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Company name : OMRON Corporation
Representative : Junta Tsujinaga, President & CEO
Stock code : 6645
Stock exchange : Tokyo (Prime Market)
Contact : Toyoharu Tamoi, Executive Officer,
Senior General Manager,
Global Finance and Accounting HQ
Phone : +81-75-344-7070

Notice concerning execution of amendment to the capital/business tie-up agreement with JMDC Inc. (Securities Code: 4483) and commencement of tender offer for the shares of the said company

At the meeting of the Board of Directors held on September 8 2023, OMRON Corporation (hereinafter referred to as the "Offeror") resolved to acquire the common shares (hereinafter referred to as the "Target Company Shares") of JMDC Inc. (Tokyo Stock Exchange (hereinafter referred to as "TSE") Prime Market, Securities Code: 4483; hereinafter referred to as the "Target Company") through a tender offer (hereinafter referred to as the "Tender Offer") under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; hereinafter referred to as the "Act"), and to conclude with the Target Company a capital/business tie-up agreement (hereinafter referred to as the "Amendment to the Capital/Business Tie-up Agreement") amending the capital/business tie-up agreement entered into as of February 22, 2022 (hereinafter referred to as the "Capital/Business Tie-up Agreement dated February 22, 2022", and we notify you as follows.

Description

1. Purpose of purchase, etc.
 - (1) Outline of the Tender Offer

At the meeting of the Board of Directors held on September 8, 2023, the Offeror resolved to acquire the shares of the Target Company listed on the Prime Market of TSE under the Tender Offer as a transaction (hereinafter referred to as the "Transaction") for the purpose of making the Target Company a consolidated subsidiary of the Offeror. As of today, the Offeror is the largest shareholder and a major shareholder holding 20,459,000 shares (ownership ratio (Note 1): 31.49%) of the Target Company Shares, and accounts for the Target Company as an equity-method affiliate.

(Note 1) The "ownership ratio" refers to the ratio against the total number of issued shares (63,306,008 shares) as of August 14, 2023 as stated in the First Quarterly Report of the 11th Fiscal Term (hereinafter referred to as the "Target Company First Quarterly Report") submitted by the Target Company on August 14, 2023 (this number does not include the number of shares issued through exercise of share options during the period between August 1, 2023 and August 14 of the same year), added by the number of shares (1,673,000 shares) issued through exercise of share options during the period between August 1, 2023 and September 6, 2023, two business days prior to the date of publication of the implementation of the Tender Offer, and deducted by the number of the treasury shares owned by the Target Company (614 shares) as of June 30, 2023, as reported by the Target Company to the Offeror (64,978,394 shares; hereinafter referred to as the "Base Number of Shares"), and is rounded to the third decimal place in the calculation thereof. The same shall apply hereinafter in the calculation of the ownership ratio.

(Note 2) The numbers of share options outstanding as of September 7, 2023, as reported by the Target Company are as follows. Regarding the 8th Share Options (Exercise Period: May 1, 2022 to February 28, 2029), all share options were exercised and no share option is outstanding as of September 7, 2023.

Name	Exercise period	Number of share options (share options)	Number of shares subject to the share options (shares)
The 6th share options	June 16, 2020 - June 14, 2028	1,532	612,800
The 7th share options	January 22, 2021 - January 20, 2029	152	60,800
The 9th share options	March 2, 2021 - February 28, 2029	47	18,800
The 10th share options	May 1, 2023 - July 31, 2029	222	88,800
The 11th share options	November 1, 2021 - August 31, 2029	71	28,400
The 12 th share options	May 1, 2023 - July 31, 2029	19	7,600
The 13th share options	May 1, 2023 - July 31, 2029	2,184	436,800
The 14th share options	May 1, 2024 - July 31, 2030	6,120	612,000
The 15th share options	May 1, 2025 - July 31, 2031	6,550	655,000
The 16th share options	July 1, 2026 - July 31, 2032	6,490	649,000
Total		23,387	3,170,000

As described in "(i) Background, purpose, and decision-making process that led to the Offeror's decision to implement the Tender Offer" in "(2) Background, purpose, and decision-making process that led to the decision to implement the Tender Offer, and management policy after the Tender Offer " below, because the Offeror aims to make the Target Company a consolidated subsidiary through the Tender Offer, the Offeror has set the minimum number of shares sought for purchase as 12,036,700 shares (ownership ratio: 18.52%), which is the number of shares equivalent to 50.01% of the Base Number of Shares (64,978,394 shares) (among the resultant figure, the number less than one unit of shares (100 shares) is rounded up; resulting in 32,495,700 shares), deducted by the number of Target Company Shares held by the Offeror as of today (20,459,000 shares), and in the event the total number of share certificates, etc. tendered in the Tender Offer (hereinafter referred to as the "Tendered Share Certificates, etc.") is less than the minimum number of shares sought for purchase, we will not purchase all of the Tendered Share Certificates, etc. In addition, while the purpose of the Tender Offer is to make the Target Company a consolidated subsidiary of the Offeror, the Target Company Shares issued or transferred through exercise of share options before the last day of the period of purchase, etc. of the Tender Offer (hereinafter referred to as the "Tender Offer Period") are also the subject of the Tender Offer, and if the total number of issued shares of the Target Company increases in the future due to the exercise of share option, it is possible that the ownership ratio of the Offeror will be less than the majority, and we would like to reduce this possibility; however, since the number of share options, etc. newly issued by the Target Company in the future and shares to be increased due to exercise of such share options, etc. cannot be predicted, the maximum number of shares sought for purchase is set at a round number of 15,000,000 shares (ownership ratio: 23.08%), and if the total number of Tendered Share Certificates, etc. exceeds the maximum number of shares sought for purchase (15,000,000 shares), the purchase, etc. of all or part of such excess will not be made, and delivery and other settlement of purchase, etc. of share certificates, etc. will be made in the pro rata method set forth in Article 27-13, Paragraph 5 of the Act and Article 32 of the Cabinet

Office Order on Disclosure Required for Tender Offer for Share Certificates by Persons Other Than Issuers (Ministry of Finance Order No. 38 of 1990, as amended; hereinafter referred to as the "Cabinet Office Order"). If the Offeror acquires 15,000,000 shares through the Tender Offer, which is the maximum number of shares sought for purchase, the number of the Target Company Shares held by the Offeror will be 35,459,000 shares (ownership ratio: 54.57%), and the Offeror believes that it will be possible to maintain the majority of the total number of voting rights of the Target Company for the near term after the Tender Offer is concluded, so the policy of the Offeror in the event that it becomes less than one-half is undetermined at this time.

Further, the Offeror entered into the Amendment to the Capital/Business Tie-up Agreement with the Target Company on September 8, 2023. Please refer to "(3) Matters related to material agreements concerning the Tender Offer" below for the contents of the Amendment to the Capital/Business Tie-up Agreement.

In implementing the Tender Offer, the Offeror entered into the Agreement on Tender in the Tender Offer (hereinafter referred to as the "Tender Agreement") with Noritsu Koki Co., Ltd. (hereinafter referred to as "Noritsu Koki"), which is a major shareholder and the second-largest shareholder of the Target Company, as of September 8, 2023, and agreed on the tendering of the Target Company Shares held by Noritsu Koki (8,855,954 shares, ownership ratio: 13.63%) (hereinafter referred to as the "Prospective Tendered Shares") in the Tender Offer. Please refer to "(3) Matters related to material agreements concerning the Tender Offer" below for the contents of the Tender Agreement.

According to "Statement of our position concerning the tender offer for shares of our company by OMRON Corporation and notice concerning the execution of amendment to the capital/business tie-up agreement with OMRON Corporation" published by the Target Company on September 8, 2023 (hereinafter referred to as the "Target Company's Press Release"), the Target Company resolved at the meeting of the Board of Directors of the Target Company held on September 8, 2023 that it would represent its opinion to agree to the Tender Offer based on the "(ii) Process of and Reasons for the Target Company's Decision to Support the Tender Offer" in "(2) Background, purpose, and decision-making process that led to the decision to implement the Tender Offer, and management policy after the Tender Offer" below, and that the Target Company would reserve its judgement with respect to the appropriateness of the price of the purchase, etc. for one Target Company Share in the Tender Offer (hereinafter referred to as the "Tender Offer Price") and entrust to the judgment of shareholders of the Target Company whether or not the shareholders apply for the Tender Offer since it is expected that the listing of the Target Company Shares would be maintained even after the Tender Offer and there is sufficient rationale that the shareholders of the Target Company elect to continue to hold the Target Company Shares after the Tender Offer.

For details of the opinion of the Target Company on the Tender Offer and the decision-making process, please refer to the Target Company's Press Release and "(vii) Approval of All Disinterested Directors (including Audit and Supervisory Committee Members) of the Target Company" in "(4) Measures to Ensure the Fairness of the Tender Offer, Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below.

(2) Background, purpose, and decision-making process that led to the decision to implement the Tender Offer, and management policy after the Tender Offer

(i) Background, purpose, and decision-making process that led to the Offeror's decision to implement the Tender Offer

The Offeror was founded in May 1933 as Tateisi Electric Manufacturing Co. in Miyakojima-ku, Osaka-shi, and was reorganized into Tateisi Electric Co. in May 1948. The Offeror listed its shares on the Kyoto Stock Exchange, Inc. (hereinafter referred to as "KSE") and Osaka Stock Exchange, Inc. (hereinafter referred to as "OSE") Second Section in April 1962, changed its listing to the First Section of OSE in August 1965, listed its shares on the First Section of TSE and the Nagoya Stock Exchange, Inc. (hereinafter referred to as "NSE") in September 1966, and changed its name to Omron Corporation in January 1990. KSE and OSE merged in March 2001, the Offeror was delisted from NSE in November 2009, and OSE consolidated its spot market with TSE in July 2013, so the Offeror is currently listed only on the Prime Market of

TSE.

The corporate group consisting of the Offeror, 117 subsidiaries and 45 affiliated companies (as of March 31, 2023) (hereinafter referred to as the "Offeror Group") aims to create a better society by resolving social issues through its business activities, specifies "contributing to 'zero event' of cardiovascular diseases" as a vision for the healthcare solution domain in the long-term vision, Shaping the Future 2030 (hereinafter referred to as the "SF2030 Vision"), and is working to realize such society.

The Target Company was founded in January 2002 as Japan Medical Data Center Co., Ltd. in Nakano-ku, Tokyo, and changed its name to JMDC Inc. in July 2018. The Target Company subsequently listed its shares on the Mothers Market of TSE in December 2019, changed its listing to the First Section of TSE in November 2021, and moved from the First Section to the Prime Market of TSE in April 2022 following a re-classification of markets in TSE.

The corporate group consisting of the Target Company and 36 subsidiaries (as of March 31, 2023) (hereinafter referred to as the "Target Company Group") states as its corporate philosophy "healthy and prosperous lives for all." The Target Company Group aims to realize a sustainable healthcare system by making efforts to resolve issues such as increasing healthcare costs and regional disparities in healthcare through the power of data and ICT (Note 3).

(Note 3) "ICT" is an abbreviation of Information and Communication Technology and a generic term for technology on information and communications.

In February 2022, the Offeror acquired 18,644,100 shares of the Target Company Shares (ratio against the total number of issued shares of the Target Company as of February 14, 2022: 33.00%) and entered into a capital/business tie-up agreement with the Target Company dated February 22, 2022 with the aim of "creating a data healthcare business that is No.1 in Japan and that has global presence" and "accelerating DX of the Offeror Group" based on the visions and future plans of the Offeror and the Target Company. Furthermore, in September 2022, the Offeror additionally acquired 1,814,900 shares (ratio against the total number of issued shares of the Target Company as of September 30, 2022: 2.89%) by subscribing for the issuance of new shares through a third-party allotment to the Offeror, which was conducted in parallel with the issuance of new shares by the Target Company through an overseas offering, as a result of which the Offeror holds a total of 20,459,000 shares of the Target Company Shares (the said ratio: 32.60%) and has strengthened cooperative relationships.

Since the conclusion of the capital/business tie-up agreement between the Offeror and the Target Company dated as of February 22, 2022, the Offeror aims to combine and analyze medical data such as statement of medical expenses and medical checkups held by the Target Company with blood pressure, vital, activities data, etc. in daily lives held by the Offeror to predict the risk (potential for occurrence and timing) of the occurrence of individual events, thereby providing personalized solutions for the prevention of severe illness and solutions for the prevention of nursing care, etc. that support the medication treatment of physicians and the improvement of lifestyles of consumers and patients. In addition, by implementing in society solutions for health promotion and prevention of severe illness, including zero events, with the core of the health data platform, we aim to extend the healthy life expectancy of people and optimize medical costs and to further accelerate our evolution and develop its business in Japan in the fields of prevention, preclinical disease, treatment, and care, and at the same time, we also aim to deploy overseas the know-how and solutions obtained. Through these measures, we aim to realize a future vision that contributes to improving the health of domestic and overseas consumers and reducing related medical costs.

Through the cooperative relationships mentioned above, the understanding of business of the Target Company and the development of mutual trust relationships by the Offeror has progressed steadily and the collaboration between the two companies is accelerating further, such as that in April 2023, data collaboration between the smartphone health management application "OMRON connect" provided by OMRON Healthcare Co., Ltd. and PHR service "PepUp" provided for insurers by the Target Company began, and in June 2023, eight companies that acted as the representative managers, including the Offeror and the Target Company (in addition to these, there were 140 member companies and organizations),

established the "Health Management Alliance" (Note 4) with the aim of improving the competitiveness of Japanese companies and sustainability of corporate health insurance through the health of employees.

(Note 4) The "Health Management Alliance", which sets a vision of "revitalizing Japanese companies and realizing the sustainability of health insurance through the health of employees", is a collaborative effort between companies aiming at creating a healthy management style, co-creation of solutions for the creation of results, and implementation to the industry by promoting health and prevention of worsening in the workplace through the collaborative health in cooperation between companies and the health insurance union and the utilization of data. The Offeror and the Target Company are involved in the planning and operation of the Alliance as the founders of the Alliance together with other representative managers. By combining the capabilities of the data business held by the Target Company with the ability of the Offeror to construct an ecosystem, such as the brand power and network power, the Offeror and the Target Company are aiming to develop the business in the corporate health field (provision of health management solutions for the human resources side of companies) through the activities of the "Health Management Alliance".

Under such circumstances, at the meeting of the Board of Directors held on September 8, 2023, the Offeror has resolved to make the Tender Offer for the Target Company Shares for the purpose of acquiring the Target Company Shares held by Noritsu Koki and general shareholders and making the Target Company a consolidated subsidiary through the Tender Offer in order to further resolve social issues and expand business value.

The Offeror recognizes that there were numerous constraints on sharing management resources with the Target Company and that it was difficult to adequately respond to the increasingly sophisticated market needs, and believes it can expect that by having the Target Company become a consolidated subsidiary from an equity-method affiliate of the Offeror, it will be possible to actively utilize the Target Company's advanced data business capabilities with the ability to accumulate a wide variety of health big data and to standardize the acquired data to structure it as a usable health big data platform, with the assets of the Offeror, thereby realizing value creation and sustainable growth through business transformation and maximizing corporate value over the medium to long term.

Specifically, the Offeror believes that it will be able to resolve social issues and accelerate the expansion of its business value towards "extension of the healthy life expectancy" as stated in SF2030 Vision in the healthcare solution domain. For example, we believe that the portfolio in the same domain, which is centered on a sale-type business model of devices such as blood pressure monitors, will be able to evolve into a recurring-type business model (Note 5) that offers "products and services" based on data by enhancing data services that utilize the healthcare data platform. In addition, we believe we can accelerate business growth by increasing opportunities to expand our business into new illness areas.

