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May 13, 2026

Company name: **F.C.C. CO., LTD.**
Listing: Tokyo Stock Exchange
Securities code: 7296
Representative: Yoshitaka Saito, President and Representative Director
Contact: Mikinobu Nagasaka, Senior Operating Officer, Head of Management and Administration
TEL: +81-53-523-2471

Notice Concerning the Acquisition of Treasury Stock, Tender Offer for Treasury Stock, and Cancellation of Treasury Stock

At a meeting of the Board of Directors held today, F.C.C. Co., Ltd. (hereinafter the "Company") resolved to: (i) acquire treasury stock pursuant to the provisions of Article 459, paragraph (1) of the Companies Act (Act No. 86 of 2005, as amended; hereinafter the "Companies Act"), and to conduct a tender offer bid for treasury stock (hereinafter the "TOB") as the specific method of such acquisition; and (ii) cancel a portion of the treasury stock held by the Company pursuant to Article 178 of the Companies Act, as follows.

I. Acquisition and TOB of treasury stock

1. Purpose of tender offer

The Company considers the return of profits to shareholders to be an important management issue. From a general point of view, its basic policy is to continue to pay a stable dividend, based on the consolidated financial performance, a dividend payout ratio, etc., while striving to improve corporate value by making capital investments and conducting research and development activities necessary for future growth, thus maintaining and strengthening its competitiveness. For the "12th Medium-Term Management Plan" (FY ended March 2024 through FY ended March 2026), announced in May 2023, we aimed to maintain sound financial health while prioritizing the allocation of cash generated from our motorcycle and automobile clutch businesses toward growth investments, targeting a total payout ratio of 40% or higher. In the "13th Medium-Term Management Plan" announced on May 13, 2026, the Company has set a target of achieving the higher of a consolidated dividend payout ratio of 50% or a dividend on equity ratio (DOE) of 3.5%, while also aiming to conduct flexible acquisition of treasury stock.

The Company's basic policy is to pay dividends of surplus twice a year, consisting of an interim dividend and a year-end dividend. For FY ended March 2026, the Company declared an interim dividend of 67 yen per share, and on May 13, 2026, the Company resolved to pay a year-end dividend of 127 yen per share, resulting in an annual dividend of 194 yen per share.

The Company's Articles of Incorporation also stipulate that matters provided in each item of Article 459, paragraph (1) of the Companies Act, such as dividends of surplus and acquisition of treasury stock, may be determined by resolution of the Board of Directors, unless otherwise provided by laws and regulations. The purpose of this provision is to allow the Board of Directors to pass resolutions on dividends of surplus, acquisition of treasury stock, etc., allowing the Company to implement dividend and capital policies with flexibility in response to changes in the business environment.

The Company has acquired treasury stock through market purchases from the Tokyo Stock Exchange, Inc. (hereinafter the "TSE") during the five years to date, as shown in the table below.

Date of resolution	Cumulative acquisition period	Cumulative number of stock acquired	Total cumulative acquisition price
Board of Directors meeting held on May 10, 2024	May 13, 2024 - June 14, 2024	587,500 shares	1,299,851,100 yen
Board of Directors meeting held on November 1, 2024	November 11, 2024 - December 20, 2024	821,900 shares	2,499,882,600 yen

In the above circumstances, in mid-November 2025, we confirmed that Y.A. Co., Ltd. (hereinafter "Y.A.": number of shares held as of today: 2,556,240; (shareholding ratio (*): 5.28%)), our third-largest shareholder and the asset management company of the founding family, intends to sell a portion of the common shares of the Company (hereinafter "Company's Common Stock") that it holds.

(*) "Shareholding ratio" means the ratio of shares held (rounded to two decimal places; the same rounding method is applied in all subsequent shareholding ratio calculations) out of 48,434,662 shares, which is the number of shares after deducting 3,621,868 shares of treasury stock held by the Company as of March 31, 2026, from the total of 52,056,530 issued shares stated in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (under IFRS), as filed by the Company on May 13, 2026. The same applies hereinafter.

