faith with ANA Holdings before commencement of the Tender Offer.
- (b) The Non-tender Agreement (ANA Holdings) provides that until completion of the Acquisition of Own Stock, directly or indirectly, (i) ANA Holdings shall not transfer, hand over, provide as collateral, or otherwise dispose of the Company Shares owned by it or obtain, provide, or transfer any shares in the Company or any right pertaining to shares in the Company (including making a short sale and tendering its shares in a third party's tender offer targeting shares issued by the Company), and (ii) ANA Holdings shall not make any proposal or solicitation to a third party regarding a transaction that conflicts with or impedes, or may conflict with or impede, the Transactions (including the Company's organizational restructuring with a third party, such as a merger, share exchange, or company split, transfer of all or part of the Company's businesses, and a third party's tender offer or other purchase and sale targeting shares issued by the Company). The Non-tender Agreement (ANA Holdings) also provides that if ANA Holdings receives any information provision, proposal, or solicitation regarding such transaction from a third party, ANA Holdings shall promptly provide notice to the Tender Offeror.
- (c) The Non-tender Agreement (ANA Holdings) provides that if a shareholders' meeting of the Company is held with the record date for exercise of rights which is a day falling on or before the day preceding completion of the Acquisition of Own Stock, ANA Holdings shall exercise its voting rights pertaining to the Company Shares owned by ANA Holdings and other rights at the shareholders' meeting in accordance with the Tender Offeror's instructions.

- (d) The Non-tender Agreement (ANA Holdings) provides that ANA Holdings shall have Mr. Shigeru Harada submit to the Company a resignation letter to the effect that he/she will resign from the office of director of the Company by no later than completion of the Acquisition of Own Stock.
- (e) The Non-tender Agreement (ANA Holdings) provides that after consummation of the Tender Offer, ANA Holdings and the Tender Offeror shall discuss in good faith the necessity and the positioning of continued secondment of employees from ANA Holdings to the Company.
- (f) The Non-tender Agreement (ANA Holdings) provides for the grounds for cancellation of the Non-tender Agreement (ANA Holdings) (only until the commencement of the Tender Offer Period): (i) either party's material breach of its representations and warranties (Note 1), (ii) either party's breach of important obligations (Note 2), and (iii) failure to commence the Tender Offer on or before March 31, 2025 (excluding failure to commence the Tender Offer due to an event attributable to the party which intends to terminate the agreement; in addition, if the Tender Offeror does not commence the Tender Offer by March 31, 2025 due to uncompletion of the Clearances, the deadline shall be extended from March 31, 2025 to April 30, 2025). Moreover, the Non-tender Agreement (ANA Holdings) provides that at the time of either the announcement or the commencement of the Tender Offer, if the Tender Offeror commences the Tender Offer which does not satisfy either the conditions precedent (I) or (II) in (a) above, ANA Holdings may immediately cancel the Non-tender Agreement (ANA Holdings) with a written notice to the Tender Offeror; however, if ANA Holdings cancels the Non-tender Agreement (ANA Holdings) pursuant to the foregoing, ANA Holdings shall, before such cancellation, have discussions in good faith with the Tender Offeror; and in such a case, the Tender Offeror shall immediately respond to the discussions upon request by ANA Holdings. Furthermore, other than the above-mentioned grounds for cancellation, the Non-tender Agreement (ANA Holdings) also provides that if the Tender Offeror withdraws the Tender Offer in accordance with laws and regulations, the total number of Tendered Shares pertaining to the Tender Offer falls below the minimum planned purchase quantity or the Tender Offer is consummated without the Shares Agreed to Be Tendered held by ITOCHU being tendered in the Tender Offer (this is limited to cases where ITOCHU's failure to tender its Shares Agreed to Be Tendered in the Tender Offer does not constitute a breach of its obligations due to the non-satisfaction of the conditions in (V) or (VII) in (a) in "(2) Tender, Etc. Agreement" above), this constitutes the grounds for termination of the Non-tender Agreement (ANA Holdings).