Further, the Offeror believes that in the entire business of the Offeror Group, including not only the healthcare solutions domain but also the social solutions domain and the industrial automation domain which is the core business of the Offeror, utilization of data within the entire Offeror Group will be facilitated through talented personnel such as valuable data scientists, whom the Target Company will be able to acquire continuously. The Offeror will use such data to construct a data platform that links data generated from the Offeror's devices and services with data from other companies, create new solutions (not only "products", but the combination of "products and services" that is the implementation format with the highest value) by utilizing such data, and will make full-scale efforts to create value based on the data of the Offeror Group.

The Offeror believes that the source of the Target Company's advanced data business capabilities is the competitiveness of acquiring excellent data scientists, and that the Target Company's competitiveness can be maintained by maintaining its independence. While giving maximum respect to the corporate culture with full of entrepreneurial spirit and the independence of management of the Target Company, we aim to create business synergies

through the implementation of the above measures and to realize the maximization of the corporate value of both groups.

(Note 5) "Recurring-type business model" means a revenue model that continuously charges fees from specific customers and users, unlike a sale-type business model of devices. The Offeror, which has a device that serves as a point of contact with customers and users, aims to build a business model that provides value by providing suggestions from the data that has been measured and accumulated so far and providing advice and continuous monitoring that encourages changes in the behavior of customers and users in order to prevent specific diseases and promote health, together with the Target Company who has unique health big data,

Based on the results of the analysis and consideration above, the Offeror made a proposal to the Target Company to implement a tender offer for the Target Company Shares for the purpose of acquiring more than 50% of the Target Company Shares on June 20, 2023, and submitted a letter entitled "Consideration of Additional Acquisition of Shares of your Company" to the Target Company and discussed with the Target Company the business synergies, etc. created by making the Target Company a consolidated subsidiary of the Offeror on July 7, 2023. In addition, because it is possible to increase the certainty of the completion of the Tender Offer if all of the Target Company Shares held by Noritsu Koki, the second largest shareholder in the Target Company, are applied for the Tender Offer, the Offeror explained to Noritsu Koki that it intended to conduct the Tender Offer and wished to enter into the Tender Agreement on August 8, 2023, and received a response from Noritsu Koki that it would positively consider to apply the Target Company Shares held by it for the Tender Offer and to conclude the Tender Agreement, on the same day. On August 21, 2023, the Offeror proposed Noritsu Koki to set the Tender Offer Price at approximately 5,500 yen (5,500 yen is the price calculated by adding the premium of 35.74% (rounded to the second decimal place; hereinafter the same in the calculation of premiums and discounts) to the closing price of the Target Company Share (4,052 yen) at the Prime Market of TSE on August 18, 2023, the business day preceding the date of proposal, by adding the premium of 8.80% to the simple average of closing price (5,055 yen) (rounded to the nearest yen; hereinafter the same in the calculation of simple average of closing price) for the past one month until August 18, 2023, by discounting by 0.13% the simple average of closing price (5,507 yen) for the past three months, and by adding the premium of 7.02% to the simple average of closing price (5,139 yen) for the past six months), and on the same day received a request to raise the Tender Offer Price from Noritsu Koki as the expected price level was not met. Following the receipt of such request, the Offeror made a proposal to Noritsu Koki on August 25, 2023 to make the Tender Offer Price 5,600 yen (the price calculated by adding the premium of 32.17% to the closing price of the Target Company Share (4,237 yen) at the Prime Market of TSE on August 24, 2023, the business day preceding the date of proposal, by adding the premium of 16.45% to the simple average of closing price (4,809 yen) for the past one month until August 24, 2023, by adding the premium of 3.51% to the simple average of closing price (5,410 yen) for the past three months, and by adding the premium of 9.03% to the simple average of closing price (5,136 yen) for the past six months), and on the same day, reached an agreement with Noritsu Koki to enter into the Tender Agreement with the Tender Offer Price of 5,600 yen or more based on the assumption that it is the price agreed between the Offeror and the Target Company. Subsequently, as stated below, we agreed with the Target Company to set the Tender Offer Price at 5700 yen, and on September 8, 2023, we entered into the Tender Agreement with Noritsu Koki to set the Tender Offer Price at 5700 yen.

The Offeror submitted to the Target Company on August 25, 2023 the first price proposal to make the Tender Offer Price at 5,600 yen as agreed with Noritsu Koki (the price calculated by adding the premium of 32.17% to the closing price of the Target Company Share (4,237 yen) at the Prime Market of TSE on August 24, 2023, the business day preceding the date of proposal, by adding the premium of 16.45% to the simple average of closing price (4,809 yen) for the past one month until August 24, 2023, by adding the premium of 3.51% to the simple average of closing price (5,410 yen) for the past three months, and by adding the premium of 9.03% to the simple average of closing price (5,136 yen) for the past six months). On August

29, 2023, in response to the proposal made by the Offeror, the Special Committee (as defined in "A. Proposal by the Offeror and Background of the Establishment of the System for Deliberation" in "(ii) Process of and Reasons for the Target Company's Decision to Support the Tender Offer" below; hereinafter the same) made deliberation and consideration based on the initial analysis results on the value of the Target Company Shares and advice from financial perspective from Trustees Advisory Co., Ltd. (hereinafter referred to as "Trustees"), the financial advisor and third party calculation institution of the Special Committee, and advice from legal perspective from Shiomizaka, a legal advisor to the Special Committee and Mori, Hamada & Matsumoto, a legal advisor to the Target Company, and determined it is desirable to demand an increase in the Tender Offer Price from the viewpoint of protecting the interests of minority shareholders, and the Target Company requested the Offeror to raise the Tender Offer Price to 6,500 yen. Given such requests from the Special Committee, on August 31, 2023, the Offer made a proposal to make the Tender Offer Price at 5,650 yen as the price that provides the shareholders of the Target Company with sufficient opportunity to collect investment (the price calculated by adding the premium of 30.21% to the closing price of the Target Company Share (4,339 yen) at the Prime Market of TSE on August 30, 2023, the business day preceding the proposal, by adding the premium of 22.72% to the simple average of closing price (4,604 yen) for the past one month until August 30, 2023, by adding the premium of 5.86% to the simple average of closing price (5,337 yen) for the past three months, and by adding the premium of 10.27% to the simple average of closing price (5,124 yen) for the past six months). In response, on September 1, 2023, The Special Committee concluded that the Offeror's proposed price of 5,650 yen, while not unreasonable in light of the Trustees' initial analysis of the value of the Target Company shares and their advice from a financial perspective, does not provide minority shareholders with an adequate opportunity to recover their investment, and requested the Offeror to raise the Tender Offer Price to 5,950 yen. On September 5, 2023, after careful consideration of the request from the Special Committee, the Offeror made a proposal to set the Tender Offer Price at 5,700 yen (the price calculated by adding the premium of 29.90% to the closing price of the Target Company Share (4,388 yen) at the Prime Market of TSE on September 4, 2023, the business day preceding the proposal, by adding the premium of 29.34% to the simple average of closing price (4,407 yen) for the past one month until September 4, 2023, by adding the premium of 8.00% to the simple average of closing price (5,278 yen) for the past three months, and by adding the premium of 11.15% to the simple average of closing price (5,128 yen) for the past six months). In response, on September 5, 2023, although the Offeror's proposed price of 5,700 yen is not an unreasonable price as stated above, from the perspective of protecting the interests of minority shareholders, the Special Committee has determined that it is desirable to negotiate for a further increase in the price, and requested the Offeror to raise the Tender Offer Price to 5,900 yen. On September 6, 2023, after careful consideration of the request from the Target Company, the Offeror made a proposal again to set the Tender Offer Price at 5,700 yen (the price calculated by adding the premium of 23.08% to the closing price of the Target Company Share (4,631 yen) at the Prime Market of TSE on September 5, 2023, the business day preceding the proposal, by adding the premium of 29.02% to the simple average of closing price (4,418 yen) for the past one month until September 5, 2023, by adding the premium of 8.34% to the simple average of closing price (5,261 yen) for the past three months, and by adding the premium of 11.24% to the simple average of closing price (5,124 yen) for the past six months). In response, on September 6, 2023, the Special Committee decided that it would be desirable to negotiate a price increase from the perspective of continuing to protect the interests of minority shareholders and requested the Offeror to raise the Tender Offer Price. On September 7, 2023, after careful consideration of the request from the Special Committee, the Offeror made a proposal to set the Tender Offer Price at 5,700 yen (the price calculated by adding the premium of 22.13% to the closing price of the Target Company Share (4,667 yen) at the Prime Market of TSE on September 6, 2023, the business day preceding the proposal, by adding the premium of 28.70% to the simple average of closing price (4,429 yen) for the past one month until September 6, 2023, by adding the premium of 8.76% to the simple average of closing price (5,241 yen) for the past three months, and by adding the premium of 11.18% to the simple average of closing price (5,127 yen) for the past six months). In response,

on September 7, 2023, the Target Company decided to conclude the Tender Offer Price at 5,700 yen, taking into consideration that the Offeror's proposed price of 5,700 yen was not unreasonable as stated above, that the Offeror had raised the price twice from its initial proposed price, and that the Special Committee had conducted negotiations with the Offeror several times thereafter to raise the price, and informed the Offeror on the same day that the Target Company agreed to set the Tender Offer Price at 5,700 yen.

Following these discussions and negotiations, the Offeror resolved at the meeting of Board of Directors held on September 8, 2023 to acquire the shares of the Target Company through the Tender Offer as the Transaction.

(ii) Process of and Reasons for the Target Company's Decision to Support the Tender Offer

A. Proposal by the Offeror and Background of the Establishment of the System for Deliberation

The Target Company, having received a proposal from the Offeror on June 20, 2023 to conduct a tender offer for the Target Company Shares in order to acquire over 50% of the Target Company Shares as stated in "(i) Background, purpose, and decision-making process that led to the Offeror's decision to implement the Tender Offer" above, appointed Mori Hamada & Matsumoto as its legal advisor independent of the Offeror and the Target Company with respect to the Tender Offer, and began preliminary consultations regarding the system for deliberation of the Tender Offer and related matters in late June 2023. Although the Tender Offer does not constitute a tender offer by the controlling shareholder or a so-called management buyout (MBO), in order to ensure the fairness of the entire process of considering the merits of the Transactions and negotiating and judging the appropriateness of the terms of the Transactions, the Target Company immediately started establishing a system to review, negotiate, and make decisions regarding the Transactions from the perspective of enhancing the Target Company's corporate value and securing the interests of the Target Company's minority shareholders, independent of the Offeror, based on the advice of Mori Hamada & Matsumoto.

Specifically, in late June 2023, the Target Company began preparations for the establishment of a special committee consisting of independent outside directors of the Target Company based on the advice of Mori Hamada & Matsumoto, as described in "(ii) Establishment by the Target Company of an Independent Special Committee and Obtainment of the Committee Report" in "(4) Measures to Ensure the Fairness of the Tender Offer, Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below.

The Target Company determined that Mr. Nanpei Hayashi, Mr. Tsuneo Shimoda, and Mr. Daisuke Fujioka, all of whom are independent outside directors of the Target Company and members of the audit and supervisory committee, have extensive knowledge of corporate management, financial accounting, and investment, and have the independence and characteristics necessary to serve on a special committee, and the board of directors of the Target Company established a special committee comprising those three members (the "Special Committee"; for the background of the establishment, etc. of the Special Committee and its deliberations and decisions, please refer to "(ii) Establishment by the Target Company of an Independent Special Committee and Obtainment of the Committee Report" in "(4) Measures to Ensure the Fairness of the Tender Offer, Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below.) by a resolution passed on June 29, 2023. The Target Company asked the Special Committee to (1) consider and make a recommendation to the board of directors of the Target Company regarding whether or not the board of directors of the Target Company should endorse the Tender Offer and recommend that the shareholders of the Target Company tender their shares in the Tender Offer, and (2) to consider and provide its opinion to the board of directors of the Target Company regarding whether the decision of the board of directors regarding the Transactions is disadvantageous to the Target Company's minority shareholders (collectively, the "Consulted Matters"). In addition, the board of directors of the Target Company resolved that it shall make decisions regarding the Transactions with maximum respect for the decisions of the Special Committee, and that if the Special Committee determines that the

terms of the Transactions are not appropriate, the board of directors shall not approve the Transactions under those terms, and also resolved to grant the Special Committee the following authorities:

- (a) to negotiate with the counterparty to the Transactions (including indirect negotiations through the Target Company's officers, employees and advisors) regarding the terms of the Transactions and related matters;
- (b) to appoint or nominate its own financial advisors, third-party appraisers and legal advisors (collectively, the "Advisors"), as necessary, in considering the Consulted Matters (in such cases, the costs thereof shall be borne by the Target Company) and nominate or approve (after the fact) the Advisors of the Target Company (in addition, if the Special Committee determines that it can rely on and seek professional advice from the Target Company's Advisors, the Special Committee may do so);
- (c) to request persons deemed necessary by this Special Committee to attend Special Committee meetings, and request explanations of necessary information;
- (d) to receive from the officers and employees of the Target Company Group the information reasonably necessary to deliberate and make decisions regarding the Transactions; and
- (e) other matters deemed necessary by the Special Committee in deliberating and making decisions regarding the Transactions.

As stated in "(ii) Establishment by the Target Company of an Independent Special Committee and Obtainment of the Committee Report" in "(4) Measures to Ensure the Fairness of the Tender Offer, Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below, at the meeting of the Special Committee held on July 10, 2023, the Target Company received approval from the Special Committee for the appointment of Mori Hamada & Matsumoto as its legal advisor, after confirming that there were no problems with the independence and eligibility of the firm.

In addition, based on the above authorities, the Special Committee retained Shiomizaka as its own legal advisor independent of the Offeror and the Target Company on July 10, 2023, and retained Trustees as its own financial advisor and third-party appraiser independent of the Offeror and the Target Company on July 11, 2023. The Special Committee appointed Shiomizaka and Trustees after confirming that they are not related parties of the Offeror or the Target Company, that they do not have any material interest in the Transactions including the Tender Offer, and that there are no other problems regarding their independence and eligibility with respect to the Transactions.

Also, as stated in "(ii) Establishment by the Target Company of an Independent Special Committee and Obtainment of the Committee Report" and "(vi) Establishment of an Independent Review System at the Target Company" in "(4) Measures to Ensure the Fairness of the Tender Offer, Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below, the Target Company established an internal system to deliberate, negotiate and make decisions regarding the Transactions from a standpoint independent of the Offeror (including the extent of involvement and duties of officers and employees of the Target Company in deliberation, negotiation, and decision-making regarding the Transactions), and received the Special Committee's approval to the effect that there are no problems from the perspective of the independence or fairness of that deliberation system.

B. Background of Deliberation and Negotiation

After establishing the system for deliberation described in "A. Proposal by the Offeror and Background of the Establishment of the System for Deliberation" above, the Target Company received legal advice on measures to ensure the fairness of procedures related to the Transactions and other matters from Mori Hamada & Matsumoto, and an explanation of the valuation of the Target Company Shares and advice on the negotiation policy with the Offeror from Trustees, based on which it carefully deliberated the merits of the Transactions and the appropriateness of the transaction terms.

Specifically, the Target Company proceeded with the deliberations and discussions of the

Special Committee based on the letter from the Offeror titled “Consideration of Additional Acquisition of Shares of the Target Company” dated July 7, 2023, in which the Offeror explained that it was considering acquiring a majority of the Target Company’s issued shares through a tender offer for the Target Company Shares. The Special Committee received an explanation from the Target Company regarding the Target Company’s business environment and management challenges, the current status of the alliance with the Offeror, the advantages and disadvantages of the Transactions for the Target Company, and its business plan, as well as written responses to questions. The Special Committee also received written responses from the Offeror regarding the Target Company’s business environment and management challenges, the current status of the alliance with the Offeror, the advantages and disadvantages of the Transactions for the Target Company, and its business plan. Based on the responses and explanations received from the Target Company and the Offeror, the Special Committee further deliberated and consulted regarding the significance and purpose of the Transactions and the procedures and conditions of the Transactions.