Upon confirming the above intention, the Company commenced an initial review of whether it would be appropriate to acquire treasury stock from Y.A., and subsequently conducted periodic examinations of its financial position and other relevant factors. In early March 2026, the Company began concrete deliberations on whether to acquire the Company's Common Stock as treasury stock, taking into consideration factors such as the potential impact on the liquidity and market price of the Company's Common Stock due to the temporary release of more than a certain number of shares into the market, as well as the Company's financial condition, etc. As a result of our deliberations, we have concluded that acquiring the Company's Common Stock as treasury stock will contribute to improving our capital efficiency, such as net income per share (EPS) and return on equity (ROE), and will lead to returning profits to our shareholders.

With respect to specific methods of acquiring treasury stock, the Company considered equality among shareholders, transparency of transactions, and trading conditions in the market, as well as the capital policy perspective of the Company, and considered methods such as TOB and the use of ToSTNeT-3. As a result, in early March 2026, the Company determined that the acquisition of its treasury stock through a TOB would be the appropriate method for the following reasons: (i) it would provide Y.A. and other shareholders with a timeframe to decide whether to agree to the acquisition of treasury stock based on market price trends; (ii) it would present no issues from the perspective of equality among shareholders; (iii) it would ensure transaction transparency by purchasing shares through TOB procedures compliant with laws and regulations; (iv) unlike a tender offer bid for which the Company can set an arbitrary tender offer price, the acquisition of treasury stock through market purchases or off-floor transactions require, by regulation, that the purchase price be based on the market price and therefore do not allow the Company to purchase shares at a certain discount to the market price (accordingly, from the standpoint of economic rationality, such alternative methods are not a more advantageous option for the Company compared to conducting a TOB); (v) selecting a TOB structure that allows the purchase of the Company's Common Stock at a certain discount to the market price, thereby minimizing the outflow of assets from the Company, is considered to be in the best interests of shareholders who choose not to tender their shares in the TOB and continue to hold the Company's Common Stock.

In determining the purchase price per share in the TOB (hereinafter the "TOB Price"), from the perspective of emphasizing clarity and objectivity of criteria, the Company considered it desirable to base the TOB Price on the market price of the Company's Common Stock and, from the perspective of respecting the interests of shareholders who do not tender their shares in the TOB and continue to hold the Company's Common Stock, to acquire treasury stock at a certain discount to the market price in order to limit outflow of assets to the greatest extent possible.

With respect to the discount rate, of the 107 cases of TOBs for treasury stock resolved since January 2022 and completed by February 28, 2026, for companies listed on the TSE, 94 cases using a discount rate (hereinafter this "Case") involve 76 cases (the largest number of cases) that had a discount rate of approximately 10% (more than 9% to 10%) discount ratio. The Company determined that a discount rate of about 10% is appropriate, as the market price of the Company's Common Stock would be unlikely to fall below the TOB Price (at such discount rate), even considering the volatility of the stock price of the Company's Common Stock.

In addition, the Company determined that, rather than using the Company's Common Stock price at a specific point in time as the basis for the discount, it would be better to use a leveled average share price over a certain period of time to eliminate special factors such as the effects of temporary share price fluctuations, and to ensure objectivity and reasonableness as the basis for the calculation. The Company believes that using a recent average share price fully reflects the Company's recent performance, and therefore, we considered it appropriate to use the simple average of the closing price of the Company's Common Stock for one month up to the business day (May 12, 2026) preceding the date of the resolution of the Board of Directors (May 13, 2026), which is a shorter period of time than the simple average of the closing price of the Company's Common Stock on the TSE's prime market (hereinafter "TSE Prime Market") (i.e., for the past three and six months).

Based on these considerations, on March 13, 2026, we proposed to Y.A. to make a TOB for the Company's Common Stock at a 10% discount to the simple average closing price of the Company's Common Stock for one month up to the business day (May 12, 2026) prior to the date of our Board of Directors' resolution (May 13, 2026) regarding the TOB. After discussions and negotiations, we received a response from Y.A. on the same date, indicating its intention to tender 1,000,000 shares of the Company's Common Stock, which is a portion of the shares held by it, (representing 2.06% of the shareholding ratio; hereinafter the "Shares Intended for Sale") in the TOB, and made an oral agreement to that effect. The Company has not entered into a tender agreement with Y.A. regarding the tender to the TOB. Additionally, we have received notification from Y.A. that, regarding its policy for holding or disposing of the Company's Common Stock remaining after the TOB, it currently intends to continue to hold them.