(Note 1) In the Non-tender Agreement (ANA Holdings), the Tender Offeror has made representations and warranties regarding: (1) the effectiveness of its establishment and survival, (2) the legal binding effect and enforceability of the Non-tender Agreement (ANA Holdings), (3) the absence of conflicts with laws and regulations regarding the execution and performance of the Non-tender Agreement (ANA Holdings), (4) the absence of insolvency proceedings or other proceedings, (5) the absence of a relationship with antisocial forces, (6) compliance with anti-corruption laws, (7) acquisition of permissions and approvals necessary for execution and performance of the Non-tender Agreement (ANA Holdings), and (8) fund raising. ANA Holdings has made representations and warranties regarding: (1) the effectiveness of its establishment and survival, (2) the legal binding effect and enforceability of the Non-tender Agreement (ANA Holdings), (3) the absence of conflicts with laws and regulations regarding the execution and performance of the Non-tender Agreement (ANA Holdings), (4) owning of the Company Shares, (5) the absence of insolvency proceedings or other proceedings, (6) the absence of a relationship with antisocial forces, and (7) compliance with anti-corruption laws.

(Note 2) In the Non-tender Agreement (ANA Holdings), each party has assumed: (1) an obligation to notify when a party is aware of breach of representations and warranties or breach of obligations, (2) an indemnification obligation in case of a breach of the

representations and warranties or a breach of the obligations, (3) an obligation to maintain confidentiality, and (4) an obligation not to transfer the contractual status or rights or obligations under the agreement.

(4) Non-tender Agreement (Showa Aircraft Industry)

According to the Tender Offeror, as of today, the Tender Offeror has entered into the Non-tender Agreement (Showa Aircraft Industry) with Showa Aircraft Industry, in which (i) Showa Aircraft Industry has agreed not to tender all of its 2,003,200 Company Shares (ownership ratio: 7.46%) in the Tender Offer upon commencement of the Tender Offer, (ii) in the Extraordinary Shareholders Meeting, Showa Aircraft Industry is to support the proposal for the Consolidation of Share in connection with all of its Company Shares, and (iii) after the Consolidation of Shares becomes effective, Showa Aircraft Industry is to sell all of its Company Shares in response to the Acquisition of Own Stock. In addition, in the Non-tender Agreement (Showa Aircraft Industry), the Tender Offeror has agreed to the matters below. Save for the Non-tender Agreement (Showa Aircraft Industry), no agreements on the Transactions have been entered into between the Tender Offeror and Showa Aircraft Industry.

- (a) The Non-tender Agreement (Showa Aircraft Industry) provides that until completion of the Acquisition of Own Stock, except for a tender in the Tender Offer, directly or indirectly, (i) Showa Aircraft Industry shall not transfer, hand over, provide as collateral, or otherwise dispose of the Company Shares owned by it or obtain, provide, or transfer any shares in the Company or any right pertaining to shares in the Company (including making a short sale and tendering its shares in a third party's tender offer targeting shares issued by the Company), and (ii) Showa Aircraft Industry shall not make any proposal or solicitation to a third party regarding a transaction that conflicts with or impedes, or may conflict with or impede, the Transactions (including the Company's organizational restructuring with a third party, such as a merger, share exchange, or company split, transfer of all or part of the Company's businesses, and a third party's tender offer or other purchase and sale targeting shares issued by the Company). The Non-tender Agreement (Showa Aircraft Industry) also provides that if Showa Aircraft Industry receives any information provision, proposal, or solicitation regarding such transaction from a third party, Showa Aircraft Industry shall promptly provide notice to the Tender Offeror.
- (b) The Non-tender Agreement (Showa Aircraft Industry) provides that if a shareholders' meeting of the Company is held with the record date for exercise of rights which is a day falling on or before the day preceding completion of the Acquisition of Own Stock, Showa Aircraft Industry shall exercise its voting rights pertaining to the Company Shares owned by Showa Aircraft Industry and other rights at the shareholders' meeting in accordance with the Tender Offeror's instructions.

5. Details of Benefits to be Provided by the Tender Offeror or its Special Related Parties

Not applicable.

6. Policy for Responding under the Basic Policy to Control of the Company

Not applicable.

7. Questions to the Tender Offeror

Not applicable.

8. Request for Extension of Tender Offer Period

Not applicable.

9. Future Outlook

Please refer to “(II) Background, Purpose and Decision-making Process Leading to the Tender Offeror’s Decision to Conduct the Tender Offer and Management Policies after the Tender Offer” in “(2) Basis and Reason for Opinion on the Tender Offer,” “(4) Likelihood of and Reasons for Delisting” and “(5) Policy for Organizational Restructuring, Etc. after the Tender Offer (Matters Concerning the “Two-Step Acquisition”)” in “3. Contents, Basis of and Reason for Opinion on the Tender Offer.”