Regarding the Tender Offer Price, the Target Company received a proposal from the Offeror on August 25, 2023 for a Tender Offer Price of 5,600 yen. On August 29, 2023, the Special Committee deliberated and reviewed the results of the initial analysis of the value of the Target Company Shares and advice from a financial perspective from Trustees, the Special Committee’s financial advisor and third-party appraiser, and the advice from a legal perspective from Shiomizaka, the Special Committee’s legal advisor, and Mori Hamada & Matsumoto, the Target Company’s legal advisor, and having determined that it would be better to request an increase in the tender offer price from the perspective of protecting minority shareholders, decided to propose that the Offeror increase the Tender Offer Price to 6,500 yen. Based on that decision of the Special Committee, the Target Company requested on August 29, 2023 that the Offeror raise the Tender Offer Price to 6,500 yen. On August 31, 2023, the Special Committee received a new proposal from the Offeror for a Tender Offer Price of 5,650 yen. In response, on September 1, 2023, the Special Committee concluded that the Offeror’s proposed price of 5,650 yen, while not unreasonable in light of the Trustees’ initial analysis of the value of the Target Company shares and their advice from a financial perspective, does not provide minority shareholders with an adequate opportunity to recover their investment, and, decided to propose that the Offeror increase the Tender Offer Price to 5,950 yen. the Special Committee requested on the same day the Offeror to raise the Tender Offer Price to 5,950 yen, and received a proposal from the Offeror to set the Tender Offer Price at 5,700 yen as of September 2023. In response, on the same day, the Special Committee decided that although the Offeror’s proposed price of 5,700 yen was not an unreasonable price as stated above, it would be desirable for the Special Committee to negotiate with the Offeror for a further increase in the price from the standpoint of protecting the interests of minority shareholders. The Special Committee decided to propose that the Offeror raise the Tender Offer Price to 5,900 yen. On the same day, the Special Committee proposed to the Offeror that the Tender Offer Price be set at 5,900 yen, and on September 6, 2023, received a response from the Offeror stating that the Offeror believes that 5,700 yen is a reasonable price and provides an opportunity for minority shareholders to recover their valuable investment, and for the reason, could not accept the above proposal. In response, the Special Committee decided that it would be desirable to continue to negotiate a price increase from the perspective of protecting the interests of minority shareholders, and requested the Offeror to reconsider the price, and on September 7, 2023, the Special Committee received a response from the Offeror stating that the Offeror could not accept the price increase again because the Offeror continues to believe that 5,700 yen is a reasonable price and also believes that it provides an opportunity for the minority shareholders of the Target Company to recover their valuable investment. In response, on the same day, the Special Committee decided to reach an agreement with the Offeror to set the Tender Offer Price at 5,700 yen, taking into consideration that the Offeror’s proposed price of 5,700 yen is not unreasonable as stated above, that the price was raised twice from the Offeror’s initial proposed price, and that the Special Committee had conducted multiple negotiations with the Offeror to raise the price thereafter, and on the same day, the Offeror informed the Offeror of its agreement to set the Tender Offer Price at 5,700 yen.

C. Details of the Decision-Making of the Target Company

Based on the above background, at the board of directors meeting held on today, the Target Company carefully deliberated and discussed whether the Transactions including the Tender Offer would contribute to enhancing the corporate value of the Target Company and whether the terms of the Transactions, including the Tender Offer Price, are appropriate, based on the legal advice received from Mori Hamada & Matsumoto, the advice from a financial standpoint and the content of the report on the results of valuation of the Target Company Shares (the “Share Valuation Report (Trustees)”) received by the Special Committee from Trustees as of September 7, 2023, while respecting, to the maximum possible extent, the decision of the Special Committee as indicated in the report received from the Special Committee (the “Committee Report”).

As a result, the Target Company concluded that the Transactions, which are premised on strengthening the capital and business alliance relationship with the Offeror, will contribute to enhancing the Target Company’s corporate value as described below.

The Target Company has long aimed to realize a sustainable healthcare system by using the power of data and ICT to address social issues currently being discussed in Japan, such as increasing healthcare costs (the 2025 Problem), regional disparities in healthcare, increasing lifestyle-related diseases, and labor shortages. Japan is facing these social issues earlier than other countries due to its rapidly aging population. The Target Company aims to use the know-how accumulated in this field to find solutions that transcend national borders, and can be shared with other countries in Asia and elsewhere that are likely to face the same issues in the future. After its establishment in 2002, the Target Company had its start providing receipt databases from health insurance associations to academia and industry as a pioneer in the medical big data business, and now provides services mainly to physicians and patients, and also to healthcare-related businesses including medical institutions, insurers, pharmaceutical companies, and life and non-life insurance companies, for the purpose of improving health and medical efficiency by utilizing data and ICT. The Target Company has expanded its business by building an ecosystem where it can use the data accumulated through these services to further improve its services.

In the context of the social issues highlighted above, the government expects insurers, including the health insurance societies to which the Target Company provides services, to play a major role in the national issue of optimizing medical costs, and is encouraging data-driven, evidence-based activities for medical care as a whole, including prevention. Furthermore, after the Covid-19 pandemic, there has been a rapid uptake of digital technology in various areas, including the healthcare arena, where there is growing momentum for implementing digital technology through deregulation and other means. In terms of the legal system, there have been developments toward promoting medical big data to optimize medical costs, such as the amendment of the Act on the Protection of Personal Information and the enactment of the Act on Anonymized Medical Data That Are Meant to Contribute to Research and Development in the Medical Field. In addition, the use of the My Number card as a health insurance card, the use of the MyNumber Portal, and the creation of a national medical information platform have further increased the momentum for the use of health care data. The Target Company Group believes that it must seize these exponentially expanding opportunities and to raise its business stage by several levels.

In February 2022, the Target Company entered into a capital/business tie-up agreement dated February 22, 2022 with the Offeror, and began collaboration with the aim “for the OMRON group to collaborate with the Target Company Group to accelerate the Target Company Group’s growth while respecting to the maximum extent the Group’s entrepreneurial corporate culture and independence of management, and for the Target Company Group to collaborate with the OMRON group’s efforts to “contribute to zero events of cardiovascular diseases,” which is the social value created by the healthcare domain of the OMRON group, and maximize the corporate value of the Target Company and OMRON by creating business synergies between the two Company groups.” Specifically, the Target Company has been strengthening its healthcare data platform by incorporating data held by the Offeror group, developing new preventive solutions and jointly deploying services by

leveraging the product development capabilities, customer base, and brand power of the Offeror group, and expanding overseas by leveraging the global footprint of the Offeror group.

This collaboration is beginning to bear fruit: In April 2023, the Target Company began interfacing data between “OMRON connect,” a smartphone health management application provided by OMRON Healthcare Co., Ltd., and “PepUp,” a PHR service for insurers provided by the Target Company, and in June 2023, eight representative management companies including the Offeror and the Target Company (in addition to 140 member companies and organizations) established the Health Management Alliance with the aim of improving the competitiveness of Japanese companies through employee health and the sustainability of corporate health insurance.

The Target Company believes that by strengthening its capital relationship with the Offeror through the Transactions, the Target Company will receive greater access to the Offeror’s assets such as product development capabilities, customer base, brand power, human resources, and global footprint, which will lead to the Target Company’s aim of business expansion through a cycle of data accumulation and service improvement, and by extension help to enhance the Target Company’s corporate value.

On the other hand, the potential downsides of the Transactions are the general concerns of (i) limitation of the management of the Target Company through increased managerial control and influence from the Offeror, and (ii) alienation of partners, officers, and employees due to the increased influence of the Offeror.

However, with respect to (i), it has been determined that there is no problem because the Target Company’s managerial independence is effectively and contractually guaranteed. Specifically, the Offeror aims to evolve from a business model based on selling devices to a recurring business model that provides “goods and services” and to expand its business into new disease areas by strengthening data services utilizing a healthcare data platform together with the Target Company, in order to “extend healthy life expectancy” as set forth in the SF2030 Vision in the healthcare solutions domain. Collaboration with a medical device manufacturer with global brand products such as the Offeror to collect data while developing new applications and monetization potential for that data is in line with the Target Company’s existing strategy. In addition, the Offeror will work with the Target Company to establish a data platform that interfaces data generated from the Offeror’s devices and services with data from other companies throughout the Offeror group’s overall business, including not only the Healthcare Solutions domain but also the Social Solutions domain and the Industrial Automation domain, which is the Offeror’s core business, create new solutions through the use of such data (not limited to “goods” alone, but including the most valuable form of implementation by combining “goods and services”) and make serious efforts to create value based on the data of the Offeror group. The Target Company is also taking on the challenge of utilizing data outside of the healthcare field using our know-how on data utilization, including data science, which it has cultivated in the healthcare field through supporting the Offeror, and intends to use as a new business opportunity any solid know-how that it is able to generate through this. Thus, the business strategies of the Target Company and the Offeror do not conflict, and there are no facts that raise concerns about the Target Company’s managerial independence in its business operations after February 2022, when the Target Company became an equity method affiliate of the Offeror. In addition, the Capital/Business Tie-up Agreement dated February 22, 2022 and the Amendment to the Capital/Business Tie-up Agreement also stipulate that the Offeror will respect and maintain the business execution system and business execution process established by the Target Company, and that the Offeror will respect the independence of the Target Company’s corporate system, including the personnel and compensation systems of the Target Company’s officers and employees.

Further, with respect to (ii), the Target Company does not expect any negative impact on partners due to the Transactions, as there are few competitors of the Offeror among the Target Company’s partners and no partners have been alienated due to capital relationship with the Offeror since February 2022, when the Target Company became an equity-method affiliate of the Offeror. In addition, a relationship of trust has been formed with the Offeror with respect to the Target Company’s officers and employees over the course of the approximately 1.5-year cooperative relationship, and in this regard, no adverse impact is

anticipated from the Transactions.

Therefore, the Target Company believes that the Transactions, which are premised on strengthening the capital and business alliance with the Offeror, will contribute to the enhancement of the Target Company's corporate value because the potential disadvantages are small and, in comparison, the advantages of increased access to the Offeror's assets are large.

In addition, from the following perspectives (a) through (f), the Target Company determined at the board of directors meeting held today that the Tender Offer Price of 5700 yen per share is not unreasonable.

- (a) The Tender Offer Price (5,700 yen) is greater than the upper bound of the ranges of results calculated by Trustees with respect to the value of the Target Company Shares by the market price method (4,411 yen to 5,221 yen) and the comparable company method (2,830 yen to 3,207 yen), and within the range calculated by the discounted cash flow method ("DCF Method") (2,830 yen to 3,207 yen) as described in "(iii) Obtainment by the Special Committee of a Share Valuation Report from an Independent Third-Party Appraiser" in "(4) Measures to Ensure the Fairness of the Tender Offer, Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below.
- (b) The Tender Offer Price of 5,700 yen represents a premium of 21.69% on the closing price of the Target Company Shares on the TSE Prime Market (4,684 yen) as of the last business day before the date of announcement of the Tender Offer (September 7, 2023), a premium of 29.22% on the simple average closing price over the preceding one-month period (4,411 yen), a premium of 9.17% on the simple average closing price over the preceding three-month period (5,221 yen), and a premium of 11.15% on the simple average closing price over the preceding six-month period (5,128 yen), and in comparison to the premiums offered in 6 other tender offers to make an equity method affiliate a consolidated subsidiary announced from September 2018 to August 2023 (for which the mean premium was 25.23 % as of the last business day before the date of announcement, 31.85 % over the preceding one-month period, 31.16 % over the preceding three month period, and 31.22% over the preceding six-month period, and the median premium was 23.46% as of the last business day preceding the announcement, 27.68% over the preceding one-month period, 27.48% over the preceding three month period, and 26.82% over the preceding six-month period), despite being slightly lower than the premiums over the simple average closing price for the preceding three- and six-month periods, the premiums over the simple average closing price for the last business day before the date of announcement and the preceding one-month period are generally in line with the other transactions mentioned above, and the premium represented by the Tender Offer Price can be considered a decent premium.
- (c) The measures to avoid conflicts of interest and other measures specified in "(4) Measures to Ensure the Fairness of the Tender Offer, Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below were taken, and consideration was otherwise given for the interests of minority shareholders.
- (d) The Tender Offer Price was determined through multiple rounds of discussions and negotiations between the Target Company and the Offeror, which were equivalent to discussions and negotiations in an arm's length transaction, after taking the above measures to avoid conflicts of interest and the like. More specifically, the Special Committee was substantially involved in the negotiation process regarding the terms and conditions of the Transactions by, for example, receiving timely status reports from the Target Company, expressing its opinions regarding negotiations on the terms of the Transactions, and negotiating directly with the Offeror.
- (e) As described in "(i) Background, purpose, and decision-making process that led to the Offeror's decision to implement the Tender Offer" above, the Tender Offer Price is

greater than the price (5,600 yen) that was agreed upon through negotiations between Noritsu Koki and the Offeror, and is greater than the price proposed by the Offeror such that a listed company whose interests are aligned with the Target Company and its minority shareholders (Noritsu Koki) was involved in the negotiations regarding the increase in the Tender Offer Price.

- (f) The Tender Offer price has been determined to be not unreasonable in the Committee Report received from the Special Committee as stated in “(ii) Establishment by the Target Company of an Independent Special Committee and Obtainment of the Committee Report” in “(4) Measures to Ensure the Fairness of the Tender Offer, Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below.

Based on the above, the Target Company determined that the Transactions would contribute to enhancing the corporate value of the Target Company and that the terms of the Transactions, including the Tender Offer Price, are not unreasonable, and resolved at the board of directors meeting held today to endorse the Tender Offer.

In addition, although the Target Company has determined that the Tender Offer Price is unreasonable as stated above, given that the Target Company Shares will remain listed after the Tender Offer and it would be sufficiently reasonable for the Target Company’s shareholders to choose to hold the Target Company Shares after the Tender Offer, the Target Company will reserve its judgment on the appropriateness of the Tender Offer Price and leave the decision regarding whether to tender their shares in the Tender Offer to the judgement of its shareholders.

For the method by which the board of directors resolution was conducted, see “(vii) Approval of All Disinterested Directors (including Audit and Supervisory Committee Members) of the Target Company” in “(4) Measures to Ensure the Fairness of the Tender Offer, Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below.

- (iii) Management policy after the Tender Offer

The Offeror recognizes the importance of fully respecting the corporate culture with full of entrepreneurial spirit and the independence of management of the Target Company in order to maximize the corporate value of the two groups after the conclusion of the Tender Offer, and plans to maintain the listing of the Target Company Shares and respect the voluntary management of the Target Company as a listed company.

In order to realize such policy, the Offeror has entered into the Amendment to the Capital/Business Tie-up Agreement with the Target Company and has agreed to aim to implement each of the matters described in “A. Area of the business tie-up based on the Capital/Business Tie-up” of “(i) Amendment to the Capital/Business Tie-up Agreement” in “(3) Matters related to material agreements concerning the Tender Offer”. As to the composition of officers of the Target Company, as of today, one of the eight directors is dispatched from the Offeror according to the Capital/Business Tie-up Agreement dated February 22, 2022, and there is no plan to change the number of dispatched directors even after the conclusion of the Tender Offer, and there will be no change to the number of the director candidate the Offeror may nominate to the nomination and compensation committee of the Target Company who is not an executive director of the Target Company, agreed upon the Capital/Business Tie-up Agreement dated February 22, 2022.

For details of the Amendment to the Capital/Business Tie-up Agreement, please refer to “(i) Amendment to the Capital/Business Tie-up Agreement” in “(3) Matters related to material agreements concerning the Tender Offer” below.

- (3) Matters related to material agreements concerning the Tender Offer

- (i) Amendment to the Capital/Business Tie-up Agreement

The Offeror entered into the Amendment to the Capital/Business Tie-up Agreement with the Target Company as of September 8 2023, for the purpose of strengthening the capital/business tie-up relationship with the Target Company to further solve social issues and expand

business value by acquiring the additional Target Company Shares. The outline, etc. of the Amendment to the Capital/Business Tie-up Agreement (including the outline, etc. of the provisions that have not been changed by the Amendment to the Capital/Business Tie-up Agreement among the Capital/Business Tie-up Agreement dated February 22, 2022) is as follows.