Based on the above considerations and discussions, the Company resolved at its Board of Directors meeting held on May 13, 2026, to conduct the TOB as a specific method of acquiring treasury stock in accordance with the provisions of the Company's Articles of Incorporation under Article 459, paragraph (1) of the Companies Act, and to set the TOB Price at 3,083 yen (rounded to the nearest yen; the same applies hereinafter to the calculation of the TOB Price), which is a price representing a 10% discount to the simple average closing price of the Company's Common Stock of 3,425 yen (rounded to the nearest yen; the same applies hereinafter to the calculation of the simple average closing price) of the Company's Common Stock for the one-month period ended May 12, 2026, the business day preceding the date of resolution by the Board of Directors of the Company on May 13, 2026. Y.A. is scheduled to receive the year-end dividend for FY ended March 2026 with respect to the Shares Intended for Sale.

In the TOB, if the total number of tendered share certificates (hereinafter the "Tendered Shares") exceeds the maximum number of shares to be purchased, the purchase of all or part of the excess portion shall not be conducted, and the purchases will be made on a pro rata basis as set forth in Article 27-13, paragraph (5) of the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; hereinafter the "Act") as applied mutatis mutandis in Article 27-22-2, paragraph (2) of the Act, and Article 21 of the Cabinet Office Order on Disclosure Required for Tender Offer for Listed Share Certificates by Issuers (Ministry of Finance Order No. 95 of 1994, as amended; hereinafter the "Order"), and as such, the Company will acquire only a portion of the Shares Intended for Sale. The Company has received a response from Y.A. to the effect that purchases will be made on a pro rate basis if the total number of Tendered Shares exceeds the number of shares to be purchased, and if all Shares Intended for Sale are not purchased, Y.A. will consider the options available regarding the Company's Common Stock which the Company was not able to acquire.

The Company intends to self-fund the total amount required for this TOB. As of March 31, 2026, our consolidated liquidity on hand (cash and cash equivalents) amounted to 71.3 billion yen, as stated in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2026. Considering that the execution of the TOB will require approximately 3.4 billion yen, the Company will be able to secure sufficient liquidity and can expect an accumulation

of cash flows to be generated from its business operations going forward. We have determined that the Company will have adequate funds to conduct its business operations, and that even if it acquires a substantial amount of treasury stock at one time, the TOB will not significantly impact our financial position or dividend policy.

Furthermore, regarding the number of shares to be purchased for the TOB, among this Case examined, the majority (50 cases) set the number of shares to be purchased at approximately 10% above the number of shares agreed to be tendered. From the perspective of providing an opportunity to tender shares to shareholders other than Y.A., we have set the number of shares to be purchased at 1,100,000 shares (shareholding ratio: 2.27%), which is 10% above the Shares Intended for Sale of 1,000,000 shares.

Due to the fact that his wife, Miki Saito, is a director at Y.A., and considering the possibility of having a special interest in the TOB, and to avoid conflicts of interest and ensure the fairness of the transaction, President and Representative Director of the Company, Yoshitaka Saito, did not participate, as a representative of the Company, in the negotiations between the Company and Y.A., on the terms and conditions of the TOB. In addition, he did not participate in the deliberations and resolutions at the meeting of the Board of Directors of the Company held on May 13, 2026.

Further, the Company intends to cancel all treasury stock acquired through the TOB on August 31, 2026.

2. Details of resolution of the Board of Directors regarding the acquisition of treasury stock

(1) Details of resolution

Type of Share Certificates	Total Number	Total Acquisition Price
Common stock	1,100,100 shares (maximum)	3,391,608,300 yen (maximum)

(Note 1) The total number of issued shares is 52,056,530 shares (as of May 13, 2026).