10. Other

- (1) Publication of “Announcement of Revision of Year-end Dividend Forecast for the Fiscal Year Ending March 2025 (No Dividend)”

At a meeting of its Board of Directors held today, the Company adopted a resolution to revise its dividend forecast announced on May 10, 2024 and not to pay year-end dividend for the fiscal year ending March 2025 subject to consummation of the Tender Offer. For details, please see “Announcement of Revision of Year-end Dividend Forecast for the Fiscal Year Ending March 2025 (No Dividend)” released by the Company today.

End

[Restrictions on Solicitation]

This press release is to announce the declaration of opinion of the Company regarding the Tender Offer and has not been prepared for the purpose of soliciting an offer to sell shares or share options. If shareholders wish to make an offer to sell their shares or share options, they should first be sure to carefully read the Tender Offer Explanatory Statement for the Tender Offer and make their own independent decision. This press release does not constitute, nor form part of, any offer to sell, solicitation of a sale of, or any solicitation of any offer to buy, any securities. In addition, neither this press release (or any part of it) nor the fact of its distribution shall form the basis of any agreement pertaining to the Tender Offeror be relied upon in the event of the execution of any such agreement.

[U.S. Regulations]

The Tender Offer will be conducted in compliance with the procedures and information disclosure standards provided under the Financial Instruments and Exchange Act of Japan, and those procedures and standards are not always the same as those applicable in the United States. In particular, neither Section 13(e) nor Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended, the “U.S. Securities Exchange Act of 1934”) or the rules under these sections apply to the Tender Offer; therefore, the Tender Offer is not conducted in accordance with those procedures or standards. All of the financial information included or referred to in this press release and reference materials of this press release do not conform to the U.S. accounting standards and may not be equivalent or comparable to the financial statements prepared pursuant to the U.S. accounting standards. In addition, because the Tender Offeror is a corporation incorporated outside the United States and some or all of its officers are non-U.S. residents, it may be difficult to exercise rights or demands against them which arise pursuant to U.S. securities laws. It also may be impossible to bring an action against a corporation that is based outside of the United States or its officers in a court outside of the United States on the grounds of a violation of U.S. securities laws. Furthermore, there is no guarantee that a corporation that is based outside of the United States or its subsidiaries or affiliates may be compelled to submit themselves to the jurisdiction of a U.S. court.

All procedures regarding the Tender Offer will be conducted in Japanese. All or part of the documents regarding the Tender Offer will be prepared in English; however, if there is any discrepancy between the documents in English and those in Japanese, the documents in Japanese shall prevail.

Before the commencement of the Tender Offer or during the purchase period of the Tender Offer, the Tender Offeror and its affiliates (including the Company), and the affiliates of the financial advisors and tender offer agents of each of the foregoing might purchase, etc. by means other than the Tender Offeror or conduct an act aimed at such a purchase, etc. of the common shares of the Company on their own account or the account of their client to the extent permitted by Japanese legislation related to financial instruments transactions in the scope of their ordinary business and in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934. If information regarding such a purchase, etc. is disclosed in Japan, the person that conducted that purchase, etc. will disclose such information in English on the website of such person.

[Forward-looking Statements]

This press release includes forward-looking statements as defined in Section 27A of the U.S. Securities Act of 1933 (as amended, the “U.S. Securities Exchange Act of 1933”) and Section 21E of the U.S. Securities Exchange Act of 1934. The actual results may be significantly different from the predictions expressly or implicitly indicated in the forward-looking statements, due to known or unknown risks, uncertainties, or other factors. The Tender Offeror or its affiliates cannot promise that the predictions expressly or implicitly indicated as the forward-looking statements will turn out to be correct. The forward-looking statements included in this press release were prepared based on the information held by the Tender Offeror as of the date of this press release, and unless obligated by laws or regulations or the rules of a financial instruments exchange, the Company or its affiliates shall not be obligated to update or revise the statements to reflect future incidents or situations.

[Other Countries]

Some countries or regions may impose legal restrictions on the announcement, issue, or distribution of this press release. In such cases, please take note of such restrictions and comply therewith. The

announcement, issue, or distribution of this press release shall not constitute a solicitation of an offer to sell or an offer to buy share certificates, etc. relating to the Tender Offer and shall be deemed a distribution of materials for informative purposes only.