A. Area of the business tie-up based on the Capital/Business Tie-up

The area of the business tie-up based on the Capital/Business Tie-up has been expanded as follows (changes are underlined).

(a) Strengthen the health data platform

- Build health data platform linking Offeror Group's data to Target Company Group
- Sales cooperation for Target Company Group's product & services for data collection

(b) Development of preventive solutions

- Joint development and deployment of lifestyle change support services for patients in primary through to tertiary preventive medicine and nursing care prevention, as well as treatment support and guidance for medical professionals. Co-development of innovative prevention solutions leveraging devices and data.
- Development of devices for insurers for supply to the Target Company Group

(c) Global expansion of the Target Company Group's business

- Offeror Group will support the sales of Target Company Group's products & services in overseas markets
- Target Company Group will leverage Offeror Group's overseas business platforms

(d) Cross-selling of device services

- Deploying solutions which link personal health records and devices to healthcare providers, insurers, local governments, companies, etc.
- Cross-selling by Offeror Group and Target Company Group's products, services and solutions

(e) Development and social implementation of the Offeror Group's data solution business

- Establishment and promotion of collaboration themes in the areas of industrial automation and social solutions
- Dispatch of human resources from the Target Company Group's Data Innovation Lab to the Offeror Group and outsourcing by the Offeror Group to the Target Company Group

B. Secondment of employees between two companies

With a view to facilitating the Capital/Business Tie-up, the Offeror and the Target Company have agreed under the Amendment to the Capital/Business Tie-up Agreement, that, in the case where the other party makes a proposal with respect to the acceptance of secondment of the Offeror's employees to the Target Company and secondment of the Target Company's employees to the Offeror (more than one person is expected for each company), we confirm that we will consult in good faith to each other, and that we will decide on the details of the timing and treatment of the secondment (including the number and selection of employees) after consultation based on the intention of the employees.

C. Dispatch of officers

The Offeror and the Target Company have agreed under the Capital/Business Tie-up Agreement dated February 22, 2022, that the Offeror may nominate one director candidate (hereinafter referred to as the "Director Nominated by Offeror") who is not an executive director of the Target Company to the nomination and compensation committee of the Target Company, and the nomination and compensation committee of the Target Company will designate the Director Nominated by Offeror as a candidate for director.

D. Issuance or disposition of shares, etc.

The Offeror and the Target Company have agreed under the Amendment to the Capital/Business Tie-up Agreement, that the Target Company may, at its discretion, issue or dispose of the shares, etc. (meaning, collectively, shares, share options, bonds with share options and other rights to acquire shares. The same shall apply hereinafter in this "(i) Amendment to the Capital/Business Tie-up Agreement") in connection with the raising of

funds, M&A, etc., and that, in the case where (i) the Target Company ceases to be a consolidated subsidiary of the Offeror, or (ii) 10% or more dilution occurs due to such issuance or disposition of shares, etc., the Target Company shall provide the Offeror in advance or at a reasonable time ex post (provided that the Target Company shall notify the Offeror at least one month prior to the announcement of the issuance or disposal of shares, etc.) with the opportunity to acquire additional shares, etc. of the Target Company (details of which shall be reasonably determined by the Target Company) to the extent necessary (in the case of (i)) for the Offeror to make the Target Company a consolidated subsidiary, or (in the case of (ii)) to reinstate the dilution mentioned in (ii).; provided, however, that such obligation to provide such opportunity is subject to the Offeror not disposing of any part of the shares of the Target Company.

E. Handling of shares of the Target Company

The Offeror and the Target Company have agreed under the Capital/Business Tie-up Agreement dated February 22, 2022, that in the case where the Offeror acquires additional shares, etc. of the Target Company, the Offeror shall notify the Target Company in writing no later than one month prior to the expected final determination date of such additional acquisition, that in the case where the Offeror wishes to dispose of the shares of the Target Company held by the Offeror (limited to the case where the ratio of voting rights pertaining to the shares subject to such disposition is more than 5%), the Offeror shall notify the Target Company in writing no later than three months prior to the expected final determination date of such disposition, and that in the case where the Target Company indicates its intention concerning the party to whom the shares of the Target Company held by the Offeror are disposed of within two months from the date of receipt of such notice, the Offeror shall respect such intention to the fullest extent as long as it is broadly equivalent economically.

F. Condition precedent

Except for some provisions, the Amendment to the Capital/Business Tie-up Agreement shall become effective under the condition precedent that the Tender Offer implemented by the Offeror is concluded successfully.

(ii) Tender Agreement

The Offeror entered into the Tender Agreement with Noritsu Koki, which is regarded by the Target Company as a listed company whose interests coincide with those of the Target Company and the minority shareholders of the Target Company in terms of price increases, as of September 8, 2023. The Tender Agreement provides that Noritsu Koki shall fulfill its obligation to apply for the Tender Offer provided that all of the following conditions have been fulfilled. Noritsu Koki may, at its discretion, waive any of such conditions and fulfill its obligation to apply for the Tender Offer. In addition, there is no agreement under the Tender Agreement that the Offeror will provide benefits to Noritsu Koki in addition to the consideration gained from the application for the Tender Offer.

- (a) All representations and warranties of the Offeror (Note 1) are true and accurate in all material respects on the execution date of the Tender Agreement and the commencement date of the Tender Offer.
- (b) The Offeror has performed or complied with all of its obligations to be performed or complied with under the Tender Agreement (Note 2) in material respects by the commencement date of the Tender Offer.
- (c) The Offeror's purchase of the Target Company Shares held by Noritsu Koki contemplated in the Tender Offer is not in violation of laws and regulations, etc., and there is no guidance, response, recommendation, or other action or disposition from judicial or administrative organization, etc. to the effect that such purchase is in violation of laws and regulations, etc. or that the implementation should be suspended or postponed.

(Note 1) Under the Tender Agreement, the Offeror makes representations and warranties concerning: (a) the lawful incorporation and valid existence of the Offeror; (b) the

lawful and valid execution and performance of the Tender Agreement by the Offeror; (c) the enforceability of the Tender Agreement against the Offeror; (d) the acquisition and performance by the Offeror of permissions and licenses, etc. necessary for the execution and performance of the Tender Agreement; (e) the non-existence of any conflict with laws and regulations, etc. with regard to the execution and performance of the Tender Agreement by the Offeror; (f) the absence of any relationship between the Offeror and anti-social forces; and (g) the non-existence of any insolvency proceedings, etc. with regard to the Offeror.

(Note 2) The obligations of the Offeror under the Tender Agreement include: (a) indemnification obligation, (b) confidentiality obligation, and (c) obligation not to assign the status or rights and obligations under the Tender Agreement.

(4) Measures to Ensure the Fairness of the Tender Offer, Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest

As of today, the Target Company is not a subsidiary of the Offeror, and the Tender Offer does not constitute a tender offer by a controlling shareholder. In addition, there is no plan for all or some of the management members of the Target Company to invest in the Offeror, directly or indirectly, and therefore the Transactions (including the Tender Offer) do not constitute a so-called management buyout (MBO). However, in light of the fact that the Offeror is the Target Company's largest major shareholder holding 20,459,000 shares in the Target Company (ownership ratio: 31.49%), that it is possible that some of the directors of the Target Company may sell some of their Company Shares by tendering in the Tender Offer, the Offeror and the Target Company have implemented the following measures to ensure the fairness of the Tender Offer Price and eliminate arbitrariness and potential conflicts of interest in the decision-making process leading to the decision to conduct the Tender Offer, ensuring the fairness and transparency of the Transactions.

Among the statements below, matters relating to the measures implemented by the Offeror are described based on the press releases of and the explanations given by the Offeror.

(i) Acquisition of the Tender Offeror's Valuation Report from an independent third party calculating institution by the Offeror

In determining the Tender Offer Price, the Offeror requested SMBC Nikko Securities Inc. (hereinafter referred to as "SMBC Nikko Securities"), a financial advisor to the Offeror, to calculate the share value of the Target Company Shares as a third party calculation institution independent of the Offeror, the Target Company and Noritsu Koki. SMBC Nikko Securities is not a related person of the Offeror, the Target Company, or Noritsu Koki, and has no material interest in the Tender Offer.

For details, please refer to "(iv) Basis of calculation" in "(4) Basis for calculation, etc. of price of purchase, etc." in "2. Outline of purchase, etc." below.

(ii) Establishment by the Target Company of an Independent Special Committee and Obtainment of the Committee Report

A. Background of Establishment

As described in "(A) Proposal by the Offeror and Background of the Establishment of the System for Deliberation" in "(ii) Process of and Reasons for the Target Company's Decision to Support the Tender Offer" in "(2) Background, purpose, and decision-making process that led to the decision to implement the Tender Offer, and management policy after the Tender Offer" above, the Target Company determined that Mr. Nanpei Hayashi, Mr. Tsuneo Shimoda, and Mr. Daisuke Fujioka, all of whom are independent outside directors of the Target Company and members of the audit and supervisory committee, have extensive knowledge of corporate management, financial accounting, and investment, and have the independence and characteristics necessary to serve on the special committee, and the board of directors of the Target Company established a special committee comprising those three members by a resolution passed on June 29, 2023, and asked the Special Committee to consider the

Consulted Matters. The members of the Special Committee have not changed since its establishment, and the compensation payable to the Special Committee is solely composed of fixed-rate fees to be paid irrespective of the content of the Committee Report, and does not include any contingency fees to be paid on the condition that the Tender Offer is commenced or the Transactions including the Tender Offer are successfully completed.

In addition, the board of directors of the Target Company resolved that it shall make decisions regarding the Transactions with maximum respect for the decisions of the Special Committee, and that if the Special Committee determines that the terms of the Transactions are not appropriate, the board of directors shall not approve the Transactions under those terms, and also resolved to grant the Special Committee the authorities described in “(A) Proposal by the Offeror and Background of the Establishment of the System for Deliberation” in “(ii) Process of and Reasons for the Target Company’s Decision to Support the Tender Offer” in “(2) Background, purpose, and decision-making process that led to the decision to implement the Tender Offer, and management policy after the Tender Offer” above.

With respect to the above resolution of the board of directors of the Target Company regarding the establishment of the Special Committee and related matters, out of the eight directors of the Target Company, Mr. Seiji Takeda, who concurrently serves as an executive officer of the Offeror, did not participate in the deliberation and resolution because he may have a special interest in the matter. The resolution was approved by a unanimous vote of all seven directors of the Target Company (including audit and supervisory committee members) excluding Mr. Takeda. Although directors of the Target Company, Mr. Yosuke Matsushima and Mr. Yuta Yamamoto are from Noritsu Koki, they retired from their positions as directors of Noritsu Koki in June 2018 and November 2019, respectively, and have not been in a position or relationship to receive instructions, etc. from Noritsu Koki since then. Therefore, the Target Company has determined that the fact that Mr. Yosuke Matsushima and Mr. Yuta Yamamoto are from Noritsu Koki itself does not constitute a situation that may cause a conflict of interest.

B. Background of Deliberation

The Special Committee met a total of 8 times during the period from July 10, 2023 to September 7, 2023, for a total of approximately 11 hours, and performed its duties related to the Consulted Matters by reporting, sharing information, deliberating, making decisions, and similar activities. The specifics of the deliberation process are as follows.

First, the Special Committee retained Shiomizaka as its own legal advisor on July 10, 2023, and retained Trustees as its own financial advisor and third-party appraiser on July 11, 2023. The Special Committee has confirmed that Shiomizaka and Trustees are not related parties of the Offeror or the Target Company, and are independent of the Offeror and the Target Company given that there are no circumstances sufficient to indicate a material disclosable interest in the Tender Offer.

The Special Committee also determined on July 10, 2023 that the Target Company’s legal advisor, Mori Hamada & Matsumoto, is not a related party of the Offeror or the Target Company, and is independent of the Offeror and the Target Company given that there are no circumstances sufficient to indicate a material disclosable interest in the Tender Offer, and approved the appointment of that firm.

The Special Committee then requested that the Target Company provide materials, which it verified and asked the Target Company to provide information on matters including the Target Company’s business (including the status of the alliance with the Offeror, etc.), business environment, and major management challenges in light of the business environment, the details and material assumptions of the Target Company’s stand-alone business plan, the purpose and advantages and disadvantages of the Tender Offer, the scheme of the Tender Offer, and its analysis of the most recent stock price, and asked questions in writing and conducted a question and answer session.

The Special Committee also asked questions in writing to the Offeror regarding its understanding of the Target Company’s management challenges, its understanding of the current status of the alliance with the Target Company, the merits and demerits of the Tender Offer, the background of deliberation of the Tender Offer, the scheme of the Tender Offer, the

post-Tender Offer management policy (including policy for holding the Target Company Shares, business management policy, and handling of officers and employees), its involvement in the business plan prepared by the Target Company, and the basis of the proposed price.

Furthermore, the Special Committee requested the disclosure of the valuation materials prepared by Trustees as the third-party appraiser, which it verified, and also requested that the valuation staff of Trustees provide information on their interests in the Offeror and the Target Company, reasons for selecting the valuation methods, calculation process for each valuation method (including the business plan and assumptions on which the valuation is based), analysis of the valuation results, premiums in recent similar cases, analysis of the most recent share price, and other matters, and also obtained the Share Valuation Report (Trustees) as the final results of valuation. A question and answer session was conducted with the staff of Trustees regarding their interests in the Offeror and the Target Company, the process, scheme, and schedule of the Tender Offer, details of discussions and negotiations with the Offeror, and other matters.

In addition, the Special Committee conducted question and answer sessions with Shiomizaka and Mori Hamada & Matsumoto regarding their respective interests in the Offeror and the Target Company, the process, scheme, and schedule of the Tender Offer, the decision-making process regarding the Tender Offer, the decision-making methods, the content of legal advice regarding other considerations in making decisions regarding the Tender Offer, measures taken to ensure fairness in the process of deliberating the Tender Offer, and other matters.

The Special Committee also confirmed with Noritsu Koki the history of negotiations with the Offeror and the reasons for the conclusion of those negotiations, based on the understanding that the interests of Noritsu Koki, the Target Company, and the Target Company's minority shareholders are aligned in terms of raising the Tender Offer Price.

C. Details of Decision

Through the above process, the Special Committee carefully deliberated and discussed the Consulted Matters, and on September 8, 2023 submitted to the board of directors of the Target Company its Committee Report, which represents the unanimous opinion of the Special Committee in generally the following substance.

(a) Consulted Matter (1)

- a. The Tender Offer will contribute to the enhancement of the Target Company's corporate value and the purpose of the Tender Offer is reasonable.
 - The Target Company was established in May 2013, and in September 2013 it conducted an absorption-type merger with, and took over the business of, Japan Medical Data Center, the de facto surviving company, which had been established in January 2002.
 - The Target Company's business consists of the three main segments of (1) Health Big Data business, (2) Telemedicine business, and (3) Pharmacy Support business, with the Health Big Data business accounting for the majority of revenues (approximately 79.5% of segment income based on EBITDA for the fiscal year ending March 2023).
 - Looking at the Target Company's performance over the past several fiscal years, the main driver has been the high revenue growth in the Health Big Data business, against the backdrop of proactive growth investments in that business and other areas, and growth has been solid in both revenues and earnings.
 - In February 2022, the Target Company entered into a capital and business alliance agreement with the Offeror, and has been steadily deliberating and implementing alliance measures based on that agreement. The business alliance is now beginning to produce concrete results, including data interfaces between "OMRON connect" provided by the Offeror and "Pep Up," the PHR service provided by the Target Company, and the launch of a health management alliance for employers.