(Note 2) The ratio of the total number of shares to be acquired to the total number of issued shares is 2.11% (rounded to two decimal places). The shareholding ratio of the total number of shares to be acquired is 2.27%.

(Note 3) Since the number of shares tendered may be equal to or greater than the number of shares to be purchased, and as a result of unit adjustments on a pro rata basis, the actual number of shares purchased may exceed the number of shares to be purchased, the total number of shares to be purchased pursuant to the Board of Directors' resolution is calculated by adding one trading unit (100 shares) to the number of shares to be purchased.

(Note 4) The timeframe for acquisition is from May 14, 2026 to August 31, 2026.

(2) Listed share certificates pertaining to treasury stock already acquired based on such resolution

Not applicable.

3. Overview of purchase

(1) Schedule

(1) Date of resolution of the Board of Directors	Wednesday, May 13, 2026
(2) Date of public notice of the commencement of a tender offer	Thursday, May 14, 2026 Public notice to be given by electronic means, and such notice shall be published in the Nikkei Newspaper. (URL of electronic public notice: https://disclosure2.edinet-fsa.go.jp/)
(3) Date of submission of the tender offer statement	Thursday, May 14, 2026
(4) Period of purchase	From Thursday, May 14, 2026 to Wednesday, June 10, 2026 (20 business days)

(2) Price of purchase

3,083 yen per common stock

(3) Basis for the calculation of the purchase price

(i) Basis of calculation

In determining the TOB Price, from the perspective of emphasizing clarity and objectivity of criteria, the Company considered it desirable to base the TOB Price on the market price of the Company's Common Stock and, from the perspective of respecting the interests of shareholders who do not tender their shares in the TOB and continue to hold the Company's Common Stock, to acquire treasury stock at a certain discount to the market price in order to limit outflow of assets to the greatest extent possible.

With respect to the discount rate, this Case involves 76 cases (the largest number of cases) that had a discount rate of approximately 10% (more than 9% to 10%) discount ratio. The Company determined that a discount rate of about 10% is appropriate, as the market price of the Company's Common Stock would be unlikely to fall below the TOB Price (at such discount rate), even considering the volatility of the stock price of the Company's Common Stock.

In addition, the Company determined that, rather than using the Company's Common Stock price at a specific point in time as the basis for the discount, it would be better to use a leveled average share price over a certain period of time to eliminate special factors such as the effects of temporary share price fluctuations, and to ensure objectivity and reasonableness as the basis for the calculation. The Company believes that using a recent average share price fully reflects the Company's recent performance, and therefore, we considered it appropriate to use the simple average of the closing price of the Company's Common Stock for one month up to the business day (May 12, 2026) preceding the date of the resolution of the Board of Directors (May 13, 2026), which is a shorter period of time than the simple average of the closing price of the Company's Common Stock on the TSE Prime Market (i.e., for the past three and six months).

Based on these considerations, on March 13, 2026, we proposed to Y.A. to make a TOB for the Company's Common Stock at a 10% discount to the simple average closing price of the Company's Common Stock for one month up to the business day (May 12, 2026) prior to the date of our Board of Directors' resolution (May 13, 2026) regarding the TOB. After discussions and negotiations, we received a response from Y.A. on the same date, indicating its intention to tender the Shares Intended for Sale in the TOB, and made an oral agreement to that effect.

Based on the above considerations and discussions, the Company resolved at its Board of Directors meeting held on May 13, 2026, to conduct the TOB as a specific method of acquiring treasury stock in accordance with the provisions of the Company's Articles of Incorporation under Article 459, paragraph (1) of the Companies Act, and to set the TOB Price at 3,083 yen, which is a price representing a 10% discount to the simple average closing price of the Company's Common Stock of 3,425 yen of the Company's Common Stock for the one-month period

ended May 12, 2026, the business day preceding the date of resolution by the Board of Directors of the Company on May 13, 2026.