- With regard to the business environment surrounding the Target Company, Japan is facing social issues such as increasing healthcare costs (the 2025 Problem), regional disparities in healthcare, increasing lifestyle-related diseases, and labor shortages, and the Japanese government is encouraging activities aimed at resolving these issues; the Target Company recognizes that there is growing momentum to further promote the use of digital technology and healthcare data in the healthcare field through deregulation, including the legal system.
- In light of this business environment, the Target Company has established three medium- to long-term corporate management strategies: (1) to maximize the transaction value of data utilization services through “high value-add (up-selling)” and “expansion of data types (cross-selling)”; (2) to create value in healthcare through data utilization; and (3) to provide solutions that lead to more sound healthcare costs for people in society. The Target Company has set three specific business policies for the next five years: (a) dominant position in health big data; (b) national diffusion of PHR products; and (c) health care as a service.
- In order to seize the exponentially expanding business opportunities mentioned above and raise the Target Company’s business stage by several levels, the Target Company recognizes that its key management issues are increasing human resources for business expansion, enhancing M&A for business domain expansion, securing/enhancing global capabilities with the aim of overseas expansion, and enhancing product development capabilities for the evolution of solutions.
- In addition, although the alliance with the Offeror is producing concrete results as described above, the Target Company is forced to devote resources to rapid organic growth, the human and other resources of the Offeror that can be invested under the current capital relationship are limited, so progress has been variable among the alliance measures already mentioned and it is difficult to say that the potential synergies have been maximized in terms of quantity and speed.
- The above description of the Target Company’s business environment and management issues is in line with the Target Company’s previous understanding, and based on the Offeror’s answers to the questions posed to it in writing by this committee, there is no significant discrepancy between the Target Company and the Offeror with respect to this point.
- The Tender Offer is feasibly expected to increase business value by (1) evolving from a business model based on the sale of devices to a recurring business model that provides goods and services and expanding business into new disease areas, and (2) creating new business opportunities that utilize data outside of the healthcare solutions domain. Both of these measures are based on an accurate understanding of the Target Company’s management challenges, and are consistent with the Target Company’s management policy and the policy and details of the existing alliance with the Offeror.
- The explanation that the transition from an equity method affiliate to a consolidated subsidiary will accelerate the realization of growth potential through further strong commitment by both companies is also acceptable, and in light of the attributes of the Offeror and the results of the alliance with the Offeror since February 2022, there are no circumstances sufficient to deny the feasibility of expanding business value.
- On the other hand, looking at the disadvantages, the maintenance of the free and vigorous corporate culture and management policies and flexible and agile decision-making that are the source of the Target Company’s corporate value will be an important factor in the decision-making process; however, there is no risk of a material adverse effect on the Target Company’s business, given that the relevant provisions of the capital and business alliance agreement executed in February 2022 will generally be maintained after the Tender Offer and that the independence and flexibility of the Target Company’s management have been

ensured through the existing capital and business alliance. In addition, other disadvantages have been specifically examined, and there is nothing particularly unreasonable in the content of those examinations. Therefore, the Tender Offer is not considered to cause disadvantages that clearly exceed the aforementioned advantages.

- Based on the above, the Target Company believes that by strengthening its capital relationship through the Tender Offer, the Target Company will receive greater access to the Offeror's assets such as product development capabilities, customer base, brand power, human resources, and global footprint, which will lead to the Target Company's aim of business expansion through a cycle of data accumulation and service improvement, and by extension help to enhance the Target Company's corporate value.
 - In light of the above, the Tender Offer will contribute to the enhancement of the Target Company's corporate value and the purpose of the Tender Offer is reasonable.
- b. The fairness of the procedures relating to the Tender Offer, including the Tender Offer, has been secured.
- In the Tender Offer, various measures to ensure fairness have been taken, including: the early establishment of this committee, whose three members are all recognized to be independent of the Offeror and the Target Company, and are independent outside directors of the Target Company with a certain level of knowledge of the Target Company's business and extensive knowledge of corporate management, financial accounting, investment, and similar topics (including the implementation of practical measures to enhance the effectiveness of this committee); the early appointment by this committee of its own independent outside experts (financial advisor and legal advisor) and obtainment of expert advice and the Valuation Report; the early appointment by the Target Company of an independent outside expert (legal advisor) and the obtainment of expert advice; the securing of an opportunity to make a takeover bid after the announcement of the Tender Offer; the elimination of interested parties in the deliberations, negotiations, and resolutions regarding the Tender Offer; and improving the transparency of the process by enhancing the provision of information to minority shareholders and eliminating coercion.
 - As the Tender Offer is a transaction to acquire a majority of the Target Company Shares (a so-called partial purchase) and some shareholders will remain as minority shareholders, it is noted that if the acquisition has the potential to reduce corporate value, there will be a coercive force for those shareholders to tender their shares even if the transaction terms regarding price are unfavorable, and as a result, the acquisition is more likely to be successful (a coercive effect). However, there are no circumstances sufficient to evaluate the Tender Offer as a highly coercive type, given that (i) according to the Offeror, it intends to keep the Target Company Shares being listed even after the completion of the Tender Offer, and the Offeror has no concrete plans to acquire additional Company Shares after the completion of the Tender Offer, (ii) the Tender Offer can be evaluated as contributing to the enhancement of the Target Company's corporate value and the disadvantages of the Tender Offer will be minimal or measures have been taken to mitigate them, including the reasonable assurance of the Target Company's independence through the capital and business alliance agreement, as stated in a. above, and (iii) appropriate disclosure of these measures was made at the time of the announcement of the Tender Offer.
 - In light of the specific circumstances of the Tender Offer, the above measures to ensure fairness are necessary and sufficient in terms of content and combination and have been conducted effectively from the perspective of both (i) ensuring that the process of forming the terms of the transaction can be regarded as equivalent to an arm's length transaction and (ii) ensuring that minority

shareholders have an opportunity to make an appropriate decision based on sufficient information.

- Given the above, it is recognized that sufficient consideration has been given to the interests of the Target Company's minority shareholders through fair procedures in the Tender Offer.
- c. The appropriateness of the terms of the Tender Offer has been secured.
- This committee recognizes facts including (i) that the Tender Offer does not involve a so-called structural conflict of interest, and is instead a takeover transaction between mutually independent listed companies, (ii) that the Tender Offer Price was agreed upon through negotiations between Noritsu Koki, a major shareholder of the Target Company and its second-largest shareholder, and the Offeror, and is greater than the price proposed by the Offeror such that a listed company whose interests are aligned with the Target Company and its minority shareholders was involved in the negotiations regarding the increase in the Tender Offer Price, and (iii) that the Target Company's minority shareholders were given the option to liquidate their shares by tendering in the Tender Offer, or to continue to hold the Target Company Shares, which are listed shares, as before in expectation of synergies with the Offeror.
 - With respect to the specific facts of the Tender Offer described above, in this case, upon comprehensive consideration of the fact that (i) it has been ensured that the process of forming the terms of the transaction can be regarded as equivalent to an arm's length transaction through the implementation of fairness measures including the establishment and involvement of this committee, and this committee and the Target Company reached an agreement with the Offeror through sincere negotiations, and (ii) the calculation method and the results of the calculation are deemed to be reasonable, as the Valuation Report was prepared by a major operator with a significant track record in Japan, which is independent of the Offeror and the Target Company, and was independently appointed by this committee, and the financial projections and assumptions (including the calculation of free cash flows, discount rate, going concern value, and non-operating assets and interest-bearing liabilities to be added to or subtracted from the business value) on which the valuation was based are free of unreasonable points (including circumstances that suggest that the financial forecasts used as the basis for calculation were arbitrarily pessimistic), and the consideration for the Tender Offer is above the upper limit of the ranges calculated by the market price method and the comparable company method and within the range calculated by DCF Analysis, it is presumed that the Tender Offer Price incorporates not only the "value that could be realized if not for the Tender Offer" but also "the expected increase in corporate value through the Tender Offer" to a certain extent.
 - Adding to this the premium level of the Tender Offer compared to similar transactions, the acquisition price at the time of the capital and business alliance, and the recent change in the Target Company's stock price, the Tender Offer Price is considered to be not unreasonable.
 - In terms of the scheme and other transaction terms, the method and consideration of the Tender Offer are not disadvantageous to the minority shareholders of the Target Company, and therefore, this committee recognizes the fairness and appropriateness of the Tender Offer.
 - Given the above, the appropriateness of the terms of the Tender Offer has been secured. However, although the Target Company has determined that the Tender Offer Price represents a premium on the market price and is not unreasonable, given that the Target Company Shares will remain listed after the Tender Offer and it would be sufficiently reasonable for the Target Company's shareholders to choose to hold the Target Company Shares after the Tender Offer, it is appropriate for the Target Company to reserve its judgment on the

appropriateness of the Tender Offer Price and to leave the decision regarding whether to tender their shares in the Tender Offer to the judgement of its shareholders.

- d. Because it is reasonable for the board of directors of the Target Company to endorse the Tender Offer and to leave to the Target Company's shareholders the decision as to whether or not to tender their shares in the Tender Offer, the Special Committee recommends that the board of directors pass a resolution to that effect.
- d. concerns whether the Target Company's board of directors should endorse the Tender Offer and recommend that the Target Company's shareholders tender their shares in the Tender Offer.
 - This committee believes that the issues for consideration with regard to a. through c. above will be a factor to be considered when considering d.
 - This committee's opinion on a. through c. is set forth in detail in this Committee Report.
 - Thus, given that the Tender Offer will contribute to enhancing the corporate value of the Target Company, and its purposes are reasonable, it is appropriate for the board of directors to endorse the Tender Offer, and to pass a resolution to the effect that, although the Target Company has determined that the Tender Offer Price represents a premium on the market price and is not unreasonable, given that the Target Company Shares will remain listed after the Tender Offer and it would be sufficiently reasonable for the Target Company's shareholders to choose to hold the Target Company Shares after the Tender Offer, the Target Company resolved to reserve its judgment on the appropriateness of the Tender Offer Price and to leave the decision regarding whether to tender their shares in the Tender Offer to the judgement of its shareholders, and the Special Committee recommends that the board of directors pass such a resolution.

(b) Consulted Matter (2)

- Consulted Matter (2) concerns whether the Tender Offer is disadvantageous to the minority shareholders of the Target Company.
- However, this committee believes that the issues for consideration under Consulted Matter (1) will be a factor to be considered when considering Consulted Matter (2).
- This committee's opinion on Consulted Matter (1) is set forth in detail in this Committee Report.
- Based on the above, this committee believes that the Tender Offer (including the decision to express an opinion on the Tender Offer) is not disadvantageous to the minority shareholders of the Target Company.

(iii) Obtainment by the Special Committee of a Share Valuation Report from an Independent Third-Party Appraiser

In order to express its opinion on the Tender Offer, the Special Committee requested Trustees, a third-party appraiser independent of the Offeror and the Target Company, to evaluate the share value of the Target Company, and received the Share Valuation Report (Trustees) as of September 7, 2023. Trustees is not a related party of the Offeror or the Target Company and does not have any material interest in the Transactions, including the Tender Offer. Also, the compensation payable to Trustees is solely composed of fixed-rate fees to be paid irrespective of whether the Tender Offer is successfully completed or not and does not include any contingency fees to be paid on the condition that the Tender Offer is successfully completed.

Based on the belief that it is appropriate to evaluate the Target Company Shares from various aspects after examining factors such as the financial condition of the Target Company and trends in the market prices of the Target Company Shares, Trustees considered which of several share value calculation methods should be used and, as a result, calculated the value per share of the Target Company Shares using the market price method because the Target

Company Shares are listed on the TSE Prime Market and have a market price, the comparable company method because there are several listed companies engaged in businesses that are relatively similar to that of the Target Company and it is possible to analogize share values in comparison to similar companies, and DCF Method in order to reflect future business activity conditions of the Target Company in the calculation. The Target Company obtained the Share Valuation Report (Trustees) from Trustees as of September 7, 2023. Please note that, based on the fact that sufficient measures to ensure the fairness of the Tender Offer have been taken, including those stated in “(ii) Establishment by the Target Company of an Independent Special Committee and Obtainment of the Committee Report”, the Special Committee and the Target Company did not obtain a written opinion from Trustees to the effect that the Tender Offer Price is fair for the Target Company’s shareholders other than the Offeror from a financial perspective (fairness opinion).

According to the Share Valuation Report (Trustees), the following are the ranges of values per share of the Target Company Shares that were calculated based on each calculation method mentioned above.

Market price method:	From 4,411 yen to 5,221yen
Comparable company method:	From 2,830 yen to 3,207 yen
DCF Analysis:	From 5,305 yen to 6,484 yen

For the market price method, the share value range per Company Share of 4,411 yen to 5,221 yen was derived based on the following price of the Target Company Shares quoted on the TSE Prime Market as of the reference date of September 7, 2023, which is the last business day before the date of announcement of the Tender Offer; 4,684 yen, which was the closing price as of the reference date; 4,411 yen, which was the simple average closing price over the preceding one-month period; 5,221 yen, which was the simple average closing price over the preceding three-month period; and 5,128 yen, which was the simple average closing price over the preceding six-month period.

For the comparable company method, the share value range per Company Share of 2,830 yen to 3,207 yen was derived by making comparisons with other listed companies engaged in businesses relatively similar to that of the Target Company in terms of market share price and financial indicators for profitability.

For the DCF Method, the share value range per Company Share of 5,305 yen to 6,484 yen was derived by calculating the enterprise value and share value of the Target Company by discounting to the current value at a certain discount rate the free cash flow that the Target Company is expected to generate from the second quarter of the fiscal year ending March 2024 based on the Target Company’s earnings and investment plan projected in the business plan for the period from the fiscal year ending March 2024 to the fiscal year ending March 2028 prepared by the Target Company (the “Business Plan”), publicly available information, and other factors.

The financial forecasts based on the Business Plan that was used by Trustees as a basis for its calculation using the DCF Method contain those for certain fiscal years in which considerable increases and decreases in profits are expected. Specifically, the Target Company expects a considerable increase in its operating profit for the fiscal year ending March 2024 due to the transfer of all shares in Unike Software Research, Co., Ltd., which is a consolidated subsidiary of the Target Company, and its management purpose company over the period from the fiscal year ended March 2023 to the fiscal year ending March 2024. In addition, synergies that are anticipated as a result of the implementation of the Tender Offer are not taken into account in the financial forecasts since it is difficult to make specific numerical estimations at this time.

(NOTE) When preparing the Share Valuation Report (Trustees), Trustees used the information provided by the Target Company, publicly available information, and other related information on an as-is basis in principle, and assumed that such materials and information are all accurate and complete. It did not independently verify the accuracy or completeness of such materials and information. Moreover, no independent evaluations or assessments were made, and no expert opinions or

assessments from third-party organizations were sought, in regard to the assets and liabilities of the Target Company (including off-balance-sheet assets and liabilities and other contingent liabilities). Further, it was assumed that all information related to Company's financial forecasts had been reasonably prepared on the basis of the best forecasts and judgments currently available to Company's top management. Please note that Trustees held question-and-answer sessions with the Target Company multiple times regarding the Business Plan of the Target Company that it used as the basis for valuation and analyzed and examined the details of the Business Plan, and in addition, the Special Committee has confirmed that there is nothing unreasonable in the details or process of preparation of the Business Plan, or other circumstances related thereto, in light of the interests of the Target Company's general shareholders. Trustees' valuation reflects the abovementioned information covering the period up to September 7, 2023.

(iv) Advice from a Law Firm Independent of the Target Company

The Target Company appointed Mori Hamada & Matsumoto as its legal advisor independent of the Offeror and the Target Company and received legal advice, including advice on measures to be taken to ensure the fairness of the procedures of the Transactions, various procedures for the Transactions, and the methods and processes of, and other points to note in, decision-making by the Target Company on the Transactions.

In addition, Mori Hamada & Matsumoto is not a related party of the Offeror or the Target Company and has no material interest in the Transactions, including the Tender Offer. The compensation payable to Mori Hamada & Matsumoto is solely composed of fees to be paid on an hourly basis irrespective of whether the Transactions are successfully completed or not and does not include any contingency fees to be paid on the condition that the Transactions are successfully completed.

(v) Advice from a Law Firm Independent of the Special Committee

The Special Committee appointed Shiomizaka as its legal advisor independent of the Offeror and the Target Company and received legal advice, including advice on measures to be taken to ensure the fairness of the procedures of the Transactions, various procedures for the Transactions, and the methods and processes of, and other points to note in, deliberations by the Special Committee on the Transactions.

In addition, Shiomizaka is not a related party of the Offeror or the Target Company and has no material interest in the Transactions, including the Tender Offer. The compensation payable to Shiomizaka is solely composed of fees to be paid on an hourly basis irrespective of whether the Transactions are successfully completed or not and does not include any contingency fees to be paid on the condition that the Transactions are successfully completed.

(vi) Establishment of an Independent Review System at the Target Company

As explained in "A. Proposal by the Offeror and Background of the Establishment of the System for Deliberation" of "(ii) Process of and Reasons for the Target Company's Decision to Support the Tender Offer" in "(2) Background, purpose, and decision-making process that led to the decision to implement the Tender Offer, and management policy after the Tender Offer" above, although the Tender Offer does not constitute a tender offer by a controlling shareholder or a so called management buy-out (MBO), in order to eliminate arbitrariness and potential conflicts of interest in the decision-making process leading to the decision to conduct the Tender Offer and ensure the fairness and transparency of the Transactions, the Target Company immediately started establishing a system to review, negotiate, and make decisions regarding the Transactions from the perspective of enhancing the Target Company's corporate value and securing the interests of the Target Company's minority shareholders, independent of the Offeror, based on the advice of Mori Hamada & Matsumoto.

Specifically, in late June 2023, the Target Company established a system to review, negotiate, and decide on the Transactions that involves and two employees of the Target Company independent of the Offeror, and together with the Special Committee, under this system, the Target Company is involved in the process of negotiations regarding the terms of the

Transactions, including the Tender Offer Price, between the Target Company and the Offeror. The Target Company did not permit any officers and employees of the Target Company who concurrently serve or have served as officers or employees of the Offeror to become involved in the system for the purpose of eliminating the issue of structural conflicts of interest, and as stated in “(vii) Approval of All Disinterested Directors (including Audit and Supervisory Committee Members) of the Target Company,” Mr. Yosuke Matsushima, Mr. Ryo Noguchi, and Mr. Yuta Yamamoto, who hold Company Shares and may tender their shares in the Tender Offer, were excluded from participating in the system, and it has continued such measures until September 8, 2023, and Mr. Yosuke Matsushima, Mr. Ryo Noguchi or Mr. Yuta Yamamoto gave no instructions, etc. to this system in connection with their consideration, negotiation, or decision on the Transaction.

The Special Committee has approved that there is no concern from the perspective of independence with respect to the internal system for reviewing the Transactions (including the scope of the Target Company’s officers and employees involved in reviewing, negotiating, and making decisions regarding the Transactions, and their duties) established by the Target Company, based on the advice received from Mori Hamada & Matsumoto and that there is no concern with respect thereto from the perspective of independence and fairness, including the exclusion of the Target Company’s officers and employees as stated above.

(vii) Approval of All Disinterested Directors (including Audit and Supervisory Committee Members) of the Target Company

The Target Company resolved at the board of directors meeting held on September 7, 2023, by unanimous agreement of all four disinterested directors (including directors that are audit and supervisory committee members) who participated in the deliberation and resolution, of eight directors of the Target Company with the exception of Mr. Seiji Takeda, Mr. Yosuke Matsushima, Mr. Ryo Noguchi, and Mr. Yuta Yamamoto, to endorse the Tender Offer based on the grounds and reasons set out in “(ii) Process of and Reasons for the Target Company’s Decision to Support the Tender Offer” of “(2) Background, purpose, and decision-making process that led to the decision to implement the Tender Offer, and management policy after the Tender Offer” above and to leave with its shareholders whether to tender their shares in the Tender Offer.

Given that Mr. Seiji Takeda concurrently serves as an executive officer of the Offeror and that Mr. Yosuke Matsushima, Mr. Ryo Noguchi, and Mr. Yuta Yamamoto hold Company Shares and may tender their shares in the Tender Offer, from the perspective of avoiding potential conflicts of interest, none of those three directors participated in the deliberation or resolution at the board of directors above nor participated in discussions or negotiations with the Offeror on behalf of the Target Company.

There is a possibility that the four directors who did not participate in the deliberation or resolution at the board of directors meeting above, namely, Mr. Seiji Takeda, Mr. Yosuke Matsushima, Mr. Ryo Noguchi, and Mr. Yuta Yamamoto, do not have special interests provided for in the Companies Act (Act No. 86 of 2005, as amended.) in relation to the proposal stated above. In that case, the quorum for the board of directors meeting may not have been satisfied in relation to that proposal, and therefore, in order to ensure that a valid resolution that satisfies the quorum under the Companies Act was made, five directors including Mr. Ryo Noguchi (who, of the four directors, does not concurrently serve as an officer or employee of the Offeror and holds the smallest number of Company Shares) deliberated and again took a vote on that proposal and passed a resolution by unanimous approval.

(5) Plan to acquire share certificates, etc. after the Tender Offer

Since the Offeror purports to make the Target Company a consolidated subsidiary of the Offeror and does not intend to delist the Target Company Shares, the Offeror is not currently planning to make any additional acquisition of the Target Company Shares after the conclusion of the Tender Offer.

(6) The prospect of delisting and the reason therefor

The Target Company Shares are listed on the Prime Market of TSE as of today, but the Tender

Offer is not intended to delist the Target Company Shares, and the Offeror conducts the Tender Offer with 15,000,000 shares (ownership ratio: 23.08%) as the maximum number of shares sought for purchase. Therefore, the number of shares held by the Offeror after the conclusion of the Tender Offer is expected to be 35,459,000 (ownership ratio: 54.57%), and as a result, the Target Company Shares are expected to remain listed on the Prime Market of TSE even after the conclusion of the Tender Offer.

The Offeror made certain estimates based on the shareholders composition of the Target Company and the fact that it has been agreed that all of the Target Company Shares held by Noritsu Koki would be tendered in the Tender Offer, and believes it is unlikely that the standards for maintaining the listing related to the circulating share ratio of the Target Company (on or above 35%) will be conflicted as a result of the Tender Offer (the circulating share ratio is 45.49% as of March 31, 2023).

2. Outline of purchase, etc.

(1) Summary of Target Company

(i)	N a m e	JMDC Inc.		
(ii)	A d d r e s s	2-5-5, Shiba Daimon, Minato-ku, Tokyo		
(iii)	T i t l e / n a m e o f r e p r e s e n t a t i v e	Ryo Noguchi, Representative Director, President and CEO		
(iv)	D e s c r i p t i o n o f b u s i n e s s e s	Medical statistics data service		
(v)	S t a t e d c a p i t a l	24,008 million yen (as of June 30, 2023)		
(vi)	D a t e o f i n c o r p o r a t i o n	January 31, 2002		
(vii)	L a r g e s t s h a r e h o l d e r s a n d s h a r e h o l d i n g r a t i o (A s o f M a r c h 3 1, 2 0 2 3)	OMRON Corporation	32.52%	
		Noritsu Koki Co., Ltd.	14.08%	
		The Master Trust Bank of Japan, Ltd. (Trust Account)	11.16%	
		Custody Bank of Japan, Ltd. (Trust Account)	4.05%	
		Yosuke Matsushima	2.68%	
		Yuta Yamamoto	2.29%	
		Reimu Sugita	1.25%	
		STATE STREET BANK AND TRUST COMPANY 505223		
		(Standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	1.17%	
		THE BANK OF NEW YORK MELLON SA/NV 10		
		(Standing proxy: MUFG Bank, Ltd.)	1.06%	
		CREDIT SUISSE(LUXEMBOURG) S.A./		
		CUSTOMER ASSETS, FUNDS UCITS		
		(Standing proxy: MUFG Bank, Ltd.)	0.97%	
(viii)	Relationship between Offeror and Target Company			
	Capital relationship	The Offeror owns 20,459,000 shares of the Target Company (ownership ratio: 31.49%) as of today.		
	Personal relationship	The Offeror dispatches one outside director and one employee to the Target Company.		
	Business relationship	The Offeror engages in transactions with the Target Company relating to business entrustment of data provision and business entrustment on consulting services, and transactions relating to purchase of the Offeror's products.		
	Applicability of related party	The Target Company is an equity-method affiliate of the Offeror, and therefore it falls under a related party.		
(ix)	Consolidated operating results and consolidated financial position for the past three years			
	Fiscal year	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2023
	T o t a l a s s e t s	58,264 million yen	62,053 million yen	98,567 million yen

Total interest attributable to the owners of the parent company	28,250 million yen	31,170 million yen	64,539 million yen
Interest attributable to the owners of the parent company per share	504.59 yen	551.17 yen	1,025.89 yen
Sales revenue	16,771 million yen	21,814 million yen	27,809 million yen
Operating income	3,695 million yen	4,783 million yen	5,926 million yen
Income before taxes	3,636 million yen	4,768 million yen	5,876 million yen
Current income attributable to the owners of the parent company	2,476 million yen	3,247 million yen	4,267 million yen
Basic current income per share	46.54 yen	57.94 yen	71.17 yen
Dividend per share	- yen	10.00 yen	12.00 yen

(NOTE) "(vii) Largest shareholders and shareholding ratio" and "(ix) Consolidated operating results and consolidated financial position for the past three years" are cited from the 10th Fiscal Term Annual Securities Report filed by the Target Company on June 30, 2023.

(2) Schedule, etc.

(i) Schedule

Resolution of the board of directors	(Fri) September 8, 2023
Execution of the Amendment to the Capital/Business Tie-up Agreement	(Fri) September 8, 2023
Date of notice of commencement of Tender Offer	(Mon) September 11, 2023 Public notice is to be issued online and in the Nihon Keizai Shimbun. (Electronic public notice site: https://disclosure.edinet-fsa.go.jp/)
Tender offer notification submission date	(Mon) September 11, 2023

(ii) Period of purchase from the time of notification

(Mon) September 11, 2023 to (Tue) October 10, 2023 (20 business days)

(iii) Possibility of extension at the request of the Target Company

In the event that the Target Company submits a Target Company's position statement stating that it requests an extension of the Tender Offer Period pursuant to the provisions of Article 27-10, Paragraph 3 of the Act, the Tender Offer Period will be until October 24, 2023 (Tue) (30 business days).

(iv) Contact for confirmation of extension of period

Contact: OMRON Corporation

801, Minami Fudondou-cho, Horikawa Higashiiru, Shiokoji-dori,
Shimogyo-ku, Kyoto-shi, Kyoto (075) 344-7070

Toyoharu Tamoi, Executive Officer and General Manager of Global
Accounting Division

Confirmation acceptance time: From 9 to 17 o'clock on weekdays

(3) Price of Tender Offer

5,700 yen per share of common stock

(4) Basis of Valuation of Price for Tender Offer

(i) Basis of Valuation

In deciding the Tender Offer Price, the Offeror requested its financial adviser SMBC Nikko Securities to evaluate the Target Company's share value as a third-party appraiser independent from the Offeror, the Target Company and Noritsu Koki to ensure fairness of the Tender Offer Price. SMBC Nikko Securities does not constitute a related party of either the Offeror or the Target Company, nor does it have any material interests in the Tender Offer. In addition, while SMBC Nikko Securities is a member of group companies of Sumitomo Mitsui Financial Group, Inc., as is Sumitomo Mitsui Banking Corporation which conducts loan transactions, etc. as part of ordinary banking transactions for the Offeror Group and the Target Company Group, in view of the past performance of SMBC Nikko Securities as a third-party calculation institution, and in light of the fact that measures of information firewall as stipulated in the company's regulations are taken as the measures to prevent adverse effect between the department that calculates the share value of the Target Company Shares and other departments at SMBC Nikko Securities and Sumitomo Mitsui Banking Corporation, that the Offeror and SMBC Nikko Securities are conducting transactions under the transaction terms same as ordinary transaction counterparties and the independence as a financial advisor and a third-party calculation institution is secured, and that SMBC Nikko Securities is not a related party of either the Offeror or the Target Company and we consider there is no particular issue in that the Offeror requests SMBC Nikko Securities to calculate the share value of the Target Company Shares, the Offeror has appointed SMBC Nikko Securities as a financial advisor and a third-party calculation institution.

After considering which valuation methods should be applied to evaluate the share value of the Target Company's shares among various stock valuation methods, SMBC Nikko Securities evaluated the share value of the Target Company's shares using each method of (i) the market price method since the Target Company is listed on the Standard Market of the Tokyo Stock Exchange and a market price exists, (ii) the comparable listed company method since it is possible to infer the share value of the Target Company's shares by comparison with similar listed companies and (iii) the DCF method in order to reflect the future business activities in the valuation. The Offeror obtained from SMBC Nikko Securities a share valuation report concerning the share value of the Target Company Shares (the "Tender Offeror's Valuation Report") dated as of September 7, 2023.

Since the Offeror believes that the fairness of the Tender Offer is ensured by each of the measures described in "(4) Measures to Ensure the Fairness of the Tender Offer, Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" in "1. Purpose of purchase, etc.", the Offeror did not obtain a written fairness opinion regarding the Tender Offer Price provided by SMBC Nikko Securities.

The price ranges per share for the Target Company stock provided by SMBC Nikko Securities are as follows.

Market price method:	4,411 to 5,221 yen
Comparable company analysis method:	2,892 to 3,957 yen
DCF method:	5,432 to 6,594 yen

Under the market price method, the range of share value per share was evaluated to be from 4,441 yen to 5,211 yen as of September 7, 2023, the business day preceding the date of publication of the implementation of the Tender Offer, as the record date for evaluation. This range was based on the simple average closing price of the Target Company Shares on the Standard Market of the Tokyo Stock Exchange for the past one (1) month (from August 8, 2023 to September 7, 2023) up to the record date for evaluation which was 4,411 yen, the past three (3) months (from June 8, 2023 to September 7, 2023) up to such date which was 5,221 yen, and the past six (6) months (from March 8, 2023 to September 7, 2023) up to such date which was 5,128 yen.

Under the comparable listed company analysis method, the value range of 2,892 to 3,957 yen

per Target Company Share was derived by comparing the market share prices and financial indicators such as the profitability of listed companies engaged in similar business to that of the Target Company.

Under the DCF Method, the range of share value per share was assessed to be from 5,432 yen to 6,594 yen as a result of assessing the corporate value and the share value of the Target Company by discounting the free cash flow that is expected to be generated by the Target Company after the third quarter of the fiscal year ending March 2024 to the present value using a certain discount rate, based on the earnings estimates set by the Target Company with consideration for various factors, such as the Target Company's business plan, provided by the Target Company, for the period from the fiscal year ending March 2024 through the fiscal year ending March 2028 and publicly available information. In the future financial forecast of the Target Company assumed in DCF method, a large increase or decrease in profit is not expected. The synergies expected to be realized from the implementation of the Tender Offer are not reflected because it is difficult to specifically estimate the impact on earnings at this time.

In addition to the results of the calculation in the Tender Offeror's Valuation Report acquired from SMBC Nikko Securities, the Offeror decided at the meeting of the Board of Directors held on September 8, 2023 that the Tender Offer Price shall be 5,700 yen per share based on a comprehensive consideration of the results of the due diligence of the Target Company conducted by the Offeror, whether or not the Board of Directors of the Target Company agree to the Tender Offer, the trend of market price of the Target Company Shares, and the prospects for the tender in the Tender Offer, etc., and also taking into account the results of discussions and negotiations with Noritsu Koki, a largest shareholder of the Target Company, etc. As the number of cases similar to the Tender Offer (making an equity-method affiliate a consolidated subsidiary) is smaller than the cases where the target is made a wholly-owned subsidiary or the target is made private, the premium ratio in cases of other companies is not used for reference in determining the Tender Offer Price.