The TOB Price of 3,083 yen is the discounted price obtained by subtracting 11.02 % (rounded to two decimal places; hereinafter, the same discount rate calculation shall apply) from 3,465 yen, the closing price of the Company's Common Stock on May 12, 2026, which is the business day immediately preceding the date of the Board of Directors' resolution regarding the TOB, the discounted price obtained by subtracting 9.99 % from 3,425 yen, the simple average closing price of the Company's Common Stock for the past one month until the same date, the discounted price obtained by subtracting 11.54% from 3,485 yen, the simple average closing price of the Company's Common Stock for the past three months until the same date and the discounted price obtained by subtracting 13.62 % from 3,569 yen, the simple average closing price of the Company's Common Stock for the past six months until the same date.

(ii) Background of Calculation

In determining the TOB Price, from the perspective of emphasizing clarity and objectivity of criteria, the Company considered it desirable to base the TOB Price on the market price of the Company's Common Stock and, from the perspective of respecting the interests of shareholders who do not tender their shares in the TOB and continue to hold the Company's Common Stock, to acquire treasury stock at a certain discount to the market price in order to limit outflow of assets to the greatest extent possible.

With respect to the discount rate, this Case involves 76 cases (the largest number of cases) that had a discount rate of approximately 10% (more than 9% to 10%) discount ratio. The Company determined that a discount rate of about 10% is appropriate, as the market price of the Company's Common Stock would be unlikely to fall below the TOB Price (at such discount rate), even considering the volatility of the stock price of the Company's Common Stock.

In addition, the Company determined that, rather than using the Company's Common Stock price at a specific point in time as the basis for the discount, it would be better to use a leveled average share price over a certain period of time to eliminate special factors such as the effects of temporary share price fluctuations, and to ensure objectivity and reasonableness as the basis for the calculation. The Company believes that using a recent average share price fully reflects the Company's recent performance, and therefore, we considered it appropriate to use the simple average of the closing price of the Company's Common Stock for one month up to the business day (May 12, 2026) preceding the date of the resolution of the Board of Directors (May 13, 2026), which is a shorter period of time than the simple average of the closing price of the Company's Common Stock on the TSE Prime Market (i.e., for the past three and six months).

Based on these considerations, on March 13, 2026, we proposed to Y.A. to make a TOB for the Company's Common Stock at a 10% discount to the simple average closing price of the Company's Common Stock for one month up to the business day (May 12, 2026) prior to the date of our Board of Directors' resolution (May 13, 2026) regarding the TOB. After discussions and negotiations, we received a response from Y.A. on the same date, indicating its intention to tender the Shares Intended for Sale in the TOB, and made an oral agreement to that effect.

Based on the above considerations and discussions, the Company resolved at its Board of Directors meeting held on May 13, 2026, to conduct the TOB as a specific method of acquiring treasury stock in accordance with the provisions of the Company's Articles of Incorporation under Article 459, paragraph (1) of the Companies Act, and to set the TOB Price at 3,083 yen, which is a price representing a 10% discount to the simple average closing price of the Company's Common Stock of 3,425 yen of the Company's Common Stock for the one-month period ended May 12, 2026, the business day preceding the date of resolution by the Board of Directors of the Company on May 13, 2026.

Due to the fact that his wife, Miki Saito, is a director at Y.A., and considering the possibility of having a special interest in the TOB, and to avoid conflicts of interest and ensure the fairness of the transaction, President and Representative Director of the Company, Yoshitaka Saito, did not participate, as a representative of the Company,

in the negotiations between the Company and Y.A., on the terms and conditions of the TOB. In addition, he did not participate in the deliberations and resolutions at the meeting of the Board of Directors of the Company held on May 13, 2026.

(4) Number of Share Certificates to be Purchased

Type of Share Certificates	Number of Shares to be Purchased	Number of Planned Excess	Total
Common stock	1,100,000 shares	- shares	1,100,000 shares

(Note 1) If the total number of Tendered Shares does not exceed the number of shares to be purchased (1,100,000 shares), all of the Tendered Shares will be purchased. If the total number of the Tendered Shares exceeds the number of shares to be purchased (1,100,000 shares), all or part of the excess portion will not be purchased, and the delivery and settlement of the purchase of share certificates will be conducted on a pro rata basis as set forth in Article 27-13, paragraph (5) of the Act as applied mutatis mutandis in Article 27-22-2, paragraph (2) of the Act and Article 21 of the Order.

(Note 2) Shares constituting less than one unit are also subject to the TOB. In the event that shareholders exercise their right to request the purchase of shares constituting less than one unit in accordance with the Companies Act, the Company may purchase its treasury stock during the purchase period for the TOB (hereinafter the "TOB Period") in accordance with the procedures prescribed by law.

(5) Funds required for purchase

3,423,900,000 yen

(Note) The above is the sum of the purchase price in the event that all the shares to be purchased (1,100,000 shares) are purchased, plus the estimated amount of purchase fees and other expenses (expenses for public notice regarding the TOB and printing costs for the TOB instructions and other necessary documents, etc.).

(6) Method of settlement

(i) Name and location of the head office of the financial instruments business operator or bank in charge of settlement of purchases

Daiwa Securities Co. Ltd., 9-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo

(ii) Settlement commencement date

Thursday, July 2, 2026

(iii) Method of settlement

A notice of purchase shall be sent by post to the address or location of those who accept the offer for purchase or apply for the sale of share certificates under the TOB ("Tendering Shareholders") (in the case that a shareholder is a resident of a foreign country (including corporate shareholders; hereinafter, "Foreign Shareholders"), the standing proxy) without delay after the end of the TOB period.

Purchases shall be made in cash. The TOB agent will remit the amount of the purchase price less any applicable withholding tax (Note) to the place designated by the Tendering Shareholders (or the standing proxy in the case of Foreign Shareholders) or pay at the head office or any branch office in Japan of the TOB agent that accepted the tender without delay after the settlement commencement date.

(Note) Regarding taxation on shares purchased through the TOB

Please consult a tax accountant or other specialist for specific tax questions and make your own decisions therefrom.

(A) In the case of an individual shareholder

(a) When the Tendering Shareholder is a resident of Japan or a non-resident who has a permanent establishment in Japan

If the amount of money to be delivered by applying for the TOB is the portion that gives rise to exceeding the amount of the Company's stated capital, the amount of such excess portion shall be deemed to be dividend income and taxed as such. In principle, the amount deemed as dividend income is subject to 20.315% (consisting of 15.315% income tax and special reconstruction income tax under the "Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction following the Great East Japan Earthquake" (Act No. 117 of 2011, as amended) and 5% residence tax (for non-residents who have a permanent establishment in Japan, residence tax will not be withheld.) However, in the event that a shareholder falls under the category of major shareholder as defined in Article 4-6-2, paragraph (38) of the Order for Enforcement of the Act on Special Measures Concerning Taxation (Cabinet Order No. 43 of 1957, as amended), an amount equivalent to 20.42% (income tax and special income tax for reconstruction only) will be withheld. In addition, the portion of the amount of money to be delivered by applying for the TOB, excluding the amount deemed as dividend income, will be income from the transfer of shares. In principle, the amount obtained by deducting the acquisition cost of such shares from the transfer income is subject to the separate taxation on declaration.

In addition, if a Tendering Shareholder applies for the TOB in regard to shares in a tax-free account (hereinafter, "Tax-Free Account") as defined in Article 37-14 (Tax Exemption on Transfer Income for Small Amount Listed Shares in Tax-Free Accounts) of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957; as amended), and the financial instruments business operator with which the Tax-Free Account is opened is Daiwa Securities Co. Ltd., the transfer income from the TOB will, in principle, be exempt from taxation. Please note that if the Tax-Free Account is opened with a financial instruments business operator other than Daiwa Securities Co., Ltd., the treatment may differ from the above.

(b) When the Tendering Shareholder is a non-resident who has a permanent establishment in Japan

An amount of 15.315% (income tax and special income tax for reconstruction only) will be withheld on the amount deemed as dividend income. In the case of a major shareholder, an amount of 20.42% (income tax and special income tax for reconstruction only) will be withheld. Income from such transfer will, in principle, be exempt from taxation.