The Tender Offer Price of 5,700 yen represents a premium of 21.69% added to the Target Company stock closing price of 4,684 yen recorded on the Prime Market of the TSE on September 7, 2023, which is one business day prior to the Tender Offer announcement date. It also represents a premium of 29.22% added to a simple average of 4,411 yen for the Target Company stock closing prices over the preceding one month. Likewise, it represents a premium of 9.17% added to a simple average of 5,221 yen for the Target Company stock closing prices over the preceding three months, and a premium of 11.15% added to a simple average of 5,128 yen for the Target Company stock closing prices over the preceding six months.

As described in "(2) Background, purpose, and decision-making process that led to the decision to implement the Tender Offer, and management policy after the Tender Offer" in "1. Purpose of Purchase, etc." above, the Offeror entered into a capital/business tie-up agreement with the Target Company dated February 22, 2022 and acquired 18,644,100 shares of the Target Company Shares (ownership ratio against the total number of issued shares of the Target Company as of February 14, 2022: 33.00%) on February 25, 2022 as the assignment date at 6,000 yen per share, based on a negotiation transaction off-market through secondary offering of shares from Noritsu Koki. There is a difference of 5,700 yen between such acquisition price (6,000 yen) and the Tender Offer Price (300 yen), but the secondary offering price is the price determined through consultation between the parties to the sale, while the Tender Offer Price is premium to the market price of the Target Company's shares after the above considerations.

In addition, we acquired 1,814,900 shares of the Target Company Shares (ownership ratio against the total number of issued shares of the Target Company as of September 30, 2022: 2.89%) at 5,509 yen per share through the underwriting of a third-party allotment of shares conducted by the Target Company with a payment date of September 20, 2022. Although there is a difference of 191 yen between such acquisition price (5,509 yen) and the Tender Offer Price (5,700 yen), the payment amount in the third-party allotment is the closing price (5,680 yen) as of September 8, 2022 that is the calculation reference date, discounted by 3.01%, while the Tender Offer Price is premium to the market price of the Target Company's shares after the above considerations.

(ii) Background of Valuation

(Background of the Decisions on the Tender Offer Price)

Based on the results of the analysis and consideration as described” (i) Background, purpose, and decision-making process that led to the Offeror’s decision to implement the Tender Offer” of “(2) Background, purpose, and decision-making process that led to the decision to implement the Tender Offer, and management policy after the Tender Offer” in “(1) Outline of the Tender Offer” above, the Offeror made a proposal to the Target Company to implement a tender offer for the Target Company Shares for the purpose of acquiring more than 50% of the Target Company Shares on June 20, 2023, and submitted a letter entitled “Consideration of Additional Acquisition of Shares of your Company” to the Target Company and discussed with the Target Company the business synergies, etc. created by making the Target Company a consolidated subsidiary of the Offeror on July 7, 2023. In addition, because it is possible to increase the certainty of the completion of the Tender Offer if all of the Target Company Shares held by Noritsu Koki, the second largest shareholder in the Target Company, are applied for the Tender Offer, the Offeror explained to Noritsu Koki that it intended to conduct the Tender Offer and wished to enter into the Tender Agreement on August 8, 2023, and received a response from Noritsu Koki that it would positively consider to apply the Target Company Shares held by it for the Tender Offer and to conclude the Tender Agreement, on the same day. On August 21, 2023, the Offeror proposed Noritsu Koki to set the Tender Offer Price at approximately 5,500 yen (5,500 yen is the price calculated by adding the premium of 35.74% (rounded to the second decimal place; hereinafter the same in the calculation of premiums and discounts) to the closing price of the Target Company Share (4,052 yen) at the Prime Market of TSE on August 18, 2023, the business day preceding the date of proposal, by adding the premium of 8.80% to the simple average of closing price (5,055 yen) (rounded to the nearest yen; hereinafter the same in the calculation of simple average of closing price) for the past one month until August 18, 2023, by discounting by 0.13% the simple average of closing price (5,507 yen) for the past three months, and by adding the premium of 7.02% to the simple average of closing price (5,139 yen) for the past six months), and on the same day received a request to raise the Tender Offer Price from Noritsu Koki as the expected price level was not met. Following the receipt of such request, the Offeror made a proposal to Noritsu Koki on August 25, 2023 to make the Tender Offer Price 5,600 yen (the price calculated by adding the premium of 32.17% to the closing price of the Target Company Share (4,237 yen) at the Prime Market of TSE on August 24, 2023, the business day preceding the date of proposal, by adding the premium of 16.45% to the simple average of closing price (4,809 yen) for the past one month until August 24, 2023, by adding the premium of 3.51% to the simple average of closing price (5,410 yen) for the past three months, and by adding the premium of 9.03% to the simple average of closing price (5,136 yen) for the past six months), and on the same day, reached an agreement with Noritsu Koki to enter into the Tender Agreement with the Tender Offer Price of 5,600 yen or more based on the assumption that it is the price agreed between the Offeror and the Target Company. Subsequently, as stated below, we agreed with the Target Company to set the Tender Offer Price at 5,700 yen, and on September 8, 2023, we entered into the Tender Agreement with Noritsu Koki to set the Tender Offer Price at 5,700 yen.

The Offeror submitted to the Target Company on August 25, 2023 the first price proposal to make the Tender Offer Price at 5,600 yen as agreed with Noritsu Koki (the price calculated by adding the premium of 32.17% to the closing price of the Target Company Share (4,237 yen) at the Prime Market of TSE on August 24, 2023, the business day preceding the date of proposal, by adding the premium of 16.45% to the simple average of closing price (4,809 yen) for the past one month until August 24, 2023, by adding the premium of 3.51% to the simple average of closing price (5,410 yen) for the past three months, and by adding the premium of 9.03% to the simple average of closing price (5,136 yen) for the past six months). On August 29, 2023, in response to the proposal made by the Offeror, the Special Committee made deliberation and consideration based on the initial analysis results on the value of the Target Company Shares and advice from financial perspective from Trustees, the financial advisor and third party calculation institution of the Special Committee, and advice from legal perspective from Shiomizaka, a legal advisor to the Special Committee and Mori, Hamada & Matsumoto, a legal advisor to the Target Company, and determined it is desirable to demand

an increase in the Tender Offer Price from the viewpoint of protecting the interests of minority shareholders, and the Target Company requested the Offeror to raise the Tender Offer Price to 6,500 yen. Given such requests from the Target Company, on August 31, 2023, the Offeror made a proposal to make the Tender Offer Price at 5,650 yen as the price that provides the shareholders of the Target Company with sufficient opportunity to collect investment (the price calculated by adding the premium of 30.21% to the closing price of the Target Company Share (4,339 yen) at the Prime Market of TSE on August 30, 2023, the business day preceding the proposal, by adding the premium of 22.72% to the simple average of closing price (4,604 yen) for the past one month until August 30, 2023, by adding the premium of 5.86% to the simple average of closing price (5,337 yen) for the past three months, and by adding the premium of 10.27% to the simple average of closing price (5,124 yen) for the past six months). In response, on September 1, 2023, The Special Committee concluded that the Offeror's proposed price of 5,650 yen, while not unreasonable in light of the Trustees' initial analysis of the value of the Target Company shares and their advice from a financial perspective, does not provide minority shareholders with an adequate opportunity to recover their investment, and requested the Offeror to raise the Tender Offer Price to 5,950 yen. On September 5, 2023, after careful consideration of the request from the Special Committee, the Offeror made a proposal to set the Tender Offer Price at 5,700 yen (the price calculated by adding the premium of 29.90% to the closing price of the Target Company Share (4,388 yen) at the Prime Market of TSE on September 4, 2023, the business day preceding the proposal, by adding the premium of 29.34% to the simple average of closing price (4,407 yen) for the past one month until September 4, 2023, by adding the premium of 8.00% to the simple average of closing price (5,278 yen) for the past three months, and by adding the premium of 11.15% to the simple average of closing price (5,128 yen) for the past six months). In response, on September 5, 2023, although the Offeror's proposed price of 5,700 yen is not an unreasonable price as stated above, from the perspective of protecting the interests of minority shareholders, the Special Committee has determined that it is desirable to negotiate for a further increase in the price, and requested the Offeror to raise the Tender Offer Price to 5,900 yen. On September 6, 2023, after careful consideration of the request from the Target Company, the Offeror made a proposal again to set the Tender Offer Price at 5,700 yen (the price calculated by adding the premium of 23.08% to the closing price of the Target Company Share (4,631 yen) at the Prime Market of TSE on September 5, 2023, the business day preceding the proposal, by adding the premium of 29.02% to the simple average of closing price (4,418 yen) for the past one month until September 5, 2023, by adding the premium of 8.34% to the simple average of closing price (5,261 yen) for the past three months, and by adding the premium of 11.24% to the simple average of closing price (5,124 yen) for the past six months). In response, on September 6, 2023, the Special Committee decided that it would be desirable to negotiate a price increase from the perspective of continuing to protect the interests of minority shareholders and requested the Offeror to raise the Tender Offer Price. On September 7, 2023, after careful consideration of the request from the Special Committee, the Offeror made a proposal to set the Tender Offer Price at 5,700 yen (the price calculated by adding the premium of 22.13% to the closing price of the Target Company Share (4,667 yen) at the Prime Market of TSE on September 6, 2023, the business day preceding the proposal, by adding the premium of 28.70% to the simple average of closing price (4,429 yen) for the past one month until September 6, 2023, by adding the premium of 8.76% to the simple average of closing price (5,241 yen) for the past three months, and by adding the premium of 11.18% to the simple average of closing price (5,127 yen) for the past six months). In response, on September 7, 2023, the Target Company decided to conclude the Tender Offer Price at 5,700 yen, taking into consideration that the Offeror's proposed price of 5,700 yen was not unreasonable as stated above, that the Offeror had raised the price twice from its initial proposed price, and that the Special Committee had conducted negotiations with the Offeror several times thereafter to raise the price, and informed the Offeror on the same day that the Target Company agreed to set the Tender Offer Price at 5,700 yen. Following these discussions and negotiations, the Offeror resolved at the meeting of Board of Directors held on September 8, 2023 to acquire the shares of the Target Company through the Tender Offer as the Transaction.

(a) Name of Third Party from whom Offeror Received Advice upon Valuation

In deciding the Tender Offer Price, the Offeror referred to the Tender Offeror's Valuation Report obtained from its financial adviser SMBC Nikko Securities as a third-party appraiser independent from the Offeror and the Target Company

SMBC Nikko Securities does not constitute a related party of either the Offeror or the Target Company, nor does it have any material interests in the Tender Offer. In addition, since the Offeror believes that the fairness of the Tender Offer is secured by each measure described in "(4) Measures to Ensure the Fairness of the Tender Offer, Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" in "1. Purpose of purchase etc." above, the Offeror did not obtain a written fairness opinion regarding the Tender Offer Price provided by SMBC Nikko Securities.

(b) Outline of Said Advice

SMBC Nikko Securities has calculated the price of the Target Company's stock using the market price method, the comparable listed company analysis method and the DCF method. The price ranges per share for the Target Company stock calculated using each of those methods are as follow.

Market Price Method:	4,411 to 5,221 yen
Comparable Company Analysis Method:	2,892 to 3,957 yen
DCF Method:	5,432 to 6,594 yen

(c) Background that led to the decision of the Tender Offer Price based on such opinion

In addition to the results of the calculation in the Tender Offeror's Valuation Report acquired from SMBC Nikko Securities, the Offeror decided at the meeting of the Board of Directors held on September 8 2023 that the Tender Offer Price shall be 5,700 yen per share based on a comprehensive consideration of the results of the due diligence of the Target Company conducted by the Offeror, whether or not the Board of Directors of the Target Company agree to the Tender Offer, the trend of market price of the Target Company Shares, and the prospects for the tender in the Tender Offer, etc., and also taking into account the results of discussions and negotiations with Noritsu Koki, a largest shareholder of the Target Company, etc.

(iii) Relationship with Appraiser

SMBC Nikko Securities, the Offeror's financial advisor, does not constitute a related party of either the Offeror or the Target Company, nor does it have any material interests in the Tender Offer.

(5) Number of Share Certificates, etc. to be Purchased

Type of Share Certificates, etc.	Number of share certificates, etc. to be purchased	Minimum number of share certificates, etc. to be purchased	Maximum number of share certificates, etc. to be purchased
Common stock	15,000,000 (shares)	12,036,700 (shares)	15,000,000 (shares)
Total	15,000,000 (shares)	12,036,700 (shares)	15,000,000 (shares)

(Note 1) If the total number of Tendered Share Certificates, etc. is less than the minimum number of the share certificates, etc. to be purchased (12,036,700 shares), the Offeror will not purchase any of the Tendered Share Certificates, etc. In the event the total number of Tendered Share Certificates, etc. exceeds the maximum number of shares sought for purchase (15,000,000 shares), the purchase, etc. of all or a part of such excess will not be made, and delivery and other settlement of purchase, etc. of share certificates, etc. will be made in the pro rata method set forth in Article 27-13, Paragraph 5 of the Act and Article 32 of the Cabinet Office Order.

(Note 2) Shares less than one unit are also subject to the tender offer. If a right to demand purchase

of shares less than one unit is exercised by a shareholder in accordance with the Companies Act, the Target Company may purchase its own shares during the Tender Offer Period in accordance with procedures under laws and regulations.

(Note 3) The Offeror does not intend to acquire the treasury shares held by the Target Company through the Tender Offer.

(Note 4) Target Company Shares issued or transferred through the exercise of share options by the last day of the Tender Offer Period are also subject to the Tender Offer.

(6) Changes in Ownership Ratio of Share Certificates, etc. through the Purchase, etc.

Number of voting rights represented by share certificates, etc. held by the Offeror before the purchase, etc.	204,590 voting rights	(Ownership ratio of share certificates, etc. before the purchase, etc.: 32.53 %)
Number of voting rights represented by share certificates, etc. held by special related parties before the purchase, etc.	49,874 voting rights	(Ownership ratio of share certificates, etc. before the purchase, etc.: 7.93 %)
Number of voting rights represented by share certificates, etc. held by the Offeror after the purchase, etc.	354,590 voting rights	(Ownership ratio of share certificates, etc. after the purchase, etc.: 56.38 %)
Number of voting rights represented by share certificates, etc. held by the special related parties after the purchase, etc.	49,874 voting rights	(Ownership ratio of share certificates, etc. after the purchase, etc.: 7.93 %)
Number of voting rights of all shareholders, etc. of the Target Company	628,930 voting rights	

(Note 1) The “Number of voting rights represented by share certificates, etc. held by special related parties before the purchase, etc.” and “Number of voting rights represented by share certificates, etc. held by the special related parties after the purchase, etc.” is the total of the number of share certificates, etc. held by each special related party (excluding, however, those special related parties who are excluded from the special related parties pursuant to Article 3, Paragraph 2, Item 1 of the Cabinet Office Order in calculating the ownership ratio of share certificates, etc., pursuant to the provisions of Article 27, Paragraph 2, Item 1 of the Act.) Note that going forward, the Offeror plans to confirm the share certificates, etc. of the Target Company held by the special related parties, and in the event corrections are necessary, will disclose the details of those corrections.