(B) In the case of a corporate shareholder

In principle, as a deemed dividend tax, an amount equivalent to 15.315% (income tax and special income tax for reconstruction only) will be withheld from the amount by which the TOB Price exceeds the amount of stated capital per share.

In addition, the amount deemed as dividends to be paid by the Company to Tendering Shareholders (limited to corporations having their head office or principal office in Japan (domestic corporations)) who directly own more than one-third of the total number of issued shares of the Company as of the record date for the payment of such dividends, shall not be subject to income tax and special income tax for reconstruction, and therefore this tax will not be withheld.

Furthermore, Foreign Shareholders who wish to receive a reduction or exemption of income tax and special income tax for reconstruction, on the amount of such deemed dividend, in accordance with applicable tax treaties, are requested to submit a tax treaty notification to the TOB agent by June 10, 2026.

(7) Other matters

- (i) The TOB is not being made, directly or indirectly, in or to the United States, nor is it being made by the use of the U.S. postal service or any other means or instrumentality of interstate or international commerce (including, but not limited to, telephone, telex, facsimile, email, and internet communications), nor through any securities exchange facilities in the United States. The TOB may not be tendered by any of the above means or instrumentality, or through any of the above facilities or from within the United States.

Neither the tender offer statement nor any related purchase documents will or may be sent or distributed in, to, or from the United States by mail or any other means. We will not accept any application to the TOB that directly or indirectly violates the above restrictions.

When applying for the TOB, Tendering Shareholders (or their standing proxies in the case of Foreign Shareholders) may be required to make the following representations and warranties to the TOB agent:

Tendering Shareholders are not located in the United States at either the time of application or the time of sending the TOB application form; no information or documents (including copies thereof) relating to the TOB have been received or sent, directly or indirectly, in, to, or from the United States; nor has the U.S. postal service or any other means or instrumentality of interstate or international commerce (including, but not limited to telephone, telex, facsimile, telephone call, facsimile machine, fax machine) been used, directly or indirectly, in connection with the purchase or signing or delivery of the TOB application form, or by using a facility of a securities exchange in the United States, and Tendering Shareholders are not acting as an agent or trustee or assignee without discretionary authority for a person in the U.S. (unless such person is giving all instructions relating to the TOB from outside the U.S.).

- (ii) The Company announced its "Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (under IFRS)" on May 13, 2026. A summary of the Company's consolidated financial results based on the announcement is as below. The content of the announcement has not been audited by an auditing firm pursuant to Article 193-2, paragraph (1) of the Act. For further details, please refer to the announcement.

(A) Consolidated operating results

Reporting period	Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Revenue	260,836 million yen
Operating profit	18,927 million yen
Profit before income taxes	21,567 million yen
Profit	18,806 million yen
Profit attributable to owners of parent	18,760 million yen

(B) Consolidated per share information

Reporting period	Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Basic earnings per share	387.36 yen

- (iii) The Company announced its 13th Medium-Term Management Plan on May 13, 2026. For further details, please refer to the announcement.

- (iv) The Company issued a "Notice Concerning Dividends of Surplus" on May 13, 2026. At the meeting of the Board of Directors held on the same date, the Company resolved that it plans to pay a year-end dividend for FY ended March 2026 of 127 yen per share. For further details, please refer to the notice.

- (v) The Company issued a "Notice Concerning Differences Between the Consolidated Earnings Forecast and Actual Results and Non-Consolidated Difference Compared to Previous Fiscal Year Results" on May 13, 2026. For further details, please refer to the notice.

II. Cancellation of treasury stock

At a meeting of the Board of Directors held today, the Company resolved to cancel a portion of the treasury stock held by the Company pursuant to Article 178 of the Companies Act. A summary of the cancellation of treasury stock is as follows:

1. Type of shares to be cancelled: Company's Common Stock
2. Total number of shares to be cancelled: all treasury stock acquired through the TOB
3. Scheduled date of cancellation: August 31, 2026

(Reference)

Treasury stock holdings as of March 31, 2026

Total number of issued shares (excluding treasury stock): 48,434,662 shares

Number of treasury stock: 3,621,868 shares

End of text.