(Note 2) The “Number of voting rights of all shareholders, etc. of the Target Company” is the number of voting rights of all shareholders, etc. as of the last reference date (March 31, 2023) as stated in the First Quarterly Report of the Target Company. However, since shares less than one unit (excluding the treasury shares owned by the Target Company) and the Target Company Shares issued or transferred through exercise of share options before the last day of the Tender Offer Period are subject to the purchase, etc., when calculating the “Ownership ratio of share certificates, etc. before the purchase, etc.” and “Ownership ratio of share certificates, etc. after the Tender Offer,” the number of voting rights (681,483 voting rights) represented by the number of shares (68,148,394 shares) obtained by adding the number of shares (3,170,000 shares) that are the subject of share options (23,387 share options) outstanding as of September 7, 2023, as reported by the Target Company, to the Base Number of Shares (64,978,394 shares) is used as the denominator. However, if the share options are not exercised by the last day of the Tender Offer Period, the “ownership ratio of share certificates, etc. after the purchase, etc.” to the “number of voting rights pertaining to share certificates, etc. held by the Offeror after the purchase, etc.” calculated by using the number of voting rights (649,783 voting rights) pertaining to the Base Number of Shares (64,978,394 shares) as the denominator will be 54.57%, and the “ownership ratio

of share certificates, etc. after the purchase, etc." to the "number of voting rights pertaining to share certificates, etc. held by special related parties after the purchase, etc." will be 7.68%.

(Note 3) "Ownership ratio of share certificates, etc. before the purchase, etc." and "Ownership ratio of share certificates, etc. after the purchase, etc." have been rounded to two decimal places.

(7) Purchase Price

85,500,000,000 yen

(NOTE) The Purchase Price is the produce of the number of share certificates, etc. to be purchased (15,000,000 shares) multiplied by the Tender Offer Price per share (5,700 yen).

(8) Method of Settlement

(i) Name and address of the head office of the financial instruments business operator, bank, etc. that will settle the purchase, etc.

SMBC Nikko Securities Inc. 3-3-1 Marunouchi, Chiyoda-ku, Tokyo

(ii) Settlement Start Date

October 16, 2023 (Mon)

(NOTE) In the event that the Target Company submits a Target Company's position statement stating that it requests an extension of the Tender Offer Period pursuant to the provisions of Article 27-10, Paragraph 3 of the Act, it will be October 30, 2023 (Mon).

(iii) Method of Settlement

Without delay following the end of the Tender Offer Period, a notice of purchase, etc. through the Tender Offer shall be mailed to the address or location of those persons who accept the offer for the purchase of share certificates, etc. under the Tender Offer or who apply for the sale, etc. (hereinafter referred to as the "Tendering Shareholders, etc.") (or the Standing Proxy in the case of Foreign Shareholders, etc.). For applications submitted via online trading (<https://trade.smbcnikko.co.jp/>) (hereinafter referred to as "Nikko Easy Trade"), documents shall be delivered by electronic means.

Purchases shall be made in cash. In accordance with the instructions of the Tendering Shareholders, etc. (or the Standing Proxy in the case of Foreign Shareholders, etc.), the Tender Offer Agent shall remit the sales price for the purchased share certificates, etc. to the places designated by the Tendering Shareholders, etc. (or the Standing Proxy in the case of Foreign Shareholders, etc.) without delay following the settlement commencement date.

(iv) Method of Returning Share Certificates, etc.

In the event all or part of the Tendered Share Certificates, etc. are not purchased pursuant to the conditions set forth in "(i) Existence or non-existence of conditions set forth in each item of Article 27-13, Paragraph 4 of the Act and the details thereof," or "(ii) Conditions of withdrawal, etc. of the Tender Offer, details thereof and method of disclosure of withdrawal, etc." of "(9) Other Conditions and methods of the purchase, etc.", the Tender Offer Agent shall return those share certificates, etc. required to be returned to the Tendering Shareholders on the second business day following the last day of the Tender Offer Period (or the date of withdrawal, etc. if the Tender Offer is withdrawn), in the state in which they were tendered to the Tendering Shareholder account of the Tender Offer Agent (The "state at the time they were tendered" means the state in which execution of the order to apply for the Tender Offer was cancelled.)

In the event that the book-entry transfer procedures for the share certificates, etc. required to be returned are carried out by a financial instruments business operator other than the tender offer agent, the book-entry transfer date may differ depending on the account classification in which the share certificates, etc. are managed, so please check with the head office or each sales office in Japan of the tender offer agent with whom application was made.

(9) Other conditions and methods of the purchase, etc.

(i) Existence or non-existence of conditions set forth in each Item of Article 27-13, Paragraph 4 of

the Act and the details thereof

In the event the total number of Tendered Share Certificates, etc. is less than the minimum number of shares sought for purchase (12,036,700 shares), purchase, etc. of all Tendered Share Certificates, etc. will not be made. In the event the total number of Tendered Share Certificates, etc. exceeds the maximum number of shares sought for purchase (15,000,000 shares), the purchase, etc. of all or a part of such excess will not be made, and delivery and other settlement of purchase, etc. of share certificates, etc. will be made in the pro rata method set forth in Article 27-13, Paragraph 5 of the Act and Article 32 of the Cabinet Office Order (in the case where the number of Tendered Share Certificates, etc. includes shares less than one unit (100 shares), the number of shares to be purchased calculated in the pro rata method shall be limited to the number of the Tendered Share Certificates, etc.)

If the total number of shares to be purchased from each Tendering Shareholder, etc. calculated by rounding the number of shares less than one unit that arises from the calculation under the pro rata method is less than the maximum number of shares sought for purchase, a purchase, etc. of the Tendered Share Certificates, etc. of one unit (or, if the number of Tendered Share Certificates, etc. is exceeded as a result of the purchase, etc. of additional one unit, the number of shares until it reaches the number of the Tendered Share Certificates, etc.) will be made for each Tendering Shareholder, etc. in the sequential order from the Tendering Shareholder, etc. with respect to whom the number of shares rounded down is larger, until such total number becomes equal to or greater than the maximum number of shares sought for purchase. However, in the event that the maximum number of shares sought for purchase would be exceeded if purchase, etc. is made in this method from all the Tendering Shareholders, etc. who have equal numbers of shares rounded down, purchase, etc. will be made from the shareholders determined by lottery from among such Tendering Shareholders etc. to the extent that number to be purchased does not fall below the maximum number of shares sought for purchase.

If the total number of shares to be purchased from each Tendering Shareholder, etc. calculated by rounding the number of shares less than one unit that arises from the calculation under the pro rata method exceeds the maximum number of shares sought for purchase, the number of shares to be purchased from each Tendering Shareholder, etc. will be reduced by one unit (or, if the number of shares to be purchased calculated under the pro rata method includes a portion of number of shares less than one unit, such number of shares less than one unit) in the sequential order from the Tendering Shareholder, etc. with respect to whom the number of shares rounded up is larger, until such number does not fall below the maximum number of shares sought for purchase. However, in the event that such number falls below the maximum number of shares sought for purchase if the number of shares to be purchased is reduced in this way for all Tendering Shareholders who have equal numbers of shares rounded up, the shareholder for whom the number of shares to be purchased is reduced will be determined by lottery from among such Tendering Shareholders etc. to the extent that number to be purchased does not fall below the maximum number of shares sought for purchase.

(ii) Conditions of withdrawal, etc. of the Tender Offer, details thereof and method of disclosure of withdrawal, etc.

In the event any of the items stipulated in the Order for the Enforcement of the Financial Instruments and Exchange Act (Cabinet Office Order No. 321 of 1965, as amended, the "Enforcement Order") Article 14-1 Item 1 (a) through (j) and (m) through (r), Item 3 (a) through (h) and (j) and Article 14-2 Item 3 through Item 6 should arise, the Tender Offer may be withdrawn, etc.

Note that, with regards to this Tender Offer, "facts equivalent to the facts listed in (a) through (i) set forth in Article 141, Item 3 of the Enforcement Order refer cases in which (1) it is found that a statutory disclosure document submitted by the Target Company in the past contains a false statement on a material matter, or omits a statement on a material matter that should have been included in the document; and (2) if any of the events listed in (a) through (g) of the same Item has occurred at an important subsidiary of the Target Company;

In the event of a withdrawal, etc., public notice is to be issued online and in the Nihon Keizai Shimbun. However, in the event it would be difficult to issue such public notice by the last day

of the Tender Offer Period, it will be announced via the method stipulated in Article 20 of the Cabinet Office Order, with public notice issued immediately thereafter.

(iii) Conditions for reducing the purchase price, conditions thereof, and method for disclosing the reduction

Pursuant to Article 27-6, Paragraph 1, Item 1 of the Act, should the Target Company take any of the actions set forth in Article 13-1 of the Enforcement Order during the Tender Offer Period, the Tender Offer purchase price may be reduced in accordance with the criteria set forth in Article 19-1 of the Cabinet Office Order.

When reducing purchase price, public notice is to be issued online and in the Nihon Keizai Shimbun. However, in the event it would be difficult to issue such public notice by the last day of the Tender Offer Period, it will be announced via the method stipulated in Article 20 of the Cabinet Office Order, with public notice issued immediately thereafter.

In the event of a reduction in the purchase price, share certificates, etc. tendered on or prior to the date of said public notice shall also be purchased, etc. at the reduced purchase price.

(vi) Matters concerning the right of Tendering Shareholders, etc. to cancel contracts

Tendering Shareholders, etc. may cancel contracts related to this Tender Offer at any time during the Tender Offer Period.

In the event you wish to cancel a contract, please deliver or send written notice of cancellation of the contract for the Tender Offer (the "Cancellation Notice") to the person designated below by 3:30 p.m. on the last day of the Tender Offer Period. (However, business hours differ depending on the sales office.) Please complete this procedure after first checking the business hours, etc. of the sales office you use in advance. Note that when sending the Cancellation Notice, it must reach the person designated below by 3:30 p.m. on the last day of the Tender Offer Period. (However, business hours differ depending on the sales office.) Please complete this procedure after first checking the business hours, etc. of the sales office you use in advance.

To cancel contracts applied for through Nikko Easy Trade, login on Nikko Easy Trade and then follow the method shown on screen. Please complete the cancellation process by 3:30 p.m. on the last day of the Tender Offer Period.

Those authorized to receive the written cancellations

SMBC Nikko Securities Inc. 3-3-1 Marunouchi, Chiyoda-ku, Tokyo (and the domestic sales offices of SMBC Nikko Securities Inc.)

Note that the Offeror will not claim any compensation for damages or penalty payment from the Tendering Shareholder in connection with cancellation of a contract by the Tendering Shareholder. Any costs required for return of the Tendered Share Certificates, etc. shall also be borne by the Offeror. In the event a cancellation is requested, the Tendered Share Certificates, etc. shall be returned promptly upon completion of the procedures for such requests for cancellation in the manner described in "(iv) Method of Returning Share Certificates, etc." under "(8) Method of Settlement," above.

(v) Method of disclosure in the event of a change in the terms and conditions, etc. of the Tender Offer

During the Tender Offer Period, the Offeror may change the terms and conditions, etc. of the Tender Offer, except in cases where prohibited by Article 27-6 Paragraph 1 of the Act and Article 13 of the Enforcement Order.

If the Offeror intends to change the terms and conditions, etc. of the Tender Offer, the Offeror shall issue a public notice online and in the Nihon Keizai Shimbun. However, in the event it would be difficult to issue such public notice by the last day of the Tender Offer Period, it will be announced via the method stipulated in Article 20 of the Cabinet Office Order, with public notice issued immediately thereafter.

In the event of a change in the terms and conditions, etc. of the Tender Offer, Share Certificates, etc. tendered prior to the date of said public notice shall be purchased, etc. under the terms and conditions, etc. in place following the change.

(vi) Method for disclosing submission of a notice of correction

In the event the Offeror submits a notice of correction to the Director-General of the Kanto Local Finance Bureau (except for cases provided for in the proviso to Article 27-8, Paragraph 11 of the Act), the Offeror shall immediately announce those details of the notice of correction that relate to the content of the public notice of the commencement of the Tender Offer, in the manner stipulated in Article 20 of the Cabinet Office Order. The Offeror shall also immediately correct the Tender Offer Explanatory Statement and deliver the corrected Tender Offer Explanatory Statement to the Tendering Shareholders to whom the Tender Offer Explanatory Statement has already been delivered. Note that if the scope of the corrections is limited to a small scope, the correction shall be made by preparing a document stating the reason for the correction, the items corrected and the content following the correction, and delivering said document to the Tendering Shareholders.

(vii) Method for Disclosing the Results of the Tender Offer

The results of the Tender Offer shall be announced on the day following the last day of the Tender Offer Period, via the method stipulated in Article 9-4 of the Act and Article 30-2 of the Cabinet Office Order.

(viii) Others

This Tender Offer is not being made, directly or indirectly, in or for the United States, or through the use of the U.S. Postal Service or any other methods or means of interstate or international commerce (including, but not limited to, telephone, telex, facsimile, electronic mail and internet communications), nor through any securities exchange facility in the United States. This Tender Offer may not be tendered by any of the above methods or means, or through any of the above facilities or from within the United States.

Neither the Tender Offer notification nor any related purchase documents relating to the Tender Offer may be sent or distributed in, to, or from the United States by mail or any other means. No applications to the Tender Offer that directly or indirectly violate the above restrictions will be accepted.

Each person tendering shares in the Tender Offer (or that person's Standing Proxy in the case of a Foreign Shareholder, etc.) shall be required to make the following representations and warranties.

The applicant is not located in the United States, either at the time of application or at the time the Tender Offer Application Form is sent; the applicant has not received or sent any information regarding this Tender Offer or documents related to the purchase, in, to or from the United States; the applicant has not, directly or indirectly, used the United States Postal Service or any other methods or means of interstate or international commerce (including, but not limited to, telephone, telex, facsimile, electronic mail and internet communications), or any securities exchange facility in the United States in connection with signing or delivering a Tender Offer or a Tender Offer Application Form; the applicant is not acting as an agent, fiduciary or assignee without discretionary authority of another person (unless said other person is giving all instructions with respect to the purchase from outside the United States).

(10) Date of notice of commencement of Tender Offer
September 11, 2023 (Mon)

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

3. Policies following the Tender Offer, and future outlook

(1) Policies following the Tender Offer

For policies, etc. following the Tender Offer, please see "(iii) Management Policy After the Tender Offer;" above under "(2) Background, purpose, and decision-making process that led to the decision to implement the Tender Offer, and management policy after the Tender Offer," and "(5) Plan to acquire share certificates, etc. after the Tender Offer" in "1. Purpose of purchase, etc."

(2) Future Prospects

The Offeror is currently reviewing the impact the Tender Offer will have on the Offeror's financial results and if any matters that should be disclosed come to light in the future, the Offeror will promptly disclose the same.

4. Others

(1) Existence or non-existence and contents of an agreement between the Offeror and the Target Company or its officers

(i) Existence or non-existence and contents of an agreement between the Offeror and the Target Company

According to the Target Company's Press Release, the Target Company resolved at the meeting of the Board of Directors of the Target Company held on September 8, 2023 that it would represent its opinion to agree to the Tender Offer and that the Target Company would reserve its judgement with respect to the appropriateness of the Tender Offer Price and entrust to the judgment of shareholders of the Target Company whether or not the shareholders apply for the Tender Offer since it is expected that the listing of the Target Company Shares would be maintained even after the Tender Offer and there is sufficient rationale that the shareholders of the Target Company elect to continue to hold the Target Company Shares after the Tender Offer.

For details, please refer to the Target Company's Press Release and "(vii) Approval of All Disinterested Directors (including Audit and Supervisory Committee Members) of the Target Company" in "(4) Measures to Ensure the Fairness of the Tender Offer, Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" above.

(ii) Conclusion of the Amendment to the Capital/Business Tie-up Agreement

The Offeror entered into the Amendment to the Capital/Business Tie-up Agreement with the Target Company as of September 8, 2023. For details on the Amendment to the Capital/Business Tie-up Agreement, please refer to "(i) Amendment to the Capital/Business Tie-up Agreement" in "(3) Matters related to material agreements concerning the Tender Offer" in "1. Purpose of purchase, etc." above.

(iii) Existence or non-existence and contents of an agreement between the Offeror and the officers of the Target Company

There are no relevant matters.

(2) Other information deemed necessary for investors to decide whether to apply for the purchase, etc.

There are no relevant matters.

End